






MiSUMi

INTEGRATED REPORT 2026

Editorial Policy

Editorial Policy

MISUMI Group Inc. has published Integrated Report 2026 to help a broad range of stakeholders in Japan and overseas understand how the Group creates value and the path it will take to achieve growth. By presenting financial and non-financial information as an integrated narrative, the report aims to clearly communicate our initiatives to realize Growth Chain-reaction Aspired Management.

In preparing this report, we referred to guidelines including the IFRS Foundation's International Framework and the Ministry of Economy, Trade and Industry's Guidance for Collaborative Value Creation 2.0. This report presents an overview of value creation, while the Annual Securities Report and our corporate website provide detailed financial and non-financial data. Reading these materials together will provide a deeper understanding of MISUMI. The report is structured to present an overall view of management at the beginning, followed by detailed explanations in each section.

In preparing this report, we conducted a series of interviews with management and relevant departments and reported the contents to the Board of Directors.

Reporting period

FY2025, from April 1, 2025 to March 31, 2026. The report also includes certain information on activities from April 2026 onward.

Reporting scope

MISUMI Group Inc., its consolidated subsidiaries, and equity-method affiliates.

Cautionary statement regarding forward-looking information

Statements in this report concerning future performance forecasts, the business environment, and other forward-looking matters are based on information available to the Group at the time of preparation. These forecasts and projections involve risks and uncertainties, and actual performance and the business environment may differ from the statements contained in this report.

Corporate Website and Reports

Shareholder and investor information

https://www.misumi.co.jp/english/ir



Sustainability

https://www.misumi.co.jp/english/esg



Corporate governance

https://www.misumi.co.jp/english/esg/governance



Securities reports

https://www.misumi.co.jp/ir/library/financial_report

(Japanese only)



On the Publication of Integrated Report 2026

In April 2026, Arata Shimizu assumed the position of Representative Director and President of MISUMI Group Inc., and the Company began advancing toward its next stage of growth under a new management structure. In response to requests for a more concrete explanation of the certainty of growth, Integrated Report 2026 significantly expands the disclosures provided last year. Beginning with the President's Message, the report explains the three growth strategies of Global Expansion, Digital MODEL Shift, and Entry into Growth Industries in conjunction with their implementation on the front lines. It also organizes the six capitals as capabilities supporting medium- to long-term enhancement of corporate value and significantly expands disclosure on governance initiatives designed to increase effectiveness.

I affirm that the process used to prepare this report and its contents are appropriate. We will use this report as a starting point for dialogue with stakeholders and continue working to sustainably enhance corporate value through active engagement.

Senior Corporate Officer and CFO;
Representative, Finance Platform Hub

Toru Takanami

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Highlights of Integrated Report 2026

1. President's Message — Launch of the New Management Structure

President Arata Shimizu, who took office in April 2026, redefined MISUMI's role as "Driving Monozukuri Innovation" as the industry reaches an unprecedented turning point with advances in AI. From an infrastructure provider supplying parts to manufacturers, MISUMI aims to help shape the future of Monozukuri. He explains the thinking behind this new direction, advancing Monozukuri through both digital and physical capabilities.

P10-13

2. Special Feature: Three Growth Strategies

MISUMI has established Global Expansion, Digital MODEL Shift, and Entry into Growth Industries as the three pillars of its growth strategy. As AI changes customers and industrial structures, this feature outlines the market opportunities each strategy seeks to capture and how they will contribute to sustainable growth. It then explains the aims and progress of each strategy.

P21-27

3. Diverse Capabilities

Diverse capabilities underpin the execution of MISUMI's growth strategies. This year's Intellectual Capital section details its DX and AI strategy from the perspectives of customer experience and digital infrastructure. Human Capital presents efforts to build an organization that turns diversity into strength, including a roundtable discussion. Management Foundation explains efforts to strengthen governance through the framework for appointing and dismissing the president and improvements in Board effectiveness.

Intellectual Capital P32-37 Human Capital P40-46
Management Foundation P55-73

Introduction

Driving Monozukuri Innovation

We are living in an era of rapid change. Transformations that once unfolded over years now take place in a matter of months. As AI advances and new growth industries emerge, the world of Monozukuri has reached an unprecedented turning point.

MISUMI will change. From providing the parts-supply infrastructure for manufacturing to transforming Monozukuri itself. Building on the strengths that have enabled us to eliminate waste from manufacturing processes, we will lead the next wave of Monozukuri innovation.

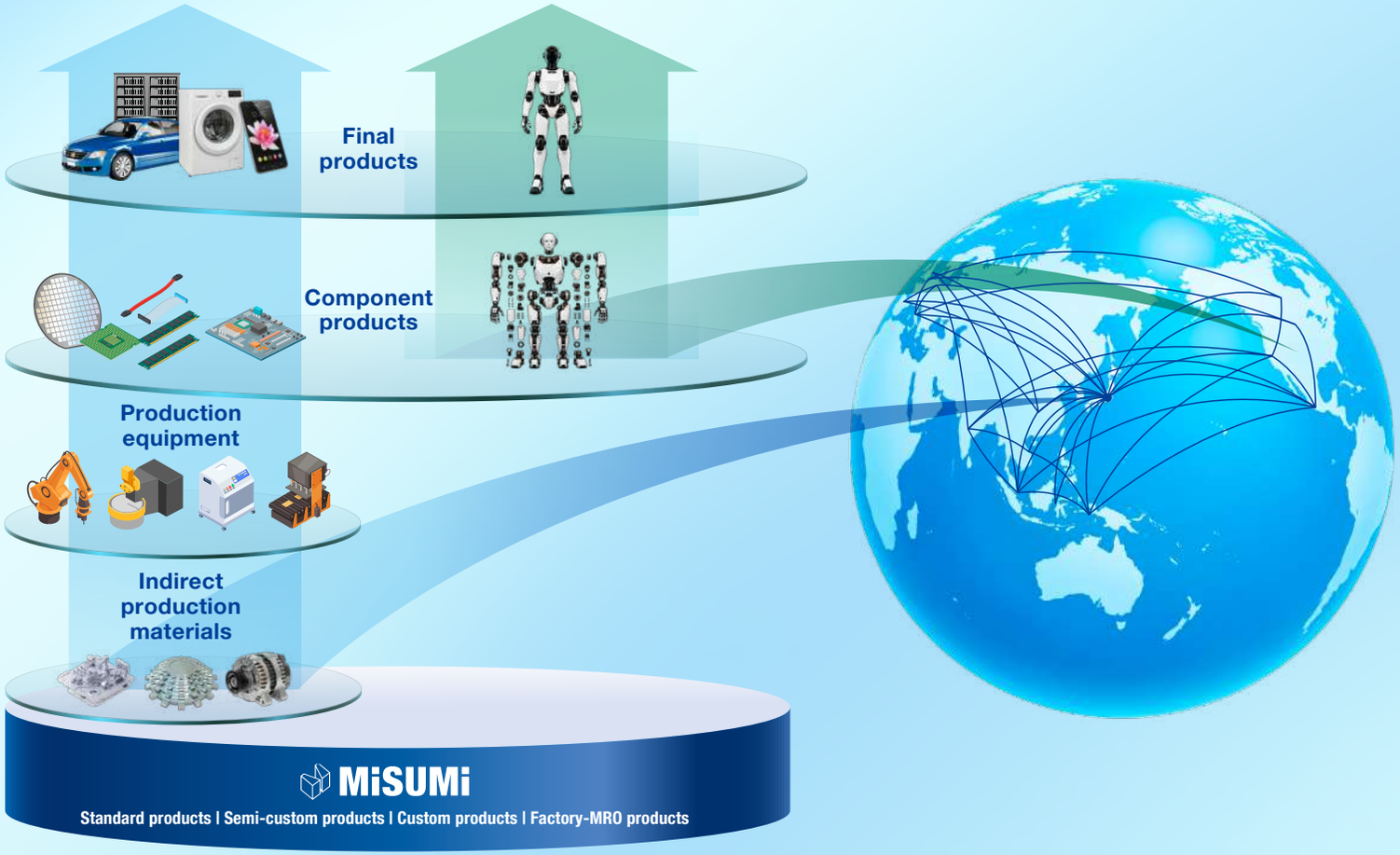
Product development capabilities that unlock new possibilities in Monozukuri.
Digital services that take the burden out of Monozukuri.
Solutions that bridge the digital and physical in Monozukuri processes.
Launch partnerships that support Monozukuri from 0 to 100.

By becoming a driving force behind the transformation of our customers' Monozukuri, we will bring greater freedom than ever before to Monozukuri operations around the world.

Introduction

What Does MISUMI Do?

Supplying Production Materials That Support Monozukuri Globally



MISUMI supplies production materials essential to Monozukuri. Final products such as automobiles and smartphones are made using production equipment. This is the area MISUMI has traditionally supported, supplying everything from mechanical components incorporated into equipment and machinery to Factory-MRO products, the supplies and consumables used on manufacturing floors. Its product lineup spans standard, semi-custom, and custom products.

MISUMI is now expanding the scope of what it provides. It now also handles custom parts that require complex shapes and advanced machining and are incorporated into final products themselves, such as humanoids. From supplying parts for production equipment to supporting the development of final products, MISUMI is evolving to support Monozukuri more broadly.

Introduction

What Value Does MISUMI Provide?

Innovating Customers' Monozukuri Processes through DIGITAL to PHYSICAL

We digitalize design, selection, procurement, and ordering, and ultimately deliver value in physical form.
In the AI era, MISUMI's role is to seamlessly connect the digital and the physical.

Challenges to Date

- Effort required to prepare drawings
- Effort required to obtain quotations
- Waiting time
- Declining working-age population
- Working-hour regulations

DIGITAL

Complete everything from design to ordering on one platform

- **Design**: Support design through e-Commerce and other services
- **Selection**: Select products from standard to custom easily and quickly
- **Procurement**: Streamline comparison, quotations, and purchasing online
- **Ordering**: Place orders smoothly with one click

PHYSICAL

Virtually unlimited product variations

Production system supporting high-mix, variable-volume demand



Five-region global production system

Production at 22 sites across five regions: Japan, China, Asia, the Americas, and Europe



Resilient logistics network

Built to withstand demand fluctuations and geopolitical risks; on-time delivery rate of 99.5%



Intellectual Capital P32-37 Manufacturing Capital P38-39

Introduction

How Will MISUMI Grow?

Expanding Our Business Domain “Deeper, Broader, and Further Ahead” through Three Growth Strategies

Through three growth strategies, MISUMI will expand the scope of business with existing customers (deeper), reach new customers and markets (broader), and extend its business domain into growth industries (further ahead). In September and October 2026, MISUMI made two strategic investments to support sustainable business growth.

Three Growth Strategies

1 Global Expansion
Localize products, production, and organizations to meet differing customer needs in each region

2 Digital MODEL Shift
Use digital technologies to transform business processes related to design, procurement, and production

3 Entry into Growth Industries
Expand into new areas such as data centers and agritech to broaden business opportunities

Expected Growth Outcomes

Translate broader customer reach, markets, and value propositions into sustainable business growth

Customer base
Expand the scope of purchases by existing customers and establish connections with new customers

Business domain
Expand coverage from standard to custom products and from product development to mass production

Two Strategic Investments to Accelerate Access to Growth Markets and the Creation of Business Opportunities

MISUMI Imprint Foundation

Talent Development Fund

October 2026
Launch of the MISUMI Group’s first foundation

US$2 million

Launched as a seed investment fund to support engineering education, manufacturing programs, and industry-academia collaboration in the United States. As AI expands from software into hardware, demand is growing in the U.S. for engineers capable of advanced design and fabrication. MISUMI will also invite its Sourcing Partners to co-invest, and through this fund will help develop the next generation of engineers and other talent.

MISUMI Venture Capital Fund I, LP

Investment Fund

October 2026
Co-creation with next-generation manufacturing startups

US$50 million

In the North American market, industrial innovation is accelerating in fields that will lead to next-generation Monozukuri, including frontier hardware, robotics, aerospace, medical technology, clean energy, eVTOL (electric vertical take-off and landing aircraft), automation, and industrial AI. Against this backdrop, we will make strategic investments in promising startups creating new value. By also providing the services MISUMI has developed over more than 60 years, we will support companies creating the products and technologies that will shape the future of Monozukuri.

Growth Strategy P22-27 Financial Capital P47-49

Introduction

How Will MISUMI Capture Growth Opportunities?

Opening Up Growth Areas through Agile Capital Allocation

Drawing on a strong financial foundation underpinned by high profitability and cash generation, MISUMI has established a growth investment framework for the next three years. We will identify and invest in markets and businesses with growth potential to sustainably enhance corporate value.

Investment Policy for FY2026–FY2028

Growth investment framework

Up to JPY 150 billion

Strategic investments

M&A / capital and business alliances, etc.

Organic investments

Capital expenditure for data centers and humanoids / Investment in DX and AI / Strengthening the supply chain, etc.

Recent Key Initiatives

M&A

Entry into growth areas / Expansion of the business foundation



Acquisition of Fictiv in June 2025

Capital and business alliance

Collaboration with external partners / Strengthening product supply and development capabilities



Capital and business alliance with Oishii Farm in March 2026

Capital expenditure

Additional investment in automated positioning stages



Expansion of automated positioning stage production in January and July 2026

Financial Capital P47-49

Introduction

What Drives Value Delivery?

Organization and Decision-Making That Strengthen Dynamic Capabilities

To respond swiftly to changes in the business environment and achieve sustainable growth, MISUMI Group reorganized in October 2025 into a structure in which four functions (hubs) work together.
By bringing together information, talent, knowledge, and resources across the Company and jointly renewing its management team structure, Business Plan System, and talent system, MISUMI is strengthening the effectiveness of its strategies.

Background : Urgent need to respond to changes in the global environment

- Diversifying customer needs
- Intensifying market competition
- Technological advances
- Increasing supply chain complexity

Cross-organizational challenge

As environmental changes become more complex and rapid, information, talent, knowledge, and resources must be leveraged across organizational boundaries

Toward a multi-network organization

Responding to Change : Connecting the Company's Strengths to Execute Strategy

Drivers of change | Customer needs / markets / technology / supply chains / others

Organization

Cross-organizational collaboration among four hubs

Strengthen Company-wide coordination through management teams led by Supervising Officers

Give hub leaders sufficient authority and discretion

Business Company
Global business axis

Model Development Hub
Development of new models

Collaboration among hubs

Region Hub
Points of contact with customers and markets

Platform Hub*
Company-wide shared functions and systems

* Responsible for IT, infrastructure, and corporate functions

Strategy

New Business Plan System
Shift from plans centered on a single year to medium-term plans revised in response to change

Two-year commitment | Market-relative evaluation | Rolling forecasts | Strategic discussions and management meetings | AI-based performance forecasts

Execution

Talent system / Enabling employees to take on challenges and grow

Next Challenge program | Reform of evaluation and remuneration systems | Training to improve literacy

Aspirations

- Organization: Bring together Company-wide capabilities to respond to environmental change
- Strategy: Clarify accountability for execution through a two-year commitment
- Execution: Employees' challenges drive growth

Human Capital P40-46 Financial Capital P47-49 Management Foundation P55-73

Introduction

Financial and Non-Financial Highlights (FY2025)

Financial Highlights

Net Sales
JPY 441,383 million
+9.8% YoY

Operating Income
JPY 47,613 million
+2.4% YoY

Operating Margin
10.8%
-0.8pt YoY

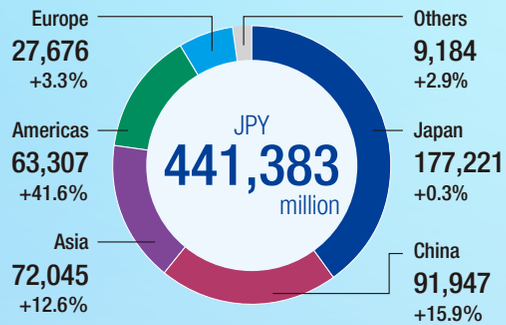
Ordinary Income
JPY 49,095 million
-1.6% YoY

Net Income
JPY 40,457 million
+10.7% YoY

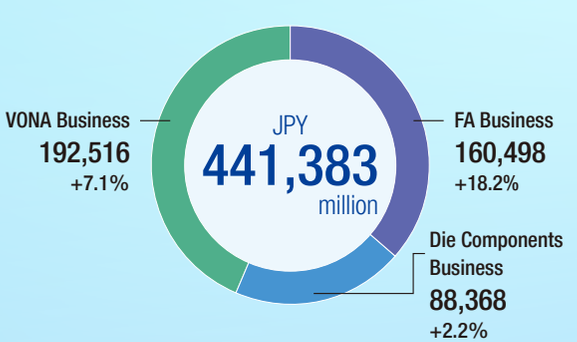
Capital Expenditure
JPY 14,288 million
-7.4% YoY

Earnings per Share (EPS)
JPY 149.30
+13.1% YoY

Net Sales by Region / YoY Change (JPY million)



Sales by Segment / YoY Change (JPY million)

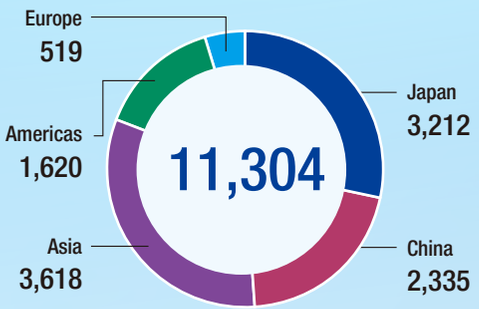


Non-Financial Highlights

CO_2 Emissions (Scope 1+2)
18 kt-CO_2
-72.3% vs. FY2020

CO_2 Emissions (Scope 3)
1,654 kt-CO_2
+18.3% vs. FY2020

Number of Employees (as of March 2026)
Consolidated : 11,304



Management Message

President's Message



Representative Director
and President

Arata Shimizu

Advancing Monozukuri through Digital and Physical Capabilities

Driving Monozukuri Innovation

Since becoming President in April 2026, I have continually asked myself what role MISUMI should play for society and our customers in the years ahead. While we must continue to fulfill our responsibilities to society, we cannot build MISUMI's future simply by extending the success of the past. As we look toward our next stage of growth, I believe the time has come to reexamine our purpose.

MISUMI has grown by pursuing "Customer's Time Value" and eliminating waste and inefficiencies from customers' Monozukuri processes. By transforming conventional procurement, pursuing Reliable and Quick Delivery, and embracing digital technologies, we have enabled customers to devote more time to creative, higher-value work. Creating Customer's Time Value is where MISUMI began.

At the same time, advances in AI have brought the Monozukuri industry to an unprecedented turning point. Existing industries are being reshaped, the way companies create value is changing, and new industries such as robotics and humanoids are emerging. Against this backdrop, MISUMI must redefine its role. I want to take the creation of Customer's Time Value to a new level and make MISUMI a company that changes not only Monozukuri processes, but the very nature of Monozukuri itself.

We have therefore redefined our role as "Driving Monozukuri Innovation." By adding AI and technology to our strengths in business process transformation, we are set to greatly expand the scope of that transformation. MISUMI will move beyond serving as a parts-supply infrastructure that delivers what manufacturers need, to become a company that drives the future of Monozukuri. We deliberately use "Monozukuri" rather than "Manufacturing" because our ambition extends beyond transforming individual functions or processes. The goal is to fundamentally reshape the entire value chain, from concept and design through procurement and production to market delivery. MISUMI will take on the challenge of Monozukuri innovation that goes beyond incremental efficiency and improvement.

What I think about most is how far AI can amplify the strengths MISUMI has built over many years. The value we deliver and the capabilities that support it have been built through years of continuous practice and innovation. By combining AI with this foundation, we can elevate both the quality and the reach of that value. As President, my responsibility is to unlock the full potential of these strengths while building on MISUMI's legacy of MODEL Innovation and its spirit of challenge.

Management Message

AI Is Transforming the Industrial Structure

I view the changes now being driven by AI as an industrial transformation comparable to the spread of the Internet some 30 years ago. Looking only at developments such as generative AI risks overlooking the broader significance of what is happening. The real transformation is that AI is beginning to reshape the structure of industry itself.

As AI advances, core industries such as semiconductors and data centers are expanding, giving rise to new markets in fields such as robotics and humanoids. These developments are beginning to transform the way companies operate and the very nature of Monozukuri. This transformation extends across every Monozukuri process, from design and procurement to production and logistics. Its impact extends far beyond improving the efficiency of individual tasks. As data connects the entire process, it will accelerate execution, enhance productivity, transform decision-making, and ultimately lead to the redesign of industry itself. I believe this transformation will be a defining factor in industrial competitiveness in the years ahead.

Numerous uncertainties remain, including tariff policies, geopolitical risks, and market fluctuations, and the business environment offers little room for short-term optimism. Yet in an era when changes that once unfolded over years now occur within months, allowing uncertainty to distract us and stall transformation would mean missing opportunities for growth. We must therefore continue investing and transforming our businesses with a view to long-term structural change, even as we respond to immediate developments. We cannot wait for the path ahead to become clear. We must make decisions amid change itself.

The industrial transformation now underway is not a threat, but our greatest opportunity for growth. MISUMI has grown by identifying inefficiencies and waste in business processes and replacing them with new mechanisms. As AI transforms the world, opportunities are emerging to reach new customers, enter new markets, and create new value. Our task now is to embrace this change and build the next MODEL.

Turning Change into Opportunity with Our Accumulated Strengths

We began laying the groundwork before AI opened the door to a new era. Over the past several years, MISUMI has completely renewed its core systems, completing deployment across 13 countries and regions, including Japan, this fall. This has established a foundation that can connect flexibly and securely with external systems and AI. We are also developing people who can solve problems across the boundaries of business and IT. This AI-ready foundation provides the platform for our next transformation.

Through continuous MODEL Innovation and the development of this foundation, we now serve more than 339,000 customers worldwide and have built a global supply network with approximately 4,000 Sourcing Partners. Our capabilities extend far beyond receiving orders digitally. We also possess the physical operating



capabilities to turn those orders into products and deliver them to customers worldwide with consistent quality. This digital-to-physical model, seamlessly integrating digital technologies, manufacturing, procurement, and logistics, is the source of MISUMI's competitive advantage.

We are now in a position to translate these strengths into our next phase of growth. By connecting our customer base, products, data, manufacturing capabilities, and supply network more closely, we will convert these resources into greater customer value. Significant room for growth still lies ahead.

The integration of U.S.-based Fictiv, which we acquired in June 2025, is another important step in unlocking this potential. The true value of the acquisition lies in accelerating the growth of both companies by combining Fictiv's digital manufacturing platform, AI technologies, and diverse talent with MISUMI's product strength, supply capabilities, and global network. The United States is a center of innovation, accounting for approximately 60% of global R&D investment, and new players continue to emerge in fields such as robotics, medical technology, and agritech. We see significant growth potential in this market. This is why we appointed Fictiv co-founder Dave Evans as President of MISUMI Americas Business Company* in March 2026. By bringing together the strengths and cultures of both companies, we are building the capability to meet customers' diverse Monozukuri needs through a single digital platform. We will harness this momentum to capture global growth opportunities and create new value that will help shape the future of Monozukuri.

* "MISUMI Americas" refers to MISUMI Americas Business Company, MISUMI's U.S. subsidiary.

Management Message



Realizing the Next Stage of Growth through Three Growth Strategies

To convert industrial transformation into sustainable growth, we have organized our growth strategy around three pillars: Global Expansion, Digital MODEL Shift, and Entry into Growth Industries. By advancing these strategies in concert rather than separately, we will expand MISUMI's business domain in three directions: regions, processes, and industries.

Pillar 1: Global Expansion

MISUMI already operates around the world, yet the global Monozukuri market remains vast. Many regions and customers have yet to benefit fully from the value we can provide.

What matters in global expansion is not simply replicating the model that succeeded in Japan. We must understand the distinct industrial structures and customer needs of each region and operate in the way best suited to each market. Guided by "Think Global, Act Local," we will combine a common management foundation with local agility.

Among the overseas markets in which MISUMI operates, the United States is one region where we see significant growth opportunities. In this market, where new Monozukuri industries continue to emerge, we believe there is substantial room for growth by combining the customer bases and complementary strengths of MISUMI and Fictiv.

In China, we will further deepen our local-for-local operations. Across Asia, including India and Vietnam, we will expand customer touchpoints and business coverage. We intend to develop our local subsidiaries in India and Vietnam into businesses with net sales exceeding ¥10 billion each. We view ¥10 billion not as a destination, but as a milestone toward further growth.

In this way, we will combine MISUMI's shared strengths with local agility, allocating the necessary talent and management resources appropriately to maximize growth in each region and drive the growth of MISUMI as a whole.

Pillar 2: Digital MODEL Shift

Our goal is to reshape the entire process, from design and procurement through production and logistics, and transform how our customers approach Monozukuri. By integrating customer touchpoints, data, manufacturing capabilities, and the supply chain, we will deliver the value customers need with greater reliability and speed.

Digitalization is advancing rapidly across Monozukuri. Yet consistently delivering high-quality products still depends on strong physical capabilities. This is why our digital and physical capabilities must advance together.

Our investments in AI and DX are also steps toward this goal. We will invest not only to improve efficiency, but also to transform the customer experience and create new value. Together with our customers, we will help shape the next era, not simply as a parts supplier, but as a company that transforms Monozukuri.

Pillar 3: Entry into Growth Industries

MISUMI has grown alongside markets that have supported Japan's industrial competitiveness, particularly the automotive and electronics sectors. These established markets will remain an important foundation for our growth.

At the same time, advances in AI are poised to transform the industrial structure itself. AI-driven growth industries such as semiconductors, data centers, energy, robotics, humanoid robots, aerospace, and agritech are emerging in rapid succession, and the companies leading these fields are beginning to shape the future of Monozukuri. In these areas, competitiveness depends heavily on how quickly products and services can progress from concept through prototyping and validation to market launch. We aim to serve as a "launch partner," working closely with customers as they bring new products and services to market. Drawing on the product strengths, supply capabilities, digital technologies, and global network we have built over many years, we will support customers from concept and development through market launch, enabling them to focus on bringing their innovations to life.

We will support the growth of new industries while building on the strengths we have developed in established markets. I am convinced that expanding our business domain through these two complementary approaches and contributing to the transformation of Monozukuri worldwide will drive MISUMI's next phase of growth.

Management Message

The Growing Importance of People in Driving Transformation

Ultimately, people will execute the three growth strategies outlined above. I believe that precisely because we are in the age of AI, the value of people will only increase. Even as AI takes over many tasks, people will continue to identify the issues to address and determine the value to create. Technology alone does not produce innovation. People who discern change, form hypotheses, and continue taking on challenges are the source of corporate growth.

This is why I remain committed to fostering a culture in which "MODEL Innovation is the mission of every employee." MISUMI's competitiveness has been built on the efforts of our people to understand customers' challenges, anticipate change in the external environment, and continually ask what should be changed next and what new value can be created. I believe that combining the spirit of challenge we have upheld since our founding with new technologies will be the driving force that turns change into growth opportunities. As President, it is my responsibility to make MISUMI "The Best Place to Grow," where every employee can grow through challenge.

To realize innovation, MISUMI will place greater emphasis than ever on expertise. Transforming Monozukuri requires more than performing well within existing frameworks. The people who will drive MISUMI forward are those who take on challenges with no ready answers and forge their own path forward.

The localization of talent is also essential to our global expansion. The people who best understand the markets and customers in each country are those working directly with them in those regions. Guided by shared global values and quality standards, I want each region to grow autonomously and become a driver of value creation. By fully embracing "Think Global, Act Local," we will remain a company where people around the world can thrive.

Commitment to Long-Term Growth

In FY2025, MISUMI achieved record-high net sales of ¥441.3 billion and operating income of ¥47.6 billion. For FY2026, we are targeting further record highs, with net sales of ¥532.0 billion and operating income of ¥67.0 billion.

In the near term, we expect a highly uncertain business environment to persist due to tariffs, geopolitical risks, and market fluctuations. Over the medium to long term, however, AI is driving a major transformation of the industrial structure, creating new markets and business opportunities. We must capture this structural change and translate it into stronger growth and profitability.

To achieve this, we will make effective use of the capital entrusted to us by investors while maintaining a robust financial foundation. To generate growth and returns exceeding our cost of capital, we have established a growth investment framework of up to ¥150.0 billion over the next three years. Guided by our three growth strategies, we will allocate capital to areas that can generate future growth in net sales and profit. Rather than pursuing scale for its own sake, we will invest based on a careful assessment of market growth potential and the value MISUMI can provide, balancing our commitment to sustainable growth with investment discipline.



At the same time, we regard balancing growth investment with shareholder returns as part of management's responsibility. The introduction of a progressive dividend clearly demonstrates that commitment. While continuing to invest in the future, we will steadily improve profit and EPS and share the value created through growth with our shareholders.

We also intend to deepen our dialogue with investors. The business environment is changing rapidly and requires flexible management decisions. We therefore do not believe that setting and disclosing fixed numerical targets several years ahead, as in a conventional medium-term management plan, is necessarily the best approach. At the same time, we will clearly communicate our priority markets and approach to capital allocation and provide a clear medium- to long-term direction for growth and shareholder returns.

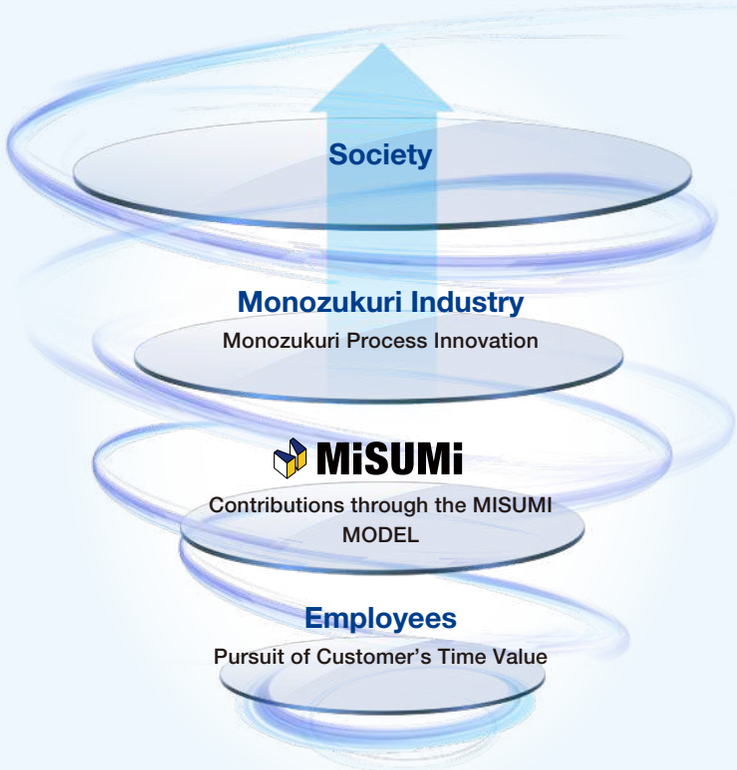
I believe MISUMI has significant growth potential that has yet to be fully realized. By combining our customer base, supply chain, data, digital capabilities, and Monozukuri expertise, we can chart a fundamentally different trajectory of growth.

It is not enough simply to speak about this potential. We must translate the strategies we have set out into tangible results in net sales, profit, ROE, EPS, and shareholder returns. We will transform Monozukuri ourselves and demonstrate that transformation through growth, profitability, and returns. That is my promise as President to our shareholders and investors. I invite you to look forward to MISUMI's next stage of growth.

Value Creation Narrative

MISUMI's Growth Chain-reaction Aspired Management / MISUMI Value's

With employees' challenges as the starting point, MISUMI seeks to realize Growth Chain-reaction Aspired Management, enabling MISUMI, its customers, and society to grow together.



Aspired Management Style

Employees' challenges are the starting point.

By continually pursuing the next challenge, we accelerate MISUMI MODEL Innovation.

In-house Initiatives

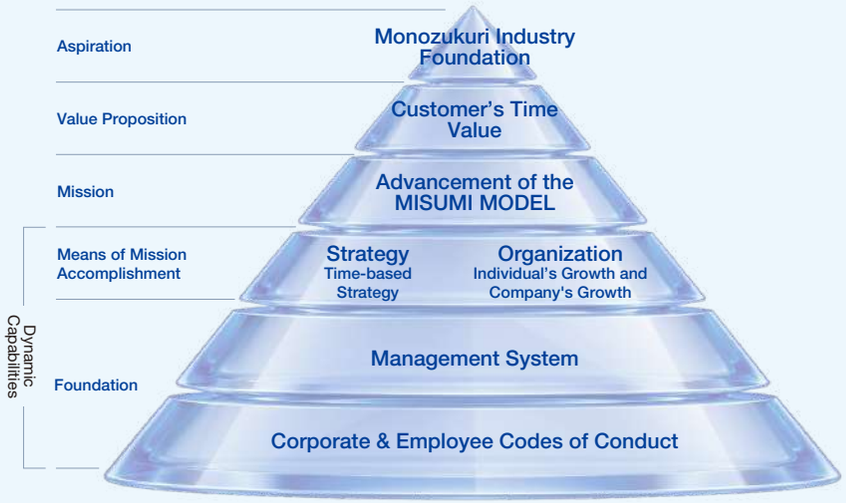
Enhancing Customer's Time Value through continuous MODEL Innovation
- Reliable and Quick Delivery
- Reducing customers' time and effort

Initiatives Supporting Customers' Industries

MODEL Innovation across every customer process, from product development and equipment manufacturing through mass production

Contributing to Society's Sustainable Development

Advancing process innovation across the Monozukuri industry to accelerate the transition to a circular economy



Monozukuri Industry Foundation

The Monozukuri industry is essential for the sustainable development of society. By serving as the Industrial Foundation for Monozukuri, MISUMI drives innovation in its customers' Monozukuri processes, thereby maximizing their Time Value.

Customer's Time Value

Faster, more accurate, and more efficient. MISUMI upholds a customer first approach centered on maximizing Time Value, encapsulated in our tagline "Your Time, Our Priority." We provide two forms of Time Value: Reliable and Quick Delivery and reduction in customers' workload, through Monozukuri process innovation, enabling customers to focus on higher value-added activities.

Advancement of the MISUMI MODEL

All MISUMI employees are committed to continuously refining our unique business model to achieve MISUMI MODEL innovation which provides greater Time Value to our customers.

Dynamic Capabilities (Adaptability to Change)

Dynamic Capabilities (Adaptability to Change) are the organizational mindset and capabilities required of MISUMI and its employees to sustain Growth Chain-reaction Aspired Management amid global changes in the structure of the Monozukuri industry and in social issues. To adapt to changes in the external environment and maintain and strengthen our competitive advantage, we enhance three capabilities: sensing broadly, seizing accurately, and transforming rapidly.

Strategy and Organization

Strategy We continuously develop and advance our Time-based Strategy. By focusing on inefficiencies hidden in the Monozukuri industry's business processes and eliminating them through the lens of time. We are refining our approach to mass customization by fully leveraging digital technologies, enabling us to respond to customer needs with a level of ease and reliability that closely mirrors the experience of selecting a standard product.

