

# Aiming for a sustainable society and world

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The JTEKT group has positioned the environment as one of our main management issues. In March of 2011, we formulated the JTEKT Group Environmental Vision comprising of our Environmental Philosophy and Environmental Policy, and have been promoting activities that contribute to a sustainable society and world under the company and group-wide promotion structure.

## Environmental Vision

### Revision of Environmental Policy

In January 2017, JTEKT revised its Environmental Policy. In addition to introduction of renewable energy in our plants and recycling of resources including water, we contribute to reduce CO<sub>2</sub> emissions through our business as one of the top runner companies providing environmentally-friendly products.

Moving forward, JTEKT will strive to establish our Environmental Management System with stronger links to business purposes and management strategy.

### JTEKT Group Environmental Vision

#### Environmental Philosophy

The JTEKT group is aiming for “ZERO” environmental burden of business activities and products throughout their life-cycle in order to conserve the global environment for future generations and realize a sustainable society.

#### Environmental Policy (Date of establishment: January 1st, 2017)

Based on our corporate philosophy, all JTEKT employees share the JTEKT GROUP VISION and JTEKT WAY in promoting global environmental conservation activities autonomously and proactively in accordance with JTEKT's management strategy, including both internal and external issues.

1. Make a continuous improvement in our Environmental Management System to enhance environmental performance.
2. Comply with environment related laws, regulations, treaties, agreements and other requirements related to our business activities. Promote harmony with community environments, maintain/improve environmental conservation and strive to prevent environmental pollution.
3. Conduct environmental management activities designed to the lifecycle of our products, and pursue the following:
  - (1) Develop and design environmentally friendly products
  - (2) Procure raw materials with low environmental burden, and control/reduce CO<sub>2</sub> emissions, waste and chemicals etc. at every manufacturing stage
4. Protect biodiversity considering of locational conditions of each JTEKT site and establish a society in harmony with nature through ecosystem conservation.

## Promotion structure

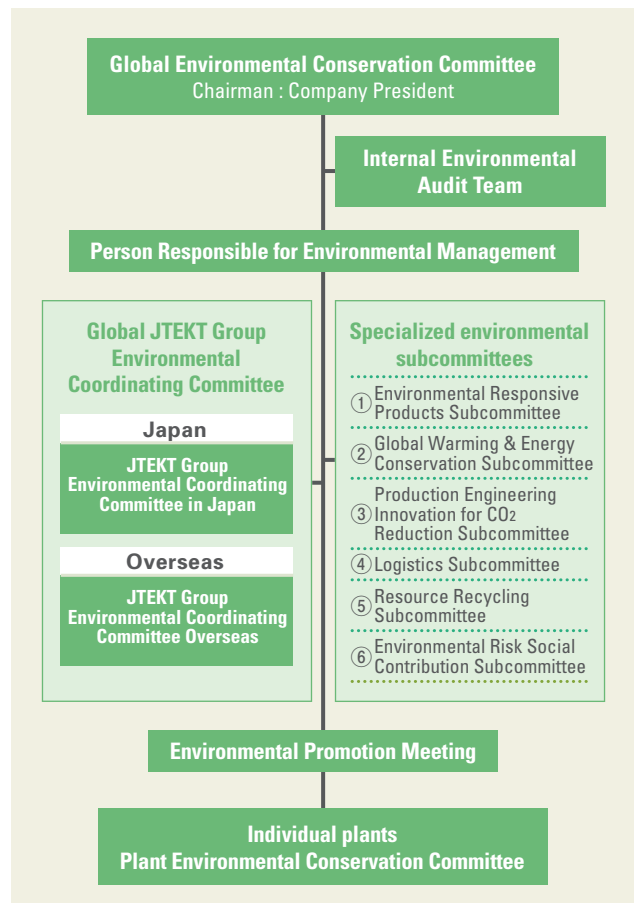
### Global Environmental Conservation Committee

JTEKT promotes environmental management, led by the Global Environmental Conservation Committee which is chaired by the company president. Under the guidance of this committee, each subcommittee deploys activities to achieve high goals.

### Global Environmental Management

We are working to further strengthen our environmental management not only for JTEKT, but also for 19 domestic group companies as well as 38 global group companies (As of the end of March 2017).

### Organizational chart



# Environmental Action Plan 2020

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In order to realize our Environmental Challenge 2050, which is a guideline to minimize environmental burden by the year 2050, JTEKT formulated the Environmental Action Plan 2020 that provides policies and specific targets. The entire JTEKT Group worked together towards the targets, and in FY2016, we achieved some targets ahead of schedule.

## Environmental Action Plan 2020 Targets, FY2016 Activity Results

Category	Implemented by	Item	Base year	FY2020 targets	FY2016 results
Products / Technologies	Global	Product-based CO <sub>2</sub> reduction contribution*	—	800,000 t	726,000 t
Creation of a low-carbon society	JTEKT-independent	CO <sub>2</sub> emissions	Target basic unit for FY2020 × Production volume		—
		CO <sub>2</sub> basic unit	FY2008	15% reduction	8.3% reduction
	Global	Basic unit of CO <sub>2</sub> from distribution	FY2012	8% reduction	4.4% reduction
Creation of a recycling-based society	JTEKT-independent	CO <sub>2</sub> basic unit	FY2012	10% reduction	8.3% reduction
		Basic unit of waste	FY2008	18% reduction	14.8% reduction
		Basic unit of packaging material	FY2012	8% reduction	4.9% reduction
	Global	Basic unit of waste	FY2012	8% reduction	18.7% reduction
		Basic unit of water usage	FY2012	8% reduction	1.3% reduction
		Basic unit of water usage	FY2012	8% reduction	49.1% reduction

\* Contribution towards reducing CO<sub>2</sub> emissions equivalent or greater than overall CO<sub>2</sub> emissions through products

(Excerpt)

### Activities

#### Introduction of renewable energy

In 2016, JSAI (India) introduced 220 kW of electric power by installing a solar power generation system, bringing the total power introduced up until now to 270 kW. In 2017 it plans on introducing a further 170 kW, which will compensate for around 10 percent of the company's overall electric power consumption. JTEKT's independent introduction of renewable energy amounts to 685 kW to date, meaning we have achieved our target of 500 kW or higher. Including group companies both within Japan and overseas, the total amount of renewable energy introduced by the entire JTEKT group up until FY2016 equals 1,168 kW. In FY2016, we generated 1,271 MWh of power and reduced CO<sub>2</sub>



Solar power generation (JSAI: India)

emissions by 470 t. In ongoing efforts to minimize CO<sub>2</sub> emissions in line with our Environmental Challenge 2050, JTEKT will continue proactively introducing renewable energy with low environmental burden.

#### Activities for production technology innovation

In order to achieve our CO<sub>2</sub> reduction target for FY2020, JTEKT is engaging in efforts to improve productivity and reduce CO<sub>2</sub> emissions through production technology innovation. In FY2016 we promoted technological development with focus on the four areas of :

- (1) Reduce production processes and equipment number
- (2) More compact equipment
- (3) Introduce high-efficiency devices and equipment following load fluctuation
- (4) Energy loss reduction and energy recycling