

FDK

FDK GROUP
CSR Report
2019



Smart Energy Partner

FDK Group, as a Smart Energy Partner, assemble advanced technologies, would like our customers to best utilize electric energy in a safe and efficient manner, and contribute to materialization and development of sustainable society.

■ Corporate Profile

Company Name	FDK CORPORATION
Founded	1950
Head Office	Shinagawa Crystal Square Bldg., 1-6-41 Konan, Minato-ku, Tokyo 108-8212 Japan
Capital	31,709 million yen (as of March 31, 2019)
Net Sales	FY2018 (April 1, 2018 to March 31, 2019) Consolidated: 72,113 million yen
Employees	Consolidated: 3,557 (as of March 31, 2019)
Description of business	FDK CORPORATION is a manufacturer, which manufactures, sells and exports various kinds of batteries, rechargeable batteries, battery devices, electronic components and devices as well as applied products and applied devices.
Main Products	Ni-MH batteries, Alkaline batteries, Lithium batteries, Carbon-zinc batteries, Power storage systems, Light products, Production systems for batteries, Switching power supplies, DC-DC power modules, Toner, Signal processing modules for LCD

■ About "FDK Group CSR Report 2019"

Editorial Policy

The "FDK Group CSR Report 2019" is published so that all of our stakeholders will understand our various activities based on the CSR Policy of the FDK Group.

The "FDK Group CSR Report 2019" reports primarily on efforts in the FDK Group Approach to Value Creation and the Seven Prioritized Initiatives based on the CSR policy.

Target Period

This report focuses on activities during FY2018 (April 1, 2018 to March 31, 2019). (Some information is included outside of this period.)

Scope

This report covers activities for FDK and the FDK Group. Some of the report is specific to FDK.

Reference Guidelines

The "FDK Group CSR Report 2019" is created by referring to ISO26000 Guidance on social responsibility and the 2012 Environmental Reporting Guidelines.

ISO 26000 (Core Themes) Icons



Contact

CSR & Compliance Division
Tel: +81-3-5715-7402
Fax: +81-3-5715-7401
E-Mail: csr@fdk.co.jp

Contents

Top Message	3
The FDK Group Approach to Value Creation	
• The FDK Group Approach to Value Creation	5
• FDK and its Stakeholders	7
• CSR Management	9
• Seven Prioritized Initiatives	11
• Providing Safe, Secure Products with Consideration for the Environment	13
Management System	
Strengthening Corporate Governance	15
Building an Internal Control System	16
Ensure Compliance	16
Relationships with Customers and Suppliers	
Supplying Batteries and Electronic Devices Which Contribute to Society Across Multiple Platforms ...	19
Relationship with Society	
Communicating and Collaborating with Stakeholders ...	23
Relationships with Employees	
Embracing Diversity and Inclusion	25
Developing Human Resources for Their Contribution to Society and the Planet	27
Environmental Conservation Activities	
Protecting the Global Environment	29
Overview of Group Companies	33

SDGs (Sustainable Development Goals)

Successors to the Millennium Development Goals (MDGs) put forward in 2001, the Sustainable Development Goals (SDGs) were adopted at the United Nations Summit of September 2015 and comprise international targets to be achieved from 2016 through 2030. They are composed of 17 goals and 169 targets for achieving a sustainable world.



TOP MESSAGE

Realizing the FDK Group Vision and Contributing to Society as a Smart Energy Partner

In February 2020, FDK CORPORATION reaches the 70th anniversary of its founding. Founded in 1950 as a company that manufactures carbon-zinc batteries, FDK has leveraged the battery materials technology we have cultivated, advancing into the ferrite business and expanding our electronic device business. We also have expanded our battery business into the areas of alkaline batteries, Ni-MH batteries and lithium batteries. We have also been providing power storage systems, synergy products that integrate the technologies associated with batteries and electronic devices. Through these state-of-the-art technologies and products, FDK Group has consistently provided products and services based on our vision, "FDK Group, as a Smart Energy Partner, assemble advanced technologies, would like our customers to best utilize electric energy in a safe and efficient manner, and contribute to materialization and development of sustainable society". In so doing, we have put CSR into practice through our main business operations, thus helping to solve issues faced by society.

Initiatives Supporting Realization of the FDK Group Vision

The FDK Group has established the FDK Group CSR Policy, and set Seven Prioritized Initiatives for putting it into practice. In taking on these challenges, we demonstrate a commitment to responsible business operations as a global company. In order to move forward with these initiatives, we have formed a CSR Promotion Committee, tasked with disseminating and firmly establishing the FDK Group Corporate Conduct Guidelines that are at the core of FDK Group CSR activities, and the FUJITSU Way, which comprises the Fujitsu Group philosophy. The committee performs regular reviews to confirm the action status of the Seven Prioritized Initiatives.

We advance responsible efforts in such domains as the environment, diversity, human resources, stakeholder interests as well as legal compliance and governance under the seven prioritized initiatives. We also strive to realize our corporate vision by putting CSR into practice through our main business, thus helping to solve societal issues through our prioritized initiative of "Supplying batteries and electronic devices which contribute to society across multiple platforms".

The FDK Group believes that corporate governance is the foundation of business management, and that strengthening it improves the soundness and transparency of the company while improving value for FDK shareholders. We therefore conduct reviews of the management system and organization as necessary for each measure based on the general principles of the Corporate Governance Code.

In order to achieve sound legal compliance and respond to societal requirements, we have established companywide cross-sectional organizations including the Health and Safety Committee, the Risk Compliance Committee, the Environmental Management Committee, the Product Chemical Substances Management Committee and the Export Control Committee. We have also established a Product Quality Management Committee and Product Safety Promotion Committee to respond to consumer issues as we strengthen our quality assurance system to ensure appropriate quality and safety. In order to move forward with CSR initiatives from a more global perspective, activities complying with international CSR criteria are to be implemented at business locations both domestic and overseas, and throughout the internal processes that comprise each business activity, as well as their supply chains.

Through further progress in these initiatives and by achieving continual improvement, our intent is to ensure the realization of the FDK Group Vision.

Realizing our Vision Together with Employees

We understand human resources to be the most essential management resource in realizing the FDK Group Vision. At the FDK Group, we have set "Embracing Diversity and Inclusion" as one of our prioritized initiatives for CSR. Given our low domestic ratios of non-Japanese employees and of female employees in management positions, it is fair to say that we face an issue with diversity which leads to the generation of multifaceted ideas and innovation. However, through the business changes and processes that we have experienced up to this point, the FDK Group has come to include human resources with different corporate cultures and modes of thought. By making greater use of these diverse human resources, we will undertake efforts that enable employees to further apply themselves and innovate. Another of our stated CSR prioritized ini-

tiatives is that of "Developing human resources for their contribution to society and the planet." We are enhancing training and skill-acquisition opportunities aimed at goals that include strengthening stratified training, enhancing specialized skills and nurturing global business leaders. As we do this, we are also incorporating new policies and focusing our efforts on developing human resources who can be active from a global perspective, serving as a driving force toward the realization of the FDK Group Vision.

Offering Battery Solutions That Contribute to Safe, Secure Social and Human Development

The FDK Group is moving forward with the development and commercialization of next-generation batteries such as small all-solid-state SMD battery. In addition to existing products and services, we will also provide new ones including a next generation of batteries for markets such as IoT, mobility and social infrastructure, which will support coming societal developments.

At the FDK Group, we are focusing effort on contributing to the achievement of four particular targets associated with the Sustainable Development Goals (SDGs) put forward by the United Nations. By providing battery solutions unique to FDK Group, we are moving forward with efforts to solve societal issues from the outside-in perspective that is seen as a crucial approach to helping achieve SDGs.

I hope that through this report, an understanding will be fostered of the FDK Group efforts to provide value, and of our CSR activities. I would also like to ask all of our stakeholders for their candid feedback and insights for the sake of future FDK Group initiatives.

