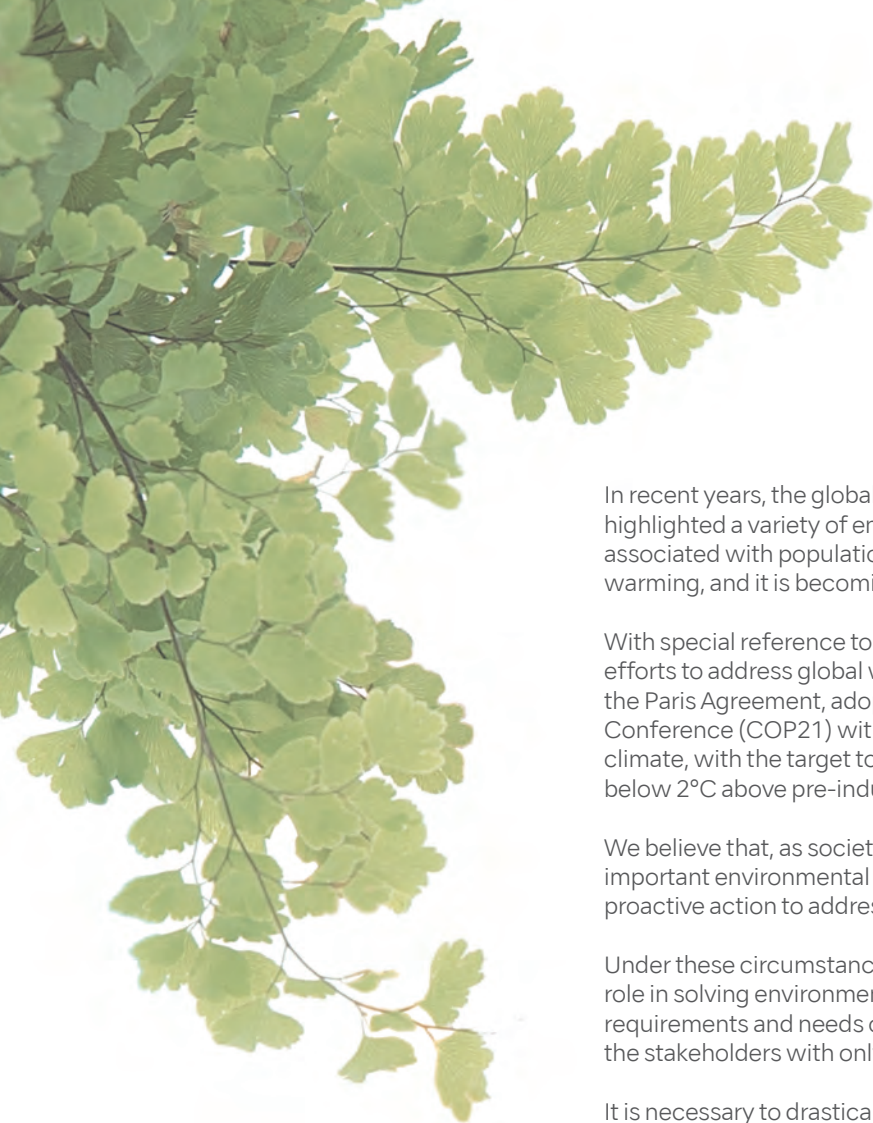




ENVIRONMENTAL  
REPORT

2018



## Top Message

In recent years, the global society's trends in the environment have highlighted a variety of environmental issues, including the resource depletion associated with population growth and climate change due to global warming, and it is becoming necessary to address these issues globally.

With special reference to the issue of global warming, it was decided to make efforts to address global warming throughout the international community, in the Paris Agreement, adopted by the 2015 United Nations Climate Change Conference (COP21) with the purpose of protecting the current and future climate, with the target to hold the increase in global average temperature to below 2°C above pre-industrial levels.

We believe that, as society becomes more conscious about the solution of important environmental issues, global companies also are expected to take proactive action to address these issues.

Under these circumstances, companies are playing an increasingly important role in solving environmental problems, and it is essential to respond to the requirements and needs of society. Thus, companies are no longer chosen by the stakeholders with only pursuing profits.

It is necessary to drastically change our values, set targets for coexistence with the earth and society, and take steady action to achieve them.

Nakanishi Inc. (hereinafter referred to "NSK") recognizes that the conservation of the global environment is one of the important issues common to humankind, and has been promoting environment-friendly company activities based on its environmental policies of giving consideration to the global environment conservation at all stages of its business activities.

We consider environmental issues as one of the most important issues that companies should take on social responsibilities.

Our most important mission is to reduce the environmental impact during manufacturing, as well as to create environment-friendly products that can contribute to the environment.

With the aim of establishing a low-carbon society, a highly cyclical society, and a natural symbiosis society, we are actively working together to achieve it as a manufacturing company. We provide new value to people's lives by developing high-quality, high-value-added products and working on manufacturing environmental-friendly products.

In addition, environmental laws and regulations are becoming more stringent worldwide, and the environmental needs of our customers are also diversifying.

We recognize these trends as opportunities. We will take prompt action for providing products with higher environmental performance as soon as possible to fulfill our responsibility as a manufacturing company.

Our goal is to create future of sustainable, safety, and rich global environment. To achieve this, we will improve the quality and technical capabilities of our all employees through provision of environment-friendly products and services worldwide and contribute to the society through manufacturing.

NSK will continue to improve our work for business development, while succeeding people's environmental activities to the next generation, to provide the best value to stakeholders.

Nakanishi Inc.  
President and Group CEO  
Eiichi Nakanishi

# Environmental Policy

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NSK shall implement in all its corporate activities, such as research and development, manufacturing, sales and services of ultra-high-speed rotary equipment, including dental instruments, considering the organization state that can affect business activities, the following environmental activities based on the goals of reduction of environmental impact for the global environment of the future, harmony with nature, and the establishment of a healthy and prosperous society:

**1. Promotion of environmental protection, including prevention of contamination**

NSK reduces environmentally hazardous substances in all of its activities to prevent contamination and protects the natural environment from harm and degradation arising from organizational activities, products and services.