Organization Employees are expected, above all, to … ('Individuals' Growth'), which leads to MISUMI MODEL innovation and greater Time Value ('Company's Growth').

Management System

To sustain our Growth Chain-reaction Aspired Management, we continue to enhance our global Dynamic Capabilities, our adaptability to change. We will enhance both the quantity and quality of individuals' challenges globally and bolster our prospects for success.

Corporate and Employee Code of Conduct

We have structured our codes of conduct into two frameworks: The Corporate Code of Conduct, which defines the behaviors expected of MISUMI as a corporate entity, and the Employee Code of Conduct, which specifies the principles and behaviors expected of each officer and employee.

Value Creation Narrative

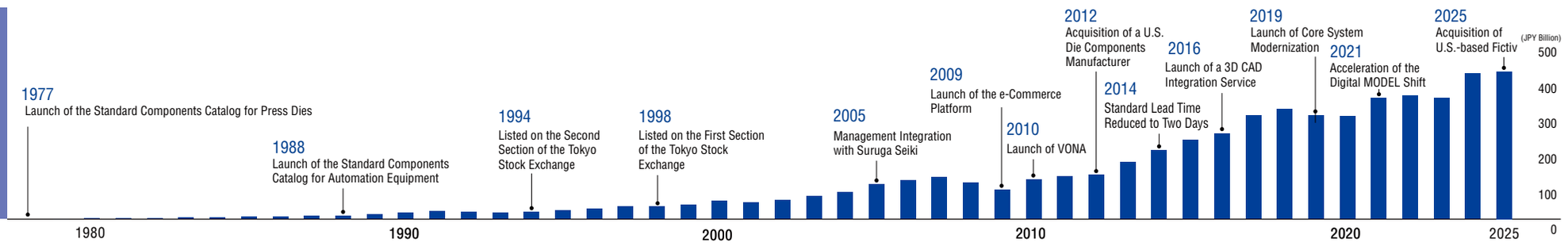
The Evolution of Value Creation — Six Transformational Turning Points

Since its founding, MISUMI has addressed the challenges facing Monozukuri sites in each era and contributed to improving customer productivity.
By innovating its Business MODEL in response to changes in the external environment, MISUMI has created an environment in which customers can focus on higher-value-added activities, leading to new value creation.

Changes in the External Environment	**For mechanical components, drawing-based ordering was the norm** Preparing drawings, obtaining competitive quotations, and accepting long lead times were standard procurement practices.	**Factory automation (FA) advanced in earnest** and demand for components used in automation equipment expanded rapidly.	**Global competition intensified** making short lead times and low costs essential to competitiveness.	**The digitalization of purchasing activities advanced** raising expectations for greater efficiency and convenience in online component procurement.	**As design and procurement became increasingly digital and chronic labor shortages persisted at Monozukuri sites** an integrated system covering the process from design through procurement became essential.	**Advances in generative AI are transforming industrial structures** making speed to market a source of competitiveness.
MISUMI Turning Point	**1 Standard Components** 1977  MISUMI standardized and cataloged die components, enabling customers to order simply by specifying a part number and transforming conventional procurement practices.	**2 Standard Components for Automation Equipment (FA)** 1988  MISUMI extended the standardization expertise developed for die components to components for automation equipment, expanding the scope of its business.	**3 Establishment of MTO*1 / In-house Manufacturing** 2005-  MISUMI shifted to an in-house production structure and established mass customization, enabling quick-lead-time delivery from a single unit despite a Make-To-Order (MTO) approach.	**4 Development of an Online Procurement Platform** 2009 EC / 2010 VONA*2  MISUMI built an e-Commerce platform and began offering third-party branded products through VONA, creating a one-stop process from product search to ordering.	**5 Digital MODEL Shift** 2013 D-JIT / MISUMI flow / fictiv / MISUMI economy / meviy MISUMI developed new Business MODELs leveraging digital technologies and transformed Monozukuri workflows by digitally connecting design, quotation, ordering, and production.	**6 AI-ready** 2024  MISUMI is implementing AI across design, procurement, and production while expanding the value it provides to fields that support physical AI.
Value Proposition	**Reduced drawing preparation and quotation workloads.** Standardization shortened the time required for design and competitive quotations.	**Achieved stable supply.** MISUMI reduced the risk of production stoppages caused by stockouts and provided an environment for reliable procurement.	**Expanded digital procurement and the product range,** reducing the burden of searching for and selecting suppliers.	**Transformed Monozukuri by digitally connecting design,** Procurement, and production to create a seamless end-to-end procurement process	**Taking Monozukuri to the Next Stage.** MISUMI is advancing Monozukuri as a whole, from launching new products and businesses to enhancing production sites.	

Making Monozukuri Faster and More Reliable. Through process innovation, MISUMI creates time for customers to focus on higher-value-added work.

Revenue Growth

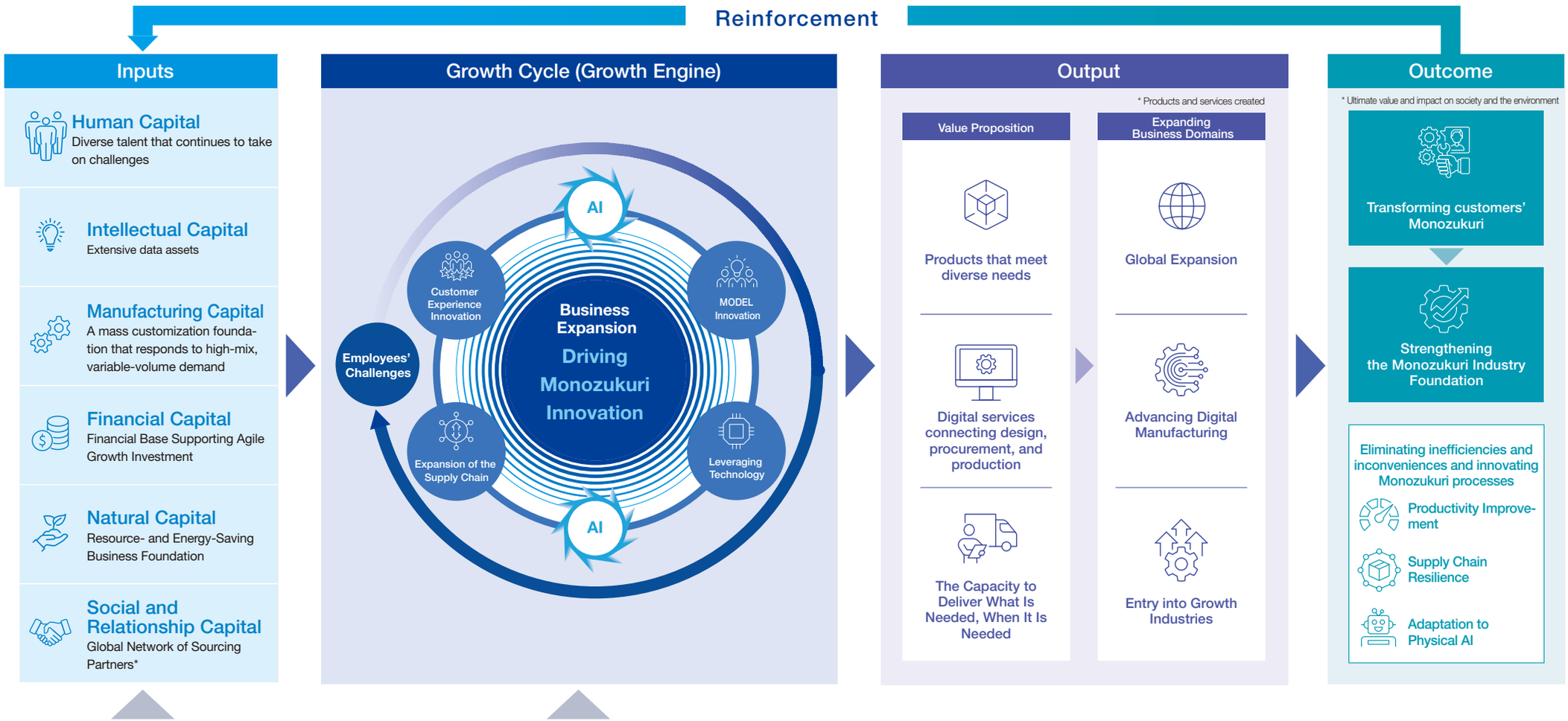


*1 MTO (Make-To-Order): Products manufactured to order. By standardizing mechanical components that would otherwise be custom-made, customers can complete an order simply by selecting the required dimensions and specifications. Part-number ordering eliminates the need for drawings, while component dimensions can be specified down to the micron level. The number of available product variations reaches 80 sextillion (80 billion times one trillion).
*2 VONA (Variation & One-stop by New Alliance): A one-stop service providing components for production equipment, indirect manufacturing materials, Factory-MRO supplies (consumables), and products from both MISUMI and third-party brands.

Value Creation Narrative

Value Creation Process

At MISUMI, our diverse, challenge-driven people (human capital) draw on and strengthen the other five forms of capital.
We maximize the value of these capitals through a growth cycle built on four capabilities and AI, generating outputs and outcomes.



* Manufacturing and procurement partners that comprise MISUMI's product supply network

Value Creation Narrative

Accumulated Management Capitals

Alongside the growth of its businesses, MISUMI has built six forms of management capital that serve as sources of sustainable value creation. These forms of capital are essential to Driving Monozukuri Innovation and the execution of the three growth strategies.

Management Capital	Importance to MISUMI	MISUMI's Capital	Background to the Capital
Human Capital	Create new value propositions through employees taking on challenges to drive MODEL Innovation	• Greater internal mobility through the Next Challenge program [Internal mobility rate: 16% (Japan)] • Greater willingness to take on challenges through a multi-network organization with Dynamic Capabilities [Willingness to take on challenges: 83% (Japan)] • A foundation for developing AI-ready talent through learning and knowledge sharing across organizational and regional boundaries	• Intensifying competition for talent • Increasingly advanced and changing skill requirements • Need to align growth and talent strategies
Intellectual Capital	Leverage design and purchasing data, AI, and IT to support Monozukuri process innovation and the creation of new business opportunities	• The NEWTON core system, customer feedback, and design and purchasing data that enhance the customer experience and value provided • Creation of digital services through AI and digital technologies [IT investment: JPY 8.4 billion] • An AI-ready foundation supported by research and development and intellectual property [DX-related patents: 114]	• Changes in industrial structures driven by generative AI • Increasingly sophisticated and individualized customer needs • Accelerating competition in data utilization
Manufacturing Capital	Leverage a global production and supply network to achieve Reliable and Quick Delivery and mass customization	• Reliable and Quick Delivery through a global production and supply network [22 production sites and 21 logistics sites; on-time delivery rate: 99.5%] • Ability to accommodate high-mix, variable-volume demand through an AI/IT-optimized procurement system • Production and supply structure spanning five global regions	• Need for more sophisticated responses to demand fluctuations • Supply constraints and geopolitical risks • Declining workforce and working-hour regulations
Financial Capital	Support Business MODEL Innovation and investment in growth opportunities through a robust financial foundation and cash-generating capacity	• A financial foundation that enables agile growth investment [Equity ratio: 81.7%] • Investment capacity for executing M&A and capital and business alliances [Growth investment capacity: JPY 150 billion] • Earnings-generating capacity supporting Business MODEL Innovation [Operating income: JPY 47.6 billion]	• Need to improve capital efficiency • Investment needs for sustainable growth • Expectations for greater shareholder value
Natural Capital	Balance decarbonization and resource conservation with enhanced product competitiveness to contribute to sustainable business growth	• Advancement of decarbonization through energy generation, renewable energy, and energy conservation [GHG emissions: 72.3% reduction from FY2020] • Reduction of material loss and the environmental impact of packaging materials through production and logistics infrastructure that supports resource circulation • Management of chemical substances contained in products and compliance with international environmental regulations through capabilities for addressing product sustainability requirements	• Climate change and resource constraints • Environmental disclosure requirements • Transition to a decarbonized society
Social and Relationship Capital	Leverage the customer base and global supply network to strengthen the foundation of the Monozukuri industry	• A more resilient supply chain supported by a global customer base [Customers: 339,000] • Advancement of sustainable procurement through a network of 4,000 Sourcing Partners • Reduction of information asymmetry by strengthening relationships with diverse stakeholders [Dialogues with institutional investors and others: 537]	• Declining supply capacity due to business succession challenges • Increasing procurement uncertainty due to geopolitical risks • Demand for responsible procurement that takes human rights and environmental considerations into account

Note: Data are for FY2025.

Value Creation Narrative

MISUMI's Competitive Advantage Created by Combining Management Capitals

Our competitive advantage lies in how we combine our different forms of capital. A broad customer and market base provides diverse customer insights that strengthen our digital and intellectual capabilities.
A highly resilient supply chain integrating Digital and Physical capabilities further supports customers across the Monozukuri industry.

Customer and Market Foundation

Connecting with Monozukuri Sites of Every Kind Worldwide

Constituent Capitals

Social and Relationship Capital
- A Global Market Base of 339,000 Customers

Intellectual Capital
- Insights into Markets and Applications from Diverse Customer Touchpoints

Competitive Advantages Created

Capability to Respond to Diverse Customer Needs
Accurately identifying changing needs through extensive customer touchpoints

Capability to Expand into New Industries and Applications
Expanding into diverse industries and applications and continuing to open up new markets

Customer-Driven Value Creation Capability
Creating product and service value starting from customer challenges

Digital and Intellectual Foundation

A Mechanism That Leverages the Insights Gained and Turns Them into Value

Constituent Capitals

Intellectual Capital
- Core System NEWTON
- Customer feedback, design, and procurement data
- AI and digital technologies / R&D and intellectual property

Human Capital
- A Talent Development Foundation and DX Talent Supporting AI Readiness

Competitive Advantages Created

A Mechanism That Keeps Generating Data
Accumulating up-to-date data through digital services

A System Foundation Supporting the Monozukuri Industry
A core system that seamlessly connects customers and Sourcing Partners

Service Innovation Based on Customer Understanding
Identifying customer challenges and moving toward optimal proposals and the creation of new services

Supply Chain Foundation

Execution Capability Linking Production, Procurement, and Logistics

Constituent Capitals

Manufacturing Capital
- Global Production and Supply Network (22 Production Sites and 21 Logistics Sites)
- AI/IT-optimized procurement system

Social and Relationship Capital
- A network of 4,000 Sourcing Partners worldwide

Competitive Advantages Created

Reliable and Quick Delivery
Achieving immediate responsiveness to demand fluctuations and Reliable and Quick Delivery

Capability to Respond to High-Mix, Variable-Volume Demand
Meeting diverse needs through AI/IT and a global supply system

Resilient Supply Capability
Building and maintaining a stable global supply system

Three Foundations Driving the Transformation of Monozukuri

Value Creation Narrative

Materiality

Materiality Formulation Process

MISUMI revised its materiality in September 2025. The Sustainability Committee and other relevant bodies conducted extensive discussions on the relationship between the Company's strengths and societal issues, the risks and opportunities associated with its business activities, the connection to Growth Chain-reaction Aspired Management, and newly emerging themes. The revised materiality was subsequently approved by the Board of Directors. In September 2026, MISUMI further enhanced this framework by introducing indicators to measure progress and outcomes for each material issue and establishing a system for regular monitoring as part of its management processes.

STEP 1 Clarifying the Long-term Vision and Identifying Societal Issues

To clarify MISUMI's distinctive strengths, we articulated the relationship between materiality and Growth Chain-reaction Aspired Management, along with other key elements of our long-term vision. We then adopted a double materiality approach and created a matrix based on two axes: importance to achieving our long-term vision and societal issues that stakeholders expect MISUMI to address. Drawing on international frameworks and standards, including SSBJ, the GRI Standards, and the SDGs, we comprehensively identified relevant issues. Through a survey of Directors, Audit & Supervisory Board Members, and executives responsible for business execution, we identified 26 material issues and analyzed the associated risks and opportunities.

STEP 2 Incorporation of the Management Strategy and Materiality Formulation

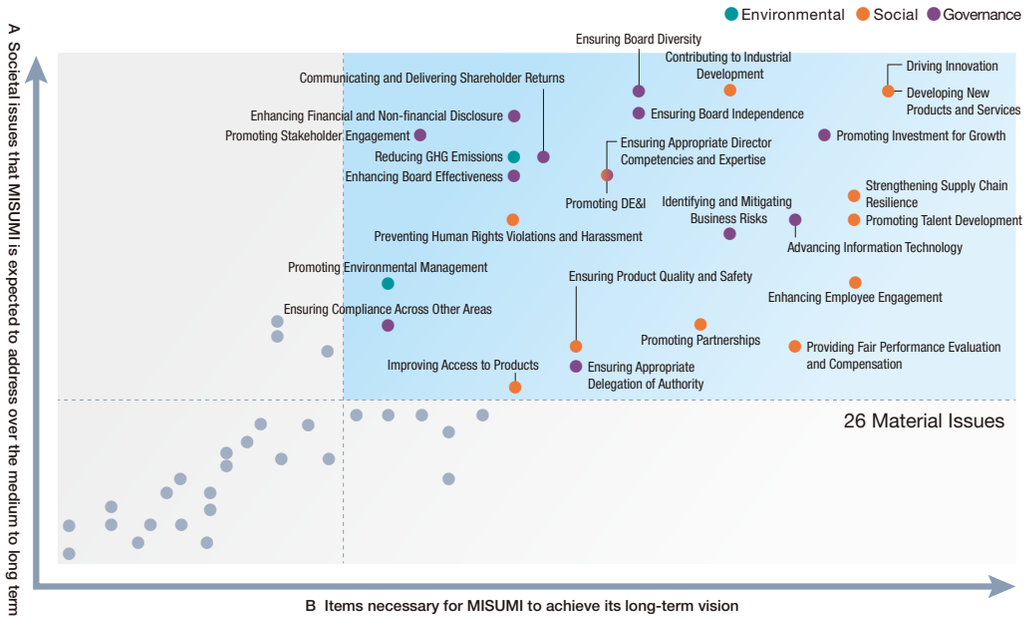
We incorporated key elements of our management strategy, including a management system designed to strengthen Dynamic Capabilities (adaptability to change), expansion into the product development domain, and efforts to reduce information asymmetry with stakeholders. The 26 identified issues and these strategic elements were then classified and structured using the value provision flow framework, resulting in the formulation of MISUMI's materiality, which was approved by the Board of Directors in September 2025.

STEP 3 Establishment of Progress and Outcome Measures

In the previous revision, we outlined our approach to indicators for each material issue and identified the development of specific measures as a priority for FY2026. Accordingly, in 2026, we established measures to track progress and outcomes for each material issue, shifting materiality from a statement of intent to an area of management focus.

Each measure is designed around the key themes of initiatives aimed at achieving the desired state, with methods for verifying progress tailored to the nature of each issue. Where progress can appropriately be measured using annual quantitative data, we have established KPIs. Where a single numerical measure would not adequately capture actual conditions, we instead define milestones that represent the intended outcomes of our initiatives. These themes, indicators, and annual progress are disclosed in an integrated manner. Progress is monitored by the Sustainability Committee and other relevant bodies and reported to the Board of Directors. The indicators themselves are not static and will be reviewed in light of changes in the business environment and ongoing dialogue with stakeholders.

Societal Issues Identification Matrix (Overview)



Materiality

The MISUMI Group's Materiality

Value Proposition	Providing Time Value to Meet the Demands of the Monozukuri Industry and Society
Products & Services	Monozukuri Process Innovation
Capabilities	Fostering an Organization That Maximizes Employees' Capacity to Take on Challenges and Dynamic Capabilities Strengthening Resilience in Global Supply Chains to Address Increasingly Diversified Risks
Foundation	Enhancing Corporate Value through Agile Management Systems and Advanced Governance Reinforcing a Sustainable Value Chain and Resilient Business Operations

Value Creation Narrative

Materiality Details and Progress

Materiality Management

	Materiality	Rationale for Materiality	Initiatives [KPIs]	FY2025 Progress [KPI Progress]
Value Proposition	**Providing Time Value in Response to the Needs of the Monozukuri Industry and Society**	MISUMI aims to serve as the foundation of the Monozukuri industry, which is essential for the sustainable development of society, and enhance Customer's Time Value ("Your Time, Our Priority"). MISUMI proactively addresses structural changes in the Monozukuri industry and global societal challenges, striving for growth that creates value in accordance with the expectations of both the industry and society.	Theme: Expanding the Customer Base in Global Markets	Number of Customers:339,000 companies Overseas Sales Ratio: 59.8% (+4 percentage points)
Products and Services	**Monozukuri Process Innovation**	MISUMI contributes through process innovation that eliminates waste and inefficiency hidden in business processes within the Monozukuri industry, using time as the key lens. MISUMI fully leverages digital technologies, including IT and AI, to transform its Business MODEL and extend it into new business domains. This distinctive approach reinforces MISUMI's sustainable competitive advantage. MISUMI also pursues profit growth to expand investment in future growth.	Theme: Expanding Digital MODEL Shift Results	Revenue : ¥64.2 billion (+81.6%) Share of Consolidated Revenue : 14.5% (+5.7 percentage points)
Capabilities	**Building an Organization That Maximizes Employees' Ability to Take on Challenges and Adapt to Change**	For MISUMI, employees are its most important stakeholders. MISUMI is dedicated to fostering an environment in which every employee worldwide considers the Company The Best Place to Grow. The challenges embraced and growth achieved by employees strengthen MISUMI's Dynamic Capabilities, thereby increasing the Company's overall likelihood of success. Human Capital P40-46	Theme: Building an Organization and Environment Where All Employees Take On Challenges and Grow [KPIs (Group-wide)] (1) Localization of Overseas Subsidiary Presidents: 90% or higher by FY2030 (2) Percentage of Female Managers: 30% by FY2030 (3) Positive Response Rate for "Willingness to Take On Challenges" in the Engagement Survey: 90%	[KPIs] (1) 54.3% (2) 23.5% (3) Group-wide engagement survey scheduled for FY2026 Improvement literacy courses at MISUMI Japan: 330 participants (cumulative)
	Strengthening the Global Supply Chain in Response to Diversifying Risks	As risks surrounding global supply chains continue to increase, MISUMI prepares for unforeseen events by developing business continuity plans and establishing practical systems, enabling the Company to fulfill its supply responsibility to customers in the Monozukuri industry to the greatest extent possible.	Theme: Reliable and Quick Delivery and Strengthening/Expanding the Global Supply Network	On-Time Delivery Rate: 99.5% Strengthened collaboration with Fictiv's sourcing partners
Foundation	**Enhancing Corporate Value through an Agile Management System and Advanced Governance**	MISUMI strengthens its Dynamic Capabilities, its adaptability to change, to identify risks and opportunities in the external environment in a timely and appropriate manner and maximize the effective use of capital. To enhance disclosure and communication with stakeholders, the Company also works to reduce information asymmetry in capital markets and strengthen the independence, diversity, and expertise of the Board of Directors in response to corporate governance requirements. Corporate Governance P62-66	Theme: Advancing the Management System Strengthened Enterprise Risk Management (ERM)	Comprehensively overhauled the organization, decision-making, ways of working and talent development to enhance adaptability to change Established the Risk Management Committee (RMC) in May 2026
	Strengthening a Sustainable Value Chain and Ensuring Resilient Business Activities	To fulfill its responsibilities across the entire value chain, MISUMI conducts business activities that emphasize fundamental values, recognizing customers, suppliers, local communities, and employees as stakeholders essential to its sustainable growth. The Company also works toward carbon neutrality by reducing GHG emissions and improving resource and energy efficiency, while striving to reduce the environmental impact of products and services throughout their life cycles, from development to disposal. Natural Capital P50-52 Social and Relationship Capital P53-54	Theme: Advancing Initiatives to Reduce GHG Emissions [KPIs] (1) Reduce Scope 1 and 2 GHG emissions by 42% from FY2020 levels by FY2030 (2) Achieve carbon neutrality by 2050 Promoting Supply Chain Sustainability [KPIs] (3) By FY2028, obtain agreement to MISUMI's Sustainable Procurement Guidelines from all major global suppliers and promote awareness of the guidelines Promoting Product-Related Sustainability	[KPIs] (1) (2) 72.3% reduction from FY2020 levels (3) Reviewing target suppliers based on factors such as business continuity capabilities and transaction status (*Agreements obtained from 97% of major domestic suppliers (960 companies)) Promoting initiatives to respond to EU product-related sustainability regulations (CBAM, EUDR)

Special Feature: Growth Strategy

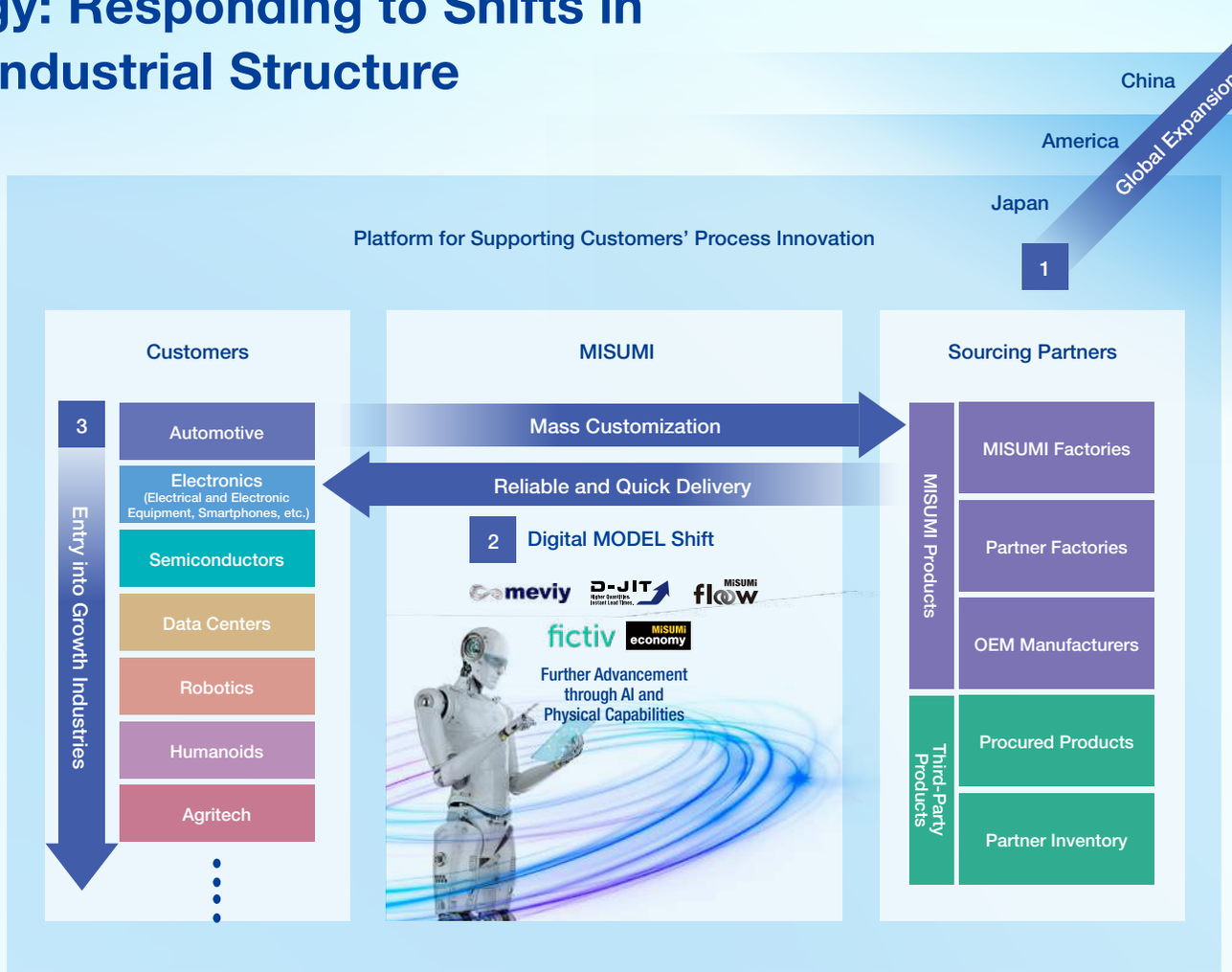
Basic Strategy | Three Growth Strategies

MISUMI's Growth Strategy: Responding to Shifts in Customer Behavior and Industrial Structure

At the heart of MISUMI's growth strategy is the recognition that advances in AI are reshaping the industrial structure. We view the transformation now under way as a turning point comparable to the spread of the internet some 30 years ago, one that will redefine the very nature of society and industry. What matters is not how to use AI or DX as tools. Our starting point is the fundamental transformation of customer purchasing behavior and the industrial structure itself. Against this backdrop, we have established three strategic pillars: Global Expansion, Digital MODEL Shift, and Entry into Growth Industries.

The markets we serve span all industries involving Monozukuri, from concept development and design through prototyping, manufacturing, installation, and maintenance. Beyond traditional factory automation, we will capture opportunities in new growth industries emerging from advances in AI, including semiconductors, data centers, humanoids, agritech, and the convergence of photonics and electronics.

We will continue to respond to changes in the market and move swiftly to capture opportunities in new areas with strong growth potential, making full use of digitalization and AI. At the same time, we will elevate the global supply chain platform that MISUMI has developed over many years to a world-class level, and further strengthen our core strength of integrating digital and physical capabilities so that they function as one. This is MISUMI's challenge in shaping the future of Monozukuri.



Special Feature: Growth Strategy

1 Global Expansion | Taking Our Strengths Global, Starting with Customers

The global Monozukuri market remains vast, with many regions and customers we have yet to fully serve. Capturing this extensive growth potential is key to our sustainable growth. Our foremost priority is to start with the customer. As industrial structures and customer needs differ by region, we will not simply replicate the model that succeeded in Japan. Instead, we will operate each business in the way best suited to its market. Guided by “Think Global, Act Local,” we will combine a shared management foundation with local agility and allocate talent and management resources appropriately. The driving force is our global supply chain platform, MISUMI’s greatest strength. Connecting 339,000 customers worldwide with approximately 4,000 Sourcing Partners, we will refine in each region the capabilities that turn digital orders into physical delivery with assured quality, providing value that only MISUMI can offer.

Further Expansion

Overseas Sales Ratio

Over 60%

(FY2026 Plan)

Europe

A market where, although automotive demand is still recovering, strong interest in digitalization, exemplified by Industry 4.0, supports efforts to build and grow a core customer base.

China

The world’s largest manufacturing and automation market, with continued growth in data centers, EMS, and robotics. Self-contained regional operations enable MISUMI to capture local demand.

Japan

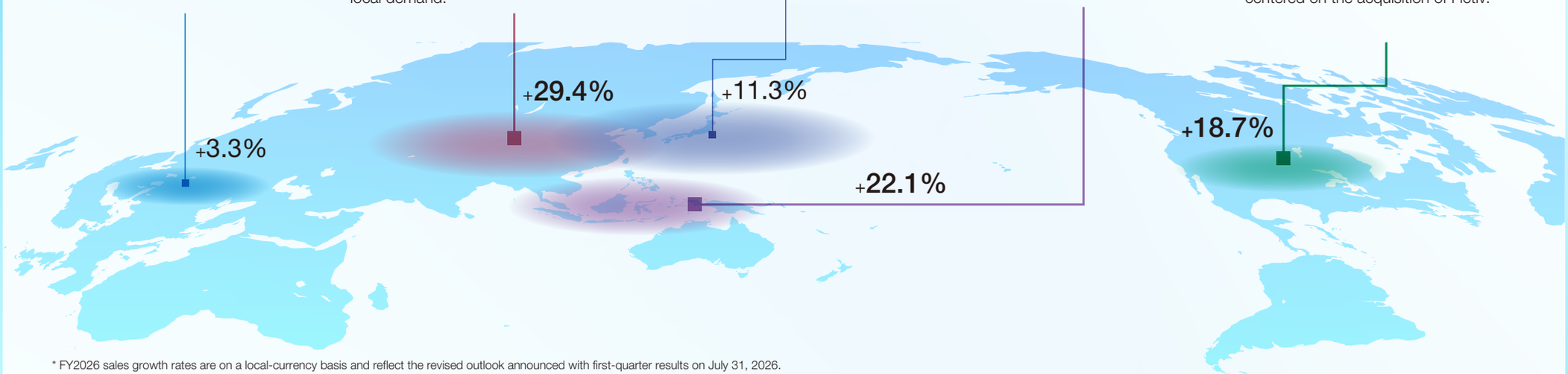
MISUMI’s largest core market, with further growth potential among mid-sized and large companies, and the starting point for developing AI-enabled models.

Asia

Emerging markets such as India and Vietnam, where strong growth is expected and MISUMI will build and grow its customer base through initiatives tailored to local needs.

United States

A global center of innovation, accounting for approximately 60% of worldwide R&D investment, and MISUMI’s greatest growth opportunity, where we aim for non-linear growth centered on the acquisition of Fictiv.



* FY2026 sales growth rates are on a local-currency basis and reflect the revised outlook announced with first-quarter results on July 31, 2026.

Special Feature: Growth Strategy

1 Global Expansion | Interviews with Leaders of Priority Regions



Dave Evans

CEO, Fictiv Inc.;
Corporate Officer, MISUMI Group Inc.;
President, Americas Business Company

United States

The United States is the world's largest innovation market in terms of R&D investment. Although MISUMI's market penetration there remains low, we see strong potential for future growth and regard the United States as the Group's greatest growth opportunity. MISUMI Americas, which has integrated Fictiv, aims to become a "one-stop manufacturing partner" that offers a broad range from standard to custom products by combining the foundation of standard, semi-custom, and Factory-MRO products that MISUMI has built over 60 years with Fictiv's custom manufacturing capabilities. This breadth, which industry peers specializing in either off-the-shelf products or contract machining cannot match, is driving growth in the number of customers and orders at a pace well above the previous year.

We are further accelerating this growth through investment in AI and human capital. By applying AI to the vast industrial data the MISUMI Group has accumulated over decades, we are enhancing the speed, accuracy, and intelligence of our customer support. In addition, in September 2026, we launched a partnership program with leading universities that produce more than 80% of mechanical engineers in the United States, building relationships with the next generation of engineering talent.

Over the medium to long term, we aim to establish MISUMI as a "one-stop manufacturing partner" in the U.S. market and grow it into the Group's largest growth engine.



Shaochun Xu

Director and Senior Corporate Officer; Representative, China Region Hub;
concurrently Representative, Asia Region Hub

China

In China, innovation is advancing at remarkable speed and scale. While consolidation continues among traditional manufacturers, investment is expanding, particularly in semiconductors, communications, and data centers. The shift from quantity to quality, and the resulting move toward higher-value-added offerings, creates the greatest growth opportunity.

MISUMI is capturing this opportunity by strengthening spec-in sales, an approach that goes beyond selling parts by engaging with customers from the design stage and helping shape the specifications themselves. This is enabling us to participate from the design stage with major customers we had previously been unable to engage.

At the same time, we are securing cost competitiveness through local production, including Economy Series products, while adding greater value to our products and developing products for new fields. In this way, we are deepening our product lineup. For example, we are expanding beyond individual components to module products that integrate drive and control functions. Through products such as LMAC*, we are working to eliminate the time customers have traditionally spent resolving complex control issues on the production floor. We also aim to support unmanned customer operations through DX and achieve greater scale by combining our customer base and operational platform.

