

ENVIRONMENTAL ACTIVITIES

Determined to play its part in preserving resources for future generations, TDK positioned environmental protection as a major theme in its Exciting 108 medium-term management plan. Establishing environmental management systems is one aspect of the company's ongoing efforts to help create a society oriented to recycling.

1. Zero Emission Program

Utilizing natural resources effectively is one of the fundamental requirements for creating a recycling-oriented society. By improving production efficiency, such as through "closed processes" that generate no waste, TDK is working toward the goal of no emissions. Integral to this initiative is the reuse and recycling of waste that inevitably results from some manufacturing processes.

In August 2001, TDK Recording Media Europe S.A. became the first TDK group company to accomplish the zero emission goal. Presently, 10 TDK business locations are recycling more than 90 percent of their waste, and, as of March 2002, the TDK group as a whole had a recycling rate of approximately 78 percent. Intent on ultimately having all sites, both in Japan and overseas, reach zero emission status, TDK is advocating the 3Rs—reduce, reuse and recycle.

2. Energy Conservation

TDK has set the voluntary goal of reducing CO₂ emissions per unit volume of production by at least 25 percent by 2010, compared to 1990 levels. To use energy more efficiently, TDK is taking a number of specific measures. These include introducing a natural gas co-generation system, improving manufacturing processes and developing energy-efficient furnaces.

3. Reducing the Use of Harmful Substances and Developing Environmentally Friendly Products

Assessing the potential environmental impact at the design stage is a central element of TDK's efforts to make

environmentally conscious products. TDK has pursued the development of electronic components that use no lead or are compatible with lead-free solder, and in April 2002 successfully developed technology to facilitate the mass production of electronic components compatible with lead-free solder. During fiscal 2002, TDK had the opportunity to explain its approach to lead-free soldering to a research team from the U.K.'s Department of Trade and Industry, who were visiting Japan to learn about lead-free solder from companies at the forefront of progress in this area.

4. Green Purchasing

When purchasing materials and components, TDK takes into consideration such factors as the environmental practices of suppliers and the amount of harmful substances contained in products. Furthermore, TDK has issued a Green Purchasing Guide (Office Edition) for office supplies, and, as far as possible, gives preference to eco-friendly products.

5. Environmental Accounting and Disclosure

In March 2002, TDK completed the introduction of an environmental accounting system at all group companies. This provides an effective means of clarifying the relationship between costs to protect the environment and corresponding reductions in TDK's environmental impact.

TDK plans to disclose company-wide figures in its environmental report. In addition to this report, TDK uses its website, advertising and other means to disseminate information to the public about its environmental activities.

[Toward a Recycling-Oriented Society at TDK]