**2. Continuous improvement of the environmental performance of energy and resource conservation**

NSK continuously improves its environmental performance in all fields of its activities including manufacturing products, focusing on energy conservation for global warming prevention and recycling for resource conservation.

**3. Compliance with environmental laws, regulations and other voluntary standards**

NSK ensures compliance with environmental laws and regulations related to all of its corporate activities, products and services and standards judged to affect the needs and expectations of interested parties.

**4. Reduction of environmental loads in all processes of business considering the life cycle**

NSK strives to continuously improve the activities to reduce environmental impact of all production processes from product planning and development to manufacturing, sales, use and disposal, with all of its employees, by accurately assessing the impact of its corporate activities on the environment and setting environmental targets within the range of technological and economical abilities.

**5. Promotion of communication with stakeholders**

NSK communicates with stakeholders, including those in the surrounding areas, to maintain the environment.

**6. Dissemination of environmental policy**

NSK communicates environmental policies and the importance of global conservation to all related stakeholders.

## Environmental Management System

Environmental issues are common to people all of the world, and it has become an age that companies' effort to reduce their environmental burden affect the quality of its management and, in turn, the evaluation of its products.

In January 1999, we acquired ISO14001 certification, the global standard environmental management system, and have tackled an environment-friendly business operation early on.

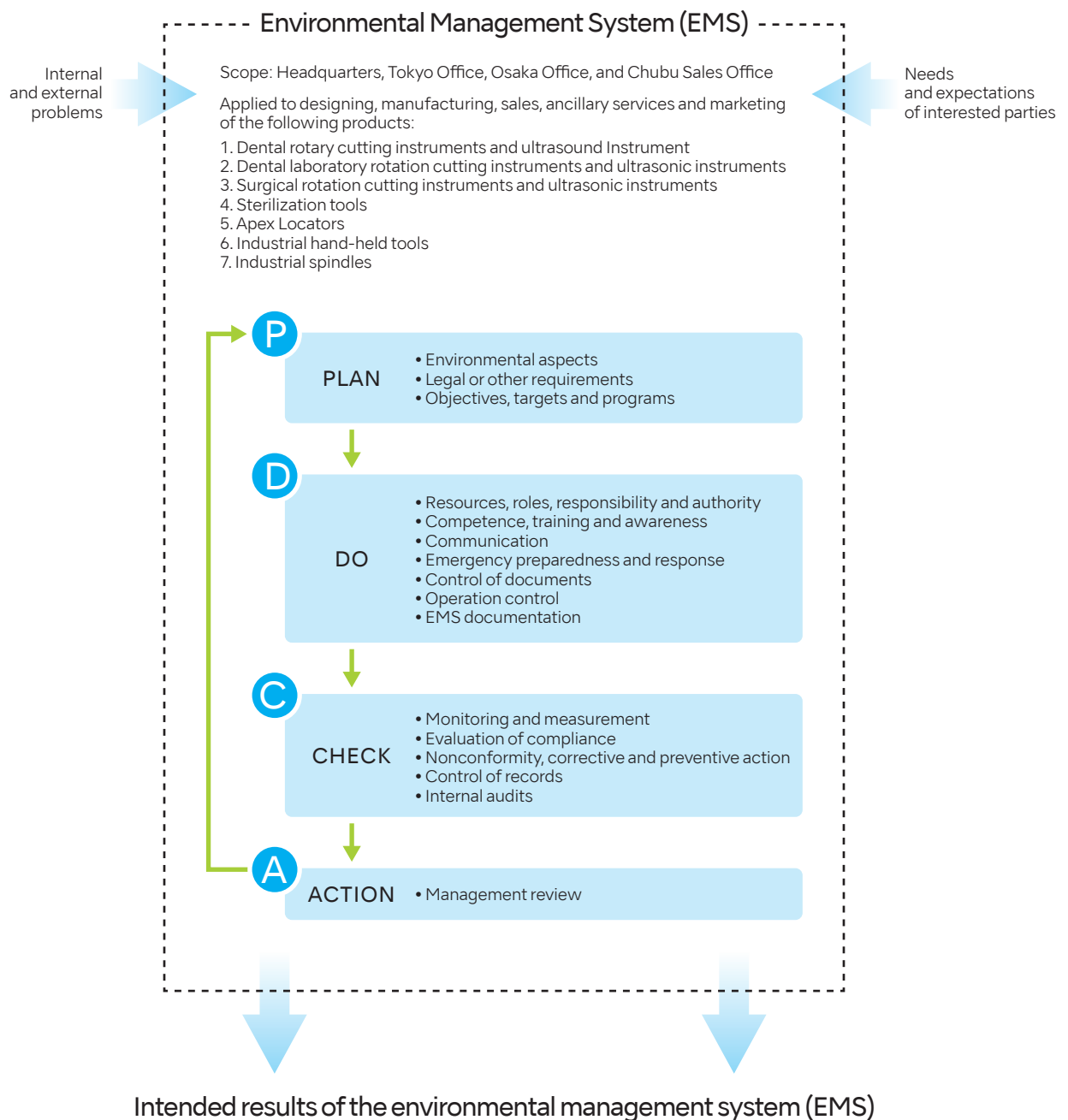
NSK implements in all its corporate activities, such as research and development, manufacturing, sales and services of ultra-high-speed rotary equipment, including dental instruments, the environmental activities based on the goals of reduction of environmental impact for the global environment of

the future, harmony with nature, and the establishment of a healthy and prosperous society.

We are working on a variety of environmental issues at all stages of the product life cycle.

We operate the system under all organizational activities, including development, manufacturing, sales, and management department, and we have acquired ISO14001 certification through efficient cooperation with each department.

In FY2017, we have completed the transition to ISO14001:2015. We will continuously work proactively to reduce the environmental impact with our all employees, aiming at both environmental conservation and economic development.



