

Acutely aware of the significant burden placed on the environment by the activities of industrial concerns and society's expectations of us in this regard, we have always approached environmental protection as a key management objective. In 1991, we established the Anti-CFC Committee with the aim of phasing out the use of specified chlorofluorocarbons (CFCs) and ethane as cleaning agents and in 1993 we formulated our own "Charter for Environmental Protection." Since then, we have continued to implement a variety of measures, focusing on the acquisition of certification under ISO 14001, the International Organization for Standardization (ISO) standard for environmental management systems. In 2003, we published our first annual environmental report, which summarizes our environment-related initiatives and the results thereof.

Environmental Protection Activities

Thanks to efforts aimed at phasing out the use of specified CFCs and ethane as cleaning agents, in April 1993 we became the first bearings manufacturer in the world to completely eliminate specified CFCs and ethane from all production processes.

These and other efforts to contribute to ozone protection have been recognized three times to date with the U.S. Environmental Protection Agency's (EPA's) Stratospheric Protection Award.

Environmental Management System

We continue to implement a proactive environmental protection program at all of our production bases worldwide.

Green Procurement

In June 2004, we set forth management guidelines for our Green Procurement program, which aims to ensure the purchase of raw materials and parts from ecologically sound suppliers. In April 2006, we published the second edition of these guidelines, which have been updated to reflect social and technological changes in the past two years.

Environmentally Sound Products

Minebea products are used in a broad range of applications in homes and offices, as well as in aerospace and automotive applications. To enhance the environmental soundness of our products, we continue to take steps to reduce or eliminate the use of lead and other hazardous chemical substances in products, as well as to promote the development of energy-efficient products that are compatible with the so-called "3R" ("reduce, reuse and recycle") criteria and the use of environment-friendly packaging.

Acquisition of ISO/IEC 17025 for Testing Laboratories (Thailand, China)

The R&D centers of our largest and second-largest production bases, in Thailand and China, acquired ISO/IEC 17025, the global standard for testing laboratories established by the ISO and the International Electrotechnical Commission (IEC). Under a Mutual Recognition Arrangement (MRA), testing certificates issued by accredited laboratories are valid for use in international trade.

In March 2006, we succeeded in eliminating all substances targeted by the Restriction of Hazardous Substances (RoHS) directive from our products. In addition to maintaining an RoHS directive-compliant production system, we will now be able to establish a testing program that assures our products contain no regulated chemical substances—an important step that will help us further reduce the impact of our products on the environment.



For more information on the Minebea Group's environmental activities, please refer to the environment page of Minebea's web site:
<http://www.minebea.co.jp/english/environment/>

In line with our five basic management principles (see page 18), we are committed to ensuring Minebea is a company that is welcomed by the community and contributes to the advancement of people everywhere. To these ends, we continue to undertake a variety of initiatives, including establishing foundations, cooperating with local authorities, supporting amateur sports and setting up an environmental protection fund.

Takahashi Foundation

The Takahashi Foundation, named in memory of Minebea Group founder Takami Takahashi, was established in 1992 to celebrate the 10th anniversary of the Group's operations in Thailand. The Foundation began with a fund of 20 million baht (approximately US\$500 thousand), contributed by local Group companies. In 2002, the fund was increased to 60 million baht (approximately US\$1.4 million) to commemorate the Group's 20th anniversary in Thailand.

The Takahashi Foundation offers support to impoverished students studying science and technology-related subjects. Since 1993, scholarships have been awarded to more than 500 students in educational institutions nationwide. The Foundation has also initiated a lunch fund project to help ensure the physical and mental health of needy students at the primary school level.

In addition to supporting the Takahashi Foundation, Minebea Group companies in Thailand have set up a scholarship program for local students in Lop Buri and Ayutthaya provinces, both home to major Minebea Group plants.

Shanghai-Minebea Lake Dianshan-hu Environmental Protection Fund

In April 1996, Minebea Electronics & Hi-Tech Components (Shanghai) Ltd. established the Shanghai-Minebea Lake Dianshan-hu Environmental Protection Fund with the aim of helping preserve the quality of the water in Lake Dianshan-hu and the environment of the surrounding area. The fund is the first of its kind to be set up by a foreign firm in China.

In May 2001, Minebea Electronics & Hi-Tech Components (Shanghai) increased the Shanghai-Minebea Lake Dianshan-hu Environmental Protection Fund to Rmb 11.0 million (approximately US\$1.3 million), from Rmb 7.5 million (approximately US\$900 thousand). This was done in commemoration of the July 2001 50th anniversary of Minebea's founding. Interest from the fund is used to finance a variety of activities. To date, the fund has assisted with efforts to plant cherry tree saplings along nearby Highway No. 318, build green belts in adjacent areas and install chemical toilets in local residences. In March 2006, the fund supported a project to dredge 14 rivers in the vicinity of Minebea Electronics & Hi-Tech Components (Shanghai)'s plants. This project was largely completed by the end of August.

Amateur Baseball Association of Thailand

In January 1992, Minebea Group companies in Thailand, in cooperation with the Baseball Federation of Asia and the International Baseball Association of Thailand, played a major role in establishing the Amateur Baseball Association of Thailand, with the objective of introducing and promoting baseball in Thailand.



Takahashi Foundation students on a Minebea plant tour