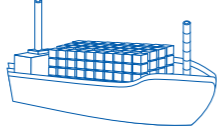

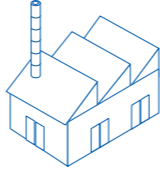
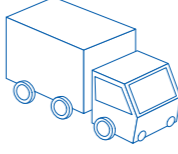
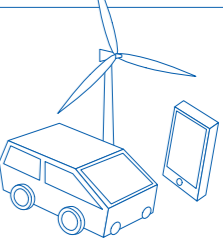


<p>Important CSR Issues within the Value Chain</p> <p>The TDK value chain extending from procurement of raw materials to development, manufacturing, logistics, and sales extends throughout various regions of the world and involves numerous social issues. Here we present the things we consider for society in each stage and TDK's initiatives for important CSR issues.</p>	 <p>Procurement</p> <p>TDK procures raw materials from around the world. Consideration for human rights and the environment by suppliers is also a part of TDK's role.</p>	 <p>Development</p> <p>The development process of technology and human resources hold the key to how TDK products can contribute to society and the environment.</p>	 <p>Manufacturing</p> <p>The environment and human resources will be priority areas, including reduction of the environmental load at the time of manufacturing, the eradication of defective products, and labor health and safety.</p>	 <p>Logistics</p> <p>The mission of logistics is the stable, reliable, and timely supply of TDK products to customers.</p>	 <p>Sales</p> <p>We seek to maintain high product quality while providing products that satisfy customers through contribution to society and environment issues.</p>
<p>[Important CSR Issues]</p> <p>Contribute to the World through Technology</p> <p>[Important Themes]</p> <ul style="list-style-type: none"> Addressing social issues by developing new kinds of products the world has not yet seen Pursue zero-defect product quality 	<ul style="list-style-type: none"> Ensure the quality of purchased products 	<ul style="list-style-type: none"> New product development through sustained research and development Research and development expenditure 103,457 million yen Product assessments Building of upstream-management-type quality assurance structure 	<ul style="list-style-type: none"> Manufacturing process capable of reproduction without variation 	<ul style="list-style-type: none"> Ensure logistics quality 	<ul style="list-style-type: none"> Promote sales of products that solve environmental and social issues Customer satisfaction
<p>[Important CSR Issues]</p> <p>Develop Human Resources</p> <p>[Important Themes]</p> <ul style="list-style-type: none"> Develop global human resources Cultivate a corporate culture that respects diversity 	<p>● Promote Global Human Resource Training Program IMD Training participants (total to date): 350 persons Overseas Trainee Program participants (total to date): 31 persons</p>				
<p>[Important CSR Issues]</p> <p>Consider the Societal and Environmental Impact of the Supply Chain</p> <p>[Important Themes]</p> <ul style="list-style-type: none"> Consider the work environment at manufacturing sites Consider the work environment of suppliers Response to conflict minerals 	<ul style="list-style-type: none"> Use CSR check sheets and implement CSR audits CSR-compliant supplier ratio 91.2% Conflict minerals survey Confirmed DRC conflict-free supplier ratio 92.3% 	<ul style="list-style-type: none"> Technological innovation 	<ul style="list-style-type: none"> Implement CSR self-checks, and CSR self-audits by third party organizations CSR self-checks at manufacturing sites 100% 		<ul style="list-style-type: none"> Appropriate responses to CSR surveys and other inquiries from customers
<p>[Important CSR Issues]</p> <p>Develop and Prosper in Harmony with the Global Environment</p> <p>[Important Themes]</p> <ul style="list-style-type: none"> Reduce environmental load throughout life cycle stages Creating a framework for gauging product contributions 	<ul style="list-style-type: none"> Green procurement 	<ul style="list-style-type: none"> Creation of products contributing to the environment Product assessments 	<ul style="list-style-type: none"> Reduce the environmental load of plants CO₂ emissions from production activities 1,647 thousand t-CO₂ 	<ul style="list-style-type: none"> Reduce the environmental load in logistics 	<ul style="list-style-type: none"> Promote sales of products that contribute to the environment Reduction of CO₂ emissions through products 2,041 thousand t-CO₂