

Implementing the CSR Procurement Survey

In FY2013, Minebea created and distributed the Minebea Group CSR Procurement Self-assessment Checklist in order to confirm the status of CSR activities at its suppliers. Here, we discuss the results of the survey with Mr. Mamoru Iwatani, general manager of the Procurement Department, which led the initiative.

Q. Please explain the background to the checklist.

A. As the scope of corporate social responsibility expands, problems in the supply chain represent business risks for a company and could impact its brand value. In March 2012, we introduced the Minebea Group CSR Procurement Guidelines and held dialogues with our suppliers to promote their understanding and cooperation. To determine the level of implementation of the guidelines and the current status among our suppliers, we created CSR Procurement Self-assessment Checklist and asked our suppliers to respond.

Q. What kind of survey was conducted?

A. The checklist included 54 questions in 5 areas defined by our guidelines: Overall CSR Promotion; Labor; Health and Safety; Environmental Conservation; and Ethical Management. In the first stage, we distributed the checklist to 250 suppliers in Japan, representing about 66% of our total annual procurement, and asked them to confirm the status of their CSR and respond to our survey.

Q. What did you learn from the results?

A. The results showed that more than 80% of our suppliers scored at least 450 points out of 500 points in total. This means that in general, our suppliers are



sincere about CSR and are following our guidelines. There were some areas of overall CSR promotion that require improvement, such as the establishment of specialized CSR organizations. We will consider supplier size and other business environment issues while making visits to suppliers and sharing best practices in order to improve the level of CSR activities.

Q. How do you plan to advance the initiative in the future?

A. In this stage of the initiative, we surveyed only domestic suppliers. As a company conducting global business activities, however, the Minebea Group also needs to strengthen CSR procurement overseas. We therefore plan to conduct a similar survey among suppliers in Thailand and China, the Group's main manufacturing bases, by the end of FY2015. We also plan to bolster our training in and outside Japan so that Procurement Department employees can sufficiently confirm CSR issues when visiting suppliers.



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■ Compiled Checklist Results (average for each item)

