

Relationships with Suppliers



Basic Approach

The MinebeaMitsumi Group's business is supported by relationships with numerous suppliers. The MinebeaMitsumi Group has adopted Basic Procurement Policies on which healthy partnerships are built.

In order to promote CSR throughout our supply chain, we have distributed the MinebeaMitsumi Group CSR Procurement Guidelines* to our suppliers and are striving to facilitate their understanding and cooperation.



Please see our website for detailed information on our Basic Procurement Policy and MinebeaMitsumi Group CSR Procurement Guidelines.

<http://www.minebeamitsumi.com/english/corp/company/procurements/index.html>

CSR Procurement

Considering the global scope of the MinebeaMitsumi Group's business activities, we believe it is important to promote CSR throughout our supply chain. In March 2012, we took steps to establish a framework for CSR procurement with the formulation of the MinebeaMitsumi Group CSR Procurement Guidelines, which is based on the MinebeaMitsumi Group Code of Conduct. In November 2012, we added a section on our response to conflict minerals to the guidelines and requested cooperation from our suppliers.

We have also created the MinebeaMitsumi Group CSR Procurement Self-assessment Checklist in order to grasp the status of CSR activities at our suppliers, and we continue to survey suppliers using the checklist. We are providing feedback to suppliers who completed the checklist and communicating individually with suppliers in cases where there were issues with some of their initiatives. In these ways, we are confirming details of their CSR measures. (See page 5 for details)

Supplier Selection Policy

Whenever the MinebeaMitsumi Group initiates a relationship with a new supplier, we ask the supplier to confirm its agreement with our approach to materials procurement and to proceed in accordance with our New Supplier Certification Standards to ensure strict compliance with our Basic Procurement Policies. In particular, we assess suppliers on the basis of ten attributes, including whether or not the company in question will be able to conduct business in a stable, continuous manner, satisfies the Group's guidelines and standards on chemical substances in products, and agrees to abide by the MinebeaMitsumi Group Code of Conduct. Where necessary, we conduct inspections of the supplier's production facilities.

Green Procurement

We have established and revised the MinebeaMitsumi Group's guidelines and standards on chemical substances in products to ensure compliance with countries' laws and directives on chemical substances, to satisfy our customers, and to reduce the use of substances having an environmental impact. Under these guidelines, we require our suppliers to provide products (raw materials, parts, components, and packaging materials) that are free of hazardous substances, and also to submit safety certifications, reports of analysis results, and other similar documentation.

Response to Conflict Minerals from Democratic Republic of the Congo

In August 2012, the U.S. Securities and Exchange Commission adopted a disclosure rule mandated by U.S. financial reform legislation requiring companies to disclose the use of conflict minerals. We responded by formulating a MinebeaMitsumi Group policy* on conflict minerals in October 2012 and adding a section on our response to conflict minerals to the MinebeaMitsumi Group CSR Procurement Guidelines. Our suppliers have been asked to cooperate with the revised guidelines.

Additionally, we continue to respond to research requests from customers by providing responses using our research database.

Future Issues and Goals

We are creating a framework for global CSR procurement in order to promote CSR throughout our global supply chain. In FY2017, we will establish and develop unified CSR procurement guidelines under the new structure of the MinebeaMitsumi Group.

Following this, we also plan to distribute the MinebeaMitsumi Group CSR Procurement Self-assessment Checklist among Mitsumi Electric's major suppliers based in Southeast Asia and analyze the results to confirm the status of their activities through the responses.

* With the business integration of Minebea and Mitsumi Electric in January 2017, the names of the CSR Procurement Guideline and Policy on Conflict Minerals were adapted for the MinebeaMitsumi Group, and the respective guidelines were updated.