

MITSUMI



MITSUMI CSR Report 2015

Editorial Policy

On publishing the MITSUMI Electric Group CSR Report 2015

This report summarizes action for CSR (Corporate Social Responsibility) in the corporate activities of the MITSUMI Electric Group (hereinafter, MITSUMI Group). It is published each year in Japanese and English to introduce MITSUMI's CSR activities to stakeholders and thus strengthen relations of trust with all our clients. It also includes the contents of an Environmental Action Report so that readers can better understand MITSUMI's actions toward realizing a sustainable society. We hope this report will be an aid for all stakeholders in better understanding MITSUMI's CSR activities.

Report target period

Prepared with Fiscal 2014 (April 1, 2014 to March 31, 2015) as the central focus.

Report target organization

MITSUMI Electric Group
(MITSUMI Electric Co., Ltd. and business division and affiliated companies in Japan and overseas)

Information on web

<http://www.mitsumi.co.jp/csr/index.html>

Contact address

hHead Office General Affairs Dept. CSR Promotion Committee Office

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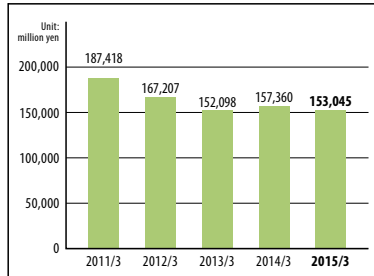
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MITSUMI ELECTRIC Company Profile

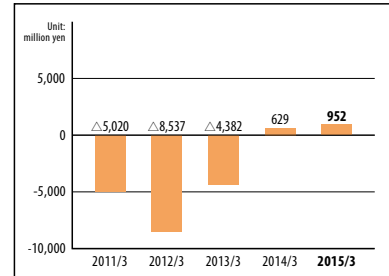
Basic company information (as of march 31, 2015)

Company name MITSUMI ELECTRIC CO., LTD.
Establishment January, 1954
Address Head Office: 2-11-2, Tsurumaki,
 Tama-shi, Tokyo, 206-8567 JAPAN
 TEL:+81-042-310-5333
 FAX:+81-042-310-5168
Capital 39.89025794 billion yen
Representative Shigeru Moribe, President and CEO
Number of employees
 Non-consolidated: 2,547,
 Consolidated: 36,373
Sales Consolidated: 153.045 billion yen
 March 2015 annual report

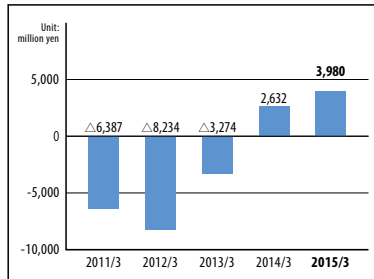
Net sales (consolidated)



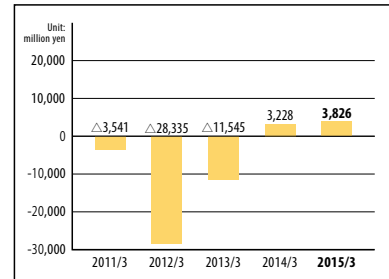
Operating income (consolidated)



Current profits (consolidated)

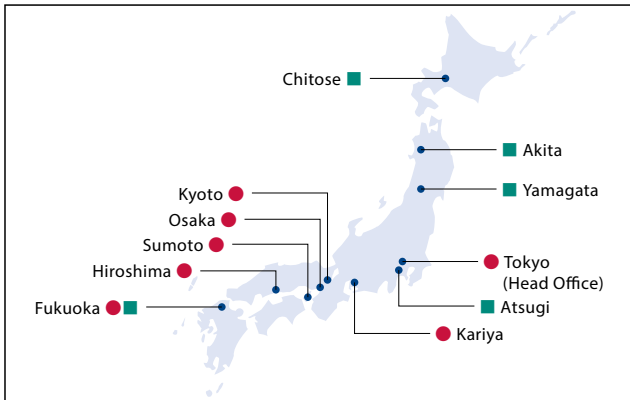


Net income (consolidated)

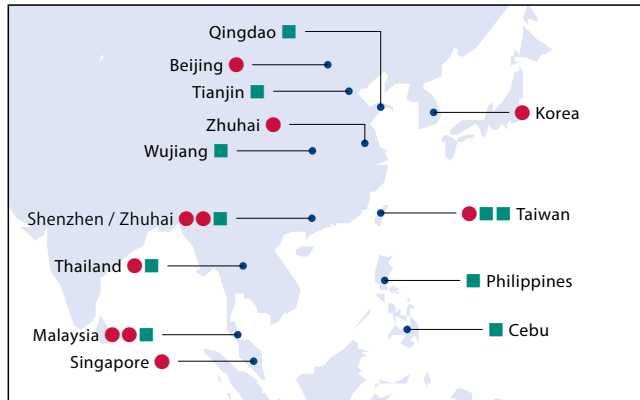


Business division locations

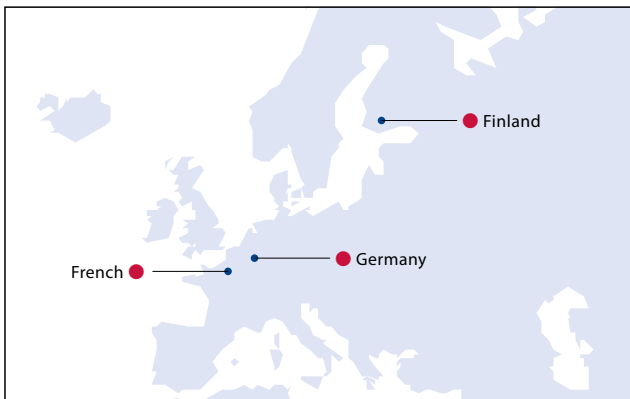
Japan



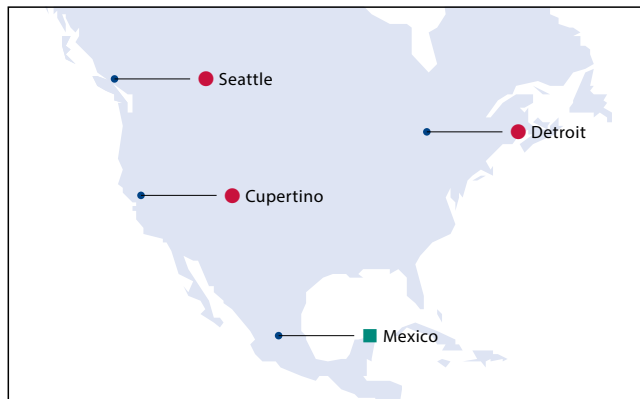
Asia



Europe



America



● : Sales / Sales Support Bases ■ : Production Bases

Top Message

MITSUMI has devised unique technologies and established high level of corporate ethics to contribute to the world. We aim to respond to social changes quickly and continue to grow.

Aiming at continuous growth based on the high level of corporate ethics

Looking at the world economy in 2014, the economy was still expanding in the U.S.A., Europe was in recession, and the rate of economic growth of developing countries such as China, which has aimed at transition from high growth to steady growth of the economy, was slowing. In addition, the crude oil price has fallen drastically, so the outlook for a global economy recovery becomes more uncertain. On the other hand, although the rise in the consumption tax rate to 8% caused personal consumption to flag in Japan, the economy has showed signs of slow recovery due to improvement in corporate business performance and increase in corporate capital investment.

It is important for MITSUMI to adapt to changes in the times flexibly and continue to provide products and services useful for solving problems of the society as well as the customers by manufacturing electronic parts, which is our main business, so that we can meet expectation of stakeholders and continue to grow while the world is fast changing. We also assume that each employee of MITSUMI has to fulfill his/her responsibility as a member of society and play his/her part.

As for Corporate Social Responsibility (CSR), we regarded it as one of the most important issues, and organized the CSR Promotion Committee in order to increase involvement of the top management with it as the cross-sectoral endeavors. We will strengthen the entire CSR promotion system of the MITSUMI group further for other issues such as management control, compliance with laws, regulations and social norms, and management and timely disclosure of information.



Further promotion of resource saving, energy saving and environmental conservation

Recently the economy has developed rapidly in developing countries and this has driven the global economy. On the other hand, several problems such as depletion of resources caused by increase in energy consumption and the progress of global warming caused by emission of CO2 and other factors have become so serious that they can threaten the sustainability of the society. In Japan, the energy measure has reached the critical changing point after the Great East Japan Earthquake, and companies are required to use energy more effectively than ever to conduct business activities. We believe that activities of companies have a significant influence on the global environment and society and this influence will become greater in the future, and that companies have to consider the influence on the global environment and society more seriously than ever when they perform business operation. So, we believe that our role and responsibility for society will become greater than ever.

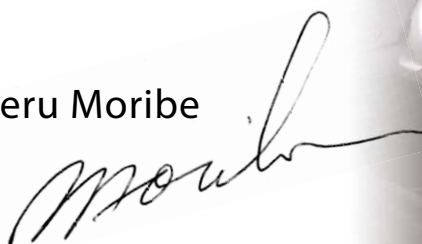
mitsumi regards environmental problems as one of the most important business challenges and will make greater efforts to reduce the environmental loads in all aspects from the product development/design to the manufacturing process and promote resource saving and energy saving. We will continue to promote reduction of greenhouse gases emission and promote biodiversity conservation activities also.

Building a prosperous future as a company that contributes to society

Through the efforts described above, mitsumi continues to adapt to changes of the business environment and society, meet expectation of all stakeholders and contribute to society.

We hope we can count on your continued support and assistance in the days to come.

President and CEO Shigeru Moribe



Corporate Mission, Business Philosophy

Corporate Mission

**Beautiful Friendship
Beautiful Products
Beautiful Business**

The forerunner of MITSUMI Electric was “Mitsumi Denki Seisakusho”, which started business in 1954. The name “MITSUMI” means “Three Beauties” and refers to the three beauty ideals of “Beautiful Friendship”, “Beautiful Products” and “Beautiful Business”. These have become the corporate mission of the modern MITSUMI. The word “Beautiful” also connects up with such ideals as purity, uprightness and honesty, while at the same time indicating such ideals as protecting the environment and achieving ideal collaboration with our stakeholders. A spirit of defending these three beauties is found in every aspect of our CSR activities.

Business Philosophy

**MITSUMI continues relentless growth and development
as a global enterprise and a comprehensive electronic
parts manufacturer to contribute to people’s needs
around the world with superior electronic parts.**

Contributing to the development of electronics, improving the lives of the world’s people and making a contribution to happiness: These have been Business Philosophy since our founding. Thanks to many technical innovations, the electronics environment continues major changes. Nevertheless, the Business Philosophy is proclaimed here do not change and will remain the foundation for MITSUMI’s corporate operations.

Management Policy, Business Division Structure

We will develop a new business area and focus on expanding of our businesses while accelerating concentration of business resource on the product group that occupies a high share in a growing market.

MITSUMI has promoted development of new high-function/high-precision products by using our unique core technologies while expanding operations that emphasize profitability. We will enhance the competitive advantage in the market by concentrating corporate resources on the product group that occupies a high share in the world, developing new technology and carrying out new product launches in the future. We will also use the technology developed for the audio/visual and communication markets to create new businesses in the car-mounted equipment market and the health care equipment market.

With the following strengths as the "two wheels of our cart": "Solid development strengths" as a consolidated electronic parts manufacturer and "flexible manufacturing strengths" in response to market shifts, MITSUMI strives for increased sales and profits.



Component Devices Business Headquarters

Interface Equipment Business Division

MITSUMI produces various types of parts such as connectors, motors and "polyvaricons." By using the excellent high-precision processing technologies and magnetic design technologies, we have achieved miniaturization/thinning of parts and enhanced their quality. We are supplying these parts so that they will be available for a wide variety of products.

Precision Components Business Division

MITSUMI develops and produces basic parts such as switches and coils. We emphasize development of compact and thin parts for mobile devices and audio/visual devices, and we run a high-precision processing business also to provide you with our unique precision parts.

Optical Devices Business Division

MITSUMI takes advantage of the advanced technologies such as optical design technology, thin-film design technology and precise mechanism design technology to produce camera modules for cell phones and high-precision actuators equipped with an auto-focus function. We have already won a large share of the market.

Power Supply Business Division

Power Supply Business Division

MITSUMI develops and produces a wide variety of power-supply products whose efficiency is high and whose power saving performance is excellent such as small AC adaptors, built-in switching power supplies and power supplies for LED lights: those products gain the top market share of the industry.

Electro-mechanical Components Business Division

MITSUMI designs and produces a wide variety of electronic devices mainly as an OEM or an ODM. By combining various core technologies of which we are proud with our unique design method and the high level of production technique, we provide you with high performance and high quality products.

Automotive Devices Business Division

MITSUMI develops high quality and highly reliable parts for in-car devices such as various types of antennas and tuners. We offer the unique parts in the evolving car electronics field to support development of the more comfortable and safer environment for cars.