September 2019

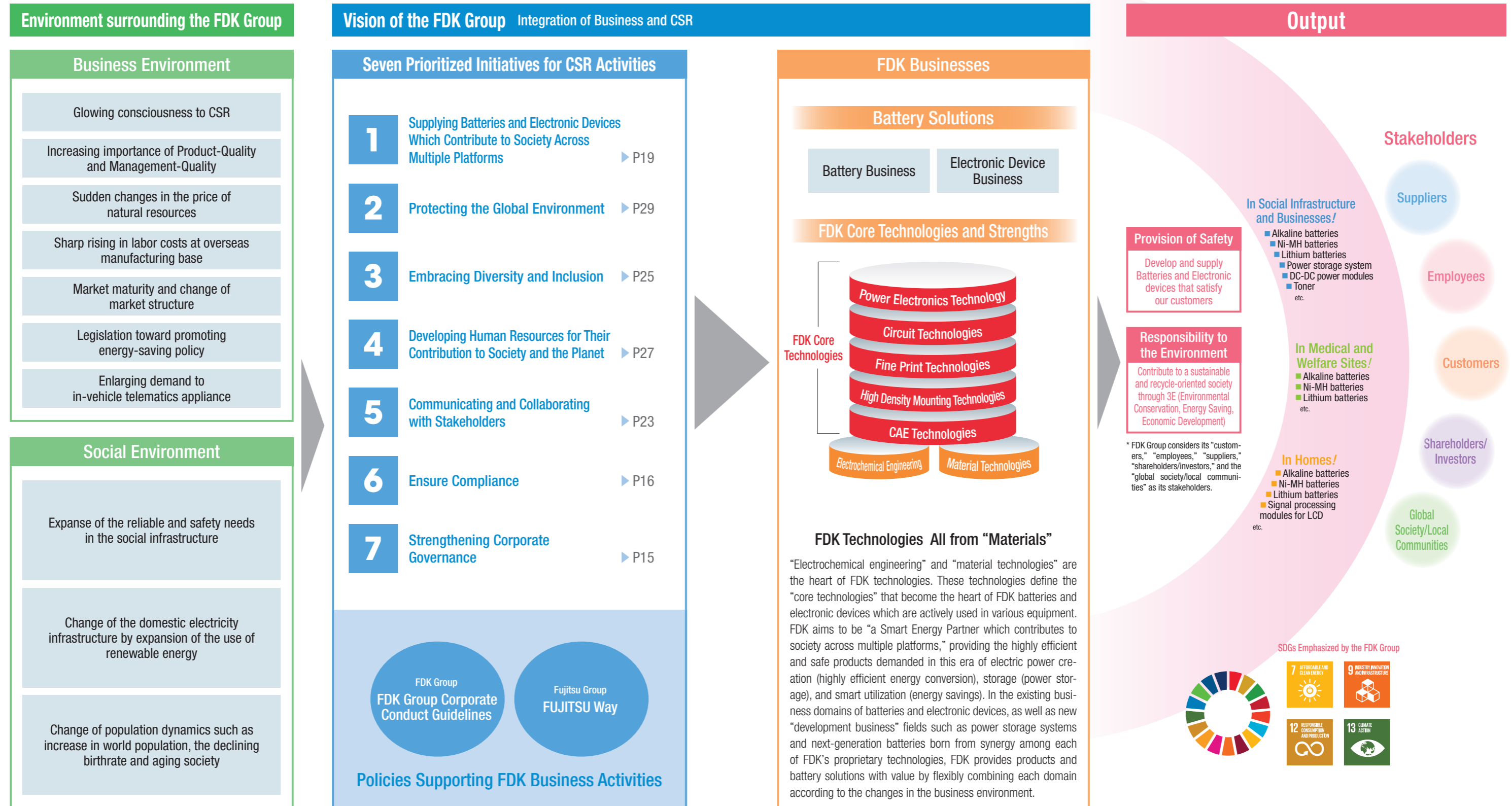
FDK CORPORATION
President & CEO

Ryo Nagano

The FDK logo is displayed in large, bold, red capital letters. It is positioned in the upper right quadrant of the page, partially overlapping the background image of Ryo Nagano.

The FDK Group Approach to Value Creation

In continually addressing prioritized initiatives based on our CSR Policy, the FDK Group engages in management as a responsible global corporate citizen. FDK group provides unique value to all of its stakeholders, helping to resolve societal issues through the development and supply of batteries, power storage systems and electronic devices founded in the core technologies FDK has cultivated up until now.



FDK and its Stakeholders

The products of the FDK Group are used in various devices close the lives of people from their households to their workplaces. The FDK Group is contributing to the safety and security in the lifestyles of people through the use of a broad range of products found in devices and vehicles that support social infrastructures as well as on medical and welfare sites. As a Smart Energy Partner, FDK also provides an abundance of environmentally-friendly products that contribute to energy savings and the reduction of environmental burden to contribute to the advancement of a sustainable society.

In Social Infrastructure and Businesses!

- Elevator
- Emergency-response vending machine
- Multifunction printer (copy/fax)
- Power storage system
- Mouse
- Computer
- Emergency lighting
- Sensors
- Communications base stations
- Data centers



Output

- Alkaline batteries
- Ni-MH batteries
- Lithium batteries
- Power storage system
- DC-DC power modules
- Toner
- etc.

In Medical and Welfare Sites!

- Bedside monitor
- Infusion pump
- Electric wheelchair



Output

- Alkaline batteries
- Ni-MH batteries
- Lithium batteries
- etc.

In Homes!

- Smoke detector
- Smart meters
- Mobile phone base station
- LED light
- Automobile
- Cordless telephone
- Toys
- Smartphones charger
- Credit cards
- Wrist watch
- Remote controls
- Liquid crystal display (LCD)
- Beauty & health devices
- Flashlights



Output

- Alkaline batteries
- Ni-MH batteries
- Lithium batteries
- Signal processing modules for LCD,
- etc.

SDGs Emphasized by the FDK Group

- 
 - Innovate energy consumption
 - Power storage and improve efficiency of energy consumption
- 
 - Innovate new technologies and processes
 - Save resources and energy
- 
 - Ensure quality as a manufacturer
 - Innovate recycling processes
 - Conserve resources and reduce waste and emissions
- 
 - Reduce CO₂
 - Execute measures against disasters
 - Execute measures of prevention/reduction disaster

Stakeholders

Suppliers

Employees

Customers

Shareholders/
Investors

Global Society/
Local
Communities

The FDK Group Vision is "FDK Group would like our customers to best utilize electric energy in a safe and efficient manner, and contribute to materialization and development of sustainable society". The FDK Group makes contributions through the batteries, power storage systems and electronic devices provided thanks to its proprietary technologies in addition to the production processes, such as improving power storage by using renewable energy, enhancing energy efficiency and resource efficiency, conserving the environment such as reducing CO₂ emissions, improving infrastructure, and strengthening security measures. FDK has defined the above four SDGs to emphasize as the FDK Group, including social issues that FDK can help resolve through its existing technologies and products in addition to potential contributes through new business measures and actions in the future.

FDK considers customers, employees, suppliers, shareholders, investors, global society and local communities to be primary stakeholders. By continuing to provide value to all of the stakeholders through the business activities, FDK will contribute to the sustainable development of society.

CSR Management

CSR for the FDK Group strives to resolve various social issues and contributes to the development of a sustainable society and planet through the practice of FDK Group Corporate Conduct Guidelines and the FUJITSU Way as a member of the Fujitsu Group.