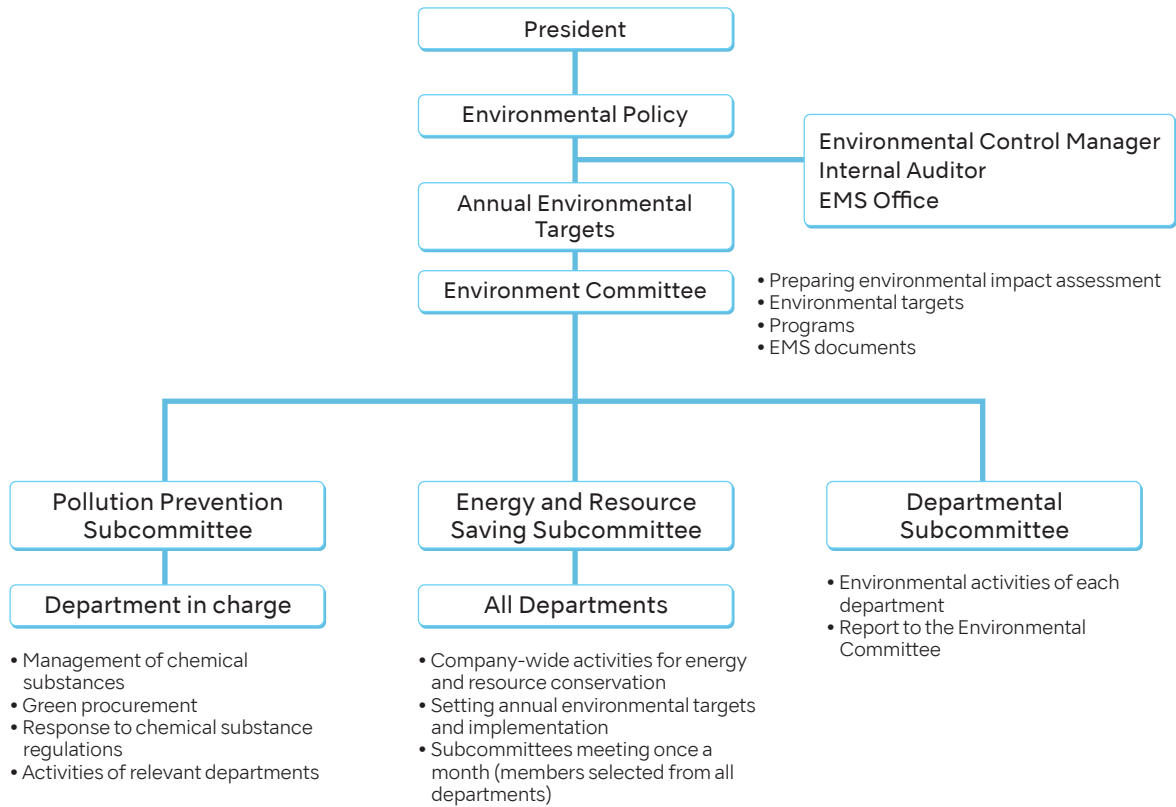
## Environmental Management Promotion Structure

NSK has established the management system division as a major department in charge of EMS/QMS management.

The management system division has a specialized EMS organization which conducts important deliberation and decision-making, including determination of environmental policies, setting environmental targets, and compliance with environmental laws and regulations.

We also have established three committees; the Environmental Committee which manages the

operation of an environmental management system and deliberates documentation, the Pollution Prevention Subcommittee which monitors requirements for chemical substances of each countries, such as REACH Regulation and RoHS Directive and verifies their impact on us, and the Energy and Resource Saving Subcommittee which promotes energy conservation and 3Rs (reuse, reduce, and recycle). Each committee considers and discusses various issues and develops activities throughout the company.



## Environmental Audit

NSK conducts internal environmental audits once a year to check for the conformity, legal compliance and effectiveness of the management system, as well as for the promotion status against the medium-term targets. This ensures that the management system is functioning effectively.

The results of this internal environmental audits are reported to the management level as input information

for the management review.

In addition, the purchasing department and production control department lead environmental audits of business partners.

We recognize the environmental audits of business partners as opportunities to share the current issues, and cooperate with each other to solve them.

## Compliance with Environmental Laws and Regulations

As global warming, resource energy, and other global environmental issues are becoming more widespread and globalized, policies and regulations are being reviewed and strengthened at the regional and national levels with the aim of sustainable growth.

NSK has strengthened its compliance management in accordance with environmental laws and regulations in order to ensure compliance with environmental laws and regulations at each production and sales organization.

As the processing of parts was transferred to the A1 Factory in FY2018, it was necessary to change specific facilities under the Water Pollution Control Law and the application for the installation of the hazardous

materials warehouse and facilities based on the Noise Regulation Law/Vibration Regulation Law.

Regarding chemical substances, as phthalates have become subject to the revised EU RoHS Directive, we have worked on replacing them with alternative substances.

We have been monitoring information on revisions of domestic and overseas environmental laws and regulations in order to ensure compliance with them. As a result, there were no breach of environmental laws and regulations or other requirements in FY2018. We remain committed to monitoring environmental regulations and other requirements to ensure compliance.

### Major relevant environmental laws and regulations

#### Water quality

- Water Pollution Control Law
- Septic Tank Law

#### Global Environment

- Energy Conservation Law
- Act on Rational Use and Proper Management of Fluorocarbons

#### Noise and vibration

- Noise Regulation Law
- Vibration Regulation Law

#### Waste & Recycling

- Waste Management Law

#### Safety & Facilities

- Industrial Safety and Health Law
- High Pressure Gas Safety Law
- Fire Service Law

#### Chemical substances

- Chemical Substances Control Law
- Poisonous and Deleterious Substances Control Law
- PRTR Law
- RoHS Directive
- REACH Regulation

NOTE) These are part of the environmental laws and regulations surrounding NSK.

NOTE) NSK also complies with laws and regulations in various countries and regions related to its business.