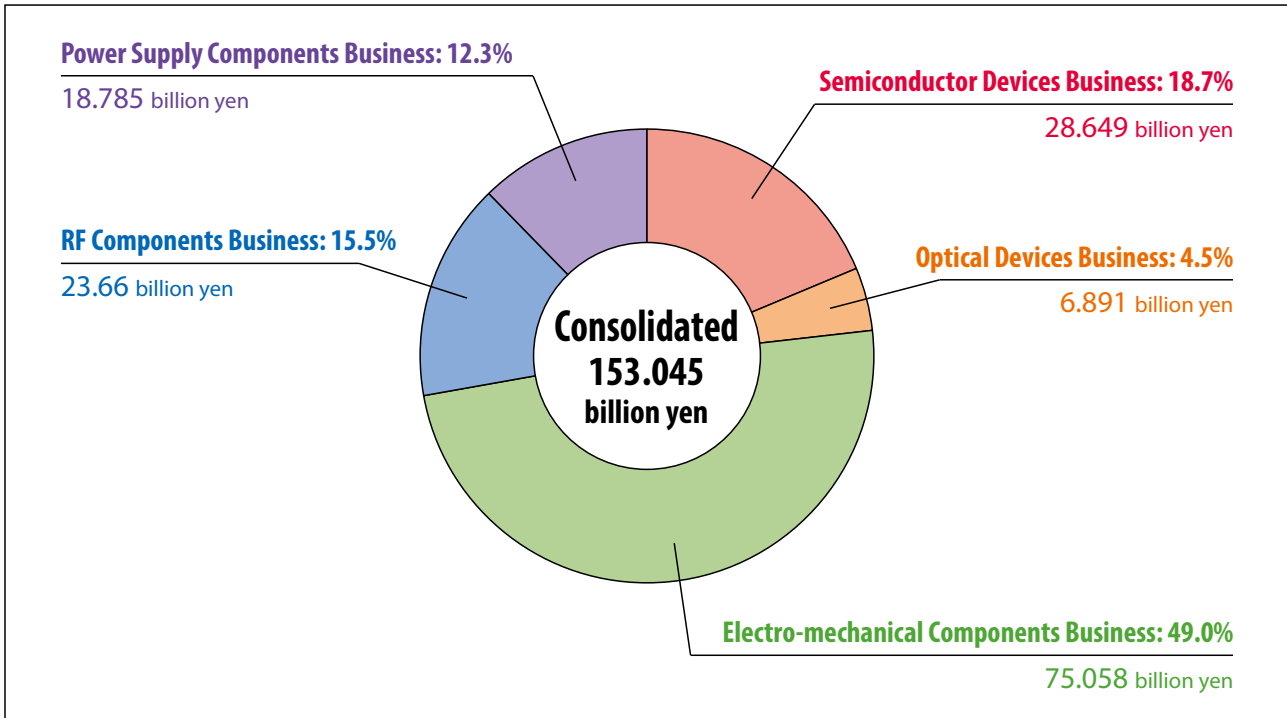
Semiconductor Business Division

MITSUMI produces ICs for batteries and high-function system-on-chip products developed with combination of its unique analog IC technology and digital IC technology. We are developing foundry business for wafer conducted manufacturing also.

Business Segments

Composition of sales by business segment

Composition of sales by business segment (Consolidated in March, 2015)



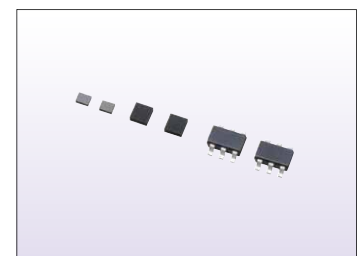
Topics (New products)

ME01 Series

1-cell Protection IC with OTP for Li-ion / Li-poly Secondary Battery

Since the life cycle of digital products represented by a smartphone has become shorter recently, such a product is required to be developed in a short time. At the same time, in response to the rising demand of batteries whose power output lasts for the longer time, the higher capacity of batteries have been developed, and thus maintaining of safety of a battery and effective use of the capacity of a battery have been required. This product features a built-in OTP* (One Time Programmable ROM) for the first time in the world as the same type of ICs. Therefore, you can write a program on this product even after being shipped from our factory, and it can be shipped with 1/4 the manufacturing time of the previous model. Since variation of characteristics can be corrected with this product more precisely, the consumable power amount of a battery increases by approximately 5 % also.

*: OTP (One Time Programmable ROM)

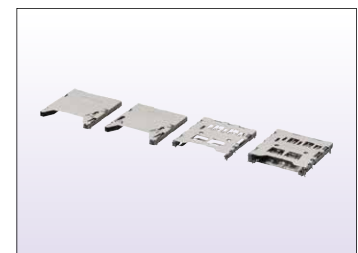


ME01 Series

CIM-K Series

Standard Specification SD Memory Card Connector

Products to which an SD memory card is to be inserted, such as a digital camera and a personal computer (PC), are being miniaturized continuously and their prices continue to become lower and lower. The same improvements are also required of mounted connectors. Since the higher data transmission speed makes the generated noise louder, the corresponding countermeasure is required also. Therefore, as a miniaturized, low-cost and noise suppressed standard product, we have developed this reverse-type SD memory card connector equipped with the ground structure reinforced and the ability to adjust a mating standoff up to 1.8 mm.



CIM-K Series

CSR Report

Corporate Social Responsibility Report

Corporate Governance and Stakeholder Management Systems

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Corporate Governance

Strengthening corporate governance to speed up business operations and promote efficiency while securing better corporate soundness and transparency, and increasing shareholder worth.

Faced with a ceaselessly changing global market, MITSUMI believes that it is important to improve the efficiency and speed of operations as well as to maintain soundness and transparency of operations so that we can improve our corporate value steadily while improving the corporate performance and dealing with expansion of our business.

With this philosophy as our basis, MITSUMI is creating systems for speedy and accurate business judgments, and also is improving and strengthening the corporate governance system by using the statutory audit system, selecting outside directors and introducing an executive officer system in April 2014 to establish the effective corporate governance system.

Board of directors

The Board of Directors, acting as a decision-making body, carries out final decisions on corporate objectives and important issues of business management, while also monitoring how executive officers execute their duties. In addition, several outside directors have been selected to improve the validity of decision making and the soundness and transparency of management.

Board of auditors

The Board of Auditors conducts audits on the situation for executive officers' execution of duties, as well as the business and finance situation of MITSUMI and its subsidiaries. It also attends important meetings such as the Board of Directors, acting in concert with auditing corporations and the internal auditing office to audit the legality, soundness and effectiveness of our operations.

Among four auditors of MITSUMI, three are assigned as outside corporate auditors to carry out checks on our management from outside the company.

Executive officers

Executive officers are our senior staffs who execute business of the division of which each one is in charge. Introduction of an executive officer system allows each executive officer to have sufficient authority to make decisions or execute business more quickly. The meeting of the executive officers has a function of an advisory body for helping the president to make decisions.

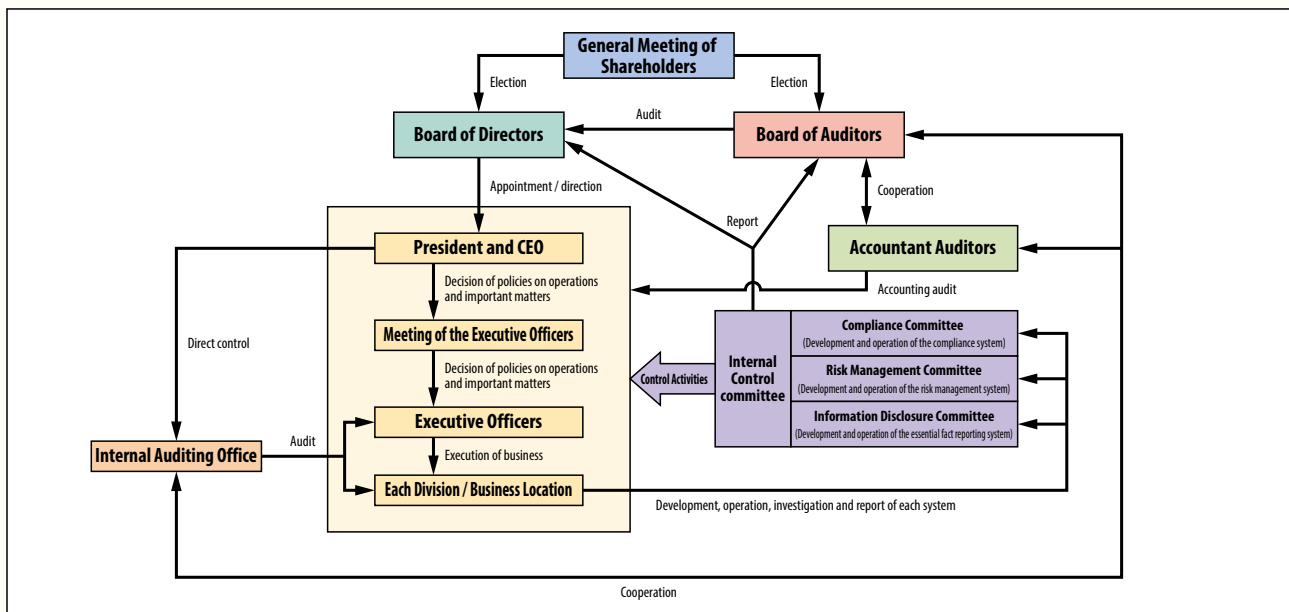
Internal auditing office

The Internal Auditing Office conducts ongoing field auditing of the legality and properness of our business management and procedures in MITSUMI's different divisions and at subsidiaries. There are regular meetings with auditors to exchange information and opinions in efforts to improve auditing quality.

Internal control

The internal control systems required by the Companies Act and the Financial Instruments and Exchange Act have been established in the entire MITSUMI Group. These function to improve the effectiveness and efficiency of our operations, secure reliable financial contents, observe laws and statutes on corporate operations, and maintain resources.

■ Corporate governance structure



Compliance

MITSUMI has created compliance systems in efforts throughout the MITSUMI Group to observe laws, rules of conduct and regulations and carry out our social responsibility as a corporation. The Compliance Committee is composed of the responsible officers, a general affairs division (legal group), Internal Auditing Office, etc. It creates in-house regulations on division of operations, job competence, etc. in creating systems to carry out operations in accordance with in-house procedures.

Thoroughly Instilling an awareness of compliance

In addition to regulations and in-house rules, MITSUMI is strengthening its educational activities to achieve full awareness among employees of the importance of compliance.

More concretely, that means training new employees about basic contents at hiring time and also conducting in-house education according to rank and position, such as when employees are appointed to higher positions or assigned to management positions.

As for especially important matters, external experts are called in to conduct lectures, while those at the company responsible for legal matters and internal controls travel to our operational bases to conduct explanatory meetings in a full range of activities.

Respecting intellectual property

Infringing on the intellectual property rights of other companies not only has an influence on MITSUMI's own operations, it is also a cause of major trouble for all stakeholders. In order to prevent this from occurring, MITSUMI has established regulations on intellectual property and procedures based on them.

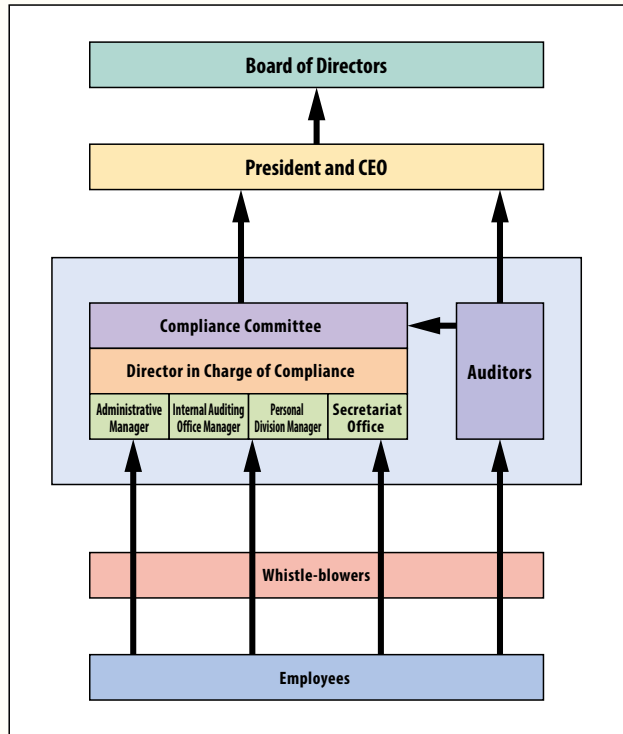
Whistleblower system

In order to quickly find acts in violation of various laws and/or in-house regulations and to prevent any effect from such violations or illegal activities in advance, we have established a Whistle-blower System.

