

# Supporting TDK as Outside Directors

TDK became aware of the vital importance of management supervisory functions from early on, and has made vigorous efforts to bring outside directors into its organization. In Japan, greater attention is being paid to the critical role of outside directors, as evidenced by the introduction of the nationwide Corporate Governance Code in June of 2015 and other developments. In this feature, we report on a talk session held with three TDK outside directors, focusing on their hopes and requests for the company with a brighter future foremost in mind.

## Passing on the Culture of Respect for Discussion

By its very nature, the position of outside director involves rendering advice that utilizes various types of knowledge from an independent position, fulfillment of supervisory functions and otherwise helping to uphold sound corporate management. At TDK Board of Directors meetings, the typical pattern is for outside directors to pose questions and otherwise contribute to brisk and often heated debate. Makoto Sumita, an outside director who currently serves as Chairman of the Board, offered the following assessment: "TDK acted from early on to introduce third-party evaluations of the contents of its Board of Directors meetings, along with other forceful steps to bolster corporate governance. It is my impression that this stance has succeeded in deepening the awareness of directors and corporate officers, leading to greater transparency toward investors as well." Outside Director Kazumasa Yoshida gave us his candid assessment of the TDK Board of Directors: "There are many issues that must be constructively confronted—for example, how to respond to the needs of today's ever-changing marketplace, the accelerating trend of globalization and other crucial areas. In addressing these and other challenges, we benefit from extremely spirited discussions developed from the perspectives of both management and supervision dynamics." Our third interviewee was Outside Director Kazuhiko Ishimura, who assumed that position from June of last year. He went on record with his hopes that the TDK corporate culture rooted in respect for dialogue and discussion that has been cultivated to date will receive even greater emphasis from here on. That wish can be traced to his following view of the system: "Outside directors and auditors deliver opinions based on the respective knowledge and experience they have built up to date, with it being my sense that such views are exerting a significant and lasting impact on the state of TDK management."

## The Quest to Emerge as a Leading Company Supported by Medium- to Long-Term Perspective

Director Sumita also pointed out: "Obviously, it is important to sustain the process of sound evolution rooted in a clear view of the future." In that context, he went on to summarize his hopes for TDK: "Although TDK can be said to be advancing a progressive vision among the ranks of Japanese domestic companies, I look forward to its sustained efforts to keep that evolution going, effectively striving to excel as a corporate leader in the arena of governance reform." According to Director Ishimura: "As a manufacturer of electronic components, TDK is extremely unique insofar as it has fostered an independent technology at the materials level. For myself, I want to see the company continue to exploit that strength to uphold and further grow its distinctive presence in the industry." Director Yoshida agrees: "While the majority of companies operate with short-term goals, the preferred approach for TDK, in gearing up for the future, is to formulate its growth strategies from a medium- to long-term vision. I look forward to TDK further expanding its technological leadership and brand power, putting a global scheme into force able to serve as a powerful engine of medium- to long-term investment growth." As reflected in the input provided by these three gentlemen, TDK can be expected to stay the course in incorporating the views of outside directors into its management. That, we are confident, will inspire spirited debate in the mission to spawn new ideas and progress.



**Makoto Sumita**

Outside Director  
Chairman of the Board, Chairman of Nomination Advisory Committee

Date of birth:	Jan. 6, 1954
Apr. 1980	Entered Nomura Research Institute, Ltd
Jun. 1996	Director of INNTECH CORPORATION
Apr. 2005	Executive Vice President & Representative Director of the said company
Jun. 2005	Director of IT Access Co., Ltd.
Apr. 2007	President & CEO of INNTECH CORPORATION
Jun. 2011	Outside Audit & Supervisory Board Member of the Company
Apr. 2013	Chairman & CEO of INNTECH CORPORATION (present post)
Jun. 2013	Resigned as Outside Audit & Supervisory Board Member of the Company Outside Director of the Company (present post)
Feb. 2015	Chairman & CEO of INNTECH FRONTIER, Inc. (present post)



**Kazumasa Yoshida**

Outside Director  
Chairman of Compensation Advisory Committee

Date of birth:	Aug. 20, 1958
Oct. 1984	Entered Intel Corporation
Oct. 1999	Manager of Technology/OEM Alliance Business Strategy of Enterprise Service Group of the said company
Mar. 2000	General Manager of Communication Product Group of Intel K.K.
May 2002	General Manager of Intel Architecture Business of the said company
Jun. 2003	Representative Director and President of the said company
Dec. 2004	Vice President of Sales and Marketing Group of Intel Corporation
Jun. 2012	Outside Director of Onkyo Corporation (present post)
Feb. 2013	Outside Director of Gibson Brands, Inc. (present post)
Jun. 2013	Outside Director of CYBERDYNE Inc. (present post)
Oct. 2013	Advisor of Intel K.K.
Jun. 2014	Outside Director of the Company (present post)
Jun. 2015	Outside Director of Mamezou Holdings Co., Ltd. (present post)



**Kazuhiko Ishimura**

Outside Director  
Member of Nomination Advisory Committee, Member of Compensation Advisory Committee

Date of birth:	Sep. 18, 1954
Apr. 1979	Entered ASAHI GLASS CO., LTD.
Jan. 2006	Executive Officer of the said company
Jan. 2007	Senior Executive Officer and GM of Electronics & Energy General Division of the said company
Mar. 2008	President & COO & Representative Director of the said company
Jan. 2010	President & CEO & Representative Director of the said company
Jan. 2015	Chairman & Representative Director of the said company (present post)
Jun. 2015	Outside Director of the Company (present post)