

Environmental Management

In recent years, environmental problems such as the destruction of ecosystems due to ocean pollution and natural disasters that may be attributable to global warming, and human damage brought on by hazardous chemical substances, are occurring on a global scale. The Minebea Group has long taken an active role in addressing environmental issues, and we are conducting environmental conservation activities at locations around the globe.

Environmental Management at Minebea

Our environmental management actions began in earnest with the establishment of the Anti-Chlorofluorocarbon Committee in July 1991, aiming to completely eliminate the use of specified chlorofluorocarbons and ethane in cleaning. Thanks to this initiative, in April 1993, we became the first bearing manufacturer in the world to completely eliminate the use of specified chlorofluorocarbons and ethane from all of the plants in its group.

Following that, we inaugurated its Environmental Charter (now called the Environmental Philosophy), which is based on the Global Environment Charter of Japan's Federation of Economic Organizations, and accordingly, we are proceeding

with measures to conserve energy and reduce waste.

Currently the Environmental Management Committee, headed by the officer in charge of Environmental Preservation, is deliberating on and making decisions regarding our environmental policies for the future.

The Minebea Group focuses on creating environmentally-friendly products, conserving resources, and global warming measures that are directly linked to manufacturing activities. Additionally, sales of new products and construction of new plants, advance evaluation of environmental risks associated with new business activities, communication with all stakeholders associated with business activities, and contributing to society are also seen as important issues for the environment.

Minebea's Environmental Philosophy

Established August 26, 1993
Revised April 1, 2009

Minebea strives to contribute to higher quality, more comfortable lifestyles by providing truly valuable products and services. At the same time, the Company works to minimize the environmental burden of its various activities and promote greater harmony, thereby contributing to the presentation and improvement of a healthy environment.

Environmental Policy

1. Development and Design

Minebea shall focus on the development and design of products that contain no hazardous substances for the environment or the health and safety of humans, consume little energy and satisfy the "3R" (reduced, reused or recycled) criteria.

2. Manufacturing

Minebea shall set targets and restructure and revise its manufacturing procedures by using materials that contain no hazardous substances for the environment or the health and safety of humans, thereby improving yield, reducing waste and lowering energy consumption.

3. Logistics

Minebea shall employ packing materials that contain no hazardous substances for the environment or the health and safety of humans and satisfy the "3R" criteria, as well as procedures that lower energy consumption and prevent the release of hazardous substances.

4. Cooperation with Authorities and Local Public Entities

Minebea shall observe environment-related rules and regulations imposed by the country and local authorities and support environmental conservation and prevention of pollution.

5. Overseas Activities

In its manufacturing and distribution activities overseas, Minebea shall observe environment-related rules and regulations imposed by local authorities and do its best to preserve environment and prevention of pollution in adjacent areas. Minebea shall also be an aggressive supplier of new environmental protection technologies.

6. Environmental Audits

Minebea shall conduct periodical environmental audits at all of its manufacturing and other facilities with the aim of ensuring the effective implementation and continual improvement of its environmental management system.

7. Employee Education

Minebea shall require employees to attend courses to encourage their involvement in environmental protection activities in the workplace and at home.

8. Observe Minebea's Environmental Policy

All Minebea Group employees and other individual working at our sites shall adhere to Minebea's Environmental Policy. If any individual has an environment-related concern, he/she shall report it promptly to his/her manager, who shall respond promptly.

Environmental Management System

Environmental Management Structure

Important environmental policies of the Minebea Group are deliberated on and set by the Environmental Management Committee. The Group Environmental Protection Committee, comprised of representatives from each plant and business headquarters will deliberate on specific methods for applying important environmental policies set by the Environmental Management Committee. Each Minebea facility implements the policies selected by the Group Environmental Protection Committee and the Environmental Management Committee, centered on Plant Environmental Protection Committees.