The office for this system, Whistle-blower Office, provides consultation and accepts comments on a regular basis, and conducts surveys or takes measures according to the submitted comments so that we can be prepared to take the required corrective actions immediately.

We also make efforts to ensure protection of persons providing information to the Whistleblower Office, taking all possible steps such as absolute privacy and reception of an anonymous reporting message to guarantee that they do not suffer any adverse treatment.

Compliance promotion structure



MITSUMI Code of Conduct

Distribution and posting of the code of conduct to employees

As mentioned above, MITSUMI's Business Philosophy is "contributing to the world's people through electronic parts." In implementing those ideals, it goes without saying that observing laws and ethics are a basic principle. It is thus a prerequisite that all employees of MITSUMI maintain high ethical principles so as to carry out fair and honest corporate operations.

With this in mind, MITSUMI has established the MITSUMI Code of Conduct to be observed by all employees and as a single enterprise. In order to achieve our corporate mission (Beautiful Friendship, Beautiful Products, Beautiful Business), all MITSUMI employees must observe the MITSUMI Code of Conduct while also always observing laws and company regulations, using these as guides for carrying out their work on a daily basis. Carefully observing laws and corporate ethics in addition to upstanding work based on company rules and the dictates of conscience is the best way to gain the trust of all stakeholders and society at large. This also ties up with sustainable development of our enterprise and an increase in our corporate worth.



● MITSUMI Code of Conduct Booklets
 Japanese version / English version / Chinese version in simplified characters /
 Chinese version in standard characters / Malaysian version in standard characters /
 Malaysian version

MITSUMI Code of Conduct (Items)

Created and promulgated on April 1, 2005

■ Applicable companies

- MITSUMI ELECTRIC Co., LTD.
- Member companies of MITSUMI Electric Group

■ Applicable targets

- Officers and employees
- Officers and employees of related companies in Japan and abroad
- Applies to dispatched employees, part-timers and temporary workers except for section related to labor conditions

■ Code items

- Purpose
- Scope
- Duty to Report
- Disciplinary Action
- Complying with Corporate Rules and Regulations
- In-House Relationship
 - Respect of Human Rights
 - Political and/or Religious Activities
- Relationship with Society
 - Social Contribution
 - Stakeholder's Profits
 - Detachment from Anti-Social Movements
 - Environmental Protection
- Relationship with Business Partner
 - Customer First Business Attitude
 - Entertainment and Gifts
- Relationship Between Stakeholder and Investor Disclosure of Information
 - Prohibition of Insider Trading/Transaction
- Management of Corporate Assets, Property and Information
 - Protection of Corporate Assets/Property
 - Protection of Intelligent Property Rights
 - Management of Corporate Information
 - Protection of Personal Information

Risk Management

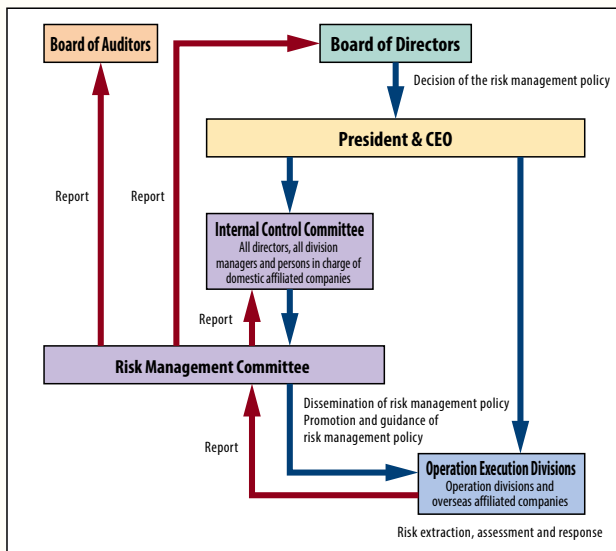
MITSUMI's risk management system

Recent years have seen an increase in the risks for enterprises as well as the types of risks. Risk-prevention and appropriate responses when risks occur are an important element of corporate governance.

In addition to preventing risk occurrence, MITSUMI has created risk management systems for speedy and accurate responses should risks occur.

Concrete measures include extraction of all conceivable risks when conducting operations to determine response priorities while implementing and directing concrete countermeasures.

Risk management structure



Information security

MITSUMI recognizes that not only strict management of the information resources we ourselves possess but also protection of information on customers and business partners is an essential task of any enterprise. MITSUMI has created "Information Security Policies" as information management regulations to be observed by all officers and employees as well as "Basic Regulations on Information Security" acting as subsidiary regulations.

We have also created regulations on management of PCs to be carried in or take out from our offices, prohibition of usage of any USB memory sticks not registered, management of usage of registered USB memory sticks and monitoring of access to PCs, and then we are making efforts to comply with these regulations.

Disaster control

Natural disasters such as earthquakes, typhoons, flooding are great risks for enterprises, with the possibility of major damage to operations when an enterprise is hit by them. By distributing its production bases over a wide area that includes Japan and foreign countries, MITSUMI is working to minimize any influence on production in case of emergency and thus insure stable supply of products.

We are performing aseismatic reinforcement of our buildings and reconstructing aging buildings one by one in order to secure the safety of visitors as well as employees. In addition, we are storing substances such as emergency rations, water and portable toilets for visitors and employees who are unable to return home so that we will be able to support them smoothly in disasters.

We have also organized our own firefighting brigades at each business division in different locations, and conduct disaster control training at regular intervals to prepare for disasters such as fires.



● Stockpiles for disaster prevention (Head office)



● Firefighting training competition of the firefighting brigades (Atsugi)



● Demonstration



● Exhibition and handling of the outdoor fire hydrant



● New Year parade of the firefighting brigades (Chitose)

Customers and MITSUMI

Our basic thinking about our customers

How can we increase the level of satisfaction of customers? This can be called a major issue for development of operations at electronics parts manufacturers as well. We have established the following as issues to deal with in increasing customer satisfaction: Getting a grasp on market trends and changes in needs, sufficient care of the environment, establishing the best price with high quality, speedy and accurate delivery. The entire MITSUMI Group is engaged in efforts to improve all working organizations in the company.

Acting as an electronic parts manufacturer enjoying close ties of trust with its customers, Mitsui pledges itself to further growth and development.

Acquisition situation of international

Quality Management Standard MITSUMI has now obtained ISO9001 international quality management standard accreditation at all its operational centers and production sites in Japan and abroad. We have additionally obtained ISO/TS16949 international quality management system accreditation, which involves even higher standards in addition to the individual requirements for the auto industry. We are now maintaining and improving our quality management system so that MITSUMI products produced at any of our production sites will offer you the same high standard of quality.

Exhibiting at and sponsoring exhibits

[CEATEC JAPAN]

“CEATEC JAPAN 2014” was held for a total of five days from Tuesday October 7 to Saturday October 11, 2014 at the Makuhari Messe in Chiba Prefecture. MITSUMI also exhibited the products at CEATEC. The total number of visitors was 150,912, which exceeds that of the last year (107 % compared to the last year). The MITSUMI booth included three core technology corners that featured “information communication terminals,” “automobiles” and “IoE/M2M” (which is a world where all substances and things can be connected via the internet) on the theme “Smart Technology ensures an affluent future,” and we prepared many demonstrations so that visitors could feel closer to a smart life available in the near future, so they experienced our advanced technologies. Our engineers made presentations on the stage by themselves and attracted many visitors, and then these presentations were well-received by them.



● Scene of CEATEC JAPAN hall



● Scene of MITSUMI booth



● Scene of the technical presentation

Suppliers and MITSUMI

Basic purchasing directives

In manufacturing high-performance/high-quality electronic parts, an indispensable element is tightly-knit cooperative ties with suppliers of raw materials and parts. In addition to observing laws, MITSUMI makes every effort to carry out fair and just purchase operations in accordance with social norms and ethics. Especially when it comes to legislation on purchases, such as the Antimonopoly Law and the Act Against Delay in Payment of Subcontract Proceeds, we hold Information Meetings in departments responsible for purchases and related departments to insure that laws are observed.

Promoting CSR procurement

Enterprises developing global business require corporate activities that consider their social responsibility, which includes compliance with regulations, human rights, labor conditions, the environment and corporate ethics in the entire supply chain encompassing the company itself as well as its suppliers.

MITSUMI is further developing the Green Procurement programs it has been promoting all along, while also advancing CSR Procurement to give due attention to human rights, working conditions and other areas, also asking its suppliers to give attention to CSR.

Getting involved in green procurement

In order to supply electronic parts that give priority to environmental protection, we need to have our suppliers engage in efforts to reduce the environmental burden and thus engage in consolidated product production. MITSUMI has all its suppliers submit information on all the materials and resources they supply and carries out checks to insure that no prohibited substances are being used.

We conduct checks on banned substances at our overseas production bases and also conduct Information Meetings at our suppliers in China, Taiwan, the Philippines and Malaysia, thus making requests for management of all banned substances through the MITSUMI Group.

Chemical substance management

There are now various laws and regulations that restrict use of certain chemical substances, such as the RoHS directive in the EU nations. The MITSUMI Group has developed the motto: Do not bring in! Do not use! Do not take out! regarding such chemical substances. In addition, of course, to eliminating such banned substances from our products, we have also singled out substances for control to gain a grasp on usage amounts as we construct our own chemical substance management systems.

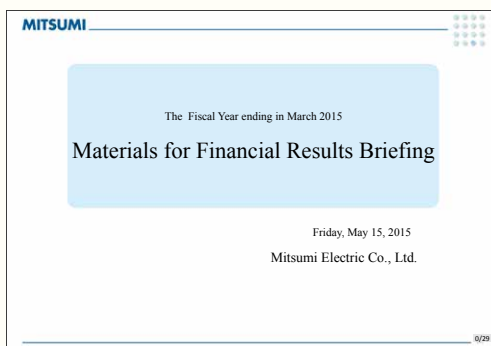
Shareholders, Investors and MITSUMI

Basic directives on information disclosure

MITSUMI's basic principles for information disclosure are honoring the Financial Instruments and Exchange Act as well as the timely financial disclosure regulations and other statutes of the Tokyo Stock Exchange, while at the same time accurately and fairly providing useful information at the right time and right occasion to aid shareholders and investors in making investment decisions.

Based on these directives, we issue various reports such as our Annual Report, in addition to featuring an accounts settlement mini-report each business quarter on our homepage.

We also act via the General Shareholders' Meeting to achieve maximum communication with our shareholders and investors to enjoy optimum understanding of our business operations and strengthen ties of trust and cooperation toward MITSUMI. These are part of IR activities to obtain the most appropriate corporate valuation.



● Results briefing materials



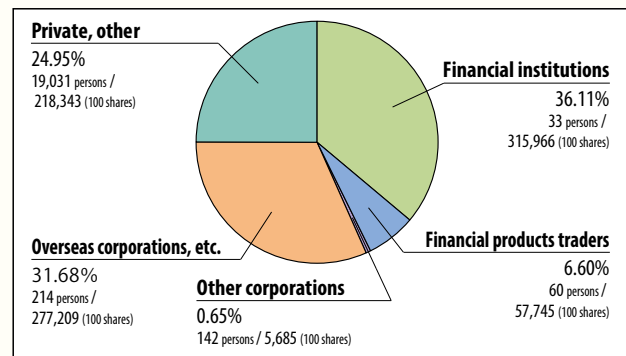
● MITSUMI ELECTRIC website / IR information page
http://www.mitsumi.co.jp/profile/csr_e.html

Stock conditions

Stock Conditions (as of March 31, 2015)

Total number of authorized shares	200,000,000
Total number of shares issued	87,498,119
Number of shareholders	19,480

Composition of shareholders



※ MITSUMI has 47,677 of its shares. (Fractions smaller than 100 omitted, and numbers beyond the third decimal point rounded)

Communication with investors

We hold briefings on earnings twice a year so that institutional investors and security analysts can understand our operating results, management policies and business strategy. Our president and director in charge explain the outline of the financial highlights and the financial outlook at these briefings. From this fiscal year, we started interviews with foreign investors.

MITSUMI actively arranges an interview between our person in charge of the IR and each institutional investor or security analyst to communicate with them continuously.

General shareholders' meeting

MITSUMI considers the general shareholders' meeting an important occasion to meet shareholders and carry out direct communication with them. We endeavor to send out the invitations approximately three weeks before the meeting in order that as many shareholders as possible can attend the meeting and exercise their voting rights and we can obtain the opinions of as many shareholders as possible.

Local Communities and MITSUMI

The entire MITSUMI Group has proclaimed harmony and cooperation with the local community as its motto in participating in local activities and activities that contribute to society. These have taken many forms.

Interaction and activities of each business division <case examples>

Chitose Business Division

<Registered as a facility equipped with an AED with Chitose City>

Chitose business division was registered as a facility equipped with an AED (Automated External Defibrillator) with Chitose City Fire-Defense Headquarters in May 2014. It prepares the procedure for lending the AED so that it can perform a life-saving activity quickly if any of adjacent residents goes into cardiopulmonary arrest (if there is any sick person).