## PRTR (Pollutant Release and Transfer Register) Substances

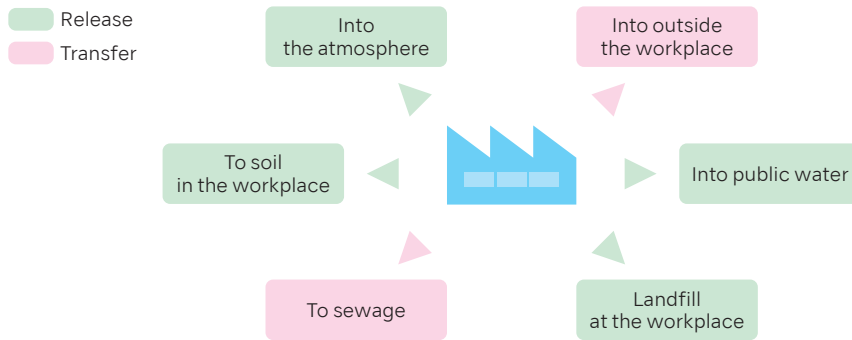
In FY2018, the handling amount of the PRTR regulated substance became 2.4 tons a year. Therefore we submitted a notification of the release amounts and transfer amounts.

The handling amount of regulated substances in FY2018 increased 37% compared to the previous year due to operation of the new A1 Factory, a specialized

plant for metal processing.

Approximately 86% of the handling amount is made up by Abzol, which is used for cleaning parts. Abzol is all reprocessed after use, so the transfer amount in accordance with the PRTR Law is "zero".

From now on, we will consider substitution of PRTR regulated substances to reduce its handling amount.



### Class I Designated Chemical Substances specified by PRTR Law

	Item	FY2018
Release amount	Emissions into the atmosphere	24.8
	Release into public water	0.0
	Release to soil	0.0
	Landfill	0.0
	<b>Total Release Amount (kg)</b>	<b>24.8</b>

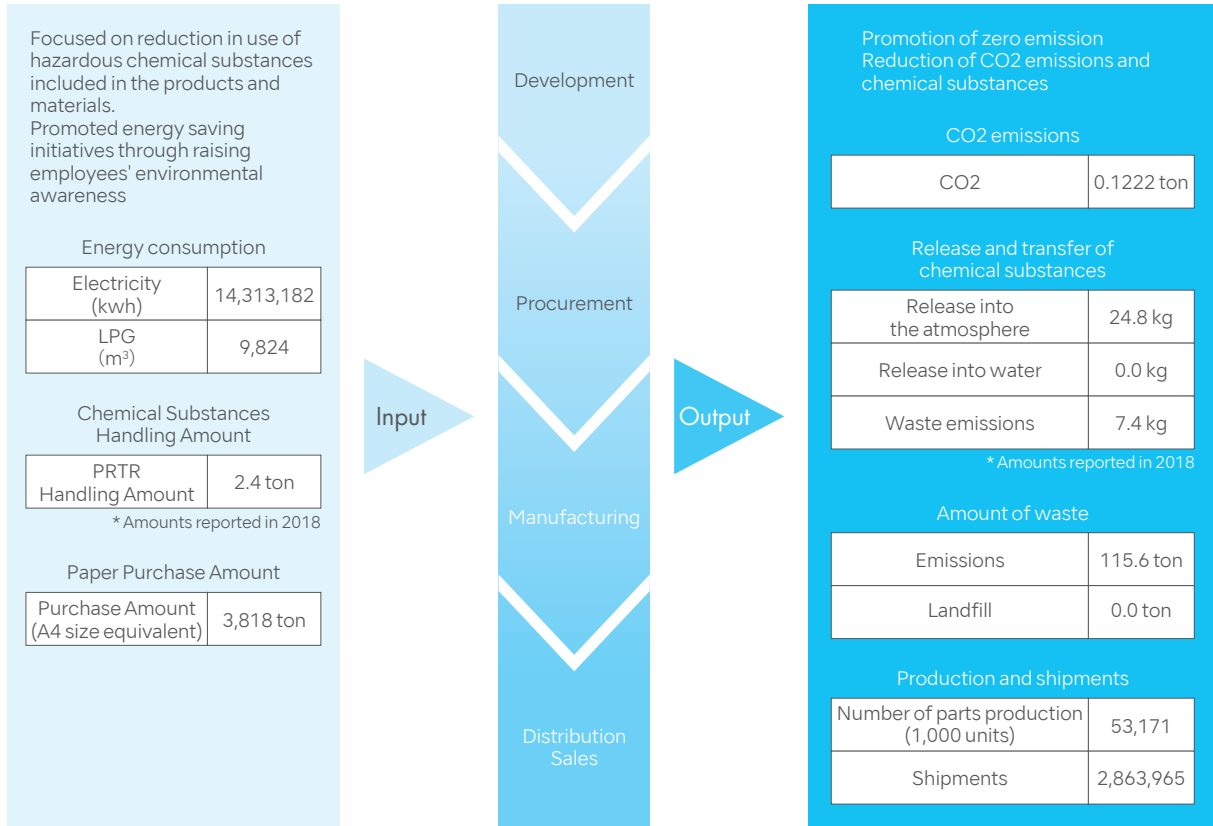
	Item	FY2018
Transfer amount	Transfer to sewage	0.0
	Transfer into outside the workplace	7.4
	<b>Total Transfer Amount (kg)</b>	<b>7.4</b>

Release amount : Amount of substances included in exhaust gas and wastewater from production processes, etc.

Transfer amount : Amount of substances transferred by disposing of waste outside the workplace, etc.