* LMAC: Linear Motor Actuator

Asia

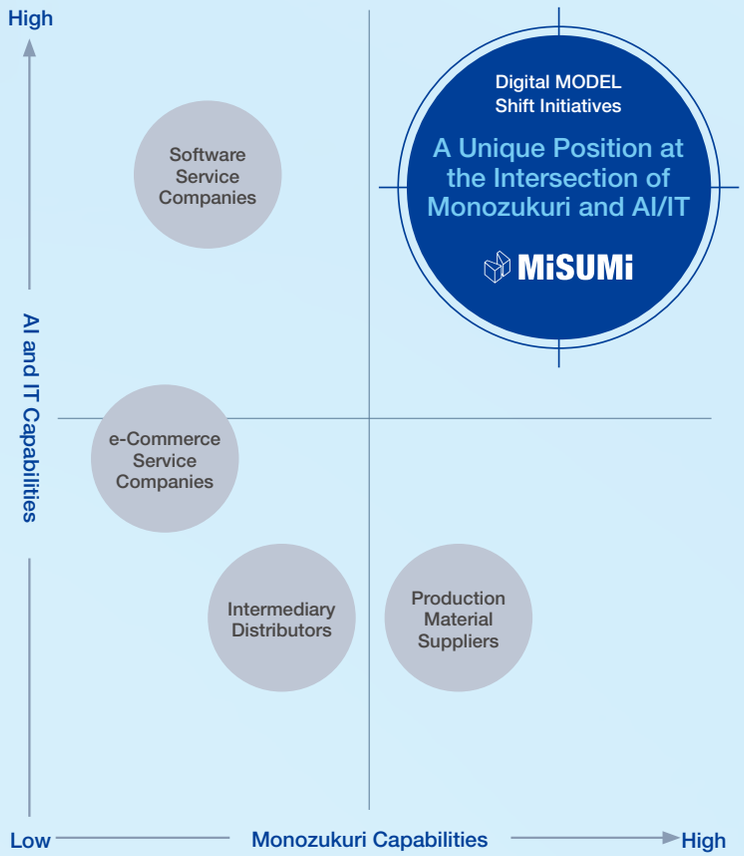
Vietnam and India represent our greatest growth opportunities in Asia. Vietnam remains welcoming to foreign investment and continues to see strong momentum in production transfers and new factory investment as companies diversify their production footprints. India faces infrastructure challenges, but its large population and government policies to promote manufacturing give the market exceptionally strong medium- to long-term growth potential. MISUMI is expanding the rollout of Economy Series products and products for new fields while extending e-Commerce and marketing expertise developed in China to other countries. We are also strengthening our organizational foundation by assigning senior personnel from China and Korea to support operations while developing local national leaders.

In the near term, we aim to grow our subsidiaries in India and Vietnam into businesses with annual sales of ¥10 billion each within the next two years. By differentiating MISUMI through product supply capabilities, technical expertise, service responsiveness, and local responsiveness, we aim to be the first name that comes to mind for customers whenever a need arises.

Special Feature: Growth Strategy

2 Digital MODEL Shift | Advancing Digital and Physical Capabilities as One to Take On the Challenge of Monozukuri Innovation

MISUMI's Positioning



Customers' Monozukuri Workflow

Design Engineer
Component design and prototype ordering

Design Phase

Challenges

Significant time spent preparing drawings and re-questing quotations; average component procurement lead time of three weeks.

Procurement Specialist
Component procurement and cost management

Procurement Phase

Challenges

Having to select different suppliers based on precision and price; time and effort spent searching due to a lack of visibility into supplier inventory.

Production Floor Manager
Inventory management and line operations

Production Floor Phase

Challenges

Risk of line stoppages due to parts shortages; inventory management dependent on individual knowledge and experience.

MISUMI Solutions

meviy
fictiv

MiSUMi economy
D-JIT Higher Quantities, Instant Lead Times.

MiSUMi flow

Special Feature: Growth Strategy

2 Digital MODEL Shift | Advancing Services that Digitally Connect Design, Procurement, and Production

Design

meviy

Fictiv

Procurement

Economy Series (Japanese only)

D-JIT (Japanese only)

Production Floor

MISUMI floow

Upload CAD data for an instant automated quotation. Receive parts as early as the next day.

meviy

We are focusing on expanding the range of parts and use cases supported by meviy. Over the medium to long term, we aim to provide seamless support from prototyping through initial mass production and generate new proposals by combining CAD data with generative AI.

Fictiv

Engineers with deep insight into Monozukuri, digital technologies, and AI are building a next-generation technology platform, starting with the customer.

* Other services supporting customers in the design phase include RAPiD Design, which streamlines CAD data retrieval and quotations within CAD software, and MISUMI FRAMES (Japanese only), which improves the efficiency of aluminum-frame enclosure design and ordering by up to 90%.

A broad product lineup spanning a wide range of precision and price levels. Inventory visibility enables immediate ordering in the required quantity.

Economy Series

In China, we are advancing more sophisticated product development, including software-controlled units, while raising awareness and optimizing pricing in Asia. Over the medium to long term, we will expand our lineup of software-controlled products and deploy them across Asia and Japan to differentiate MISUMI from competitors.

D-JIT

Leveraging enhanced capacity to meet quantity requirements, optimized pricing, stronger multi-sourcing, and the rollout of NEWTON*, we are strengthening our presence in Asia as a priority region. Over the medium to long term, we aim to establish a global standard for the procurement experience, with MISUMI becoming the preferred partner for orders of all sizes.

* NEWTON P37

Toward zero line stoppages caused by parts shortages. No inventory management required.

MISUMI floow

We aim to become a one-stop partner for solving indirect-material procurement challenges at mass-production factories. To achieve this, we will develop new products and services and expand the value we provide.

Special Feature: Growth Strategy

3 Entry into Growth Industries | Supporting the Emerging Players in New Industries as Their Launch Partner

MISUMI has grown alongside the automotive, electronics, and other markets that have underpinned Japan's industrial competitiveness. These markets will remain important foundations for our growth.

At the same time, advances in AI are beginning to reshape the industrial landscape. New growth industries are emerging one after another in fields such as semiconductors, data centers, energy, robotics, humanoids, aerospace, and agritech. The companies leading these industries are already shaping the future of manufacturing, where the speed of bringing products and services from concept through prototyping and validation to market launch is becoming a major source of competitiveness.

MISUMI aims to serve as a "launch partner," working closely with customers throughout the development of new businesses and helping them bring new products and services to market. By combining the product and supply capabilities, digital technologies, and global network we have built over many years, we will provide seamless support from concept development through launch. By leveraging our strengths in established markets while contributing to the development of emerging industries, we will expand our business domains along these two complementary avenues and drive new growth for MISUMI.



Special Feature: Growth Strategy

3 Entry into Growth Industries | Building on MISUMI's Strengths to Accelerate Our Initiatives and Actively Enter New Industries

MISUMI's strengths

Supporting customers' sustainable growth through a resilient global supply chain powered by AI and physical capabilities

Mass Customization

Unique manufacturing capabilities that enable the supply of 80 sextillion (80 billion times one trillion) component variations, combining high product diversity with short lead times

Reliable and Quick Delivery

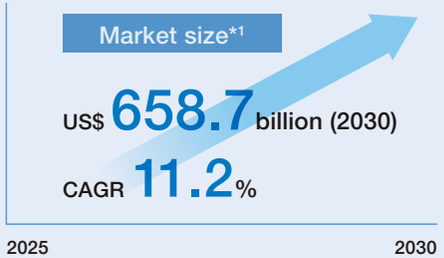
A proprietary, integrated supply chain and automated systems that achieve an on-time delivery rate of more than 99.5%

Digital Platform

Customer touchpoints connecting design, procurement, and the production floor, with digital and physical capabilities working as one

Data Centers





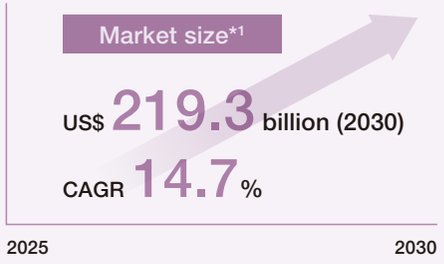
Initiatives to Capture Opportunities

FY2026 capital expenditure of ¥ 6.6 billion

- to expand automated positioning stage supply capacity while advancing the development of components for next-generation growth fields.

Robotics and Humanoids





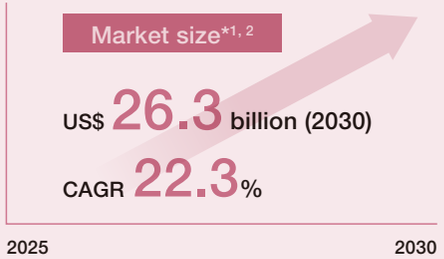
Initiatives to Capture Opportunities

We are exploring and advancing business and capital alliances with relevant companies

- while assessing opportunities to enter the component and application fields.

Agritech





Initiatives to Capture Opportunities

A business and capital alliance has been concluded with Oishii Farm

- Through joint research, we are building first-mover expertise and taking the lead in standardization.

*1 Source: Publicly available figures published in market reports by Precedence Research (CAGR: 2025–2030). Data centers: Data Center Market (updated September 10, 2026). Robotics and humanoids: Combined market sizes reported in Robotics Technology Market (updated September 11, 2026) and Humanoid Robot Market (updated April 22, 2026); CAGR calculated by MISUMI. Agritech: Vertical Farming Market (updated September 9, 2026).
*2 Calculated based on the vertical farming (plant factory) market.

Capabilities and Outcomes

Business Portfolio

By combining the Manufacturer Business and VONA Business, two businesses with distinct strengths, MISUMI provides an end-to-end offering ranging from standard components and custom products to consumables and auxiliary materials.
Through its diverse lineup of products and services, MISUMI helps customers solve their challenges.

Manufacturing Businesses

MISUMI operates the FA (Factory Automation) Business and the Die Components Business. Even for precision mechanical components specified to micron-level dimensions, MISUMI offers a standard lead time of two days, with same-day shipment available for certain products.

FA (Factory Automation) Business

The FA Business develops and supplies standard components used in automation equipment and systems to streamline production and reduce labor requirements. Through its online manufacturing services, meviy and Fictiv, the business also provides fully customized products.



Value proposition Mechanical components essential to automation equipment and systems, ranging from standard products to customized solutions.

Die Components Business

The Die Components Business develops and supplies standard die components and precision die components used in press dies for metal forming and molds for plastic injection molding, primarily serving the automotive, electronics, and electrical equipment industries.



Value proposition MISUMI has established a leading global market share in standard die components and provides a stable supply of products through its global network.

Distribution Business

VONA Business

MISUMI operates the VONA (Variation & One-stop by New Alliance) Business, supplying production-equipment components, indirect manufacturing materials, and MRO consumables. Its extensive product lineup includes both MISUMI-brand products and products sourced from third-party brands.



Value proposition A one-stop source for a vast range of indirect manufacturing materials and consumables, including MISUMI-brand products and third-party brands from approximately 4,000 manufacturers.

Combining Two Distinct Businesses: Manufacturing and VONA

MISUMI provides a seamless offering, from standard and custom components to consumables and indirect materials. Its diverse lineup of products and services helps customers solve their manufacturing challenges.

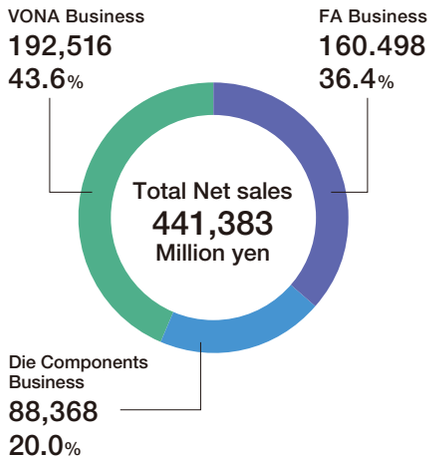
As of the end of FY2025

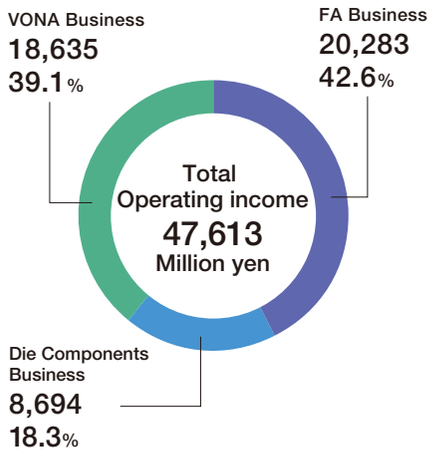
40+ million products

80 sextillion product variations

339,000 customers worldwide

FY2025 Results and Composition





Capabilities and Outcomes

FA Business

Capturing Diversifying Automation Demand and the Growing Use of AI, while Harnessing AI to Drive MODEL Transformation



Business Strategy

1 Market Environment

Against a backdrop of global labor shortages, rising labor costs, and the trend toward digital transformation (DX) and smart factories, investment demand for automation and labor-saving solutions in the manufacturing sector continues to grow on a structural basis. As a result, the FA market is expected to achieve medium- to long-term growth. In addition, technological innovations, including AI, are accelerating new product development, driving increased demand for production equipment. Furthermore, the FA market is expected to continue growing as FA expands into new markets that have traditionally been outside the scope of the FA Business.

2 Medium- to Long-Term Vision

MISUMI is driving Business MODEL transformation in response to the growing adoption of AI. We will accelerate our global expansion by focusing on three key initiatives: (1) enhancing technical information to support AI-driven automated design, (2) expanding our lineup of unit and module products compatible with AI-controlled systems, and (3) building a sales model that leverages AI to recommend the right products at the right time.

3 Why MISUMI

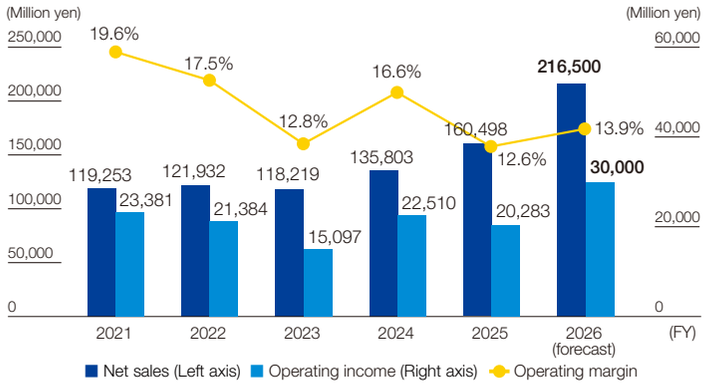
Our competitive advantage lies in our ability to provide standard, semi-custom, and custom products through a one-stop offering, supported by a globally distributed, multi-site supply chain. This enables us to maintain a relatively stable supply in every region of the world. No other player combines such an extensive global network with such a broad product lineup. This uniqueness is our greatest strength and gives us a competitive advantage in the growing FA market.

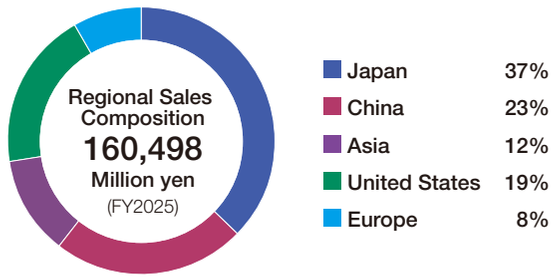
* Initiatives, services, and products within the FA segment: meviy, Fictiv, automated stages, selected Economy Series products, and selected D-JIT offerings.

Fiscal 2026 Initiatives

We will continue enhancing technical information to support AI-driven automated design while expanding our lineup of unit and module products compatible with AI-controlled systems. At the same time, we are advancing our entry into growth industries. Examples include investments in production facilities to capture demand from data centers and our partnership with Oishii Farm, which also supports potential entry into the agritech sector. Through expansion into these new fields, we will continue to broaden business opportunities while building an AI-enabled sales model that delivers more relevant product recommendations.

Net Sales, Operating Income, and Regional Sales Composition





What Is the FA Business?

The FA (Factory Automation) Business provides a broad range of products and solutions to meet the Monozukuri industry's needs for greater efficiency and automation. The Business develops and supplies standard components essential to industrial machinery and automated equipment, high-precision positioning modules, a wide range of experimental and research equipment for optical technology applications, and materials and components for equipment production sites evolving with the digitalization of electronic devices.

Capabilities and Outcomes

Die Components Business

Responding Quickly to Shifting Demand to Sustain Growth while Improving Cost Efficiency



Business Strategy

1 Market Environment

The die and mold market is often viewed as a mature or contracting market, given the reduction in component counts associated with the shift to electric vehicles and the decline of Japan's domestic die and mold industry. However, supported by global population growth and the continued advancement of motorization, the die and mold market is expected to continue growing over the medium to long term. MISUMI views this as a growth opportunity.

2 Medium- to Long-Term Vision

Demand for die components exists worldwide, but the regions driving growth continue to shift over time. MISUMI will achieve medium- to long-term growth in both sales and profit by focusing on three priorities: (1) identifying shifts in demand early and adapting flexibly through the localization of products, production, and organizations; (2) accelerating growth in China and other Asian markets, where strong growth potential currently exists; and (3) accelerating global expansion to improve costs, including through collaboration with PUNCH INDUSTRY CO., LTD.

3 Why MISUMI

The Die Components Business is MISUMI's founding business, and the production expertise accumulated over many years is its greatest strength. Our global production and procurement network also enables us to provide a stable supply of die components with consistent quality across regions. No other player combines comparable depth of expertise with such an extensive supply network. These strengths have earned us the strong trust of customers with production operations around the world and have helped establish our competitive advantage.

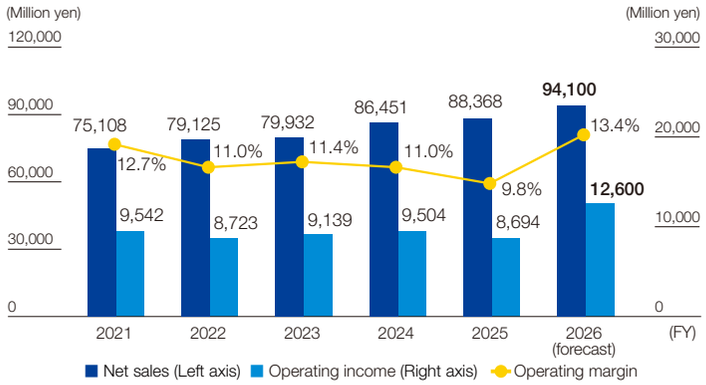
* Initiatives, services, and products within the Die Components segment: selected D-JIT offerings.

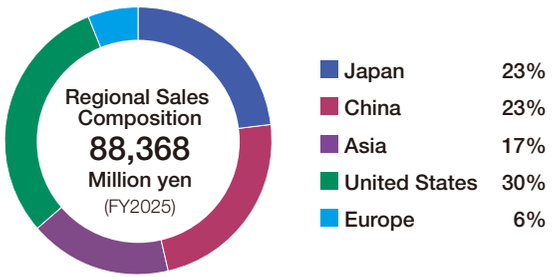
Fiscal 2026 Initiatives

Demand for dies and molds is shifting toward emerging markets, particularly China and India. In fiscal 2026, we aim to become a preferred supplier in both China and India. Specifically, we are accelerating the rollout of products tailored to Chinese market standards and expanding local procurement in India.

We will also improve the profitability of existing businesses by increasing production and logistics efficiency through collaboration with PUNCH INDUSTRY CO., LTD. and by further localizing products, production, and organizations.

Net Sales, Operating Income, and Regional Sales Composition





What Is the Die Components Business?

The Die Components Business provides components for press dies used in metal forming and molds used in plastic injection molding across a wide range of industries, including automotive, electronics, and electrical equipment. Its product lineup spans from highly versatile standard die components to precision die components requiring fine tolerances and high-precision specifications, enabling flexible responses to customers' diverse design and manufacturing needs.

Capabilities and Outcomes

VONA Business

Supporting One-Stop Procurement, Including Third-Party Brands



Business Strategy

1 Market Environment

Competition in the B2B indirect-material procurement market is intensifying around price and convenience as comprehensive online procurement platforms continue to expand. As a result, the market is often viewed as commoditized and difficult to differentiate. The VONA Business serves both as a trusted source for parts that cannot be readily procured elsewhere and as a one-stop procurement destination for customers seeking to consolidate purchases from multiple suppliers, enabling it to address a wide range of procurement needs.

2 Medium- to Long-Term Vision

The VONA Business is not a standalone strategy but an integral part of the MISUMI Group's overall strategy. As the Group identifies growth markets where it can deliver its value proposition and seeks to provide a comprehensive range of the mechanical components required in those markets, VONA plays an important role by complementing MISUMI products with third-party offerings to fully meet customer expectations.

3 Why MISUMI

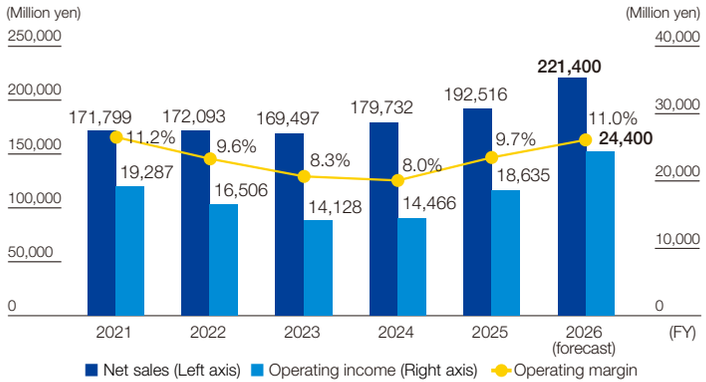
In a market prone to commoditization, our greatest strength is our deep understanding of customers, which helps us avoid competing on price alone. Services, support, and communication built on this deep customer understanding form the core of our differentiation. For example, when our AI chat service recommends substitute products, it goes beyond simply presenting alternatives by providing responses that reflect the perspective of design engineers. This gives MISUMI a competitive advantage.

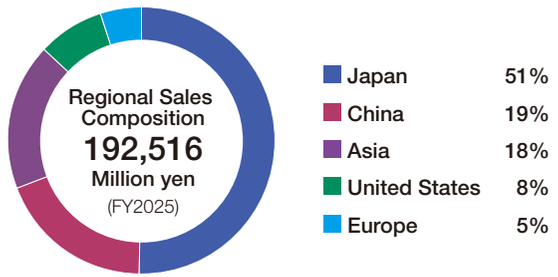
* Initiatives, services, and products in the VONA segment: MISUMI floow and selected D-JIT offerings.

Fiscal 2026 Initiatives

Our highest priority is to shift VONA from a service used only when customers face procurement challenges to one they rely on every day. In addition to developing services such as floow, we will continue to strengthen our price competitiveness. We will also focus on expanding the business in Asia, particularly in China and Thailand.

Net Sales, Operating Income, and Regional Sales Composition





What Is the VONA Business?

The VONA* Business aims to provide the wide variety of indirect production materials, including factory consumables, required by manufacturing companies' design and procurement functions through one-stop procurement that is both fast and efficient. Its extensive lineup of more than 40 million products includes mechanical components, tools, piping materials, electrical materials, control equipment, and office supplies, meeting a broad range of customer needs through products supplied primarily by manufacturers in Japan and overseas.

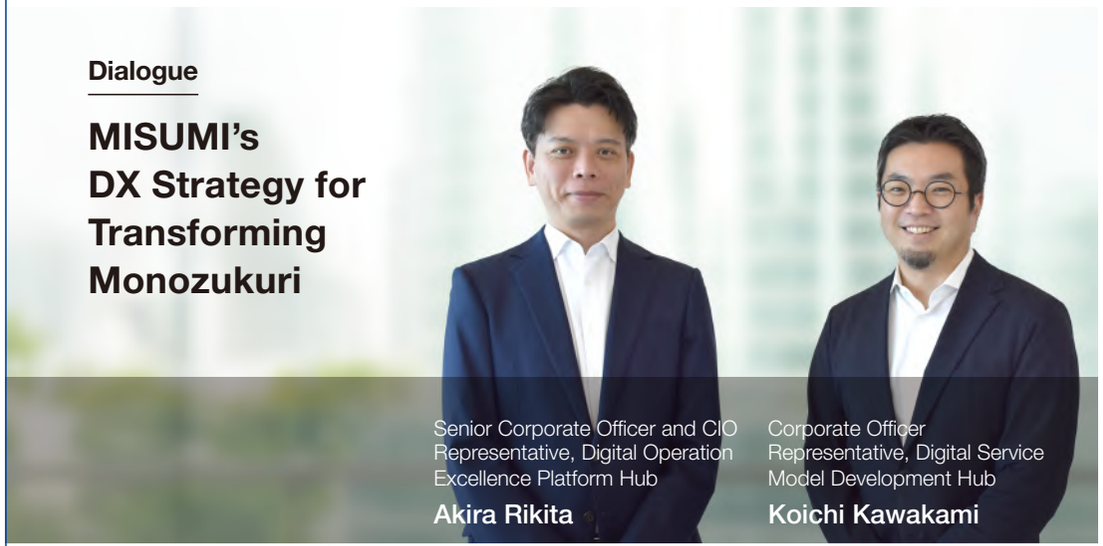
* VONA: Variation & One-stop by New Alliance

Capabilities and Outcomes | Intellectual Capital

MISUMI's DX Strategy

Dialogue

MISUMI's DX Strategy for Transforming Monozukuri



Senior Corporate Officer and CIO
Representative, Digital Operation Excellence Platform Hub
Akira Rikita

Corporate Officer
Representative, Digital Service Model Development Hub
Koichi Kawakami

The rapid advancement of AI is bringing Monozukuri and its procurement processes to a major turning point. The accumulation and use of data are key to responding to these changes and creating new value. MISUMI's competitive strength lies in its extensive, up-to-date data and the mechanisms that continuously generate it. MISUMI's CIO, who oversees the Company's digital foundation, and the executive responsible for customer experience (CX) development discuss how MISUMI is leveraging this intellectual capital to transform Monozukuri.

1 How MISUMI Is Navigating the AI Era

Kawakami The emergence of AI has brought the Monozukuri industry to a major turning point. In China and the United States in particular, the practical adoption of humanoid robots, alongside AI, is advancing at a remarkable pace. MISUMI must determine how to address the immediate challenges facing customers while looking ahead to this wave of technological innovation.

Rikita MISUMI aims to transform the customer purchasing experience itself. Our growth strategy comprises three elements: Global Expansion, Digital MODEL Shift, and Entry into Growth Industries. We will first refine our digital services so that they more closely address customer needs and then expand that MODEL. Building on this strength, we intend to enter growth industries.

Kawakami We recognize that MISUMI has offered so many services, including its e-Commerce site, meviy, and RAPiD Design, that customers have sometimes found it difficult to know which service to use. Going forward, we will create an environment in which customers can easily use the right service at the right time, in a way suited to their circumstances. By creating a place where we can engage more closely with customers, we aim to gain a deeper understanding of their needs and quickly translate those insights into the creation and evolution of services.

Rikita Behind this is a major theme: the sustainability of manufacturing. As the working population declines, existing operating models will no longer be viable. Since we cannot increase headcount, we will use AI as a tool to dramatically improve productivity. Making the world of Monozukuri sustainable in this way is MISUMI's mission.

2 A System That Continuously Generates Data and Transforms It into New Value

Kawakami MISUMI's greatest intellectual capital is the up-to-date data generated through daily transactions. The data accumulated goes beyond records of purchases and sales to include information on customers' business processes, such as browsing activity on the e-Commerce site and design activity through meviy and RAPiD Design. No other platform brings together this many indications of the challenges customers face. MISUMI's true competitive advantage lies not only in the volume of its data, but in the services that continuously generate it.

Rikita Supporting this mechanism is NEWTON, MISUMI's core system, which functions as an AI-ready foundation. MISUMI's ability to offer products of the same model and quality worldwide depends on globally standardized data management. The combination of an e-Commerce site capable of handling flexible data for custom products as well as standard products and the core system supporting it is a strength that competitors cannot replicate. Development of NEWTON began in 2020, and its overseas rollout was completed in September 2026. This has enabled MISUMI to further refine its services and focus on Digital MODEL Shift initiatives.

Kawakami This foundation enables us to engage with customers individually. One initiative we are advancing to deepen customer understanding is the Digital Twin of the Customer. Using purchasing and behavioral histories, we create virtual customer representations and develop a more detailed understanding of each customer, enabling more personalized communication.

On our e-Commerce site, we are piloting AI-powered inquiry support through MiMA (MISUMI Multimodal Agent), which integrates multiple services into a single point of access. MiMA identifies customer needs and guides customers seamlessly to the appropriate services, with a domestic launch targeted by the end of FY2027. As interactions between customers and AI accumulate, the resulting data will become increasingly rich.

Capabilities and Outcomes | Intellectual Capital

Rikita However, maintaining an abundance of data can also become a burden. We therefore need to use AI to automate data preparation, allowing people to shift toward more creative work. One area we are currently considering is how to close the information gap between MISUMI and the Sourcing Partners responsible for supplying our products. Rather than issuing orders unilaterally, MISUMI aims to establish a mechanism for two-way information sharing, including demand forecasts.



Kawakami The most important consideration in sharing information is ensuring that it contributes to the growth and profitability of our Sourcing Partners. Building a “true partnership” in which both sides continue to choose one another is key to creating a sustainable supply network.

Rikita We are extending this information sharing beyond the supply side to the beginning of the customer purchasing process. In June 2026, MISUMI entered into the first business alliances of their kind in the industry with two major production management system providers. Through APIs, we directly connected systems used by a combined 4,700 companies in Japan to MISUMI’s database of more than 40 million products. By breaking through barriers that could not be overcome through the DX initiatives of individual companies, we aim to simplify customers’ purchasing processes and improve productivity in procurement.

3 Enhancing Productivity to Deliver a New Purchasing Experience

Rikita Fundamentally, AI and IT are tools for driving Business MODEL Innovation. What matters is whether the resulting Business MODEL expands the value delivered to customers. Productivity is currently one of our most important metrics. For example, we use activity-based costing (ABC) data to quantify the time required for each type of work, identify the most time-intensive processes, and prioritize them for improvement. The first area we addressed as a result was product complaint handling. By combining automation through AI agents with standardized business processes, we reduced handling time per case by up to 92%. We are also using AI agents to automate most internal inquiry operations and plan to reduce the associated outsourced operating costs to nearly half their current level within several years. The capacity created through these improvements will be redirected to the development of new services.

Kawakami We are also reviewing the KPIs used to measure customer experience value. Our objective is not simply to have customers use the service, but to encourage them to experience its value and realize the benefits. Offering more services has little value if it only makes choosing among them more difficult. What matters is whether customers can find and purchase what they need more easily. Ultimately, we aim to achieve customer success by becoming the company customers know they can turn to whenever a need arises, and trust to handle the entire process.



Rikita In the near future, AI agents may make purchases on behalf of customers and interact directly with MISUMI’s AI agents. The question is how seamlessly we can fulfill and deliver orders in such an environment. I believe that integrating our digital and physical capabilities will create value that only MISUMI can provide.
At the same time, regardless of how purchasing methods evolve, our responsibility to deliver products reliably will remain unchanged. We must keep our systems operating and maintain an uninterrupted supply. By continuing to safeguard the platform connecting customers and Sourcing Partners, we intend to support this new purchasing experience.

External Recognition

DX Grand Prix 2026

In April 2026, MISUMI was selected as a DX Stock company for the second consecutive year under the DX Stocks 2026 program, which recognizes Tokyo Stock Exchange-listed companies demonstrating excellence in digital transformation. MISUMI was also selected for the DX Grand Prix 2026, awarded to only three particularly outstanding companies. The recognition reflected MISUMI’s efforts to realize unlimited Monozukuri through Digital MODEL Shift, promote company-wide DX under the leadership of senior management, develop talent, and advance its platform through the acquisition of Fictiv.

DX Grand Prix 2026
Digital Transformation

Customer Support Awards

In July 2026, MISUMI received the highest award in the Customer Support Awards organized by the Japan Institute of Information Technology. The award recognized MISUMI’s next-generation contact center model, which combines frontline expertise with digital technologies to improve customer experience while transforming operations. Recognized initiatives included an AI chatbot that integrates AI with the renewed core system, as well as application development led by operations personnel.

Best Customer Support of The Year 2026

Capabilities and Outcomes | Intellectual Capital

Intellectual Property and Research and Development

Approach to Intellectual Property

To strengthen the competitive advantage of digital services that contribute to enhancing Customer's Time Value, MISUMI promotes the creation and utilization of DX-related patents. These patents constitute important intellectual capital supporting the growth strategy of Digital MODEL Shift. Intellectual property personnel actively gather business and development information by participating in development progress meetings, holding regular discussions with developers, and organizing invention-discovery sessions. They also analyze competitors' patents to identify DX-related inventions that can enhance business competitiveness. In line with the Company's business development, MISUMI seeks to secure DX-related patents globally, including in Japan, China, and the United States.

Through these initiatives, MISUMI's global portfolio of DX-related patents has grown more than four-fold over the past five years, from 26 at the end of FY2020 to 114 at the end of FY2025. Notable achievements include patents covering a meviy function that uses visual guidance to help users correct errors and a D-JIT function that uses a multi-sourcing network to provide an immediate delivery-date response based on the required quantity. MISUMI uses these patents to prevent competitors from imitating these functions.

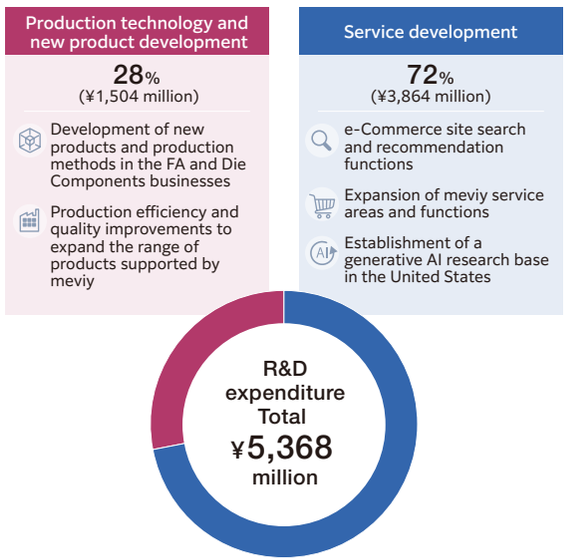
MISUMI has also begun applying a backcasting approach to its intellectual property activities. Starting from the anticipated business environment and its desired position five to ten years from now, MISUMI conducts intellectual property analyses to consider forward-looking patent applications, explore development themes, and consider collaboration with other companies. Through these activities, MISUMI is strengthening the intellectual capital that will support future growth.

Research and Development

MISUMI promotes research and development investment in both service development and product and production technology development to eliminate waste and unnecessary effort from Monozukuri processes and continuously advance customers' Monozukuri.

Research and development expenditure totaled JPY 5,368 million in FY2025. In service development, MISUMI expanded its e-Commerce and meviy services and established a new generative AI research and development organization based at Fictiv Inc. in the United States. In product and production technology development, MISUMI pursued new product development, greater production efficiency, and quality improvements, primarily through Suruga Production Platform and Suruga Seiki.

