

The JUKI logo is rendered in a bold, blue, sans-serif font. The letters are thick and blocky, with a slight shadow effect that gives them a three-dimensional appearance. The logo is positioned in the upper center of the page.

**JUKI**

Environmental Report  
2009

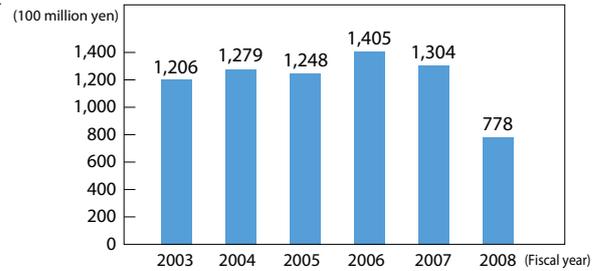


## Outline of the Juki Group

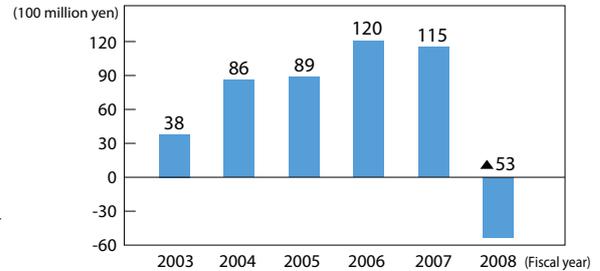
### Outline of Juki Corporation

Established: December 15, 1938  
 Paid-in capital: ¥15.95 billion  
 Aggregate number of issued shares: 129,370,000 shares  
 Number of shareholders: 14,267  
 Listed on Tokyo Stock Exchange First Section  
 Fiscal year ending March 31  
 Net sales: ¥47.6billion  
 Major business sites: Head Office: 8-2-1, Kokuryo-cho, Chofu-shi, Tokyo 182-8655  
 Central R&D Laboratory: 3-17-14, Funabashi, Setagaya-ku, Tokyo 156-0055  
 Ohtawara Plant: 1863, Kita-kanemaru, Ohtawara-shi, Tochigi Prefecture 324-0011  
 Number of employees: 1,275

### Net Sales (Consolidated)



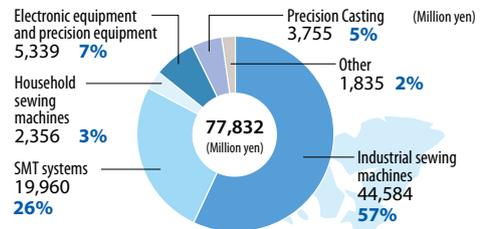
### Ordinary Income (Consolidated)



### Outline of the Juki Group

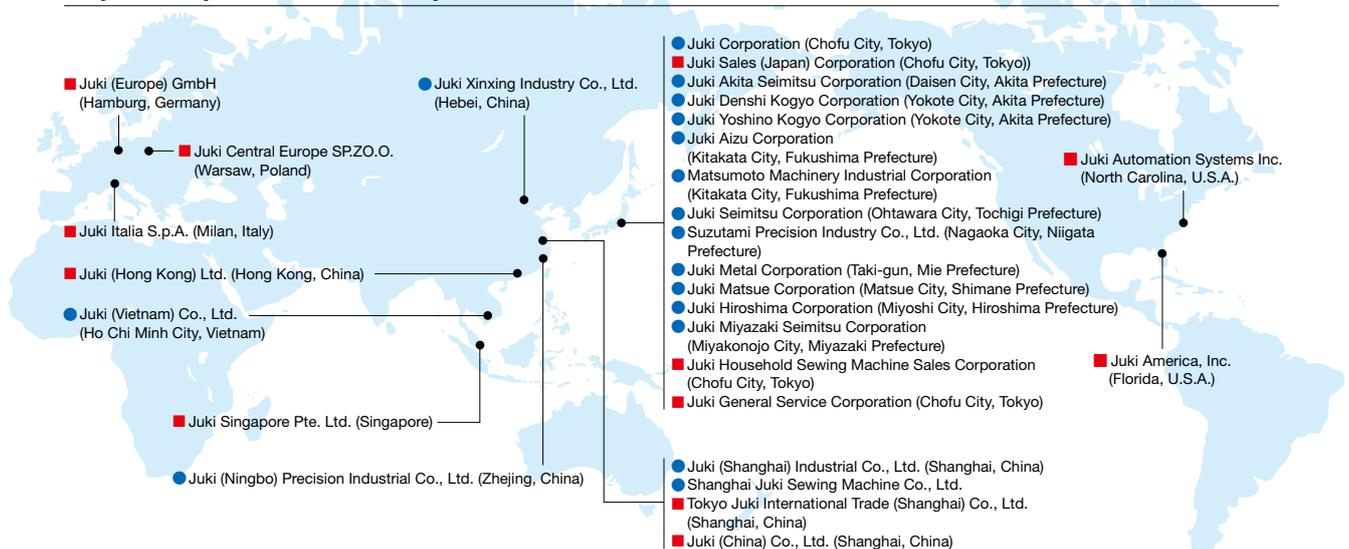
Number of consolidated subsidiaries: 35  
 Net sales: ¥77.8 billion  
 Number of employees: 5,764  
 Business segments: Industrial sewing machines, SMT (Surface Mount Technology) systems, household sewing machines, electronic equipment and precision equipment, precision casting, and others

### Net Sales by Business Segment (Fiscal 2008)



### Major Companies in the Group As of the end of March 2009

● Manufacturing Companies ■ Sales Companies





## Editorial Policy

This report summarizes the Juki Group's ideas on environmental preservation and the Group's environmental activities and achievements in fiscal 2008. The report includes organizational data at the end of September 2009.

### • Period Covered

This report covers the period in fiscal 2008 (from April 1, 2008 through March 31, 2009 in Japan and from January 1, 2008 through December 31, 2008 in other countries), but sometimes includes data for other periods.

### • Scope of Reporting

The environmental activities of Juki Corporation and the Juki Group companies are introduced.

### • Reference Guidelines

*Environmental Reporting Guidelines (Fiscal 2007 Version)* issued by Japan's Ministry of the Environment

## Next Publication

We plan to publish our next environmental report in July 2010.

Please send us your frank opinions and advice by completing the questionnaire attached to this report. Your comments are valued, and we will incorporate them in our next Environmental Report.

## Inquiries

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CSR and Environment Department  
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\*Please visit our website if you would like to get more information on our company.  
[http://www.juki.co.jp/index\\_e.html](http://www.juki.co.jp/index_e.html)

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## « Corporate Philosophy of the Juki Group »

All employees of the Juki Group worldwide are committed to researching, developing, and manufacturing even better products and providing even better services based on the Group's Corporate Philosophy, Basic Management Policies, and Policies Guiding Employee Activities.

### Corporate Slogan

## Mind & Technology

We create the products which contribute to the society, through "Technology with Heart" and "Customer Creed."

### Corporate Philosophy

- The men and women of Juki work hand in hand to spread happiness and enrich society.
- Juki technologies are constantly evolving and creating new value.

### Basic Management Policies

- Promoting Total Quality Management.
- Nurturing Strength and Flexibility in our Organization and in our People.
- Running Our Company with the Best Management Practices of International Society.

### Policies Guiding Employee Activities

- Always think from the customer's point of view and respond swiftly.
- Set one's own targets, accomplish the necessary roles, and expand them.
- Act always as a trustworthy cosmopolitan.

## Juki Corporate Code of Conduct

The "Juki Corporate Code of Conduct" set forth below was established as a guideline for living by the principles of our corporate philosophy. Based on this Corporate Code of Conduct, the men and women of Juki follow all laws, all international rules and regulations, and the principles underlying them in the spirit of responsible corporate citizens with sound social sense. Juki aligns the pursuit of its own interests through fair competition with the interests of its customers, stockholders, business partners, and society. Benefits for society are benefits for Juki.

1. Juki creates and supplies products and services useful for society based on thorough considerations of safety, the protection of personal and customers' information, and the satisfaction and trust of its customers.
2. Juki conducts its businesses fairly, transparently, and in keeping with the principle of free competition while maintaining a healthy relationship with national governments.
3. Juki discloses its information fairly and consistently through open channels of communication with its shareholders and society as a whole.
4. Juki works to ensure safety and ideal working conditions for every employee with full respect for his or her personality and individuality.
5. Juki takes good care of the earth environment by using resources effectively, recycling, and saving energy.
6. Juki maintains ideal community relations as a good corporate citizen and contributes to society through local activities.
7. Juki takes a firm stand against antisocial individuals and organizations that adversely affect social order and sound business activities.
8. Juki observes the international rules and local laws as a matter of course, esteems cultures and customs, and endeavours to contribute to the development of countries.

If actions or events in contravention to the "Juki Corporate Code of Conduct" take place, top management at Juki takes immediate and thorough steps to remedy both the causes and outcomes.

# Top Management Message



## Becoming an indispensable enterprise trusted and relied on by society based on our Mind & Technology and Customer Creed policies

Over the last business term, the U.S. financial crisis escalated into a global crisis with devastating effects on the real economy. This led to drastically weaker economic performance throughout the world in the second half of the previous fiscal year. To prevail in today's severe management environment and grow stronger as a manufacturing conglomerate, the Juki Group is taking robust steps to advance its business reorganization, including measures to accelerate overseas production, introduce forefront products, and strengthen its worldwide sales organization. Our endeavours on these fronts gain power from essential concepts built into our corporate slogan ("Mind & Technology") and group policy ("Customers Are Everything"). We continue to learn from our customers in every field and create new value together with our customers as "creative partners." Day in and day out, we create and provide products and services from the standpoints of our customers.

The Juki Group enunciated its ECO-MIND DECLARATION as an expression of its commitment to positively address environmental problems. In the years since, the business activities and product

development of the Group and all of its employees have addressed the most pressing environmental concerns from sundry perspectives. In fiscal 2008, we began to focus more closely on environmental activities in product development by introducing a new category of JUKI ECO-PRODUCT. We have also been introducing CO<sub>2</sub> reduction and green activities in logistics through a modal shift to eliminate managerial boondoggles. The Ministry of Land, Infrastructure, Transport and Tourism has recognized the results of these activities and certified Juki Corporation as an "Eco Rail Mark Company" in domestic transportation.

Through the measures described, as and many others, we at the Juki Group are striving to become an indispensable enterprise trusted and relied on by society through the accumulated effects of various activities based on Juki's radical business and "Mind & Technology" concept. We count on your further support with great appreciation.

President  
Juki Corporation

Kazuyuki NAKAMURA



Observance  
of green  
procurement

Improvement  
of easy  
separation and  
segregation

Improvement  
of transporting  
efficiency

Improvement  
of recycling  
possibility

Reduction  
of oil usage

Elimination  
and reduction  
of hazardous  
materials

Reduction  
of noise and  
vibration

Reduction of  
rated power  
consumption

Reduction of  
standby power  
requirement

Reduction  
of raw  
materials

Feature in 2009

## Proof of Ecological Products Birth of JUKI's Environmental

Juki products are used across the globe. After years of steady perseverance to reduce the environmental load of its products, the Juki Group introduced the JUKI ECO-PRODUCTS AUTHORIZATION SYSTEM from March 2009. This marks a bold step toward the realization of an ECO-MIND awareness to meet the environmental requirements of society and customers.

### JUKI needs a transparent environmental function.

In a society where environmental consciousness is rising, where support for the reduction of global warming is nearly universal, and where people choose environment-friendly products in their daily lives, "environmental consideration" is becoming an ever-more important criteria for enterprises as they introduce equipment and facilities at their production sites. In reviewing our conduct for material purchases, we are advancing and promoting a system of Green Procurement to reduce environmental load. We have long felt the need not only to elevate our responses to environmental considerations, but also to establish an easy-to-understand "indicator" to help us choose environment-friendly products for delivery to customers. After consolidating the systems adopted by our Product Committee for studying the environment and product safety, we introduced the JUKI ECO-PRODUCTS AUTHORIZATION SYSTEM in March 2009. The products recognized under this system satisfy the thoroughgoing environmental considerations designed into all JUKI ECO-PRODUCTS.