# Environmental Performance Report

1. Overall environmental impact of business activities  
Our material balance is as follows:



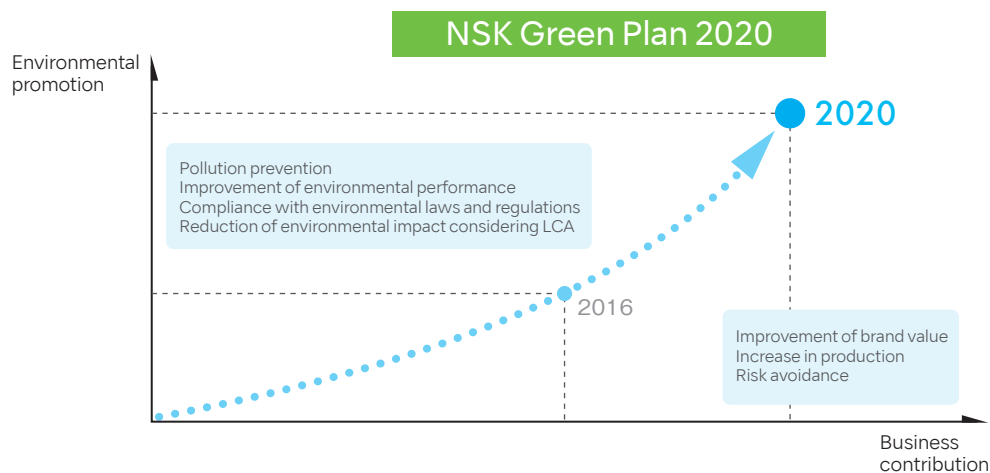


# Environmental Performance Report

2. Activities for reduction of environmental impact  
 NSK carries out improvement activities under its medium-term plan, "NSK Green Plan 2020". However, effective improvement of environmental issues cannot be achieved with our activities only. We believe that we are able to substantially contribute to the solution of environmental issues if we share our

beliefs and work together with stakeholders throughout the supply chain, including suppliers who supply parts and customers who receive products. NSK works with stakeholders to help solve environmental issues.

Environmental issue	2016	2017	2018	2019	2020		
Chemical substance	Reduction of CO <sub>2</sub> emissions	Establishment of system, enhancement of awareness	1% of reduction per production unit compared to the previous year	1% of reduction per production unit compared to the previous year	1% of reduction per production unit compared to the previous year	1% of reduction per production unit compared to the previous year	1% of reduction per production unit compared to the previous year
	Reduction of CO <sub>2</sub> emissions from non-production activities		Reduction of CO <sub>2</sub> emissions from non-production activities Reflect the contribution amount of non-production activities into the CO <sub>2</sub> reduction effects (1) Energy conservation of products (3) Energy conservation in offices (2) Energy conservation in logistics (4) Switching to higher efficiency facilities				
Resource recycling	Amount of waste	Establishment of system, enhancement of awareness	1% of reduction per production unit compared to the previous year	1% of reduction per production unit compared to the previous year	1% of reduction per production unit compared to the previous year	1% of reduction per production unit compared to the previous year	1% of reduction per production unit compared to the previous year
	Promotion of zero emission		Maintain the recycling rate of 99.7% or more Disposal of confidential information (valuable materials) with large-scale shredder vehicle and walk through survey for waste				
Water	Compliance with the effluent standards (BOD)	Compliance with the effluent standards of BOD (Biochemical Oxygen Demand), and setting voluntary standards * Shifting from reduction of use to maintenance of water quality of city water (cafeteria, main building and hand wash stations) and groundwater (others)					
Paper	Reduction of use due to resource depletion		1% of reduction per production unit compared to the previous year	1% of reduction per production unit compared to the previous year	1% of reduction per production unit compared to the previous year	1% of reduction per production unit compared to the previous year	1% of reduction per production unit compared to the previous year
Chemical substance	Control of Class I Designated Chemical Substances	Establishment of system	Confirmation of handling, release and transfer amounts of Class I Designated Chemical Substances				
	Promotion of green procurement		1% of reduction per production unit compared to the previous year	Response to surveys of material composition on suppliers Compliance with laws and regulations (compliance with green procurement guidelines)			
Compliance	Audit Measurement	100% compliance with environmental regulations and voluntary standards Prior understanding of revised information on related laws and regulations					



## Environmental Performance Report

### 2-1. Promotion of energy conservation

The total energy consumption in NSK has been increasing since FY2011 in accordance with the recent increase in production.

The total energy consumption in FY2018 increased by approximately 32% compared to the previous year. We believe that this was caused by the operation of the new processing plant (A1 Factory) in the industrial park in the vicinity. At the A1 Factory, some of the production processes are operated for 24 hours. There are 100 oil mist collecting machines installed to always collect and process oil mist scattered in the work spaces.

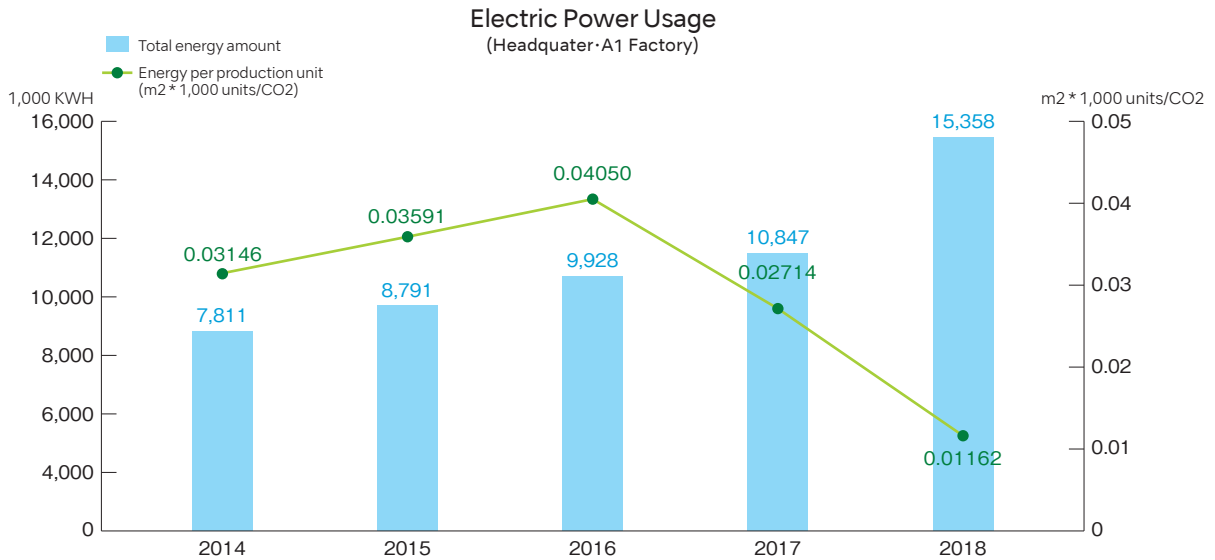
NSK has been actively investing in energy conservation.