Environmental Auditing

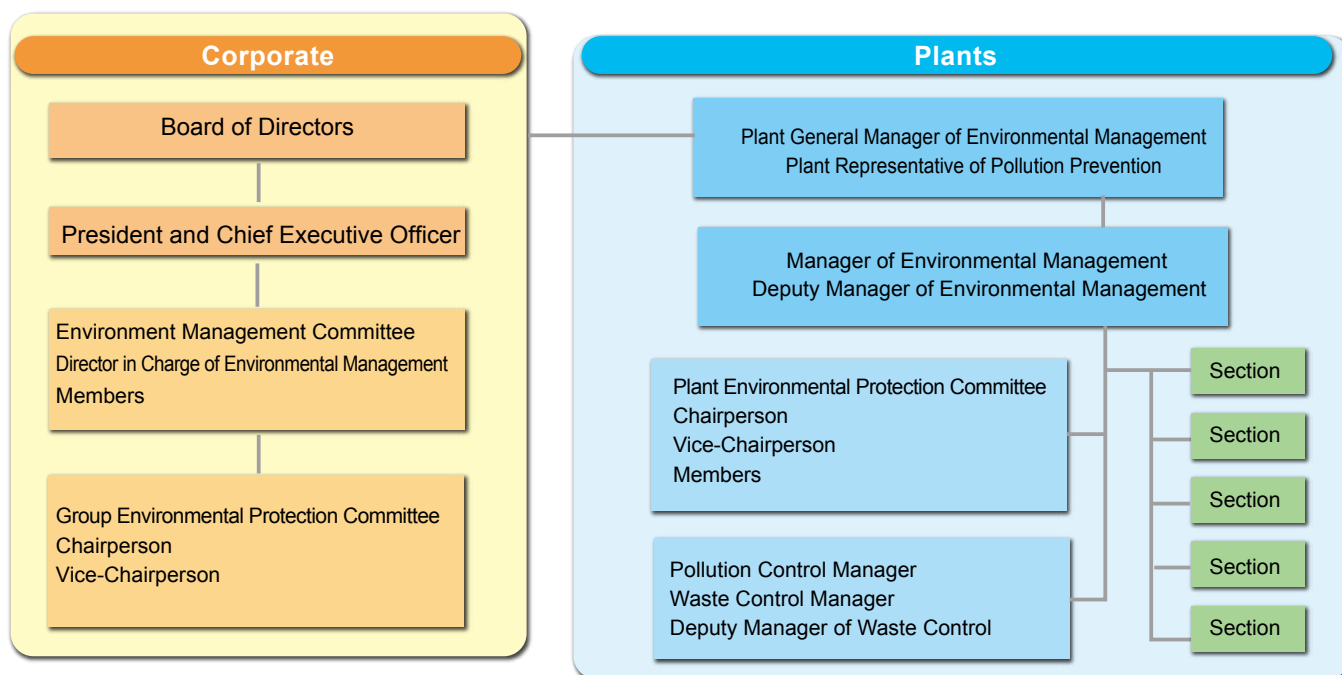
The Minebea Group has acquired ISO 14001 for all major production facilities around the world. To maintain this certification, these venues undergo an external audit by a third-party agency and an internal audit by company auditors once a year.



An Environmental Management Review held at Hamamatsu plant.

Compliance with Laws and Regulations

In order to enforce compliance with environmental laws of all kinds, every place of business in the Minebea Group sets and manages its own individual standard values that exceed the legal requirements of the relevant country or region. Third-party agencies are periodically asked to assess areas of importance that are monitored, and report to the administration.



Environmental Education

Basic Concepts and Initiatives for FY2009

The Minebea Group believes that raising the environmental awareness of each one of us will eventually create a large cycle and protecting and nurturing the environment for the future. In addition to activities within the company, we would like our employees to be proactive in environmental conservation at home and at their residential areas. To this end, we offer a variety of environmental education initiatives. The following are examples of environmental education initiatives conducted in Japan in FY2009.

1. Environmental management basics training	
• Education for new employees of the Minebea Group	75 people
• Education for new employees at company facilities	81 people
• Environmental training for employees hired in mid-career	45 people
2. General environmental education	
• Education for environmental policies, objectives/indices, implementation plans etc	All employees
• In-house environmental newspaper "Hello Environment!", In-house magazine "Shihou"	All employees
3. ISO 14001 Internal Auditor Training	
• Internal auditor training courses	18 people
• Internal auditor refresher courses	81 people
4. Waste management education	
• Education on appropriate methods for waste disposal	All employees
5. Emergency response training	
• Training for evacuation and response to possible disasters	All employees
• Training with facilities and equipment used in possible emergency circumstances	93 people

Note: The education initiatives above were planned and held by the Group Environment Management Division and / or Environmental Management Departments at each plant, and do not include those initiatives implemented independently within specific work places. Additionally, the numbers of people are a total of those reported as attending education initiatives at plants.