In addition to complying with the legal regulations of governments, the teachings of religions, and the various rules and regulations such as the Green Procurement Guidelines, this system also requires the drafting of highly objective, comprehensive Product Environment Assessment Documents which reflect the environmental concepts generally recognized in other industries. Out of the many products developed at Juki, no product becomes a JUKI ECO-PRODUCT until it satisfies strict checkpoints at every stage of the product lifecycle.

### The 38 assessment items

To develop a JUKI ECO-PRODUCT, a Product Environment Assessment is implemented from the initial stage of design. Our planners and designers aim to improve the functions and merchantability of their creations, and Juki's basic policy is to exceed the environmental performance of conventional models. Next, we establish an Environmental Target from the initial product planning in the first stages of development. Next, we establish

## Already 9 products authorized to attach ECO-INSIGNIA hit the streets!

The products authorized as "JUKI ECO-PRODUCTS" are 5 models of industrial sewing machines and 4 models of household sewing machines as of September 2009. Henceforth also those will be increased.

### Industrial sewing machines

- DDL-9000A/SC-910N/CP-170
- ASN-690
- APW-896
- APW-895
- AMS-224E

### Household sewing machines

- "Exceed" Series
- HZL-F600JP
- HZL-F400JP
- HZL-F300JP
- HZL-28

### ASN-690 (Industrial sewing machine)

The first of the JUKI ECO-PRODUCTS, realized energy saving even at the production line

New model of super-high speed automatic serging machine. By servo-motors newly adopted, electric power consumption decreased by half in comparison with the conventional machines, and by optimizing the structure balance applying the advantage of CAD design, and the vibration in operation reduced by 2dB.

Furthermore, man-power in relation to the manufacture of sewing machines decreased by 44% through unitization and single-piece construction of component, and also energy consumption is reduced at the manufacturing stage.



### "Exceed" Series (Household sewing machines)

Ecological sewing machines which a very high recycling rate is realized

This is a middle-class household sewing machine which "sewing quality" exceeds the conventional sewing machines' level, by introducing the BOX feeding mechanism incorporated in the industrial sewing machines. By adopting the LED light and by reviewing motors and power supply, the standby electrical power consumption per basic function decreased by about 37%, and power consumption decreased by about 17%. Recycling rate achieves 87% which surpasses greatly 70% of the standard of WEEE Directive of European Union.



# Label!



### Design of "JUKI ECO-PRODUCTS" insignia

Three characters of "eco" are symbolized as a circle graph.

"Green" area expanding to the right direction, expresses our resolve that we will further increase the Juki environment-conscious products and that Juki desires the sylvan earth to be back on form.

Design Specifications to achieve the Environmental Target, and then draw up concrete design blueprints as the Concept Design. This is the stage for the Product Environment Assessment and advancement of the design operations.

Next comes the Second Assessment at the Prototype Stage, a series of operations handled collaboratively with the manufacturing departments and logistics departments. Once the prototype is approved, our designers and engineers move into the Trial High-Volume Production phase to carry out the final assessment. Then comes the last stage, High-Volume Production at the factory. This sums up the entire assessment flow.

So far we have established as many as 38 assessment items. The items in relation to Green Procurement, Power Consumption during Use, Standby Power Consumption, and Oil and Grease Use are deemed to be the most important environmental functions, and all are indispensable targets. A product that satisfies all of these targets these, in addition to at least two others (i.e., more than 6 targets in total), is certified as a JUKI ECO-PRODUCT. This is a very strict system.



## Environmental labelling leapfrogs a wall

**Ikuro IIMURA**

General Manager,  
Central Research and Development Laboratories,  
Juki Corporation

As an engineer involved in product development, I believe that Juki Corporation is one of the forerunner companies in addressing environmental problems in its industry. Until now, the most pressing issue has been to respond to legal regulations such as the RoHS Directive. Yet Juki has responded to far more. Through this process, the consciousness of environmental adaptation has been programmed into the brain tissue of Juki's engineers. The JUKI CO-PRODUCTS AUTHORIZATION SYSTEM is one of the forces which prods engineers toward much higher environmental performance. The immediate target is to earn the ECO-PRODUCT certification for all of new Juki products. All new Juki products will have to exceed the environmental performance of conventional models. To develop and introduce them on a practical basis, our engineers are sure to hit technical walls along the way. To realize technical innovations for overcoming these walls, we began to undertake proactive studies on the environment, No.1 power saving, and zero standby power consumption. I hope to introduce such products into the market as soon as possible.

# Environmental Vision

The Juki Group conducts environmental activities on a daily basis according to its "Environmental Philosophy" and "Environmental Action Policy." We have done our ECO-MIND Declaration to promote our environmental conservation activities across the Group, including those to reduce our environmental load, conserve resources and energy, and foster recycling.

## The Juki Group's Approach to Environmental Conservation Activities

The Juki Group set out its "Environmental Philosophy" and "Environmental Action Policy" to reduce the environmental load of its business operations and to contribute to creating a "sustainable society." Based on these, we have also formulated the "Juki Group Guideline for Environmental Conservation." We ensure that relevant information is exchanged and distributed across the Group, which will improve the level of environmental activities across the whole Group.

### Environmental Philosophy

Juki Group recognizes that activities of enterprises are closely related to the global environment, and is making efforts to:

1. Contribute to the local community and society by environment-conscious activities.
2. Provide people around the world with environmentally friendly products.
3. Play an active role to hand down a better global environment to future generations through continuous activities.

### Environmental Action Policy

1. Develop technologies and products with environmental influences in mind.
2. Perform manufacturing, sales, distribution and service activities by minimizing the load on the environment.
3. Promote resource and energy saving in all business activities.
4. Promote recycling activities to make effective use of resources.
5. Observe environmental laws and regulations and establish voluntary control standards to enhance environmental conservation.
6. Raise "awareness of ecological problems" among employees through educational campaigns.

## ECO-MIND DECLARATION

The Juki Group did the "ECO-MIND DECLARATION" in October 1998 for clarifying the thought to the environment as an enterprise and for holding MIND (heart and consciousness) in common by its employees. The "ECO-MIND DECLARATION" means that the Mind of "Environment" is additionally incorporated in "Quality," "Customer Satisfaction" and "Human Respect" which are included in the Juki's

corporate slogan "Mind & Technology." Even after passing more than ten years from the Declaration, each employee holds the "ECO-MIND" and executes his or her daily business activities.

*Eco-chan* (The Juki Group's character used to promote environmental activities)



## Environmental Targets Set in Mid-Term Management Plan

The Juki Group formulates its environmental targets in its Mid-Term Management Plan (fiscal 2008 through fiscal 2010), believing it essential for a company to reduce its environmental load and carry out environmental conservation activities if it wants to gain recognition from society for its efforts. Two targets are set in this Management Plan; one is to reduce the emissions of CO<sub>2</sub> based on the environmental important policy and the other is to formulate the self-standard of environment-conscious products and to develop the products in conquering the self-standard not later than fiscal 2010.

Fiscal 2008 is the starting year of the current Mid-Term Management Plan. In consequence of the production adjustment influenced by the worldwide economical recession, CO<sub>2</sub> gross emissions decreased by 21% versus the result of fiscal 2007. However, we could not achieve the CO<sub>2</sub> reduction target to net sales.

The formulation of the evaluation and authorization of "Juki ECO-PRODUCTS" has been completed in fiscal 2008 regarding the number of products of environmental self-standard to be conquered. As of September 2009, the number of products conquered is 9 models, and the target will be achieved ahead of schedule.

### Environmental Priority Policy in New Mid-Term Management Plan (fiscal 2008 through fiscal 2010)

Basic policy	<ul style="list-style-type: none"> <li>• Innovation to the environmentally leading enterprise by strengthening the environmental management organization</li> </ul>
Important measures	<ul style="list-style-type: none"> <li>• Construction and promotion of group-wide environmental management organization</li> <li>• Formulation and promotion of environmental self-standard (ISO14021)</li> <li>• Well-establishment of the response system to environmental laws, rules and regulations</li> </ul>
Matters to be implemented	<ul style="list-style-type: none"> <li>• Supports to the activities to new environmental management system</li> <li>• Research of ISO14021, homology to various issues to realize and preparation of self-declaration and its implementation</li> <li>• Prehension of trend, evaluation and establishment of responding organization to environmental laws, rules and regulations such as RoHS/WEEE/EuP/REACH.</li> </ul>

# Environmental Management

The Juki Group is committed to contributing to the creation of a "sustainable society" by reducing the environmental load of its business operations. To this end, we have managers in charge of the environment at each of our Group companies under the Group's environment promotion system and are implementing environmental measures for continuous improvement.

## Environmental Management Organization

The Juki Group strengthened its system for conducting environmental conservation activities more widely across the Group by establishing "CSR Environment Department" in July 2008, and clarified the organizational position of promoting the environmental activities.

Environmental organization was reviewed and reorganized for increasing operation efficiency in March 2009. The "Environmental and Safety Council" which deliberate the basic policy and basic plan regarding the environmental conservation and safety of the whole Juki Group, its subordinate organizations "Laws and Regulations Research Group" and "Environmental Education Promotion Group" were abolished, and their businesses are followed by the CSR Environment Department which role has been strengthened. The policy and plan of the environmental consideration to the products are submitted a report to the Chief Officer in charge by the "Environment and Energy Conservation Group." Moreover, in order to strengthen each business segment's ability to implement environmental conservation, including both domestic and overseas manufacturing and sales companies in the Juki Group, we set up four promotion teams such as the "Environmental Conservation Promotion Teams for Industrial Sewing Machines," "Environmental Conservation Promotion Teams for SMT (Surface Mount Technology) Systems" respectively, as well as the "Environmental Conservation Promotion Team for Head Office and Group Companies supervised by Head Office" and "Environment Conservation Promotion Team for Central Research and Development Laboratories."

Henceforth, we will enhance the whole Group along the "Juki Group Guideline for Environmental Protection" by strengthening further the "CSR and Environment Department," and respective Environment Conservation Promotion Teams and Groups.

Regarding the laws, rules and regulations which are annually

becoming severe, we set up a taskforce which limit is one month, to draw up a proper response method of the Juki Group to the "Law concerning the Rational Use of Energy" revised in May 2008, and we decided the concrete issues and its response methods. After the decision, the "CSR and Environmental Department" and the respective Group companies are working in accordance with the respective roles.

## ISO 14001 Certification

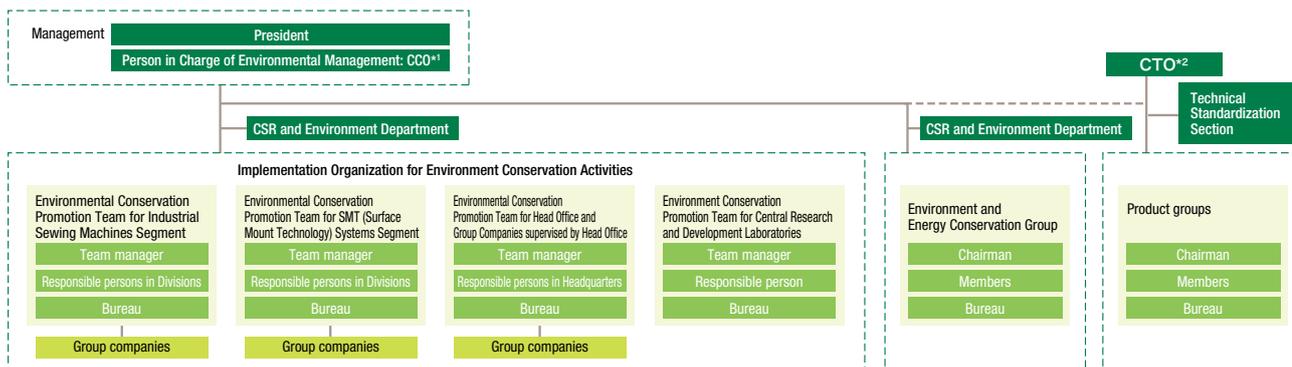
Juki Corporation and the Juki manufacturing group companies, excluding one, acquired the ISO 14001 certification which is the standard of environmental management. The remaining one, Shanghai Juki Sewing Machine Co., Ltd. follows the "Juki Group Guideline for Environmental Protection," and it is correspondingly buckling down to the task, and is scheduled to acquire ISO 14001 certification not later than June 2010.