We have begun energy-saving activities at on-site through the proposal activities, for example, installation of sunlight panels, introduction of the power visualization system, and the reduction of air conditioners used in the A1 Factory by separating product storage with partitions.

Our employees have built a high level of environmental awareness and always solved familiar problems steadily through ISO14001 activities.

We will continue to monitor the latest energy conservation technologies and actively promote steady improvement activities.

### ■ Total energy amount



## Environmental Performance Report

### 1) Installation of sunlight panels

We have 256 sunlight panels on the southern sidewall of NSK Wing G.

Annual power generation is approximately 33,000 kwh, equivalent to approximately 8 residential housing, and is used for lighting in Wing G.

### 2) Introduction of "Power Visualization System" to headquarters and A1 Factory

We have installed power monitors at all our workplaces to monitor power consumption in real-time and it sends an alarm before over-demand. We are constantly enhancing our employees' awareness of energy conservation.

### 3) Introduction of the automatic control system to the company's air conditioners in FY2015

We introduced the automatic control system for the air conditioners, which randomly stops operating for 3 minutes per 30 minutes. This has reduced power consumption of the air conditioner by 10%.

The temperature of the air conditioners is set to 28 °C in summer and 21 °C in winter.

### 4) Active introduction of hybrid vehicles

With a few exceptions, we have actively introduced hybrid vehicles with less environmental impact than gasoline vehicles to our headquarters plants and each offices. As a result, CO2 emissions associated with driving have decreased by 34% compared with 2.0 L gasoline vehicles.

### 5) Switching to new electric power

We switched to a new power system in response to the deregulation of electric power supply requirements.

In the past, we have had a significant impact on production due to the Great Kanto Earthquake and the FY2015 flood that attacked Kanuma City, Tochigi Prefecture.

Therefore, considers for productivity due to natural disasters have been carefully investigated (risk assessment of power supply) before making a decision on switching.

### 6) Operation of R&D Center (environment-friendly building)

The R&D Center building, a new headquarters building that started operation in April 2017, is designed for environmental compatibility. It incorporates environment-friendly materials and structure of exterior walls and equipment such as lighting and air conditioners. We have also introduced a central monitoring system to check each management value remotely at all times.



#### Exterior wall materials

The exterior walls of buildings are covered with  $\Sigma$ -shaped aluminum panels called the "environmental panels," which protects the structural trunk and exterior thermal insulator.

The environmental panel functions as a sunlight control system and a natural ventilator, which improve the insulation performance, make the internal environment more comfortable, and achieve high energy conservation.



#### Lighting

All buildings are equipped with LED lighting, partially with a human sense sensor, which prevents forgetting to turn them off for energy conservation.

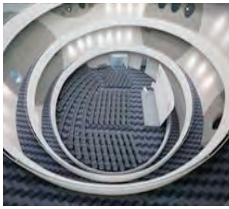


#### Planting

We have planted more than 300 of 10 different trees and seeds, including cherry trees, zelcova trees and grasses, outside the building to develop rich green walkways and gardens.

We also landscaped the prefectural land in front of the main gate by planting ground-cover plants such as hedelas and other seeds. In addition, environmental beautification activities such as regularly picking up garbage on the surrounding roads are carried out.

## Environmental Performance Report



### Underfloor air conditioning by floor cooling/heating

In large spaces, such as entrances, showrooms and the Center Coat with a four-story atrium, the floor cooling/heating system using abundant groundwater works with the underfloor air conditioners to make residential spaces comfortable and achieve high energy conservation.

### 7) Operation of the A1 Factory

We create 85% of our precision parts in-house. In March 2018, we began operation of the A1 Factory, in which a large number of processes that were distributed across multiple buildings are integrated into a single building. In the A1 Factory, we have integrated a number of processes from machining parts to finishing to build up an optimized production line with fewer wastes and losses. This increases production capacity and substantially improve product quality and production efficiency.

Energy consumption is one of the environmental impacts of the A1 Factory. As 70% of total energy is consumed in the A1 Factory, we have been promoting

energy conservation initiatives, including the proper operation of compressors, reduction of air consumption, and optimization of the collection ability of dust collectors, together with the production engineering department and the parts processing department.

In addition, the A1 Factory provides employee-friendly facilities by constantly collecting and processing oil mists scattered in work spaces.

As a global company, we will continue to timely provide innovative and impressive products through our manufacturing activities, while considering local environment and work environment.



