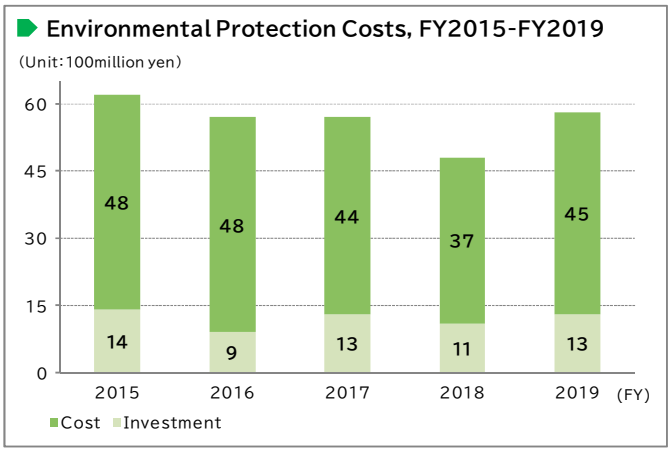
Environmental Management

Environmental Accounting of the MinebeaMitsumi Group

The MinebeaMitsumi Group conducts environmental accounting to confirm its costs for environmental protection activities.The Japanese Ministry of the Environment's Environmental Accounting Guidelines 2005 is used as a reference.

The MinebeaMitsumi Group's environmental conservation costs totaled 5.8 million yen in FY2019,an increase of 20% compared with FY2018.



FY2019 Environmental Conservation Costs

(Unit : million yen)

Environmental Protection Activity Costs				Total	
Category			Activity	Investment	Expense
1	Costs to minimize the environmental impact from manufacturing and service activities within the business area (Business area costs)		As set forth in breakdown for (1), (2), and (3)	1,257	3,696
	Breakdown	(1) Pollution prevention costs	Costs related to installation, disposal, operation, maintenance, management, etc. of facilities to prevent water and air pollution	318	785
		(2) Environmental protection costs	Costs for installation of ozone-depleting substance (ODS)-free water-based cleaning facilities, high-efficiency refrigerators, depreciation, operating and maintenance costs, etc.	793	1,953
		(3) Resource recycling costs	Equipment and costs for waste disposal and recycling	146	958
2	Costs to reduce environmental burden in upstream and downstream processes caused by manufacturing or services activities (Upstream/downstream costs)		Costs related to analyzer installation and materials analysis as part of the Green Procurement Program; printing and revenue stamp costs for contracts with suppliers, etc.	9	136
3	Administrative activity-related environmental conservation costs (Administrative costs)		Personnel, maintenance and management costs for environmental management system, etc.	15	610
4	R&D activity-related environmental conservation costs (R&D costs)		Costs related to the research and development of water-based cleaning facilities, etc.	0	1
5	Community activity-related environmental conservation costs (Community activity costs)		Costs related to greening programs, landscape preservation, etc.	0	6
6	Environmental remediation-related costs (Environmental remediation costs) (Environmental remediation costs)		Costs related to soil replacement and operation, maintenance and depreciation of water-based cleaning facilities for the remediation of soil	0	94
Total				1,281	4,543

Yen exchange rates :
1USD=¥109.13 1EUR=¥121.27 1THB=¥3.52 1CNY=¥15.68
1SGD=¥79.73 1GBP=¥138.95 1MYR=¥26.25 1PHP=¥2.14