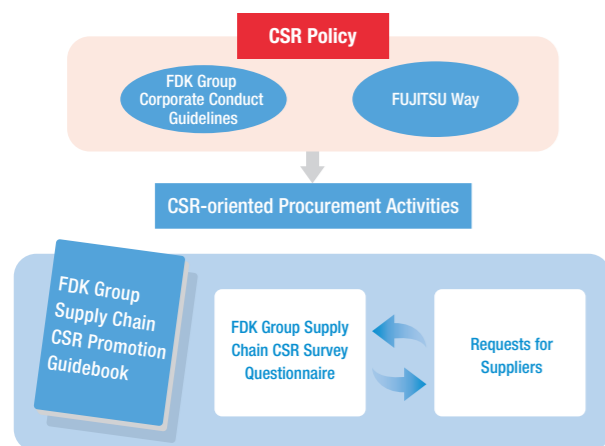
FDK Group CSR Policy

- FDK Group CSR Policy is practiced by implementing the “FDK Group Corporate Conduct Guidelines” showing the contents which all the people who work in FDK group should positively practice, and the “FUJITSU Way” which is a group philosophy as a member of the Fujitsu Group.
- Under our mission that “FDK group contributes to realizing 3E (Environmental Conservation, Energy Saving, Economic Development) through the development and supply of Batteries and Electronic Devices based on customer satisfaction, and aims at becoming a Smart Energy Partner Able to Contribute to Society in Various Forms”, we, FDK group, contribute to the sustainable development of the Society and the Planet by implementing “FDK Group Corporate Conduct Guidelines” and the “FUJITSU Way” in light of the expectation and needs of multiple stakeholders in all our business activities.
- Our CSR efforts focus on seven prioritized initiatives.
- In addressing these challenges, we demonstrate a commitment to responsible business operations as a global company.

Procurement Activities In-line with CSR

The FDK Group has collaborated with the suppliers in compiling the “FDK Group Supply Chain CSR Promotion Guidebook”, which presents our approach to promoting procurement activities in keeping with CSR principles. It is based on the “FDK Group CSR Policy”, “FDK Group Corporate Conduct Guidelines”, and the “FUJITSU Way”.

FDK Group asks the suppliers who make up its supply chain to comply with these policies in the same way FDK Group conducts procurement activities in compliance with these guidelines.



Promotion Framework for CSR Policies

FDK established the CSR Promotion Committee to expand and standardize the “FDK Group Corporate Conduct Guidelines” and the “FUJITSU Way,” which are the key to the CSR activities of the FDK Group.

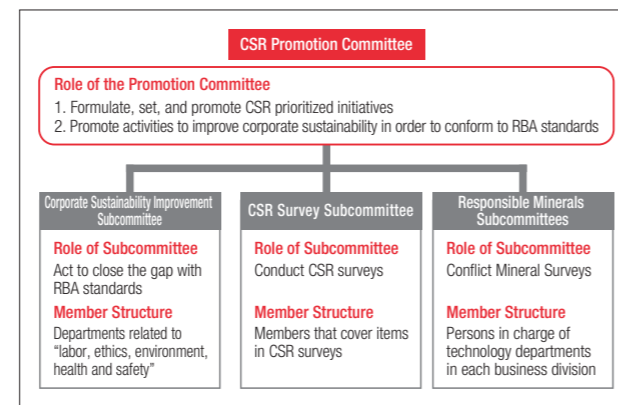
The CSR Promotion Committee acts as a secretariat of the CSR & Compliance Division with a director (corporate officer) as the chairman, to promote CSR management across the entire FDK Group, and it confirms the action status of the seven prioritized initiatives and periodically reviews matters such as the ideal form of sustainable society and business, including confirmation of CSR-related information and initiatives.

The Committee is broken down and operated as three organizational subcommittees for the purpose of promoting compliance with the Responsible Business Alliance (RBA) international CSR guidance, conducting surveys and responding appropriately to requests about CSR from customers, and properly managing minerals procurement*.

FDK has also set up an internal homepage with the objective of sharing policies, the current state, and challenges by publishing information that includes the CSR Policy, prioritized initiatives and the activity results of the FDK Group.

* Minerals supporting conflicts through mining and brokering to raise capital for armed groups, or minerals closely related to issues such as human rights violations or labor problems. The Dodd-Frank Act enacted in the United States in July 2010 defines tantalum, tin, gold, tungsten, and other minerals determined by the State Department as conflict minerals, including minerals exported from the Democratic Republic of the Congo and neighboring countries, and this Act indicates a duty to report any use of conflict materials by a company listed publicly in America to the Securities and Exchange Commission (SEC). Since FY2019, FDK has undertaken a Responsible Minerals Procurement effort that covers high-risk minerals including cobalt in addition to existing conflict minerals.

Framework of CSR Promotion

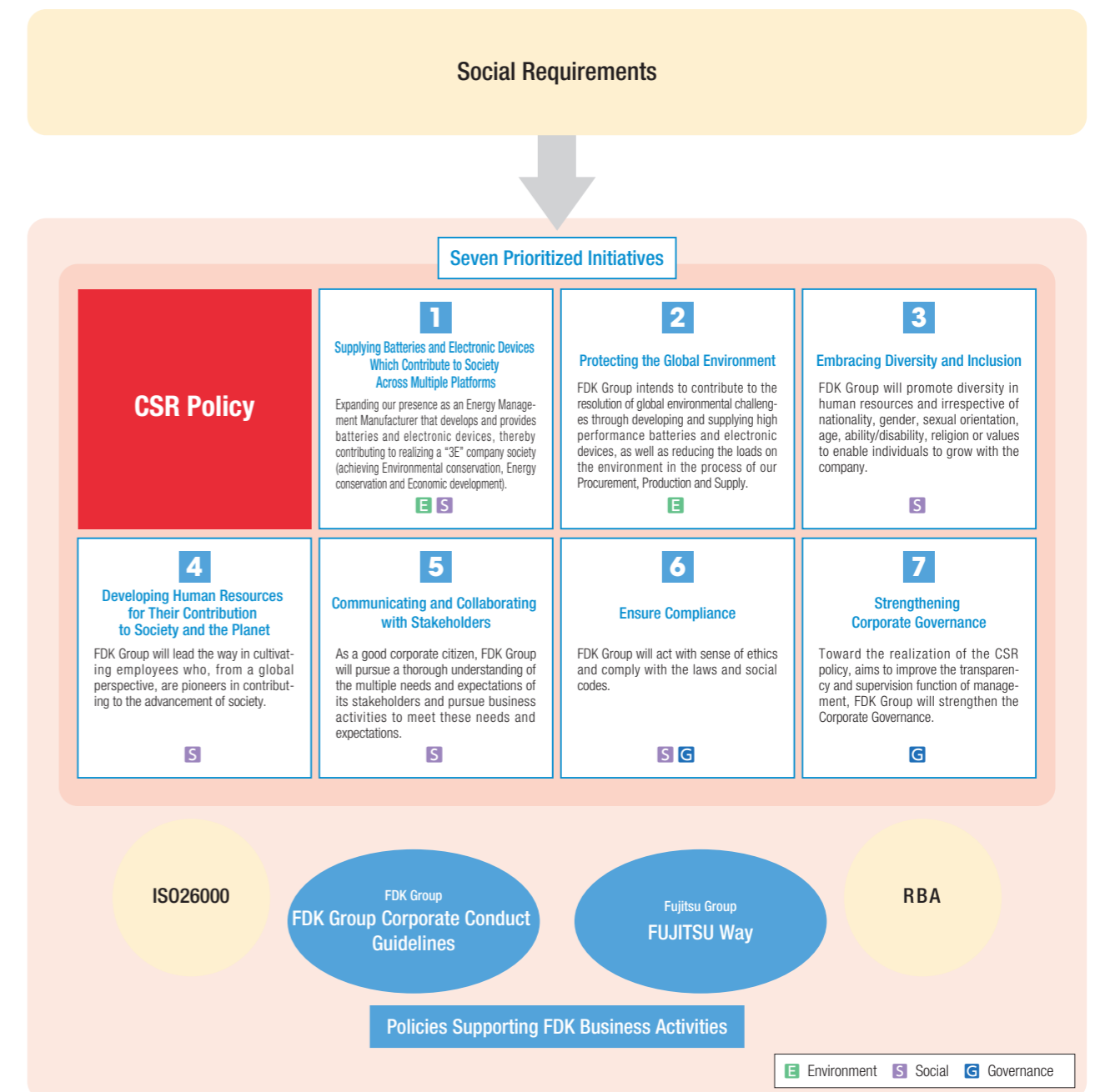


Positioning of the Seven Prioritized Initiatives of the FDK Group

The FDK Group has set Seven Prioritized Initiatives for putting the FDK Group CSR Policy into practice. We undertake multifaceted deliberations about levels of severity and priority to set these initiatives in order to engage in responsible business management that responds to societal

requirements. By taking on these prioritized initiatives, we provide value to stakeholders while working to realize the FDK Group Vision.