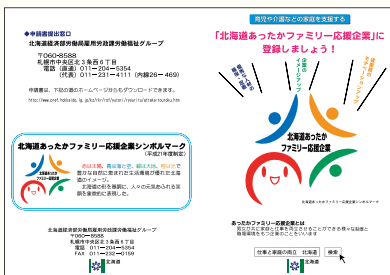
● Announcement about installation of an AED posted in the security guards room so that a person outside the company can see it easily



● AED installed in the resting room

<Registered as a “Companies for supporting loving families in Hokkaido”>

MITSUMI was registered as a company that supports both family life such as raising of children and caring of elders and career to the Bureau of Labor Affairs of the Department of Economic Affairs of Hokkaido in 2014. We are supporting our employees so that they can work in confidence regardless of gender.



● Home page of registration for “Companies for Supporting Loving Families in Hokkaido”



● Registration certificate

Atsugi Business Division

<Joining in the Sagami-gawa river cleanup campaign>

This year, Atsugi City hosted “the 44th Sagami-gawa River Cleanup Campaign” together with the following five cities and towns along the river: Sagami-hara City, Ebina City, Zama City, Aikawa Town and Kiyokawa Village to clean the first-class river, “Sagami-gawa River,” which flows approximately in the center of Kanagawa Prefecture, and MITSUMI also joined in this campaign. Approximately 300 citizens gathered at the junction of three rivers: Sagami-gawa River, Nakatsu-gawa River and Koayugawa River and the Asahi-cho Sports Square in the early morning to conduct environment beautification activities.



● Scene of the cleaning activity



Kyushu Business Division

<Participating in the Yamagasa Festival, part of the Iizuka City Citizen Festival>

Our employees, mainly volunteers of our Kyushu Business Division, participate in the Iizuka Yamagasa Festival, which is well-known as a summer citizen festival. Each of approximately 3,000 men wears a mizu happi (happi coat) on the day called “oiyama,” which is the finale of the Yamagasa festival. Our employees participated in “Shinnagare,” which is a representative event of the festival, this year too, and they wore happis bearing a “MITSUMI” logo and run through the town while bathing in “Ikioi-mizu,” which means encouraging water, given by the people who were watching the festival from the street.

Others

Our business divisions continue to communicate with local people on a regular basis through the following activities: support of local events such as a summer festival and a fireworks display, cooperation for the blood donation campaign and cleanup activities in the areas surrounding our business divisions.

Employees and MITSUMI

MITSUMI considers it crucial for the sustainable development of our enterprise that all employees can bring their special abilities and strengths to bear in operations and carry out fulfilling work. With that in mind, we honor the individual personalities of our employees and use proper treatment and benefits as the basis for creating a working environment with a feeling of fulfillment and intellectual stimulation.

Honoring human rights

The “MITSUMI Code of Conduct” stipulates, in addition to observance of laws, that the basic human rights of all employees should be honored, and that there should be no discrimination in terms of such physical elements as gender, age and race, in terms of such intellectual elements as creed and value systems, or in terms of nationality or place of origin.

Under this basic policy, we are establishing a working environment that does not permit any unjust discriminatory language and behavior, violent actions, sexual harassment and so on, and we are establishing a fair personnel system. We also protect young workers, and manage the working hours of employees, paying wages and operation of the welfare system under the laws. In addition, at our overseas production sites and operational bases, we make every effort to follow the local laws to eliminate discrimination in terms of the working environment or personnel systems in respect for the basic rights of every human being based on the “MITSUMI Code of Conduct” written in the local language.

Personnel systems at overseas bases

In order that an enterprise can enjoy sustained growth on the quickly changing global market, it is more important than ever to honor diversity in the personnel systems of companies.

At MITSUMI’s overseas operational bases, we have been engaged for many years now in hiring local human resources. In addition to production departments, we also actively assign human resources obtained in local hiring of the engineers and management active in development sections. This is the best method to promote the abilities and can-do spirit of the local employees and create dynamic working environments.

Implementing a reemployment system for retired employees

In response to “the Act on Stabilization etc. of Employment of Elderly Persons” and the amendment to Employees' Pension Insurance Act, MITSUMI has introduced a system for reemploying employees who have reached the retirement age of 60 years in order to make active use of the talents of senior members and achieve economic stability in society.

This system makes it possible to make maximum use of the skills, knowledge and abundant experience of our veteran employees so as to pass on these special qualities to younger generations.

Employee health management

MITSUMI supports employee health management and is actively creating the organizational structures so that our employees can work in the best possible conditions in a pleasant atmosphere. Approaches to health support include regular physical checkups and health education programs, health counseling as well as psychological counseling to insure the mental health of our employees.

Employee education and training system

In order to MITSUMI can continue development in the present highly competitive business environment, it is unquestionably important to nurture the superior human resources who can perform outstandingly on the global market.

MITSUMI has created training and education systems featuring step-by-step training according to the career goals and abilities of individuals. We are also raising up superior management resources who can act as outstanding leaders at their working sites.

Environmental Report

Contributing to Sustainable Development of Society Through Harmonization with Nature and the Environment

Environmental Report, Contents

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Environmental Policy

Basic philosophy of environmental activities

MITSUMI Group places the issue of the earth's environment (harmony with nature and the environment) as one of the most important management issues it faces. In all aspects of our business activities, we act cooperatively to protect the earth's environment and with an awareness of global movements.

Fundamental policy

As a comprehensive electronic parts manufacturer, MITSUMI Group has promote harmonizing its environmental protection activities with its business activities, accurately monitoring biodiversity and the environmental impact of various operations, products and services in Japan and abroad.

We establish corporate objectives and goals to keep the environmental impact to an absolute minimum technically and economically, continuously improving our environmental management systems while promoting pollution-prevention programs.

We also promote our basic ideal of a company that can be trusted and respected by the local community.

- (1) Using an environmental management organization under the direct control of the CEO to create an environmental management system and promote global environmental protection activities.
- (2) We endeavor to comply with environment-related laws and regulations, regional agreements, customer's product environmental quality demands and other necessary requirements, and to establish a self-management standard as needed to reduce the environmental load and conservation of the environment.
- (3) We endeavor to develop products that are environmentally conscious, resource, energy, and recycle efficient, and influence on ecosystem reduction, while avoiding use of hazardous materials from the design, research, and development stages.
- (4) We endeavor to avoid use of ozone depleting substance and hazardous materials that put a load on the environment as much as possible by using alternate technologies and materials.
- (5) We make efforts in resource, and, energy saving, recycling, reduction of waste materials and contaminants, and greenhouse effect gas mainly on carbon dioxide to conserve the environment in every field of our corporate activities.
- (6) We endeavor to maintain and improve our environmental management system by implementing an internal environmental audit on a regular basis.
- (7) We strive to make this environmental policy known to all employees, members, and all related personnel and along with raising awareness of the environment and the quality of conservation activities through education.

Revised: May 18, 2011

Established: February 16, 2010

MITSUMI ELECTRIC CO., LTD

President and CEO **Shigeru Moribe**

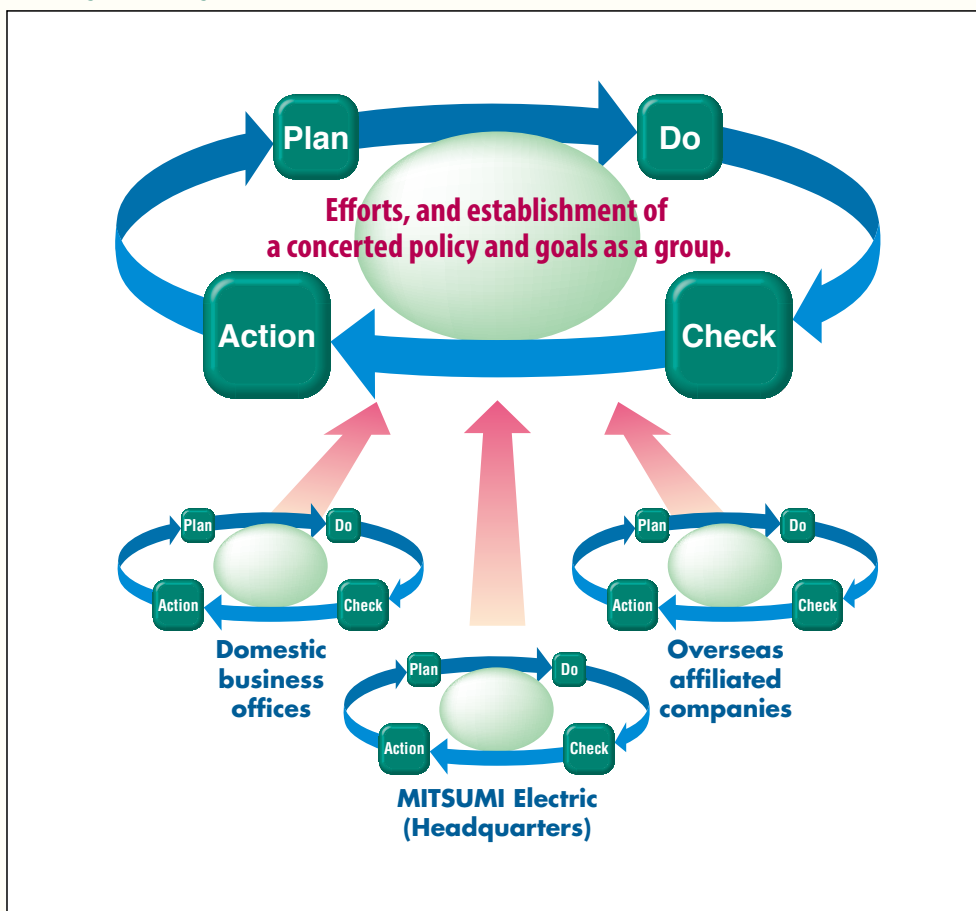
Environmental Management System

The entire MITSUMI Group strives to achieve harmony with nature and environment as the basic environmental philosophy of the company.

MITSUMI Group environment management system

MITSUMI Group conducts most of its production activities abroad. In carrying out activities to promote environmental protection, our business divisions in Japan and abroad as well as affiliated companies overseas are indispensable in creating an environmental management system and making ongoing improvements. The recent environmental problem has become a big global problem beyond national boundaries including the global warming phenomenon, ozone layer depletion, usage of noxious chemical substances, illegal dumping of waste products and crisis of loss of biodiversity, and then affects our business activities seriously. All of MITSUMI Group business divisions in Japan and production bases abroad had been making efforts to gain ISO14001 global certification, and finally gained it in December 2010. As a result, we can set the policy and goal unified as the MITSUMI Group, share and unify information, and respond to any problem more quickly.

Management image



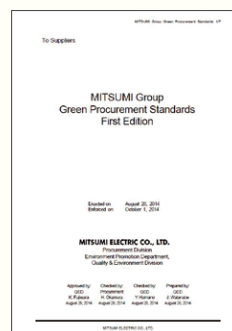
Environmental Management System

Green procurement

MITSUMI Group believes that close cooperative relationship with customers is essential to production of high performance and high quality electronic parts, and thus considers the factors such as the quality, price, delivery date and environment when procuring an article to make efforts to perform a fair and just purchasing operation. We have asked for the business partners' understanding on this matter and cooperation. Especially since environmental loads generated due to products and/or articles themselves and their production process have become an environmental problem, efforts toward reduction of the environmental loads (that is, environment-friendliness) are required.

MITSUMI Group regards efforts to preferentially procure environmentally-friendly articles as "Green Procurement," and recognizes reduction of environmental loads as the most important matter related to the environmental protection promotion activity to continue to address this challenge. Moreover, we will advance the Green Procurement to the "CSR Procurement" from business partners who are promoting the CSR activities such as respect for human rights and development of the working conditions.

We established the "Statement of Green Procurement Standards," which regulates the Green Procurement and CSR Procurement for the business partners, in August 2014 to ask for their cooperation.



