

Based on its management philosophy of “providing innovative products to the world and generating new trends to contribute to the creation of an affluent society,” THK is rolling out its business while pursuing growth as a company, cognizant of the importance of addressing environmental, social and governance (ESG) concerns.

Harmony with the Environment



Environmental Management Systems

THK is working to acquire ISO 14001 certification for environmental management systems at its production sites in Japan and overseas. At each production site, every effort is being made to continuously upgrade the level of environmental management systems by implementing a Plan-Do-Check-Act (PDCA) management cycle. Because environmental management is an endeavor extending throughout the THK Group, the Risk Management Division’s Environmental Management Department, located at THK Headquarters, coordinates efforts by THK plants, offices, and distribution divisions to reduce environmental burdens. The department monitors the progress of THK’s environmental efforts and helps ensure that effective measures are put in place across the entire organization.

With regard to the previously cited environmental targets, the Group did not achieve its target for energy conservation and global warming prevention (CO₂ basic unit emissions for a year-on-year reduction target of 1%) in fiscal 2015. The Group did, however, achieve its targets for material conservation and zero emissions (zero emissions rate against reduction target of less than 0.50%) as well as environmental risk substances (3% year on year decrease in the amount of PRTR-designated substances handled).

Green Distribution

Working through its Distribution Division, which spearheads the Group’s distribution operations, THK continues to practice green distribution in an effort to reduce its environmental impact throughout the distribution process. The Company has positioned efforts to reduce transport-related CO₂ emissions and to increase transportation efficiency as key components of its basic green logistics policy. In addition to a modal shift, THK is also undertaking a variety of activities. This includes steps to increase the efficiency of the trucks used for transportation.

In fiscal 2015, THK integrated distribution for both purchases and sales. As a result, positive steps were taken to improve the load ratio. By adopting a mixed transportation policy, the Company has successfully improved the load ratio and increased transportation efficiency even when each of the volumes of purchases and sales are less than one large-sized truck.

ISO 14001 Certified Business Locations

Business Location	Date of Certification	Certifying Body
YAMAGATA Plant	December 17, 2010 (Registration renewal date)	JQA
KOFU Plant		
YAMAGUCHI Plant		
MIE Plant		
GIFU Plant		
THK RHYTHM NORTH AMERICA CO., LTD. (USA)	June 13, 2001	SQA
THK RHYTHM CO., LTD. Headquarters/HAMAMATSU Plant	December 20, 2001	JIA
THK RHYTHM CO., LTD. KYUSHU Plant	December 20, 2002	JIA
THK Manufacturing of America, Inc. (USA)	July 14, 2003	SAI GLOBAL
THK Manufacturing of Europe S.A.S. (France)	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 RHYTHM (THAILAND) CO., LTD. (Thailand)	July 9, 2010	URS
THK RHYTHM GUANGZHOU CO., LTD. (China)	December 9, 2010	SGS
THK RHYTHM MALAYSIA Sdn. Bhd. (Malaysia)	October 25, 2011	DQS
THK INTECHS CO., LTD. MISHIMA/SENDAI Plants	March 21, 2013	ClassNK
TRA MICHIGAN (USA)	October 24, 2014	DQS
TRA CANADA (Tilsonburg) (Canada)	February 8, 2015	DQS
TRA CANADA (St. Catharines) (Canada)	February 10, 2015	DQS
THK RHYTHM CHANGZHOU CO., LTD. (China)	March 17, 2015	BUREAU VERITAS
TRA CZECH (Czech)	April 16, 2015	DQS
TRA GmbH (Germany)	December 17, 2015	DQS



Mixed transportation using trucks



Involvement in Society

Quality Assurance Activities

THK engages in activities that allow it to deliver safe and reliable products to all customers. As the Company applies increasingly demanding quality controls, some tailored to specific industries, this is reflected in the acquisition of official certifications.

1. All production sites: ISO 9001 certification for quality management systems
2. The automobile industry: ISO/TS 16949 certification for automobile industry quality management systems
3. The aerospace industry: JIS Q 9100 certification for aerospace industry quality management systems

In addition, THK has renewed its product-quality information system and established a global information network through which customer feedback is commonly shared. This has enabled the Company to collect and analyze information on product quality in a timely manner from customers around the world. The system and network also allows THK to promptly address customer complaints and to provide whatever service is needed. In the future, every effort will be made to meet the needs of customers by continuing to focus on customer satisfaction. At the same time, THK will work to incorporate customers' viewpoints into its quality assurance system.

Together with Suppliers

To continue to provide products that satisfy its customers' needs, THK has established a basic policy on procurement. The Company is committed to building sound relationships with its suppliers in an effort to ensure harmonious coexistence while strictly observing social norms and taking into consideration the environment.

Fair and Equitable Trade

THK selects its partner businesses based on annual evaluations on product quality and timely delivery as well as safety and environmental factors. Consideration is also given to honoring social responsibilities in order to exclude antisocial forces from the entire supply chain and to promoting green purchasing practices. To support fair and equitable dealings with all parties covered by the laws governing subcontracting, all personnel involved in orders and responsible for procurement endeavor to gain accurate knowledge of legal requirements and compliance. To this end, personnel participate in study sessions conducted by the Fair Trade Committee.

THK's Basic Policy on Procurement

To continue to provide products that satisfy its customers' needs, THK is building healthy and positive partnerships in an effort to ensure harmonious coexistence with its suppliers.

Activities

1. Procurement practices emphasizing clear communication with suppliers/ Evaluation and selection of partner businesses guided by thorough consideration for quality, cost, delivery, the environment, and safety (QCDES).
2. Fair and equitable dealings in compliance with all pertinent law, regulations, and societal norms.
3. Continuing effort to minimize costs/Encouragement of the active pursuit of cost-saving projects and value-analysis initiatives.
4. Pursuit of global purchasing.
5. Implementation of business continuity plans.
6. Demonstration of environmental consciousness through green purchasing.

Supply Chain