Research and Development Expenditure Breakdown
(FY2025 Consolidated Results)



MISUMI-Fictiv Joint AI R&D Center

Since its founding, Fictiv has believed that the complexities of manufacturing should be resolved through systems rather than placed on engineers. Building on this principle, Fictiv and MISUMI jointly established a generative AI research and development center in San Francisco, the United States, in October 2025.

The research focuses on the structural challenge that 80% of parts costs is determined at the design stage. Using product data and manufacturing records held by Fictiv and MISUMI, the companies are developing a system that instantly visualizes the effects of design changes on cost and lead times and provides consistent improvement recommendations without relying on the experience of individual personnel. For products ranging from standard to custom items, the companies aim to develop a system that presents specific options covering design changes to reduce costs or shorten lead times, as well as the selection of production sites to diversify risk.

Toward 2030, MISUMI and Fictiv will accumulate knowledge supporting supply chain and procurement decisions while enhancing the model through real-world data from the expanding global manufacturing network. The research scope will then be broadened beyond conventional manufacturing frameworks, with the aim of recommending optimal design and manufacturing methods based on the requirements of each product.

Physical AI Summit

On June 3, 2026, MISUMI held the AI summit "Imprint – AI for the Built World" in San Francisco, the United States. Approximately 170 executives, investors, and engineers working at the forefront of physical AI attended the event. The summit focused on the challenges involved in deploying AI models to physical equipment and operational sites, with sessions spanning design AI, quality inspection, autonomous systems, and supply chains. Participants engaged in in-depth discussions on reliability and safety in real-world operations, approaches to data utilization, and the challenges of scaling these technologies. MISUMI positions physical AI as one of its next growth areas and promotes cross-industry knowledge exchange and opportunities for co-creation.



Nate Evans speaking at the summit
Representative, AI Model Development Hub; CXO, Americas Business Company

Capabilities and Outcomes | Intellectual Capital

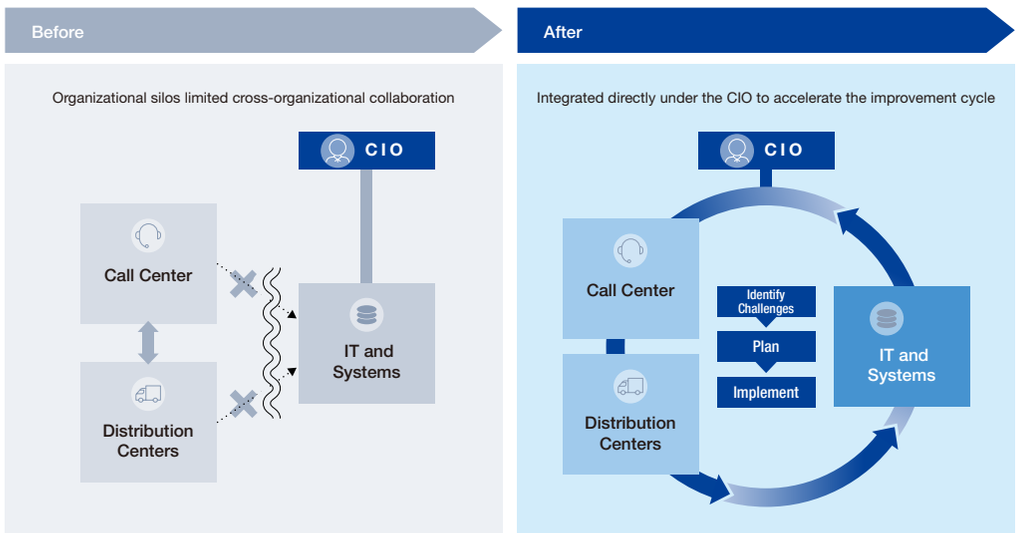
Organizational Structure and Talent Development

DX Promotion Structure

To support high-mix, variable-volume Monozukuri for 339,000 customers worldwide, MISUMI has continuously reviewed and innovated its business processes. Advances in AI are dramatically accelerating the pace of transformation required of companies. However, no matter how advanced the technology, the value provided to customers will not change unless operations also change.

To further accelerate the integration of technology and operations, MISUMI established a new organization under the CIO in June 2026 by bringing together the Call Center, Distribution Centers, and the organization responsible for developing internal systems. This structure enables frontline operations and the IT and systems functions to work as one, accelerating the process from identifying challenges to planning and implementing improvements. MISUMI also assigns IT and systems personnel to operations functions, creating a mechanism that enables them to drive improvements while directly addressing customer feedback and frontline challenges.

MISUMI positions DX not simply as the implementation of systems or digitalization, but as a management foundation for creating sustainable competitive advantage. To realize this objective, MISUMI does not limit responsibility for DX to specific functions. Instead, the Company emphasizes developing every employee's knowledge of both operations and IT. MISUMI's organizational management is based on each employee acting as the Chief DX Officer (CDXO) of their own function and taking responsibility for solving challenges and creating value. The entire Company works together to drive transformation.



DX Talent

As advances in AI make information increasingly accessible, companies require stronger Dynamic Capabilities than ever. MISUMI seeks employees who demonstrate curiosity and strong dialogue skills, use digital technologies such as AI effectively, identify challenges, and create value through conceptualization and dialogue. These are requirements for all MISUMI employees.

Recruitment

MISUMI's DX functions use dedicated recruitment platforms, international recruitment, and industry conferences to recruit people with diverse perspectives and strong IT and AI expertise.

Development

MISUMI provides company-wide training programs that enable employees to apply digital technologies in their work. In addition, employee-led study groups and community activities facilitate the sharing of practical knowledge and foster a culture of mutual learning.

<Examples of Training Programs>

AI Forum: Introduces external experts and advanced internal examples to broaden understanding of AI utilization

IT Master: An internal portal that shares frontline-led DX examples using Microsoft 365, AI, and other technologies, promoting the accumulation and broader application of practical knowledge

P42 Human Capital / Examples of Initiatives to Enhance Dynamic Capabilities

Practice

Through participation in service development and operational-efficiency projects, employees apply what they have learned in practice, leading to improvements and value creation.

Growth

Employees are evaluated on both skills and results, supporting autonomous career development. Practical experience promotes employee growth and strengthens the competitiveness of the organization as a whole.

Capabilities and Outcomes | Intellectual Capital

Customer Experience (CX)

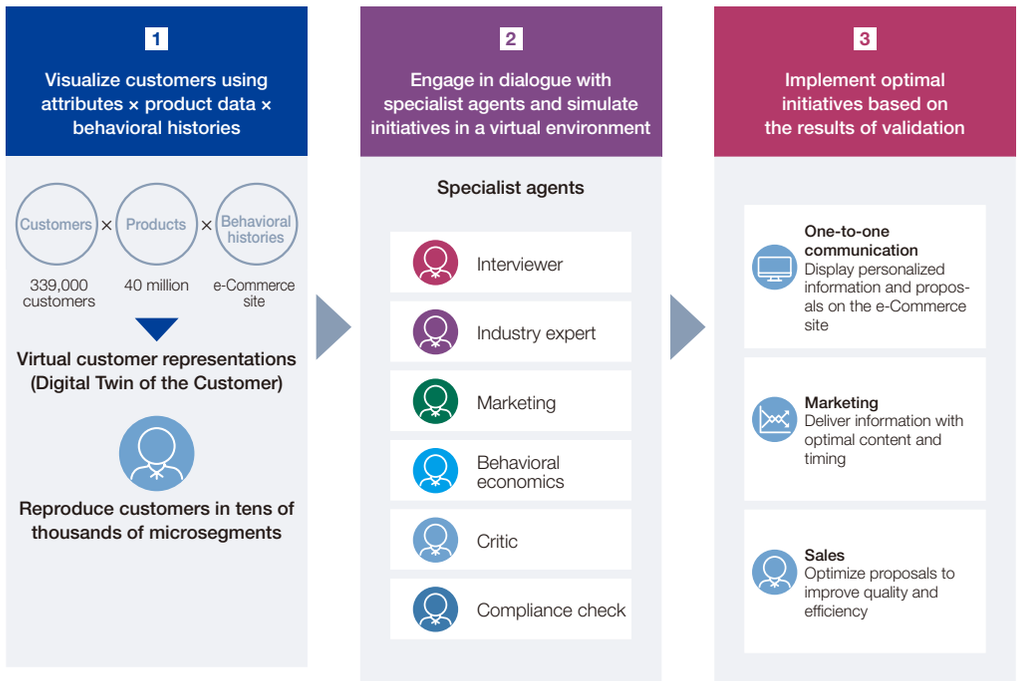
Digital Twin of the Customer

To gain a deeper understanding of customers, MISUMI is developing a Digital Twin of the Customer as a foundation for AI-driven marketing. By combining data on 339,000 customers worldwide with data on more than 40 million products, MISUMI classifies customers into tens of thousands of microsegments based on attributes such as industry and company size and behavioral histories such as spot purchases, modeling each segment as an AI agent.

Specialist AI agents with different roles engage in repeated dialogue with these virtual customer representations and handle the entire process, from planning promotional initiatives to testing them through simulations in a virtual environment.

MISUMI currently uses the system in marketing and sales activities, including communication through its e-Commerce site. Going forward, MISUMI plans to refine its functionality through further testing in Japan before expanding it globally. By using AI to visualize previously unidentified needs at a granular level, MISUMI aims to provide a purchasing experience that enables customers to easily find the products and services they need.

How the Digital Twin of the Customer Works



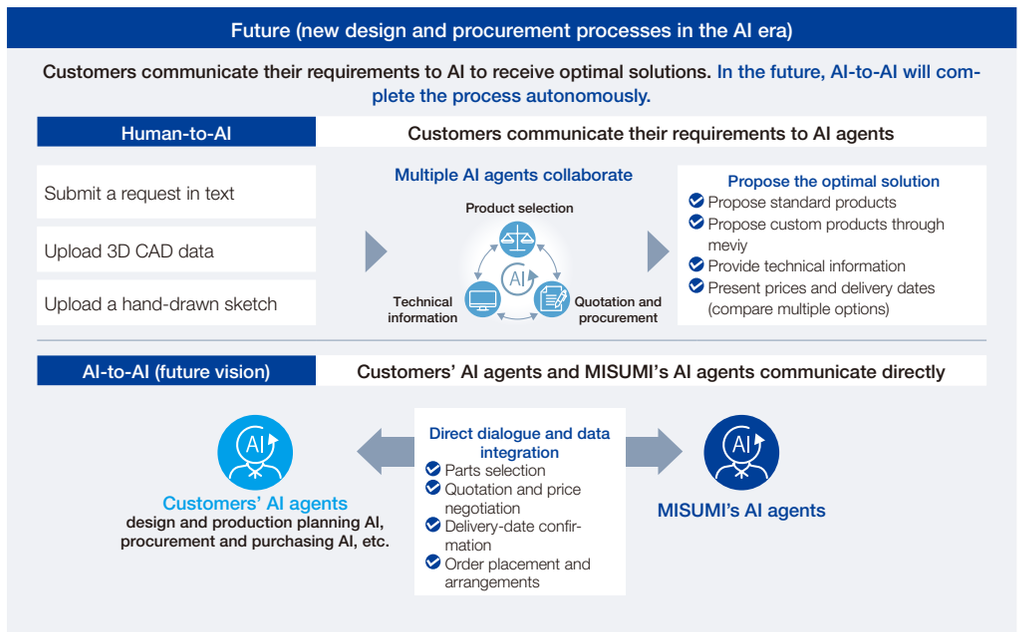
MiMA (MISUMI Multimodal Agent)

We expect the purchasing process to evolve from one in which customers search for and select products and obtain quotations themselves to one in which they receive AI-generated proposals for products and procurement methods.

With MiMA, customers can communicate their requirements in a variety of formats, including text, 3D CAD data, and hand-drawn sketches. Multiple AI agents work together to draw on information across products, digital services, and other areas to propose the optimal solution. This reduces the effort customers spend searching for parts, allowing them to focus on design and development.

This concept is supported by MISUMI's accumulated Monozukuri expertise and product data, together with its distinctive business foundation integrating digital and physical capabilities. Going forward, as AI agents continue to engage in dialogue with customers, more data will be accumulated, enabling proposals that are even more closely tailored to customers' needs.

MISUMI plans to release a prototype of the service at the end of November 2026, launch the full service in Japan in FY2027, and subsequently expand it overseas. Ultimately, MISUMI aims to realize an "AI-to-AI" model in which customers' AI agents interact directly with MISUMI's AI agents and autonomously complete the process from parts selection through quotation and order placement, without human involvement.



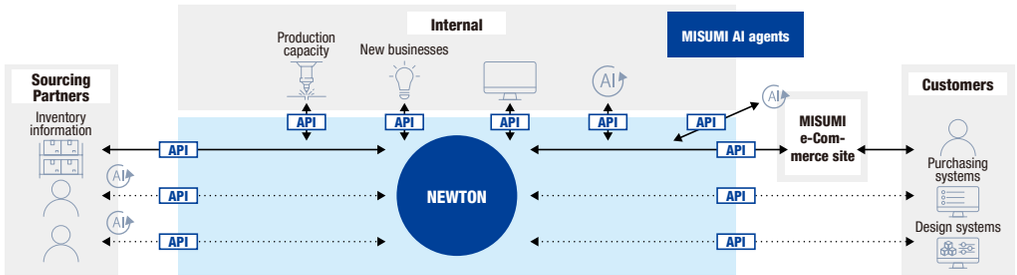
Capabilities and Outcomes | Intellectual Capital

NEWTON

Service Overview

NEWTON is a core system that functions as a platform connecting customers, Sourcing Partners, and MISUMI. Its microservices architecture allows functions to be combined flexibly, while its scalability enables secure API connections with external systems and AI. NEWTON provides a foundation for strengthening competitiveness by not only resolving challenges in existing businesses, but also enabling the rapid and easy introduction of new businesses such as D-JIT, which integrates and visualizes supplier inventory information, and the delivery-date discount service.

In some cases, the introduction of NEWTON has reduced the development time for new services to less than one-third of the previous level and cut costs to one-third. In addition, a chatbot combining NEWTON's API foundation with AI has reduced customer waiting times by up to 98% and halved the number of inquiries handled through live chat, significantly improving both customer experience and MISUMI's productivity.



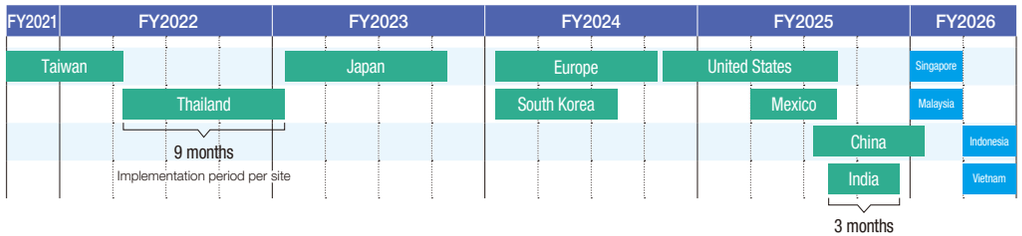
Global Rollout

MISUMI began rolling out NEWTON to local subsidiaries in 13 countries and regions in 2021 and completed implementation at all locations by the end of September 2026.

This global rollout was supported by a modular architecture that combines small functional units. Individual functions can be adapted to local business practices and regulations without affecting the system as a whole, enabling implementation tailored to the circumstances of each country and region. Because cloud environments are established separately by region, MISUMI can provide customers with more responsive service while optimizing costs by allocating resources according to the scale of each regional business.

In addition to establishing this technology foundation, MISUMI reviewed its business processes and packaged knowledge from the initial rollout locations for use elsewhere. MISUMI also developed future leaders by assigning younger employees responsibility for driving the global rollout and broadening the scope of their roles. As a result, the implementation period was reduced from nine months at the initial locations to as little as three months.

Overseas Rollout Schedule



Global Implementation Example

NEWTON has made order confirmation and online quotations for custom products available 24 hours a day, improving convenience for customers. Internally, improved order and delivery processes have increased response speed and enabled smoother information sharing with Sourcing Partners. NEWTON's ability to connect flexibly with external systems also allows us to consider improvements to processes that could not previously be integrated with the core system. I believe this renewal of our foundation is expanding the possibilities for evolving our business.



Assistant Director, China ME Business Division MISUMI China

Peng Qian

Integration with Production Management Systems

Using NEWTON's flexible API connectivity with external systems, MISUMI connected its database of more than 40 million products to production management systems in June 2026. MISUMI formed a three-company consortium with DAIKO XTECH, Ltd. and Technoa Inc. to advance the digital transformation of purchasing. By enabling processes such as quotation, ordering, and obtaining delivery information, which previously required repeated exchanges of information, to be completed within the same system, the initiative will increase purchasing-department productivity by up to two-fold. Through cross-industry co-creation, the consortium is advancing new standards for procurement and purchasing. The new system is planned for introduction at more than 1,000 companies in Japan over the next five years.

DAIKO XTECH　株式会社テクノア

Capabilities and Outcomes

Manufacturing Capital

MISUMI receives an average of 200,000 orders per day globally. These orders involve semi-custom products with 80 sextillion possible variations, in quantities ranging from one to several hundred units, resulting in high-mix, variable-volume demand. Using AI and IT to determine the optimal procurement method, MISUMI delivers its own products, including those supplied by Sourcing Partners, as well as third-party products, with Reliable and Quick Delivery and an on-time delivery rate of 99.5%.
The combination of digital and physical capabilities is the source of MISUMI's competitive advantage.

Orders

200,000 orders per day

High-Mix, Variable-Volume Monozukuri

meviy

fictiv

MiSUMi flow

⋮

Company A ×100

Company B ×1

Company C ×16

…

Company ZZ ×3



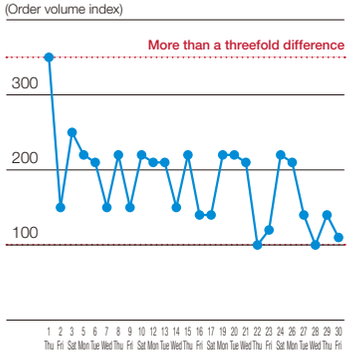
AI/IT-Optimized Procurement System

High-Mix, Variable-Volume

An Enormous Variety of Products and Wide Fluctuations in Order Volumes

For example, daily order volumes at the Shimizu Factory of Suruga Production Platform vary by more than threefold. MISUMI has developed proprietary expertise that uses AI and IT to ensure stable production across an enormous range of product types and quantities.

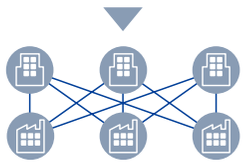
Daily Fluctuations in Orders for Die Components



* Index based on a minimum order volume of 100

Optimal Procurement Source Selection

- **Standard products** — More than 40 million products
- **Semi-custom products** — Mass customization encompassing semi-custom products with 80 sextillion possible variations
- **Custom products** — Unlimited range of product variations
- **Factory-MRO** — Consumables and supplies for mass-production factories



Features

Optimal Sourcing Partner Optimal Process
Optimal Timing Optimal Machining Program

Procurement and Manufacturing

MISUMI Products

Production Improvement

Over 14 Years
Productivity Up **3.2**-Fold
Lead Time Reduced to **1/68**

Optimal Utilization of People and Equipment

* At the Shimizu Factory of Suruga Production Platform

Proprietary Machining Equipment ALASHI

Global Production Network

22 MISUMI Production Sites Worldwide

Five-Region Global Production System

Third-Party Products

Agile Procurement Network

4,000 Sourcing Partners Worldwide

Connected by AI Agents

Data Integration with 800 Companies

Resilient Logistics Network

21 MISUMI Logistics Sites Worldwide

AI-Enabled Procurement Inventory Optimization

Globally Reliable and Quick Delivery

Shipments	Lead time	On-Time Delivery Rate
200,000 per day	As short as one day	99.5%



Capabilities and Outcomes | Manufacturing Capital

An agile production and logistics system supports high-mix, variable-volume Monozukuri. Technologies and continuous-improvement expertise developed at sites worldwide are shared across locations.

[Production]

China Nantong Factory

One of MISUMI's Largest Make-To-Order Production Sites Taking Semi-Custom Product Manufacturing to the Next Level

- **Handles an average of 44,000 units per day** * July 2026 results
  - A semi-custom product manufacturing site serving demand in China, Asia, Europe, and the Americas.
- **Launched an unmanned production line for FA components** * August 2025
  The factory has introduced automation technologies developed at the Shimizu Factory of Suruga Production Platform in Shizuoka, Japan. Productivity per person has increased 8.5-fold compared with the existing line, and the factory plans to expand the range of products manufactured.
- **Began production of assembled products** * August 2025
  The factory established a new product assembly process, achieving shorter lead times by bringing the production of certain products in-house.



Nantong Factory



Unmanned production line for semi-custom products

Vietnam Saigon Precision Company (SPC)

- **Asia's largest production site**

Established in 1995, SPC has continued to expand and now operates four factories, supporting MISUMI's global supply system. It manufactures a broad range of products, from standard and semi-custom products to custom products ordered through meviy.

- **Plan to expand production of automated positioning stages for data centers**

SPC also manufactures automated positioning stages for data centers, demand for which is growing. In January and July 2026, MISUMI decided to invest in expanding production capacity, primarily at SPC. By FY2027, MISUMI plans to approximately triple the Group's overall supply capacity for automated positioning stages compared with FY2025.



SPC Production Floor

[Logistics]

China Shanghai QCT* Center

Demonstration Site for Logistics DX Sharing Productivity-Improvement Expertise Internally and Externally

- **Ships an average of 24,000 orders per day** * August 2026 results. The Group's largest overseas site by shipment volume
- **Productivity increased approximately 1.7-fold**
  * August 2026 results, compared with FY2023

  Through frontline-led improvement activities, the center develops automation equipment and systems in-house. More efficient operations have reduced costs. The center is also testing the introduction of humanoid robots.
- **Deploying 85 improvement practices across eight overseas sites**

  The center developed a low-cost operating model for small-scale warehouses and is deploying it to local subsidiaries in Asia. At the Taiwan QCT Center, which introduced the model in April 2026, productivity increased by 12.7%.

  * At MISUMI, we prioritize Q (Quality), C (Cost), and T (Time Value).



High-Speed Automated Sorting Machine Built with 60% MISUMI Products



Packing and Sorting Machine That Improved Packing Productivity by Approximately 80%

Opening Our Manufacturing Operations to the Public

The Shimizu Factory of Suruga Production Platform is the mother factory supporting MISUMI's Monozukuri.

The factory develops and implements proprietary production technologies, including ALASHI, which automates the precision grind-ing of die components, and production lines for custom products ordered through meviy. In this way, the factory pursues an advanced manufacturing model capable of meeting high-mix, variable-volume demand.

In response to requests from many customers and industry stakeholders, the factory conducted 67 factory tours in FY2025. It also engages in CSR activities, including serving as a partner company in a career education program organized by Shizuoka University and providing junior high school students in Shizuoka City with opportunities to experience Monozukuri firsthand.



Junior high school students experience die-component machining using ALASHI

Capabilities and Outcomes

Human Capital

Message from the Chief Human Resources Officer (CHRO)

Creating Customer Value through the Collective Strength of the Group, with Employees' Challenges and Growth as the Starting Point

Senior Corporate Officer and CHRO
Representative, Human Resources and Legal Platform Hub

Tsutomu Kato



The Significance of Establishing the CHRO Role: Bringing Together the Strengths of Our People and Organization to Open the Way to the Next Stage of Growth

MISUMI has grown through a decentralized, autonomous management model based on the delegation of authority to its business organizations. Within this framework, human resources was positioned as a function supporting each business. Today, however, approximately 60% of MISUMI's business is conducted overseas, and I believe that overseas markets will account for much of our future growth. At the same time, customer needs continue to evolve, while rapid advances in AI and robotics are beginning to transform the very nature of Monozukuri.

Amid these changes in the business environment, we must move beyond a model in which each business serves customers based solely on what is optimal for that individual business. We need to evolve into a company that organically connects the knowledge, experience, talent, supply chains, and other capabilities distributed around the world to create customer value through the collective strength of the entire Group. Our people and organization are what will make this transformation possible.

I believe that responding to these changes is the primary reason MISUMI now requires the role of CHRO. The CHRO's mission is to evolve human resources from a support function into a core function that connects talent and organizational capabilities across the Group and supports the execution of our management strategies. Talent strategy is management itself, creating corporate value and generating competitive advantage.

"The Best Place to Grow" as the Starting Point for Our Human Capital Management

The concept underlying our human capital management is "The Best Place to Grow."

The environment surrounding our customers, Monozukuri, and industrial structures continues to change significantly. To respond to these changes, it is essential for every employee to deeply understand customers' challenges, think and act independently, and continue taking on new challenges to create value. Our diverse employees proactively pursue growth, and the Company fully supports them in taking on these challenges. We aspire to be the company where every employee has the greatest opportunity to grow in the world, and where that growth leads to the creation of value for customers. We aim to provide world-class opportunities that foster such a virtuous cycle of challenge and growth. This is what "The Best Place to Grow" means to us.

At the same time, as we expand our business domains and take on the challenge of creating new value, there are very few areas where the path to success is clear from the outset. Bold challenges come with the risk of failure, yet there can be no growth without challenge. We must therefore clearly articulate a culture in which people can take on challenges without fear of failure and create an environment where employees around the world can continue looking ahead and take new steps forward.

At the same time, it is also essential for diverse talent to play an active role. To me, diversity extends beyond differences in attributes such as nationality and gender. It means bringing together people with different experiences, expertise, and values, and harnessing those differences as a source of organizational strength. I also believe that continued growth requires every employee to broaden their thinking, actively embrace different perspectives and values, and continue learning from new viewpoints rather than resting on past successes.

Creating Value through a Talent Strategy Centered on Challenge and Growth in the Global and AI Era

At the same time, we are facing new challenges.

For MISUMI to achieve further growth as a global company, talent from diverse countries and regions, not only in Japan, must play a greater role in management, thereby increasing diversity and enhancing the quality of decision-making.

It is also important to establish "The Best Place to Grow" as a shared global concept. This does not mean simply rolling out initiatives developed in Japan to other countries unchanged. While upholding a common philosophy, we must flexibly adapt the way it is put into practice to the culture and labor market of each region.

Furthermore, AI is beginning to change the assumptions underlying talent development. While the use of AI continues to advance, there is still no clear answer to the question of what kind of talent we should develop in the AI era. For this reason, we do not view AI adoption as an end in itself. Instead, we will focus on the fundamental question of how people can grow and create value in an environment where AI is an integral part of work.

Our aim is to build an organization in which every employee, wherever they work in the world, can continue to contribute more to customers while taking on challenges and growing. The growth of our people leads to the growth of the Company, and the growth of the Company creates further opportunities to take on new challenges. By extending this virtuous cycle across the globe and leveraging the strengths of our people and organization, we will sustainably create value for customers and corporate value. This is MISUMI's vision for human capital management.

Capabilities and Outcomes | Human Capital

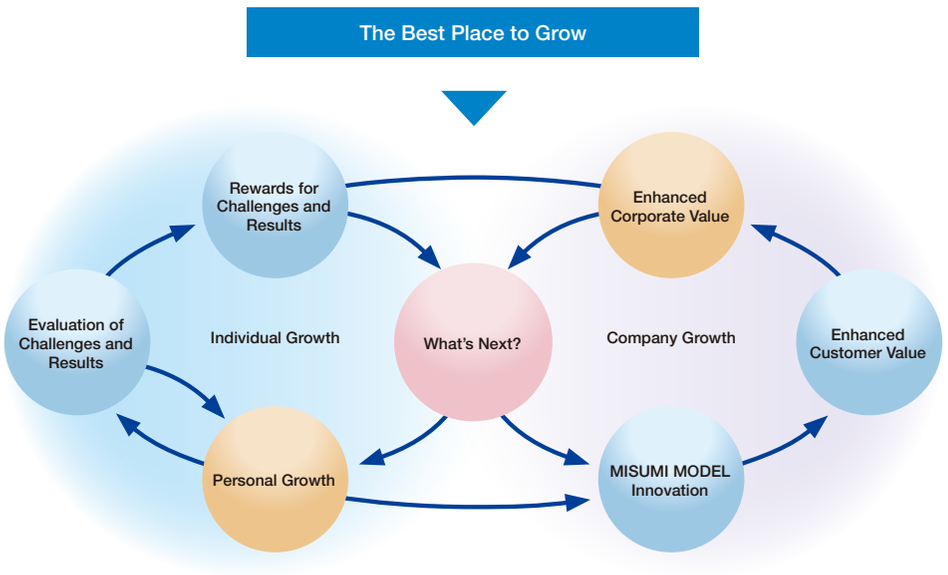
MISUMI's Human Capital Management: The Best Place to Grow

The Growth Chain-reaction Aspired Management to which the Group seeks to achieve begins with employees' challenges. By continuously innovating its Business MODEL (the MISUMI MODEL), MISUMI realizes its growth strategy and seeks to maximize both the value it delivers to customers and its corporate value. It is people who refine the MISUMI MODEL, and the challenges undertaken by each individual employee form the foundation of the Company's human capital management.

The Best Place to Grow diagram below illustrates the virtuous cycle of growth that begins with employees' challenges. The cycle on the left pursues individual growth. Employees grow by asking themselves, "What's next?" and taking on their next challenge; those challenges are appropriately evaluated and rewarded, creating a cycle that leads to further challenges. The cycle on the right pursues the growth of the Company. Employees' challenges innovate the MISUMI MODEL, enhance the value delivered to customers, and in turn lead to increased corporate value.

With employees' challenges as the starting point, the continuous operation of these two cycles in tandem forms the foundation of Growth Chain-reaction Aspired Management. This is the central pillar of the Group's human capital management and reflects its aspiration to be, for its employees, The Best Place to Grow: a company full of challenges and unparalleled opportunities for growth.

Connection Between Human Capital Management and The Best Place to Grow

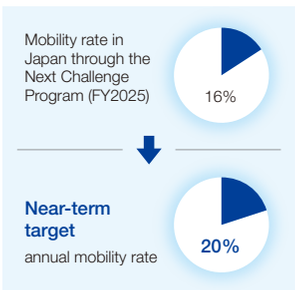


Mechanisms for Realizing The Best Place to Grow

Mechanism	Subsystem	Description
1 Mechanisms for Accelerating Individual Challenges and Growth	Next Challenge Program	A program that enables employees to proactively choose their next challenge, including transfers, promotions, and new responsibilities.
	i-Up	A platform where the next generation of employees can freely present trials and initiatives that have the potential to become the seeds of future MODEL innovation.
	Next-generation Talent Development	Initiatives to develop future executive talent who will lead MISUMI.
	Improvement Literacy Program	A learning program that combines classroom learning with practical application to strengthen improvement capabilities and Dynamic Capabilities.
2 Mechanisms for Accelerating Organizational Challenges and Growth	Business Plan	A management system through which each organization formulates and executes its growth strategy and autonomously revises it as appropriate in response to changes in markets and the environment.
	M-Up/Q-Up	Forums for globally sharing the results of MISUMI MODEL innovation and fostering mutual learning and inspiration.
	Management Forum	A forum where executives and employees openly exchange views and engage in two-way discussion across organizational and hierarchical boundaries on Business Plans, key initiatives, changes in the business environment, and other topics.
3 Principles and Initiatives for Creating an Environment That Enables Employees to Take on Challenges and Grow in the Right Ways	Internal Control	A framework and mechanisms for autonomously ensuring, reinforcing, and verifying appropriate conduct by employees and organizations.
	Zero Tolerance for Harassment	Following the adoption of the Zero Harassment Declaration in 2017, MISUMI has promoted compliance education, revised and globally deployed its Codes of Conduct, and strengthened its internal whistleblowing framework.
	DE&I	Through remote work, reduced working hours, childcare support, and other measures, MISUMI is working to create an environment in which everyone can take on challenges. Initiatives that turn diversity into a strength are advanced in ways that reflect the characteristics of each country and region.

Next Challenge Program: Accelerating Individual Challenge and Growth

The Next Challenge Program enables employees to proactively determine "what's next" in their careers. By creating an internal talent marketplace, MISUMI enables employees to continue taking on challenges: each year, employees reconsider their current positions, apply to the organizations in which they wish to work, and their assignments are determined through the program. Organizations are also expected to enhance their appeal to attract talent, creating a virtuous cycle in which employees and organizations strengthen one another. Employees can pursue challenges across countries and functions, and internal mobility has been established as a KPI for measuring progress.



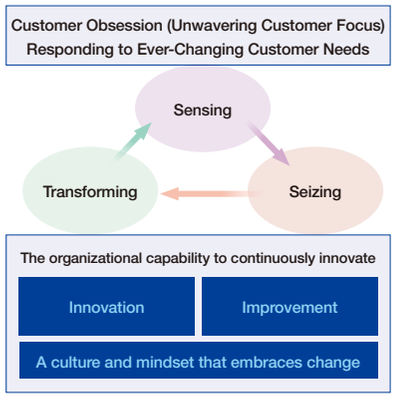
Next Challenge Program

Capabilities and Outcomes | Human Capital

Priority Initiative 1 Developing People and Organizations with Strong Dynamic Capabilities

Dynamic Capabilities: A Foundation for Enhancing Corporate Value

In the business environment surrounding the Company, the pace and impact of change are increasing, driven by accelerating technological innovation, heightened geopolitical risk, and the globalization of competition. Under these conditions, sustained growth requires the ability to identify changes in markets and customer needs at an early stage, make decisions quickly, and translate them into action. To realize Growth Chain-reaction Aspired Management through enhancing the value delivered to customers, MISUMI believes that it must continue innovating its Business MODEL and organization in response to environmental change. The Company therefore regards strengthening Dynamic Capabilities across the organization, namely the ability to sense changes, seize opportunities, and transform the organization accordingly, as an important management priority. Dynamic Capabilities are a foundation that supports the enhancement of corporate value and a competitive capability that sustains growth into the future.



Reforms toward an Organization with Strong Dynamic Capabilities

Hub Organizations (Organizational Structure Reform)

To further accelerate global business growth, MISUMI reorganized its structure from a region-based framework to a global business-based framework, enabling resources to be allocated dynamically by business in response to changes in markets and the operating environment. Organizations responsible for businesses, regions, competitive foundations, and breakthrough strategies are designated as Hub Organizations. As hubs for the Group as a whole, they drive MODEL innovation and enhance customer value.

Multi-Network (Organizational Dynamics Reform)

Hub Organizations are organically connected through a variety of formal and informal channels, maximizing the capabilities of the Group as a whole. Through cross-organizational projects, activities that connect people through shared expertise and interests, such as forums and study groups, and opportunities for external learning and collaboration, including lectures and media engagement, MISUMI strengthens Dynamic Capabilities by fostering connections that extend beyond organizational boundaries.



Autonomy and Governance (Organizational Management Reform)

At the management meetings of each Hub Organization, MISUMI forms management teams comprising the Supervising Officers, Hub Presidents or Representatives, and “External Executives” drawn from outside the organization, including from outside the Company. By ensuring diversity within each organization’s management team and incorporating insights from other organizations and outside the Company, MISUMI achieves a balance between flexible, agile autonomous management and appropriate governance.