● Statement of Green Procurement Standards

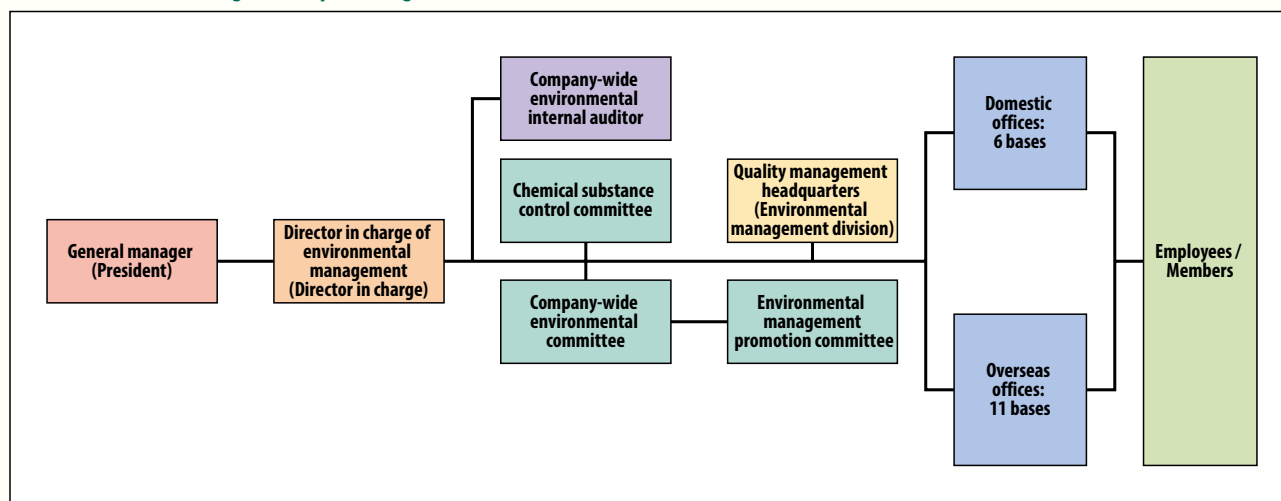
Management organization

MITSUMI Group determines group objectives and directives in the MITSUMI Environmental Committee with attendance by the CEO. Environmental management officers then relate findings to individual business divisions. Upon receiving that input, those business divisions implement the directives in their respective systems.

A Chemical Substance Management Committee, composed of representatives of the business divisions and the related organizations at the company headquarters, iron out objectives and action regarding the chemical substances contained in products of the MITSUMI Group, after which information on those substances (client demand, domestic and overseas legislation, etc.) is pooled and investigations of problem areas take place. At the same time, the overseas plants connected with those business divisions come up with decisions and supply reports.

The Environmental Management Promotion Committee is composed of environmental management personnel and offices at the individual action sites to investigate the activities at MITSUMI Group regarding the environment and to locate problems. Other tasks are creating drafts of Fiscal Year Environmental Objectives and Goals common to all business divisions in Japan and issuing reports to the MITSUMI Environmental Committee.

■ Environmental management system organization chart



Status of ISO14001 certificate

The MITSUMI Group has gained ISO14001 certification at all divisions including overseas factories since 1997 to deal with environmental problems.

We also gained ISO14001 domestic total certification in 2005, and then ISO14001 global certification as the MITSUMI Group in December, 2010. Gaining of this global certification allows the MITSUMI Group to address global environment problems in an integrated fashion according to the same policies and goal set by the MITSUMI Group.

We will work together to intensify our efforts to protect the global environment in all areas of our activities.

ISO 14001 certificate status

Name of site	Date of initial certification	Inspection and registration authority
MITSUMI ELECTRIC / Head Office	1997/12	JAPAN ELECTRICAL SAFETY & ENVIRONMENT TECHNOLOGY LABORATORIES (JET)
Atsugi Operation Base	1997/10	
Akita Business Division	1997/11	
Yamagata Business Division	1997/11	
Kyusyu Business Division	1998/1	
Chitose Business Division	1998/1	
TAIPEI MITSUMI	1997/12	
TAIWAN MITSUMI	1997/11	
MITSUMI PHILIPPINES	1998/2	
CEBU MITSUMI	1998/4	
MITSUMI TECHNOLOGY (M.) SDN. BHD.	1999/3	
ZHUHAI MITSUMI ELECTRIC	1998/2	
QINGDAO MITSUMI ELECTRONICS	1998/5	
TIANJIN MITSUMI ELECTRIC	1998/8	
WUJIANG MITSUMI ELECTRONICS	2005/5	
MITSUMI (THAILAND)	2002/12	
Mitsumi Automotive de Mexico	2015/12 (planned)	

Environmental audit

In accordance with the systems in ISO14001/2004 the business divisions and related overseas companies carry out regular internal audits of divisions. In Japan, because of joint accreditation, internal auditors registered as MITSUMI environmental auditors participate at internal audits at other business divisions, conducting exchanges of audit contents and information to improve the overall level of environmental protection.

Environmental quality audit (Chemical substance control system audit)

On a regular basis, auditors certified as an environmental quality auditor audit the environmental quality of each department of the business divisions in Japan, overseas affiliated companies and suppliers to check the respective chemical substance control systems, clarify problems if any, and take the corresponding corrective actions.

Environmental quality auditors are certified in accordance with the terms of the company regulations. Eleven auditors are certified in Japan, while 48 auditors are at the overseas affiliated companies.



● External auditing of the environment

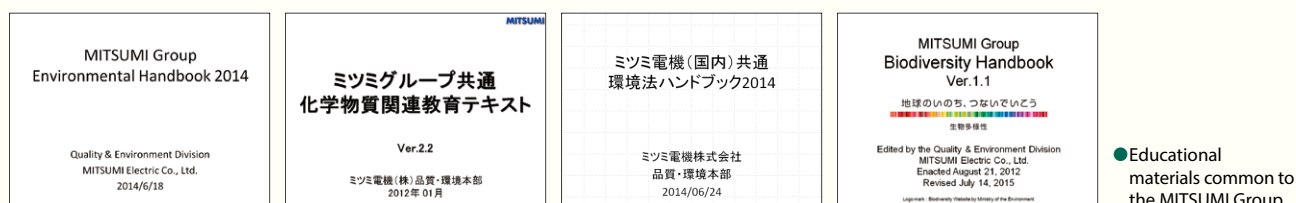
Environmental Management System

Environmental education

Beginning with the environmental education that is carried out for all new employees every year in April, we conduct various forms of environmental education based on ISO14001 and our chemical substance control regulation at our domestic business divisions as well as overseas affiliated companies.

In creating texts required for environmental education, the Environmental Management Division (Quality and Environment Headquarters) examines text contents and then writes textbooks. Up to now they have published an Environmental Handbook, Educational Textbook on Chemical Substances, Environmental Law Handbook, and Biodiversity Handbook. These teaching materials are sent to each business division in Japan and overseas affiliated companies to carry out environmental education for all employees.

In 2014, we revised the Environmental Handbook and the Environmental Law Handbook to increase our understanding of the environment and our environmental consciousness.



● Educational materials common to the MITSUMI Group

Mid-term targets and achievement

The MITSUMI Group midterm goals (MITSUMI Voluntary Plan) were created for business divisions in Japan and overseas affiliated companies (production bases) as the target. As of now, we are promoting the 3rd Environmental Voluntary Plan, which sets the activity schedule and goals from fiscal 2012 to 2017.

MITSUMI Group 3rd environmental voluntary plan and results of fiscal 2014

Category of activity	Goal to be promoted	Concrete promotion method	Goal to be promoted (fiscal 2013 to 2017)	Goal of fiscal 2014	Result of fiscal 2014	Degree of attainment*
Prevention of Global Warming	Reduction of CO ₂ emission	<ul style="list-style-type: none"> Reduction of CO₂ emission associated with the use of energy (electricity and fuel) Reconstruction to an energy-saving facility when the conventional facility is renovated Effective use of energy at each job site 	CO ₂ emission will be reduced by 5 % in comparison with fiscal 2012 by fiscal 2017 (As the CO ₂ emission conversion factor of purchased electricity, the factor used in fiscal 2012 is to be used after fiscal 2013 also.)	Reduction by 1 % in comparison with fiscal 2013	Reduction by 5 % in comparison with fiscal 2013	○
	Waste reduction	<ul style="list-style-type: none"> Reduce (Waste prevention): Improving of input quantity of raw material and suppressing of waste generated due to defectiveness of products Reuse (Reuse of waste): Reuse of waste 	The quantity of generated waste will be reduced by 5 % in comparison with fiscal 2012 by fiscal 2017.	Reduction by 1 % in comparison with fiscal 2013	Reduction by 10 % in comparison with fiscal 2013	○
Resources Recycling	Recycling of waste	<ul style="list-style-type: none"> Recycle: Thorough sorting and recovery of waste 	Waste recycling ratio at all sites of the group: 99 % or more	99 % or more at all sites of the group	99.3%	○
	Resource saving	<ul style="list-style-type: none"> Effective use of water (clean water and groundwater) 	The amount of water used will be reduced by 5 % in comparison with fiscal 2012 by fiscal 2017	Reduction by 1 % in comparison with fiscal 2013	Reduction by 13 % in comparison with fiscal 2013	○
Chemical Substance Management	Management of chemical substance contained in products	<ul style="list-style-type: none"> Conformance to the laws, regulations and requirements of customers Complete prevention of any prohibited substances from being used in products and prevention of such substances from escaping Improvement of the product environment quality assurance system by the Product Environmental Quality Audit 	Complaints about a chemical substance "0"	Complaints "0"	Complaints "1"	×
	Management of chemical substances used in process	<ul style="list-style-type: none"> Reduction of emission of PRTR target substances 	Emission of PRTR target substances will be reduced by 5 % in comparison with fiscal 2012 by fiscal 2017	Reduction by 1 % in comparison with fiscal 2013	Reduction by 10 % in comparison with fiscal 2013	○
Environment-friendly Products	Energy-saving products	<ul style="list-style-type: none"> Reduction of power consumption during standby and during operation 	Development of the guideline and manual for environment-friendly designing of products (during fiscal 2014)	Review of the guideline and manual for environment-friendly designing of products	The guideline and manual for environment-friendly designing of products are being reviewed.	△
	Resource-saving products	<ul style="list-style-type: none"> Improvement of the resource-saving ratio of products 	Setting goals and carrying out the corresponding plan by each product division			
Basic Activities	Biodiversity Conservation	<ul style="list-style-type: none"> Ecosystem survey around the business divisions 	Ecosystem survey at all job sites (during fiscal 2013)	Cooperation with external organizations (one or more cases at each site)	14 cases at 13 sites	△
		<ul style="list-style-type: none"> Establishment of indicators for measuring the influence degree of our business activities on biodiversity 	Establishment of indicators for measuring the influence degree on biodiversity (by fiscal 2014)			
	Environmental Communication	<ul style="list-style-type: none"> Continuous in-house education through the CSR report, company regulations, intranet and so on 	Expansion and strengthening of communication within and outside the company	Continuously conducted	Being conducted	○
	Education activities	<ul style="list-style-type: none"> Continuous in-house education through the environmental education handbooks common to the group and the other Environmental education at staff training sessions 	Evaluation of how much each employee of the group understands the hand book	Continuously conducted	Being conducted	○

*: Criteria for the achievement level ○: Achieved △: Achieved partially ×: Not achieved

Environmental accounting

Scope of compilation: Domestic business divisions (6 bases)

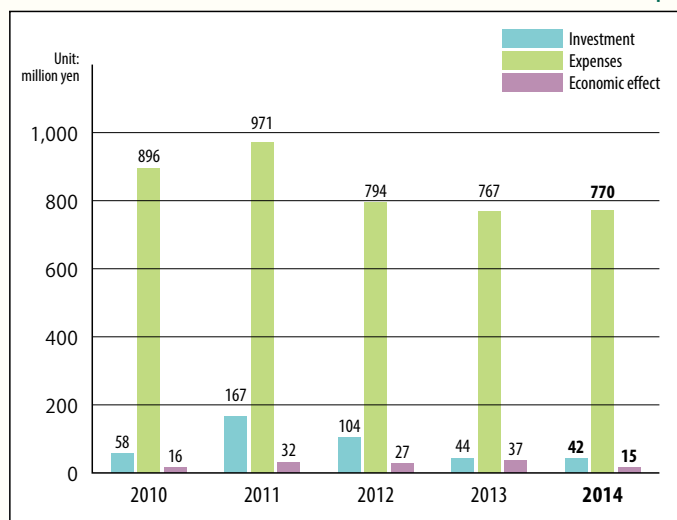
Compilation period: April 2014 - March 2015

Reference guidelines: Environmental Accounting Guidelines 2005

Tally results: Starting in fiscal 2006, we embarked on introduction of environmental accounting for all business divisions in Japan, and thus gained a grasp on the environmental protection cost and the economic effects of environmental protection measures.

The environmental protection costs during fiscal 2014 featured a total investment of 41.9 million yen, and costs amounting to 769.6 million yen. As was the case in fiscal 2014, 47.5 % of the investment amount was occupied by prevention of pollutions, 16.3 % was occupied by protection of the global environment and 16.0 % was occupied by management activities. The economic effect of environmental protection measures was 15.4 million yen, and 76.0 % was occupied by the energy-saving effect and 24.0 % was occupied by profits of sale of valuables and so on. Note that MITSUMI is computing these economic effects only in cases where the results of activities are clear and unmistakable.