## Topics

### Integration of ISO14001

Three companies located in Akita Prefecture, Juki Denshi Kogyo Corporation, Juki Yoshino Kogyo Corporation and Juki Akita Seimitsu Corporation integrated the ISO14001 in November 2008 for the purpose of reducing the environmental load and realizing improved efficiency of management through common management system. The reduction of number of respective company's owned cars, and review of intra-company logistics matched with the expansion of the paint factory (Juki Akita Seimitsu Corporation) were executed including the processes integration and transfer of equipment and facilities among three companies. The paint factory started the operation in May 2009, and the parts and components became unnecessary to transport to the Juki Ohtawara Plant located in Tochigi Prefecture for painting. Accordingly, CO<sub>2</sub> emissions ejected by trucks could be reduced.

JUKI Group's Organizational Chart for Environmental Conservation



\*1 CCO: Chief Compliance Officer \*2 CTO: Chief Technology Officer

Top Management Message

Special topic in 2009

Environmental Reporting

Social Reporting

## Conducting Internal and External Audits

The Juki Group companies that obtained the ISO 14001 are audited by internal auditors and external organizations to check whether the environmental management systems function in an effective manner.

The companies conduct internal audits on the systems at least once a year, focusing on compliance with laws and regulations and the degree of progress toward the achievement of the predefined targets. The internal audit was done respectively in three companies, i.e. Juki Denshi Kogyo Corporation, Juki Yoshino Kogyo Corporation and Juki Akita Seimitsu Corporation integrated the ISO14001 in Akita Prefecture in the past. The mutual audit, however, was held for unifying the audit level in September 2008.

In addition, they have the systems objectively audited by external organizations once a year. The companies make appropriate responses to all comments from the external auditing organizations as well as to all matters needing improvement that are identified through internal audits.

## Regulatory Compliance

The Juki Group is thorough about the regulatory compliance through the internal environmental audit and the inspection tour of premises, review of internal rules and regulations, and educations, etc. Juki Yoshino Kogyo Corporation holds the intra-company education on appropriate management of chemical substances, and is also thorough about the usage of poisonous and deleterious substances. Juki Aizu Corporation holds the skill course of organic solvent operation chiefs, first-class presser container skill course, etc., and Juki Seimitsu Corporation conducts study sessions of the chemical

### My action

#### What can be done as I stand as an internal auditor.

The purpose of internal audit is to indicate an error or a mistake and to point out the matters that great improvement can be expected, as a position that understands deeply the "JUKI." The points which do not run smoothly and the ones which are not easy to realize improvement may be refused, but the matters necessary for improving the environmental management level are pointed out indispensably without fail. In addition, for making them possible, the communication among the auditing members is being enriched.

The auditing time is very short and we have not end of trouble. Henceforth also, we will fill up the knowledge about the environmental management, and will execute the further high quality internal audit by referring the other companies' management.

#### Fumihiko YOSHIDA

Technology Generalizing Department,  
Juki Corporation



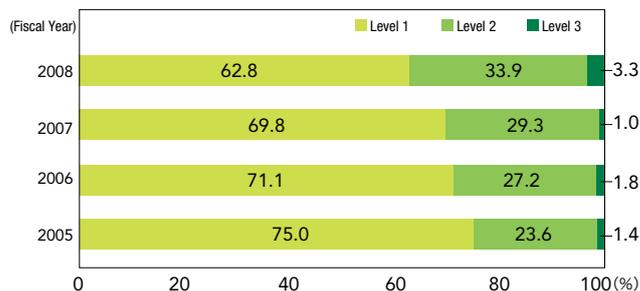
substances and waste products. The Juki Group is endeavouring to enhance knowledge and skill of laws and regulations.

## ECO-MIND Survey

Juki Corporation has been conducting "ECO-MIND Surveys (individual knowledge and behaviour level)" since fiscal 2005 to check if its employees are conducting themselves in an environmentally friendly manner, not only inside the company, but in their daily lives and to determine their present level of environmental knowledge and improve their environmental awareness.

The participation rate of this survey was about 28% in the past three times, and it increased by 7% to 35% in the fourth survey held in fiscal 2008. We will promote that employees will acquire positively the knowledge of environmental problems by continuing the survey, and promote *Hitodzukuri* (the art of personnel development) through high consciousness and knowledge to be acquired of environment and that they actually take action to protect environment.

Percentage of Employees at Each ECO-MIND Level



\*Employees are classified into three levels [Level 1 (low) to Level 3 (high)] according to their level of environmental knowledge and their conduct. In fiscal 2008, the percentage of employees increased at Level 2 and 3.

## Topics

### eco-p club activities

"Juki eco-p club" which is the voluntarily activity group was established in October 2008 by mainly the Juki's eco-people (approved by Eco Test). They call for employees to be engaged in the reduction of plastic disposable grocery bags by putting the circulating eco-bags at the entrance and exit of the Headquarters and Central R&D Laboratories of Juki Corporation and in the recycling the crown caps by putting the boxes for caps of plastic bottles very near to the intra-company coin-operated vending machines. They are beginning to start what he or she can do by himself or herself. The profit born through the Ecocap Movement, a non-profit organization, became an expense for vaccine for foreign 18.3 children and also contributed to the reduction of 115 kilograms of CO<sub>2</sub>.



eco-p group members

## Promotion of Environmental Education

### Environmental Education in the Juki Group

ISO 14001-certified Juki Group companies give environmental basic training to all their employees. The companies distribute to their employees "ECO-MIND Card" on which their environmental policies are written, and employees carry the card with them so that they will be constantly aware of environmental issues.

Furthermore, each manufacturing company has set a goal for "improvement of environmental consciousness and knowledge," and each company executes the skill courses to statutory and qualified personnel and to technical people of drain facilities, training and level-up education of internal environmental auditors, promotion of eco-examination, in accordance with each company's situation.

### Environmental Education at Juki Corporation

We at Juki Corporation were promoting education that closely reflects to the primary business, casting off from the "paper, trash and energy-saving," through the internal audit from fiscal 2002. In fiscal 2008, for enhancing further the level, an environmental education course to managers newly established and 24 general managers participated, who were mainly engaged in management and indirect departments. Henceforth also, we will continue to hold courses of environment to managers and to endeavour to enhance the activities.

To the technical employees, the items regarding the environment such as "recycling" and "energy-saving" are added from fiscal 2005 in the "Technological Capabilities Survey" which is continuously done every year since fiscal 1984. As a result of the survey, the low-point items are reflected to the intra-company educations, and the PDCA circle (Plan, Do, Check and Action circle) is repeated for improving their technical capabilities. The environment-related technology is gradually infiltrated in the technical employees as it is shown that the average point is increasing every year.



Environmental education for managers held in July 2008

### Recommendation to Undergo an "ECO TEST"

The Juki Group domestic companies obtained the ISO14001 by fiscal 2008 and the foundation for implementing the environmental management has been completed. In order to realize the environmental management as a Group, however, all employees are required to have knowledge of environment and to realize the implementation of environment-conscious activities in all processes from daily life through businesses.

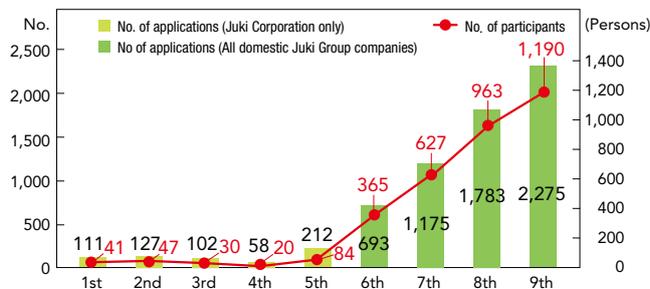
Accordingly, aiming at the *Hitodzukuri* (the art of personnel development) to take the lead in tackling environmental problems, the Juki Group domestic companies commenced the promotion to undergo the "Certification Test for Environmental Specialists (Eco Test)" organized by Tokyo Chamber of Commerce and Industry. The Eco Test as one of the recommended correspondence courses (Juki Challenge School) was within the best 5 popular courses out of approximately 300 courses in fiscal 2008 and the successful applicants achieved 56 persons.

Henceforth also, the Juki Group will support to raise the individual level of knowledge for environment.

### Encouraging Applications for the *Senryu* Contest

The Juki Group encourages employees to apply for its *Senryu* (satirical Japanese haiku) content. This contest is held every June, which is designated as "environment month." In fiscal 2008 that is the 9th, we received 2,275 *Senryu* from 1,190 employees.

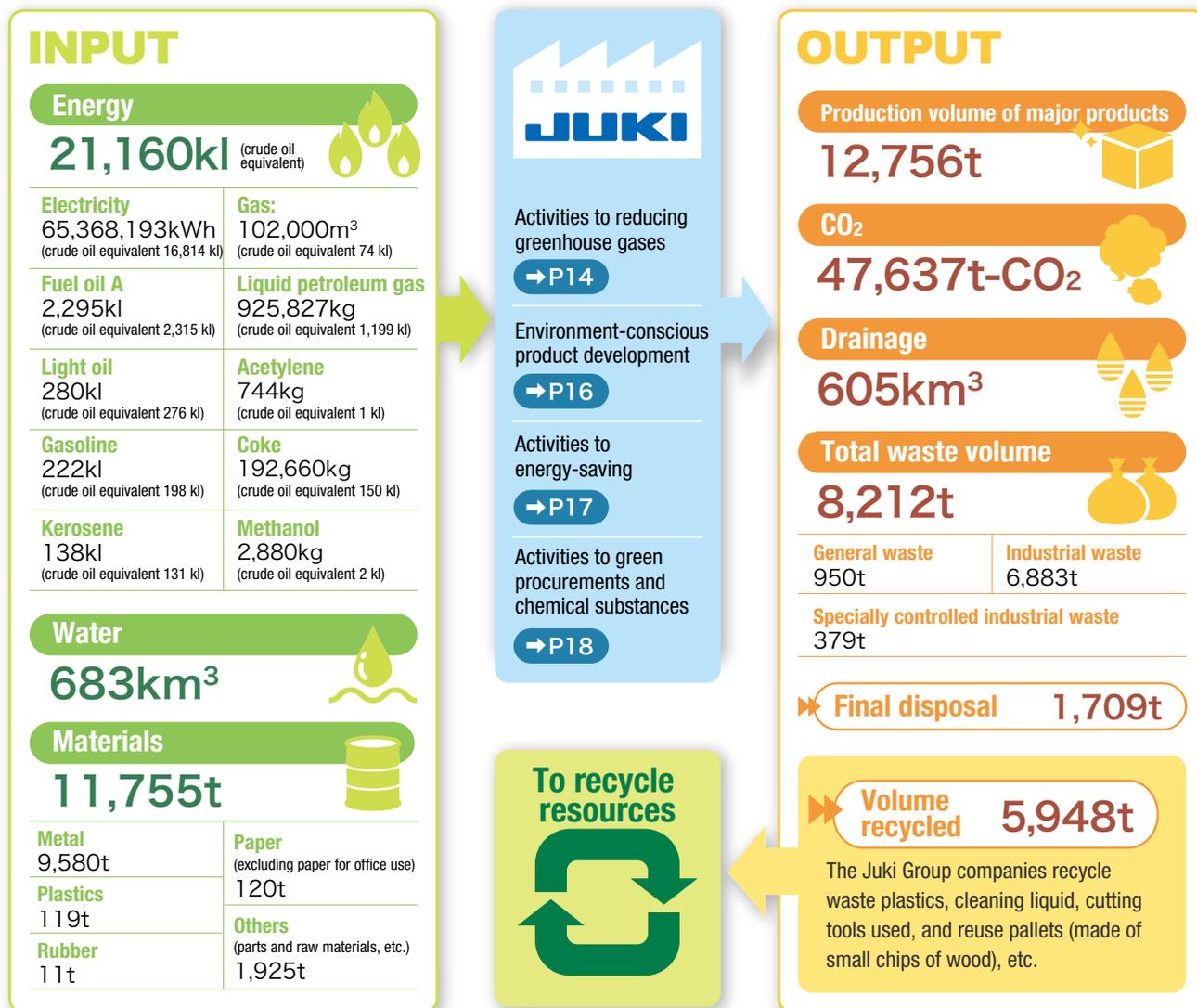
No. of participants and No. of applications to Environmental *Senryu* contest



\* From the 6th, all of domestic Juki Group companies included.

