

Relationships with Suppliers



Website listed
information:

- Response to Act against Delay in Payment of Subcontract Proceeds, Etc. to Subcontractors
- Communication with suppliers

Basic Approach

The Minebea Group's business is supported by relationships with numerous suppliers. The Minebea 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 Minebea 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 Minebea Group CSR Procurement Guidelines.



<http://www.minebea.co.jp/english/procurements/index.html>

CSR Procurement

Considering the global scope of the Minebea 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 Minebea Group CSR Procurement Guidelines, which is based on the Minebea Group Code of Conduct. In April 2012, we advanced this initiative by holding a supplier dialogue to gather supplier comments on our CSR approach. In order to instill our approach to CSR widely throughout the supply chain and turn policy into action, we have sent the guidelines to 1,538 suppliers and requested their understanding and cooperation. In December 2012, we added a section on our response to conflict minerals to the guidelines and requested cooperation from our suppliers.

In FY2013, we created the Minebea Group CSR Procurement Self-assessment Checklist to gather information on the progress in suppliers' promotion efforts. We plan to start distributing the checklist to suppliers in July 2013 and requesting their responses.

Supplier Selection Policy

Whenever the Minebea 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 Minebea Group Green Procurement Standard, and agrees to abide by the Minebea Group Code of Conduct. Where necessary, we conduct inspections of the supplier's production facilities. In FY2012, we certified a total of 55 suppliers in this manner.

Green Procurement

In July 2004, we established the Minebea Group Green Procurement Standard in response to international laws and directives, 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, analysis reports, and other similar documentation. In FY2012, 1,520 suppliers to the overall Minebea Group were cooperating with our Green Procurement policies.

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 Minebea Group policy on conflict minerals in October 2012 and adding a section on our response to conflict minerals to the Minebea 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 striving to establish a CSR procurement framework in order to promote CSR activities throughout the supply chain. Specifically, we will collect responses to our Minebea Group CSR Procurement Self-assessment Checklist sent to domestic suppliers and analyze the progress in our initiative. We are also planning to distribute and collect the Minebea Group CSR Procurement Self-assessment Checklist from overseas suppliers in the future.