CSR management activities include actions to comply with core ISO26000 issues, and standards for RBA priority regions, improving our quality of business management.



Seven Prioritized Initiatives

FDK Group promotes CSR activities in accordance with its Seven Prioritized Initiatives. FDK Group actively undertakes priority issues that contribute to society as well as achieve the ISO26000, RBA, and items pursued in priority regions, and these priority issues have been set as the prioritized initiatives below for the purpose of promoting responsible management as a global company.

Prioritized Initiatives	Vision	Focus Measures	FY2018 Actions		ISO 26000	Details
			Targets	Achievements		
<p>1 Supplying Batteries and Electronic Devices Which Contribute to Society Across Multiple Platforms</p> <p>The FDK Group aims to become a Smart Energy Partner across multiple platforms to contribute to society, and FDK supplies batteries and electronic devices based on customer satisfaction.</p>	<p>The society recognize FDK Group as a reliable Smart Energy Partner giving customers' satisfaction continuously by developing and supplying products tailored to market needs using proprietary technology and by taking flexible action for the changeable environment.</p>	<p><Products> Promoting the development of products which provide new value created by differentiated technology.</p> <p><Action> <ul style="list-style-type: none"> Improving Corporate value as a company creating better future through providing products that have been utilized material technology. Enhancing products and business to address societal issues and achieve SDGs </p>	<p><Products> <ul style="list-style-type: none"> Continuous introduction of valuable products that satisfy market need into industrial markets with growth potential FDK Group releases synergy products that make use of proprietary technologies from the Batteries and Electronic Devices Businesses into the industrial market to respond to market needs </p> <p><Action> <ul style="list-style-type: none"> FDK Group realizes technological development proposals adapted to needs by enhancing market research and rapidly discovering customer and market trends. </p>	<p><Products> <ul style="list-style-type: none"> Developed and supplied battery products for household electronics featuring improved safety and storage performance for safe, secure use, as well as reduced-cost models and battery products using eco-conscious packaging. For the infrastructure market, developed and supplied battery products for in-vehicle, fire prevention/security, smart meter and back-up power supply applications in response to customer requirements and environmental issues. In the field of electronic devices, developed component and module products that contribute to reduced electric power consumption and lightweight miniaturization by customers. Developed and shipped samples of small all-solid-state SMD battery in order to work toward mass production of next-generation batteries that help resolve challenges faced by customers and by society. Also began working toward the development of metal-hydrate air secondary battery with promising potential future uses in social infrastructure. </p>		P19~P22
<p>2 Protecting the Global Environment</p> <p>FDK Group intends to contribute to the resolution of global environmental challenges through developing and supplying high performance batteries and electronic devices, as well as reducing the loads on the environment in the process of Procurement, Production and Supply.</p>	<p>FDK Group always thinks about environmental issues and is taking positive action to reduce the loads and risk on the environment through supplying products to realize a Clean Economy era.</p> <ul style="list-style-type: none"> FDK implements energy conservation measures at factories and offices while promoting improvements in distribution to help prevent global warming. FDK Group reduces the loads on the environment through the actions for 3R (Reduce, Re-use, Re-cycle). 	<p><Reducing the environmental impact of customers> Promoting the development of eco-conscious products with consideration for life-cycle, such as high-efficiency energy-saving products and resource-saving products.</p> <p><Reducing the environmental impact in FDK processes> <ul style="list-style-type: none"> Reducing CO₂ emissions and energy consumption. Reducing waste. Reducing chemical substances. </p>	<p><Eco-conscious product development> <ul style="list-style-type: none"> One or more products at each site each year that help improve energy efficiency One or more products at each site each year that help improve resource efficiency </p> <p><Reducing CO₂ emissions and energy consumption> <ul style="list-style-type: none"> Reduce energy consumption, and limit CO₂ emissions by the overall domestic FDK Group to 46,169t or less Improve the energy consumption per unit an average of 1% per year at all sites </p> <p><Reducing waste> <ul style="list-style-type: none"> Improve the amount of waste generated per unit by 3% compared to FY2015 at all sites </p> <p><Reducing chemical substances> <ul style="list-style-type: none"> Improve PRTR chemical emissions per unit by 3% compared to FY2015 at all sites </p>	<p><Results> <ul style="list-style-type: none"> Targets achieved in product development Achieved CO₂ emissions reduction targets Energy conservation at the new FDK Engineering building in particular has resulted in the reduction of CO₂ emissions by 36%. </p> <p><Issues> <ul style="list-style-type: none"> Increase of accuracy in defining targets (budgeting accuracy), appropriate definition of units and further energy conservation measures. </p>		P29~P32
<p>3 Embracing Diversity and Inclusion</p> <p>FDK Group will promote diversity in human resources and irrespective of nationality, gender, sexual orientation, age, ability/disability, religion or values to enable individuals to grow with the company.</p>	<p>All the people in FDK Group prohibit all the discrimination* and accept the diversity in its human resources with actual actions.</p> <p>*Violation of human rights by Unreasonable Discrimination in Nationality, Race, Gender, Religion, Policy, Social position, Birthplace, Disability, Sexual orientation or by Sexual harassment, Mental and physical violence.</p>	<ul style="list-style-type: none"> Creating the working environment-friendly for all the people. Improving the personnel treatment system. Proceeding the educational activity such as trainings and seminars. 	<ul style="list-style-type: none"> Foster awareness of work-style reforms Consider expanded work-style options such as flex-time, staggered shifts, tele-work and working from home Educational activities to foster understanding of employees in long-term care or with disabilities, and LGBT employees Consideration for creating professional environments conducive to work by LGBT employees, or those with disabilities Ongoing hosting of (workplace management) seminars for managers Holding seminars for supervisors Holding life-planning seminars for senior employees Education and training for next-generation leaders Promotion of increased use of childrearing leave for male employees Action plan implementation (renewing awareness of women and increasing their participation in managerial positions) 	<ul style="list-style-type: none"> A survey regarding flex-time was administered, and the program was initiated in April 2019 at domestic group companies. In order to increase the rate of paid leave taken, an agreement was reached between labor and management that increases paid leave use promotion days by 1 beginning in FY2019, and the long-term combined holidays included in the annual business calendar were extended from previous lengths. Hiring people with disabilities: an effort was undertaken to recruit from nearby special support schools. In order to establish an environment conducive to work, multipurpose restrooms are to be installed at each business site based on facilities surveys at each business site. Revising regulations: LGBT-related training and leaflet distribution was incorporated into Human Rights Week efforts toward adapting company-internal systems to same-sex partners. Career design training was held in January 2019. Programs were held at all business sites by December 2018. Education and training for next-generation leaders was held in July, August and September 2018. A career advancement seminar for women was held in November. 		P25~P28
<p>4 Developing Human Resources for Their Contribution to Society and the Planet</p> <p>FDK Group will lead the way in cultivating employees who, from a global perspective, are pioneers in contributing to the advancement of society.</p>	<p>FDK develops human resources who can be active from a global perspective through business in a long term.</p>	<ul style="list-style-type: none"> Proceeding the systems to develop human resources for their contribution to local community through business. Cultivating the communication ability through the relation with local community. 	<p><Implementation of FDK Group Plans for Nurturing Human Resources (3rd-year)> <ul style="list-style-type: none"> Improvement of existing training Sharing and transparency of educational plans Brush-up of training curricula Brush-up of training programs </p> <p><Nurture next-generation business leaders and professional human resources> <ul style="list-style-type: none"> Providing leadership training </p> <p><Consideration of planning and implementation for global hiring> <ul style="list-style-type: none"> Holding seminars to nurture global human resources Training to deepen understanding of other cultures </p>	<ul style="list-style-type: none"> An education plan was produced, and performance was shared within the company. Leadership training was held in July, August and September 2018. Intercultural seminars were held in July 2018 and February 2019. 		P25~P28
<p>5 Communicating and Collaborating with Stakeholders</p> <p>As a good corporate citizen, FDK Group will pursue a thorough understanding of the multiple needs and expectations of its stakeholders and pursue business activities to meet these needs and expectations.</p>	<p>FDK Group correctively discloses the information to be opened and communicate with stakeholders. FDK Group continuously pursues company activities to contribute to the society by reflecting the communication to the business activities.</p>	<p><Proceeding communication opportunities with Stakeholders and correct response for requests> <ul style="list-style-type: none"> Releasing CSR Report. Customers: Disclosing correct information for the request from customers Shareholders, investors: Studying to realize the communication opportunities like Shareholders meeting, IR meeting, information on Home page, Management policy and Financial results briefing. Supplier: Proceeding two-way communication. Employee: Communications with Labor union, Employee satisfaction monitoring, Communication with Top Management. Local community: Activity to contribute to local community (such as, Communication event with local community, Cleaning activity, Factory tour, Making Battery class, etc.). </p>	<ul style="list-style-type: none"> Releasing CSR Report. Customers: Disclosing correct information for the request from customers Shareholders, investors: Studying to realize the communication opportunities like Shareholders meeting, IR meeting, information on Home page, Management policy and Financial results briefing. Supplier: Proceeding two-way communication. Employee: Dialogue between labor and management, satisfaction surveys, a communication with top management and promote risk management Local communities: social contribution activities for local residents and others 	<ul style="list-style-type: none"> The Japanese-language version of the CSR Report (2018) was released in September, English version released in November 2018. Got the evaluation from suppliers, and administered a survey questionnaire in employee training. Disclosure as necessary is being performed on an ongoing basis. Communication with investors and shareholders: 179 instances, customer inquiries regarding CSR/handling of conflict minerals procurement: 241 instances, external inquiries regarding risk: 15 instances The FDK Group Supply Chain CSR Survey Questionnaire was administered to major suppliers, followed by feedback. A labor-management liaison conference was held on a monthly basis. All three inquiries received by the Human Resources Hotline were dealt with. Local contribution activities were conducted at each business site. 		P23 P24
<p>6 Ensure Compliance</p> <p>FDK Group will act with sense of ethics and comply with the laws and social codes.</p>	<p>Management and all the Employees always act along the laws and social codes promptly recognizing the new or revised information of the laws.</p>	<ul style="list-style-type: none"> Proceeding the activity to improve the company sustainability (evaluation, improvement, education). Reviewing regulations about compliance. Planning and performing the education program for Corporate Conduct guidance, business ethics including to the overseas group companies. Improving monitoring. Collecting information about new or revised laws and reflecting to business activity correctively. 	<ul style="list-style-type: none"> Reviewing regulations about compliance. Planning and performing the education program for Corporate Conduct guidance, business ethics including to the overseas group companies. Improving monitoring. Collecting information about new or revised laws and reflecting to business activity correctively. 	<ul style="list-style-type: none"> Reviewing regulations about compliance. Companywide regulations established/revision and elimination results (4 established, 91 revised, 49 eliminated) Planning and performing the education program <ul style="list-style-type: none"> Held compliance education Total e-Learning students: 5,436 Education performed through stratified training (management training, new division head training, mid-level employee training, new employee training) Ongoing export management education Ongoing training on the Subcontract Act Improving monitoring. <ul style="list-style-type: none"> Internal reporting received: 3 instances Collecting information about new or revised laws and reflecting to business activity correctively. <ul style="list-style-type: none"> Company-internal legal newsletter compiling information such as legal and regulatory amendment, etc.: 10 issues Export management: Chaser List adopted as a screening tool for customers of concern 		P15~P18
<p>7 Strengthening Corporate Governance</p> <p>Toward the realization of the CSR policy, aims to improve the transparency and supervision function of management, FDK Group will strengthen the Corporate Governance.</p>	<p>The Managements fully understand the essence of Corporate governance and take the necessary actions to review the Management system and organization.</p>	<ul style="list-style-type: none"> Planning to design the Board of Directors to do the correct decision making with fully effective supervision and the separation of supervision and execution. Evaluating the Board of Directors (Self evaluation and third party's verification, Continuous improvement) and Training to maintain and improve the effectiveness of Board of Directors. 	<ul style="list-style-type: none"> Smoothly share information and conduct ongoing high-quality auditing and supervision with outside directors through the Audit and Supervisory Committee Office Continually conduct self-evaluations of Board of Directors and training for directors Participation by corporate officers in the above training 	<ul style="list-style-type: none"> The Audit and Supervisory Committee reported its FY2018 audit policy orientation and plan, as well as site visit results. Results of a review of a consolidated financial statements auditing by Accounting Auditors were shared. Auditing plans and results from the Auditing Department were reported Self-evaluations and training were implemented at the March 2019 Board of Directors meeting. Themes: executive officers' duties and responsibilities, management strategy and administrative management (corporate officers also participated in training) 		P15~P18