# Environmental Load of the Juki Group's Business Activities

The Juki Group uses a lot of energy and resources in manufacturing its products, including precious minerals used for parts and materials. In light of this fact, we are endeavouring to make effective use of resources and energy, and to identify the environmental load of our business activities.



\* Sum of data for fiscal 2008 collected from Juki Corporation and other Juki Group domestic and overseas manufacturing companies. Data on raw materials are not available for some Group companies.

## INPUT

- Crude oil equivalent: means the conversion volume to crude oil by using the heating value for comparing the different energy volume in a common measure.
- Electricity: means the electric power used in the factories and offices.
- Fuel oil A: is used for operating the equipment such as drying furnace at painting facilities.
- Light oil: means the fuel for trucks.
- Gasoline: means the fuel for company-owned cars.
- Kerosene: means the fuel for warm-air heating.
- Liquid petroleum gas: means the fuel for regular-use electricity generator
- Acetylene: means the fuel for gas welding at repairing the equipment, cutting and soldering the sheet steel.
- Coke: is used for metal dissolution by cupola furnace.
- Methanol: means igniting agent for metal quenching treatment.
- Metal: means plastic materials. Rubber: material for parts.
- Paper: means the cardboard for transportation, packing and packing of products, and for preventing collapse of cargo, dent of products at manufacturing processes.

## OUTPUT

- CO<sub>2</sub>: is caused by use of electricity and fuel.
- General waste: means all wastes discharged from homes and enterprises except industrial wastes. Garbage such as kitchen and left over garbage discharged in the business activities is included.
- Industrial waste: means 20 kinds of waste set up by laws, rules and regulations within the wastes caused by the business activities such as factories. Included are the abolished sand used at moulds, pallets (made of pellets of wood), cutting oil, prototype machines used at experiments and research
- Specially controlled industrial waste: means high explosibility, toxicity and pestiferousness which may cause the suffering to the human health and life environment. Especially severe management is indispensable. They include old condensers.
- Recycle: means the effective use by recycling as resources.
- Final disposal: means to be filled with garbage as reclaimed disposal sites.

# Environmental Targets and Results for fiscal 2008

Since fiscal 2006, we have been setting common environmental targets for the head office of Juki Corporation and Group manufacturing companies. We are promoting our environmental conservation activities while monitoring our progress in achieving the targets. We have set specific environmental targets to reduce our CO<sub>2</sub> emissions and decrease the amount of incinerated and landfill waste.

## Juki Group

Environmental Target	Numerical Target	Results	Evaluation	Future Activities
Reduction in CO <sub>2</sub> emissions	2% reduction (over fiscal 2007 total amount)	Reduced by 21%	◎	Continue with present efforts
Reduction in incinerated and landfill waste	5% reduction (over fiscal 2007 total amount)	Reduced by 28%	◎	Continue with present efforts
Reduction in the volume of paper purchased for office use	5% reduction (over fiscal 2007 total amount)	Reduced by 24%	◎	Continue with present efforts
Compliance with environmental laws	Non-compliance cases: zero	Tow cases (RoHS-regulated substances are unintentionally used in Juki product.)	×	Improve the management of green procurement across the supply chain

Evaluation: ◎ Achieved ○ Almost achieved △ Nearly achieved × Not achieved

## Juki Corporation

Theme	Intended Divisions/Dept.	Targets, Policy, and Measures	Numerical Target	Results	Evaluation	Activities for fiscal 2009
Approach to environmentally-compatible product	New product	Reduction in power consumption for product	30% reduction over old product <Intended product: 4 products>	2 products	×	Clarify the definition of numerical target to examine an index
	All business segments	Construction of Juki original environmental label recognition system	Scheduling adherence rate: 100%	100%	◎	Develop a product in conformity with environmental label
Sales	Industrial Sewing Machines	Intensive PR for expanding sales of energy-saving product	Scheduling adherence rate: 100%	100%	◎	Continue to implement similar measures
	Industrial Sewing Machines	Reduction in the volume of paper by making a plant specification paperless	5% reduction over the previous fiscal year	15%	◎	Continue to implement similar measures
	SMT (Surface Mount Technology) Systems	Implementation for making promotion materials with much data	Scheduling achievement rate: 100%	100%	◎	Continue to implement similar measures
	SMT (Surface Mount Technology) Systems	Improvement in fuel economy by "eco-drive"	Improvement by 10% in average fuel economy (9.7km/l)	10.7km/l	◎	Continue to implement similar measures
	Head Office	Management for reduction in gasoline consumption regarding vehicles used for sales activities	11.6km/l	11.7km/l	◎	Continue to implement similar measures
Green procurement	Each business segment	Green procurement (substances specified with guideline) achievement rate: 100%	Nonconformity cases: zero	2	×	Take real measures for preventing a recurrence
Green transportation	SMT (Surface Mount Technology) Systems	Improvement in physical distribution with bases consolidated	Plan achievement rate: 100%	100%	◎	Continue to implement similar measures
Enhancement in environmental awareness and knowledge	Head Office	Implementation of environmental education	Implementation rate: 100%	70%	×	Review PDCA regarding education
Office	Head Office	Reduction in CO <sub>2</sub> emissions	2% reduction over the previous fiscal year	7%	◎	Continue to implement similar measures
	Head Office	Reduction of incinerated and landfill waste	5% reduction over the previous fiscal year	24%	◎	Continue to implement similar measures
	Head Office	Reduction in the purchase of paper for office use	5% reduction over the previous fiscal year	24%	◎	Continue to implement similar measures
Factory	Ohtawara plant	Reduction in CO <sub>2</sub> emissions	2% reduction over the previous fiscal year	29%	◎	Continue to implement similar measures
	Ohtawara plant	Reduction of incinerated and landfill waste	5% reduction over the previous fiscal year	50%	◎	Continue to implement similar measures
	Ohtawara plant	Reduction in the purchase of paper for office use	5% reduction over the previous fiscal year	16%	◎	Continue to implement similar measures
	Ohtawara plant	Improvement of packing for parts procurement	10% reduction in cardboard emissions	26%	◎	Continue to implement similar measures

Evaluation: ◎ Achieved ○ Almost achieved △ Nearly achieved × Not achieved

# Global Warming Prevention Measures

Carbon dioxide (CO<sub>2</sub>) is the largest contributor to global warming. The Juki Group is actively acting to reduce its CO<sub>2</sub> emission by reducing a consumption of electricity and fossil fuels at its manufacturing bases and also to promote a modal shift by changing to transportation by rail that has less environmental load during the transportation of its products.

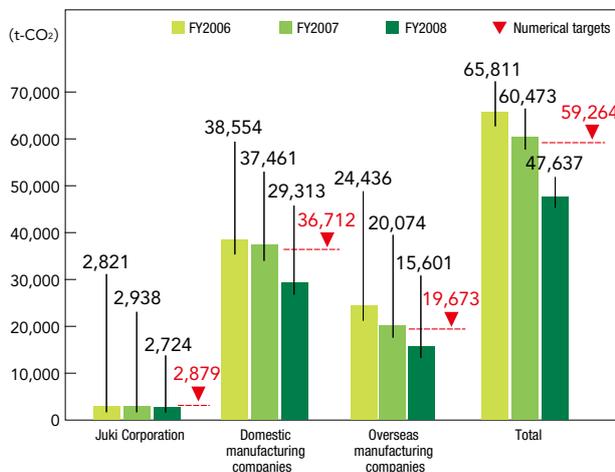
## Reduction CO<sub>2</sub> Emissions

To reduce the electricity use that accounts for about 70 percent of CO<sub>2</sub> emission factor, the Juki Group aims at improving the operation of compressor and boiler by reviewing the work system and the staff assignment, abolishing a large-scale collection machines, switching the equipment and the lighting to the energy-saving type, tuning off the unused equipment and conducting operational management of air-conditioning thoroughly, including the enhancement of work efficiency by process improvement. Moreover, to reduce the gasoline use, we are going to switch to the hybrid car when buying a business car and also reviewing the number of business car possession.

Juki Aizu Corporation reduced the use of heavy oil by about 17% compared with fiscal 2007 by attempting the leveling of equipment operation and stopping the operation of two or more mold preheating furnace equipment and reducing the preheating fuel. Moreover, Juki Xinxing Industrial Co., Ltd., in China advances the overall energy saving in production activity with the in-house, clean production system based on "Cleaner Production Promotion Law."

We were able to reduce the amount of CO<sub>2</sub> emission of the entire Juki Group in fiscal 2008 by 21% in total compared with fiscal 2007. However, we will approach a further reduction in the future by switching the equipment to energy-saving type and enhancing the production efficiency because such reduction is largely due to the decrease in production volume.

Transition of CO<sub>2</sub> emissions



## Environmental consideration in a New Building

JUKI new building that will be completed in November 2009 images "A building that exists in green," and is designed with the low layer in harmonization with a peripheral spectacle. Moreover, a lot of following ingenuities are exercised to become an environment friendly building.

### ● Rooftop Gardening

A rooftop gardening increases insulation in a building. The air-conditioning load can be decreased because it suppresses the room temperature rise in summer, and it doesn't let the indoor temperature go out in winter. Moreover, employee's eyestrain is eased, and a mental relief is given. There is an effect of improving the office amenity.

### ● Utilization of Natural Energy

The spreading of titanium oxide coating on the outward wall and the glass stimulates the self-purification of outward wall by natural light and rainwater and make the effect use of natural energy. Moreover, after the rainfall on roof is filtered for reducing bacteria, it will be used for washing water at the rest room or sprinkling water to plant.

### ● Thermal Storage Tank Type Heat Source System

By using the midnight power, the heat for using in daytime is saved in water inside the thermal storage tank that is located in an underground pit, and they are circulated to each office when air-conditioning is used. It is air-conditioning system that doesn't use the electricity in peak periods of daytime and is energy-saving.

### ● Introduction of Equipment Operation Support System

We adopt the system (BEMS) that is able to measure and grasp the amount of energy use according to the energy type (electricity, gas, and water), the usage and the zone for the improvement of operation.



Image of a New Building for Juki Corporation

## Measures Implemented at the Transportation Stage

The Juki Group has been implementing measures fast to reduce CO<sub>2</sub> emissions during the transportation of its products for continuous improvement.

Concretely speaking, we start from efficient operation of container by reducing empty load container transportation, and advance a positive introduction of railway transportation with less CO<sub>2</sub> emission (modal shift) than trucking as the next step. We were able to exceed 41% of the railway use ratio in the inland transport of container for export in the main factories of Juki Group in Tochigi and Akita Prefecture in October 2007 through September 2008 and reduce 1,353 tons of CO<sub>2</sub> emissions amount for the same period. Such an approach being evaluated, Juki received recognition as the "ECO-RAIL mark working company" by the Ministry of Land, Infrastructure, Transport and Tourism in February 2009.

