

ENVIRONMENTAL PRESERVATION

As a pioneering global manufacturer of vital machinery components, the THK Group has made a contribution to industrial society via the development of linear motion systems such as LM guides. At the same time, we recognize our corporate social responsibility in terms of contributing to global environmental preservation efforts so that future generations can inherit a healthy planet. To this end, we are engaged in various activities particularly through our manufacturing endeavors 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 continually promote conservation and recycling of resources, with particular attention to reducing and recycling waste from our manufacturing divisions.
5. 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.
6. 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.

Environmental Activities and Targets

Area	Objectives and Goals	Main Activities
Energy conservation	Cut greenhouse gas emissions	(1) Energy diagnostics (2) Energy conservation (3) Use of clean energy
Material conservation, zero emissions	Reduce environmental impact; achieve zero emissions	(1) Input controls (materials, parts and by-products) to reduce usage and boost per-unit yields (2) Controls on emissions and final waste disposal (3) Material re-use/recycling
Harmful substance controls	Eliminate and control harmful substances in THK Group production/distribution activities	(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	(1) Cage-embedded product series development (2) Extension of service life and maintenance-free periods

Environmental Management System

THK is working to acquire environmental management system ISO 14001 certification at all of its production sites in Japan and overseas. The Company had previously acquired individual certification at each of its five mainstay YAMAGATA, KOFU, MIE, GIFU and YAMAGUCHI plants in Japan. In fiscal 2010, THK acquired integrated certification covering all five plants. These achievements are a part of THK's efforts to build a structure that is capable of quickly securing Group-wide compliance with rules and regulations relating to global warming and resource conservation countermeasures as well as the handling of chemical substances.

Business Location	(Individual Acquisition)	Date of Certification	Examining Authority
YAMAGATA Plant	September 10, 1999		
KOFU Plant	December 28, 2000		
YAMAGUCHI Plant	February 2, 2001	December 17, 2010 (registration renewal date)	JQA
MIE Plant	September 6, 2002		
GIFU Plant	December 24, 2004		

Business Location	Date of Certification	Examining Authority
THK RHYTHM NORTH AMERICA CO., LTD. (USA)	June 13, 2001	SQA
THK RHYTHM CO., LTD. Headquarters/GOKYU Plant	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

Setting Up the Committee for the Promotion of Energy Conservation and Conducting Energy Conservation Meetings

THK established the Committee for the Promotion of Energy Conservation at its head office and Conducting Energy Conservation Meetings at each plant to promote Group-wide energy conservation and the reduction of greenhouse gas emissions.

Chaired by the president, the Committee, which is comprised of senior executive, determines the direction that the Group is to follow in its efforts to resolve environmental issues and problems. In addition, meetings comprised of plant managers and senior plant officials are held to deliberate on initiatives that will help raise the level of energy consumption efficiency at production sites which account for 95% of the total energy consumed by the Group.

Activities Aimed at Preventing Global Warming

THK engages in wide-ranging activities aimed at reducing the level of CO₂ emissions. At the GIFU Plant, every effort is made to reduce energy consumption. Among a host of measures, the Plant conducts energy conservation patrols within the confines of the facility to ensure that there is no wasteful use of energy. At the same time, these patrols serve to monitor the degree to which previous instructions have been implemented as well as the level of ongoing improvement.

At the YAMAGUCHI Plant, steps have been taken to secure electric power through the installation of boilers that emit significantly reduced levels of CO₂. Every effort is also made to reduce the use of in-house power generation equipment that utilizes heavy oils as fuel. The YAMAGUCHI Plant has successfully reduced CO₂ emissions by 25% compared with the use of heavy oils.

At the KOFU Plant, air-cooled type air conditioning systems have been replaced by water-cooled type systems.



Energy conservation patrol at the GIFU Plant

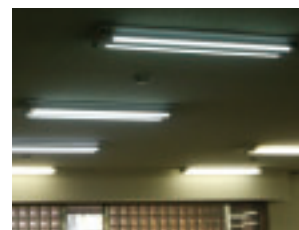
This initiative has helped cut CO₂ emissions by 17,084Kg annually. In addition, the Plant is promoting the use of LED bulb and LED fluorescent bulb lights, which help reduce energy consumption by approximately half compared with conventional lighting.



Boiler at the YAMAGUCHI Plant

Activities Aimed at Conserving Electric Power

Following the Great East Japan Earthquake that struck the nation on March 11, 2011, Japan as a whole has suffered from shortages of electric power. At the request of the government and electric power companies, the THK Group has introduced measures aimed at reducing the level of power consumption encompassing air conditioning, lighting and other utilities at its production, administrative, sales and marketing facilities and divisions. At the same time, the Group has reintroduced the use of in-house power generation equipment while installing diesel power generation and other devices. Through these means, the THK Group is committed to reducing energy consumption by more than 15% compared with peak levels during the summer of 2010.



LED lighting at KOFU Plant (Comparison between three types of LED lighting)

Resource Conservation and Zero Emission Activities

THK currently produces such waste as grinding sludge, scrap metal, grindstones, plastic, waste oil and fluids. The Company has set its waste-reduction target based on its emissions rate—the volume of waste designated for final disposal, expressed as a percentage of the total volume of waste generated. The waste-reduction target is currently set at less than 0.5%. THK adheres strictly to a policy that enhances material yields and ensures the sorting of waste. Currently, all waste is virtually earmarked for recycling in its entirety.

Green Distribution Activities

THK's Distribution Division is engaged in green distribution activities that strive to reduce environmental burdens throughout the entire distribution process. Activities in fiscal 2010 included the review of regular chartered shipping routes and efforts to improve load ratios as well as the modal shift and integration of rail transport routes. As a result of these endeavors, load ratios of chartered shipping routes improved by approximately 10% compared with levels recorded at the beginning of the period.



Green distribution Rail container