ISO 14001 Internal Auditor Training Courses

Our ISO 14001 environmental management system must undergo an internal audit on a regular basis to ensure that it is operated appropriately and effectively. Additionally, the auditors in such cases must perform audits in a fair and objective manner.

Minebea conducts yearly training courses for internal auditors, taught by employees with auditing qualifications received from external organizations, and by staff with experience in internal audits. As of March 2010, 216 employees had received this training and become internal auditors.



Internal auditor training course: On-site auditing training

In-house Newspaper About the Environment "Hello Environment!"

The Group Environment Protection Division encourages employees of every company in the Minebea Group to think about the environment, and publishes "Hello Environment!" every month to inform them of the environmental initiatives being undertaken by the Minebea Group. In order that employees take a broader interest than just the environmental issues within the Group, "Hello Environment!" contains articles related to everyday life, and on the natural environment.

The first issue was published independently at the Group's Hamamatsu plant in January 2000 as an environmental newspaper, and as of March 2010 was in its 118th issue in its current form as the environmental newspaper of the Minebea Group.



The Minebea Group environmental newspaper "Hello Environment!"

Environmental Communications

Basic Approach

In order to make the environmental protection activities of the Minebea Group known to more people, we publish information about these initiatives and successes on the internet and via a range of other media such as environmental reports, the company brochure, and the annual report. Additionally, the Minebea Group is an active participant in regional activities, and works to create opportunities to show people our initiatives toward the environment.

Environment Click Fund-Raising (Fujisawa Plant)

Minebea supports the "Fujisawa city environment click fund raising" initiative run by Fujisawa city, location of Minebea's Fujisawa Plant. We have supported this initiative, which aims to increase citizens' environmental awareness, public relations for companies contributing to society, and fulfillment of environmental education for children who will be major players in the next generation, since July 2009. Donations can be made simply by clicking on the "contribution" item on web pages introducing the environmental activities of participating companies, who will donate five yen for each click. These donations are put towards providing teaching materials, etc. for environmental education to elementary schools in Fujisawa city.

In FY2009, Minebea donated 15,370 yen, in response to 3,074 clicks.

[Fujisawa city environment click fund-raising]

<http://fj4.city.fujisawa.kanagawa.jp/oneclick/index.php>



Site showing pages of Fujisawa city environment click fund-raising for Minebea

Initiatives for Preserving Biodiversity

Basic Approach

To date, the Minebea Group has embarked on a range of environmental protection activities. However, we believe that assessment of biodiversity in the natural environment in the areas surrounding plants and company facilities is important to preserving biodiversity, a field which has received a great deal of attention in recent years.

Minebea aims to strike a balance between its business activities and preserving biodiversity, and is working to strengthen cooperation with local communities.

Managing the Rich Natural Environment of the Balancing Pond (Hamamatsu plant)

The Hamamatsu plant is situated on land surrounded by a rich natural environment of fields, hills, and forests. As with the environment in the surrounding areas, a natural habitat exists in the storm-water reservoir in the plant environs. Water plants grow in abundance in the pond, fish swim, wild birds rest, and insects such as dragonflies and butterflies are in evidence. To preserve and manage this reservoir, we have cut back the surrounding undergrowth, reclaimed the waterways, and removed the trash from drainage channels, and is now active in the preservation and management of this area.

We will continue to maintain and manage this reservoir, and work to preserve the biodiversity of the surrounding area.



The reservoir at the Hamamatsu plant

Minebea's Effect on the Environment

The Minebea Group has 30 plants and 37 sales offices in 16 countries around the world, manufacturing and selling a range of products including bearings and related products (our main product lines), machined components, rotary components, and electronic devices.