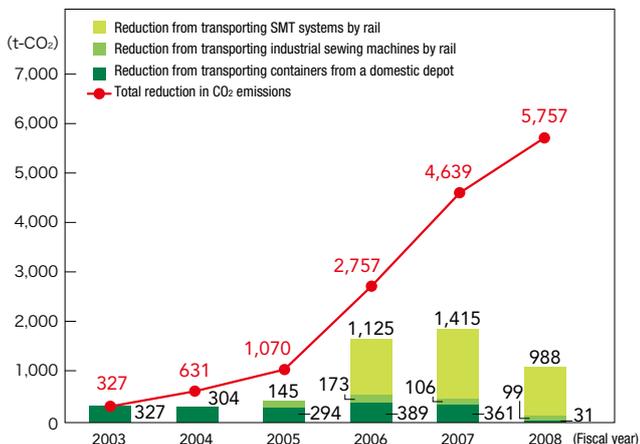
Moreover, we received the approval of a specific exporter based on Japanese version AEO system \*1 from the customhouse in April 2008. We will keep on raising the corporate value by conducting a positive operation of this system, the reduction in distribution cost, the speedup of customs clearance procedure, and promoting distribution that considers the environment.



Eco-Rail mark

\*1 AEO: It is an abbreviation of "Authorized Economic Operator" and a corporate entity that maintains the security management of freight and the system of law compliance. The customhouse admitted such maintenance. The customhouse constructs the partnership with private company to attempt securing the security of international trade and smoothing it. The system that speed ups and simplifies the procedure concerning the freight for a specific exporter is called Japanese version AEO system. A specific exporter can apply for the export declaration in places other than the bonded area and get its permission. Following New Zealand, our country signed the mutual recognition agreement with the United States in June 2009 while the movement of mutual recognition of AEO system between each country became active. It is expected to secure further safety of an international trade and to smooth it including the preferential treatment at customs clearance in the other party that is mutually recognized.

### Reductions in CO<sub>2</sub> Emissions by Improving Transportation Methods



Containers for industrial sewing machine leave for railway cargo terminal near factory



Railway container transportation that is key mover of modal shift (Tochigi prefecture)

## My action

### Continuous promotion of green distribution

We especially took a keen interest in the "ECO-RAIL mark" Recognition System that started in 2005 because it had promoted the rail freight transportation since 2004. It is meaningful even for the development of the entire industry that JUKI has been recognized for the first time as the company engaged in the apparel and the SMT systems industry and also has raised an awareness of the entire Juki Group, while many companies that were recognized work for a general consumer goods industry such as a beverage manufacturer.

In the future, I want to advance green distribution that considers the global environment to reduce CO<sub>2</sub> continuously and multilaterally in the entire Juki Group.

Specifically, adopting the concept of "Joint delivery" with the other companies, the round use of sea freight container for import and export is promoted within the country (round trip use), and the rail cargo transportation ratio is further improved by it. It includes many things in each field of distribution for sales, procurement, in-plant and waste such as the improvement of disposal of waste like the paints grounds and the wood waste at the early stage and the simplifications of product packing in the domestic companies.



**Noboru FUJII**  
Assistant Manager, Logistic Dept.,  
Juki Corporation

# Environmentally Conscious Product Development

The Juki Group is committed to procuring materials and parts that have met both domestic and overseas regulatory requirements. We are implementing measures to conserve energy, reduce our environmental load, mitigate noise and vibration from our products, and reduce the generation of waste so that we can manufacture products in an environmentally conscious manner right from the product design stage.

## Basic Policies for Product Development

The Juki Group believes that products should be environmentally friendly as a prerequisite for satisfying customers. Based on this idea, we are working on the development of product.

In fiscal 2008, the Juki Group began the operation of "Product Environmental Assessment Regulations" that evaluates the environmental load in the overall life cycle of product in the design stage. The life cycle stage that gives priority most is a product use stage by the customer. The Juki Group works on the decrease of power consumption when using or standing by, the securing of a long-term usability, and the decrease of noise and vibration, etc.

Especially, in an industrial sewing machine that is one of the core products of Juki, the Juki Group has strengthened the product development of such types as a dry head (oilless) that doesn't use oil, a semi-dry head (partly oilless) and a head that doesn't overfeed oil to reduce the abandonment problem of sewn products dirtied by oil used for a sewing machine or an amount of oil consumption itself.

Even in other life cycle stage, the Juki Group establishes "Juki Group Green Procurement Guideline" at the procurement stage of parts and materials, and executes the reduction of poisonous substance that generates the environmental load. At recycling and the abandonment stage, the Juki Group executed the check and the evaluation of uniting method to facilitate the choice of those materials or the separation of their parts for the recycling possibility rate improvement of the product and parts.

## Environmentally Conscious Design of SMT Systems

The Juki Group recognizes that it is a mission of the manufacturer to decrease the environmental load on product even in SMT systems centering on pick and placers of semiconductor that is another core product and advances approaches to it from the overall viewpoint.

The line producing PWBs for an electronic device consists of two or more pick and placers and other equipment has been operating for 24 hours and 365 days. In this production line, a pick and placer generates a big effect even with a small energy saving because of many units and long operating time though the pick and placers is a machine with comparatively little power consumption. At the same time, Juki Corporation believes that the raise of productive efficiency leads to the decrease of environmental load consequentially because of the business field that needs an expansion of production volume strongly.

"FX-3," the first high speed machine that Juki Corporation put on the market in May 2008, led to the increased production efficiency because Juki Corporation achieved the decrease of space required for installation by making the machine compact and suppressing the increase of power consumption while greatly improving production capacity. Moreover, a productivity improvement support system "IS (Intelligent Shopfloor Solution)" that began selling in May 2009 is useful to make the entire factory high effective by managing two or more production lines and the peripheral business in integration and optimization. It contributes to the operating rate improvement at the factory and the decrease of consumption energy by enhancing the management accuracy of components and materials with the IC tag, and preventing the installation mistake etc.



FX-3 designed in environmentally conscious manner

### My action

#### For Power Consumption 30% reduction

My main assignment is a manager of design section related to electricity in Electronic Assembly & Test Systems Division and I also work for a coordinator of power consumption reduction working group set up by the division in fiscal 2008. To achieve a high target to reduce the power consumption of product by 30% by the end of fiscal 2010, we have just now started to measure the state of power consumption of each unit of device and examine the measures against the reduction. We want to challenge a bold approach by reviewing composition of the entire device or introducing a new technology at the same time as finding the uselessness of electricity from those and removing it even a little to approach accomplishment of a goal.



#### Osamu NAKATSUKASA

Manager, the 2nd design section,  
The 1st R&D Dept.,  
Electronic Assembly &  
Test Systems Div.,  
Juki Corporation

# Resources Conservation

We are continuing with our 3Rs (Reduce, Reuse, and Recycle) to conserve resources, including reduction of the volume of paper used for copying and printing, more effective use of resources, and reductions in the waste emitted by our offices and factories.

## Effective Use of Paper Resources

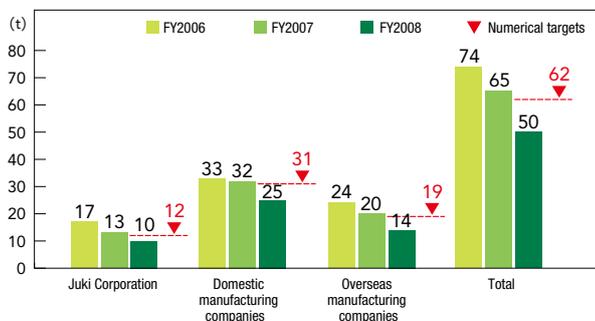
The Juki Group has been encouraging the digitization of conference materials or sales promotional materials, use of both sides of copied and printed sheets, and paperless business operations using email.

Juki Corporation reduces a volume of paper used for printing catalogues or manuals, and makes a database of product claim note through a website or Microsoft PowerPoint to make effective use of paper resources.

The Juki Group promoted paperless business operations by refraining from purchasing a paper itself and by making efforts to eliminate waste as part of QC circle activity. Moreover, Juki Denshi Kogyo Corporation reduced the number of Inspection Certificate Sheet by getting rid of an overlapping work.

As a result, the volume of paper that the entire Juki Group has purchased was reduced by 24% compared with fiscal 2007, which could exceed our set target of 5%.

Volume of paper purchased



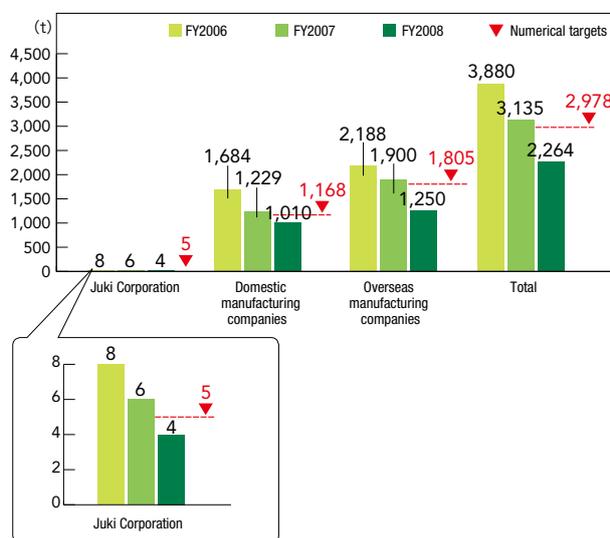
## Reducing Waste

The Juki Group is recycling waste plastic, cleaning liquid, edged tools, pallets (wood chips), and cardboard. Using cutting oil more efficiently. Our factories are implementing their own individual measures to reduce the amount of waste.

Juki Ohtawara Plant recycles vinyl after separating it from general incinerated waste, and conducts a thorough training for separating by presence of the person in charge when plastic is disposed of. The emission volume of paint grounds has reduced because of the improvement of work method. As a result, the volume of incinerated and landfill waste was reduced by about 50% over the previous year.

Also the other Group companies also conducted the re-use of the soluble cutting oil by the introduction of filtering system, the disposal by sale or recycle of wasted oil. The volume of incinerated and landfill waste was reduced by 28% over the previous year in an entire Group, which exceeded our set target of 5%. For the future, we are trying to reduce in an entire Group by advancing the discretion of waste in China etc.

Volume of Incinerated and landfill Waste



## Topics

### Returnable box for parts transportation

The Juki Group is going to change a packing box used for parts transportation to a returnable box that can be re-used if at all possible. By this, the volume of used cardboard is reduced, and the volume of waste can be finally reduced. Moreover, it is useful to prevent a scratch on heavy parts, improve work efficiency in manufacturing site, and reduce a purchase cost of packing materials.

In fiscal 2008, Juki Ohtawara Plant changed to use returnable boxes when receiving the parts from the domestic and overseas Group companies. As a result, it could reduce 18.8 ton for the emission volume of cardboard used for delivery, which is a reduction of about 30% compared with fiscal 2007. At the present, we are promoting more uses of returnable boxes by business partners outside the Juki Group as well as inside the Juki Group.



Delivery of parts with "returnable box" used repeatedly

# Green Procurement and Management of Chemical Substances

In order to provide customers with environmentally conscious products, the Juki Group formulated the "Juki Group Green Procurement Activity Guideline" in August 2004 and has since been conducting green procurement activities. We update the "Guideline" from time to time to respond to new environmental regulations in a proactive manner.

## Commitment to Green Procurement and maintenance management

Based on its ECO-MIND Declaration, the Juki Group formulated the "Juki Group Green Procurement Activity Guideline" in August 2004. Utilizing the study data and technical materials accumulated in the course of these efforts, we have been designing, developing, and manufacturing products in compliance with the Guideline. We responded to the EU's RoHS <sup>\*1</sup> Directive in 2006 and to China's RoHS Directive in 2007. We complied with new regulations such as the EU's PFOS and formaldehyde regulation in California, the U.S. in 2008, and will review its guideline following revision of JIG<sup>\*2</sup> phase 2 to build stronger supply chains with our suppliers in 2009.

Also, the Juki Group has hazardous substance analysis systems at all its procurement bases both inside and outside Japan. We also check for hazardous substances contained in materials delivered to our major assembly bases and input the results to the database by product item. Moreover, we are improving our analysis technology for the entire Group through measures that includes follow-up training seminars.