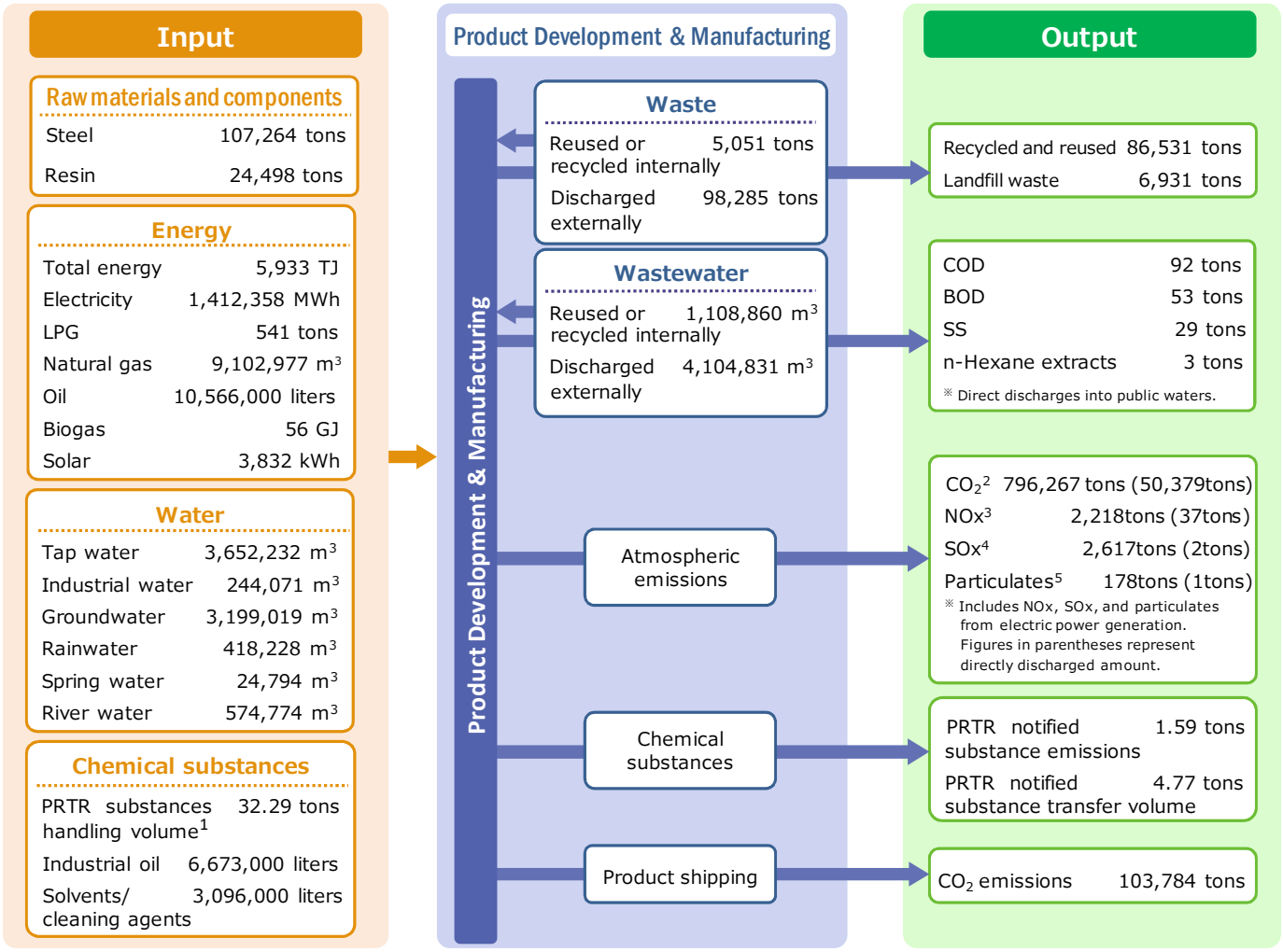
Environmental Impact of MinebeaMitsumi Group

The MinebeaMitsumi Group has 94 plants and research and development facility in 22 countries around the world, manufacturing and selling a range of products including bearing－our main product －as well as machined components, electronic devices, and rotary components. When environmental impact is viewed of the ratio of total production by region to sales, Asia(excluding Japan)is estimated to account for approximately 75% of the MinebeaMitsumi Group's consumption and output.

Total energy consumption in FY2019 was increase 4.6% compared with FY2018, Consumption of industrial oil decrease 17.6%, and consumption of solvents and cleaners was down by 14%.

The Group's environmental impact for FY2019 is summarized below.