Providing Safe, Secure Products with Consideration for the Environment



Throughout all FDK business activity processes (i.e., our value chain), we work together within the company on initiatives to provide products that are safe and secure for the customer and environmentally friendly. With this as our premise, we recognize how crucial it is to elevate the quality of management through internal environmental initiatives and thoroughgoing compliance. FDK works to provide products and services that have value for our customers by promoting activities that include collaboration with our suppliers.



Quality Assurance

Policy Orientation

Our Quality Policy states that "We will provide customers with quality they can rely on." Based on the FDK Group Corporate Conduct Guidelines and the FUJITSU Way, we continually strive to ensure product and service quality and safety in all aspects of our business activities. This is how we work to build an abundant future together with customers and society as we increase corporate value. We pursue and achieve quality and safety in line with the following seven-fold policy orientation: 1. Pursuing quality from the customer's perspective, 2. Creating quality in anticipation of change 3. Fulfilling social responsibilities through quality assurance, 4. Continuous improvement under the three-reality principle (i.e., actual place, actual things, actual situation), 5. Quality improvement in collaboration with business partners, 6. Disclosing and responding to quality information, and 7. Developing personnel who are mindful of quality.

Initiatives Toward Realizing Our Policies

- Quality assurance activities under a quality management system (QMS), applied to every step from product planning to manufacture, shipment and aftercare services.
- Continuous improvement through the PDCA (plan-do-check-action) cycle
- Regular meetings with all business divisions for information sharing, quality target definition and supervision, escalation during compliance-related problems and the occurrence of quality-related trouble, human resource development including horizontal implementation of specific case examples and know-how
- Group-wide Quality Management Committees activities for a management-led approach that transcends product categories

Management System



Social Requirements

- Strengthening supervisory functions
- Ensuring management transparency
- Increasing awareness of corporate ethics

The FDK Approach

- Strengthening corporate governance
- Building an internal control system
- Ensure compliance

Highlights of Management System

Number of outside directors (total number of directors: 7)	Attendees of compliance training course for all employees	Number of transmissions of compliance-related information through the company intranet	Number of occupational accidents
3	5,436	27	9
Occupational accident occurrence rate	Occupational accident severity rate	Number of management reviews for manifested risks	Number of internal reports
0.25	0.00	27	3

Initiatives supporting Management System

Strengthening Corporate Governance

Basic Concept

FDK Group conducts reviews of the management system as necessary for each measure based on the general principles of the Corporate Governance Code stipulated by the Financial Instruments Exchange as well as establishes organizations and introduces other necessary measures because it believes strengthening corporate governance improves the soundness and transparency of the company and improves the value for FDK shareholders.