## Management of Chemical Substances

The Juki Group is strengthening measures to minimize the environmental load of all the chemical substances used in our products. Each of our factories has their own rules for the management of these substances and ensures safety right through the purchase, use, storage, and disposal stages of these chemicals as set out in their MSDSs. <sup>\*3</sup>

We are also committed to reducing the use of hazardous organic solvents in the parts cleaning and degreasing processes. In fiscal 2001, we discontinued the use of trichloroethylene and

dichloromethane at the Juki Ohtawara Plant. In fiscal 2007, Matsumoto Machinery Industrial Corporation discontinued the use of trichloroethylene. In fiscal 2008, Juki Aizu Corporation was able to attain the discontinuation to use dichloromethane.

<sup>\*1</sup> RoHS is an abbreviation for "Restriction of Hazardous Substances" and the RoHS Directive restricts the use of 6 hazardous chemical substances (lead, hexavalent chromium, mercury, cadmium, PBB, and PBDE) in computer, home electrical appliance, and others.

<sup>\*2</sup> JIG is an abbreviation for "Joint Industry Guide," which is a guideline for contained chemical substance information disclosure on electric and electronic product to share the information on substance managed for green procurement.

<sup>\*3</sup> MSDS is an abbreviation for "Material Safety Data Sheet," which shows the information required for the safe treatment of chemical substances (information on ingredients, disposal method, emergency treatment method, etc.) Manufactures publish MSDSs for each of their products.

### My action

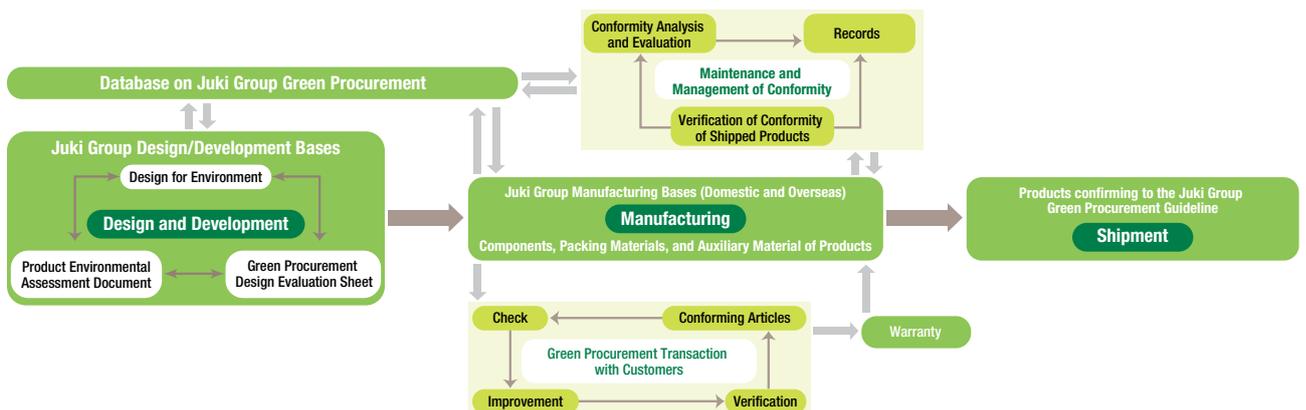
#### Response to the restriction by aggressive posture

To deliver the product that clears the standard at the same level to the customer all over the world regardless of the different restriction of poisonous substance in each country, we investigate a content of poisonous substance, promote a warranty, and verify them with an analysis in the procurement bases. I believe cooperation with a business partner important to respond promptly and certainly to the restriction that has increased more and more in recent years, and I wish to appreciate it very much. By advancing the maintenance of "Green Procurement Guarantee Delivery Recognition System" and "Supply Chain Road Map" for the future, I wish to think how well it leads to the enhancement of the brand value as well as to respond to the restriction.



**Tanio MORI**  
 Manager, Green Procurement  
 Promotion Section  
 Production Planning Dept.  
 Ohtawara Plant,  
 Juki Corporation

### Green Procurement Flow



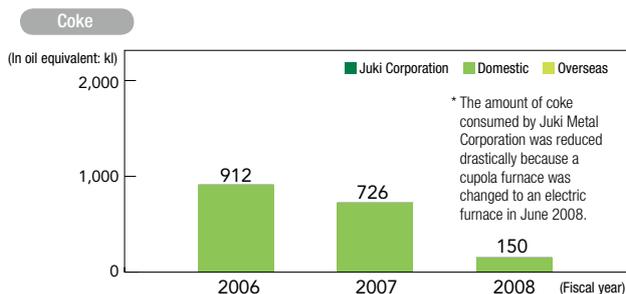
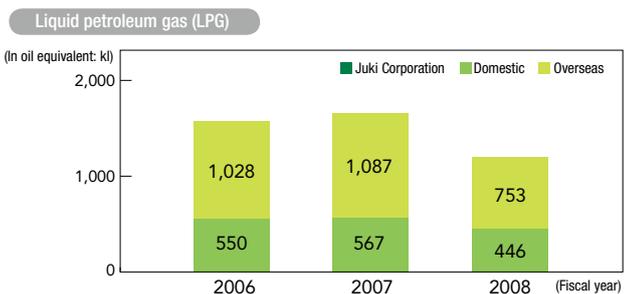
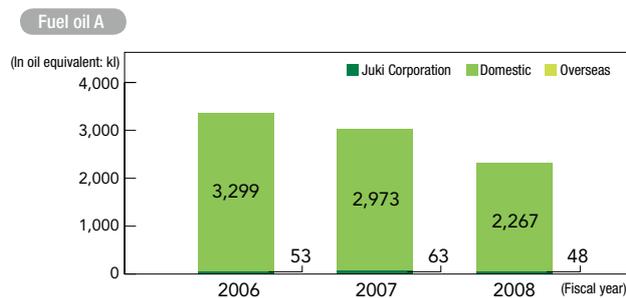
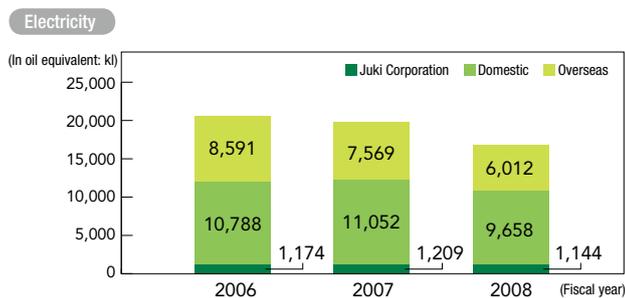
# Environmental Performance

The following table shows our environmental performance data for the past three years. We will further expand the scope of our environmental performance data to include more items and will strive to improve our environmental performance.

	Item	Fiscal 2006	Fiscal 2007	Fiscal 2008
Juki Corporation	CO <sub>2</sub>	2,821 t-CO <sub>2</sub>	2,938 t-CO <sub>2</sub>	2,724 t-CO <sub>2</sub>
	Electricity	4,565,168 kWh	4,698,963 kWh	4,447,684 kWh
	Fuel oil A	53 kl	62 kl	48 kl
	Gas	16 km <sup>3</sup>	12 km <sup>3</sup>	9 km <sup>3</sup>
	Gasoline	48 kl	59 kl	46 kl
	Water	17 km <sup>3</sup>	17 km <sup>3</sup>	16 km <sup>3</sup>
	Drainage	15 km <sup>3</sup>	14 km <sup>3</sup>	13 km <sup>3</sup>
	Final waste disposal	0.2 t	0.04 t	0.05 t
	Total waste emission	96 t	114 t	103 t
	Other domestic manufacturing companies in the Group	CO <sub>2</sub>	38,554 t-CO <sub>2</sub>	37,461 t-CO <sub>2</sub>
Electricity		41,941,695 kWh	42,965,697 kWh	37,547,229 kWh
Kerosene		301 kl	306 kl	138 kl
Fuel oil A		3,270 kl	2,947 kl	2,247 kl
Liquid petroleum gas (LPG)		424,524 kg	437,676 kg	344,346 kg
Gasoline		102 kl	92 kl	76 kl
Light oil		128 kl	113 kl	76 kl
Acetylene		205 kg	127 kg	135 kg
Coke		1,174,720 kg	934,960 kg	192,660 kg
Methanol		5,760 kg	5,760 kg	2,880 kg
Water		382 km <sup>3</sup>	387 km <sup>3</sup>	321 km <sup>3</sup>
Drainage		328 km <sup>3</sup>	339 km <sup>3</sup>	279 km <sup>3</sup>
Final waste disposal		876 t	612 t	618 t
Total waste emission		7,212 t	6,770 t	5,462 t
Overseas manufacturing companies in the Group		CO <sub>2</sub>	24,436 t-CO <sub>2</sub>	20,074 t-CO <sub>2</sub>
	Electricity	33,397,123 kWh	29,425,776 kWh	23,373,280 kWh
	Kerosene	0.4 kl	1.4 kl	0 kl
	Gas	72 km <sup>3</sup>	90 km <sup>3</sup>	53 km <sup>3</sup>
	Liquid natural gas (LNG)	890,985 kg	0 kg	0 kg
	Liquid petroleum gas (LPG)	794,029 kg	839,401 kg	581,481 kg
	Gasoline	118 kl	111 kl	99 kl
	Light oil	262 kl	296 kl	204 kl
	Acetylene	975 kg	900 kg	609 kg
	Water	324 km <sup>3</sup>	408 km <sup>3</sup>	346 km <sup>3</sup>
	Drainage	283 km <sup>3</sup>	366 km <sup>3</sup>	313 km <sup>3</sup>
	Final waste disposal	2,114 t	1,780 t	1,090 t
	Total waste emission	4,406 t	4,074 t	2,646 t

\* This table shows environmental performance data for Juki Corporation and other manufacturing companies in the Group shown on page 2.

\* A data for Juki Ohtawara Plant is included in other domestic manufacturing companies in the Group



# Management System

The Juki Group is committed to enhancing its governance system, improving the speed, efficiency and quality of its management, and strengthening its compliance system to gain the complete trust of society. We also prepare ourselves to manage any risks across the Group.

## Corporate Governance

Juki Corporation has Management Strategy Council under the Board of Directors to improve the speed and flexibility of our management. We also have an Operating Officer System and Chief Officer System (Chief Officers are in charge of various group functions) in place to ensure smooth execution of business and to clarify the channels of responsibilities. Not only Directors and Chief Officers but also persons in charge of departments or divisions such as Operating Officers attend Management Strategy Council, where active discussions were made from various angles. Moreover, Auditors, Auditors' Office, and Internal Auditing Department are observing the entire Group and Directors' exercise function with strict accuracy.

In addition, we appointed a CCO (Chief Compliance Officer) in May 2008. We revise a basis policy for constructing an internal control system to ensure further enhancement of governance system.

## Response to Financial Instruments and Exchange Act

For the internal control report system based on the Financial Instruments and Exchange Act executed in fiscal 2008, we started to make preparations in fiscal 2007 and it was evaluated that the internal control over financial reporting was effective in fiscal 2008. As for this, the control over financial reporting of the Juki Group is excellent, and we think the function of governance system of financial affairs is given a certain objective rating. We will aim at the efficient evaluation as well as the further improvement of accuracy for evaluation in the next fiscal year.

## Compliance

The Juki Group aims to continue to retain the trust of society by strengthening its compliance system while maintaining and improving its corporate ethics and actively communicating with society.

Employees of the Group are thoroughly educated to act in compliance with the "Juki Corporate Code of Conduct (see page 4)." In January 2009, Juki Corporation held compliance-related training seminars mainly for the persons who have not participated in it, such as those who returned from overseas, and hereby the compliance-related training seminars to all of employees have finished. Juki Corporation also has an "Employee Code of Conduct Consultation System," which provide a contact point for employees, and through which they can make inquiries and ask for advice regarding compliance-related problem quickly.

## Risk Management

The Juki Group, as a risk management system, set up a Risk Management Conference and a Crisis-Management Task Force to conduct a risk management. In preparation of emergencies, including natural disasters, fires and explosions, PL (Product Liability) problems and environmental problems caused by drainage from factories, we have established a system to implement preventive measures and respond to actual risks. Moreover, in the event of a serious crisis, we establish a Crisis Countermeasures Headquarters that is headed by a President or CAO (Chief Administrative Officer) to actually manage all types of crisis.

