

The TDK Group's Materiality

TDK believes it is important to promote CSR activities that respond to changes in stakeholders and the social and business environment surrounding the Group. From fiscal 2013 TDK promoted the study of materiality in accordance with the fourth edition of the Global Reporting Initiative guidelines (GRI-G4), and in fiscal 2015, with the approval of management, we finalized our materiality. Here we introduce the process and results.

The Materiality Finalization Process

GRI-G4 made a revision from requiring comprehensive information disclosure to requiring information disclosure with the focus on materiality. The objective of this revision was to encourage companies to determine their reporting content purposefully by getting management to be more deeply involved in CSR. TDK held discussions with stakeholders outside the company, implemented a dialogue with management, and finalized materiality through the following process.

▼ Prior Stages (Fiscal 2013)

1. Analysis of current circumstances

We analyzed current disclosure levels with regard to compliant items, noncompliant items, and the degree of noncompliance in light of the GRI-G4 Guidelines.

2. Increasing understanding

Relevant personnel took a GRI G4 Certified Training Course to gain an accurate understanding of the intent of the GRI-G4 Guidelines.

3. Organization of information sources

In order to finalize materiality and broadly identify social issues, we confirmed how we collect opinions from each stakeholder group and how we engage in dialogue with them.

STEP

1

(Fiscal 2014)

Identifying social issues

We confirmed the content of day-to-day communications from information sources by stakeholder group and conducted simulations of various social issues in light of ISO26000 and other international standards relating to CSR.

STEP

2

(Fiscal 2014)

Prioritizing material issues from TDK's own perspective

We organized priorities from TDK's own perspective into issues to be addressed with precedence (high priority), issues that be addressed with an understanding of social demand and requirements (medium priority), and issues which we should be aware of as future topics (low priority) based on management strategies, the degree of impact that the TDK Group's business has on society, level of interest of stakeholders, and current responses with regard to the social issues identified above.

STEP

3

(Fiscal 2015)

Prioritization from the stakeholders' perspectives

We implemented prioritization from the stakeholders' perspectives in two parts, a review of the CSR Report and dialogue.

In the first part, the review of the CSR Report, we selected experts in the areas where TDK operates business, that is, Asia, Europe, and the U.S., and heard their opinions about TDK's activities from the perspectives of "praiseworthy efforts," "efforts that hopefully can be improved," and "social issues that should be aggressively addressed in the future." In light of the opinions that emerged in the review of the CSR Report, we examined and integrated the issues and held a dialogue between the experts and management. In the dialogue, the participants shared background information and, intermixing points that should be appraised or given importance from the perspective of stakeholders, discussed the issues that had been prioritized from TDK's own perspective. [→ See p. 11–13](#)

STEP

4

(Fiscal 2015)

Finalization of Materiality

We reconsidered the prioritization from the perspectives of TDK and stakeholders and, after gaining approval from the Executive Committee, finalized the materiality of the TDK Group. [→ See p. 14](#)