

# CSR Activities

## CSR Philosophy

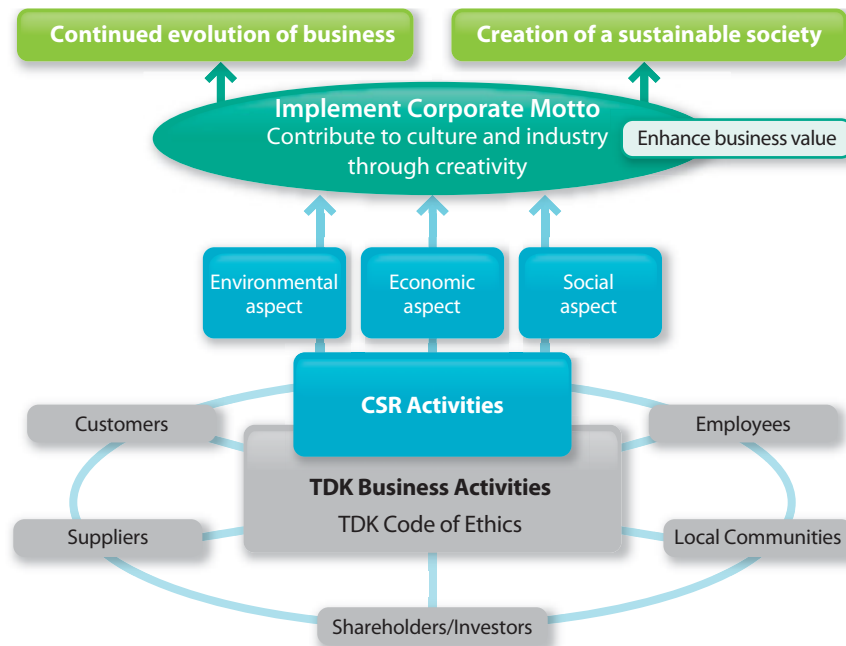
### Promoting CSR activities through business activities based on TDK Code of Ethics

For the TDK Group, CSR efforts take shape through the implementation of our corporate motto and the pursuit of corporate ethics. This means always maintaining proper channels of

communication between customers, suppliers, employees, shareholders/ investors, local communities, and other stakeholders. The TDK Code of Ethics serves as the overall framework guiding our actions as we fulfill our responsibilities.

By putting these principles into practice, we increase the value of our business, contributing to both the continued evolution of this business and the creation of a sustainable society.

### CSR and Ethics Framework



## Quality Assurance

### Becoming a quality leader through the pursuit of zero defects

Quality assurance at TDK is based on the pursuit of a zero defects policy throughout the entire lifecycle process. This does not end with the finished product but continues through subsequent stages including shipping, distribution, assembly and processing at end product manufacturers, use by customers, and finally disposal.

We believe that simple inspection "after the fact" is not enough to ensure quality. Rather, forward-oriented thinking begins at the development and design stage and informs the entire process. The pursuit of zero defects and ambition to become the industry's quality leader inspire our day-to-day activities.

## CSR and Procurement

### Assessing supplier CSR through a Web-based framework

TDK operates a Supplier Partnership System designed to allow a comprehensive assessment of CSR activities by our suppliers. The system uses 60 carefully designed evaluation questions based on selected items from the Supply Chain CSR Promotion Guidebook, published by the Japan Electronics and Information Technology Industries Association (JEITA).

In creating the system, we have focused on the areas that matter most to TDK, such as human rights and labor relations, the environment, and fair trade and ethics. In the fiscal year ended March 2011, about 1,700 companies in Japan and 1,100 companies overseas cooperated in the management assessment process.

### Cooperating with SRI (Socially Responsible Investment)

TDK stock is included in the Dow Jones Sustainability Indexes (DJSI), launched jointly by SAM Group Holding (Switzerland) and Dow Jones & Company (U.S.A.), as well as in the Morningstar Socially Responsible Investment Index (MS-SRI), which is Japan's SRI indicator. (Current as of April 2011)

## CSR Activities

### Improvement and Protection of Environment

#### Implementing global business activities focused on a conservation-based environmental vision

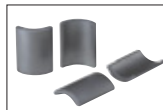
TDK believes a long-term vision is essential to achieve sustainable development and a closed-loop economy. The entire Group is guided by the TDK Environment Protection

Charter and implements this philosophy through concerted hands-on action. In 2011, the Group formulated the new TDK Environmental Action 2020 plan, which has the goal of making the corporation carbon neutral.\*

\* Carbon neutral for TDK means the CO<sub>2</sub> emissions caused by our manufacturing activities are lower than the total reduction in CO<sub>2</sub> emissions achieved by society through the use of our products.

#### Super Eco Love Products

TDK has a system in place for certifying the degree of environmental friendliness of its products. The Super Eco Love category identifies products that are outstanding in reducing environmental impact and are exemplary across the entire industry.



##### High-Performance Ferrite Magnets FB 12 Series

Thanks to improved coercive force and other parameters, these ferrite magnets used for motors can be made about 40% lighter and motors can be made 25% smaller in volume. As a result, a 0.1% improvement in fuel economy is achieved. Application fields include power steering in automobiles, motors in domestic appliances, and industrial motors.



##### Thin Film Common Mode Filters with Integrated ESD Suppression TCE Series (1210 Size)

Advanced thin film circuit shaping technology and materials technology enable the integration of two functions that formerly required separate chips in a single unit. The parts and materials count is reduced by 35%, and about 50% less solder is required. Application fields include general consumer equipment (HDMI, USB 3.0, S-ATA, etc.).



##### High-Capacitance 3-Terminal Feed-Through Type Multilayer Ceramic Chip Capacitor CKD Series

As well as reducing the capacitor count, these products decrease materials use by 85%, nickel use by 72%, and solder use by 56%. Significantly more compact dimensions afford a footprint reduction of 63%. Application fields include input/output smoothing in DC-DC converters and decoupling in IC power supply circuits.



##### High-Reliability AC-DC Switching Power Supplies HWS Series

An eight percent improvement in conversion efficiency contributes to the conservation of energy. Standby power consumption is reduced by completely stopping the cooling fan when output is cut. Application fields include IT communications equipment, power facilities, industrial control equipment, semiconductor manufacturing equipment, and medical equipment.

For more information on Eco Love products, please visit our Web site: [www.global.tdk.com/csr/ecolove/index.htm](http://www.global.tdk.com/csr/ecolove/index.htm)

### Social Contributions

#### Promoting Social Contributions by Staff through Awards Framework

As a corporate citizen, TDK endeavors to contribute to society in various ways, focusing particularly on the following four



Beech Forest tree planting drive aims to significantly increase greenery in the local environment (TDK Akita region)



Nursery School Volunteer Group helps through weeding, toy painting, and other activities (TDK Ugo)

areas: Academic Research and Education; Sports, Arts, and Culture; Environmental Conservation; and Social Welfare and Local Community Service. In 2004, the company started the TDK Group Social Contribution Award program. For 2010, there were 56 applications, 16 of which were selected for an award.



Fund raising campaign for improving maternal and child health (TDK Components U.S.A., Inc.)



About 30% of the entire staff participated in a drive to donate clothes to those in need (EPCOS do Brasil Ltda.)

\* In addition to the above examples, 12 other social contribution activities were selected for awards.

#### Supporting Areas and People Affected by the Great East Japan Earthquake

The TDK Group has contributed 100 million yen toward a relief fund for victims of the Great East Japan Earthquake, which occurred on March 11, 2011. Fund-raising drives were also conducted among the staff at TDK member companies, with the collected funds being donated to the Red Cross and other involved organizations in the respective countries.