■ Transition of investment, cost and economic effect (at the business divisions in Japan)



■ Environment protection cost and economic effect

Classification		Main range	Investment (million yen)	Expenses (million yen)	Economic effect (million yen)
In business area	Pollution preventing cost	Prevention of air pollution and prevention of water contamination	0.0	365.4	0.0
	Global environment protection cost and effect	Prevention of global warming and energy saving	41.9	125.6	11.7
	Resources recycling cost and effect	Disposal of industrial waste, etc.	0.0	56.2	3.7
Upstream/downstream cost		Additional cost for offering environmental-prevention type products and services (such as reduction of chemical substances)	0.0	99.2	0.0
Management activity cost		Establishment and operation of the environmental measures organization and those of the environmental management system, and environmental education for employees	0.0	122.9	0.0
Research and development cost			0.0	0.0	0.0
Social activity cost		Social contribution such as support of environmental activities performed by local residents and provision of information to these activities	0.0	0.3	0.0
Cost of measures against environmental damage			0.0	0.0	0.0
Total			41.9	769.6	15.4

Outline of the Environmental Loads in Fiscal 2014

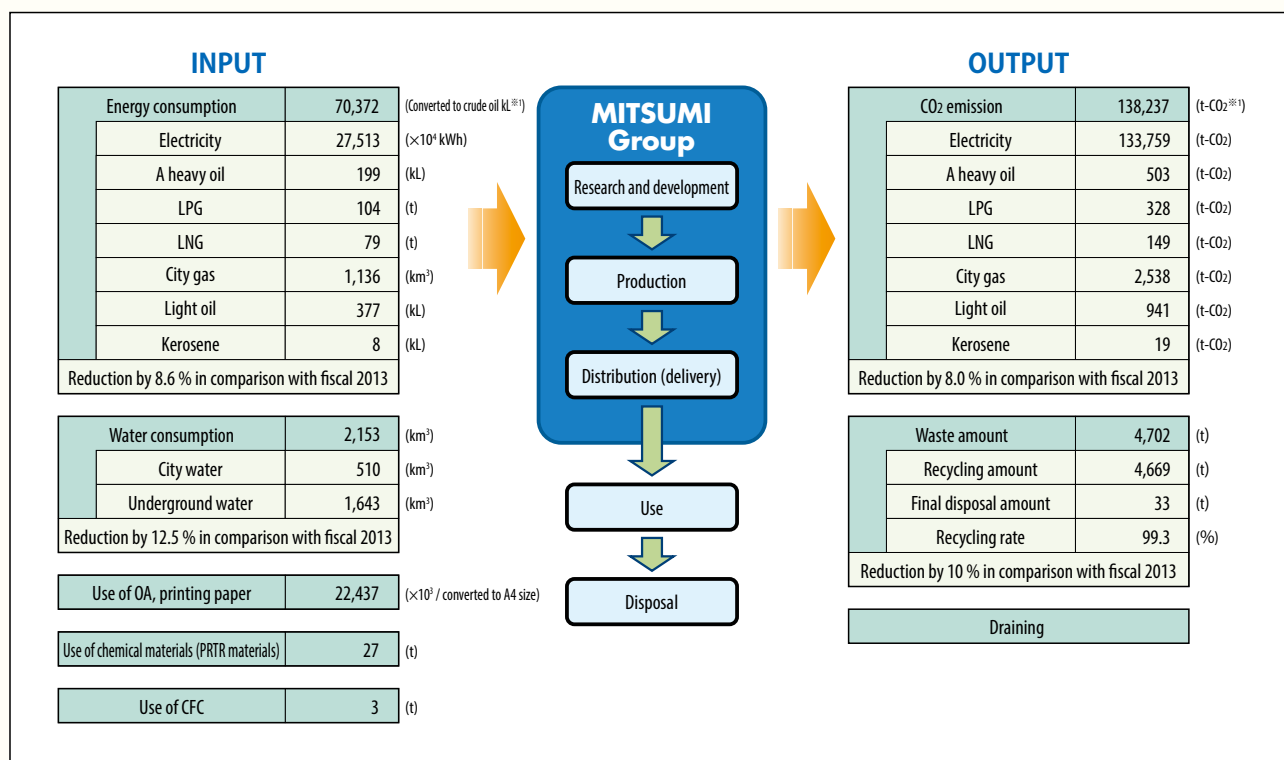
Outline of the environmental loads in fiscal 2014

In the MITSUMI Group there is the direct environmental load resulting from industrial activities (product development and production, supply) and then an indirect load on the environment due to the generation of waste water and waste substances in industrial and production activities.

Especially in the production stage, use of materials and other resources, use of energy such as electric power and fuel, and use of various chemicals is involved.

The MITSUMI Group makes every effort to get an accurate grasp on these direct and indirect environmental load in order to reduce that load.

Environmental Load Data in Fiscal 2014



※1: Conversion coefficient of the Japanese economy, Trade and Industry Ministry is applied to overseas cases too.

Situation for use and discharge of PRTR target substances

In Japan, as based on the PRTR Promotion Law, regarding the 462 substances that are the target of PRTR (Class 1 Designated Chemical Substances), enterprises manufacturing or using more than one ton yearly of those substances must autonomously grasp the amounts being discharged in the environment and the amounts that are transferred outside the operations center for processing as waste materials, and must make a report once a year on that information.

The target operation center of MITSUMI in this respect is the Chitose Business Division. The target chemical substances used at those centers during fiscal 2014 are five types, amounting in volume to about 26.96 tons. Reports are sent every year at regular intervals to the government.

Usage amount, discharge amount and transfer amount of Chitose business division / Unit: ton/year

Business division name	Chemical substance name	Usage amount	Discharge amount					Transfer amount			Amount of consumption	Amount of removal processing
			Atmosphere	Public water	Soil	Landfill on the premises	Total	Waste materials	Sewerage	Total		
Chitose Business Division	Xylene	2.11	0.09	0.00	0.00	0.00	0.09	2.03	0.00	2.03	0.00	0.00
	N,N-diethylacetamide	1.03	0.04	0.00	0.00	0.00	0.04	0.98	0.00	0.98	0.00	0.00
	Phenol	1.30	0.05	0.00	0.00	0.00	0.05	1.25	0.00	1.25	0.00	0.00
	Hydrogen fluoride and its water-soluble compounds	21.22	0.21	0.00	0.00	0.00	0.21	0.00	1.06	1.06	0.00	19.95
	Methylnaphthalene	1.30	0.05	0.00	0.00	0.00	0.05	1.25	0.00	1.25	0.00	0.00
Total		26.96	0.44	0.00	0.00	0.00	0.44	5.51	1.06	6.57	0.00	19.95

Chemical Substances Management

MITSUMI Group has established a chemical material management system to strictly control the use of chemical substances with the motto “Do not bring in, do not use and do not take out”.

Chemical substance management system

The Directives on the Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment (RoHS regulations) came into force in July 2006 (revised in July 2011), and thus laws were prepared and/or enacted in different regions and countries (Europe, North America, China, etc.) concerning usage restrictions and management of harmful chemical substances. In addition, Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) regulations came into force in Europe in June 2007, and the Candidate List of Substances of Very High Concern (SVHC) is to be updated every half a year, so the scope of each law or regulation is being expanded and the corresponding obligations are being extended. Along with this trend, we are taking actions for supporting so-called green procurement by customers in Japan and abroad and revision of chemical management standards as well as responding to requests for environmental surveys.

Given this severe environment, the entire MITSUMI Group acted under the motto of “Do not bring in, do not use and do not take out” to carry out strict controls on use of harmful chemical substances and to create and operate thoroughgoing chemical management systems. Concrete measures include implementation of the following policies to supply our customers with assured products.

1. Reassessment of the management regulations for chemical substances and making sure all employees

are informed about them.

2. Creating and operating chemical substance management systems at our domestic and overseas plants in addition to thoroughgoing information pooling.

3. Creating a database on the amounts of chemical substances contained in products.

4. Database on supplier management.

5. Promoting completion of management of banned substances at suppliers.

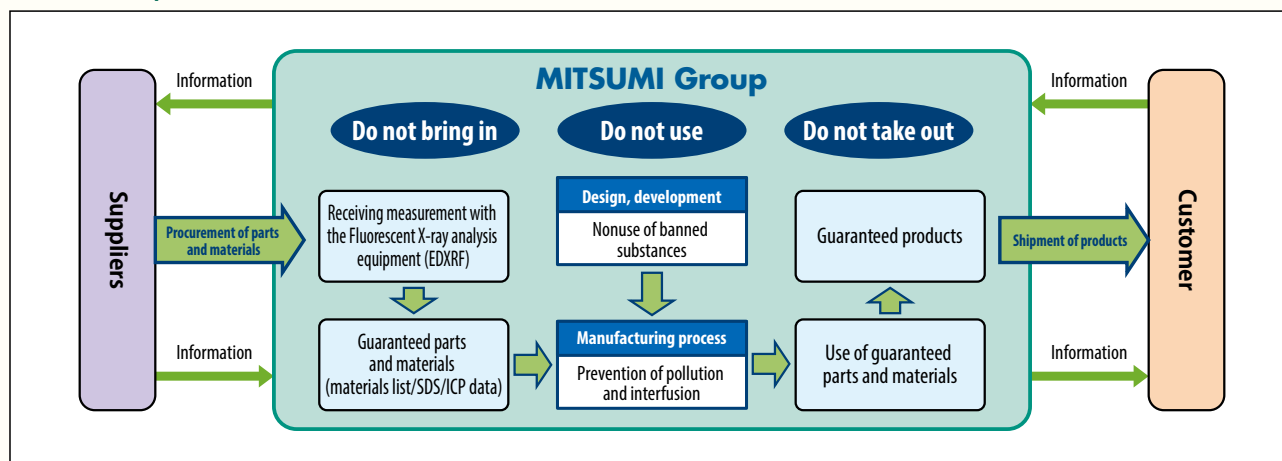
We started carrying on a full-scale operation of the new chemical substances database system in fiscal 2009, and this system was established so that we could support chemical substances management that would become more stringent on a global basis.

We conducted briefing sessions on chemical substances for suppliers in Japan and abroad from fiscal 2007 to 2009, and for mainly suppliers abroad from fiscal 2011 to 2014 to ask them to conform to the “Management Standards for Environmentally-Related Chemical Substances” of the MITSUMI Group.



● Briefing session in Philippine

Basic concept of control of noxious chemical substances



Situation for installation of chemical substance analysis equipment

In steadily implementing the MITSUMI Group motto of “Do not bring in, do not use and do not take out” acting as the key concept in dealing with banned chemical substances, we introduced X-ray fluorescence spectrometers (EDXRF) at 18 operational bases in Japan and abroad, after which we introduced gas chromatograph analysis (GC/MS) at 12 major bases for analyzing chemical substances that cannot be analyzed with EDXRF.

At our overseas production sites where the large quantity of parts and materials are delivered by suppliers, we have introduced multiple X-ray fluorescence spectrometers (EDXRF) to strengthen the acceptance system.

And at Atsugi division and TIANJIN MITSUMI ELECTRIC in China we are introducing inductively-coupled plasma spectrometry devices (ICP). With these steps, the MITSUMI Group has created a system for speedy and accurate surveys to complete steps for management of harmful chemical substances.

■ Bases with EDXRF, GC/MS and ICP installed and number of units

Name of site	EDXRF	GC/MS	ICP
MITSUMI ELECTRIC / Head Office	2	—	—
Atsugi Operation Base	3	2	1
Akita Business Division	1	—	—
Yamagata Business Division	2	1	—
Kyusyu Business Division	2	1	—
TAIPEI MITSUMI	2	1	—
TAIWAN MITSUMI	3	1	—
MITSUMI PHILIPPINES	4	2	—
CEBU MITSUMI	4	1	—
MITSUMI TECHNOLOGY (M.) SDN. BHD.	2	1	—
ZHUHAI MITSUMI ELECTRIC	4	3	—
QINGDAO MITSUMI ELECTRONICS	6	2	—
TIANJIN MITSUMI ELECTRIC	3	1	1
WUJIANG MITSUMI ELECTRONICS	2	1	—
MITSUMI (THAILAND)	1	—	—
Mitsumi Automotive de Mexico	1	—	—
Total	42	17	2

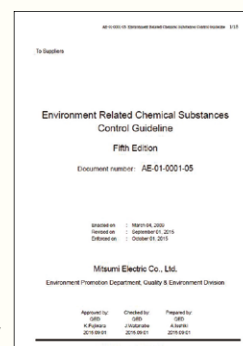


● Inductively-coupled plasma spectrometer (ICP)

Response to chemical substance regulations

The Restriction of Hazardous Substances Directives or RoHS directives enacted in Europe in July 2006 (revised in July 2011), the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) regulations enacted in June 2007, and the Candidate list of Substances of Very High Concern (SVHC) is to be updated every half a year to increase and strengthen restrictions on harmful chemical substances in each country of the world (such as Europe, the U.S.A. and China).

