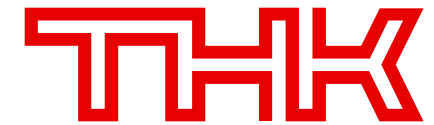


THK's Corporate Philosophy

Providing innovative products to the world and generating new trends to contribute to the creation of an affluent society.



THK's Corporate Basic Policies

1. Creating value and contributing to society

In accordance with our corporate philosophy, “providing innovative products to the world and generating new trends to contribute to the creation of an affluent society,” THK conducts business while making use of various operational resources provided by society and strives to create value in order to contribute to society.

As a creative, development-oriented corporate group, THK seeks to increase its corporate value through the development of original products and the use of original production technology. We conduct our business activities in a fair and safe manner and work to better our relationships with our partner businesses and shareholders, as well as with local communities. THK also honors its responsibilities as a member of society by practicing environmental conservation and disclosing information in a timely, fair, and appropriate manner.

2. Being customer-oriented

THK always maintains a customer-oriented attitude, acting in good faith to provide the best possible products and services. Customers want to be provided with better products, whenever needed, at lower prices. By taking the customer’s interests to heart—thinking, acting, and verifying our actions while embracing the customer’s point of view—we gain the trust of our customers. This is also how we gain the trust of our shareholders and all our other stakeholders, enabling us to deliver fair returns.

Profitability is the key to our continuing existence as a business enterprise. By channeling a portion of profits into new investment and developing new products and services, we can secure an even greater level of trust from our customers.

Being customer-oriented does not mean accepting customer’s requests indiscriminately, nor does it mean providing service while ignoring profitability. Being customer-oriented does not conflict with delivering profits. On the contrary, being customer-oriented and being profitable go hand in hand—we must never forget this.

3. Compliance with laws and regulations

THK complies with laws and regulations and other societal standards and engages in healthy and fair business activities. THK also abides by international rules and the laws of each respective location while respecting local customs and cultures.

THK resolutely opposes criminal organizations.

The THK Group Action Charter

We, the THK Group, as a creative, development-oriented corporate group, will strive to develop original products. We will also engage in customer-oriented business activities so as to be able to provide better products, whenever needed, at lower prices.

A business enterprise must play a role in economic and social development through fair competition, such as by generating added value and creating new jobs, and it must also be useful to society at large. To this end, the THK Group will respect human rights and abide by the letter and spirit of all relevant laws, regulations, and international rules, in Japan and in every other country, in accordance with the ten principles set forth below and will shoulder social responsibility based on high ethical standards to create a sustainable society.

1. In developing, producing, selling, and offering products and services useful and safe to society, the THK Group will strive to satisfy customers and earn their trust.

- 1-1. As a creative, development-oriented corporate group, we strive to develop unprecedented new products and understand the customers' needs so that we continue developing, producing, selling, and offering products and services that are safe and useful to society in order to contribute to the development of a sustainable society.
- 1-2. We ensure the safety and quality of our products and services.
- 1-3. We provide customers with applicable information about our products and services.
- 1-4. We deal with any inquiries from customers in an honest manner and then reflect their opinions in the improvement and development of our future products and services.

2. The THK Group will engage in fair, transparent, and free competition and will transact business in an appropriate manner. In addition, we will maintain normal, healthy relationships with governments and administrative bodies.

- 2-1. We strive to thoroughly practice compliance with the Competition Law, and other related laws and regulations, within our company.
- 2-2. We establish a policy for fair procurement activities.
- 2-3. In addition to contributing to society by making full use of our intellectual assets to develop, produce, sell, and offer excellent products and services, we instill the importance of protecting intellectual property rights, internally and externally, through our own conduct.
- 2-4. We establish the necessary systems for thorough adherence to laws and regulations related to Security Trade Control.
- 2-5. We avoid presenting gifts and entertainment for the purpose of obtaining undue profits.
- 2-6. In addition to establishing a highly transparent relationship with the government and administrative bodies, we support the realization of a policy-driven government.

The THK Group Action Charter

3. The THK Group will communicate with its shareholders and other stakeholders and will actively disclose corporate information in a fair manner. Further, we protect and control various kinds of information, including personal and customer information, in a thorough manner.

- 3-1. We promote communication with shareholders and investors through shareholder meetings and investor relations activities.
- 3-2. We disclose our information to stakeholders in an appropriate and timely manner.
- 3-3. We promote interactive communication with a wide variety of stakeholders through public relations activities, public hearings, and dialogues.
- 3-4. We make an effort to prevent insider trading.
- 3-5. We protect and manage personal and customer information in an appropriate manner.

4. The THK Group will respect employee diversity and the character and individuality of each employee. We will ensure safe and comfortable working conditions, provide education and training, and help employees achieve comfort and prosperity.