Input and Output (FY2019 Actual)



Aggregation range: Production base, subject of consolidated financial statements, capital ratio is 100%

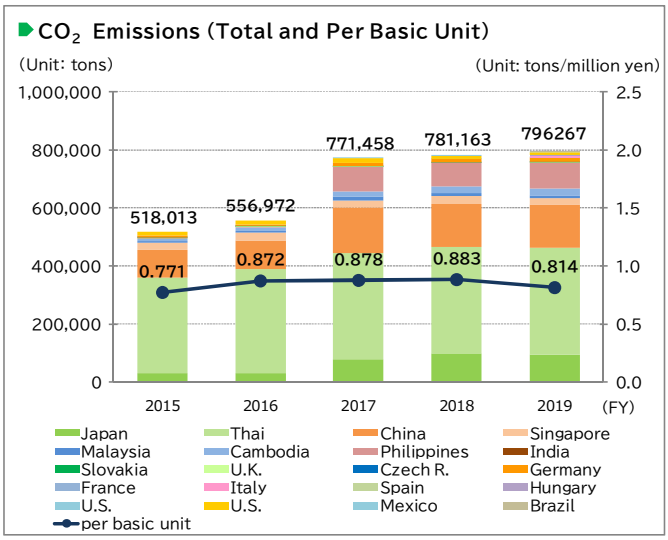
1. PRTR chemicals : Substances included in the PRTR law (The chemical substance control Law/Domestic Japanese Law), for which companies must register and report volumes released and transferred. The figures shown are those reported to authorities.
2. CO_2 : Carbon dioxide
3. NOx : Nitrogen oxides
4. SOx : Sulfur oxides
5. Particulates : Microscopic solid matter contained in exhaust gas generated through combustion, heating or chemical reaction.

Initiatives for Preventing

Results of FY2019 Initiatives

The MinebeaMitsumi Group's total CO_2 emissions in FY2019 were 796,267 tons, an increase of 1.8% compared with FY2018.

In terms of basic units of production, CO_2 emissions decreased 7.8% over FY2018 to 0.814 tons per million yen of production.

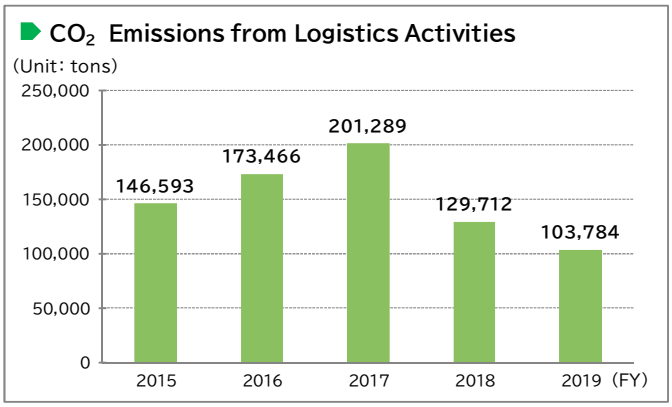


Initiatives at Logistics Divisions

Reducing CO_2 Emissions from Logistics

In addition to direct CO_2 emissions from business activities categorized as Scope 1 (gas and oil) and Scope 2(electricity), the MinebeaMitsumi Group also strives to grasp CO_2 emissions from logistics activities (product shipment) categorized under Scope 3 (shipping and distribution).

In FY2019, MinebeaMitsumi Group's emissions of CO_2 related to product shipments totaled 103,784 tons, a decrease of 20% compared with FY2018.



