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

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.

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.

We will continually promote the development of products that help reduce environmental burdens.

We will decrease energy use associated with our business activities, while continually promoting reductions in per units of energy consumption and greenhouse gas emissions.

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.

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.

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	 Energy diagnostics Energy conservation Use of clean energy
Materials conservation, zero emissions	Reduce environmental impact Achieve zero emissions	 Input controls on materials, parts and by-products Controls on emissions and final waste disposal Material reuse/recycling
Harmful substance controls	Eliminate and control harmful substances in THK Group production and distribution activities	 Substitution of PRTR-designated substances Green procurement and purchasing
Environment-friendly products and services	Develop products and supply services using LCA (Life Cycle Assessment) methods	 Cage-embedded product series development Extension of service life and maintenance-free periods

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Environmental Management Systems

THK is working to acquire ISO 14001 certification for the environmental management systems at its production sites in Japan and overseas, and THK RHYTHM CHANGZHOU CO., LTD. (TRCC) in China became the latest to receive certification in fiscal 2014.

To promote Group-wide environmental activities, THK has its Risk Management Division's Environmental Management Department advance efforts to reduce environmental impact by collaborating with production, administrative and distribution divisions.

With regard to the previously cited environmental targets, the Group did not achieve that for environmental risk substances (3% year on year decrease in the amount of PRTR-designated substances handled), but was able to achieve the targets in the energy conservation and global warming prevention field (CO_2 basic unit emissions for a year-on-year reduction target of 1%) and in the material conservation and zero emissions field (zero emissions rate against a reduction target of less than 0.50%).

ISO 14001 Certified Business Locations **Business Location** Date of Certification Certifying Body YAMAGATA Plant KOFU Plant December 17, 2010 YAMAGUCHI Plant JQA (Registration renewal date) MIE Plant GIFU Plant THK RHYTHM NORTH AMERICA CO., LTD. (USA) June 13, 2001 SOA THK RHYTHM CO., LTD. Headquarters / HAMAMATSU Plant December 20, 2001 JIA THK RHYTHM KYUSHU Plant December 20, 2002 .IIA THK Manufacturing of America, Inc. (USA) July 14, 2003 QMI THK Manufacturing of Europe S.A.S. (France) February 3, 2004 AFAQ October 21, 2005 THK NIIGATA CO., LTD. JQA THK RHYTHM CO., LTD. INASA Plant December 20, 2006 JIA THK MANUFACTURING OF CHINA (WUXI) CO., LTD. (China) January 7, 2008 COC DALIAN THK CO., LTD. (China) December 18, 2008 TUV THK MANUFACTURING OF CHINA (LIAONING) CO., LTD. (China) January 12, 2010 TUV THK RHYTHM (THAILAND) CO., LTD. (Thailand) July 9, 2010 URS

December 9, 2010

October 25, 2011

March 21, 2013

March 17, 2015

SGS

DQS GmbH

ClassNK BURFAU

VERITAS

THK RHYTHM GUANGZHOU CO., LTD. (China)

THK RHYTHM MALAYSIA Sdn. Bhd. (Malaysia)

THK RHYTHM CHANGZHOU CO., LTD. (China)

THK INTECHS CO., LTD. MISHIMA / SENDAI Plants

Environment-friendly Plant Commences Operations

Having come on stream in 1996 as THK's first production base in China, DALIAN THK CO., LTD. commenced the operation of its new plant, built to keep pace with business expansion, in February 2015. Naturally, the new plant brings improvements in productivity, and by following an environment-friendly plant concept, the plant was painstakingly designed with full consideration given to environmental aspects. These ranged from the hard aspects, including the plant's buildings, ancillary and production facilities, to the flow lines within the plant site, the production control methods and the impact the plant places on the local area.

From the environmental preservation standpoint, the plant reduces environmental impact on the local air and soil to the greatest extent possible by the installation of such facilities as LPG-fired steam boilers and large-scale water purification tanks. In addition, the working environment is kept clean, making the plant a pleasant and comfortable workplace for its employees.

From the standpoint of saving energy, the latest inverter air-conditioning systems have been installed in preparation for the weather in Dalian, where it gets very cold in winter, and LED lighting equipment has been fitted throughout almost all the plant, administrative offices and dormitories. In addition, the company has installed a range of environment-friendly facilities, can ascertain the operational status of equipment throughout the plant thanks to a central monitoring system, and is working on the efficient utilization of resources, including electric power, water and types of gas.



LPG-fired steam boilers



LED Lights (Plant)