# Environmental Performance Report

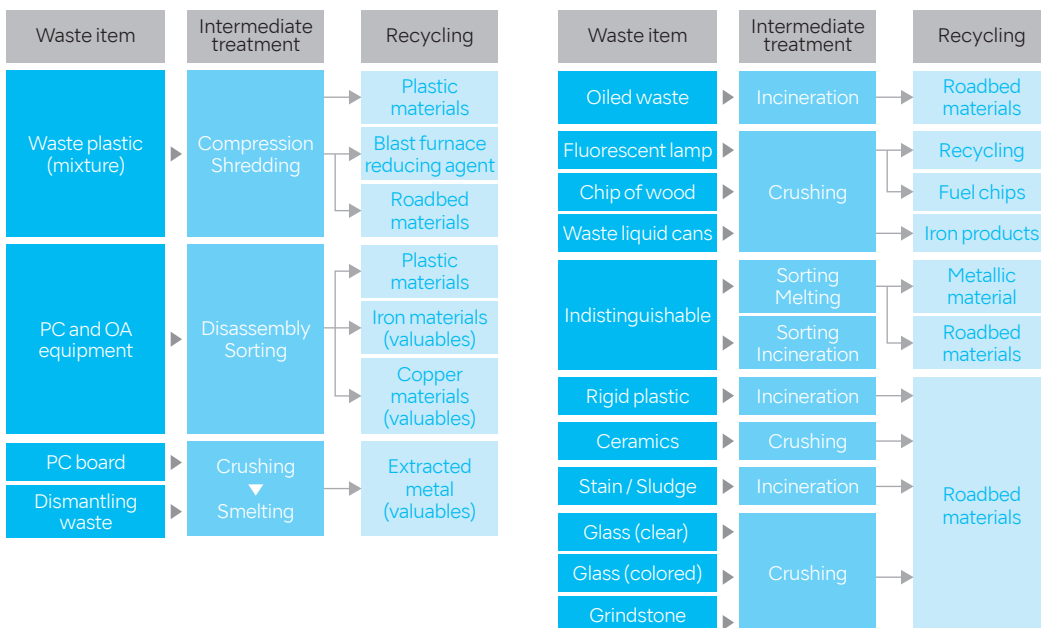
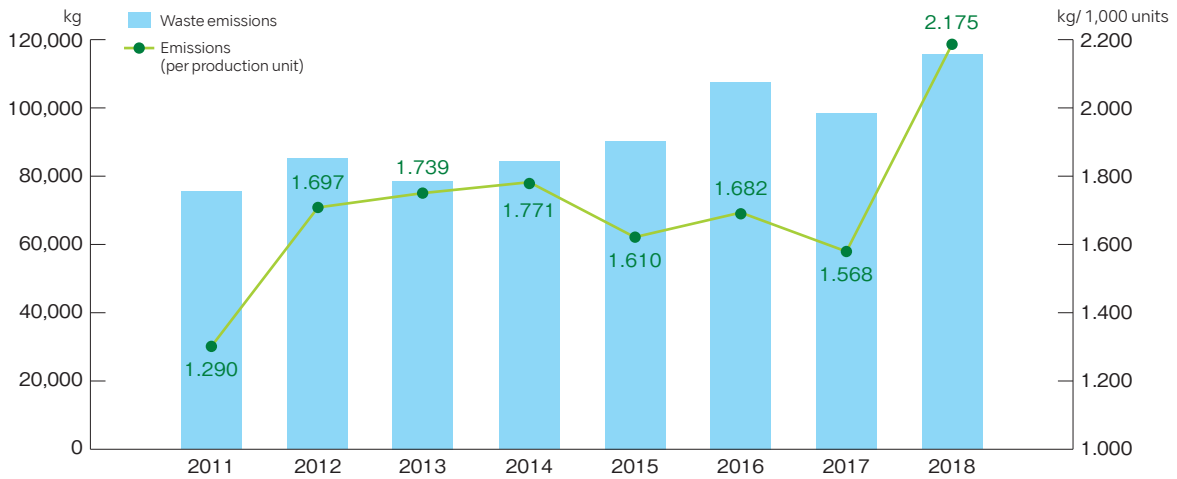
## 2-2. Waste reduction, recycle

3Rs (reduce, reuse, and recycle) are the most effective way to reduce wastes. NSK is working to reduce industrial waste and promote 3Rs with the aim of achieving resource recycling and zero emissions. In FY2018, total waste emissions were approximately 115.6 tons, of which approximately 93% were waste plastic, waste oil, and sludge. The production unit, which had been on a decreasing trend, increased significantly to 2.175 kg/1,000 units in FY2018. This was caused by the increase in the amount of waste oil collected by floor clean machines used in the A1 Factory, and it has been confirmed that the amount of waste indirectly involved in production is increasing the production unit. Currently, the frequency and range of floor cleaning are limited and improvements

are being made.

In addition, we are actively working on the rental of waste cloths and the recycling of cleaning liquid. The Energy and Resource Saving Subcommittee promotes 5S activities at waste storage areas. In order to ensure thorough separation of waste within our company, we have devised easy-to-see and easy-to-understand identification methods and are constantly examining the ease of use of waste storage areas while incorporating the opinions of the users. Based on our belief that "if it is disposed, it's a waste, but if it is sorted, it is an effective resource," we will continue to promote recycling while conserving limited resources.

Changes in waste emissions and production units



## Environmental Performance Report

### ■ Environmental Activity Assessment for FY2018

Purpose	Objective	Achievement	Assessment	Status
Energy conservation	Reduction of CO2 emissions (3% reduction compared to 2015)	63.7%	×	0.1222 ton-CO2 compared with the target of 0.0778 ton-CO2
	Optimization of the number of compressors controlled	100.0%	○	Stop 8 out of 21
Resource saving	Reduction of waste emissions (3% reduction compared to 2015)	71.8%	×	2.175 kg/1,000 units compared to the target 1.562 kg/1,000 units
	Regeneration of cleaning fluid (HC-250) and introduction of recycled products	100.0%	○	Recycling of our waste liquid and reuse of regenerated cleaning fluid
	100% switching to rental waste	100.0%	○	Elimination of disposable waste and completion of switching to rental waste
	Integration and compactness of instruction manuals	100.0%	○	Annual effect: ¥510,000
	Digitization of drawings	100.0%	○	Introduction of tablet terminals to digitize processing drawings
Pollution prevention	Phthalic acid-free of industrial products	100.0%	○	Phthalic acid-free of industrial products
	Environmental audits of business partners 10 suppliers, 4 contractors for processing	100.0%	○	Promotion of environmental activities and confirmation of legal compliance

Evaluation Criteria:

○ = Achievement rate of 100%   △ = Achievement rate of 90% or more and less than 100%   × = Achievement rate of less than 90%

The reason for the failure to achieve the targets for energy and waste is that a new plant has been in operation. Considering the working environment and the health of employees, the amount of energy used is increasing in areas that are not directly involved in production. Therefore, we will consider measures to reduce energy consumption in cooperation with the production department.