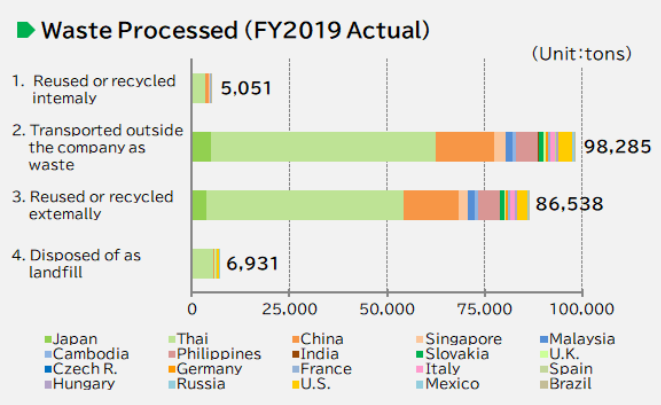
Initiatives for Effective Use of Resources

Results of FY2019 Initiatives

In FY2019, principal raw materials used by the MinebeaMitsumi Group included approximately 107,264 tons of steel and 24,498 tons of resin, and the total amount of materials ued increased 9.1% compared with FY2018.

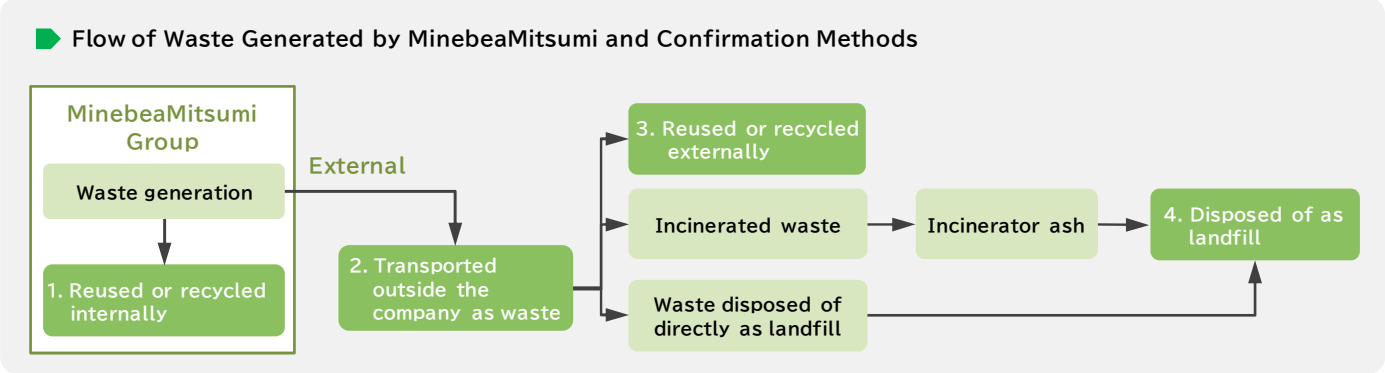
The amount of landfill waste generated by the Group's operations in FY2019 totaled 6,931 tons, decreasing 19.1% compared to FY2018. ※

At our mass production plants in Thailand and China, we are recycling water inside the plants to the greatest extent possible and prevent external emissions through our "Plant Wastewater Zero System".



※ Since FY2019, the sludge in Thailand has been added to"4, Disposed of as landfill".

Water emissions from Group plants in FY2019 totaled 4,104,831 ㎥, an increase of 556,096 ㎥ compared with FY2018.



Initiatives for Reducing Impacts on the Environment

Plant Initiatives

■ Management of PRTR-controlled Substances (Japan)

In accordance with the Pollutant Release and Transfer Register (PRTR) Law, all of our places of business in Japan manage the amounts of PRTR-controlled substances used and transported.

■ Reported Results for FY2019

(Units : ton)

Control number	Substance name	Volume handled	Emission Volumes			Transfer volumes		Volume consumed	Removal treatment
			Air	Water	Landfill	Waste	Sewerage		
71	Ferric chloride	3.35	0	0	0	0	0	0	3.35
349	Phenol	1.52	0.06	0	0	1.46	0	0	0.00
374	Hydrogen fluoride and its water-soluble salts	21.49	0.22	0	0	0	1.08	0	20.20
384	1-bromopropane	2.72	1.24	0	0	0.75	0	0	0.73
438	Methylnaphthalene	3.21	0.07	0	0	1.49	0	0	1.65
Total		32.29	1.59			4.77		0	25.94