In responding to these restrictions on noxious chemical substances, the MITSUMI Electric Grope is regularly conducting reviews of chemical substance management documents in accordance with changes in laws and regulations, social trends and demands of customers. In particular, we reviewed and revised the “Management Standards for Environmentally-Related Chemical Substances” for our suppliers, issued the fifth edition in September 2015, and has requested the suppliers to ensure that no banned substances would be used in the materials and electronic parts supplied to our company. These standards are available on the MITSUMI’ Website in three languages (Japanese, English and Chinese).



● Management Standards for Environmentally Related Chemical Substances

Reduction of Environmental Loads

MITSUMI Group makes efforts in every aspect of its company activities to minimize the load on the environment, including energy conservation, recycling of resources and reduction of waste.

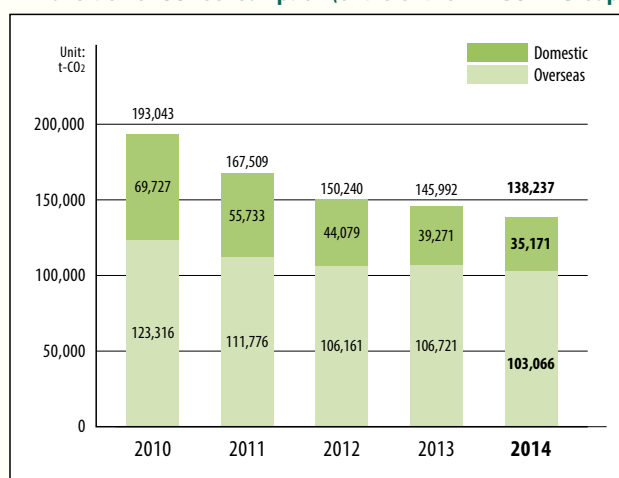
Measures against global warming

Global warming results when the atmospheric densities of six substances known as greenhouse gases (CO₂, methane, CFCs) increases. Among these, the extent to which CO₂ contributes to global warming is 60% worldwide and 95% in Japan. That means a central point is how to reduce CO₂ emission volumes.

The amount of CO₂ emission of the MITSUMI Group in fiscal 2014 was reduced by 5.3 % in comparison with fiscal 2013, and by 8.0 % in comparison with fiscal 2012.

※: As the CO₂ emission conversion factor of purchased electricity, the factor used in fiscal 2012 is to be used after fiscal 2013 also.

Transition of CO₂ consumption (of the entire MITSUMI Group)



※: Conversion factors of electricity are using a numerical value of each electric utility in fiscal 2010 report.
Conversion factors of electricity of overseas bases are quoted from CO₂ EMISSIONS FROM FUEL COMBUSTION HIGHLIGHTS of IEA.

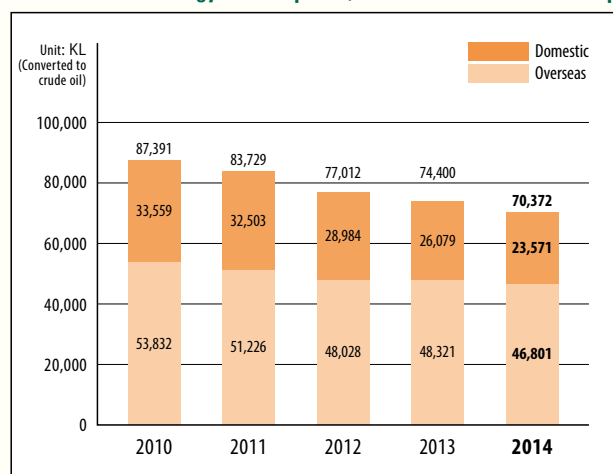
Activities to energy saving

The energy use amount of the MITSUMI Group in fiscal 2014 was reduced by 5.4 % in comparison with fiscal 2013, and by 8.6 % in comparison with fiscal 2012.

As the energy-saving measure, we started promoting the "Cool Biz" campaign in our offices to make continued efforts to intermittently light the lamps, control the temperature of each air conditioning device thoroughly, set energy-saving to each PC and stop operating some elevators and vending machines.

Each production site switches its facilities to energy-saving type ones when renovating. In addition, we integrated our two semiconductor plants into one according to our business structure reform plan in fiscal 2013, and thus the used energy was reduced so much.

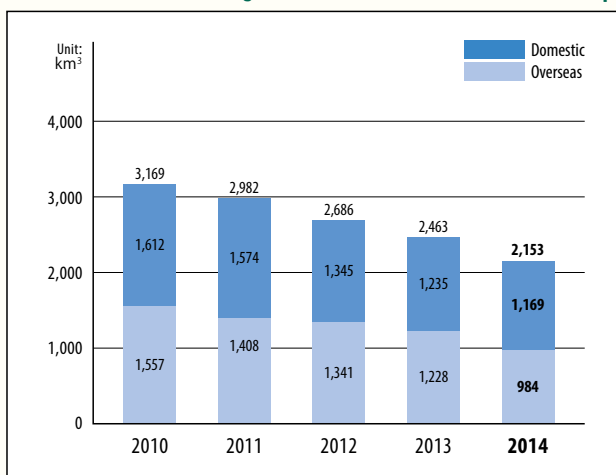
Transition of energy consumption (of the entire MITSUMI Group)



Activities to resource saving

The water usage volume (clean water and groundwater) was reduced by 12.5 % in fiscal 2014 in comparison with fiscal 2013, and by 19.8 % in comparison with fiscal 2012. The water usage volume reduced as a result of our integration of our two semiconductor plants into one according to our business structure reform plan and that as a result of recycling of plating wastewater contributed to the result in fiscal 2014.

Transition of water usage volume (of the entire MITSUMI Group)



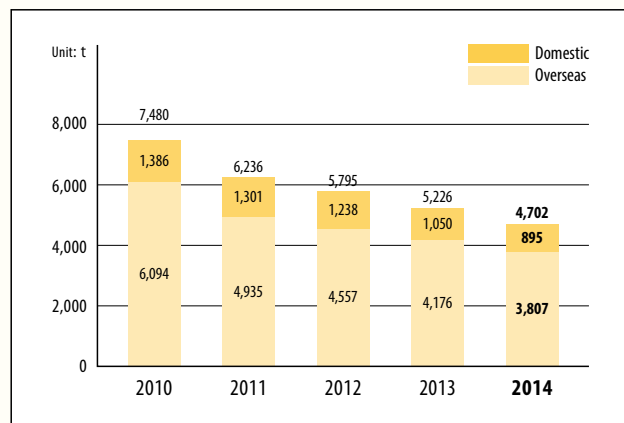
Activities to waste reduction

The amount of waste generated by the MITSUMI Group was reduced by 10.0 % in fiscal 2014 compared to fiscal 2013, and by 18.9 % compared to 2012. We achieved these figures due to our efforts to reduce products wasted because of their defectiveness and to repeatedly use (reuse) substances that had been discarded conventionally.

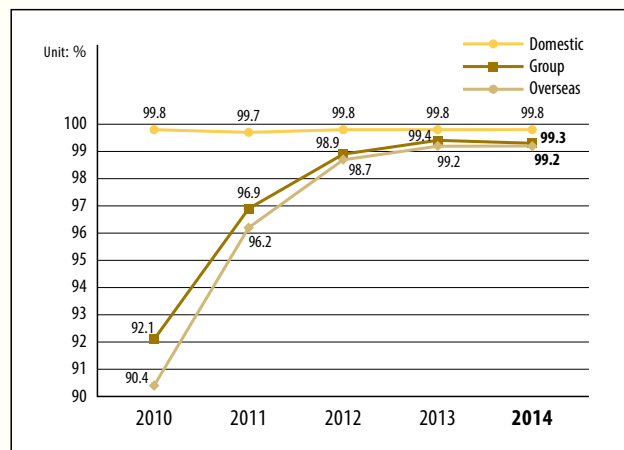
As for the waste material recycling ratio, we achieved zero emission* in Japan in fiscal 2006, and have maintained this ratio at 99.9 % or more until now. We achieved zero emission abroad in fiscal 2013 by subdividing the waste sorting classifications, and thus we achieved zero emission as the entire MITSUMI Group.

*: Definition of zero emission: Maintaining of the waste recycling ratio at 99.9 % or more for three months

Transition of waste material generation amount (of the entire MITSUMI Group)



Transition of the waste recycling ratio (of the entire MITSUMI Group)



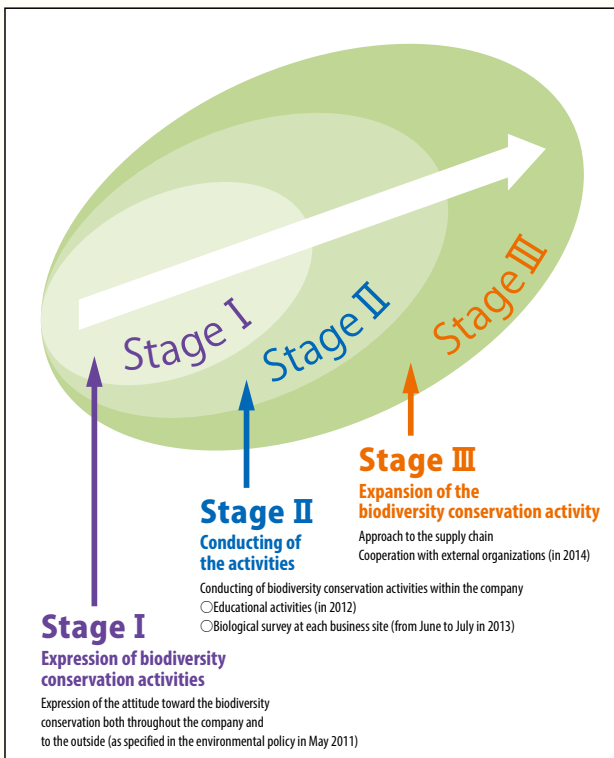
Biodiversity Conservation

The MITSUMI Group accurately grasps influences of our business activities, products and services on the biodiversity and the global environment to promote coexistence of the environment conservation activities and the business activities

Working on the biodiversity conservation in three stages gradually

The MITSUMI Group is working on the biodiversity conservation in three stages to improve the conservation level. In fiscal 2014, we were working on Stage III "Expansion of the biodiversity conservation activity." In particular, we asked suppliers to work on the biodiversity conservation as the supply chain at briefing sessions for suppliers, and cooperated with external organizations to participate in cleanup activities of rivers and areas in adjacent regions.

Conservation activity stages



Publicizing of an ecology at each business site

In order to promote our awareness and understanding of biodiversity conservation, we conducted a biological survey at each business site in fiscal 2013 to grasp its current state. In fiscal 2014, we publicized the vaunted ecology at each business site to enhance its activity in fiscal 2014. We planned to publicize each business site once a month or two months sequentially until all sites are publicized. We already publicized eight sites in fiscal 2014.

Ecosystem of our pride TTM 2014/07

Site Characteristics
TTM is located in the halfway up the north hill of the port town Keelung of the Taiwanese northeastern part, and TTM is surrounded by mountains and beautiful in the good environment of the view. Keelung is known as a rainy port, and it is the port town which rain is abundant in through one year. Keelung continues the development as a commuter town of Taipei.

Ecosystem of the pride
There are the fruit of orange, banana, mango, papaya, guava, kumquat and so on, and the various flowers of cherry blossoms, ume, camellia, lily, banana magnolia, lily magnolia, azalea, fragrant olive, lantana and hibiscus in the site. They gives us the coloring of that seasonal season. Our site is away from the city noise, its air is clear, and we can work in the song of the bird and the smell of the flower in such an elegant natural environment.

● Publication of the ecology in Taiwan MITSUMI

Ecosystem of our pride MTE 2014/08

Site Characteristics
MTE is located at Batu Pahat district of Johore state in the southern region of Peninsular of Malaysia nearby the Straits of Malacca. It is surrounding by palm oil plantation and villagers housing area.

Ecosystem of the pride
There is a garden with various species of trees at the entrance of MTE. There are birds which used the garden as their living habitat. The garden also is used by employee to have a nice break during break time because of the nice shady area and windy breeze. There is a large tree which is many years in age as our pride for preserved the rain forest species. There are various palm tree and pine tree species which gives the view of forest in the garden. There are many kinds of flower trees which give a very nice view and exotic fruit species which is good for health. Morinda Citrifolia juice can help to cure many health diseases and Annona Squamosa bears edible fruit called sugar apples which is very delicious.

● Publication of the ecology in MITSUMI Technology Malaysia

Environmental Communication

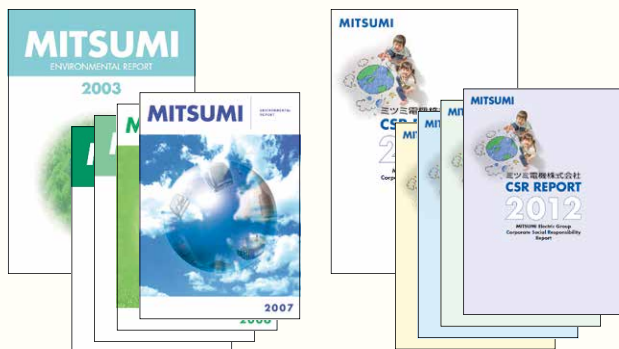
The MITSUMI Group is releasing information in order to make the situation for environmental protection promotional activities known inside and outside the company.

