

Minebea's Green Procurement Program focuses on the purchase of raw materials and parts from ecologically sound suppliers. With the adoption of directives such as RoHS¹, WEEE² and ELV³, manufacturers are stepping up efforts to eliminate or reduce the use of hazardous substances, particularly in electronic equipment and automobiles. In this environment, the importance of green purchasing is expected to increase.

ELIMINATE/REGULATE THE USE OF HAZARDOUS SUBSTANCES

Minebea's Green Procurement Guidelines set forth strict criteria to regulate hazardous substances in products purchased from suppliers. Suppliers meeting these criteria are eligible for supplier contracts. At present, Minebea has approximately 1,500 contracted suppliers.

Chemical Substances to Be Banned in Products from Suppliers

(As of June 2003)

1. Heavy metals
a. Cadmium and cadmium compounds b. Lead and lead compounds c. Mercury and mercury compounds d. Hexavalent chromium compounds
2. Organic chlorinated compounds
Polychlorinated biphenyls (PCB) Polychlorinated naphthalenes (PCN) Chlorinated paraffins (CP) Mirex
3. Organic brominated compounds
Polybrominated biphenyl (PBB) Polybrominated diphenyl ether (PBDE)
4. Organic tin compounds
Tributyl tin compounds Triphenyl tin compounds
5. Asbestos
6. Azo compounds
7. Formaldehyde

Note: Dates bans will go into effect vary according to substance.

VENDOR AUDITS

Minebea conducts environmental audits of all its suppliers to evaluate compliance with its green procurement criteria. These audits involve inspecting environmental management systems, business processes and production process management, awarding points in each category and providing guidance where necessary.



Environmental audit procedure

Green Procurement Database

The Green Procurement Database enables Minebea Group companies to share information, thereby assisting green procurement efforts Groupwide.

- Green Procurement Guidelines
- Chemical substance control regulations
- Supplier audit updates



Glossary

- 1. RoHS (Restriction of Hazardous Substances) Directive**
A European Union (EU) directive banning the use of lead, mercury, cadmium, hexavalent chromium, PBB and PBDE in electrical and electronic equipment brought to market after July 1, 2006.
- 2. WEEE Directive (Directive on Waste Electrical and Electronic Equipment)**
An EU directive on the responsibilities of individual manufacturers to collect and recycle waste electric and electronic equipment.

- 3. ELV (End-of-Life Vehicles) Directive**
An EU directive aimed at reducing environmental impact and improving the recyclability of end-of-life vehicles by banning the use therein of lead, mercury, cadmium and hexavalent chromium. (Certain components and the retroactivity of this directive are still under consideration.)