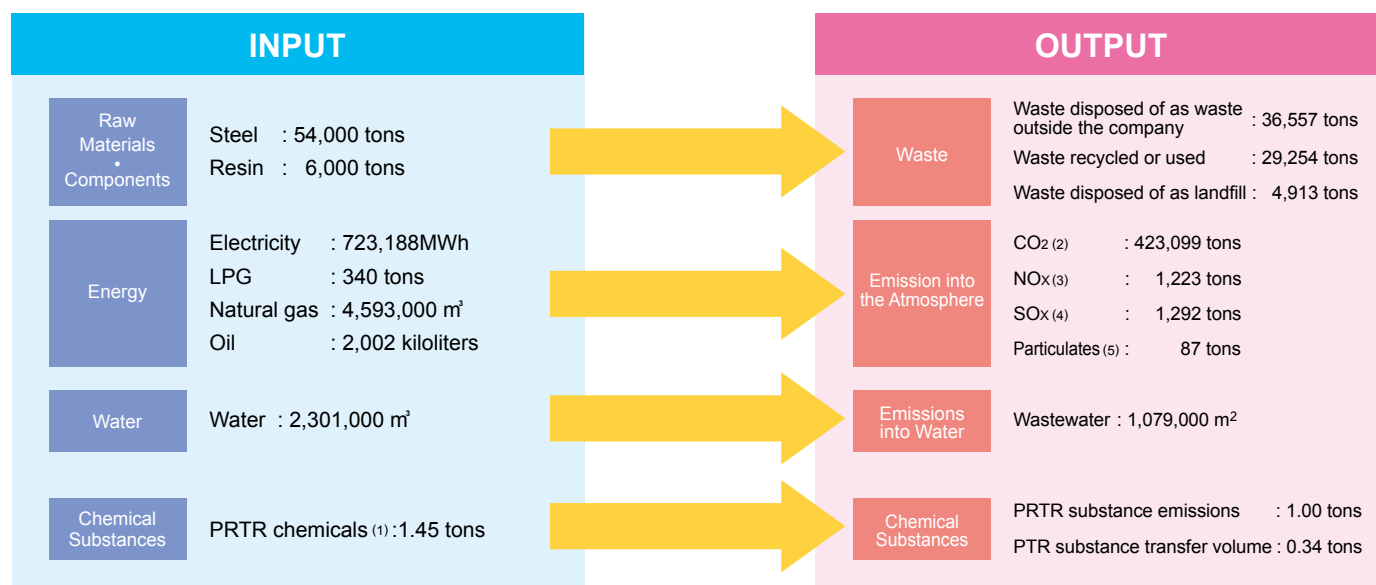
In FY2009, the effect on the environment due to the input and output from the Group's major plants was as follows.

When environment effect is viewed in terms of the ratio of total production by region to sales, Asia (excluding Japan) is estimated to account for approximately 80 percent of the Minebea Group's consumption and output.



The Minebea plant in Shanghai, China, which has achieved zero output of industrial effluent

Located in China, Shanghai and Xicen plants are positioned adjacent to Dianshan Lake, which is the source of their water supply. Accordingly, at the both plants, all industrial wastewater is purified to the same level as drinking water and recycled, with the goal of preserving the water quality of Dianshan lake and reducing municipal water consumption. (Refer to page 28)



Glossary

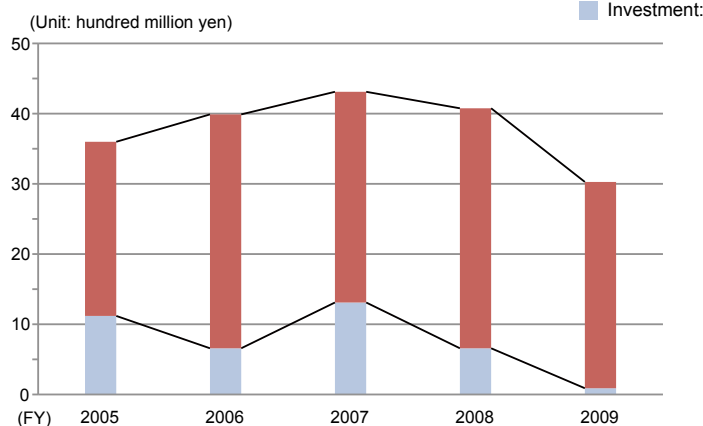
- (1) PRTR chemicals : Substances included in the PRTR law (The Chemical Substance Control Enhancement Law / Domestic Japanese Law), for which companies must register and report volumes released and transferred.
- (2) CO₂ : Carbon dioxide
- (3) NO_x : Nitrogen oxides
- (4) SO_x : Sulfur oxides
- (5) Particulates : Particulate are microscopic solid matter contained in exhaust gas generated as a result of combustion, heating, or chemical reaction.

Environmental Accounting

In order to gain a quantitative understanding of environmental protection activities, the Minebea Group follows the "Environmental Accounting Guidelines 2005" published by Japan's Ministry of the Environment to total the environmental protection costs of our business activities.