Examples of Initiatives to Strengthen Dynamic Capabilities

1 Management Forum

Throughout the year, the Group holds Management Forums that enable direct dialogue between executives and employees. In addition to Group-wide sessions, forums are held by Hub Organizations and departments to share Business Plans and key initiatives, draw on external perspectives and support, and accelerate implementation.

All employees are free to participate either in person or online. The forums encourage active participation and help foster a Multi-Network organizational culture aimed at enhancing corporate value.

2 i-Up

MISUMI launched i-Up in FY2025 to encourage employees’ challenges and growth. It provides a forum in which the next generation of employees can share trials and initiatives that may become the seeds of future MODEL innovation across the Company and exchange views with one another. Financial support for personal growth is provided for outstanding initiatives. The inaugural event featured 129 submissions from Japan and China, including themes such as the use of AI and the development of new services, and led to interaction across organizations and regions. Going forward, MISUMI will invite submissions from all regions globally and further foster a culture that encourages challenges.

Unlock our Waku-Waku!!

i-Up

3 “Ara Talk!” Roundtables between the President and Employees

Inspired by President Arata Shimizu’s desire to deepen interaction with employees following his appointment in April 2026, these roundtables, held approximately once a month, provide an informal forum for dialogue between the President and employees. They are held not only in Japan but also at global locations, are open to employees regardless of position, and are planned and operated by participating members. This open communication allows employees to hear directly about the thinking and intentions of top management, while enabling management to understand frontline realities and employees’ voices firsthand, thereby strengthening the organization’s Dynamic Capabilities.

Ara talk

4 Improvement Literacy Program

The Improvement Literacy Program is a proprietary MISUMI foundational course based on the Toyota Production System (TPS), designed to promote productivity improvement across all areas of work. Employees learn the fundamentals of problem structuring and problem solving, including how to identify bottlenecks and analyze and resolve their root causes. MISUMI regards this improvement literacy as fundamental to the work people should perform in the AI era and aims to make its organization and people AI-ready from perspectives beyond technology.

Capabilities and Outcomes | Human Capital

Priority Initiative 2 Realizing The Best Place to Grow Globally

Toward People and Organizations That Enable Every Region to Lead the Group's Growth

The key to MISUMI's next stage of growth lies in generating a continuous stream of MODEL innovation across regions around the world. To achieve this, the Group must become an organization in which all employees can take on challenges and grow.

MISUMI is therefore transitioning from a Japan-centered, headquarters-led approach to talent utilization toward a structure in which national staff, who best understand local customers, cultures, and workforces, take a strong lead in managing businesses in their respective countries and regions.

Each country and region will focus on enhancing the value delivered to customers, while, from the perspective of optimizing the Group as a whole, connecting its knowledge and technologies through the Multi-Network to create value for customers worldwide. MISUMI will work together globally to advance the talent and organizational development needed to achieve both objectives.

Rebuilding the HR Foundation with a Global-First Approach

The HR functions of the Americas, Europe, Asia, China, and Japan operate as a virtual global HR team.

Rather than simply issuing policies from headquarters or combining regional systems and practices, MISUMI openly discusses the organizational and talent development principles to be shared across the Group, as well as the policies and initiatives to be applied consistently worldwide, and adapts them to regional circumstances. Through its Global-First and Think Global, Act Local approach, MISUMI is building a distinctive global HR foundation.

Deliberate Development of the Next Generation of Global Management Talent

To become a truly global company, MISUMI needs a system for identifying future management talent worldwide, developing that talent systematically, and appointing individuals to key leadership roles. The Company is building a framework for continuously developing the next generation of global management talent, centered on executives responsible for businesses and regions and the high-potential leaders who may succeed them.

In developing the next generation of management talent, MISUMI identifies high-potential talent across the Group and provides outstanding growth opportunities centered on demanding assignments and leadership roles. By cascading similar initiatives across regions and Hub Organizations, MISUMI aims to build a diverse and robust pipeline of talent capable of leading the Group well into the future.

Initiatives Led by Global HR Regional Leaders



Melissa Salcius / Americas
Following the integration of Fictiv and MISUMI USA, we are renewing the organizational structure in the Americas so that employees can clearly understand how their roles connect to organizational objectives. Going forward, continued deployment of the right talent will be critical to supporting rapid business expansion. In particular, we will more carefully assess alignment with the roles and behavioral characteristics required for senior positions, thereby strengthening the foundations of our talent and organizational culture. We aim to extend the positive impact of these changes across the Group.

Arno Schwarz / Europe
In Europe, we are strengthening promotion, succession planning, and talent development processes to align more closely with the global talent development model. Going forward, we will strengthen transparent talent selection and development based on role requirements, competencies, business needs, language capabilities, and expertise, while ensuring alignment with both The Best Place to Grow and the European context.





Qing Pu / Asia
Asia is a "mini-global" region comprising seven local subsidiaries and Suruga-related companies, with close ties to China. We are leveraging these characteristics to strengthen cross-regional talent networks and expand opportunities for employees to take on challenges. Going forward, we will continue developing systems and initiatives to select outstanding talent, build management capabilities through practical experience, and provide incentives that encourage employees to take on challenges, enabling local talent to assume key management positions across the region and its subsidiaries at an early stage.

Jason Song / China
In China, we are embedding MISUMI Value's and The Best Place to Grow while promoting autonomous management by local talent. As a core MISUMI region, China also dispatches talent to the Asia region. Going forward, we will advance talent development from a Global-First perspective so that we can contribute further to Group management. Guided by Think Global, Act Local, we will balance unified standards with regional culture while supporting employees' proactive career development.





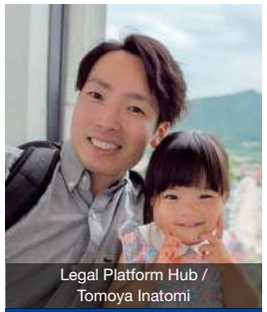
Matthew VonderBrink / Dayton Lamina
Working with HR leaders across the world, we are advancing talent and organizational development that contributes to the growth of each region, each organization, and the Group as a whole. While recognizing and respecting the cultural and regional differences that contribute to each organization's success, we will build global frameworks for leadership development, talent management, employee engagement, and related areas that support the growth of both Dayton Lamina and the Group.

Capabilities and Outcomes | Human Capital

Ways of Working and Diversity

Supporting the Balance between Parenting and Career

Before taking parental leave, I was concerned about stepping away from work, but the support of my manager and team members gave me the confidence to make that decision. During my leave, I shared household and childcare responsibilities with my spouse while watching our child grow. For someone whose life had largely centered on work, the time I spent with my family provided many valuable insights. The ability to prioritize within limited time and consider situations from others' perspectives has also benefited me since returning to work. The experience also deepened my understanding of employees who balance work with a variety of personal responsibilities, including childcare and caregiving. Today, I use flextime and other arrangements to balance work and family life while respecting diverse ways of working. MISUMI has a culture that encourages people to take on challenges, and parental leave became more than the use of a formal program; it was an opportunity for my own growth. Going forward, I hope to continue contributing to value creation while balancing my professional and family responsibilities.



Legal Platform Hub / Tomoya Inatomi

Data (MISUMI Japan)

Male Childcare Leave Uptake Rate: 101.7%

Calculated in accordance with the Ministry of Health, Labour and Welfare guidelines by dividing the number of male employees who took childcare leave or related leave by the number of male employees whose spouses gave birth.

Building a People-centered Corporate Culture at P.C.S.

(P.C.S. Company, a MISUMI Group company)

P.C.S. regards corporate culture as a critical management foundation for sustainable growth. Even in the age of AI and digital transformation, P.C.S. believes that people remain the ultimate source of competitiveness and views AI as a tool that enables employees to create greater value through their creativity. Accordingly, P.C.S. has placed trust and respect at the center of its corporate culture and has worked to strengthen confidence in management while fostering open, two-way communication. Through transparent communication, the use of feedback, fair compensation systems, job shadowing, and other initiatives, P.C.S. is creating an environment in which employees can express their opinions and take on challenges with confidence. As a result, the engagement score rose from 56% to 82% over seven years, and P.C.S. has been recognized as a Detroit Free Press Top Workplace for four consecutive years. In addition, stronger cross-functional collaboration and an increase in improvement proposals have enhanced customer value and contributed to record-high sales in FY2025. Going forward, through a corporate culture in which employees' voices are reflected in management, P.C.S. will continue to generate Dynamic Capabilities and innovation, thereby achieving the sustainable enhancement of corporate value.



President of P.C.S. Company: Angela Elsey

Data (P.C.S. Company)

Engagement Score: 82%
Top Workplaces: Recognized for Four Consecutive Years

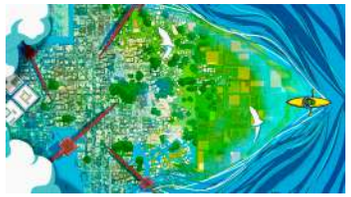


Employees with Disabilities Making an Impact

Art Talent At MISUMI, employees with disabilities who possess artistic talent work as in-house designers. Through the creation of a wide range of content, they support visual communication and help foster more active communication across the Company.

Takashi Araki Through my creative work at MISUMI, I have developed the ability to pursue high standards within limited time constraints while balancing speed and quality. My goal is to create work that helps people recognize their potential and inspires them to take on their next challenge. Going forward, I hope to expand into advertising production and communicate MISUMI's appeal and value to an even broader audience.

Hinata Sasaoka Since joining MISUMI, I have expanded the range of my creative expression through a variety of projects by considering both the audience and the context in which the work will be used. Through design, I hope to facilitate communication among employees and contribute to enhancing customer value. Going forward, I will continue exploring new forms of expression, including 3DCG and VR, to deliver value to an even broader audience.



i-Up Official Artwork (Araki)
Depicting how challenges expand possibilities and drive personal growth.



i-Up Official Artwork (Sasaoka)
Depicting young leaves growing into MISUMI's future.

Health Keepers As part of its employee benefits program, MISUMI employs Health Keepers, in-house practitioners who provide employee wellness services, helping to create an environment in which employees can perform at their best.

Nobunao Kiyohara As a practitioner, I continually refine my skills while embracing the challenge of contributing to employees' physical and mental well-being and helping them perform at their best. During my 10 years at MISUMI, seeing people with diverse backgrounds and perspectives thrive has taught me the importance of expanding possibilities without being constrained by conventional assumptions. Going forward, I want to broaden the range of treatments I provide and create value for more employees and customers by expanding massage rooms to other locations and developing practitioners.

Yumi Mori In addition to regular treatments, I focus on recommending stretching and self-care. I support the health and well-being of MISUMI employees so that they can thrive not only at work, but also in their hobbies and sporting activities. Since joining MISUMI, I have strengthened my ability to provide treatments tailored to individual needs while responding flexibly to a wide range of situations. Going forward, I will also take on the challenge of learning medical English and aim to become a Health Keeper who can deliver value to a more diverse range of users.





Capabilities and Outcomes | Human Capital

Roundtable Discussion on Women's Advancement



Turning Differences into Strength and Empowering Everyone to Take on Challenges

Still a Work in Progress: Where MISUMI Stands on Women's Advancement

Yano We have gathered participants with diverse roles and career backgrounds. From your respective perspectives, how would you assess the current state of women's advancement at MISUMI?

Sato During my 15 years with MISUMI, I spent 12 years overseas and also served as the head of a local subsidiary. In my experience, being a woman did not affect my opportunities or how I was evaluated, which I see as one of the strengths of MISUMI's culture. At the same time, people who fit a certain mold of what was expected at MISUMI tended to thrive, regardless of gender. As MISUMI accelerates its growth as a global company, I believe our next challenge is to become an organization that can turn differences in perspectives and ways of working into a source of strength.

Zheng I joined MISUMI as a new graduate and gave birth during my third year with the company. After returning from parental leave, I have been able to balance childcare and work with the support of remote work and reduced working hours. However, I know people who have both the ability and the opportunity to take on greater responsibilities but hesitate to pursue management positions because they believe managers must work long hours. In addition to flexible work arrangements, managers need to encourage employees and help them see the range of opportunities available to them.

Advancing Careers through Mentorship and Expanded Choices

Yano I did not begin my career with the goal of attaining a leadership position. Alongside the enjoyment of work itself, another important factor in my growth was the presence of mentors who encouraged me, sometimes through candid and challenging advice. What role do you think mentors play in supporting women's advancement?

Capabilities and Outcomes | Human Capital



Okawa Drawing on my experience at a previous company, I, too, recognize the importance of mentors. Younger employees sometimes ask whether they should prioritize their careers or their families. My response is that, rather than giving up one or the other, they should think about how to achieve both. Having a mentor other than a direct manager with whom employees can openly discuss their concerns can help them gain new insights and discover possibilities they may not have considered before. I believe there is significant room for the company to expand an environment where employees feel comfortable seeking advice and are encouraged to take the next step in their careers.

Sato I, too, have drawn inspiration and encouragement from seeing accomplished senior colleagues and friends thrive in their careers. I also believe that mentors do not necessarily have to be women. Male mentors can play an equally valuable role in supporting growth and development.

Zheng I was also supported by managers who, when I was close to giving up, challenged me by asking, “Are you really satisfied with stopping here?” Mentors are often viewed as role models, but I do not believe their role is to lead others down the same path they themselves followed. Rather, mentors help people recognize that other paths remain open to them, broaden their perspective on what is possible, and encourage them to take on new challenges.

Management That Unlocks the Potential of Diverse Talent

Yano Simply bringing together people with diverse backgrounds, including differences in gender, is not enough to make an organization stronger or enable it to perform at its best. What should MISUMI do to turn diversity into a true source of strength?

Sato To deliver value to a diverse range of customers, we need a workforce that reflects diversity in nationality, gender, culture, and ways of thinking. Understanding differences and embracing perspectives that differ from our own can lead to unexpected ideas and innovation. I believe it all begins with respecting one another and communicating, “I trust you.”



Okawa I believe people can fully realize their potential only when three elements come together: Diversity, which brings together people with different backgrounds; Inclusion, which means respecting one another and recognizing individual differences; and Equity, which ensures support tailored to the needs of each person. For example, paying attention to those who have not spoken during a meeting and creating opportunities for them to share their views is an important responsibility of leaders and managers.

Zheng It is also essential for employees to feel confident that expressing their opinions openly will not negatively affect how they are evaluated. Some people have ideas of their own but hesitate to speak up for fear of going against the prevailing view. Managers need to look beyond those who speak the loudest and actively draw out perspectives that have not yet been expressed.



Taking DE&I from Knowledge to Everyday Action

Okawa Everyone has unconscious biases. I believe it is important to recognize that we all have our own assumptions and to develop the habit of pausing to ask ourselves, “Am I viewing this only from my own perspective?”



Zheng People should not refrain from speaking up out of fear that their evaluation may suffer. Rather, I believe that expressing one’s views openly is what enables people to take responsibility for the outcomes. That is precisely why managers must demonstrate respect through their words and actions, both in meetings and in everyday interactions.

Yano The essence of DE&I lies in understanding and accepting one another’s differences and then adjusting our direction as an organization accordingly. I believe that, by embracing and advancing DE&I, each of us can help make MISUMI an even stronger and more attractive company.

Kato Thank you for sharing your candid perspectives. It is not easy to bring together differing opinions while aligning everyone around the Company’s direction and objectives. However, through the steady accumulation of such efforts, diversity becomes a source of innovation and competitive advantage. As MISUMI looks toward its next stage of growth, we will continue exploring ways to translate DE&I from a concept into everyday practice, creating an environment where everyone can take on challenges in their own way and perform to their fullest potential.



Capabilities and Outcomes

Financial Capital



Message from the Chief Financial Officer

Turning Change into Growth through Optimal Resource Allocation

Senior Corporate Officer and CFO
Representative, Finance Platform Hub

Toru Takanami

Turning Change into Growth through Management Beyond Fixed Budgets

Since its founding, MISUMI has pursued its mission of enhancing Customer's Time Value by eliminating inefficiencies in the manufacturing industry. In recent years, alongside Digital MODEL Shift initiatives such as meviy, the Economy Series, D-JIT, and MISUMI floow, our integration with Fictiv has expanded our business domain into product development. In supporting this growth, I believe my essential role lies not only in performance and cash management but in determining how management resources should be allocated and where growth opportunities lie in order to enhance corporate value.

Through dialogue with investors, I sense that although MISUMI is a unique company, its overall picture is not easy to convey. Our FA, Die Components, and VONA businesses each have their own strengths and have achieved steady growth. At the same time, some aspects of corporate value are difficult to see from the growth of individual businesses alone. From our customers' perspective, MISUMI is one company. That is why we need to show not only the profitability and growth potential of each business, but also the value we create as a company as a whole. As the executive responsible for finance, I am working to enhance corporate value while keeping sight of both the growth of individual businesses and Group-wide optimization.

From Cash Management to Capital Management

MISUMI has built a solid financial base on the back of high earning power and strong cash-generating capabilities. In our global operations, we have also put in place a structure that allows funds to be deployed flexibly across countries and regions, including centralized fund management through the introduction of cash pooling. As a result, we have been able to reduce the minimum level of funds required for business continuity.

While cash management has advanced, I believe we are at a stage where we must devote even greater effort to capital management, that is, to the question of how to connect accumulated capital to growth. In the past, we may have viewed our growth opportunities somewhat too narrowly. That is precisely why we are now accelerating our entry into growth industries such as semiconductors, data centers, robotics, aerospace, and agritech, and actively pursuing investments that lead to enhanced corporate value.

The role of finance is not only to advance investment, but also to increase the likelihood that those investments succeed. In investment decisions, we do not mechanically follow the numbers alone; we place importance on the growth story that a given business seeks to write. ROIC and ROI are important indicators, but if management decisions were based only on present figures, a company would stop taking on challenges. Balancing future growth potential with financial discipline is the foundation of MISUMI's financial strategy.

A Management System to Accelerate Growth Investment

In an era of rapid change, enhancing corporate value requires a mechanism for quickly identifying change and allocating resources appropriately. MISUMI is therefore building a new management system based on the concept of management beyond fixed budgets. Rather than being bound by fixed budgets, this system uses rolling forecasts to reallocate resources as market conditions and business circumstances change. It is not merely a management technique, but a management foundation for strengthening our Dynamic Capabilities.

The role of the finance function is also shifting from managing budgets to supporting management decision-making. Using data and AI, the finance function provides objective insights on the future outlook developed by each business division, supporting higher-quality decision-making. Financial data is being used across an increasingly broad range of areas, including profitability management by organization and function, profitability analysis by customer and product, and demand forecasting. These capabilities have become an important foundation for directing limited management resources to the areas with the greatest potential to create value.

Message to the Capital Markets

Looking three to five years ahead, what I consider most important is how to maximize the likelihood of success in our growth investments and global expansion. Success in these areas should lead to improved capital efficiency. Building on a strong financial base, MISUMI will continue to take on the challenge of turning change into growth. While pursuing the optimal balance between growth investment and shareholder returns, we will continue to enhance corporate value over the long term.

Capabilities and Outcomes | Financial Capital

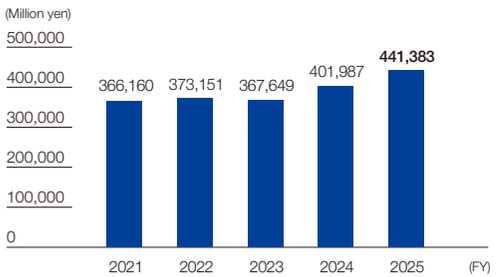
MD&A: Financial Review

Review through the First Quarter of FY2026

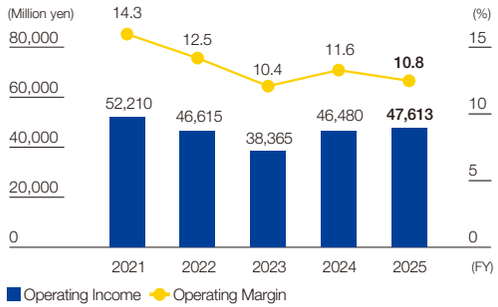
In FY2025, amid continued uncertainty arising from U.S. tariff policies and heightened geopolitical risks, we advanced Digital MODEL Shift initiatives and region-specific growth strategies. As a result, net sales were ¥441.3 billion, operating income was ¥47.6 billion, and net income was ¥40.4 billion, with both net sales and net income reaching record highs. Growth was led in particular by Digital MODEL initiatives such as meviy, the Economy Series, and D-JIT, while expanding demand in the Chinese and Asian markets and growth in telecommunications-related demand also supported results. In addition, the acquisition of Fictiv expanded our business into the product development domain and gave us AI-related capabilities.

In the first quarter of FY2026, data center demand and semiconductor-related demand expanded against a backdrop of AI-related investment, and the effects of our Digital MODEL Shift initiatives emerged at a pace exceeding expectations. As a result, net sales reached ¥131.4 billion and operating income ¥17.8 billion, both marking record quarterly highs, while the operating margin was 13.6%. In the FA business in particular, initiatives such as Fictiv, meviy, the Economy Series, and D-JIT contributed significantly, and all segments achieved double-digit growth. We also revised our full-year forecast upward and now expect operating income of ¥67.0 billion. We captured demand in growth markets, digital initiatives became more firmly established, and profitability improved steadily.

Net Sales



Operating Income / Operating Margin



Basic Policy

For sustained enhancement of corporate value, we position the advancement of our cash management system, the optimization of cash allocation, the improvement of capital efficiency, and deeper dialogue with stakeholders as the pillars of our financial strategy. While strengthening the financial base needed to accelerate growth investment, we aim to achieve both improved capital efficiency and enhanced shareholder returns, and to enhance corporate value over the medium to long term through expansion of the equity spread. We are also working continuously to build a financial structure that can respond flexibly to a rapidly changing business environment. In particular, we position cash allocation as a core management decision for enhancing corporate value, determining how cash on hand and operating cash flow are allocated to growth investment and shareholder returns.

Cash Allocation

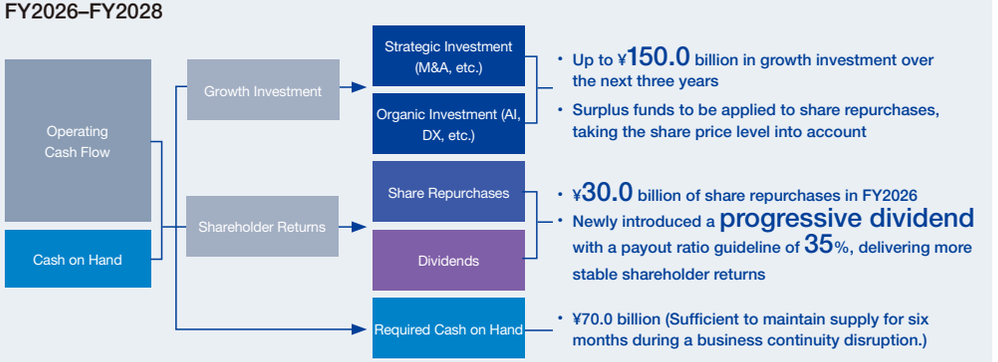
Growth Investment

We position global expansion, Digital MODEL Shift, and entry into growth industries as our three growth pillars. We will continue to invest in AI and digital transformation, as well as in production and logistics, to strengthen the competitiveness of our existing businesses, while also actively considering M&A and alliances that deliver non-linear growth. We have committed up to ¥150.0 billion to growth investment over the three years from FY2026. By accelerating entry into growth industries such as data centers, semiconductors, robotics, humanoids, and agritech and capturing growth opportunities, we aim to enhance corporate value.

In October 2026, MISUMI established the MISUMI Imprint Foundation in the United States and launched the corporate venture capital (CVC) fund MISUMI Venture Capital Fund I, LP. Both are positioned as strategic investments aimed at supporting manufacturing globally while contributing to the MISUMI Group's next stage of growth and enhancing corporate value.

The MISUMI Imprint Foundation, MISUMI's first foundation, was launched with US$2 million in seed funding. It supports engineering education, applied design and robotics programs, and industry-academia collaboration in the United States. MISUMI Venture Capital Fund I, LP has a fund size of US$50 million. As part of the Group's efforts to develop new business domains, the fund will make strategic investments in promising startups with the aim of building a next-generation manufacturing ecosystem centered on frontier hardware, robotics, and industrial AI.

FY2026–FY2028

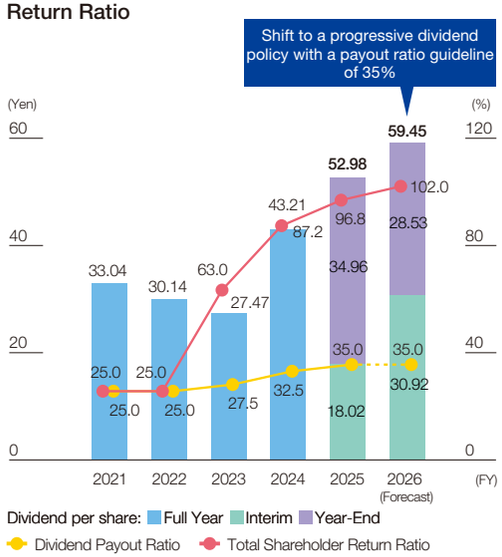


Capabilities and Outcomes | Financial Capital

Shareholder Returns

We continue to strengthen shareholder returns while placing importance on the balance with growth investment. Beginning in FY2026, we introduced a progressive dividend policy with a payout ratio guideline of 35%. Share repurchases are conducted flexibly according to circumstances, taking into account cash on hand, growth investment opportunities, and stock market conditions. In light of factors including revised funding requirements resulting from advances in cash management, as well as the share price level, we plan to conduct share repurchases totaling approximately ¥30.0 billion in FY2026.

Dividend Payout Ratio / Total Shareholder Return Ratio



Financial Performance Management System

To evolve into a proactive organization that takes on challenges, we are building a new Financial Performance Management System that incorporates the concepts of management beyond fixed budgets and Dynamic Capabilities. Under conventional target management based on single-year budgets, attention tends to focus on achieving year-end numerical targets at the end of the fiscal year, which can lead to short-sighted behavior that sacrifices a medium- to long-term perspective. We have therefore abolished single-year budgets and introduced a system with a two-year planning period. Each business division sets key goal indicators (KGIs), such as the two-year CAGR in net sales and the operating margin, and establishes these autonomously as market-relative targets based on market conditions and comparisons with competitors. By using relative rather than fixed targets, we seek to foster an organizational culture that does not ease off when conditions are good and keeps up its efforts when conditions are poor. In addition, we conduct rolling forecasts every quarter that consistently look two years ahead, flexibly allocating additional resources or revising existing allocations in line with gaps between targets and forecasts. We also review the validity of our strategies as needed at the monthly company-wide management meeting. Through these efforts, we are strengthening a flexible and autonomous management foundation that is not swayed by changes in the environment, and we aim to enhance corporate value on a sustained basis.

Advancing Stakeholder Dialogue

In recent years, the progress of our Digital MODEL Shift and the acquisition of Fictiv have significantly broadened our business domains and growth opportunities. At the same time, our business structure and growth strategy have aspects that are difficult to understand from outside the company, making it important to reduce information asymmetry. We therefore strive to communicate not simply our results and financial figures, but also our approach to growth strategy, the background to our investment decisions, and our capital allocation policy in a way that is easier to understand.

To achieve enhanced corporate value, we position dialogue with shareholders, investors, and other stakeholders as one of our important management priorities. In FY2025, we held 537 dialogue sessions with institutional investors and others, in addition to 27 overseas IR engagements.

Going forward, by deepening mutual understanding through dialogue, we will strengthen relationships of trust with the capital markets and thereby further enhance corporate value.

Capabilities and Outcomes

Natural Capital



Message from the Executive in Charge of Sustainability

The Next Focus of Natural Capital Management: Product Sustainability

Senior Corporate Officer and CFO
Representative, Finance Platform Hub
Executive Responsible for the Sustainability Division

Toru Takanami

Toward Sustainable Growth in Harmony with Natural Capital

We recognize natural capital as a theme directly linked to global challenges such as climate change, and one that companies should address as a top priority. For MISUMI, which serves a broad range of manufacturing customers through its direct sales model, environmental considerations are fundamental to our business activities. Expectations from customers and investors are rising year by year.

To reduce GHG emissions, we have improved energy efficiency across our operations, expanded the use of renewable energy, and worked to measure and reduce emissions throughout the supply chain. At the same time, we are strengthening our Product Sustainability initiatives, recognizing the importance of reducing the environmental impact of our products and complying with emerging product-related regulations. Specifically, we are responding appropriately to new regulatory requirements, including the Carbon Border Adjustment Mechanism (CBAM), the EU Deforestation Regulation (EUDR), and the Packaging and Packaging Waste Regulation (PPWR).

As a company that supports the advancement of industry, MISUMI Group is committed to balancing the conservation of natural capital with business growth. By steadily building on each initiative, we will continue to contribute to a sustainable society.

Climate Change

Our Approach to Climate Change

MISUMI Group addresses climate change through its business activities, including measures to mitigate global warming. In September 2021, we announced our support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and joined the TCFD Consortium. In March 2022, we conducted and disclosed an analysis of the impacts of climate change based on the 1.5°C/2°C and 4°C scenarios, including the identification and impact assessment of transition risks, physical risks, and opportunities.

From a governance perspective, the Sustainability Committee, chaired by the Representative Director and President, establishes sustainability-related targets, including those related to climate change, monitors progress, and regularly reports to and makes recommendations to the Board of Directors. We also prioritize risks based on the financial impacts of climate change and when those impacts may arise, and formulate and implement appropriate measures.

Through a Business MODEL designed to eliminate various forms of waste for customers and suppliers, MISUMI Group also contributes to the decarbonization of society as a whole. We continue to monitor the impact of climate change on management and make appropriate disclosures.

Climate Change Initiatives: TCFD-Aligned Disclosure and Greenhouse Gas Emissions (Scope 1 and Scope 2)

GHG Emissions Reduction Targets

MISUMI Group has established the following GHG emissions reduction targets. These targets are aligned with the reduction rates and levels required by the Science Based Targets initiative (SBTi)*1 to achieve the 1.5°C target.*2

Targets

GHG Emissions from MISUMI Group's Business Activities
(Scope 1 and Scope 2)

by FY2030	Reduce GHG emissions by 42% from FY2020 levels
by 2050	Achieve carbon neutrality

*1 Science Based Targets initiative (SBTi): An international framework that encourages companies to set GHG emissions reduction targets aligned with the levels required by the Paris Agreement adopted at COP21 in 2015.
*2 The Paris Agreement target of limiting the increase in the global average temperature to 1.5°C above pre-industrial levels.

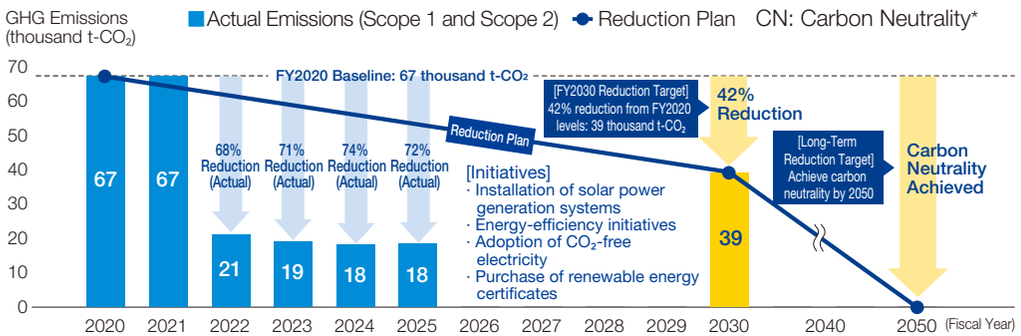
Capabilities and Outcomes | Natural Capital

GHG Emissions Reduction Plan and Progress

To achieve the Scope 1 and Scope 2 GHG emissions reduction targets outlined above, MISUMI Group has established a reduction roadmap and is implementing initiatives in line with it.

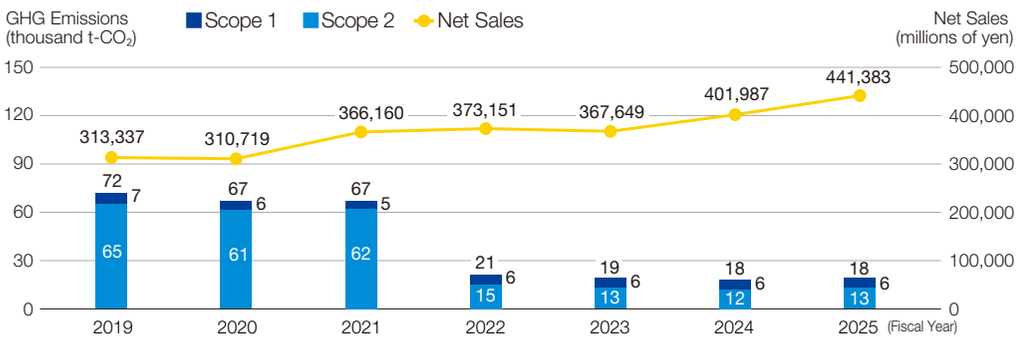
We have achieved significant reductions since FY2022 and are currently on track to meet our targets. Total Group GHG emissions amounted to 18 thousand t-CO_2 in FY2025, representing a reduction of 48 thousand t-CO_2, equivalent to 72% of FY2020 emissions. Although Group net sales reached a record high in FY2025, we maintained the lower level of emissions achieved since FY2022.

GHG Emissions (Scope 1 and Scope 2) Reduction Roadmap, Initiatives, and Progress



* Emission calculations use FY2025 emission factors from Japan's Ministry of the Environment, Ministry of Economy, Trade and Industry, and the International Energy Agency (IEA).

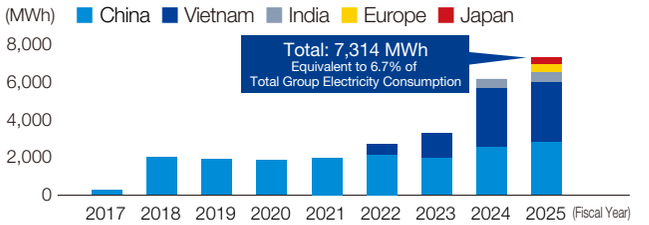
GHG Emissions (Scope 1 and Scope 2) and Group Net Sales



Specific Initiatives to Reduce GHG Emissions

MISUMI Group has achieved significant reductions in GHG emissions since FY2022. Specific initiatives include installing solar power generation systems, promoting energy-saving initiatives, adopting CO_2-free electricity*1, and purchasing renewable energy certificates, including I-REC and GEC*2. Category 1 (Purchased Goods and Services) accounts for more than 85% of Scope 3 emissions. Since FY2022, we have worked with major suppliers in Japan to collect data and reduce Scope 3 emissions overall.

