

Environmental managers talk about each department's efforts on the environment. At this time, we introduce the Environmental Management Department (Head Office) that set the new environmental targets along with the new medium-term management plan; NTN Fukuroi Corporation, a new addition to the NTN Group; NTN MANUFACTURING (THAILAND) Co., LTD (NMT), which has received good appraisals on their environmental efforts; and NTN DRIVESHAFT, INC. (NDI), which achieved remarkable results from recycling efforts.

Head Office (Osaka-city, Osaka-prefecture)

In 2010, you will see an environmentally-advanced NTN.



Toyoko Saka
Environmental
Management Department

NTN disclosed its new medium term management plan. What kind of plans were included for the environment?

The emphasized issues for the next three years are (a) Reduction of CO₂, (b) Achievement and continuation of a recycling rate of 99% or more, (c) Acquisition of ISO certifications at all NTN operating sites in Japan and overseas, (d) Improvement of hazardous substances management (including the supply chain), (e) Improvement of internal

environmental education, and (f) Development of local greening activities. These efforts are targeted towards the Kyoto Protocol, improvement of the environmental management structure, strengthening the management of hazardous substances and improvement of NTN's environmental reputation.

What kinds of efforts are being made to promote environmental activities at overseas sites?

We will increase opportunities for exchanging information as well as aggressively introduce energy conservation technologies / recycling technologies from Japan. For doing this, we think it is important to improve the level of staff in charge through periodic interactions with overseas plants.

What actions are taken towards suppliers?

We will ask all the suppliers to acquire environmental certification. We will support

suppliers to obtain certification, and propose that all suppliers obtain certification by the end of fiscal 2008.

What will the status of the entire NTN Group look like in 2010?

We have clear concrete numeric targets for 2010. For example, in plants, 25% reduction of CO₂ emissions compared to fiscal 1997 and total emissions of 297,000 tons or less per year, in logistics, 12% reduction of CO₂ emissions per kilometer compared to fiscal 1998, and at all overseas operating sites, 4.5% reduction of CO₂ emissions compared to fiscal 2006. Zero emissions will be achieved not only in Japan but also overseas, and the Green Procurement structure will be further improved.

Through these efforts, NTN's brand image will be established as "an environmentally advanced company." Also, we would like to establish our position as a company that emphasizes social contributions, through greening activities.

NTN Fukuroi Corporation (Fukuroi-city, Shizuoka-prefecture)

Aiming to be the world's No.1 CVJ plant, while improving the environmental awareness of every employee.



Tomomi Sugaya
Administration Department

What is the role of NTN Fukuroi Corporation in the NTN Group?

Our operation started in 2006 as one of members of the NTN Group, which is aiming to be a top global maker of constant velocity joints (CVJs). We are the 3rd CVJ plant in Japan and supply parts for CVJs to Iwata, Okayama and overseas CVJ plants. We aim to become the world's No.1 CVJ plant in all aspects – productivity, quality and delivery.

Also, we are an environmentally

friendly plant, adopting a state-of-the-art technology of "hardened steel turning" that eliminates the grinding process and uses no oil. It also utilizes the natural energy of wind power and solar power.

What affects the environment in production processes?

There is waste cooling water that is generated by the heat treatment process and noise that is caused by the production equipment (although at a very low level). For this reason, we periodically check environmental measurements and ensure the proper monitoring and management of relevant equipment.

In fiscal 2007, NTN Fukuroi Corp. will be integrated into the ISO multi-site certification. What kinds of issues do you have on this matter?

Improving the environmental awareness of employees is the 1st issue, because our

plant is quite new and there are many inexperienced employees. Therefore our environmental management committee and the environmental staff will conduct environmental training. We are trying to improve environmental awareness among all employees by displaying NTN's environmental policy and environment-related posters, and by saving electricity and segregated waste collection.

What are the new targets and ambitions for the future?

We would like to expand our activities not only in our work site but also by individuals or in homes toward preventing global warming. Also we are thinking of environmental conservation, such as through greening activities.

NMT (Thailand)

Certified as an excellent plant by the Thai Industrial Ministry and improved environmental awareness of employees.



Anan Kunthataworn
Administrative General Manager

What has been done to improve the environmental awareness of employees?

In fiscal 2006, a company training course –an essential item in the 2004 edition of ISO 14001 –was developed. All employees attended both an orientation and company training to improve their awareness on waste management, wastewater management, energy conservation and air pollution management. After the training, a comprehensive test was conducted and

persons who failed the test were re-trained to improve their environmental awareness.

It is said that NMT was highly evaluated by the Thai environment authority. What efforts were focused on the environment in 2006?

Programs were implemented to improve employee comprehension concerning two environmental targets: “5% reduction in electricity consumption” and “3% reduction in waste disposal expense.” Also, projects based on 5S activities and fringe-benefit concepts were implemented.

As a result of these efforts, in May 2006, NMT was certified as one of “999 excellent companies” by the Thai Industrial Ministry and the environmental awareness of employees was enhanced. All employees became proud of their plant and working environment. It is believed that these results greatly influenced the continuation of 5S activities and the improvement of working conditions and additional fringe-benefits.

It is said that the Thai investment committee (BOI)* will encourage corporate investment in pollution prevention measures in fiscal 2007. What activities does NMT plan for that?

MNT thinks the “grinding swarf briquetter” developed by NTN Japan will be an investment in pollution prevention. We will improve our recycling rate with this equipment and start selling the briquettes to steelmakers and recycling companies. We believe this advanced equipment will further the zero emissions goal at NMT.

* Thai investment committee (BOI): Thai governmental organization for promoting investment established in 1977. Broad incentives and protections are provided to investment projects that meet with national economic developments, such as: “Enhancing technology in Thai industry” and “Reducing environmental problems.”

NDI (U.S.A.)

Continuing energy conservation and recycling activities. Improving the results.



Bill Miller
Environment, Health and Safety Supervisor

NDI implemented an environmental management system in December 1999. What kinds of environmental improvements have been achieved?

NDI reduced power consumption, waste materials and wastewater. In fact, we have twice received the Indiana state “Governor’s Award for Environmental Excellence” for our improved recycling rate.

What was your environmental focus in fiscal 2006?

Our efforts were focused on four important issues:

1) Reduction of power consumption

Target: 2% reduction of power consumption per joint compared to the previous fiscal year.

Result: Achieved 4.3% reduction by energy conservation measures such as changeover to high efficiency electric motors and energy saving lights. CO₂ emissions reduced 1,800 tons.

2) Recycling of grinding swarf

Target: Continue 100% recycling of grinding swarf.

Result: 160 tons (100%) of grinding swarf were recycled by effective maintenance of filtering equipment for grinding coolant (We also received \$9,300 from selling the material).

3) Reduction of wastewater

Target: 300,000 gallon (1,140 kL) reduction in wastewater that is treated by external companies.

Result: 400,000 gallon reduction in wastewater by expanding oil / water separation, using a wastewater treatment plant (\$76,000 reduction in wastewater treatment cost).

4) Promoting recycling activities

Target: 100% recycling of office paper, aluminum cans etc.

Result: Collection containers were installed at appropriate locations, and collection was endorsed by employees. Achieved 98.1% recycling rate.

Where will you focus your future efforts?

We are aiming at continuous reductions of energy consumption and CO₂ emissions, expanding recycling activities and a continuous reduction of air pollution.

Also, we are making efforts to educate every employee to be aware of energy conservation and air pollution prevention.