FDK strives to heighten fairness and transparency with broad disclosure of information such as the provision of financial information via the Internet while working to quickly release management information.

Moreover, FDK has introduced a corporate officer system composed of two directors and corporate executive officers as well as nine corporate officers to operate businesses that separate the auditing of management and the business operating system.

In addition, of our seven directors, who include Audit and Supervisory Committee members, three are outside directors.

Board of Directors

The FDK Board of Directors is composed of four directors (excluding directors who are Audit and Supervisory Committee members) and three directors who are Audit and Supervisory Committee members. Board of Directors meetings are held once every month to determine

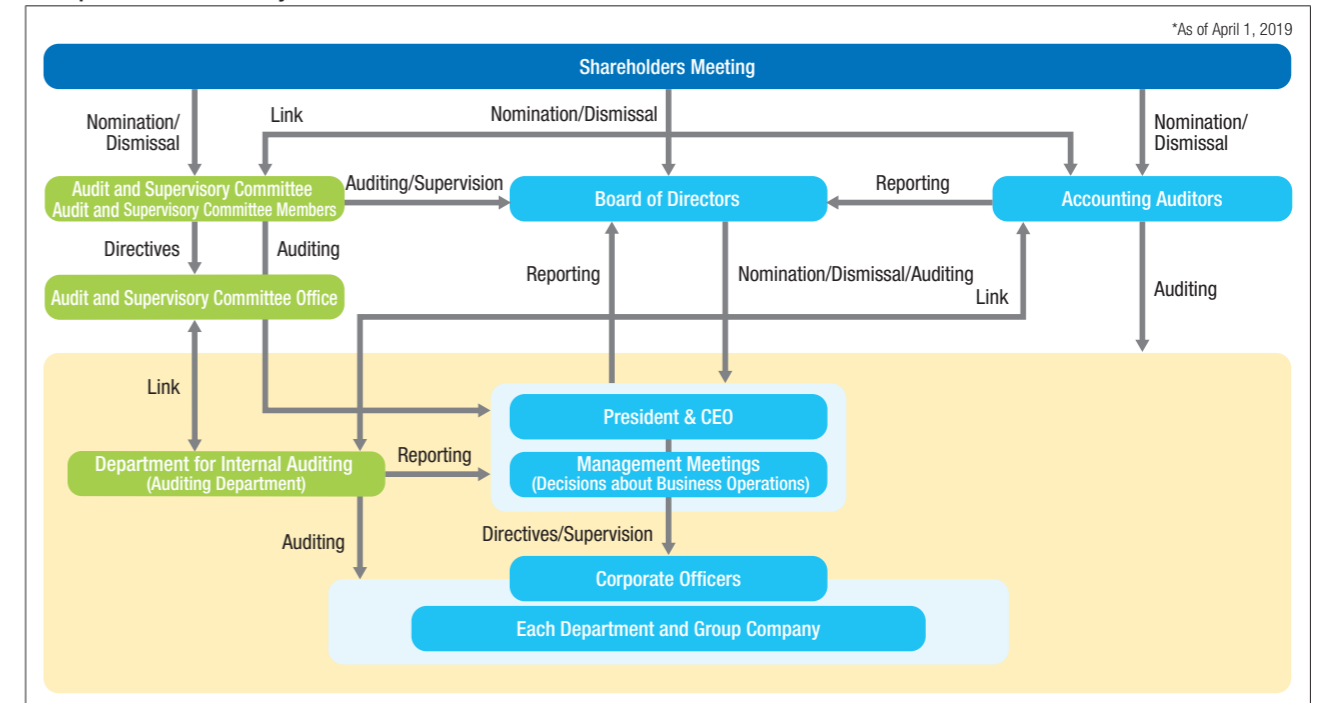
important management matters and deliberate the progress status of performance and investigate the measures.

Audit and Supervisory Committee

The FDK Audit and Supervisory Committee is composed of three directors, including two outside directors, with meetings held once a month and whenever else a meeting is deemed appropriate to monitor and audit the appropriateness and validity of management. Furthermore, each Audit and Supervisory Committee member attends the Board of Directors meetings to share objective and fair insight about overall management and each matter while also auditing the appropriateness and validity of business operations of the directors according to the auditing policies formulated by the Audit and Supervisory Committee.

FDK has established an Audit and Supervisory Committee Office with the purpose to facilitate high-quality auditing and supervision as well as to contribute to the strengthening of governance through smooth informational sharing with outside directors who are Audit and Supervisory Committee members. FDK aims to improve the effectiveness and efficiency of auditing with close links that include bilateral informational exchange and sharing of opinions between the Audit and Supervisory Committee, Audit and Supervisory Office, Accounting Auditors, and the Auditing Department.

Corporate Governance System chart



Building an Internal Control System

Basic Concept

As a means to fulfill corporate social responsibilities, FDK Group approved the "Basic Policy for Establishing an Internal Control System" at the Board of Directors meeting by recognizing the necessity of strengthening corporate governance to maintain a sound and strong relationship with FDK stakeholders from employees to suppliers and local communities while ensuring the appropriateness of operations and reliability of financial reporting in addition to realizing management that complies with relevant laws and the Articles of Incorporation.

Comply with the Corporate Governance Code

FDK released a corporate governance report in June 2018. FDK subsequently released a governance report in December 2018 reflecting revisions to the Corporate Governance Code enacted on June 1 of that year, and FDK continued throughout FY2018 to enhance the items of compliance.

Ensure Compliance

Basic Concept

FDK Group established the "FDK Group Corporate Conduct Guidelines" in 2000 as the standard of conduct for each and every employee. FDK Group strives to earn trust from consumers, customers and suppliers by clarifying the policy that states, "FDK Group acts with a sense of ethics and complies with the laws and social codes", in FDK Action Guidelines. FDK encourages awareness and action of each individual by displaying and allowing every employee to confirm our Action Guidelines on each work site while also publishing them on FDK intranet.

Corporate Governance Code Strengthening and enhancing "General Principle 4: Responsibilities of the Board of Directors"

(1) Directorship training

FDK held training for directors as well as corporate officers once this year (covering two themes) with the objective of updating expert knowledge and acquiring knowledge outside of that scope of expertise in an effort to increase the expertise and knowledge of FDK directors.

(2) Board of Directors performance evaluation

Continuing from last year, FDK held discussions based on survey questionnaire evaluation methods and the results of third-party analysis of questionnaires. In doing so, FDK dug deeper into the heart of issues for the Board of Directors and undertook efforts to strengthen their supervisory functions.

Conducting Education

FDK Group explains laws and regulations closely related to work from internal regulations to the Foreign Exchange and Foreign Trade Control Law, the Product Liability Act, Antimonopoly Law, and Personal Information Protection Law in stratified training for new employees and new managers to bring about understanding. In addition, FDK conduct various compliance training for all of the employees. FDK also holds trainings annually at each business site related to export management and subcontracting transactions.

In FY2018, FDK implemented an e-learning program for all employees regarding the Pharmaceutical and Medical Devices Act and

the Antimonopoly Act, attended by a total of 5,436.

In addition, FDK strives to raise awareness about laws and regulations by providing employees a broad range of information about compliance that includes information about amendments to laws and regulations, and an introduction of examples about violations using the intranet.

FDK communicated information 27 times in FY2018 on topics including the Foreign Exchange Act and the Antimonopoly Act.



Ensure Compliance (Head Office presentation conference)

Complying with Laws and Regulations Related to Business Operations

The business operations of the FDK Group must comply with a wide range of laws, regulations and standards. In addition to this broad compliance, understanding culture and customs and clearly responding to social trends are part of comprehensive compliance from an ethical perspective. FDK has also put in place dedicated organizations for each field of compliance such as Health and Safety Committee, Environmental Management Committee, Product Chemical Substances Management Committee, Export Management Committee and Product Safety Promotion Committee in an effort to operate its businesses in compliance with all laws and regulations.