Solar Power Generation

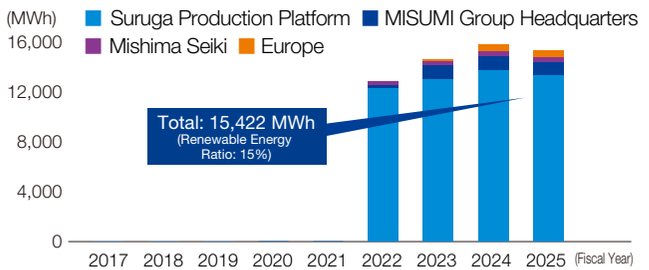



Solar Panels at the Bellaire Plant, United States

By FY2025, solar power generation systems had been introduced in Vietnam, China, India, Portugal, and Japan, all under on-site Power Purchase Agreement (PPA) arrangements. Total Group solar power generation amounted to 7,314 MWh in FY2025, equivalent to 6.7% of the Group's total electricity consumption. In April 2026, solar power generation was also introduced at the Bellaire Plant in Michigan, enabling the plant to meet approximately 20% of its electricity needs through on-site generation.

An on-site PPA (Power Purchase Agreement) is a contractual arrangement under which a third party installs, owns, operates, and maintains power generation facilities on a company's premises, while the company purchases the electricity generated by those facilities.

CO_2-Free Electricity Adoption



MISUMI Group has introduced CO_2-free electricity at domestic production sites, its headquarters building, and an overseas location. The domestic production sites include Suruga Production Platform's Shimizu Plant and Ami Plant, Kansai Plant, and Mishima Seiki. The overseas location is MISUMI Europe in Germany.

*1 CO_2-free electricity refers to electricity supplied with the environmental value of renewable energy sources that do not emit CO_2 during power generation and is therefore recognized as having zero CO_2 emissions at the point of use.
*2 Green Electricity Certificate (GEC): An environmental certificate issued based on electricity generated from renewable energy sources under a program operated by the Chinese government.

Capabilities and Outcomes | Natural Capital

Resource Circularity

Through its business model of providing Time Value by eliminating all forms of waste for customers and suppliers, MISUMI Group contributes to resource and energy conservation across society and helps accelerate the transition to a circular society. We are also actively working to reduce waste and optimize resource use.

Resource Circularity Initiatives in Manufacturing Processes

Suruga Production Platform, which is responsible for the Group's production functions, has established global environmental targets and is implementing initiatives to achieve them. Waste is properly segregated, and the recycling rate has remained above 90% since FY2022, meeting the established target. To reduce losses from manufacturing defects, we are also improving production processes, introducing new equipment, and conducting appropriate equipment maintenance.

For example, the meviy business uses waterjet machining technology to minimize the width of each cut and maximize the number of parts produced from each sheet, thereby minimizing scrap.

This significantly reduces material waste, while any scrap generated is reliably recycled in cooperation with material suppliers.



Waterjet Machining in meviy

Suruga Production Platform Environmental Report 2026

Initiatives to Reduce the Environmental Impact of Packaging Materials

MISUMI Group regards reducing the environmental impact of packaging materials as a key initiative. We are working to eliminate excessive packaging, reduce packaging weight, and switch to alternative materials. Specifically, we are reducing material use by making packaging thinner and transitioning from fossil-based plastics to plant-derived biomass plastics.

We also use packaging designs that communicate environmental considerations, helping raise awareness and reduce packaging waste customers need to dispose of.



Air Cushion Bag



Environmental Impact Reduction Mark



Air Pillow Made with Plant-Derived Biomass Plastic

Water Resource Initiatives

MISUMI Group monitors water withdrawals across the Group and works to understand the impact of its business activities on water resources. Using international assessment tools such as Aqueduct,*1 we continuously analyze water withdrawals in water-stressed areas. Through FY2030, we will continue to comply with the laws and regulations applicable to each site regarding water use and wastewater discharge and ensure that no wastewater discharge exceeds the thresholds agreed with government authorities and other relevant bodies.

Item	Value	Unit
FY2025 Water Withdrawal*2	293	thousand m^3
Of which: Water-Stressed and High Water Withdrawal Areas	216	thousand m^3
Of which: Water-Stressed Areas	44	thousand m^3
Of which: High Water Withdrawal Areas	172	thousand m^3
FY2025 Water Discharge*2	293	thousand m^3
Sites in Water-Stressed Areas	29	sites
High Water Withdrawal Sites*3	2	sites

*1 Aqueduct: A global water risk assessment platform provided by the World Resources Institute (WRI).
*2 Because no water is incorporated into products, water withdrawal is calculated as equal to water discharge.
*3 Sites accounting for 10% or more of the Group's total water withdrawal.

Pollution Prevention Initiatives

MISUMI Group regards the prevention of environmental pollution as an important responsibility in its global business operations. Under the MISUMI Group Environmental Policy revised in July 2026, we work to prevent air, water, and soil pollution. Specifically, each site takes stringent measures to prevent leaks of oil and hazardous substances and appropriately manages wastewater discharges and atmospheric emissions. Through FY2030, our goal is to comply with laws and regulations and ensure that no emissions or discharges exceed the thresholds established by government authorities and other relevant bodies.

As standards governing environmentally hazardous substances become increasingly stringent, we conduct surveys of chemical substances contained in products in accordance with major regulations such as RoHS, REACH, and TSCA*4 as well as chemical substance management frameworks such as chemSHERPA. We provide customers with the survey results and pursue responsible mineral sourcing aimed at eliminating the use of conflict minerals. Through these initiatives, we seek to minimize the impact of our business activities on local communities and ecosystems, contribute to a sustainable society, and earn the trust of stakeholders.

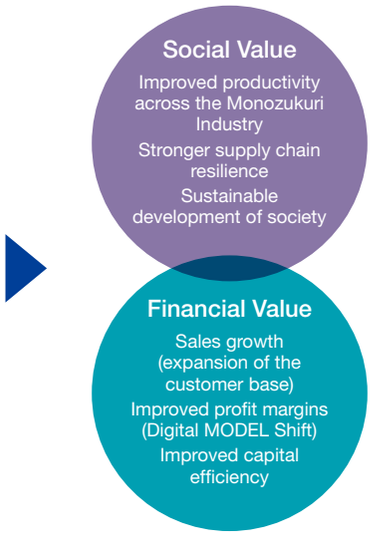
*4 Toxic Substances Control Act (TSCA): U.S. legislation regulating hazardous substances.

Capabilities and Outcomes

Social and Relationship Capital

MISUMI Group positions the development of a resilient and sustainable supply chain as one of its highest management priorities and promotes procurement activities that take environmental and human rights considerations into account.
We engage in ongoing dialogue with stakeholders, co-create social value through our business activities, and will continue to contribute to the development of a sustainable society.

Stakeholders	Expectations	Initiatives	Outcomes
Employees	• Growth opportunities • Fair evaluation • Opportunities to take on challenges (The Best Place to Grow) • Career choices	• Next Challenge Program (internal talent mobility) • AI/DX talent development • Global career opportunities	• MODEL Innovation driven by employee initiatives • Creation of innovation • Enhanced organizational adaptability
Customers	• Short lead times • Reduced workload • Reliable supply • Improved procurement efficiency	• meviy (automated quotation and rapid delivery) • D-JIT (inventory visibility and immediate procurement) • MISUMI floow (procurement DX)	• Enhanced Customer's Time Value • Greater efficiency across design, procurement, and mass production • Improved customer competitiveness
Suppliers and Business Partners	• Stable business relationships • Opportunities to capture demand • Digital collaboration	• Suppliers inventory data integration (D-JIT) • Development of a global supply network • Collaboration with Fictiv (expansion of the manufacturing net-work)	• Improved utilization rates and increased business opportunities • Enhanced supply chain resilience • Risk diversification
Society and Industry (Monozukuri Industry)	• Improved productivity • Addressing labor shortages • Stronger supply chains	• Process innovation through the integration of IT and Monozukuri • AI and data-utilization platforms (including NEWTON) • Expansion across upstream and downstream domains through Fictiv	• Improved productivity across the industry • Accelerated innovation • Development of a sustainable industrial foundation
Shareholders and Investors	• Growth potential • Capital efficiency • Execution of the digital strategy	• Digital MODEL Shift strategy • Development of a high-profitability business model • Information disclosure and dialogue	• Sales and profit growth • Improved capital efficiency • Enhancement of medium- to long-term corporate value



Supply Chain Management

MISUMI Group is undertaking the following initiatives to build a resilient and sustainable supply chain in a rapidly changing global marketplace.

Promoting Sustainable Procurement

MISUMI Group has established and operates Sustainable Procurement Guidelines to ensure respect for human rights, the promotion of health and safety, and the development of appropriate management systems throughout the supply chain. We encourage key Suppliers to agree to these guidelines and conduct periodic surveys of actual practices.

In environmental initiatives, we are strengthening collaborative efforts with Suppliers through the sharing of energy-use data and cooperation in calculating greenhouse gas (GHG) emissions. By expanding these efforts, we aim to improve sustainable procurement activities across the entire supply chain. Looking ahead, we will continue to quantitatively assess risks and opportunities across the supply chain, quantify their impacts, and develop and implement effective countermeasures.

Partnership Building Declaration and Commitment to Fair Transactions

To build new partnerships through collaboration and mutual prosperity with Suppliers and value-creating business partners across the supply chain, MISUMI announced its Partnership Building Declaration in August 2025 and publicly articulated its commitment to these principles. Based on this declaration, we comply with relevant laws and regulations, including the Act on Ensuring Proper Transactions with Small and Medium-sized Contractors (effective January 1, 2026; formerly the Subcontract Act), as well as the Promotion Standards, and contribute to the sound development of supply chains through fair and transparent business practices.

MISUMI has also established and published a Multi-Stakeholder Policy that outlines its approach to appropriately sharing the benefits of its activities with diverse stakeholders, including shareholders and investors, suppliers and business partners, employees, and local communities. The initiatives described above form part of that policy. Please refer to the policy for additional details.

Multi-Stakeholder Policy (Japanese only)

Capabilities and Outcomes | Social and Relationship Capital

Contributing to Supply Chain Resilience

In recent years, supply chains across the Monozukuri industry, particularly in manufacturing, have faced growing instability both in Japan and overseas due to increasingly evident business succession challenges, increasing geopolitical risks, and changes in industrial structures and procurement processes accompanying the rapid advancement of IT. As a result, strengthening supply chain resilience has become an urgent priority.

To address these challenges, MISUMI Group supports greater efficiency and resilience across supply chains through Business MODEL Innovation that makes full use of its strengths in AI and IT. We recognize supply chain resilience as one of our identified material issues and believe that overcoming these challenges through a robust Business MODEL is an important mission for MISUMI.

Green Procurement

MISUMI Group promotes Green Procurement to reduce environmental impact across the entire supply chain and contribute to the realization of a sustainable society. To this end, we have established Green Procurement Guidelines and work closely with suppliers to ensure the proper management and reduction of substances of environmental concern. We promote compliance with environmental regulations such as RoHS, REACH, and TSCA to meet societal expectations. In Japan, we also use chemSHERPA, an information-sharing scheme for chemical substances contained in products, and disclose relevant information on our website.

We are also working to improve transportation efficiency and reduce waste throughout the supply chain. Through these efforts, we place importance on environmental performance across the entire supply chain and aim to contribute to a sustainable society while enhancing corporate value.

MISUMI Green Procurement Guidelines Suruga Production Platform Green Procurement Guidelines

Responsible Mineral Sourcing

MISUMI Group places great importance on respect for human rights and social responsibility throughout the supply chain and considers addressing conflict minerals issues to be an important management priority. To avoid the use of minerals, including tin, tantalum, tungsten, gold, cobalt, and natural mica, that may serve as sources of funding for armed groups in the Democratic Republic of the Congo and neighboring countries, we have established the MISUMI Group Responsible Mineral Sourcing Policy.

This policy is aligned with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. We continuously investigate whether conflict minerals are used throughout the supply chain, provide customers with the results upon request, and, if their potential use is identified, request appropriate action from suppliers. Through these activities, we seek to prevent human rights violations and environmental destruction, improve transparency, and contribute to the realization of a sustainable society.

Responsible Mineral Sourcing Policy

Supplier Survey Results

MISUMI Group identifies suppliers to be prioritized for surveys based primarily on procurement value, such as suppliers of MISUMI-branded products. Suppliers are selected through a comprehensive assessment that also considers factors other than procurement value, such as the availability of alternative suppliers.

1 Sustainable Procurement Survey

We informed targeted suppliers* in Japan about the Sustainable Procurement Guidelines established in 2022 and conducted a survey regarding the status of compliance.

- Agreements received regarding the Guidelines: 869 companies (equivalent to 97% of total procurement value among 960 targeted suppliers)
- Survey responses received: 458 companies (equivalent to 95% of total procurement value among 602 targeted suppliers)

* Survey period: December 2022 to April 2023

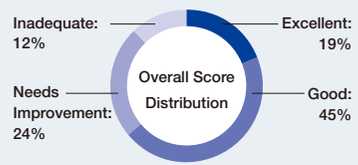
2 ESG Survey and Due Diligence

We conduct surveys covering ESG-related topics and carry out due diligence based on the responses received. In addition to interviews regarding compliance, the due diligence process also considers factors such as suppliers' business continuity plans (BCPs) and their management systems.

Fiscal Year	Survey and Due Diligence Activities
2023	Conducted compliance assessments for major suppliers representing the top 50% of domestic procurement spending for MISUMI-branded products. Minor findings were identified for certain suppliers. Necessary corrective action was requested, and all identified items were resolved.
2024	Continued compliance assessments for major suppliers representing 51%–70% of domestic procurement spending for MISUMI-branded products. Minor findings were identified for certain suppliers. Necessary corrective action was requested, and all identified items were resolved. In addition, MISUMI Europa GmbH conducted supplier assessments concerning key requirements under Germany's Supply Chain Due Diligence Act.
2025 onward	Conducted compliance assessments of 17 major domestic suppliers and confirmed that no significant risks, such as legal violations, had been identified. We are also advancing initiatives based on the Guidelines, focusing primarily on the following two initiatives through FY2028: • Obtain agreement to the Guidelines from all major suppliers and continue conducting supplier surveys • Provide internal training on human rights, labor, and environmental issues to employees engaged in procurement activities

3 Results

In FY2023, 458 suppliers responded to the survey, and 64% received ratings of Grade B or higher (Good).



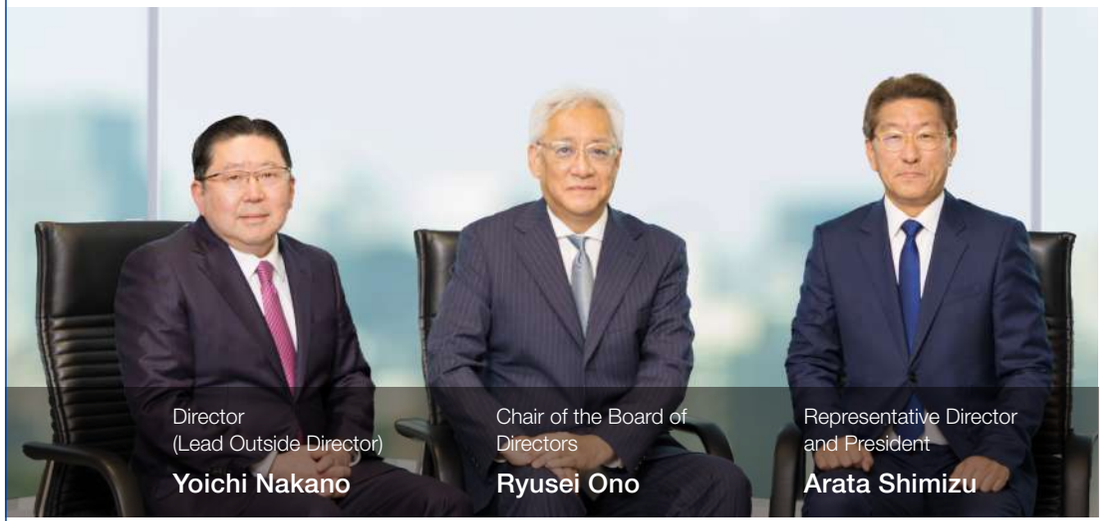
4 Looking Ahead

Going forward, we will further strengthen collaboration with Group companies in Japan and overseas to improve compliance with the Guidelines across the entire Group. As part of our global approach, we will continue expanding the Guidelines to overseas Group companies and conducting surveys, while prioritizing suppliers that account for the top 70% of global procurement spending.

MISUMI Group Sustainable Procurement Guidelines

Management Foundation

Directors' Roundtable



MISUMI has changed its Representative Director and President for the first time in approximately 13 years. The participants discuss the thinking behind the newly established governance for appointment and dismissal, the expectations placed on President Shimizu, and the mission and resolve embodied in the new management structure.

Governance for Appointment and Dismissal That Shapes the Future

Turning the Appointment and Dismissal of Top Management into a System

Nakano: For any company, the appointment and dismissal of top management is one of the most important themes in corporate governance. At a company like MISUMI, which has grown through the strong leadership of its founder and successive leaders, the question of to whom the next generation of management should be entrusted is directly connected to the future of the company itself.

For many years, our founder Hiroshi Taguchi and our "Second-Era Founder" Tadashi Saegusa practiced outstanding management. Ryusei Ono, now Chair of the Board, then became President in 2013 and drove the MISUMI Group's growth with strong leadership.

At the same time, some five years ago the Nomination and Remuneration Committee began discussing in earnest what should come next and how the baton should be passed. We felt it was necessary to think this through carefully over time, including the requirements for the role, rather than selecting candidates with any particular individual in mind.

The starting point for our discussion was the question of whether the appointment and succession of top management could be made into a system that functions properly regardless of who is involved, rather than depending on personal relationships or individual judgment at any given time. In fact, the system at that time presupposed relationships of trust among members of management, and rested, one might say, on an assumption of good faith. We concluded, however, that achieving sustainable growth as a company required a system with greater objectivity, soundness, and transparency.

How to Select a Leader Who Will Create the Next Innovation

Ono: I was personally involved in building this system with strong conviction. Anyone in the position of President must one day pass the baton to the next generation. What matters at that point, I believe, is not simply deciding on a successor, but considering how the company should evolve for the era ahead.

Looking back, one of the major themes I worked on during my tenure as President was the Digital MODEL Shift. What is required of the next leader, however, is not to carry that forward unchanged. As the business environment changes significantly, with AI foremost among the drivers, it is important to identify new growth opportunities suited to the times and to conceive the next innovation oneself.

The Omega Vision gave form to that thinking. The Omega Vision is not a numerical medium-term plan. It is a medium- to long-term company-wide strategy setting out what the President intends to accomplish during their tenure and what kind of "new MISUMI" they will create. It is based on the idea that top management is responsible not only for maintaining and improving existing businesses, but also for driving innovation that generates new growth.

Evaluating Sustainability and Innovation at the Same Time

Nakano: Seen from the standpoint of an Outside Director, what characterizes MISUMI's new appointment and dismissal process is that it clearly defines the role of the President. Growing existing businesses steadily is of course important. On its own, however, growth will eventually slow. That is precisely why top management is asked not only to improve existing businesses but also to create new growth opportunities.



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The Omega Vision and the management review are how that thinking has been built into our systems. On taking office, the President presents an Omega Vision, and the Board of Directors then confirms progress on a continuing basis. The Nomination and Remuneration Committee discusses reappointment and succession in light of how far the vision has been realized and the degree of evolution achieved.

I have been involved in succession plans at other companies, but what distinguishes MISUMI does not lie in the system alone. It lies in the considerable time devoted to making that system genuinely work. Members of the Nomination and Remuneration Committee, including Outside Directors, have continuously conducted candidate interviews, management reviews, and discussions of their future visions. Rather than simply evaluating candidates once a year, we have continued to observe them over a long period from the perspective of how to develop the leaders of the future.

Passing Growth Chain-reaction Aspired Management on to the Next Generation



Ono: What we are aiming for is not merely a change of President. Since its founding, MISUMI has continued to evolve its business model around enhancing Customer's Time Value. We now stand at the entrance to a new era marked by the advance of AI and major change in industrial structures. Amid such changes in the environment, passing Growth Chain-reaction Aspired Management securely on to the next generation is more important than anything else.

That requires a governance system that functions on a sustained basis, rather than depending on the abilities of the individual at the top. The governance for appointment and dismissal that we have now put in place is the first step toward this. This means clarifying the role of the President, encouraging bold initiatives, and objectively evaluating the results, while continuously developing the next generation of management talent. I believe that continuing this cycle will provide the foundation for management that enables MISUMI to achieve both sustainability and innovation.

Sustainability and Innovation

Who Can Put Growth Chain-reaction Aspired Management into Practice?

Nakano: What we emphasized in selecting the new President was not a simple comparison of who was the most capable. Under the newly established appointment and dismissal process, we discussed repeatedly what kind of company MISUMI should aim to be going forward, and from that standpoint, who could realize that direction.

MISUMI's top management is required not only to grow existing businesses steadily but also to drive the innovation needed to take the company to its next stage. That is why we continued to observe what kind of future each candidate could envision and what kind of transformation each sought to bring about. This was not a one-off interview or evaluation, but an accumulation of dialogue over a long period.

In practice, the interviews with candidates ran to a considerable number. Each of the three Outside Directors met individually with the candidates and shared the substance of those discussions with the Nomination and Remuneration Committee. We continued that cycle for years. The five committee members kept observing the candidates from their respective viewpoints and discussed them repeatedly, and through this process, we reached a decision in which we had full confidence.

President Arata Shimizu as Seen by the Nomination and Remuneration Committee

Ono: There are a number of reasons why this process led to the appointment of President Shimizu. He demonstrated a high level of leadership capability, including management skill, the ability to lead an organization, and deep knowledge of the IT and digital fields.

What I valued in particular, however, was his knowledge of the world outside MISUMI. I grew up at MISUMI and have worked within MISUMI. That is a considerable strength, but in an era of major environmental change, comparison with the outside world becomes extremely important. In that respect, President Shimizu has accumulated wide-ranging experience in the consulting industry and in management roles of other companies, and has always held the perspective of MISUMI as seen from outside.

Now that AI is set to significantly transform society and industrial structures, our internal knowledge alone is not enough to reveal every possibility. I considered the ability to incorporate outside knowledge and discover new possibilities indispensable to creating the next MISUMI.

There is one episode that stays with me even now, looking back. During the appointment process, when I spoke with President Shimizu one on one, he told me squarely that he loves MISUMI. Of course, we did not select him for that alone. But those words carried great meaning. Although he had come from outside, he genuinely believed in the potential of this company and wanted to create its future. That was the moment I felt his commitment.

"This is someone to whom I can entrust MISUMI's future." That is genuinely how I felt.

A Leader Who Combines Logic with a Human Touch

Nakano: Adding to what Chair Ono has said, having been involved in talent evaluation and the selection of executives for many years, I believe there are broadly two abilities required of MISUMI's leader.

The first is logic. Since its founding, MISUMI has been a company that places importance on strategy and

Management Foundation | Directors' Roundtable

rationality. Leaders are therefore required to think on the basis of facts and communicate their reasoning convincingly. In that respect, President Shimizu excels. That alone, however, is not enough, because logic is not the only thing that moves an organization. I often describe the ability to move an organization as the ability to win people over. A leader must be able to empathize with people, engage them, and inspire them to take on challenges willingly. No matter how sound the argument, an organization will not move forward unless people are willing to follow.

President Shimizu possesses both qualities. At Board meetings, for example, he always explains his thinking based on facts and logic. At the same time, he has a warmth that allows him to connect personally with those around him. I saw him as someone able to combine rationality and humanity.

I describe this as combining art and science. Logic alone is not enough, nor are personal relationships alone. The fact that he possessed both qualities is what led to our final assessment.

Choosing to Create the Future as a Management Team

Ono: Another thing that mattered this time was not only who should become President, but what kind of management structure to put in place.

We discussed how this is no longer an era in which a single charismatic leader can decide everything. The environment surrounding management, including the advance of AI, has become far too complex. That is why we need a management team with diverse knowledge and expertise, and a system that allows the team's capabilities to be fully utilized. In the appointment process this time, in fact, all candidates were asked to draw up a future vision. That was not simply for evaluation. It was an opportunity for them to consider what they themselves would accomplish, and it was also a process for developing management talent.

Selecting a President is not the goal. A succession plan encompasses building the next management team and developing the next generation of management talent. This appointment was, I believe, the first step in that new governance.

Responsibility and Resolve for the Future Entrusted to Us

To Maximize Freedom in Management

Ono: In entrusting management to President Shimizu, what I myself was strongly conscious of was how to ensure that the new leader would have sufficient latitude to manage the company.

Amid major changes in the business environment, with AI foremost among the drivers, MISUMI is about to enter its next phase of growth. Passing the baton at that moment also means entrusting management to a new leader with strengths and perspectives different from my own. That is precisely why I felt I had to avoid a situation in which I would continue to exert influence over management.

There was also the option of remaining as Representative Director and Chairman. That, however, would make genuinely free decision-making difficult for the new head of management. I did not want to leave it ambiguous who bears ultimate management responsibility. I therefore chose not to retain representative authority and to stand clearly apart from business execution.

At the same time, continuity in management is important. Rather than making an abrupt break, we also need to support the new management structure while drawing on the experience and knowledge accumulated over the years. In that sense, I concluded that the position of Chair of the Board was the most appropriate role for connecting business execution and the Board of Directors.

A Board of Directors That Supports Growth

Nakano: For my part, I do not think the Board of Directors should simply be a supervisory body going forward. It is of course important to assess risk and to apply the brakes when necessary. Equally important, however, is creating an environment in which top management can take on bold challenges.

I very much want President Shimizu to press the accelerator boldly. I want him to pursue new businesses, open up new markets, and grow the company further. In that sense, I think it is right for the execution side to be "Go, Go."

Outside Directors, on the other hand, have a different role. Is what has become common sense inside MISUMI out of step with the world outside? Are we bound by past successes? Our role is to keep presenting the perspective of an outside observer. We do not exist to stop management. We exist to raise the quality of management. In that sense, I intend to keep putting candid views forward.

Ono: I agree entirely. The Board of Directors is not a place for supervision alone. It supports, it advises, at times it gives a push, and at times it applies the brakes. That balance is important.

We discussed the role of the Board of Directors afresh this time. The conclusion we reached is that the Board itself should commit to realizing the Omega Vision set out by the President. The phrase enhancing corporate value is often used, but for us, realizing the Omega Vision is precisely what leads to enhanced corporate value. Supporting that realization is, I believe, the role of the Board of Directors.

The Moment I Felt It Had Been Entrusted to Me

Shimizu: When I was first approached about this, my initial reaction was surprise. What surprised me, however, was not so much that I would become President as that Chair Ono would be stepping down. He is trusted and admired by many employees, so I honestly wondered, "Will things really change?"

As I took time to reflect, I came to feel that this was not merely a leadership appointment. One reason is the great change of era represented by AI. Just as the internet changed business, AI is set to change Monozukuri and industrial structures themselves. In particular, I believe AI has the potential to change not only cyberspace

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but, through physical AI, the mechanical world as well, giving rise to a new industry ranking alongside the automotive industry. At such a major turning point, I understood that what was expected of me was to apply my experience and knowledge in the field of transforming business through technology.

I also feel there is great significance in Chair Ono having chosen the position of Chair of the Board rather than Representative Director and Chairman, leaving me as the sole Representative Director. I take this as a strong message that while I am given the greatest possible freedom in management, I must personally bear responsibility for the results.

I also took it that, precisely because this is an era of rapid change, speed in decision-making and execution is required. Our competitive environment includes many companies led by founders and owner-managers. Advancing management with the responsiveness and speed needed to compete with such companies is, I believe, one of the important missions entrusted to me.

The Role to Be Fulfilled as Top Management

Shimizu: I believe top management has broadly three roles.

The first is to set the direction. Since its founding, MISUMI has been a company that has grown while placing importance on strategy. Top management must therefore show where the company is heading. In that sense, the Omega Vision plays an extremely important role.



The second is to bring out the full potential of the organization. I believe this company still holds great potential. When people with their respective areas of expertise exercise their capabilities and function as a team, even greater growth becomes possible. Releasing that potential is also a leader's responsibility.

The third is engagement with the outside world. Beyond growing the business, I believe conveying the company's direction and growth strategy through dialogue with shareholders, investors, and other stakeholders is also an important role. As a global company, we are called on to think about our businesses and our governance from a broader perspective.

Achieving Growth, Higher and Faster

Shimizu: In fulfilling these roles, what I place importance on is understanding the front line and speaking directly with employees. I have not been at MISUMI long. That is precisely why I place importance on understanding the front line, and why I actively create opportunities to speak directly with employees. I am also deepening communication with employees by increasing the occasions on which I explain our business strategy and the company's direction myself.

At the same time, management is not something one person can do alone. MISUMI has a management team with diverse expertise. Drawing on their respective strengths and sharing a common direction, I want to build a management team that can achieve higher and faster growth.

As I myself experienced this time, developing the next generation of management talent is also an important role of top management. I built my career at foreign-affiliated companies, where I was always taught to think about my next successor. MISUMI is a company that sets out to be "The Best Place to Grow." Giving those who will carry the next era opportunities to take on challenges, and supporting their growth, is also one of my missions.

I was also taught some time ago by former Chairman Nishimoto that management responsibility means accountability, responsibility for execution, and responsibility for results. I still hold those words dear. Set the direction, execute, and deliver results. Precisely because the appointment and dismissal process has been made clear, I want to keep taking on challenges and achieve further growth for MISUMI, rather than making safe choices for self-protection.

Management Foundation

Management Team

Directors (As of October 1, 2026)



Arata Shimizu

Representative Director and President

Apr 1997	Joined Accenture Japan Ltd.
Sep 2005	Executive Partner, Accenture Japan Ltd.
Jul 2015	Managing Director and Head of the Strategy Consulting Division, Accenture Japan Ltd.
Mar 2017	Representative Director, Executive Vice President and COO, SEAOS, Inc.
Jun 2017	Outside Director, Interworks, Inc. (now Confidence Interworks Inc.)
Sep 2017	Outside Director, Trust Tech Inc. (currently Open Up Group Inc.)
Jun 2020	Outside Director, MISUMI Group Inc.
Jun 2021	Director, P&E Directions, Inc.
Jun 2024	Senior Executive Director and CIO, MISUMI Group Inc.
Oct 2025	Director, Senior Executive Corporate Officer and CIO, MISUMI Group Inc.
Apr 2026	Representative Director and President, MISUMI Group Inc. (incumbent) Representative Director and President, MISUMI Corporation (incumbent)



Ryusei Ono

Chair of the Board of Directors

Apr 1987	Joined MISUMI Group Inc.
Apr 2002	Corporate Officer, MISUMI Group Inc.
Jun 2007	Director and Corporate Officer, MISUMI Group Inc.
Oct 2008	Representative Director and President, Suruga Production Platform Co., Ltd. Director and Senior Corporate Officer, MISUMI Group Inc.
Jan 2011	Representative Director and President, Suruga Seiki Co., Ltd.
Jan 2013	Senior Executive Director, MISUMI Group Inc.
Dec 2013	Representative Director and President, MISUMI Group Inc. Representative Director and President, MISUMI Corporation
Jun 2014	Representative Director, President and CEO, MISUMI Group Inc.
Feb 2020	Representative Director and President, MISUMI Group Inc.
Apr 2026	Director and Chair of the Board of Directors, MISUMI Group Inc. (incumbent)



Tomoki Kanatani

Director

Apr 1991	Joined Kankaku Securities Co., Ltd.
Apr 1992	Joined Sadoshima Corporation
Jun 2000	Joined MISUMI Group Inc.
Dec 2015	President, China Business Company, MISUMI Corporation
Jul 2020	Senior Corporate Officer, MISUMI Group Inc.
Oct 2020	Head of the China and Asia Business Group, MISUMI Corporation
Jun 2021	Executive Director, MISUMI Group Inc.
Oct 2025	Director and Senior Executive Corporate Officer, MISUMI Group Inc. (incumbent)



Shigetaka Shimizu

Director

Apr 1995	Joined Okura & Co., Ltd.
Apr 1999	Joined MISUMI Group Inc.
Dec 2015	President, Asia Business Company, MISUMI Corporation
Jul 2020	Senior Corporate Officer, MISUMI Group Inc.
Oct 2020	President, IM Business Company, MISUMI Corporation
Jun 2021	Executive Director, MISUMI Group Inc.
Apr 2022	President, Japan Business Company, MISUMI Corporation
Oct 2025	Director and Senior Executive Corporate Officer, MISUMI Group Inc. (incumbent)



Shaochun Xu

Director

Sep 1988	Joined Finance Division, Shanghai Municipal Bureau of Commerce, China
Sep 1996	Head of the China Investment Department, ITOCHU (China) Holding Co., Ltd.
Aug 1998	General Manager of the Finance Department, Panasonic Electric Works (China) Co., Ltd.
May 2012	Joined MISUMI (China) Precision Machinery Trading Co., Ltd.
Apr 2017	Corporate Officer, China Business Company, MISUMI Corporation General Manager, MISUMI (China) Precision Machinery Trading Co., Ltd.
Oct 2021	Chairman, MISUMI (China) Precision Machinery Trading Co., Ltd. (incumbent)
Jun 2022	Director, MISUMI Group Inc.
Apr 2025	President, China Business Company, MISUMI Corporation
Oct 2025	Director and Senior Corporate Officer, MISUMI Group Inc. (incumbent) Representative, China Region Hub and Representative, Asia Region Hub, MISUMI Corporation (incumbent)



Yoichi Nakano

Lead Outside Director

May 1990	Joined the Investment Department of the International Finance Corporation, World Bank Group
Jun 1996	Joined McKinsey & Company, Inc. Japan
Jun 2003	Executive Search Consultant, Jomon Associates Inc.
Aug 2011	Partner, Leadership Consulting, Heidrick & Struggles Japan LLC
Jan 2013	Partner, Executive Search, Heidrick & Struggles Japan LLC
Feb 2016	Representative Director and President, Chuuyou Corporation (incumbent)
Jun 2019	Outside Director, MISUMI Group Inc.
Jun 2024	Lead Outside Director and Chair of the Nomination and Remuneration Committee, MISUMI Group Inc. (incumbent)
May 2026	Outside Director, Nippon High Voltage Electric Co., Ltd. (incumbent)

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Directors



Tomoharu Suseki

Outside Director

Apr 1979 Joined Sumitomo Electric Industries, Ltd.
Jan 1997 Director, Raychem Corporation
Nov 2001 Representative Director, Tyco Electronics Raychem K.K.
Apr 2003 Executive Officer, D&M Holdings Inc.
Nov 2004 Representative Director, President and CEO, OCC Corporation
Mar 2007 Executive Officer and COO, Sumida Corporation
Sep 2010 Representative Executive Officer and President, Sumida Corporation
Mar 2020 Director and Chair of the Risk Management Committee, Sumida Corporation
Mar 2021 Member of the Nomination Committee and the Remuneration Committee, Sumida Corporation
Jun 2021 Outside Director, MISUMI Group Inc. (incumbent)
Mar 2026 Outside Director, KITZ Corporation (incumbent)



