Top Message

Responding to the challenges of a rapidly changing society requires bold and innovative thinking. Creating new products is the TDK way of contributing to find viable solutions.

Takehiro Kamigama, President & CEO, TDK Corporation

In March 2011, the Great East Japan Earthquake caused massive damage and loss of life, mainly in the Tohoku region of Japan. We extend our deepest condolences and heartfelt sympathy to all those affected by the disaster.

Within our group, a plant in Kitaibaraki city suffered damage, and temporary shortages of raw materials affected operations, but thanks to full cooperation by our suppliers and partners both in Japan and overseas, we were able to overcome these challenges. This made us realize once again the importance of establishing relationships built on mutual trust during day-to-day business. At the same time, we are determined to learn from this experience and are giving priority to measures such as business continuity planning (BCP) to further strengthen our risk management framework.

This unprecedented disaster has brought our society to a point where decisive changes are called for. The use of renewable energy sources such as solar power, along with the establishment of distributed energy systems is growing. Businesses are increasingly utilizing cloud network services or computing platforms to store their data. We believe that a component manufacturer such as TDK has a major role to play in these developing applications.

We already supply a wide range of components used in solar and wind power installations. The advancement of cloud computing means a growing demand for high-performance hard disk drives, an area where the importance of TDK technology will only grow stronger and more relevant.

With an objective of preserving precious natural resources, we are pursuing the development of magnets that do not require rare earth materials. Looking ahead and gauging future needs will enable us to put the required systems in place in a timely manner. The reduction of  $CO_2$  emissions is another major focus of TDK. Under the newly established "TDK Environmental Action 2020" platform, we are aiming to achieve carbon neutrality, in the sense that  $CO_2$  emissions caused by our manufacturing operations are offset by the reduction of  $CO_2$ emissions achieved through the use of TDK products and expertise.

In order to realize this goal, it is necessary to make the environmental contribution of our electronic components more transparent. We are therefore quantifying both the  $CO_2$  emissions produced at the manufacturing stage of a product and the  $CO_2$  emission reduction achieved when the product is being used. We are also calling upon the industry to standardize such procedures.

Since people are at the basis of all our efforts, we attach the highest priority to the development of human resources. Our ideal employee is selfmotivated, aware of issues, and able to challenge with received wisdom. We also want to foster a global outlook, for example by giving young and promising staff members the opportunity to spend time abroad.

A strong and solid company is one that can innovate through their products. It is vital to create products that do not simply repeat a pattern but rather enable new solutions and bring something to the table, through aspects such as size, quality, cost, and reduction of environmental impact. We see the development of highly innovative new materials and components as our contribution to society. By fulfilling its responsibilities, TDK aims to become an even stronger company.

I hope that you will find this report interesting reading, and heartily welcome your comments and suggestions.