A worsening business environment in FY2009 meant that there was less new investment in environmental protection than in FY2008.

Environment Protection Costs



(Unit: Millions of yen)

Costs of Environmental Protection Activities			Total amount of covered subject	
Category		Description	Investment	Expenses
1	Business area costs (Environmental protection costs to minimize the environmental burden resulting from manufacturing and service activities within the business area)		86	2,305
	a. Pollution prevention costs	Costs related to the installation, disposal, maintenance and management of facilities to prevent water and air pollution, etc.	7	529
	b. Environmental protection costs	Costs for installation of ozone-depleting substance (ODS)-free water-based cleaning facilities, high-efficiency refrigerator, depreciation, operating and maintenance costs, etc.	53	1,226
	c. Resource recycling costs	Equipment and costs for waste disposal and recycling, etc.	26	550
2	Upstream/downstream costs (Environmental protection costs to minimize the burden of key upstream and downstream operations)	Costs related to the installation of analyzers, analysis of materials as part of the Green Procurement Program, printing and revenue stamp costs for contracts with suppliers, etc.	0	99
3	Administration costs (Environmental protection costs stemming from administrative activities)	Personnel, maintenance and management costs for environmental management system, etc.	2	311
4	R&D costs (Environmental protection costs stemming from R&D activities)	Costs related to the research and development of ODS-free water-based cleaning facilities, etc.	0	30
5	Community activity costs (Environmental protection costs stemming from community activities)	Costs related to greening programs, landscape preservation, etc.	0	2
6	Environmental remediation costs (Costs incurred for environmental remediation efforts)	Costs related to soil replacement and the operation, maintenance and depreciation of water-based cleaning facilities, etc.	0	191
Total			88	2,938

Exchange rates used: US\$1.00=¥93.0 ; €1.00=¥131.1 ; 1baht=¥2.7 ; 1yuan=¥13.6; S\$1.00=¥64.9 ; £1.00=¥147.8

Environmental Protection Plan

Establishment of an Environmental Protection Plan

In order to contribute to a sustainable global environment, Minebea has implemented the "Environmental Philosophy" throughout the entire Minebea Group, and is addressing environmental consideration at all stages of its business activities. As a specific policy aimed at implementing this vision, Minebea has enacted its environmental protection plan and is working to achieve its goals at every company in the Group.

Below are the principal initiatives, results, and achievements of the environmental protection plan that Minebea implemented in FY2009, along with plans for initiatives in FY2010. The principal activities for each initiative are described in detail on page 23 of this report.

Recap of FY2009

Activities for the environmental protection plan for FY2009 went mostly according to plan.

On the environmental management front, Minebea continued environmental auditing and education activities from FY2008. In addition to research and development on magnets aimed at achieving low power consumption for products, and revisions to the Minebea Group Green Procurement Standard, we proceeded with development of environmentally-friendly products. Additionally, although initiatives for offices and logistics were reduced due to a drop in manufacturing caused by the global recession, environmental effects such as CO₂ emissions were reduced due to ongoing environmental protection activities.

Evaluation

A...Plans achieved, continuing favorable conditions

B...Some areas of plan not achieved, or ongoing

C...Plan not achieved, or problems occurring

Category	Item	Objectives for FY2009	Achievements in FY2009	Evaluation	Objectives for FY2010
Environmental management	Environmental Audits	【In-house environmental audits】 Ongoing	Implemented audits by in-house environmental auditors	A	Ongoing
		【External environmental audits】 Ongoing	Implemented audits by a third-party certification organization	A	Ongoing
	Environmental Education	【New employees】 Ongoing	Implemented environmental education programs for new recruits	A	Ongoing
		【Basic employee education】 Ongoing	Provided regular environmental education for all employees	A	Ongoing
		【Emergency response training】 Ongoing	Implemented emergency and oil leak drills	A	Ongoing
		【In-house training】 (Internal auditors) Ongoing	1. Internal auditor training course implemented in March 2010 18 trainees 2. Refresher courses for internal auditors implemented at each plant prior to internal audits	A	Ongoing
	Environmental Communications	【Present information on environmental protection efforts】 Publish Minebea Group Environmental Report	1. Published "Minebea Group Environmental Report 2009" 2. Presented information on environmental protection efforts on the Minebea web site.	A	Publishing of CSR Report 2010, introduction of environmental protection activities
		【Communication with local communities】 Continue to communicate with local communities	1. Conducted summer festival, etc. with local residents 2. Supported Environmental click fund-raising for Fujisawa city	A	Continue to communicate with local communities