### Corporate Governance System



\*1 CCO: Chief Compliance Officer

# Responsibilities to Stakeholders

The Juki Group believes that conducting business activities fully oriented towards its stakeholders will increase its corporate value and generates mutual profits. We are implementing this to make ourselves into a corporate group that fulfills the needs of all of our stakeholders.

## Relationship with Stakeholders

### Shareholders

We are improving our financial position and shareholder value and are committed to distributing dividends in a stable manner. Also, in order to promote communication with shareholders and investors, we are actively disclosing our corporate information in a fair manner.



### Customers

The Juki Group will ensure that the products and the services that can be used for a long time will help customers maximize their value. We aim to continue to build and deepen the bond of trust we have with our customers.



### Business Partners

To ensure coexistence and co-prosperity with suppliers, we give explanations and provide education to them regarding (1) fair and unbiased competition, (2) compliance with contracts, (3) regular briefings on the market situation, and (4) the "Juki Green Procurement Activity Guideline." Through these measures, we want to become friendly rivals with our suppliers.



### Society

As a good corporate citizen, we are making deeper exchanges with local communities. Also, in our international business operations we comply with internal and local laws, respect the local culture and customs, and endeavour to contribute to the development of the local area. At the same time, we aim to become a valuable and attractive entity in the society by addressing the environmental issue seriously.



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### Employees

The Juki Group aims to become a global corporate entity that provides people with great employment and growth opportunities regardless of their nationality, race or gender. In each of the countries where we do business, we will establish an organization and corporate culture where employees can work with higher motivation and higher job satisfaction.



# Relationship with Customers

We are working to provide safe products and increase Customer Satisfaction (CS), in addition to responding to inquiries and requests from customers. We are committed to building and maintaining a deep bond of trust with our customers.

## CS (Customer Satisfaction) activities

Juki Corporation thinks it more important than anything else to continuously provide the product and service that can satisfy the customer. Therefore, we introduce and operate the "S" evaluation process that measures the customer satisfaction rating of the product after release of new product.

We also aim at the product development that can satisfy the customer at any time by investigating or evaluating the customer satisfaction rating with quality, function, cost of introduction and operation, and after-sales service, and reflecting it in the project of a new product for the next term and in the change of specification of an existing product.

Moreover, to ensure customer satisfaction, each of our divisions has its own system to respond to inquiries from customers. We also accept inquiries through our website.

### Development Cycle of New Product

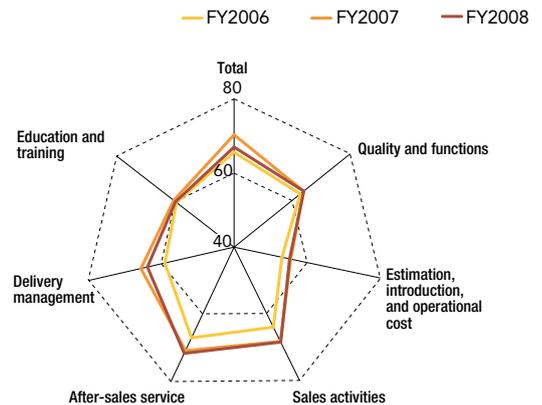


## Approach by the SMT Systems (Electronic Assembly and Test Systems) Division

The SMT Systems Division develops, manufactures, and distributes a pick and placer that places IC chips on a PWB. It approaches to the improvement activities every day for the CS activity started in fiscal 2004 to satisfy the customer's point and demand.

Above all, as for a customer support, through the extension of reception time at a call center, the education to service engineers and the review of parts depot to shorten customer's machine down time, it constructed the system that can support to supply the parts for repair and repair the machine promptly. Ten service engineers passed a certification examination for eco as part of environmental education. It will keep on promoting an improvement activity so that the customer can be satisfied.

### Results of the Customer Satisfaction Survey



## Product Safety

As a premise to providing customers with safe products, we must comply with laws and regulations on product safety and continually review and improve our product safety measures. The Juki Group puts importance on the following three points when implementing product safety measures: (1) explicitly stating our intention to give priority to product safety; (2) actively disclosing information on accidents with our products both internally and externally; and (3) implementing a system for risk assessment and taking action to make our products safe.

When a safety-related problem arises or could arise, we use all means to respond promptly and appropriately to ensure customer safety. In addition, we are acting constantly to prevent the occurrence or recurrence of accidents with our products, thereby reducing the risks. We implemented a review of the regulations on product safety especially in fiscal 2008.

## Quality Assurance

In line with the basic policies in our current Mid-Term Management Plan for fiscal 2008 to 2010 – "promotion of good qualitative management" and a "stronger *Monodzukuri* (the art of product making) power" – we are endeavouring "to improve our quality assurance system based on our strategies for quality and focusing on safety." We are also striving "to increase the quality and quantity of human resources who supports the quality assurance system and to improve the level of our quality management skills." In fiscal 2008, furthermore, we reviewed the system for a standard regulation to improve the quality of management and also reconstructed the system for promoting a standard regulation management.

Besides it, we intensively promoted the implementation of TQM instruction meeting for the development and manufacturing departments, and quality management education seminars for the executive managers of each business segment and Group manufacturing companies, and then to encourage more employees to sit for the QC (Quality Control) examination. As a result, 922 of employees have passed the QC examination, including the Group companies, as of March 2009. Moreover, about promotion of the quality circle activity, we enacted "QC circle activity promotion guideline of the Juki Group," and directed the domestic group companies to observe the law related to the overtime activity of QC circle activity. As of March 2009, QC activity was executed by 92% (12 bases among 13 bases) of domestic and foreign manufacturing bases, and 1,039 of employees in total participated in the QC circle activity.

## International Apparel Machine Show

Juki Corporation exhibited its products to "International apparel machine show (JIAM 2008 Singapore)" (Industry Association of Corporation Japan Needlework Machine sponsoring) that had been held in May 2008. JIAM that has a history for 24 years was organized in a foreign country for the first time. 200 companies from 19 countries participated, and the customers from 85 countries with 20 countries more than last time visited.

57 units of industrial sewing machines and 14 units of household sewing machines were exhibited in the largest booth of 1,080m<sup>2</sup> among the exhibitors, including new models under the Juki new concept "Be the Best in CS." In the exhibition, various presentations were made in the IE support corner where the decrease and the efficiency improvement of man-hour production management was proposed, and in the technical solution corner where the latest technology and the unique technology were introduced through the stereoscopic vision with CG and the skeleton model.



Juki booth where total 71 units of sewing machines were displayed

## New Concept of Industrial Sewing Machines Division

### "Be the Best in CS"

Juki Corporation aims at "CS that is born from customer's voice, and brings the smile to the customer." The production site asks for the action that is taken against customer's needs promptly and

certainly. True voices from production sites will become the key to the technical innovation and the service improvement of Juki Group when we meet the market needs that change hour by hour. To answer these voices, Juki Group has devoted one's energies to "A true valuable product is invented" and "Top priority service to the customer is performed" for years. We believe it the best CS of Juki Group to habitually aim at the "Answer" of one step ahead and make a proposal from a new cut, listening to customer requirements constantly. The Juki Group keeps on challenging from various angles for the highest customer satisfaction.

## Topics

### "JUKI magazine" to the National Diet Library

"JUKI magazine" (specialized magazine of the apparel production industry) that the industrial sewing machines division issues has continued for about 50 years since it was first published in 1960. The delivery of the web version began in 2003, and the magazine was registered in Dnavi (dnavi.ndl.go.jp) of the National Diet Library in 2008.

In addition, it was recognized in the e-zine (electronic magazine) of WARP (warp.ndl.go.jp) that leaves Internet information to future generations as a cultural heritage, and it was preserved in the National Diet Library in March 2009.

JUKI magazine URL:  
<http://www.juki.co.jp/jm/>



## My action

### Courteous service without forgetting a mind of respect

The industrial sewing machines of Juki Corporation take the market share of number one in the world, and the results lead to the great trust when the customers choose a product. However, the results are not enough for the customers who are the professional of sewing machines. I am bearing it in mind to touch the customer politely without forgetting a mind of respect unflinchingly.

I have ever visited the customers who used the equipment of other companies several times to explain the JUKI product. At first, the customers did not show much interest in the JUKI product but I visited many times to propose a useful gauge for quality improvement of the JUKI products, and improve the needlework quality. As a result, the customers could replace it with the JUKI products.

I was deeply moved by the customers' acceptance of quality of the JUKI product and myself. I will keep on working hard with a mind of respecting the customers and serving the customers courteously so that the customers may choose the JUKI products.

#### Henry Yeo

Assistant Sales Manager,  
Sales and Marketing Sec. Sales Dept.,  
Juki Singapore Pte. Ltd.



# Relationship with Employees

The Juki Group is building a business rotation system to make better use of human resources and is improving its workplace and system to help employees make their work and home lives more compatible. We also believe it important to give psychological support to employees for their overall health.

## Thought of Human Resources Development

Juki Corporation aims at the management that develops "Human Resources" and makes the best use of it within the entire Juki Group. We are actively implementing measures to enhance and develop the technical manpower, develop and secure the manufacturing manpower for *Monodzukuri* (the art of product making) in addition to the supports for educations and self-development at various types of job and levels.

For the engineers of the Juki Group, we have executed "Technological skill investigation" every year since 1984 and supported them to acquire public qualifications for a machine design engineer certification, a digital certification, and an intellectual property certification since 2005.

Moreover, we encourage the skilled persons to acquire a public or in-house qualification for technical skills of machining and assembly of machine, metallic heat-treatment, and assembly of electronic equipment. We believe that this will eventually help the Group attain more growth and contribute to society by providing its employees with educational opportunities.

## Mental Health and Health

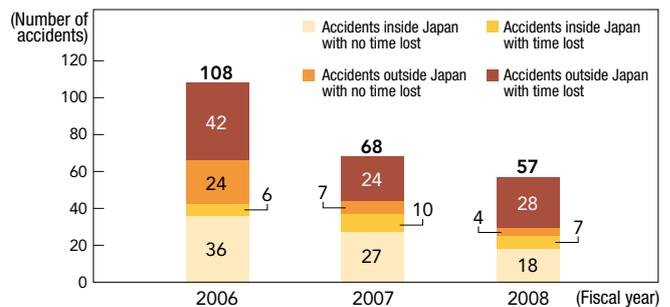
Juki Corporation executes not only the routine physical examination but also the consultation of the second health examination and the health guidance regarding work limitation measures according to a result of the routine physical examination. At the same time, to prevent health problems because of overwork, we execute the control of working hours and the work management based on an individual checkup for the employee who spends an extended period of time at worksite. Moreover, we address the improvement measure of mental health from early time, and execute the mental health diagnosis every year.

A medical team in the Health Consultation Section, which comprises health specialists, nurses, and employment medical advisors, supports employees in maintaining and improving their health, and holds the three-party meetings positively between managers, employees and medical team members.

## Occupational Health and Safety

In order to provide employees with safe and comfortable workplace, the Juki Group is making a concerted effort to eliminate labour accidents. To foresee and prevent labour accidents, we believe it important to share information about the details of any labour accidents that have taken place within the Group. The Juki Group manufacturing companies are therefore starting to share the relevant information, improve their risk assessment systems, and collect accurate data on accidents at work to prevent the recurrence of similar accidents. As a result, in fiscal 2008, a number of labour accidents that took place within the Group have been decreased by about 47% compared with fiscal 2006.

Number of Labour Accidents that Took Place within the Group



## Support system for the balancing of work and family

Juki Corporation provides its employees with a well-developed support system of the balancing of work and family. Moreover, Juki Corporation admits the employees who need a safe motherhood before childbirth, an upbringing of children under primary school student and a nursing care of family member to work on a short-time basis for one year in the limit of two hours a day.

Moreover, Juki Corporation is providing its employees with a baby break or a granny leave system that can be acquired for one year and three months at most and also a special leave system that can be acquired for six weeks before childbirth and ten weeks (legally eight weeks) after childbirth to raise a child.