Actions for Health Safety and Safety Activities, Number of Incidents, and Measures Against Occupational Accidents

1. Health and Safety Policy

FDK aims to improve and ensure the safety and health of its employees under the basic principle that occupational accidents must not happen. Every employee participates in building a safe and comfortable workplace by systematizing and continually developing independent occupational health and safety activities for the purpose of eliminating all occupational accidents. FDK also places importance on employee mental health measures not just from the perspective of employees and their families, but also in terms of earning trust as a company and operating business smoothly. These actions have strengthened our mental health efforts.

2. Occupational Safety Promotion System

The FDK Group holds quarterly meetings of the Central Health and Safety Committee, which includes the president and the chairman of the labor union, as a supervisory function for the Health and Safe-

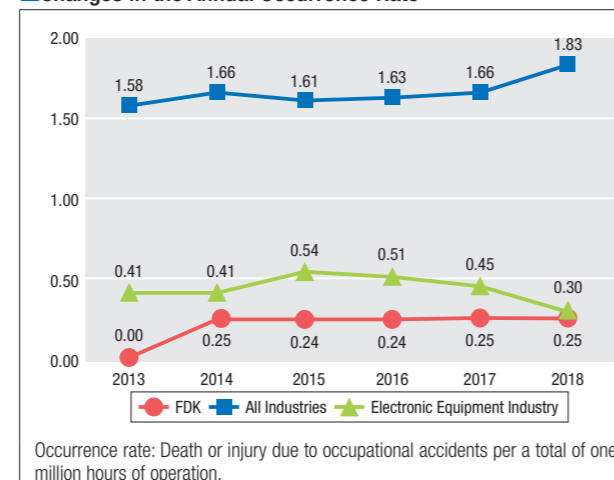
ty Committees at each business site. The central committee shares information about activities at each business site while formulating Group-wide activity plans.

The "On-Site Health and Safety Committees" are held jointly by labor and management at each business site every month to conduct health and safety measures appropriate for that business site. In addition, some business sites have been certified under the OHSAS18001 international occupational health and safety assessment.

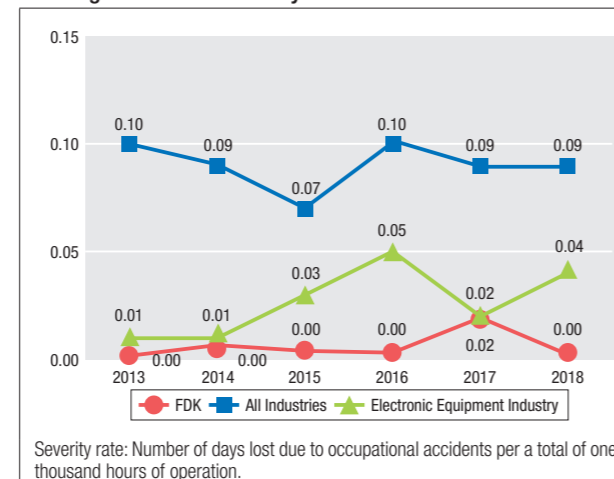
3. Status of Occupational Accidents

Nine occupational accidents occurred in FY2018 (after four the previous fiscal year). The occurrence rate and severity rate of occupational accidents of FDK has continued better than the level of the national and the electronic equipment industry average.

Changes in the Annual Occurrence Rate



Changes in Annual Severity Rate



4. Occupational health and safety education

While implementing stratified occupational health and safety education for all new employees throughout the FDK Group, FDK also carry out skill enhancement education and help with acquisition of official certifications.



Experiential danger training: press injury accidents

Experiential danger training: gear roller injury accidents



Experiential danger training: pointing and calling

Risk Management Initiatives

1. Risk & Compliance Committee

FDK has established a Risk & Compliance Committee as the highest decision-making body related to risk management and compliance in accordance with the "Basic Policy for Establishing an Internal Control System" to prevent the manifestation of risks for certain losses in the execution of business by the FDK Group, properly respond to any manifested risks, and prevent any recurrence.

2. Risk Management Framework

The Risk & Compliance Committee grasps the state of risk management throughout the FDK Group, makes decisions about and puts into practice policies, processes and other matters in addition to facilitating ongoing improvements.

3. Risk Management Process

Each department takes the following steps. (1) Identify, evaluate and verify potential risks inherent to business activities. (2) Clarify the priority of response for each risk and determine risk control policies (avoidance, mitigation, migration and retention of risks). (3) Execute measures in each department to prevent risks before they manifest in accordance with decided policies. Each department rapidly escalates response in the event any risks do manifest. Any issues are resolved as quickly as possible to minimize the impact through an appropriate response in cooperation with each relevant department and the Risk & Compliance Committee Secretariat as well as working to identify the underlying causes in addition to formulating and executing plans to prevent recurrence.

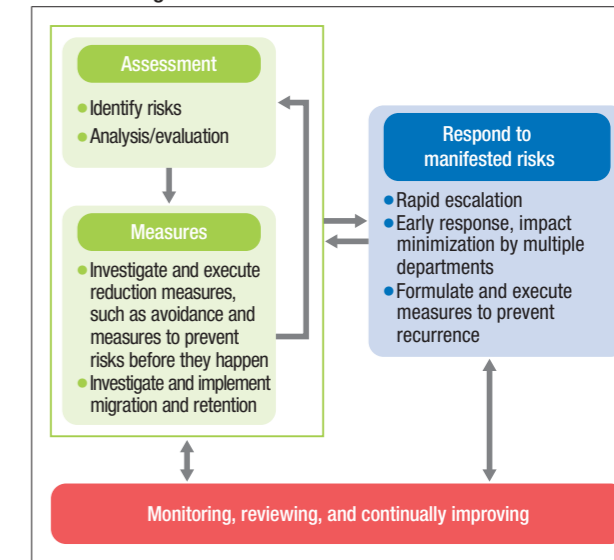
FDK checks the progress of execution during each of these steps and makes improvements as necessary.

Examples of Crisis (Manifested Risks)

- 1 Natural disasters/accidents
- 2 Product trouble
- 3 Corporate attacks/compliance breaches
- 4 Informational security trouble
- 5 Environmental issues, etc.

In FY2018, management reviews were conducted regarding 27 incidents of manifested risk.

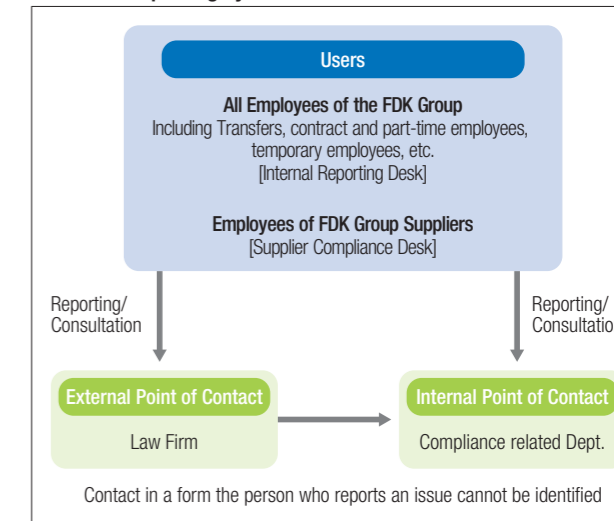
Risk Management Process chart



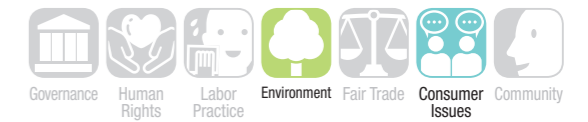
Internal Reporting System

FDK has established an "Internal Reporting Desk" and "Supplier Compliance Desk" to receive reports and consultations about internal rule breaches and actions that violate laws or regulations. The "Internal Reporting Desk," "Supplier Compliance Desk," and the "Internal Reporting Regulations" guarantee anonymity of anyone who reports a violation in addition to ensuring no harm is done as a result of reporting an issue. Any issue discovered as a result of investigation into a report is immediately addressed with reform measures. There were three reports in FY2018 which were addressed appropriately.

