

# Compliance

In order that all of our employees may engage in fair and proper business activities based on high ethical standards, the Minebea Group has established the Group Code of Conduct and is putting compliance into practice in its activities.

## Basic Approach and System for Promoting Compliance

At the Minebea Group, we consider compliance an important factor in our business activities, and we believe that compliance not only involves adherence to laws and regulations but also activities in accordance with corporate ethics as a good corporate citizen, based on the awareness that putting compliance into practice is one element of implementing CSR. To this end, we have formulated the Minebea Group Code of Conduct as a set of guidelines when group executives and employees need guidance in selecting appropriate actions, striving to operate our business in a fair, proper, and transparent manner. Based on this Code of Conduct, in FY2010 we enacted the Minebea Group Officer and Employee Compliance Guidelines which detail specific items that should be adhered to by executives and employees.

To ensure company-wide compliance, the Representative Director, President and Chief Executive Officer has overall responsibility for compliance, and the Compliance Committee reports directly to him. The committee is responsible for applying the Code of Conduct, and for decision-making regarding emergency measures in the event of significant violations of the Code. The Compliance Office within the CSR Promotion Division acts as the secretariat for the Compliance Committee, carrying out education and training in order to promote compliance throughout the company and other compliance promotion measures.

## Compliance Education

To help employees better understand compliance, Minebea conducts compliance training during training sessions for employees of various ranks. In FY2009, a total of 326 employees ranging from new employees through to newly appointed chiefs received compliance training. Another 146 employees participated in training for domestic general managers, deputy



A compliance training session for employees

general managers, and sales managers in Thailand and Singapore received legal compliance training.

## Internal Reporting System

To prevent actions in violation of the Minebea Group Code of Conduct or legal infractions, a consultation center has been established. Employees may consult this center if they are unsure whether their actions or decisions are in violation of the Code of Conduct, or if they come across actions they suspect are in violation of the Code. We have both an in-house and an outside consultation center; the privacy of individuals reporting information is protected and measures are taken so that they are not treated in detrimental fashion.

## Import and Export Control Initiatives

For the sake of maintaining international peace and safety, the Minebea Group has established a management system and created procedural forms and manuals to ensure that our Logistics Division adheres to customs laws and other laws and regulations. In FY2007, we received Authorized Importer and Authorized Exporter certification from the Tokyo Customs Bureau because of our outstanding freight and compliance management.

## Compliance Promotion in the Future

Advancing the compliance system of the Minebea Group, which is active on a global scale, requires ever-stronger awareness and knowledge of compliance among all employees. This year, our focus will be on initiatives that include compliance training incorporating e-learning and creating a more extensive compliance database on our intranet.

For details on the Minebea Group Code of Conduct and the Minebea Group Officer and Employee Compliance Guidelines, please see the Minebea Group website. (<http://www.minebea.co.jp/english/company/aboutus/conduct/declaration/index.html>)

## Minebea Group Code of Conduct (Articles)

Enactment: October 3, 2005  
Amendment: July 1, 2009

### 1. Labor

The Minebea Group is committed to upholding the human rights of employees, and to treating them with dignity and respect. All Minebea Group companies shall adhere to the following standards regarding use of labor:

- (1) Freely Chosen Employment
- (2) No Child Labor
- (3) Discrimination
- (4) Harsh or Inhumane Treatment
- (5) Minimum Wages
- (6) Working Hours
- (7) Freedom of Association

### 2. Health and Safety

The Minebea Group recognizes that the quality of its products and services, consistency of production, and employee morale are enhanced by a safe and healthy work environment. All Minebea Group companies shall adhere to the following standards regarding health and safety:

- (1) Machine Safeguarding
- (2) Industrial Hygiene
- (3) Safety
- (4) Emergency Preparedness and Response
- (5) Occupational Injury and Illness
- (6) Physically Demanding Work
- (7) Dormitory and Canteen

### 3. Environment

The Minebea Group recognizes that environmental responsibility is integral to producing world class products. In our operations, adverse effects on the environment and natural resources shall be minimized while safeguarding the health and safety of the public. All Minebea Group companies shall adhere to the following standards regarding the environment:

- (1) Product Content Restrictions
- (2) Chemical and Hazardous Materials
- (3) Wastewater and Solid Waste
- (4) Air Emissions
- (5) Environmental Permits and Reporting
- (6) Pollution Prevention and Resource Reduction

### 4. Ethics and Business Practice

To meet our social responsibilities and to increase our corporate value, The Minebea Group are to uphold the highest standards of ethics including:

- (1) No Corruption, Extortion, or Embezzlement
- (2) Disclosure of Information
- (3) No Improper Advantage
- (4) Fair Business, Advertising, and Competition
- (5) Community Engagement and International Operation
- (6) Protection of Intellectual Property
- (7) Fair Stock Trading
- (8) Import/Export
- (9) Response to Antisocial Forces

## Minebea Group Officer and Employee Compliance Guidelines (Articles)

Enactment: October 1, 2010

These "Minebea Group Officer and Employee Compliance Guidelines" are provided as the standards of conduct with which all officers and employees of the Minebea Group must comply. All officers and employees of the Minebea Group shall read, understand and comply with the Guidelines.

### <Compliance>

1. Compliance with laws and regulations and internal company rules, and conduct of ethical business activities
2. Maintenance of credibility and reputation of the Minebea Group

### <Diversity>

3. Respect for culture and customs in each country and region

### <Labor>

4. Respect for fundamental human rights
5. No harassment
6. Realization of work-life balance

### <Health and Safety>

7. Maintenance of healthy and safe workplace

### <Environment>

8. Business activities that consider the environment

### <Ethics and Business Practice>

9. Timely and appropriate disclosure of information
10. Protection of confidential and personal information
11. No offering of bribes
12. Ensuring fair trade and competition
13. Protection of intellectual property
14. Prevention of insider trading
15. Appropriate procedures for import and export, etc. of products and materials, etc.
16. Response to antisocial forces
17. Protection of company assets
18. No conflicts of interest

### <Social Contribution>

19. Provision of useful products for society
20. Contribution to local community

### <Coexistence with International Society>

21. Compliance with international rules and contribution to local community

### <Compliance Structure>

22. Internal reporting