## Topics

### Approach to Enhance An Employment Satisfaction in China

Each company in China of the Juki Group has been widely working on the employee satisfaction enhancement, from the maintenance of a basic working condition to the recreation of opportunity for recreation where employee participates.

Juki (Ningbo) Precision Industrial Co., Ltd. organizes an athletic meet once a year, a company trip and Spring Festival congratulation rally every two years in addition to the maintenance of a basic working condition. Because these are high evaluated comprehensively, they were awarded a prize "Employee satisfaction company" (certified by the trade unions in Jiadin district, China) in May 2008 and were chosen as a top ten companies among several thousands of companies.

Moreover, Juki (Ningbo) Precision Industrial Co., Ltd. newly set up a leisure space that is available for sport by its employees and reaches 4,000m<sup>2</sup>.

It will work on the employee satisfaction enhancement as in-house cultural sports facilities in the future.



Presentation ceremony of "Employee Satisfaction Company"

# Relationship with Shareholders and Investors

The Juki Group will enhance the management transparency through accurate information disclosure to stockholders and investors at the right time. We have received many opinions and comments from shareholders and investors, and we are striving to meet their requirements.

## Investor Relations (IR)

Juki Corporation believes that it is important to improve the satisfaction of its shareholders by strengthening communication with them. We post short-term financial reports, financial statements, and annual reports on our website in good time as the best way of disclosing information on our business trends and financial position.

In July 2005, we began holding biannual briefing sessions for institutional investors so that they can deepen their understanding of Juki Corporation and also have an interview individually with securities analyst. By these activities, we are promoting to increase a stable shareholder who owns a share for the long term.



Briefing session held in May 2008

## General Meeting of Shareholders

Juki Corporation holds a general meeting of shareholders every June. After the end of the general meeting, we introduce our major products to participating shareholders to deepen our communication with them. We held "The 93rd general meeting of shareholders" in June 2008. More shareholders attended the meeting than in past years to exchange questions and answers actively. Moreover, they have ardently seen our major products after the meeting.

To make a general meeting more open in the future, we will hold it outside of those concentrated days. Moreover, we will continue trying to reflect the opinion from stockholders in the future approaches in the future, and to answer the expectation of everybody.

# Relationship with Business Partners

As a global corporate entity, the Juki Group is promoting green procurement in corporation with its business partners. We are committed to fair and unbiased trading with suppliers and improving our technological capabilities for coexistence and co-prosperity with our business partners. We are also enhancing communication with them through briefings and training sessions.

## Procurement Policy

The Juki Group aims to choose the best places for production and procurement on a global scale, in order to produce and deliver satisfactory products more speedily and more efficiently to customers at more reasonable prices.

We choose business partners in a fair manner using our "business partners examination table." Both within and outside Japan, partners to the Juki Group need to meet the Group's quality, cost, and delivery requirements as a basic premise. In addition, when we choose partners, we evaluate them on their compliance with laws, regulations, and social norms, respect for basic human rights, compliance with the "Juki Group Green Procurement Activity Guideline," measures to ensure occupational health and safety, and protection of intellectual property rights.

Juki Corporation annually commends business partners who have fully met the company's evaluation criteria for quality, delivery, and cost. We also issue a "Certificate of guarantee delivery" to partners who have met our examination criteria for quality management.

## Exchange with Business Partners

Juki Corporation holds meetings to promote exchange and communication with suppliers, who are its partner companies. In January 2009, we invited many of our business partners to a New Year's meeting.

Moreover, every year in our "Month of Quality Promotion," Juki Corporation holds a seminar for its business partners. In fiscal 2008, taking "Factory that always evolves" as a theme, Juki Corporation has announced the approaches to a skill power improvement for *Monodzukuri* (the art of product making) in Juki Ohtawara Plant, a challenge to zero a labour accident, and a waste elimination improvement activity by the participation by all members together with the examples.

Overseas too, we are strengthening our partnership with business partners. In China, Juki (Ningbo) Precision Industrial Co., Ltd. invited its local Chinese partners to a congress, at which it explained its procurement policies and commended partners for the excellent performances over the past year.



Meeting with business partners

# Relationship with Local Communities

The Juki Group has customers in approximately 170 countries and deals with them via its worldwide sales network. In countries all over the world, the Juki Group companies are striving to build even better relationships with communities in the localities where they are doing business.

## Idea to local communities

The manufacturing factories of the Juki Group have extended to all over Japan and the foreign countries with a central focus on Asia and Europe. Many of the Juki Group's factories have been established from the beginning in the farm village because the components factories and the assembly factories were established there based on the thought of "Management with integration between agriculture and industry." This thought is intended to prevent the concentration of population to the urban area by creating new employment in the rural area, and to use it for a cultural improvement of the farm village life. The heart "Live with the local communities" is poured incessantly into the JUKI's mind, and has been succeeded now though the age changes and its mission ends.

## Acceptance of social studies field trip

Juki Denshi Kogyo Corporation that is a main factory for SMT systems accepts the social studies field trip from the neighboring schools every year and accepted 217 students from 9 schools (university, high school and junior high school) in fiscal 2008. In addition to a factory tour, it is trying to meet the needs of each school such as "Occupation course that follows the example of one's predecessors" and "The parents' workplace experiences" for them to get the advice on how to spend the school days and on the vocational choice in the future when visiting their seniors at school.



Juki Denshi Kogyo Corporation "Visit to the workplace (Jyumonji junior high school)"

Moreover, Juki Seimitsu Corporation also invited high school students at industrial course and neighboring junior high school students, offering an opportunity to study the society through a production activity, and finally accepted 27 students in total in fiscal 2008.

## Internship program

The Juki Group has introduced an internship program<sup>\*1</sup>, including the headquarters, 8 companies in Japan and 4 companies in foreign countries. 99 people of university students and high school students were accepted in fiscal 2008.

Juki Denshi Kogyo Corporation is accepting junior high school students for a starting work experience as well as high school students. Moreover, Matsumoto Machinery Industrial Corporation is accepting mentally retarded persons from a school for the handicapped, and finally employs them. Even Juki Aizu Corporation is accepting the handicapped as part of the trial employment program and then employs them in collaboration with Hello Work (Public employment security office).

<sup>\*1</sup> Internship program: System with which a student can work as a trainee at company etc. for a certain period and do a starting work experience related to his or her own future.

## Topics

### Continuous social contribution activity in foreign countries

JUKI has promoted the activity to train the production supervisors and the engineers in the sewing factory for about 50 years and executed the personnel training as a social contribution activity that helps the industrial rehabilitation of the developing countries since about 20 years ago. Such an activity has been fulfilled five times in total in Asian countries such as India etc. in fiscal 2008.

Moreover, the Sewing Research Institute has been assisting the human resources development of the customer in China and Southeast Asian nations. In fiscal 2008, it has been executing the factory diagnosis and the activity such as the production management seminars three times in total to do the productivity enhancement and the manager promotion activity of factory in Cambodia.



Sewing factory in Cambodia

## My action

### I joined the company starting with the internship.

I experienced the internship in a software team in the Research & Development Dept. I was able to be involved in a work close to the practical business though it was a field different from the major of the university thanks to a favor ardently guided by the supervising instructor. The internship of Juki allows us to study near the senior employee who actually works. Seeing with my own eyes that the technological skill and passion of each employee are making a world-class product, I was able to have the image of working in a company.

#### Yuka NAKANISHI

The 2nd R&D Office,  
The 1st R&D Dept.,  
Central R&D Laboratory,  
Juki Corporation



# Third-Party Opinion

Recently we asked Ms. Yuko Sakita to provide a third party opinion on the content of the Juki Environmental Report 2009. We will make the best use of her opinions and suggestions as we plan out improved activities for the next fiscal year.



## Yuko Sakita

Journalist, Environmental Counselor,

Ms. Sakita is an Environmental Counselor registered with Japan's Ministry of the Environment. Through her wide engagements in environmental education, she views society from a consumer's perspective and lectures and writes on environmental problems, especially on the challenges to creating an environment-conscious society.

## Comprehension opinion

I applaud Juki Corporation's advocacy of deeper environmental involvement as "creative partners" which recognizes the trust society places in it, as the world's market leader in industrial sewing machines, and as an embodiment of "Mind & Technology" and "Customer Creed" policies as put up in the Top Management Message.

In fiscal 2008, while the world was entangled in a once-in-a-lifetime economic crisis, Juki established an original Environmental Label under "JUKI ECO-PRODUCTS AUTHORIZATION SYSTEM." I respect Juki's environmental posture and voluntary efforts to promote a virtuous circle of environmental activities and economic value.

Environmental consideration is being positioned as a future growth field. The potential to take advantage of the economic crisis, to use it as a window of opportunity for change, is increasingly recognized around the world.

After the product design stage, with its strict checkpoints for Green Procurement, Power Consumption during Use, Power Consumption during Standby, Oil and Grease Use, and the Environmental Labeling, high environmental performance will be increasingly applied as a product selection standard in markets, and environmental considerations will generate more economic activity.

## Environmental aspect

I hear that fiscal 2008 coincides with the start of Juki's new medium-term management plan. Among the domestic and overseas manufacturing group companies within the Juki Group, only one company has yet to construct an ISO14001-certified environmental management system. The environmental emphasis on business activity targets and PDCA methodology is sure to be thoroughly cycled in the future.

Besides the external screening, I believe that in-house communication through internal audits, employee training, eco-mind investigations, environmental education, and the recommendations for eco-authorization will be strengthened. I praise Juki's policy of changing the mindsets of its people as a fundamental business activity. Yet even now, at the implementation level, Juki's plans for environmental education are only 70% complete. The solidity of Juki's business in the future will hinge on the further improvements of employee environmental awareness at Juki.

Moreover, Juki achieved its ambitious environmental targets

to reduce CO<sub>2</sub> by 21% (2% over the target) and garbage by 28% (5% over the target), compared with the levels of the previous year. However, these reductions are mainly attributable to the effects of the decreased production volume. Clearly Juki Corporation should continue making efforts to reduce these outputs in compliance with the unit requirements. Let me add that Juki's longtime approach has also achieved results. For example, Juki Corporation has been recognized by the Ministry of Land, Infrastructure, Transport and Tourism as the "ECO-RAIL mark working company," mainly through Juki's approach to a model shift, etc. in green distribution. Environmental considerations at production sites are well positioned, with various ideas for low stratification, rooftop gardening, and the use of rainwater. These measures harmonize co-existence with local communities when production sites construct new headquarters buildings. I think that they are wonderful.

## Social aspect

The businesses of Juki Corporation are widely promoted through trustworthy relationships with stakeholders, who are shareholders, business partners, employees, their families, and the society. I have been pleased to see that the employee training for legal compliance is advanced at Juki, and that Crisis-Management System for emergencies is well maintained. While it's fine to officially announce detailed data on the results of customer satisfaction surveys and the like, I would suggest that Juki Corporation describe how it has improved on this data to ensure that the data can be well used for the confirmation of the PDCA situation.

The manufacturing and the sales group company have extended themselves all over the world. They are laying down roots around local communities in the regions where factories are located and products are used by expanding various charitable activities, including local support, technical assistance, intern acceptance programs, and like activities. The dissemination of advanced cases and concrete appearances in various places will deepen society's reliance on Juki's business activities overall as a global company.

## Future Expectations

The government's medium-term target for CO<sub>2</sub> reduction as a global warming countermeasure has been sharply increased to a 25% reduction by 2020, compared with the 1990 level. What kind of company does Juki Corporation seek to become in this changing world? How can it achieve the 80% reduction of CO<sub>2</sub> expected of it as an enterprise from an advanced country, under the medium-term target towards 2020 and the long-term target towards 2050? I would like to propose that Juki Corporation widely collect the voices of society in various venues for opinion exchange and for environmental education in group companies, describe its vision and road map for the future, and send out a message in its Environmental Report to convince society of its strength in reserves and its commitment to walk strongly in turbulent days. I hope that Juki's example as a donor of technologies and human power towards a better future will encourage the world.

# JUKI

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