### ■ Water quality management of plant wastewater and domestic wastewater (BOD value)

Monitoring Items (Unit: mg/L)				2011	2012	2013	2014	2015	2016	2017	2018
Septic tank	Tertiary treatment tank	BOD	20	9.0	9.4	7.1	9.7	4.6	5.4	3.4	3.2
	30-person tank	BOD	20	7.4	7.7	6.6	10.0	11.3	10.5	12.1	4.5
Plant wastewater	Hydrogen ion concentration		5.8-8.6	7.5	7.5	7.6	7.3	7.6	7.5	7.6	7.7
	Suspended solids SS		50	3.8	4.1	1.1	7.2	8.9	16.6	11.3	4.0
	BOD		25	2.5	3.0	1.8	2.3	3.0	2.1	3.0	3.6
	n-Hexane		5	0.6	0.5	0.5	0.5	0.7	0.6	1.1	0.7

### ■ Promotion of the Ecocap Campaign (FY2018 results)

- Collection results  
Cumulative total: 308,181 caps → 56% (50,740 caps) over the previous year
- Vaccine  
33 patients (860 with one polio vaccine) Cumulative total: 401.4 patients
- CO2 reduction  
207.9 kg (3.15 kg CO2/kg) Cumulative: 2,276.6 kg

### ■ Other

- Recycling rate of cutting oil: 99% or more
- Cleanup of the area around the plant
- On-site verification of waste disposal contractors

## Management of Chemical Substances in Products

In recent years, regulations on chemical substances in products have become increasingly strict, including the implementation of RoHS Directive, REACH regulation, etc., and thorough control systems have been required.

Our basic philosophy is "not to enter," "not to use," and "not to emit" of chemical substances subject to regulation, and we have established and are operating the "NSK Green Procurement Guidelines."

Especially, in response to the REACH Regulation, we are promoting the procurement of materials that SVHC (substances of high concern) are not used and we quickly obtain information on newly added SVHC twice a year and verify its impact on the parts and materials used.

According to the RoHS Directive, electrical and electronic tools (Category 6) that are exempt from

the application of phthalates will be applied in July this year, and medical devices (Category 8) will be applied in July 2021. Electrical and electronic tools (Category 6) substitution has been completed.

When considering substitute materials and parts, we thoroughly consider product quality and conduct evaluations from the user's perspective and from all perspectives such as durability, safety, functionality, and operability.

We recognize that establishing a system that does not contain regulated substances in coordination with the quality management system will enable us to build trust with our users over a long period of time. In addition, we regard such activities and attitudes as one of our responsibilities to achieve the best exchange of value with our stakeholders, and we believe that this is our responsibility.

## Green Procurement

To realize environmentally friendly products, it is essential to cooperate with suppliers.

We have established the NSK Green Procurement Guidelines in order to procure parts and materials that do not contain regulated chemical substances through environment-friendly manufacturing.

We are also asking suppliers to cooperate with environmental audits and surveys of chemical substances contained in products throughout the year in order to establish a chemical substance management system in the supply chain, including suppliers.

To investigate chemical substances contained in products, we have introduced new chemSHERPA tools and are striving to strengthen the regulatory of chemical substances.

This is one of the efforts we aim for "not to enter," "not to use," and "not to emit".

The objective of this effort is to improve the management status of suppliers that are upstream companies, and we believe that it also leads to building trust with midstream and downstream companies. We will continue to strengthen our green procurement system by regularly and continuously

conducting audits and guidance for suppliers that are upstream companies.

In addition, each internal organization prohibits the use of hazardous chemical substances regulated in each country in accordance with environmental laws and regulations and internal regulations. As a member of the NSK Brand, it is always the mission of manufacturing to improve customer satisfaction. We are committed "not to use" hazardous chemical substances while promoting the development of high value products and efficient manufacturing from everyday life.

By thoroughly enhancing our efforts "not to enter" and "not to use," we believe that the purpose that is "not to emit" hazardous chemical substances from our company can be achieved.

We are committed to ensuring that cooperating companies understand the purposes of "not to enter" "not to use" and "not emit" by monitoring the constantly changing information on environmental laws and regulations of each country, and that our customers can use our products without any concern.

## Activities to Preserve Biodiversity

NSK divided its activities to conserve biodiversity into three fields; the raw material procurement, products manufacturing, and industrial sites.

In the field of the raw material procurement, we cooperate with suppliers to conduct the activities, while deepening understanding of biodiversity. We make particular efforts to prevent the inclusion of hazardous substances based on green procurement, to stop idling during delivery, and to reuse returnable containers and cushioning materials.

In the products manufacturing field, we focus on reducing impact on the ecosystems through manufacturing, for example, reduction of energy and resources consumption, and the CO2 and wastewater generation. We have been promoting sustainable efforts, including BOD value control, use of sunlight

panels and introduction of high-efficiency equipment, for the purpose of environmental conservation.

In the industrial sites, we give special consideration to the local environment and the ecosystems around the plant through promoting social contribution activities such as securing green spaces in the premises and beautification activities around the plant.

Biodiversity provides essential benefits for all humankind. In this context, biodiversity conservation activities are spreading as global initiatives.

Although our activities are steady and modest, we believe that they will become very meaningful if all employees continue these small activities with their ingenuity. We will continue to build up such steady and sustainable activities.

## Education and Enlightenment

Raising environmental awareness of each employee is important for promoting environment conservation activities. Therefore, we believe that enhancement of education system and continual education are indispensable.

We regularly provide general environmental education in order to improve our employees' knowledge of the environment. New and mid-career employees are encouraged to increase their knowledge of our environmental policies, ISO14001 requirements, and environmental laws and regulations. We also provide

education to our business partners and related departments on chemical substances related to the EU RoHS Directive and REACH Regulation, and on the details of revisions to environmental laws and regulations.

In addition, we give lectures on recent environmental issues and our environmental activities to visitors for factory tours at elementary schools, etc. We have been recognized as a manufacturing company that gives due consideration for environment and operates locally oriented business.

## Communication with Local Communities

As a local company in Kanuma City, Tochigi Prefecture, NSK focuses on communication with local communities, including local government and residents, etc.

We are promoting the "Clean-up NSK" campaign, a local cleaning activity, mainly undertaken by the Energy and Resource Saving Subcommittee.

We work to beautify roads in the neighborhood used by local residents and our employees everyday so that they can be used safely and comfortably.

We have submitted the application for "AI-Road" (which means "Love-Road") to Tochigi Prefecture for this cleaning activity, and we are committed to maintaining and managing the environment around the plant under our responsibility.

This effort has been highly appreciated by local residents and customers who visited us.