Keiko Yano

Outside Director

Apr 1981 Joined Toyo Kogyo Co., Ltd. (currently Mazda Motor Corporation)
Jan 1988 Joined Ford Motor Company (Japan) Limited
Jul 2000 Seconded to Japan Climate Systems Corporation; Executive Director and General Manager of the Corporate Planning Department
Nov 2005 Sales Director, Visteon Japan, Ltd.
Dec 2011 Seconded to Japan Climate Systems Corporation; Executive Director and General Manager of the Corporate Planning Department
Sep 2012 Mazda General Manager, Johnson Controls, Inc.
Jul 2014 Sales Director, Visteon Corporation
Oct 2020 Vice President, Visteon Corporation Representative Director, Visteon Japan, Ltd.
Jun 2024 Outside Director, MISUMI Group Inc. (incumbent)



Figen Ulgen

Outside Director

Sep 1991 Joined JustSystems Corporation
Sep 1999 Joined McKinsey & Company, Inc., United States
Apr 2002 Director, Microsoft Corporation, United States
Dec 2012 Senior Director, Microsoft Corporation, United States
Nov 2014 General Manager, Intel Corporation, United States
Mar 2019 Head of Data & Analytics, Woolworths New Zealand Limited
Feb 2021 Chief Customer Officer, Z Energy Limited, New Zealand
Aug 2022 Chief Data Officer, LINE Corporation (currently Z Intermediate Global Corporation)
Apr 2024 Chief Data and AI Officer, Dai-ichi Life Holdings, Inc.
Apr 2025 Executive Officer and Group Chief Data and AI Officer, Dai-ichi Life Holdings, Inc. (incumbent)
Jun 2025 Outside Director, MISUMI Group Inc. (incumbent)

Audit & Supervisory Board Members (As of October 1, 2026)



Ichiro Otokozawa

Full-time Audit & Supervisory Board Member

Apr 1979 Joined Nippon Kokan Corporation (currently JFE Engineering Corporation)
Mar 1997 General Manager of the Office of the President, Santen Pharmaceutical Co., Ltd.
Jul 1999 Corporate Officer, Santen Pharmaceutical Co., Ltd.
Jun 2005 Director and Senior Corporate Officer, Santen Pharmaceutical Co., Ltd.
May 2006 Senior Director, AlixPartners
Jul 2007 Senior Director, Advent International K.K.
Apr 2011 Director and CFO, Avon Products Co., Ltd. (currently FMG & MISSION Co., Ltd.)
Dec 2013 Senior Corporate Officer and CFO, MISUMI Group Inc.
Jun 2014 Executive Director and CFO, MISUMI Group Inc.
Jul 2020 Executive Director, MISUMI Group Inc.
Oct 2020 Head of the Europe and Americas Business Group, MISUMI Corporation
Jun 2024 Full-time Audit & Supervisory Board Member, MISUMI Group Inc. (incumbent)



Nanako Aono

Outside Audit & Supervisory Board Member

Apr 1984 Joined Nikko Securities Co., Ltd. (currently SMBC Nikko Securities Inc.)
Nov 1995 Joined ChuoAoyama Audit Corporation
Jul 2002 Joined Busicom Co., Ltd. (currently OAG Busicom Co., Ltd.)
Mar 2005 Director, Busicom Co., Ltd.
Jun 2008 Outside Audit & Supervisory Board Member, DUSKIN CO., LTD.
May 2010 Representative Director and President, GEN Corporation (incumbent)
Jun 2017 Outside Audit & Supervisory Board Member, MISUMI Group Inc. (incumbent)
Jun 2019 Outside Audit & Supervisory Board Member, Nippon Paper Industries Co., Ltd. (incumbent)
Mar 2020 Outside Director, OPTEX GROUP CO., LTD.
Mar 2021 Outside Audit & Supervisory Board Member, MEIKO NETWORK JAPAN CO., LTD.
Nov 2022 Outside Director and Audit and Supervisory Committee Member, MEIKO NETWORK JAPAN CO., LTD. (incumbent)



Shizuyo Ichikawa

Outside Audit & Supervisory Board Member

Apr 1987 Admitted to the bar in Japan
Attorney, Yoshihara Patent and Law Office (currently Komatsu & Miwa Law Office) (incumbent)
Apr 2000 Full-time Director, DC Loan Servicing Inc.
Jun 2020 Outside Audit & Supervisory Board Member, Kyogoku Unyu Shoji Co., Ltd. (incumbent)
Apr 2022 Director, Saitama University
Jun 2022 Alternate Audit & Supervisory Board Member, MISUMI Group Inc.
Jun 2025 Outside Audit & Supervisory Board Member, MISUMI Group Inc. (incumbent)

Management Foundation | Management Team

Supervising Officers (As of October 1, 2026)



President
Arata Shimizu



Senior Executive Corporate Officer
Tomoki Kanatani



Senior Executive Corporate Officer
Shigetaka Shimizu



Senior Executive Corporate Officer
Toru Arakawa



Senior Executive Corporate Officer
Chairman, Americas Business Company
Chairman, Fictiv Inc.
Mitsunobu Yoshida

Founders

Special Advisor and Founder
Hiroshi Taguchi

Special Advisor and Second-Era Founder
Tadashi Saegusa

Corporate Officers (As of October 1, 2026)



Senior Corporate Officer
Representative, China Region Hub
Representative, Asia Region Hub
Shaochun Xu



Senior Corporate Officer and CFO
Representative, Finance Platform Hub
Toru Takanami



Senior Corporate Officer
President, DL Business Company
Ryuji Ohora



Senior Corporate Officer and CIO
Representative, Digital Operation Excellence Platform Hub
Akira Rikita



Senior Corporate Officer and CHRO
Representative, Human Resources and Legal Platform Hub
Tsutomu Kato

Corporate Officer
Representative, Production Platform Hub
Hideka Shoji

Corporate Officer
President, Factory-MRO Business Company
Takashi Baba

Corporate Officer
Representative, Digital Service Model Development Hub
Koichi Kawakami

Corporate Officer
President, Distribution and Service Business Company
Representative, Gateway Model Development Hub
Masatake Sumi

Corporate Officer
President, OST Business Company
Nobumasa Watanabe

Corporate Officer
Representative, Europe Region Hub
Yusuke Kido

Corporate Officer
Executive Vice President, OST Business Company
Minobu Saito

Corporate Officer
Assistant to the Supervising Officers
Noriaki Murata

Corporate Officer
President, Industrial Digital Manufacturing Business Company
Tomohiro Yamamoto

CEO, Fictiv Inc. and Corporate Officer, MISUMI Group Inc.
President, Americas Business Company
David Evans

CXO, Fictiv Inc. and Corporate Officer, MISUMI Group Inc.
Representative, AI Model Development Hub
CXO, Americas Business Company
Nathan Evans

Corporate Officer
President, Frontier New Business Development Business Company
Jinwook Lee

Corporate Officer
President, Die and Mold Business Company
Yusuke Miyamoto

Corporate Officer
President, Mechatronics Business Company
Hitoshi Ura

Management Foundation

Corporate Governance

Composition and Skill Matrix of the Board of Directors and the Audit & Supervisory Board

Name	Position	Years in Office	Attendance at Board of Directors Meetings in FY2025	Attendance at Audit & Supervisory Board Meetings in FY2025	Corporate Management	Business Strategy	Global (Oversight of Overseas Businesses, Management of Local Subsidiaries, etc.)	AI and DX	Manufacturing and Operations (Logistics, Supply Chain, etc.)	Organizational and Human Resources Strategy	Finance and Accounting	ESG, Risk Management, and Legal Affairs
Arata Shimizu	Representative Director	6 years	14 of 14 (100%)	—	●	●	●	●	●			
Ryusei Ono	Director	19 years	14 of 14 (100%)	—	●	●	●	●	●			
Tomoki Kanatani	Director	5 years	14 of 14 (100%)	—		●	●	●	●			
Shigetaka Shimizu	Director	5 years	14 of 14 (100%)	—		●	●	●	●			●
Shaochun Xu	Director	4 years	14 of 14 (100%)	—			●			●	●	●
Yoichi Nakano	Outside Director	7 years	14 of 14 (100%)	—	●		●			●	●	
Tomoharu Suseki	Outside Director	5 years	14 of 14 (100%)	—	●		●		●			●
Keiko Yano	Outside Director	2 years	14 of 14 (100%)	—	●	●	●			●		
Figen Ulgen	Outside Director	1 year	11 of 11 (100%)*	—			●	●	●			●
Ichiro Otokozawa	Full-time Audit & Supervisory Board Member	2 years	14 of 14 (100%)	23 of 23 (100%)	●		●				●	●
Nanako Aono	Outside Audit & Supervisory Board Member	9 years	14 of 14 (100%)	23 of 23 (100%)	●						●	
Shizuyo Ichikawa	Outside Audit & Supervisory Board Member	1 year	11 of 11 (100%)*	18 of 18 (100%)*	●							●

* Figen Ulgen and Shizuyo Ichikawa were newly elected as Director and Audit & Supervisory Board Member, respectively, at the 63rd Annual General Meeting of Shareholders held on June 19, 2025, and assumed office on the same date. Their attendance records therefore cover the period following their appointment.
* Seven men and five women; ten Japanese nationals and two non-Japanese nationals.

Definitions of Skills

Corporate Management	Experience and expertise in management decision-making and resource allocation for the sustainable enhancement of corporate value, cultivated through experience in corporate management
Business Strategy	Experience and expertise in formulating and driving business strategies that support Growth Chain-reaction Aspired Management
Global (Oversight of Overseas Businesses, Management of Local Subsidiaries, etc.)	Experience and expertise in global business development and the oversight and operation of overseas businesses
AI and DX	Experience and expertise in business and operational transformation using digital technologies and AI

Manufacturing and Operations (including Logistics and Supply Chain)	Experience and expertise in the overall optimization of operations, including manufacturing, logistics, and the supply chain, and in strengthening competitiveness
Organizational and Human Resources Strategy	Experience and expertise in strengthening human capital, developing people, and organizational development
Finance and Accounting	Experience and expertise in growth investment, capital policy, and strengthening the financial base
ESG, Risk Management, and Legal Affairs	Experience and expertise in risk management, legal affairs and compliance, and sustainability in support of sustainable corporate management

Management Foundation | Corporate Governance

Basic Approach to Corporate Governance

The MISUMI Group is working to strengthen its management foundation with the aim of fulfilling its social mission while continuously increasing corporate value, and positions the enhancement of corporate governance as one of its most important management priorities. We are striving to further strengthen corporate governance in accordance with our Corporate Governance Guidelines.

Relationship with Shareholders

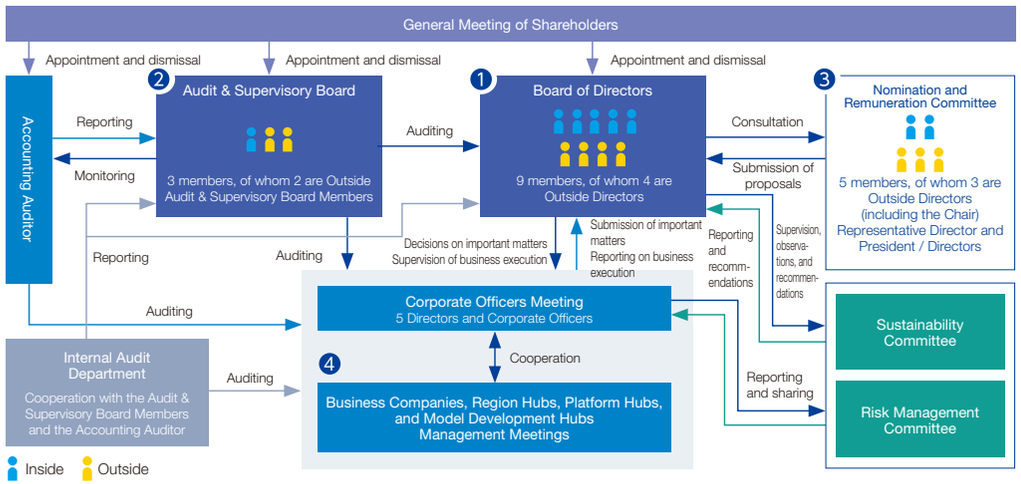
The MISUMI Group proactively discloses information to shareholders in a timely and appropriate manner, including information on key management strategies, financial condition, sustainability, risks, governance, and responses to social and environmental issues. We also engage in active and constructive dialogue with shareholders.

The Group has established the MISUMI Group Corporate Governance Guidelines, which set forth the Group's basic approach to corporate governance and the policies governing its related initiatives.

MISUMI Group Corporate Governance Guidelines

Corporate Governance Structure

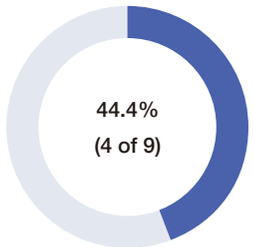
MISUMI Group Inc. is a company with an Audit & Supervisory Board, in which the Board of Directors supervises business execution and the Audit & Supervisory Board conducts audits. The Company has also established voluntary committees, including the Nomination and Remuneration Committee, the Sustainability Committee, and the Risk Management Committee.



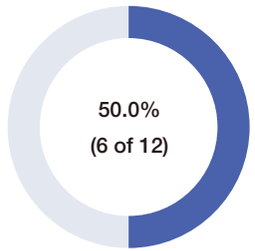
Overview of the Corporate Governance Structure

Organizational form	Company with an Audit & Supervisory Board
Number of Directors (of whom Outside Directors)	9 (4)
Term of office for Directors	1 year
Number of Outside Directors designated as Independent Officers	4
Number of Audit & Supervisory Board Members (of whom Outside Members)	3 (2)
Adoption of a Corporate Officer system	Yes
Voluntary advisory committee	Yes (Nomination and Remuneration Committee)
Remuneration system for Directors and other officers	1. Basic remuneration 2. Performance-linked remuneration (bonuses) 3. Long-term incentive remuneration (restricted stock)

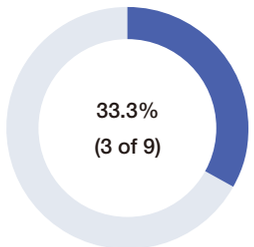
Ratio of Outside Directors



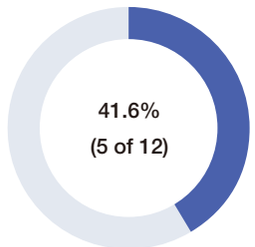
Ratio of Outside Officers (Directors and Audit & Supervisory Board Members)



Ratio of Female Directors



Ratio of Female Officers (Directors and Audit & Supervisory Board Members)



Management Foundation | Corporate Governance

❶ Board of Directors

The Board of Directors sets the strategic direction of the Group and decides on important matters of business execution. It is also responsible for supervising and guiding the performance of duties by Executive Directors and by the Presidents and Representatives of the Business Companies, Region Hubs, Platform Hubs, and Model Development Hubs, and for establishing an appropriate internal control system. The Board regularly evaluates the operation of the Group's internal control system, the implementation of its code of conduct, and the operation of its whistleblowing system, and makes revisions as necessary. The Board comprises nine Directors, including four Independent Outside Directors. It meets once a month in principle and convenes extraordinary meetings as necessary, making important management and business decisions and supervising business execution.

Principal Matters Considered by the Board of Directors

- Matters resolved (64, including 4 resolved in writing): the General Meeting of Shareholders; financial results; shares; budgets and business plans; human resources and organization; investment; funding; subsidiaries; and M&A and alliances
- Matters reported (72): business execution; monthly performance; human resources; regular reports including IR; audit reports; the status of internal audits; sustainability and ESG; and Board effectiveness

❷ Audit & Supervisory Board

The Audit & Supervisory Board comprises three members, including two Outside Audit & Supervisory Board Members. Each member audits the execution of duties by Directors through activities such as attending meetings of the Board of Directors, the Corporate Officers Meeting, and Hub Management Meetings; conducting on-site audits of locations in Japan and overseas; reviewing internal approval documents and similar records; holding individual interviews with Directors and Corporate Officers; and participating in regular meetings with departments responsible for internal control and the Internal Audit Department. Working in cooperation with the Accounting Auditor, the Audit & Supervisory Board also seeks to continuously improve the effectiveness and efficiency of accounting audits and audits the appropriateness of the process and results of selecting the Accounting Auditor.

❸ Nomination and Remuneration Committee (As of March 31, 2026)

Independent Outside Directors make up a majority of the Nomination and Remuneration Committee, at 60%, and an Independent Outside Director serves as its Chair. This composition strengthens the supervisory function of the Board of Directors and enhances the transparency of the decision-making process. As an advisory body to the Board, the Committee deliberates on the evaluation and remuneration of Directors, including Representative Directors, their appointment and dismissal, and succession planning for Representative Directors to achieve sustainable growth as a global company, and submits its proposals to the Board. In considering particularly important matters such as nominations and remuneration, the Committee discusses and examines them objectively, including from the perspectives of diversity and skills.

Members of the Nomination and Remuneration Committee	Outside Director (Chair) Outside Director Outside Director	Yoichi Nakano Tomoharu Suseki Keiko Yano	Representative Director and Chairman Representative Director and President	Kosuke Nishimoto Ryusei Ono
Meetings held	FY2025: 7			

❹ Business Execution Structure

The Group's business execution structure comprises four types of Hub organizations: Business Companies (BH), which are responsible for business growth and profitability; Region Hubs (RH), which are responsible for strengthening the business and management foundations of local subsidiaries in each region; Platform Hubs (PH), which are responsible within their respective areas of expertise for enhancing global competitiveness, implementing leading-edge technologies, and managing performance through KPIs; and Model Development Hubs (MH), which are responsible for creating and developing the dynamic competitive foundations of the next generation and for their implementation in the Business Companies, Region Hubs, and Platform Hubs. By adopting a multi-network organizational structure in which these Hubs execute business in cooperation with one another, the Group seeks to strengthen its ability to respond globally to changes in its business environment, including customers, markets, and competitors.

Five Supervising Officers manage and supervise the day-to-day business execution of the Hubs under their respective supervision. Important matters of business execution within each Hub are deliberated and decided at Hub Management Meetings, held approximately once a month, thereby strengthening governance at the Hub level.

Important matters of business execution that go beyond the scope of an individual Hub and affect the Group as a whole are deliberated and decided at the Corporate Officers Meeting, which consists principally of Representative Directors, Supervising Officers, and Senior Corporate Officers, thereby strengthening governance at the Group level. The Corporate Officers Meeting is held approximately once a month.

Outside Directors and Outside Audit & Supervisory Board Members

The Company appoints Outside Directors and Outside Audit & Supervisory Board Members who possess extensive knowledge and experience and who can provide objective perspectives and specialized insight from a position independent of management. Through the Board of Directors, the Nomination and Remuneration Committee, and other bodies, Outside Officers advise and supervise management from the perspective of enhancing corporate value over the medium to long term.

The themes on which Outside Officers particularly provide advice and supervision are as follows.

Themes on Which Outside Officers Particularly Provide Supervision and Recommendations

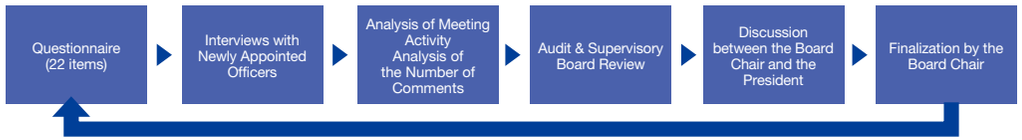


Management Foundation | Corporate Governance

Board Effectiveness Evaluation and Improvement Cycle

Evaluation Process (FY2025)

The Company conducts an evaluation of the effectiveness of the Board of Directors every year. In FY2025, the evaluation was again conducted through a questionnaire for Directors and Audit & Supervisory Board Members, an analysis of Board meeting activity, and interviews with newly appointed officers. The Board's effectiveness was assessed as being sufficiently ensured. The Company is also advancing initiatives aimed at continuous improvement.



Evaluation Results (FY2025)

The Effectiveness of the Board of Directors Was Assessed as Sufficiently Ensured

The evaluation confirmed that the Board engages in active discussion and appropriately exercises decision-making and supervision over business execution. Active recommendations from Outside Directors and Outside Audit & Supervisory Board Members, and discussion informed by diverse perspectives, are reflected in management decisions. The evaluation also found that the Board's roles, functions, and operating methods are being continuously improved and that initiatives to enhance effectiveness have taken root.

Active Discussion and Appropriate Supervision

The Board secures sufficient time for deliberation and discusses important themes such as business strategy, capital policy, and investment proposals actively. The Board also monitors the execution of business strategy, including DX initiatives, on a regular basis, and management reviews strategies and initiatives in light of the Board's views. Outside Directors and Outside Audit & Supervisory Board Members also speak actively from a specialist standpoint, which has strengthened the supervisory function over decision-making and business execution.

Multifaceted Perspectives

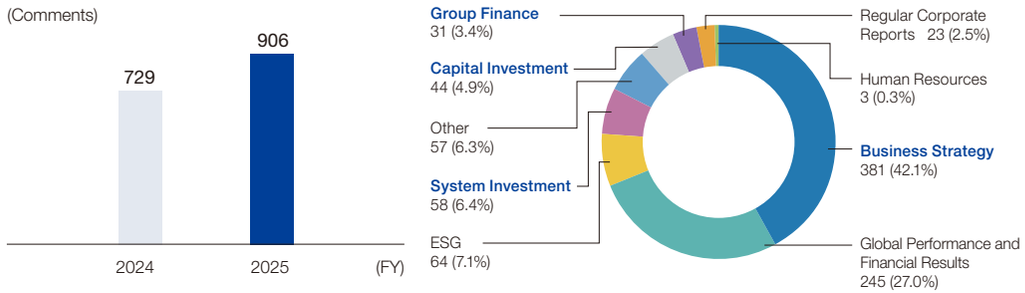
In addition to discussion at Board meetings, management issues are discussed from multifaceted perspectives through informal discussions, regular exchanges of views among Outside Directors and Outside Audit & Supervisory Board Members, and meetings between Outside Directors and senior management. Since the General Meeting of Shareholders in June 2025, the Board has had four Independent Outside Directors, accounting for 40% of its membership. The Company also newly appointed a female Outside Director of foreign nationality, strengthening its framework for incorporating diverse insight and experience into management.

Continuous Improvement

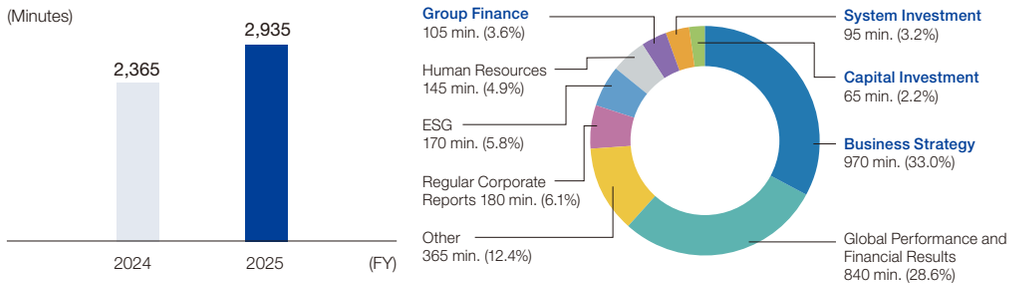
The Company continuously reviews the Board's roles, functions, and operating methods through its effectiveness evaluations. The Nomination and Remuneration Committee deliberates on the evaluation and remuneration of Directors, including Representative Directors, their appointment and dismissal, and succession planning, and submits its proposals to the Board. Through these initiatives, the Company seeks to invigorate Board deliberations and further enhance its supervisory function.

The Board of Directors in Figures

Trends in the Number of Remarks at Board Meetings and Remarks by Theme



Trends in Board Deliberation Time and Deliberation Time by Theme



Considering the Future Role of the Board of Directors

Based on the FY2025 effectiveness evaluation, the Company is reviewing the roles, functions, and operation of the Board of Directors.

STEP 1 Implications of the Effectiveness Evaluation	STEP 2 Building a Shared View of the Board We Aim to Be	STEP 3 Reflecting the Review in Board Operations
The FY2025 evaluation confirmed that the effectiveness of the Board was sufficiently ensured. At the same time, it also identified views calling for fuller discussion of corporate strategy, capital policy and the business portfolio, and dialogue with stakeholders, among other matters, with a view to enhancing corporate value over the medium to long term.	Drawing on the effectiveness evaluation and recommendations from Outside Officers, the Company reviewed the roles, functions, and operation of the Board. As a result, a shared understanding was formed that the Board is to supervise business execution with a view to enhancing corporate value over the medium to long term.	To hold more constructive discussion of important themes that contribute to enhancing corporate value, the Company discussed in depth how the Board agenda should be structured. We will devote more time to deliberating medium- to long-term growth strategy and related matters such as capital policy and human resources strategy.

Direction we are aiming for: a Board of Directors that raises the probability of success in keeping Growth Chain-reaction Aspired Management turning

Management Foundation | Corporate Governance

Officers' Remuneration

Basic Policy on Officers' Remuneration

The Group's basic policy is to encourage the sustained enhancement of corporate value by granting officers appropriate remuneration in line with their roles, responsibilities, and performance. Remuneration for Directors, excluding Outside Directors, consists of fixed basic remuneration, performance-linked remuneration reflecting single-year performance, and long-term incentive remuneration that encourages the enhancement of corporate value over the medium to long term.

Performance-linked remuneration and the granting of shares as long-term incentive remuneration vary according to business performance and individual evaluations, and there may be fiscal years in which they are not awarded.

For Outside Directors and Audit & Supervisory Board Members, remuneration consists of basic remuneration only, in view of the importance placed on their supervisory and auditing functions from an independent standpoint.

Eligible	Remuneration component	Maximum remuneration	Overview
Directors (excluding Outside Directors)	Basic remuneration	¥1.1 billion per year * Includes remuneration for Outside Directors	The amount is determined as fixed monthly remuneration, taking into account each Director's role and position, market levels, and other factors.
	Performance-linked remuneration (bonuses)		To heighten motivation to contribute to the Company's performance in each consolidated fiscal year, the amount for each Director is determined by comprehensively taking into account consolidated ordinary income, dividends, and other factors for that consolidated fiscal year, and is paid annually as a bonus.
	Long-term incentive remuneration (restricted stock)	¥850 million per year	To heighten motivation to contribute to medium- to long-term performance and the enhancement of corporate value, the number of shares to be granted is determined on the basis of individual evaluations, and restricted stock is granted annually.
Outside Directors	Basic remuneration	¥80 million per year	The amount is determined as fixed monthly remuneration, taking into account each Director's role and position, market levels, and other factors.
Audit & Supervisory Board Members	Basic remuneration	¥80 million per year	The amount is determined as fixed monthly remuneration through consultation among the Audit & Supervisory Board Members.

Method for Determining Remuneration for Individual Directors

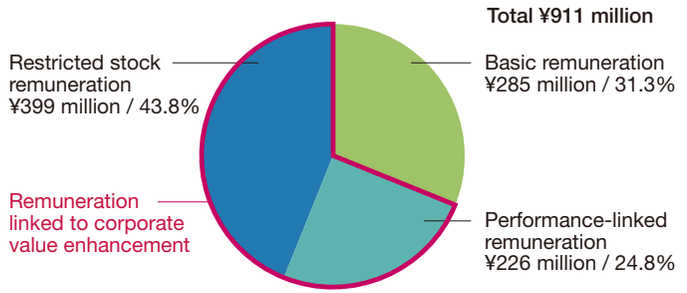
Remuneration for individual Directors and other matters relating to remuneration are determined with the approval of the Nomination and Remuneration Committee. For long-term incentive remuneration, in addition to the Committee's decision, the Board of Directors adopts a resolution on the issuance of the shares.

Clawback Provision for Officers' Remuneration

In the event of serious misconduct or a violation by a Director, the Company may forfeit or demand the return of that officer's remuneration, including beneficial interests therein.

Remuneration of Inside Directors (FY2025)

FY2025 Actual Remuneration Composition (Excluding Outside Directors)



Performance-linked remuneration and restricted stock remuneration together account for approximately 70% of the total, giving a remuneration structure that emphasizes linkage to the enhancement of corporate value.

* On an actual basis. These are not standard ratios or maximum ratios.
* Actual officers' remuneration in the Annual Securities Report and similar disclosures includes stock option remuneration; it is excluded here in order to show the remuneration composition under the current system.

Approach to the Appointment and Succession of Top Management

To achieve sustainable growth and enhance corporate value, the MISUMI Group positions the appointment and succession of top management as an important corporate governance issue. Centered on the Nomination and Remuneration Committee, the Group continuously evaluates top management and advances the selection and development of potential successors, thereby operating a mechanism for appointment and succession that is objective, sound, transparent, and effective.

Role of Top Management

Leading non-linear growth under the philosophy of one business per generation of leadership

Annual management review

The Board of Directors confirms progress on the future vision and the status of responses to management issues

Evaluation by the Nomination and Remuneration Committee

Evaluates how far top management has fulfilled its role and realized the future vision

Formulating a future vision (upon appointment)

Presenting a vision to the Board of Directors that reflects the role of top management

Selection and development of potential successors

Listing candidates
Potential successors are identified on an ongoing basis

Multi-level interviews by Outside Directors
Candidates' qualities and development as future leaders are confirmed

Development through execution
Tough assignments accelerate the accumulation of management experience and candidates' development

Decision on reappointment or replacement

Management Foundation

Sustainability Committee

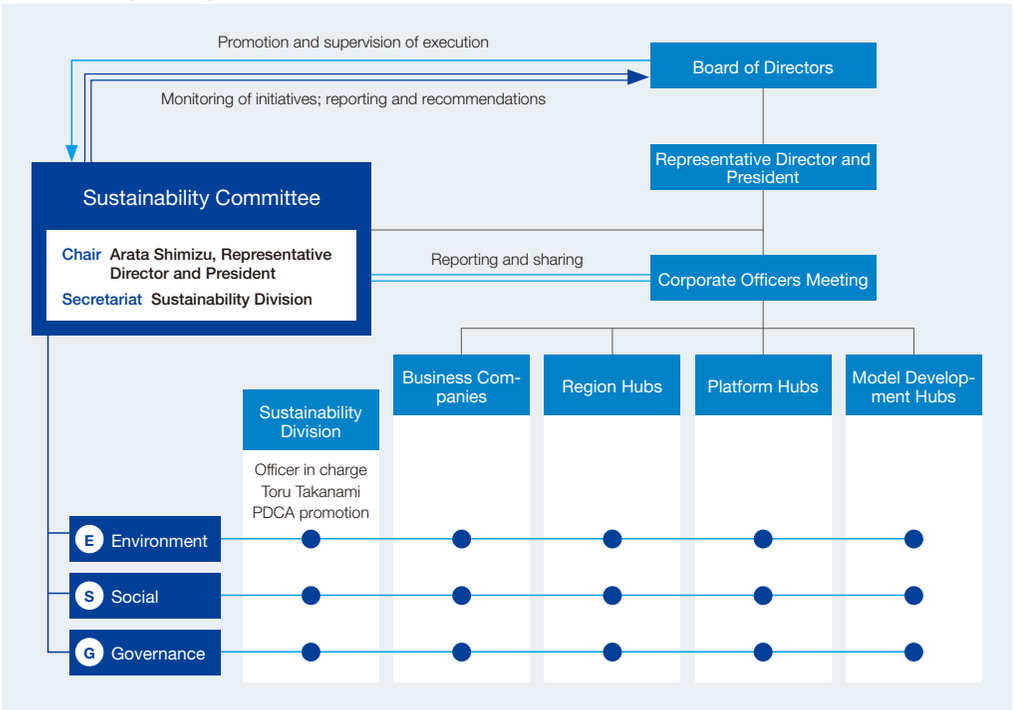
Positioning of the Sustainability Committee

To further strengthen its sustainability initiatives, MISUMI Group Inc. has established the Sustainability Committee, chaired by the Representative Director and President.

The Committee formulates the Company's Sustainability Basic Policy, reviews management plans and management policies, promotes initiatives addressing social issues, and reports and makes recommendations to the Board of Directors.

To promote sustainability management across the entire Group, the Sustainability Committee appoints an officer responsible for promoting sustainability, under the supervision of the Board of Directors. Working with the Business Companies, Region Hubs, Platform Hubs, and Model Development Hubs, which are the Group's execution organizations, it sets targets relating to environmental, social, and governance (ESG) matters, monitors the status of progress, conducts evaluations, and continues to develop these initiatives.

Sustainability Management Structure



Overview and Results of Sustainability Committee Meetings

[Legend]
- ● Deliberation
- ◆ Decision
- ▲ Reporting and progress confirmation

	Key Themes	FY2021–FY2022 (Meetings held: 11)	FY2023–FY2024 (Meetings held: 11)	FY2025 (Meetings held: 5)
1	Policies and Targets	[Agenda] Various policies and targets ●◆ [Results] Following deliberation, approved the Sustainability Basic Policy, TCFD disclosures, and GHG emissions reduction targets.	[Agenda] Expansion of sustainability in the supply chain ●◆ [Results] Approved advancing sustainability improvement activities in the supply chain and the calculation of GHG emissions of major suppliers.	[Agenda] Direction of the Company's sustainability response in light of global trends ▲●◆ [Results] In light of trends at other companies and the views of experts, judged the Company's direction to be appropriate and confirmed its continued advancement. [Agenda] Environmental Policy and Responsible Minerals Policy ▲◆ [Results] Approved the establishment of the above policies.
2	Information Disclosure	[Agenda] Policy for responding to external evaluation agencies ●◆ [Results] Shared evaluation results with management and launched improvement activities.	[Agenda] Fuller disclosure items (human capital, corporate governance) and analysis of external agency evaluations ▲●◆ [Results] Decided on the above disclosures, expanded the number of external evaluation agencies addressed, and improved evaluation results from evaluation agencies (progress confirmed).	[Agenda] Analysis of external evaluation agencies ▲ [Results] Improved evaluation results from evaluation agencies (progress confirmed).
3	Climate Change Response and Carbon Neutrality	[Agenda] Calculation results for GHG emissions (Scope 1–3) and reduction measures ●◆ [Results] Approved the GHG emissions figures and the implementation of reduction measures, equivalent to a reduction of more than 60% in Scope 1 and 2.	[Agenda] Progress in reducing GHG emissions ▲ [Results] Updated the Scope 3 calculation method to reflect actual figures from major suppliers; Scope 3 fell 6.8% to 11% against FY2022 (progress confirmed).	[Agenda] Progress in reducing GHG emissions ▲ [Results] Reduced GHG Scope 1 and 2 by more than 70% against FY2020, owing to an increase in solar power generation and other measures (progress confirmed).
4	Supply Chain Management	[Agenda] Sustainable Procurement Guidelines ●◆ [Results] Established the Sustainable Procurement Guidelines and launched supplier-related sustainability activities through efforts to embed and raise awareness of the guidelines among suppliers.	[Agenda] Supply chain management ▲●◆ [Results] Completed corrective action for suppliers with identified issues and completed the calculation of GHG emissions of major suppliers (progress confirmed).	[Agenda] Proposed update to the Sustainable Procurement Guidelines ◆ [Results] Added targets and responsible departments to the Sustainable Procurement Guidelines.
5	Materiality	–	[Agenda] Proposed revision of materiality ● [Response] Discussed the proposed revision of materiality.	[Agenda] Proposed revision of materiality ●◆ [Results] Approved the proposed revision of materiality.
6	Other	[Agenda] Sustainability training for officers [Results] Promoted greater understanding of sustainability among management.	[Agenda] Carbon footprint and response to European CBAM and EUDR ●◆ [Results] Completed trial calculation of the carbon footprint of the Company's products. Decided on the approach and company-wide structure for responding to European CBAM and EUDR.	–

Management Foundation

Risk Management

Establishment of the Risk Management Committee

The MISUMI Group is strengthening enterprise risk management (ERM) in order to achieve sustainable growth and enhance corporate value. In FY2025, the Group conducted a risk assessment covering the entire MISUMI Group and identified priority risks in light of changes in the business environment. Based on those results, in May 2026 the Group established the Risk Management Committee (RMC) to advance risk management activities on a continuous and organized basis.

