

State of Progress in Important Activity Areas from a CSR Perspective

The TDK Group aims to realize a sustainable society and company by practicing our corporate motto of “Contribute to culture and industry through creativity.” In addition, in consideration of their degree of impact on and importance to society and our company, we have selected four important activity areas and implemented PDCA cycles for them. The following is a report of achievements in fiscal 2014 and plans for fiscal 2015 in these four areas.

Important Activity Area	FY 2014 Action Plan	FY 2014 Results	FY 2015 Action Plan
1 Contribution to the world by technology	Contribute to resolving social problems through business activities <ul style="list-style-type: none"> Continue to promote the development of products that contribute to the solution of social issues in the priority strategic fields of ICT, automotive, and industrial equipment and energy 	<ul style="list-style-type: none"> Promoted the development of Wireless Charging (ICT), position sensors (automotive), NTC thermal sensor elements (industrial equipment and energy), etc. 	<ul style="list-style-type: none"> Will continue to promote the development of products that contribute to the solution of social issues in the priority strategic fields of ICT, automotive, and industrial equipment and energy
2 Development of human resources	Innovative craftsmanship training <ul style="list-style-type: none"> Continue to hold TDK Monozukuri Tradition Seminars Continue to hold the seminars at overseas sites depending on team composition 	<ul style="list-style-type: none"> Held TDK Monozukuri Tradition Seminars (5 participants) 	<ul style="list-style-type: none"> Will continue to hold TDK Monozukuri Tradition Seminars Will continue to hold the seminars at overseas sites depending on team composition
	Development of global human resources <ul style="list-style-type: none"> Improve global human resources function Continue to implement cross-cultural communication training and IMD (International Management Development) seminars Continue to consolidate the Overseas Trainee Program 	<ul style="list-style-type: none"> Promoted the integration of sales activities in Europe and the standardization of educational tools, etc. Continued to implement cross-cultural communication training (106 participants) and IMD seminars (19 participants) Consolidated the Overseas Trainee Program (4 participants) 	<ul style="list-style-type: none"> Will continue to improve the global human resources function Will continue to implement cross-cultural communication training and IMD seminars Will continue to consolidate the Overseas Trainee Program
	CSR awareness within the company <ul style="list-style-type: none"> Continue to implement e-learning and expand coverage (yearly implementation at cooperating sites and approach new group companies) Continue to implement corporate ethics and CSR education in training for new recruits and assistant managers Continue raising awareness for CSR in IMD seminars 	<ul style="list-style-type: none"> Continued to implement e-learning and expanded coverage Implemented corporate ethics and CSR education in training for new recruits and assistant managers Raised awareness for CSR in IMD seminars Implemented worldwide compliance education 	<ul style="list-style-type: none"> Will rearrange contents and continue to implement e-learning Will continue to implement corporate ethics and CSR education in training for new recruits and assistant managers Will continue raising awareness for CSR in IMD seminars Will make separate plans for compliance education
3 Society and environmental considerations in the supply chain	Promote CSR procurement <ul style="list-style-type: none"> Continue to regularly revise CSR check sheets for suppliers and provide education and guidance Implement and improve quality of CSR audits of suppliers Implement CSR training at employment agencies focusing on labor and human rights 	<ul style="list-style-type: none"> Strengthened items in CSR check sheets for suppliers and continued to provide education and guidance (13 suppliers) Implemented CSR audits of suppliers (13 suppliers) Implemented CSR training at employment agencies focusing on labor and human rights 	<ul style="list-style-type: none"> Will continue to regularly revise CSR check sheets for suppliers and provide education and guidance Will implement and expand CSR audits of suppliers Will implement CSR training at employment agencies focusing on labor and human rights
	Handle conflict minerals regulations <ul style="list-style-type: none"> Gather information and assess trends regarding the interpretation of the SEC's final conflict mineral rules Continue to respond properly to customers Implement regular surveys for newly purchased products and improve identification of smelters for existing purchased products Establish in-house arrangements in response to the interpretation of the SEC's final conflict mineral rules 	<ul style="list-style-type: none"> Gathered information and assessed trends through participation in the JEITA Responsible Minerals Trade Working Group Responded properly to customers (2,489 cases) Survey response rate from suppliers: 99% Since there is no clear statement regarding the due diligence of suppliers, used the 2013 survey 	<ul style="list-style-type: none"> Will continue to gather information and assess trends regarding the interpretation of the SEC's final conflict mineral rules Will continue to respond properly to customers Will continue to implement regular surveys for newly purchased products and improve identification of smelters for existing purchased products Will continue to establish in-house arrangements in response to the interpretation of the SEC's final conflict mineral rules
	CSR-based customer relations <ul style="list-style-type: none"> Implement regular TDK CSR self-checks at manufacturing sites and promote the improvement of risk management relating to labor and corporate ethics Continue to implement third-party audits once every two years (including requests from customers) Respond to CSR survey and auditing requests from customers in a timely manner 	<ul style="list-style-type: none"> Implemented regular TDK CSR self-checks at manufacturing sites and promoted risk assessment relating to labor and corporate ethics Implemented autonomous third-party audits (5 sites in China) Responded to CSR survey and auditing requests from customers in a timely manner 	<ul style="list-style-type: none"> Will implement regular TDK CSR self-checks at manufacturing sites and promote the improvement of risk management relating to labor and corporate ethics Will continue to implement third-party audits once every two years (including requests from customers) Will respond to CSR survey and auditing requests from customers in a timely manner
4 Symbiosis with the global environment	Promote environmental activities <ul style="list-style-type: none"> Promote environment-oriented activities based on TDK Environmental Action 2020 Continue toward achievement of carbon neutrality <ul style="list-style-type: none"> Reduce CO₂ emissions in manufacturing operations (environmental load): 1.07 million tons or less Increase reduction of CO₂ emissions through products (environmental contribution): 700,000 tons or more 	<ul style="list-style-type: none"> Promoted environmental activities based on TDK Environmental Action 2020 Achieved carbon neutrality <ul style="list-style-type: none"> Reduced CO₂ emissions in manufacturing operations (environmental load): 1.068 million tons Increased reduction of CO₂ emissions through products (environmental contribution): 1.251 million tons 	<ul style="list-style-type: none"> Will promote environment-oriented activities based on TDK Environmental Action 2020 Will achieve carbon neutrality <ul style="list-style-type: none"> Will reduce CO₂ emissions in manufacturing operations (environmental load): 1.05 million tons or less Will increase reduction of CO₂ emissions through products (environmental contribution): 1.05 million tons or more