Information

Information for outside

In February 2004, we issued the first MITSUMI Environmental Report, which summarized the environmental protection promotion activities that had been conducted up to then. We have issued Environmental Reports introducing the contents of environmental activities performed in each fiscal year from then on. From fiscal 2008, we have also issued Environmental Reports in the form of a CSR Report, which includes information on CSR (corporate social responsibility) activities.

In addition, we use our Internet website to post the CSR report and introduce each action contributing to society and to promotion of environmental protection. Materials on management standards for environmentally-related chemicals are also released in three languages, Japanese, English, and Chinese so that suppliers can access them easily.



● Environmental Report 2003-2007

● CSR Report 2008-2012



● MITSUMI Electric web site: http://www.mitsumi.co.jp/profile/csr_e.html

Information for inside

MITSUMI uses its own Intranet system to issue information on the environment for its employees and share it with them. And the company magazine "Onigiri" also features an environmental information page in each issue, touching on various topics related to the environment to increase the environmental awareness of all readers.



● MITSUMI Electric Group company magazine "Onigiri"



● MITSUMI Electric Group intranet

Environmental Protection Activities at Each Factories

The MITSUMI Group is promoting environmental protection activities even at each business division to contribute to the community via various activities.

Cleanup campaign at Chitose Business Division

As part of environmental activities, Chitose business division cooperated with Chiba City Environment Center to clean the area around the division on May 15, 2014.

Total 30 persons of the Environment Promotion Committee members and representatives for the workplace picked up trash in the area around Chitose business division.

Chitose Rinku Industrial Complex, at which Chitose business division is located, is adjacent to old-growth forest, and dotted with large parks. Many birds such as great spotted woodpeckers, turtledoves and woodcocks and many animals such as Ezo red foxes, Hokkaido squirrels and Hokkaido sika deer live in the area around this division. Cleaning activities have the following advantages from the view point of diversity conservation as well as cleaning of the town itself:

- ① Preventing animals from accidentally swallowing scattered vinyl and/or plastic substances to go into death
- ② Breaking contact with animals that come to the division to get food
- ③ Preventing plants from being badly affected by removing noxious substances

At this time of the year, snow is melting, and trash hidden by snow shows up. While participants were surprised to know that trash more than expected was discarded randomly in the weeds along sidewalks, they neatly and quickly separated combustible from non-combustible trash to collect it. Finally, they collected 25 kg trash, and then this cleanup activity finished.

Each business division in Japan also conducted the similar activity.



● Scene of the cleanup campaign of Chitose business division

Progress of MITSUMI Group environmental protection promotion activities

Activi	Activity content
1990/1	Establishment of special company-wide fluorocarbon task force.
1993/6	Specific CFCs and trichloroethane abolished. Environment Division established.
1993/12	Company-wide environmental committee established.
1994/8	Environmental Protection Activities Plan (Voluntary Plan) initiated.
1998/1	Acquisition of ISO14001 certification for all domestic operation bases (7).
1999/3	Acquisition of ISO14001 certification for main overseas operation bases (13).
1999/9	MITSUMI lead-free promotion committee established.
2000/12	Organic chlorine compounds (dichloromethane, trichloroethylene, tetrachloroethylene) abolished completely.
2001/2	MITSUMI's environmental activities posted on MITSUMI's Web site.
2002/2	Company-wide chemical regulation project established.
2002/7	Fluorescent X-ray analysis equipment introduced.
2002/10	Rules for regulating environment-related chemicals initiated.
2003/1	Initiation of environmental quality internal audit on major domestic and overseas production bases.
2004/2	Publication of MITSUMI Environmental Report 2003. / Promotional activities of ISO14001 domestic integration initiated.
2004/8	Establishment of company-wide common environmental policy, manual and rules.
2005/1	Certification of ISO 14001 domestic integration acquired.
2006/1	Chitose Business Division is included in ISO 14001 domestic certification.
2006/3	All domestic divisions achieve zero emission.
2006/11	Introduction of the gas chromatograph mass spectrometer initiated.
2006/12	Sponsoring of overseas supplier information meeting regarding chemical substance management.
2007/4	Creation of 2nd environmental protection promotion activities (Voluntary Plan).
2007/5	Sponsoring of domestic supplier information meeting regarding chemical substance management.
2008/3	Obtaining ISO/IEC17025 laboratory accreditation. Sponsoring of overseas supplier information meeting regarding chemical substance management.
2009/2	Issue of CSR REPORT 2008 that includes CSR in the standard environmental report.
2009/10	Proclaiming of making efforts to acquire ISO14001 global certification of the entire MITSUMI Group
2010/2	Issue of the environmental policies of the entire MITSUMI Group
2010/3	Acquisition of ISO/IEC17025 laboratory certification for MITSUMI Tianjin, China
2010/12	Acquisition of ISO14001 global certification for 12 MITSUMI groups
2011/5	Addition of biodiversity conservation to the MITSUMI Group environmental policies
2011/6	Sponsoring of overseas supplier information meeting regarding chemical substance management and so on
2013/4	Establishment of the MITSUMI Group 3rd Environmental Voluntary Plan
2013/11	The entire MITSUMI Group achieved zero-emission.
2014/8	Establishment of the MITSUMI Group Green Procurement Standards
2014/12~2015/2	Sponsoring of overseas supplier information meeting regarding chemical substance management and so on

Site Data

MITSUMI Group is engaged in production activities at business divisions all over the world.

Since much of the production is conducted overseas, our overseas business divisions share and comprehend the same environmental load data with our domestic business divisions.

The site data only describes the business divisions that have production facilities and own the environmental load data in fiscal 2014.

■ List of environmental load data

Business division name	Energy consumption							Total (Converted to crude oil kL)
	Electricity (×10 ⁴ kWh)	A heavy oil (kL)	LPG (t)	LNG (t)	City gas (km ³)	Light oil (kL)	Kerosene (kL)	
MITSUMI ELECTRIC / Head Office	320	0	0	0	210	0	0	1,037
Atsugi Operation Base	919	0	0	0	199	15	0	2,526
Akita Operation Base	162	0	3	0	0	0	0	406
Yamagata Business Division	311	60	0.2	0	0	0	4	837
Mito Office	11	0	0	0	0	0	0	28
Kyusyu Business Division	79	0	4	0	0	0	0	202
Chitose Business Division	7,131	0	0	0	726	3	4	18,535
Domestic total	8,935	60	7	0	1,136	18	8	23,571
TAIPEI MITSUMI	101	0	2	0	0	0	0	254
TAIWAN MITSUMI	1094	0	0	0	0	0	0	2,712
MITSUMI PHILIPPINES	2,579	48	0	0	0	0	0	6,446
CEBU MITSUMI	9,075	0	6	0	0	227	0	22,732
MITSUMI TECHNOLOGY (M.) SDN. BHD.	500	0	0	0	0	0	0	1,241
ZHUHAI MITSUMI ELECTRIC	2,246	0	0	62	0	0	0	5,659
QINGDAO MITSUMI ELECTRONICS	964	0	0	16	0	115	0	2,526
TIANJIN MITSUMI ELECTRIC	1,027	1	20	0	0	17	0	2,592
WUJIANG MITSUMI ELECTRONICS	637	88	69	0	0	0	0	1,758
MITSUMI (THAILAND)	338	2	0	0	0	0	0	840
Mitsumi Automotive de Mexico	17	0	0	0	0	0	0	41
Overseas total	18,578	139	97	79	0	359	0	46,801
MITSUMI Group total	27,513	199	104	79	1,136	377	8	70,372

■ List of environmental load data

Business division name	CO ₂ emission (t-CO ₂)	Water consumption			Use of OA, printing paper (×10 ³ /converted to A4 size)	Use of HCFC (t)	Waste amount (t)	Final disposal amount (t)	Recycling rate (%)
		City water (×10 ³ m ³)	Underground water (×10 ³ m ³)	Total (×10 ³ m ³)					
MITSUMI ELECTRIC / Head Office	1,814	19	0	19	1,840	0	63	0.00	100.0
Atsugi Operation Base	3,951	0	167	167	691	0	55	0.43	99.2
Akita Operation Base	708	3	4	7	320	0	66	0.13	99.8
Yamagata Business Division	1,516	1	43	45	743	0	41	0.00	100.0
Mito Office	44	0	3	3	23	0	7	0.00	100.0
Kyusyu Business Division	321	3	0	3	850	0	33	0.03	99.9
Chitose Business Division	26,816	10	915	925		0	629	1.17	99.8
Domestic total	35,171	36	1,133	1,169	4,467	0	895	1.76	99.8
TAIPEI MITSUMI	652	3	0	3	250	0	42	0	99.4
TAIWAN MITSUMI	6,955	0	10	10	446	0	126	0	100.0
MITSUMI PHILIPPINES	14,885	121	0	121	3,499	1	831	19	97.7
CEBU MITSUMI	45,431	0	490	490	3,604	2	1,624	10	99.4
MITSUMI TECHNOLOGY (M.) SDN. BHD.	2,852	19	0	19	257	0	118	1	99.4
ZHUHAI MITSUMI ELECTRIC	10,241	159	0	159	1,994	0	386	0	100.0
QINGDAO MITSUMI ELECTRONICS	7,526	67	0	67	5,085	0	156	1	99.6
TIANJIN MITSUMI ELECTRIC	7,807	51	0	51	1,263	0	365	0	100.0
WUJIANG MITSUMI ELECTRONICS	4,740	54	0	54	818	0	131	0	99.8
MITSUMI (THAILAND)	1,902	0	10	10	702	0	23	0	100.0
Mitsumi Automotive de Mexico	75	0	0	1	54	0	5	0	89.7
Overseas total	103,066	473	511	984	17,970	3	3,807	31	99.2
MITSUMI Group total	138,237	510	1,643	2,153	22,437	3	4,702	33	99.3

MITSUMI Worldwide Network

Close coordination of the domestic business divisions with the overseas production sites MITSUMI network for integrating development, design and production

FINLAND

- MITSUMI ELECTRONICS EUROPE GmbH Helsinki Office

GERMANY

- MITSUMI ELECTRONICS EUROPE GmbH Headquarters

FRANCE

- MITSUMI ELECTRONICS EUROPE GmbH French Office

MALAYSIA

- MITSUMI TECHNOLOGY (M.) SDN. BHD. Penang Office

- MITSUMI TECHNOLOGY (M.) SDN. BHD.



- MITSUMI TECHNOLOGY (M.) SDN. BHD. Kuala Lumpur Office

SINGAPORE

- MITSUMI ELECTRONICS (SINGAPORE) PTE. LTD.

PEOPLE'S REPUBLIC OF CHINA

- WUJIANG MITSUMI ELECTRONICS CO., LTD.



- MITSUMI CO., LTD.

- MITSUMI(SHANGHAI)ELECTRIC CO., LTD.
Shenzhen Branch Office

- ZHUHAI MITSUMI ELECTRIC CO., LTD.



THAILAND

- MITSUMI (THAILAND) CO., LTD.



- MITSUMI (THAILAND) CO., LTD.
Bangkok Office

PHILIPPINES

- MITSUMI PHILIPPINES, INC.



- CEBU MITSUMI, INC.



PEOPLE'S REPUBLIC OF CHINA

- TIANJIN MITSUMI ELECTRIC CO., LTD. Beijing Office
- TIANJIN MITSUMI ELECTRIC CO., LTD.



- MITSUMI(SHANGHAI)ELECTRIC CO., LTD Shenzhen Branch Office

- QINGDAO MITSUMI ELECTRONICS CO., LTD.



KOREA

- KOREA MITSUMI CO., LTD

MEXICO

- Mitsumi Automotiv de Mexico, S.A. de C.V.



TAIWAN

- TAIWAN MITSUMI CO., LTD. PHILIPPINES, INC.



- TAIPEI MITSUMI CO., LTD.



- MITSUMI ELECTRIC CO., LTD. Taiwan Branch

- : Factories
- : Business offices

U.S.A.

- MITSUMI Electronics Corporation Seattle Office
- MITSUMI Electronics Corporation Cupertino Office
- MITSUMI Electronics Corporation Detroit: Head Office

JAPAN

- Chitose Business Division
- Akita Operation Base
- Yamagata Business Division
- Head Office
- Atsugi Operation Base
- Kyoto Office
- Kariya Office
- Kansai Branch
- Sumoto Office
- Hirosima Office
- Kyushu Business Division
- Kyushu Office

■ Chitose Business Division



■ Akita Operation Base



■ Yamagata Business Division



■ Kyushu Business Division



● Head Office



■ Atsugi Operation Base





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