- 4-1. In addition to promoting work-life balance, we establish a human resources system that treats employees in a way that facilitates the employment of a diverse workforce.
- 4-2. We provide equal opportunities, without discrimination in the employment and treatment of our employees.
- 4-3. We prevent work-related accidents and support the promotion of employee health.
- 4-4. We respect the individuality of each employee and support the development of their careers and abilities through education, training, and other opportunities.
- 4-5. We communicate and discuss with individual employees directly or through their representatives in an honest manner.
- 4-6. We do not permit child labor or forced labor.

5. The THK Group will recognize that environmental issues constitute a common challenge for the entire human race. We regard the effort to deal with environmental problems as an essential requirement for our activities and existence as a business enterprise, and we will actively and voluntarily pursue such efforts.

- 5-1. We strive to construct a low-carbon society on a global level.
- 5-2. We strive to form a recycling-oriented society.
- 5-3. We strive to control environmental risks.
- 5-4. We promote efforts for preserving biodiversity and using resources sustainably.

The THK Group Action Charter

6. Acting as a good corporate citizen, the THK Group will proactively engage in CSR activities.

- 6-1. We set forth our basic CSR philosophy as contributing to society through our business activities, and we establish our company structure accordingly.
- 6-2. Based on our corporate identity, we identify the areas we will prioritize engaging in, and we utilize the resources of our business to promote CSR activities.
- 6-3. We encourage cooperating and collaborating with NPOs/NGOs, local communities, administrative bodies, international organizations, and a wide range of stakeholders.
- 6-4. We support employees taking the initiative to be active in their communities.
- 6-5. We take part in CSR activities as an industry and business community.

7. The THK Group will resolutely oppose criminal organizations that threaten order and security in civil society and thoroughly refuse any connection therewith.

- 7-1. We clearly develop our basic policy to eliminate any elements of criminal organizations in our company.
- 7-2. On a company-wide basis and in keeping with the law, we take countermeasures to prevent harm from criminal organizations.
- 7-3. We cooperate with relevant entities to work on eliminating any elements of criminal organizations in our company.

8. In accordance with the globalization of our business activities, the THK Group will comply with the laws and regulations in each country and region; respect various international standards, such as human rights; and contribute to the growth of the local economies of each country and region involved, while taking their cultures, their customs, and the interests of stakeholders into consideration.

- 8-1. We respect various international standards, such as human rights, in addition to adhering to our code of conduct and the laws and regulations of each country and region.
- 8-2. Respecting the cultures and customs of each country and region, we promote our business activities based on a relationship of mutual trust with our stakeholders.
- 8-3. As we pursue localization, we strive to provide appropriate work environments according to the conditions in each country and region.
- 8-4. We take an interest in the social responsibility of our business partners in each country and region, and we provide support for improvement when necessary.
- 8-5. We avoid presenting gifts and entertainment to foreign public officials for the purpose of obtaining illicit profits.

The THK Group Action Charter

9. The members of the THK Group's top management recognize that their role is to embody the spirit of this Charter. By setting an example for others, they will ensure that the Charter is thoroughly exercised internally, by all employees in our group companies, and make suggestions to our business partners. In addition, top management will continually elicit opinions from both within and outside the THK Group and establish effective internal systems.

9-1. The members of our top management fully exercise their leadership to clarify our corporate philosophy and code of conduct, as well as to enact them within the company group and promote CSR.

9-2. Our top management presents our corporate identity, code of conduct, and our basic stance on CSR to the public, and reports information about our specific efforts.

9-3. We maintain a system to facilitate our company-wide efforts.

9-4. The entire THK Group works to thoroughly practice corporate ethics and to promote CSR. At the same time, we make suggestions regarding those kinds of efforts to our business partners in our supply chain.

9-5. We provide and actively use the Corporate Ethics Helpline (consultation service), which is independent from the regular reporting line, to better our corporate activities.

9-6. We provide and enhance training/education courses dealing with implementing corporate ethics and promoting CSR.

9-7. We review and evaluate how firmly such efforts are established and how pervasive they are.

10. Should a situation arise that involves a violation of this Charter, the THK Group's top management will resolve the situation, ascertain the cause, and work to prevent any recurrence. The top management will fulfill its accountability obligations by promptly and accurately disclosing relevant information, and after determining the authority and responsibility of those involved, impose strict but fair disciplinary measures upon the parties responsible, including any members of top management involved.

10-1. Top management constantly adopts a risk management perspective and maintains an internal system to prevent unforeseen contingencies.

10-2. In the event of any unforeseen contingencies, the facts and cause of the situation are immediately investigated under the leadership of the top management itself in order to establish appropriate policies and countermeasures for the responsible entity.

10-3. The top management itself will make a prompt announcement regarding the facts, policies to deal with the situation, preventive measures, and other such information.