

ESG

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

Harmony with the Environment



To promote environmental activities throughout the entire THK Group, the production facilities, sales offices, and distribution centers work together to implement activities that will reduce the burden on the environment. The Group also monitors the progress of environmental efforts and expands effective policies throughout the organization.

With regard to the results of its initiatives in 2016, the Group was unable to meet the objective for the management of hazardous materials (PRTR substance use target: 61,673 kg*, actual: 71,113 kg). However, it did achieve its targets for conserving energy and preventing global warming (CO₂ emissions ratio target: 0.78*, actual: 0.76) as well as for conserving resources and achieving zero emissions (zero emissions rate target: less than 0.50%, actual: 0.13%*).

*These targets were adjusted because data was taken from 12 Japanese production facilities instead of 8 as in previous years.

LED Lighting

In 2016, THK and its consolidated subsidiaries replaced LED lighting at 20 of their production facilities. Furthermore, when the THK MANUFACTURING OF CHINA (CHANGZHOU) facility began operating in July 2016, 536 bulbs (out of a total 676 used for illumination) were LEDs. A total of 4,405 bulbs were upgraded to LEDs, allowing the Company to save around 2,122 MWh of energy. THK will pursue energy-saving measures this year and in the future by continuing to switch to LED lighting in stages.

Production Facilities That Upgraded to LEDs

	Plant	Bulbs Replaced
Japan	GIFU Plant	874
	YAMAGATA Plant	741
	KOFU Plant	323
	THK INTECHS MISHIMA Plant	282
	YAMAGUCHI Plant	209
	THK INTECHS SENDAI Plant	134
	THK RHYTHM Kyushu Plant	82
	THK RHYTHM Hamamatsu Plant	57
	NIPPON SLIDE	36
China	THK MANUFACTURING OF CHINA (CHANGZHOU)	536
	THK MANUFACTURING OF CHINA (LIAONING)	52
	DALIAN THK	18
Europe	THK RHYTHM AUTOMOTIVE CZECH	280
Asia	THK RHYTHM MALAYSIA	98
	THK RHYTHM THAILAND	72
The Americas	THK Manufacturing of America	330
	THK RHYTHM AUTOMOTIVE CANADA (St. Catharines)	207
	THK RHYTHM AUTOMOTIVE CANADA (Tillsonburg)	30
	THK RHYTHM AUTOMOTIVE MICHIGAN	22
	THK RHYTHM NORTH AMERICA	22
		4,405

Using Solar Panels at the THK INTECHS MISHIMA Plant

By updating Plant 2's air conditioning equipment in June 2016, the THK INTECHS MISHIMA Plant's monthly energy usage increased by 15,000 kWh. Therefore, they installed 192 solar panels on the roof of the development building in January 2017 and began generating solar power in an effort to reduce their energy consumption as much as they could. The energy generated is primarily used for the compressors in Plant 2, but it can also be diverted to other electrical systems as needed. An LCD screen has also been set up in the entrance that makes it easy to see how much energy is being generated by putting it in terms of fluorescent bulbs and LCD screens.



Solar panels installed on top of the development building

Involvement in Society



Quality Assurance

THK has established a quality assurance structure with each production facility both in and outside of Japan certified with the ISO 9001 Quality Management System and other quality standards that allow the Company to adapt to different industries, such as the automotive and aerospace industries, depending on the products each facility produces. The THK Group has also established a system that allows quality data to be shared globally. In addition to gathering feedback from customers in each region, analyzing it, and providing rapid and appropriate service, the Company endeavors to develop products that meet market needs and to improve quality. In its mission to satisfy all of its customers, THK always strives to maintain and improve product quality, thereby delivering safe, dependable products and maintaining uniform quality all over the world.

Quality Policy

We implement quality assurance activities that ensure we always deliver products that will satisfy our customers and earn their trust.

Quality Management System Certification Status (Facilities)

	ISO 9001	JIS Q 9100 Aerospace Industry	ISO/TS 16949 Automotive Industry
Japan	11	1	3
Outside of Japan	11	—	7
Total	22	1	10

Quality Management Process



Together with Our Suppliers

Throughout our supply chain, from design to sales, THK strives to adhere to societal norms and be environmentally conscious in order to facilitate the creation of a sustainable society. We have formed good partnerships with our suppliers, aiming for mutually beneficial relationships.

THK Basic Policy on Procurement

In order to continue to provide THK products that satisfy our customers, we establish good, healthy, and mutually beneficial relationships with our suppliers.

Activities

- Procurement practices emphasizing communication with suppliers. Evaluating and choosing suppliers with thorough consideration for QCDES
- Fair and equitable dealings in compliance with all pertinent laws and societal norms
- Efforts to minimize costs. Encouraging the active pursuit of cost-saving projects and value-analysis initiatives
- Pursuit of global procurement
- Implementation of a BCP (business continuity plan)
- Environmental consciousness through green procurement

THK's Supply Chain