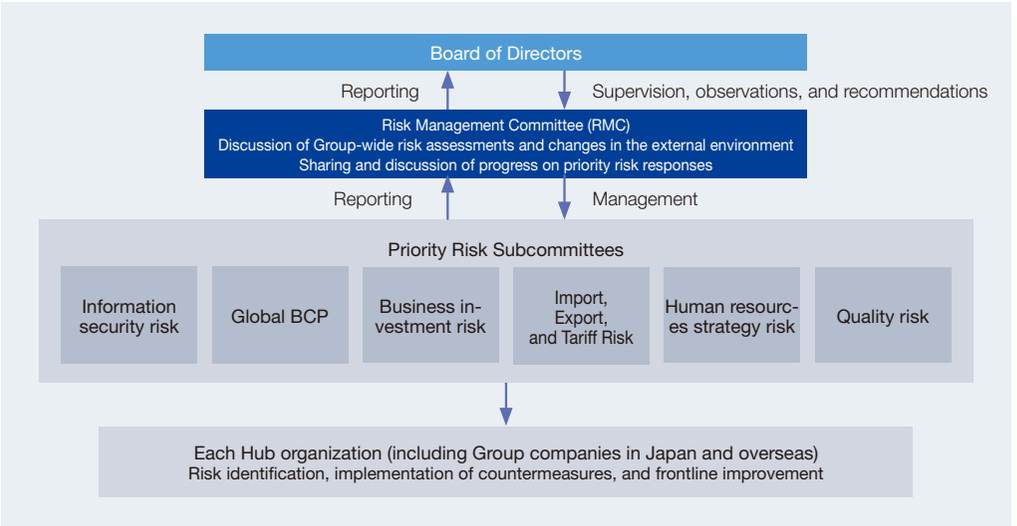
The RMC is chaired by the Representative Director and President, with a Senior Executive Corporate Officer designated by the Chair serving as Vice Chair, and the officers responsible for each priority risk serving as members. The RMC discusses Group-wide risk assessments and changes in the external environment, and regularly monitors the status of responses to priority risks, including information security and cybersecurity. It also holds joint meetings with the Board of Directors three to four times a year to report on and discuss the status of risk responses, thereby strengthening the supervisory function of the Board.

Addressing Priority Risks

In light of the results of the risk assessment and changes in the external environment, the Group has designated the following six priority risks for FY2026. For each priority risk, the Group appoints a responsible officer and establishes a subcommittee under the RMC, which sets activity themes and KPIs and advances the response.

- Information security risk (cybersecurity, including AI)
- Global BCP (business continuity)
- Business investment risk
- Import, export, and tariff risk
- Human resources strategy risk
- Quality risk

Risk Management Structure



The following introduces the principal initiatives among the priority risks for FY2026.

Information Security Risk

As the use of AI expands and cyberattacks grow more sophisticated, the importance of information security is rising year by year. The MISUMI Group recognizes information security risk as one of its key management risks and is working to strengthen cybersecurity and AI governance.

In FY2026, the Group conducted an external security assessment and, with a view to further strengthening security, is reviewing and upgrading the recommendations received.

Recognizing that cybersecurity measures are constantly being updated and that nothing is absolute, we work to raise our level of security by continuing online education and targeted-email attack drills worldwide, and we are strengthening our monitoring and initial-response structure in preparation for unforeseen events.

In addition, to address risks accompanying the use of AI, such as information leakage, infringement of intellectual property rights, and the generation of inaccurate information, the Group established the Global AI Guidelines in September 2026, seeking to achieve both appropriate risk management and the promotion of AI use.

Management Foundation | Risk Management

Global BCP

Amid the growing likelihood of geopolitical risks and large-scale natural disasters, the MISUMI Group is advancing the establishment of a global supply continuity structure as a priority issue. Japan, China, and Vietnam are positioned as our principal supply bases, and we are advancing preparatory countermeasures based on assumed disaster scenarios for each.

In FY2026 in particular, assuming natural disaster risk and geopolitical risk as material risks in the supply chain, we are developing alternative supply structures, alternative export structures, and business continuity operations. We also conduct BCP drills continuously in Japan and overseas, aiming to achieve both securing the safety of employees and fulfilling our supply responsibility to the maximum extent, even in an emergency.

Business Investment Risk

To achieve sustainable growth and strengthen competitiveness, the MISUMI Group invests in a wide range of areas, including new businesses, IT infrastructure, logistics and production facilities, and M&A and alliances. At the same time, these investments carry risks such as changes in market conditions and technology trends, failure to achieve the expected investment returns, and project delays or suspensions.

On this understanding, from FY2026 we have designated business investment risk as a priority risk and are working to strengthen our response capabilities. We involve specialists with legal and financial expertise from the early stages of investment projects to evaluate business viability, financial impact, legal risk, and other factors from multiple perspectives, and we are upgrading our investment decision-making process through post-investment monitoring.

Going forward, by raising the probability of success of growth investment and strengthening governance, we will continue to aim for the optimal allocation of management resources and the sustained enhancement of corporate value.

Import, Export, and Tariff Risk

The MISUMI Group conducts business through global supply and sales networks and is affected by import and export regulations, security export controls, tariff policies, and similar measures in each country. In recent years, rising geopolitical tensions and changes in national trade policies have increased uncertainty in the environment surrounding global supply chains.

On this understanding, from FY2026 we have designated import, export, and tariff risk as a priority risk and are strengthening our management structure. In addition to monitoring laws and regulations and tariff trends in each country, we are advancing the development of our trade compliance structure, the upgrading of rules-of-origin management, and analysis of impacts on the supply chain.

We are also advancing initiatives that take our response to import, export, and tariff matters beyond mere legal compliance, using free trade agreements (FTAs) and optimizing the supply chain to bring our tariff burden to an appropriate level and to enhance the competitiveness of our supply network. By strengthening our ability to adapt to a changing trade environment, we aim to achieve stable supply to customers and sustainable growth.

Management Foundation

Internal Control

Development and Operation of the Internal Control System

The MISUMI Group has established a Three Lines Model (first line of defense: business execution divisions; second line of defense: risk management divisions; and third line of defense: the Internal Audit Department) as its internal control framework and continues to strengthen this framework. The Board of Directors resolved to revise the Basic Policy on the Internal Control System at its meeting held on October 17, 2024, pursuant to Article 362, Paragraph 4, Item 6 of the Companies Act and Article 100, Paragraphs 1 and 3 of the Ordinance for Enforcement of the Companies Act.

The Group's principal initiatives in FY2025 were as follows.

Basic Policy on the Internal Control System

- The Company has established internal regulations governing information security, information systems, trade secrets, and personal information. The responsible departments implement appropriate measures in accordance with these regulations.
- The Group periodically conducts comprehensive risk assessments covering business operations, information management, finance, human resources and labor, legal affairs, and other areas at its major offices and operating locations, and reports the results to the Board of Directors. During the fiscal year under review, the Group conducted a risk assessment in January 2026 and reported the results to the Board of Directors in March 2026.
- The Group clearly designates the divisions responsible for managing significant risks and implements appropriate mitigation measures. As part of these efforts, the Group has established a business continuity plan (BCP) to prepare for disasters and geopolitical risks.
- The Company held 14 Board of Directors meetings. The Board of Directors and the Corporate Officers Meeting made important decisions concerning the Group and appropriately fulfilled their roles in monitoring business execution and providing oversight and guidance to the Business Companies, Region Hubs, Platform Hubs, Model Development Hubs, and subsidiaries.
- The Group conducts compliance and legal training at its principal locations. Through these programs, the Group promotes awareness and understanding of the MISUMI Group Codes of Conduct and compliance with applicable laws and regulations.
- The Group has established and appropriately operates an Internal Whistleblowing System covering the entire MISUMI Group.
- In preparing its audit plan, the Internal Audit Department conducts an annual risk assessment of domestic and overseas subsidiaries and reports the results to the Board of Directors. Based on the audit plan, the department conducts operational audits of domestic and overseas subsidiaries, monitors the development and effectiveness of the Internal Control System, and regularly reviews progress in addressing identified issues.
- The Group continues to strengthen the audit environment for the Audit & Supervisory Board Members and the Audit & Supervisory Board. These efforts include expanding opportunities for meetings with Directors, including Outside Directors; strengthening coordination with the Group's administrative divisions and other relevant functions; expanding opportunities for meetings with Supervising Officers and Corporate Officers; and enhancing the support structure for Audit & Supervisory Board Members.

Supervision through the Internal Control System and Evaluation and Audit of Its Effectiveness

By resolution of the Board of Directors, the Group has established systems to ensure that the execution of duties complies with laws, regulations, and the Articles of Incorporation, as well as systems to otherwise ensure the appropriateness and effectiveness of its operations. Collectively, these systems constitute the Group's Internal Control System.

Based on these activities, the Audit & Supervisory Board evaluates and audits the operation of the Internal Control System.

Each year, the Internal Audit Department selects approximately ten locations and organizations for audit and conducts audits to determine whether operations at those locations are carried out appropriately and in accordance with applicable laws and internal rules.

In addition, under the direction of the Representative Director, the corporate functions identify and mitigate risks within their respective areas of responsibility, thereby enhancing the effectiveness of the Internal Control System.

Management Foundation

Ethics and Compliance

Codes of Conduct

The MISUMI Group has established its Codes of Conduct based on its Aspiration, Value Proposition, and Mission, which underpin Growth Chain-reaction Aspired Management, as well as global societal expectations, including the principles of the United Nations Global Compact. The conduct expected of the Group as a corporate entity is set forth in the Corporate Code of Conduct, while the conduct expected of each officer and employee is set forth in the Employee Code of Conduct.

Codes of Conduct

Compliance Promotion Framework

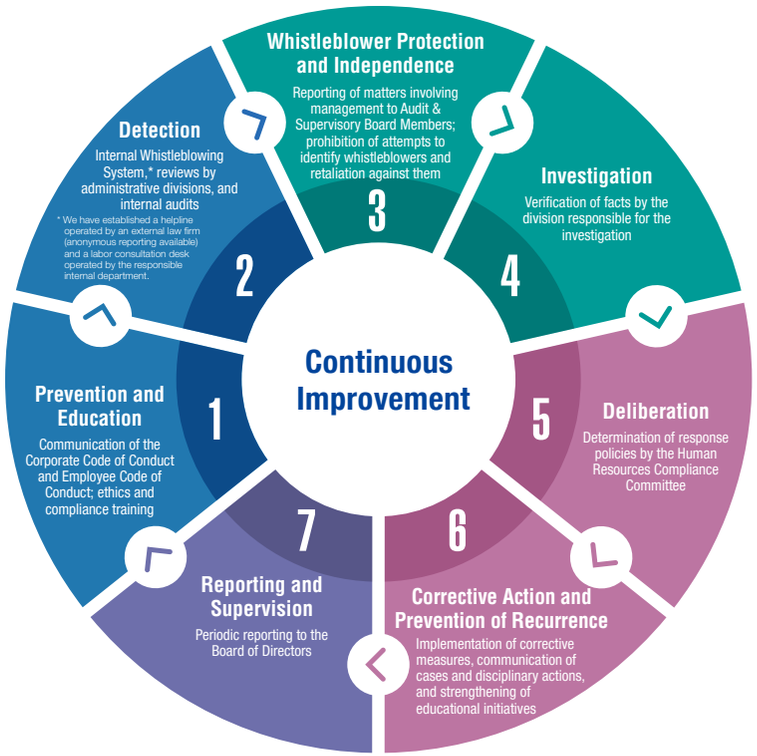
Under the supervision of the Board of Directors, the MISUMI Group promotes ethics and compliance initiatives across the Group on a global basis under the leadership of the Corporate Officer responsible for legal affairs and compliance, in coordination with the Legal, Human Resources, and Internal Audit divisions. Issues identified in each business and region, together with the status of related activities, are regularly shared and reported. This enables the prevention, early detection, and prompt correction of compliance-related issues across the Group.



Management Foundation | Ethics and Compliance

Process from Detection through Corrective Action and Prevention of Recurrence

The MISUMI Group works to prevent compliance risks before they arise by promoting awareness of its Codes of Conduct and providing regular ethics and compliance education. The Group also uses multiple channels, including the Internal Whistleblowing System, consultation channels, internal audits, and monitoring by the Legal Division, to identify issues at an early stage and address them through investigation, corrective action, and measures to prevent recurrence. Under the Internal Whistleblowing System, the Group takes thorough measures to protect whistleblowers and ensure their anonymity. The Group has also established a mechanism that allows matters involving management to be reported directly to Audit & Supervisory Board Members, thereby helping ensure the independence and effectiveness of the system. Significant matters are reported to the Board of Directors to ensure ongoing oversight and continuous improvement.



Principal Compliance Training

As a general rule, the MISUMI Group provides various compliance training programs annually to all employees. The principal training programs are as follows.

- Business Ethics Training
- Information Security Training
- Harassment Prevention Training
- Accounting Compliance Training
- Trade Compliance Training

Ethics and Organizational Culture	Information Management and Security	Legal and Regulatory Compliance
Understanding the Codes of Conduct and maintaining a healthy workplace environment	Protecting information assets and raising security awareness	Strengthening the ability to address laws and regulations material to business operations
Business Ethics Training	Information Security Training	Accounting Compliance Training
Harassment Prevention Training		Trade Compliance Training

Trends in Reports and Consultations

The Group continuously monitors trends in reports and consultations and analyzes consultation trends to strengthen awareness-raising and educational initiatives, as well as measures to prevent recurrence. In FY2025, the Group received 62 reports and consultations. The principal categories were as follows.

- Harassment
- Information Management
- Violations of Regulations and Rules

Management Foundation

MISUMI Group Human Rights Policy

Human Rights Policy

The MISUMI Group regards respect for human rights as a fundamental principle of all its activities. Accordingly, it has established the MISUMI Group Human Rights Policy (the “Human Rights Policy”) and strives at all times to conduct its management and activities in harmony with the international community. The Human Rights Policy identifies the human rights issues that the Group should address on a priority basis, and we are taking appropriate action as set out below.

Key Human Rights Issues

- We respect the fundamental human rights, individuality, and diversity of each person, and prohibit discrimination and harassment on the basis of race, nationality, gender, religion, beliefs, birth, age, sexual orientation, physical characteristics, physical or mental disability, or any similar grounds.
- We prohibit all forms of harassment that unjustly harm personal dignity, including sexual harassment, power harassment, and moral harassment.
- We recruit, develop, promote, and treat our people in ways that place importance on securing diversity in background, skills, gender, nationality, and other attributes, and on equal opportunity.
- We work to comply with the applicable laws and regulations of each region concerning working conditions, including wages, working hours, overtime hours, and employee benefits. Going beyond legal compliance, we also strive to develop a working environment in which our diverse employees feel safe and able to work with ease.
- We place importance on the physical and mental health of our employees and prevent long working hours.
- We respect the rights of our employees as workers, including freedom of association.
- We prohibit child labor and forced labor of any kind.

The Group applies the Human Rights Policy to all of its officers and employees. We also expect our business partners, including Sourcing Partners, to understand and support the policy, and we encourage them to respect it. As due diligence in implementation, we assess and identify human rights risks not only within the Group but also among our business partners, and implement measures to prevent and mitigate those risks. In terms of communication, we provide education and thorough awareness-raising for all Group employees, and engage in appropriate information disclosure and dialogue with stakeholders.

MISUMI Group Human Rights Policy

Zero Tolerance for Harassment

In 2017, the MISUMI Group adopted the Zero Tolerance for Harassment Declaration, which states that no form of harassment is tolerated within the MISUMI Group, and we have worked continuously since then to eradicate harassment. We are actively advancing initiatives toward Zero Tolerance for Harassment, centered on regular compliance training for all employees worldwide, a complete revision of our Corporate Code of Conduct and Employee Code of Conduct and their rollout across the Group, and the development of our internal reporting system together with global awareness-raising. At the same time, recognizing that we have not yet eliminated Harassment, we will further strengthen education, preventive measures, and response measures aimed at eradicating it. We also disclose information on our Internal Whistleblowing System and our consultation channels at all times, so that harassment neither goes unseen nor is concealed.

Provisions Outlined in the Zero Tolerance for Harassment Declaration

- Declaration prohibiting harassment
- Types and specific examples of prohibited harassment, including power harassment; sexual harassment; harassment relating to pregnancy, childbirth, childcare, and family care; recruitment-related harassment; and customer harassment
- Establishment of consultation channels and protection of those who seek consultation
- Investigations and measures implemented following consultation

Zero Tolerance for Harassment Declaration

Management Foundation

Dialogue and Co-creation with Our Stakeholders

Through repeated dialogue with our stakeholders, the MISUMI Group will co-create social value through its business and contribute to the sustainable development of society.

Status of Dialogue Activities

Dialogue with Analysts and Institutional Investors	Aiming to build long-term partnerships with institutional investors, we engage in dialogue actively. Senior management and the departments responsible exchange views directly with shareholders and investors, and in FY2025 we held 537 dialogues.
Dialogue with Suppliers	We provide explanations to Suppliers and hear their views on our sustainability initiatives and on efforts to reduce greenhouse gas (GHG) emissions, and we request compliance with related matters and the provision of data.
Dialogue with Employees	To deepen mutual understanding between the Company and its employees, we hold the Management Forum, at which top management speaks directly with employees, and share management issues and strategies. In 2025, in conjunction with reforms to our management system and organization, we strengthened dialogue with senior leaders and middle management. We also conduct regular surveys on employee engagement and on our systems and initiatives, and use them to identify issues and make improvements. • Example surveys: satisfaction with the Next Challenge Program, and surveys on willingness to take on challenges and the sense of personal growth Since the transition to the new management structure in April 2026, we have also continued to provide occasions for the President and small groups of employees to exchange views candidly.
Dialogue with Local Communities	As part of a career education program at Shizuoka University, we held an Open Factory for junior high school students. Participants experienced and observed our in-house developed meviy production line, automation equipment, and Monozukuri using 3D CAD and 3D printers. The event provided an opportunity to deepen their understanding of digital technologies, the appeal of the manufacturing industry, and working in their local community.

FY2025 Results

Target	Key Activities	Status
Analysts and Institutional Investors	Meetings with analysts and institutional investors	537
	Group meetings	18
	ESG and engagement meetings	5
	Overseas IR (meetings for overseas institutional investors)	27
	Conferences hosted by securities firms	74
	Financial results briefings	4
Suppliers (product suppliers)	Briefings on sustainability initiatives	1
	Briefings on greenhouse gas reduction	3
Employees	Management Forum	June (company-wide), plus sessions held by each organization as the occasion arises
	Engagement and systems surveys	5 in total, by theme
Local Communities and Society	Held an Open Factory	1

Examples of Engagement Initiatives with Investors and Other Stakeholders

Investment Firm	Investor Views	Our Response
Fukoku Capital Management	Called for materiality that is distinctive and directly linked to corporate value, for substantive and diverse governance, and for stronger constructive dialogue with investors	Set out a policy of advancing a review of materiality and continuing to improve corporate governance and to engage in dialogue with investors
GAM Investment Management	Called for the validity of the 2030 and 2050 reduction targets, data assurance and reporting systems, and management of risks arising from dependence on AI	Set out a policy of maintaining the existing targets while advancing consideration of compliance with SSBJ standards, and of reducing dependency risk by building redundancy into our AI infrastructure
Sustainalytics	Called for material risks to be reported to management, targets to be set for suppliers, a transition to primary data, and responses to external evaluation agencies	Set out a policy of strengthening cooperation between committees and business divisions and of advancing supplier visibility and the transition to primary data
Meiji Yasuda Asset Management	Called for responses to natural capital and cybersecurity, recruitment and securing of talent, and constructive discussion by the Board of Directors	Set out a policy of strengthening risk management for procurement and business continuity, strengthening cybersecurity measures and business continuity plans, and improving the quality of Board discussions
Citigroup Global Markets Japan	Investors called for specific disclosure on the scale of sales in the data center-related business in China, the end-market composition of Fictiv, the outlook for the next fiscal year, and the medium-term management plan	In response to requests for detailed business and financial disclosure commensurate with investors' high level of understanding, indicated that we would strengthen the information provided going forward
Asset Management One	Raised the decline in growth expectations accompanying the fall in PBR, and called for disclosure of KPIs for each material issue, a global engagement survey, greater supply chain resilience, and Board effectiveness evaluation, succession planning, and linkage of officers' remuneration	Set out a policy of making disclosure more specific, advancing consideration of global initiatives, and clarifying our approach to Board effectiveness evaluation and performance-linked remuneration

Developing the Next Generation of Monozukuri Talent: A Circle of Support Expanding Globally

MISUMI is working to develop the next generation of Monozukuri talent. In the United States, through the MISUMI Americas University Program, we work with 51 universities in mechanical engineering fields, supporting manufacturing and design education. In Vietnam, we host the MISUMI Award, a technical competition for university students and others. In Japan, under Student Monozukuri Support, we provide mechanical components to student organizations and research activities. We also conduct social contribution activities in Taiwan, India, China, and Europe, and we will continue to expand this support going forward.



MISUMI Award 2026 (automation equipment design competition) awards ceremony (Ho Chi Minh City, Vietnam)

Data

10-Year Summary of Consolidated Financial Indicators

Category	Item	Unit	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Profit and loss	Net sales	JPY Million	259,015	312,969	331,936	313,337	310,719	366,160	373,151	367,649	401,987	**441,383**
	Operating income	JPY Million	27,127	34,848	31,874	23,640	27,199	52,210	46,615	38,365	46,480	**47,613**
	Operating income margin	%	10.5	11.1	9.6	7.5	8.8	14.3	12.5	10.4	11.6	**10.8**
	Income before income taxes	JPY Million	26,071	34,516	31,815	22,781	23,496	51,131	46,533	39,219	49,940	**48,498**
	Net income attributable to owners of parent	JPY Million	18,387	25,601	24,034	16,504	17,138	37,557	34,282	28,152	36,549	**40,457**
	Net income margin attributable to owners of parent	%	7.1	8.2	7.2	5.3	5.5	10.3	9.2	7.7	9.1	**9.2**
Financial position	Total assets *1	JPY Million	212,041	243,492	252,393	264,684	288,921	347,390	378,458	413,517	419,574	**464,969**
	Shareholders' equity	JPY Million	154,530	185,203	203,520	209,514	231,147	277,225	311,286	344,515	349,284	**379,832**
Capital expenditures (CAPEX) and depreciation	Capital expenditures (CAPEX)	JPY Million	7,219	15,421	21,414	18,018	14,016	16,508	13,625	17,976	15,434	**14,288**
	Depreciation and amortization expenses	JPY Million	7,439	8,105	8,758	11,339	13,101	13,589	14,712	15,747	16,142	**18,436**
Key indicators	Return on equity (ROE) *2	%	12.4	15.1	12.4	8.0	7.8	14.8	11.7	8.6	10.5	**11.1**
	Return on assets (ROA) *3	%	12.8	15.2	12.8	8.8	8.5	16.1	12.8	9.9	12.0	**11.0**
	Current ratio	%	430.3	362.1	444.4	434.6	478.9	483.0	577.5	627.7	612.6	**453.6**
	Interest coverage ratio *4	times	4,972.6	21,868.1	8,853.9	360.1	541.8	623.9	270.4	371.0	386.7	**283.5**
Per-share information	Net income for the period	JPY	66.94	91.01	84.80	58.18	60.36	132.15	120.53	99.75	131.95	**149.30**
	Dividends	JPY	16.71	22.60	21.20	14.55	15.09	33.04	30.14	27.47	43.21	**52.98**
	Net assets	JPY	560.79	653.71	717.56	737.99	813.57	975.04	1,093.98	1,222.38	1,271.58	**1,433.69**
	Operating cash flow	JPY	70.80	85.86	46.00	99.40	128.44	194.82	110.52	193.61	220.11	**196.99**
Investment indicators	PER	times	30.1	32.1	32.5	40.5	53.3	27.7	27.4	20.7	18.7	**17.6**
	PBR	times	3.6	4.5	3.8	3.2	4.0	3.8	3.0	1.7	1.9	**1.8**

*1 FY2017 figures have been retrospectively adjusted following partial revisions to the Accounting Standard for Tax Effect Accounting.
*2 Calculated based on net income attributable to owners of the parent.
*3 Calculated based on income before income taxes.
*4 Net cash provided by operating activities divided by interest payments.

Data

ESG Data

Field		Item	Scope	Unit	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Environment	CO_2 emissions	Scope 1+2+3	Global *1	Thousand t-CO_2e	1,465	1,704	1,549	1,372	1,450*2	**1,673**
		Scope 1+2	Global *1	Thousand t-CO_2e	67	67	21	19	18	**18**
		Scope 1 *3 *4	Global *1	Thousand t-CO_2e	6	5	6	6	6	**6**
			Japan	Thousand t-CO_2e	1	1	1	1	1	**1**
			Overseas	Thousand t-CO_2e	5	4	5	5	5	**5**
		Scope 2 *4	Global *1	Thousand t-CO_2e	61	62	15	13	12	**13**
			Japan	Thousand t-CO_2e	11	11	3	3	3	**3**
			Overseas	Thousand t-CO_2e	49	51	11	10	9	**10**
		Scope 3 *5	Global *1	Thousand t-CO_2e	1,399	1,637	1,528	1,353	1,433*2	**1,654**
		Category 1 Purchased goods and services			1,258	1,463	1,346	1,160	1,253*2	**1,470**
		Category 2 Capital goods			45	53	44	58	49	**46**
		Category 3 Fuel- and energy-related activities (not included in Scope 1 or Scope 2)			10	10	9	8	8	**8**
		Category 4 Upstream transportation and distribution			73	96	112	108	98	**104**
		Category 5 Waste generated in operations			3	3	3	3	4	**4**
		Category 6 Business travel			1	2	3	6	8	**9**
		Category 7 Employee commuting			3	3	3	3	3	**4**
		Category 8 Upstream leased assets			-	-	-	-	-	**-**
		Category 9 Downstream transportation and distribution			-	-	-	-	-	**-**
		Category 10 Processing of sold products			-	-	-	-	-	**-**
		Category 11 Use of sold products			-	-	-	-	-	**-**
		Category 12 End-of-life treatment of sold products			6	7	7	8	8	**9**
		Category 13 Downstream leased assets			-	-	-	-	-	**-**
		Category 14 Franchises			-	-	-	-	-	**-**
		Category 15 Investments			-	-	-	-	-	**-**
	Energy consumption	Purchased electricity (grid)	Global *1	MWh	111,923	114,831	109,213	103,086	103,107	**102,274**
		Gasoline		kl	576	473	635	843	778	**775**
		Diesel		kl	347	319	419	315	234	**228**
		Kerosene		kl	14	11	6	7	7	**7**
		LPG		t	32	47	55	57	51	**42**
		LNG		t	0	0	0	0	0	**0**
		Natural gas		Thousand m^3	1,184	1,010	1,156	1,096	1,235	**1,274**
		City gas		Thousand m^3	506	518	511	461	487	**463**
		Other purchased energy (steam, hot water, etc.)		GJ	8,545	6,833	6,978	6,847	7,006	**10,706**
	On-site solar power generated		Global *1	MWh	1,841	1,936	2,698	3,296	6,172	**7,314**
	Carbon-neutral electricity procured (excluding on-site solar)		Global *1	MWh	0	0	12,940	14,731	15,936	**15,422**
	Water	Water withdrawal *9	Global *1	Thousand m^3	-	-	326	307	292	**293**
		Water discharge *9			-	-	326	307	292	**293**
		Water withdrawal in water-risk areas *10			-	-	-	197	183	**216**
	Waste	Waste generated	Global *1	Thousand t	-	-	14	14	13	**12**
	Percentage of sites with ISO 14001 certification		Global *1	%	-	-	61	61	61	**56**

Data | ESG Data

Field		Item	Scope	Unit	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Social	Employees	Number of employees *6	Global *1	Persons	11,682	11,842	11,804	11,039	11,064	**11,304**
		Number of regular employees	MISUMI Japan *7	Persons	1,829	1,739	1,675	1,752	1,760	**1,737**
		Average age		Years	38.0	38.2	38.9	39.8	39.4	**39.6**
		Average length of service		Years	5.4	6.0	6.5	7.1	7.0	**7.5**
	Percentage of female employees	Percentage of female managers	Global *1	%	–	–	36.0	36.8	36.4	**36.3**
			MISUMI Japan *7		–	–	43.2	42.9	42.9	**42.7**
			Global *1		–	–	22.7	23.6	23.6	**23.5**
			MISUMI Japan *7		–	–	14.5	14.8	14.5	**13.9**
	Gender pay gap	All employees	MISUMI Japan *7	%	–	–	58.1	61.6	63.0	**63.8**
		Regular employees			–	–	66.0	69.0	68.7	**69.5**
		Contract employees and part-time employees			–	–	55.3	63.9	59.7	**59.9**
		By job level: Officers and department heads			–	–	131.9	118.2	125.2	**137.6**
		By job level: Directors (managerial grade)			–	–	93.6	86.2	93.0	**92.5**
		By job level: Leaders			–	–	87.9	90.0	88.3	**90.8**
		By job level: Members			–	–	84.4	83.3	81.8	**83.7**
	Paternity leave uptake rate		MISUMI Japan *7	%	–	–	70.0	86.6	95.2	**101.7**
	Internal mobility rate		MISUMI Japan *7	%				15	18	**16**
	Employees willing to take on challenges (survey)		MISUMI Japan *7	%				80	87	**83**
	Employees with a sense of personal growth (survey)		MISUMI Japan *7	%				70	75	**75**
	Percentage of mid-career hires		MISUMI Japan *7	%					85	**84**
Governance	Board of Directors composition *6	Number of Directors	MISUMI Group Inc.	Persons	8	9	8	8	9	**10**
		Number of Outside Directors		Persons	3	3	3	3	3	**4**
		Number of female Directors		Persons	0	0	1	1	2	**3**
		Number of Board meetings held (regular and extraordinary)		Meetings	14	14	14	14	14	**14**
	Audit & Supervisory Board composition *6	Number of Audit & Supervisory Board Members	MISUMI Group Inc.	Persons	3	3	3	3	4	**4**
		Number of Outside Audit & Supervisory Board Members		Persons	2	2	2	2	2	**2**
		Number of Audit & Supervisory Board meetings held		Meetings	19	22	27	24	24	**23**
	Remuneration *8	Directors' remuneration	MISUMI Group Inc.	Millions of yen	607	819	582	689	998	**934**
		Audit & Supervisory Board Member remuneration		Millions of yen	20	20	22	24	46	**54**
	Voluntary committees	Advisory Committee on Nomination and Remuneration	MISUMI Group Inc.	Yes/No	Yes	Yes	Yes	Yes	Yes	**Yes**
	Number of whistleblowing reports		MISUMI Group Inc.	Cases			29	38	38	**47**
	Other	IR interviews	MISUMI Group Inc.	Cases	300	362	457	443	526	**537**

*1 Total for MISUMI Group companies in Japan and overseas.
*2 Corrected due to errors in previously disclosed figures.
*3 Scope 1: Calculated, in principle, using unit calorific values and emission factors under Japan's Act on Promotion of Global Warming Countermeasures, which are also applied to overseas operations.
*4 Scope 2: Calculated using the market-based method in Japan and the location-based method overseas. Country-specific factors from IEA Emission Factors are used overseas. GHGs covered in Scope 1 and 2 are energy-related CO_2 emissions; non-energy-related CO_2 and six other greenhouse gases are excluded.
*5 Scope 3 covers Categories 1 through 7 and 12.
*6 Numbers of employees, Directors and Audit & Supervisory Board Members are as of the end of each fiscal year.
*7 Combined figures for MISUMI Group Inc. and MISUMI Corporation.
*8 Excludes Outside Directors and Outside Audit & Supervisory Board Members.
*9 As no water is incorporated into products, water discharge is assumed to be equal to water withdrawal.
*10 Water-risk areas comprise (i) water-stressed areas identified using the WRI Aqueduct Water Risk Atlas and (ii) high-withdrawal areas, defined as areas where two sites each accounting for 10% or more of the Group's total water withdrawal are located. In FY2025, water withdrawal was 44 thousand m^3 in water-stressed areas and 172 thousand m^3 in high-withdrawal areas.

Data

Company Information / Stock Information (As of March 31, 2026)

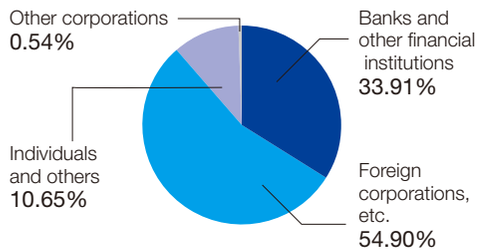
Company Information

Company name	MISUMI Group Inc.
Established	February 23, 1963
Capital stock	¥14,727 million
Number of employees, consolidated	11,304
Head office	Kudan Kaikan Terrace, 1-6-5 Kudan-minami, Chiyoda-ku, Tokyo 102-8583, Japan
Business activities	Formulating strategies and managing and operating the corporate group centered on the Factory Automation, Die Components, and VONA businesses
URL	https://www.misumi.co.jp/

Stock Information

Stock exchange listing	Tokyo Stock Exchange, Prime Market
Securities code	9962
Number of shares	Total number of authorized shares 1,020,000,000 Total number of issued shares 285,221,897
Number of shareholders	7,891

Distribution of Shareholders by Type



Major Shareholders*1

Shareholder	Shares held (thousand)	Shareholding ratio (%) *2
The Master Trust Bank of Japan, Ltd.	54,695	20.65
Custody Bank of Japan, Ltd.	28,725	10.84
BNYM AS AGT/CLTS NON TREATY JASDEC Standing proxy: MUFG Bank, Ltd.	16,827	6.35
STATE STREET BANK AND TRUST COMPANY 505103 Standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department	8,226	3.11
CEP LUX-ORBIS SICAV Standing proxy: Citibank, N.A., Tokyo Branch	6,145	2.32
JP MORGAN CHASE BANK 385781 Standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department	6,098	2.30
STATE STREET BANK AND TRUST COMPANY 505001 Standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department	6,000	2.27
THE BANK OF NEW YORK MELLON 140044 Standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department	4,500	1.70
RBC IST 15 PCT NON LENDING ACCOUNT-CLIENT ACCOUNT Standing proxy: Citibank, N.A., Tokyo Branch	4,447	1.68
GOVERNMENT OF NORWAY Standing proxy: Citibank, N.A., Tokyo Branch	3,662	1.38

*1 Excludes treasury shares. *2 Rounded to the second decimal place.

Share Price and Trading Volume

