

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

Basic Environmental Policy

The THK Group contributes to both society and the economy through our pioneering role as manufacturers of Linear Motion Guides and other products. We also believe that it is a company's social responsibility to leave the global environment in a healthy state for the next generation, which is why we are promoting the following initiatives to continually decrease our environmental impact and to sustain and improve the natural environment.

THK Group's Basic Environmental Policy

1. We consider conservation of the environment to be a major management challenge, and we are striving to accurately understand how our business activities, products, and services impact the environment. All divisions set appropriate environmental goals to address this challenge.
2. In addition to complying with environmental laws, we have set self-imposed standards that are reviewed regularly to improve the efficiency and effectiveness of our environmental management.
3. We will continually promote the development of products that help reduce environmental impact.
4. We will cut down energy use in our business activities and continually promote the reduction of energy consumption and greenhouse gas emissions.
5. With a particular focus on the reduction and recycling of waste from our manufacturing division, we will not only continue to promote the saving and recycling of resources, but also strive to prevent pollution.
6. We recognize the impact our business activities have on biodiversity, and we will actively work toward the conservation of all life on Earth.
7. To achieve greater collaboration with regard to our environmental activities, we provide guidance and support to our affiliate companies and business partners, and also strive to work in cooperation and harmony with the community.
8. This basic environmental policy is disseminated to all divisions in the Group through education, training, and awareness campaigns, and we facilitate the timely release of information on the environment both within and outside the Group.

Revised on April 19, 2018

Timers for the Kofu Plant Parking Lot Lights

As of November 2017, all of the lights that illuminate Parking Lot 1 at the Kofu plant are now operated with timers instead of being turned on and off manually. Previously, the lights remained on from the end of the workday at 5:00 p.m. until the beginning of the next workday at 6:00 a.m., a total of 13 hours. Considering the lack of people at night, however, the Kofu plant began using timers to keep the lights on for a total of 7 hours instead: 5 hours from 5:00 to 10:00 p.m. and 2 hours from 4:00 to 6:00 a.m. The lights illuminating the pedestrian walkways in the parking lot continue to stay on to eliminate security concerns. By shortening the amount of time the lights are on, the Kofu plant was able to reduce its annual energy use by approximately 1,058 kWh, or 0.51 tons of CO₂. The Kofu plant will adjust the timers to account for seasonal changes in the time the sun rises and sets.



Parking lot light that is now set by a timer

HVAC System Upgrade at the Yamaguchi Plant

In July 2017, the Yamaguchi plant upgraded the Factory 1 HVAC system to use one inverter turbo chiller instead of the two absorption chillers it had previously used. The new chiller does not use heavy oil for fuel. As a result, the Yamaguchi plant was able to reduce its annual energy use by approximately 137 kL of crude oil, or 368 tons of CO₂.



Newly installed inverter turbo chiller

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

Quality Management Process



Together with Suppliers

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

Quality Management System Certification Status (Facilities)

	ISO 9001	JIS Q 9100 Aerospace Industry	ISO/TS 16949 Automotive Industry	IATF 16949
Japan	11	1	1	—
Outside of Japan	13	—	7	6
Total	24	1	8	6

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.

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 |
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| 1. Procurement practices emphasizing communication with suppliers. Evaluating and choosing suppliers with thorough consideration for QCDES |
| 2. Fair and equitable dealings in compliance with all pertinent laws, regulations, and social norms |
| 3. Efforts to minimize costs. Encouraging the active pursuit of cost-saving projects and value-analysis initiatives |
| 4. Pursuit of global procurement |
| 5. Implementation of a BCP (business continuity plan) |
| 6. Environmental consciousness through green procurement |

THK's Supply Chain

