

ENVIRONMENTAL PRESERVATION

As a pioneering global manufacturer of vital machinery components, the THK Group has contributed to society and economic activity via the development of linear motion systems. At the same time, we recognize our corporate social responsibility in terms of contributing to global environmental preservation efforts so that future generations inherit a healthy planet. To this end, we are engaged in various activities aimed at continuously reducing the impact on the environment as well as trying to protect and improve the natural environment.

The THK Group's Basic Policy Regarding the Environment

- 1 Conservation of the environment is considered a major management concern, and we are striving to accurately grasp the impact on the environment produced by the Group's business activities, products and services. Every division participates by setting relevant environmental goals.
- 2 In addition to following environmental laws, we set self-imposed standards for Group companies and regularly review them to improve the efficiency and effectiveness of our environmental management.
- 3 We will continually promote the development of products that help reduce environmental burdens.
- 4 We will decrease energy use associated with our business activities, while continually promoting reductions in per units of energy consumption and greenhouse gas emissions.
- 5 In addition to continually promoting conservation and the recycling of resources, with particular attention to reducing and recycling waste from our manufacturing divisions, we will strive to prevent pollution.
- 6 To promote greater unity in our environmental activities, we will provide guidance and support to our affiliates and business partners, and strive to work in cooperation and harmony with local communities.
- 7 This basic policy regarding the environment shall be disseminated to all divisions in the Group through education, training and activities designed to improve awareness. We will disclose information concerning the environment to parties within and outside the Group in a timely manner.

Revised on June 3, 2013

Environmental Activities and Targets

Area	Objectives and Goals	Main Activities
Energy conservation, prevention of global warming	Cut greenhouse gas emissions	<ol style="list-style-type: none"> 1. Energy diagnostics 2. Energy conservation 3. Use of clean energy
Materials conservation, zero emissions	Reduce environmental impact; achieve zero emissions	<ol style="list-style-type: none"> 1. Input controls on materials, parts and by-products 2. Controls on emissions and final waste disposal 3. Material reuse/recycling
Harmful substance controls	Eliminate and control harmful substances in THK Group production and distribution activities	<ol style="list-style-type: none"> 1. Substitution of PRTR-designated substances 2. Green procurement and purchasing
Environment-friendly products and services	Develop products and supply services using LCA (Life Cycle Assessment) methods	<ol style="list-style-type: none"> 1. Cage-embedded product series development 2. Extension of service life and maintenance-free periods

Environmental Management System

THK is working to acquire ISO 14001 certification for environmental management system at its production sites in Japan and overseas. At each production site, we conduct management reviews and internal audits to confirm that business is executed in accordance with rules and environmental laws and regulations are followed. Moreover, we use the Plan-Do-Check-Act (PDCA) management cycle in our efforts to identify and solve problems and improve the environmental management framework.

To promote Group-wide environmental activities, THK has its Risk Management Division's Environmental Management Department coordinate efforts to reduce environmental impact by collaborating with production, administrative and distribution divisions. We aim to share more information about these activities and enhance our training programs as well.

With regard to the three environmental targets, the Group recorded a year-on-year increase of 0.55% in its zero emissions rate against a reduction target of less than 0.50% in the material conservation and zero emissions field. The Group, however, was able to achieve a reduction in CO₂ basic unit emissions for a year-on-year reduction target of 1% in the energy conservation and global warming prevention field, and curtailed the use of PRTR-designated substances compared with the previous fiscal year in the harmful substance controls field as a result of its activities in fiscal 2013.

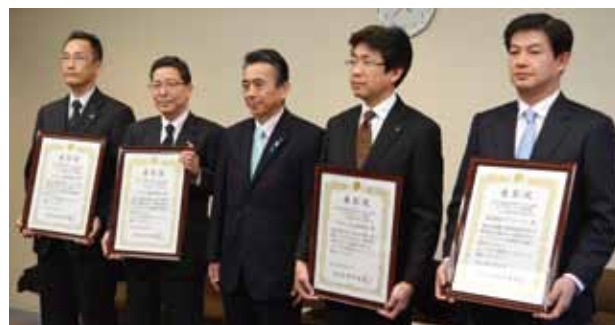
ISO 14001 Certified Business Locations

Business Location	Date of Certification	Certifying Body
YAMAGATA Plant		
KOFU Plant		
YAMAGUCHI Plant	December 17, 2010 (Registration renewal date)	JQA
MIE Plant		
GIFU Plant		
THK RHYTHM NORTH AMERICA CO., LTD. (USA)	June 13, 2001	SQA
THK RHYTHM CO., LTD. Headquarters / HAMAMATSU Plants	December 20, 2001	JIA
THK RHYTHM KYUSHU CO., LTD.	December 20, 2002	JIA
THK Manufacturing of America, Inc. (USA)	July 14, 2003	QMI
THK Manufacturing of Europe S.A.S. (Europe)	February 3, 2004	AFAQ
THK NIIGATA CO., LTD.	October 21, 2005	JQA
THK RHYTHM CO., LTD. INASA Plant	December 20, 2006	JIA
THK MANUFACTURING OF CHINA (WUXI) CO., LTD. (China)	January 7, 2008	CQC
DALIAN THK CO., LTD. (China)	December 18, 2008	TUV
THK MANUFACTURING OF CHINA (LIAONING) CO., LTD. (China)	January 12, 2010	TUV
THK INTECHS CO., LTD. MISHIMA / SENDAI Plants	March 21, 2013	ClassNK

New Energy/Energy Conservation Top Runner Award Winner

Hamamatsu City in Shizuoka Prefecture administers the Hamamatsu City New Energy/Energy Conservation Top Runner System, which recognizes companies working to reduce energy usage. In fiscal 2013, 38 companies were recognized and categorized by rank. Of these, THK RHYTHM won an S Class award, the highest ranking. THK RHYTHM was also chosen for the Top Runner Award, which is best owed on the company that displayed the best efforts among the companies honored with the awards.

This award recognizes the aggressive measures undertaken by THK RHYTHM to install energy-saving equipment, such as solar panels and LED lighting, and its impressive SYT activities to conserve energy based on the catchphrase "turn it down, stop it, or turn it off." The THK Group will continue to vigorously promote energy-saving activities in the years to come.



Center: Mr. Yasutomo Suzuki, Mayor of Hamamatsu City
Second from the right: Mr. Sawada, Director and Executive Vice Chairman of THK RHYTHM

Overseas Clean Production Activities

THK MANUFACTURING OF CHINA (LIAONING) CO., LTD.'s clean production activities were highly acclaimed in May 2013 by Dalian City's Environmental Protection Bureau in China. Clean production activities are activities that help reduce energy usage through the adoption of advanced technologies and facilities to improve resource usage efficiency and reduce the generation and emission of polluting substances. As a part of these efforts in fiscal 2013, we implemented improvements for 50 projects submitted by employees, including the recycling of whetstones and reduction of resins through more efficient injection molding.



Clean production education and training at an overseas base