Evaluation

A...Plans achieved, continuing favorable conditions

B...Some areas of plan not achieved, or ongoing

C...Plan not achieved, or problems occurring

Category	Item	Objectives for FY2009	Achievements in FY2009	Evaluation	Objectives for FY2010
Products	Develop products that consume less electricity	Development and manufacturing of complex products (Electro Mechanics Solution) that are combination of machined parts and electronic instruments.	Applied and received NEDO (New Energy and Industrial Technology Development Organization) innovation implementation promotion service."Development of components (magnets) using nano-structures and anisotropic integrated directional control valves, and application in rotating bridges"	A	Development of products and technologies that contribute to energy conservation
	Resource conservation	Development and commercialization of long-life, weather resistant ⁽¹⁾ products	1. Commercialization of long-life, highly weather-resistant, high -efficient AC fan motors 2. Commercialization of high corrosion resistant miniature bearings	A	Development and manufacturing of products with enhanced life and high weather resistance
	Control chemical substances in products	More thorough green procurement including supplier chain	Revisions to the Minebea Group Green Procurement Program Outline completed.First issue in FY2010	A	Release of revisions to the Green Procurement Program Outline, and circulation of the publication outside Minebea.
Plants	Reduction of Energy / Contribution to Prevention of Global Warming	Lower electricity consumption (per unit of sales) 1% annually	Worldwide plants of the Minebea Group 1. CO ₂ emissions FY2008 volume: 429,672 tons FY2009 volume: 423,099 tons (-1.5%) 2.CO ₂ emissions (in proportion to sales output) FY2008 1.68 tons CO ₂ / million yen FY2009 1.85 tons CO ₂ / million yen (+10.4%) *Due to the drop in sales caused by the global recession	B	Decrease Worldwide CO ₂ emissions (per unit of sales) from Minebea Group plants by 1% from the previous fiscal year.
	Waste Prevention	Reduction in final disposal volume(landfill) < 5,000 tons / year	Final disposal volume (landfill) at worldwide plants of the Minebea Group FY2008 volume: 5,935 tons FY2009 volume: 4,913 tons (-17.2%)	A	Final disposal volume (landfill)at worldwide plants of the Minebea Group < 4,500 tons / year
	Prevention of Water Contamination	Observe environmental laws and self-imposed regulations	All plants have brought contamination below levels stipulated by local laws and self-imposed regulations	A	Observe environmental laws and self-imposed regulations
	Prevention of Air Pollution	Observe environmental laws and self-imposed regulations	All plants have brought contamination below levels stipulated by local laws and self-imposed regulations	A	Observe environmental laws and self-imposed regulations
	Rehabilitation of Contaminated Soil and Groundwater	Continue to implement cleanup measures at plant sites found to be contaminated	Continued to take steps to resolve contamination caused by chlorinated organic solvents Cleanup of municipal land in Kanegasaki town, Iwate Prefecture is completed	A	Continue to implement cleanup measures at plant sites found to be contaminated
	Management of Chemical Substances	Expand use of MMDB-II ⁽²⁾	Restoration of MMDB-II which had been temporarily suspended due to computer trouble	B	Management of the volume of chemicals used at Minebea Group plants
	Establishment of Pollution Patrol Programs	Continue to implement regular patrols	Implementation at each division	A	Continue to implement regular patrols
		Conduct regular on-site audits of waste processing service providers	Implementation at each division	A	Conduct regular audits of waste processing service providers
Distribution	Reduction of Energy	Expand use of energy-efficient distribution methods	Ongoing use of sea and rail transport for freight CO ₂ emissions from logistics in Japan FY2008: 549 tons FY2009: 408 tons	A	Expand use of energy-efficient distribution methods
	Resource conservation	Improve packaging materials and transport methods	New recycling route for styrofoam packaging	A	Improve packaging materials and transport methods

Glossary

(1) Weather resistant: Materials with superior resistance to erosion under natural conditions in which they are subject to open air, wind, and rain.

(2) MMDB-II: A database for control reference of receipt and dispatch of, and reference to, MSDS chemicals used in Minebea Group processes.