

Third-party opinion

I have read the *THK CSR Report* in detail and feel that it is a straightforward presentation that is easy to understand. Let me give you my impressions on three points that were taken up in the report.

First, Mr. Shirai, the Director in charge of CSR, notes that “CSR should not be seen in terms of expenditure, but as an investment.” I am convinced that, as long as this basic principle is maintained, THK’s CSR activities will take on more and more significance. The return on investment is not something that can be assessed by simply looking at a sales figure. Shareholders, for example, should be made to understand that there are other returns that are difficult to express in numerical terms, such as a company’s image as perceived by the public, and these are also important.

Second, the diagram under “Environmental impact: The big picture,” which illustrates environmental input and output, with THK in the center, left a strong impression on me. I think this illustration perfectly sums up THK’s environmental measures. I note, however, that the illustration mentions only five plants and four production sites in Japan, which makes me wonder about THK’s overseas locations. The figures given for sales, total amount of waste generated, and CO₂ emissions have to be accepted for what they are. It makes one want to know, though, how they compare

with the situation at other companies within the same industrial sector and with producers in general, both in Japan and abroad. An explanation of how this ties in with the numerical environmental targets on the preceding page might also make the presentation easier to understand and even more persuasive.

Third, this report is too valuable to be shared solely with THK’s direct stakeholders. My own area of expertise, strategic system engineering, is a technological field that eschews a “can’t see the forest for the trees” approach in favor of seeing both the trees and the forest. You cannot put together a composite system unless you understand the technology of each component; the notion that management is all that counts is a misconception. Starting out from complex boundary friction, which is sometimes said to be the devil’s work, THK set about developing products that make maximum use of rolling friction and succeeded. This simple but tricky subject is not exactly popular in today’s academic and research circles. The declining numbers of interested faculty members and students, as well as researchers, presents a serious problem.

I think the true significance of CSR lies in making excellent reports like this one available to the whole world, in order to appeal to talented young people everywhere to return to the roots of *monotsukuri*.



Professor Yoshiaki Ohkami, Ph. D.
Graduate School of System Design and Management, Keio University

Born in 1939. In 1963, Professor Ohkami earned his master’s degree from the Department of Applied Physics (Instrumentation and Control Engineering), Faculty of Science and Engineering I, Waseda University. In 1968, he completed his doctoral degree at the Division of Science and Engineering, Graduate School of Science and Engineering, Tokyo Institute of Technology. He then joined the National Aerospace Laboratory of Japan’s Science and Technology Agency. In 1974, he went to the University of California, Los Angeles, as a visiting researcher, where he became a NASA International Fellow. In 1992, he became a professor (Space Engineering) in the Department of Mechano-Aerospace Engineering, Graduate School of Mechanical Engineering, Tokyo Institute of Technology. In 1999, he became a special advisor and technical commissioner to the Japan Aerospace Exploration Agency. In 2000, he became a professor at the Graduate School of System Design and Management, Keio University. He assumed his current position in 2008.

He presented prize-winning papers to the Society of Instrument and Control Engineers in 1970 and 1980. In 1981, he was awarded the Technical Achievement Prize by Japan’s Ministry of Science and Technology. He has also submitted a prize-winning paper to the Japan Society of Mechanical Engineers. In 1997, he was made a JSME Fellow at the Society’s 100th anniversary celebration. In 1999, he was awarded a prize by the JSME Space Engineering Division in recognition of his services. In 2000, he received the John Breakwell Memorial Lecture Medal from the American Institute of Aeronautics and Astronautics.

Postscript

This concludes the *THK CSR Report 2008/2009*, our second report so far. Amid mounting public interest in CSR reports, we have introduced a feature section on the pursuit of CSR through our core business and have tried to explain THK's corporate governance and compliance systems, as well as our efforts to develop environment-friendly products and alleviate global warming.

We have also made an effort to present the voices and opinions of a greater number of people affiliated with THK, including THK employees. We hope this conveys to our stakeholders aspects of THK that we

usually do not have a chance to show. We hope you feel that reading this report was worthwhile.

We will continue our group-wide efforts to further enhance our reports by drawing on the resources of our newly established CSR Project secretariat.

We look forward to hearing the views of you, the reader, so that we can use this valuable feedback as a reference resource for future CSR activities, and when we put together our next report. We greatly appreciate your candid thoughts and opinions and encourage you to fill out the attached questionnaire.

CSR Report Project secretariat
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