Internal reporting system



Relationships with Customers and Suppliers



Social Requirements

- Importance of product quality and management quality
- Expansion of safety and security needs in social infrastructure
- Legislation to promote energy-saving policy

The FDK Approach

- Providing services and value to customers as a Smart Energy Partner supplying batteries and electronic devices that contribute to society in various forms

Highlights of Relationships with Customers and Suppliers

Number of presentations at exhibitions 8	Number of products developed to contribute to improved energy efficiency 4	Number of products developed to contribute to improved resource efficiency 3	Number of ISO9001-certified production sites 9
Number of IATF16949-certified production sites 3	Number of Quality Assurance Division meetings among business divisions 16	Number of work-site improvement action briefing sessions with top management participation 21	Number of quality assurance reviews implemented 500

Initiatives supporting Relationships with Customers and Suppliers

FDK Group will continue to provide services and value that bring satisfaction to customers while earning their trust as we respond flexibly and rapidly to a variety of environmental changes. FDK Group, as a Smart Energy Partner, assemble advanced technologies, would like our customers to best utilize electric energy in a safe and efficient manner, and contribute to materialization and development of sustainable society.

Supplying Batteries and Electronic Devices Which Contribute to Society Across Multiple Platforms

Basic Concept

The FDK Group strives to build product development, supply and quality assurance systems in line with market need and solutions to societal issues, promoting green procurement based on concepts for continually developing and supplying high-quality, safe, environmentally-friendly batteries and electronic devices able to satisfy customers.

FDK Group Initiatives

FDK Group continues to provide batteries and electronic devices that use environmentally-friendly materials by complying with environmental laws and regulations to further heighten value as a company cultivating the future. As part of its business, FDK Group works to develop products able to provide new added value derived from the accumulation over time of technologies that differentiate FDK.

“Offering Safety” and “Fulfilling Our Responsibility to the Environment” with Unique Differentiated Technology

FDK is a globally unique corporate group with its own combination of technologies for batteries and electronic devices.

For example, differentiated technology that utilizes this uniqueness has succeeded in making FDK power storage systems a technology that integrates the advantages of both batteries and electronic devices.

FDK strives in product development with care to always provide environmentally-friendly products in demand by customers as well as the market.

Introduction to FDK customers in FY2018

FDK participated in several exhibitions in FY2018, including the “BATTERY JAPAN”, the world’s largest exhibition for the development and manufacture of secondary batteries and storage batteries, and the “TECHNO-FRONTIER 2018” advanced electronic devices and components exhibition. FDK also exhibited at the “Wearable Device and Technology Expo” showing the latest in wearable electronics applications, and three more overseas exhibitions. By introducing battery and electronic device technologies and products at these venues, the FDK Group was able to showcase technological strengths, as well as products and solutions that help address societal issues.



BATTERY JAPAN

Product Development for the Next Generation

▶ Samples of small all-solid-state SMD battery with high energy density become available

FDK began offering samples of its newly developed all-solid-state batteries, and announced the development of high-capacity versions in May 2019. All-solid-state batteries do not leak liquids, and are safer than existing lithium-ion batteries that primarily use flammable organic materials. Combining FDK’s own battery and electronics technologies, these are the world’s highest class of products (Source: FDK survey, May 2019).

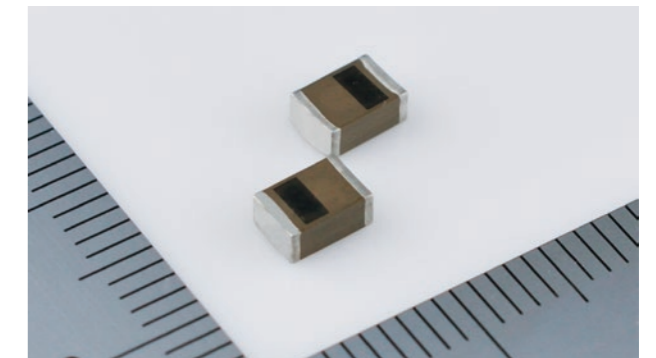


Photo: All-solid-state battery sample

FY2018 targets and achievements

Products

- FDK Group continues to promote valuable products that conform to market needs in industrial markets with high potential
- FDK Group releases synergy products that make use of proprietary technologies from the Batteries and Electronic Devices Businesses into the industrial market to respond to market needs
- FDK Group develops new magnetic materials having both high performance and high quality and advances its products.
- FDK Group develops power supply products with greater added value by taking advantage of large-scale power supply technologies

Action

- FDK Group realizes technological development proposals adapted to needs by enhancing market research and rapidly discovering customer and market trends.
- FDK Group reinforces relationships built on trust through sales activities that surpass customer and market expectations.
- FDK Group continually makes improvements based on its Business Continuity Plan (BCP) to recover as quickly as possible in the event various risks manifest.

Products

- Ni-MH batteries
We have worked to develop products that address customer desires and environmental issues. These efforts include the development and supply of reduced-cost product models for the household electronics market. We have also worked on developing and mass-producing products for the infrastructure market, including such applications as in-vehicle, disaster prevention and security uses, as well as back-up power supply.
- Alkaline batteries
We moved forward with development of materials for development of safer, more secure products and reduced-cost models featuring improvements in leakage resistance performance and long-term storage performance. We have also developed eco-conscious packaging, and begun shipping products using it.
- Lithium batteries
We moved forward on schedule with development of products for smart meters both domestically and internationally. We also advanced the development of secondary batteries in the card and wearable markets, including our exhibit at BATTERY JAPAN.

Electronic Products

- We made progress in the development of ferrite, coil devices and multilayer power inductors that contribute to the reduction of customer power consumption. We also developed various types of module products that contribute to miniaturization of our customers’ products, and began shipments of sensor devices used at corporate shareholders’ meetings.
- Research and development
We have developed and shipped samples of highly safe small all-solid-state SMD battery as we made progress with efforts toward mass production of next-generation batteries that help resolve challenges faced by customers and by society. We have also begun working toward the development of metal-hydride air secondary battery with promising potential future uses in social infrastructure.

Action

We have revised our organizational structure to strengthen marketing, rapidly identify customer and market trends, and achieve technological development proposals tailored to needs. This year, we continued with the BCM operations built during the previous fiscal year.

As a result of these initiatives, we developed four products in FY2018 that contribute to improved energy efficiency, and three products that contribute to improved resource efficiency.

Development with Consideration for Quality and Safety

The FDK Group Quality Policy

Quality Policy: "We will provide customers with quality they can rely on." Based on the FDK Group Corporate Conduct Guidelines and the FUJITSU Way, which represents the common corporate philosophy and orientation of the Fujitsu Group, we continually strive to ensure product and service quality and safety in all aspects of our business activities. This is how we work to build an abundant future together with customers and society as we increase corporate value.

▶ 1. Quality and Safety Policies

The FDK Group spares no effort in pursuing and achieving quality and safety of products and services (referred to as "quality" below) in line with the following sevenfold policy orientation:

1) Pursuing quality from the customer's perspective

As a partner to our customers, we continually strive to create quality that enables them to use our products and services in safety and security.

2) Creating quality in anticipation of change

In anticipation of changes in the environments in which our customers operate, we pursue a broad spectrum of quality that encompasses beauty, ease of use and ease of understanding.

3) Fulfilling social responsibilities through quality assurance

In addition to the standards specified under the various quality-related laws and regulations domestically and overseas, we have established standards of our own, adherence to which enables us to provide our customers with products and services they can use in safety and security.

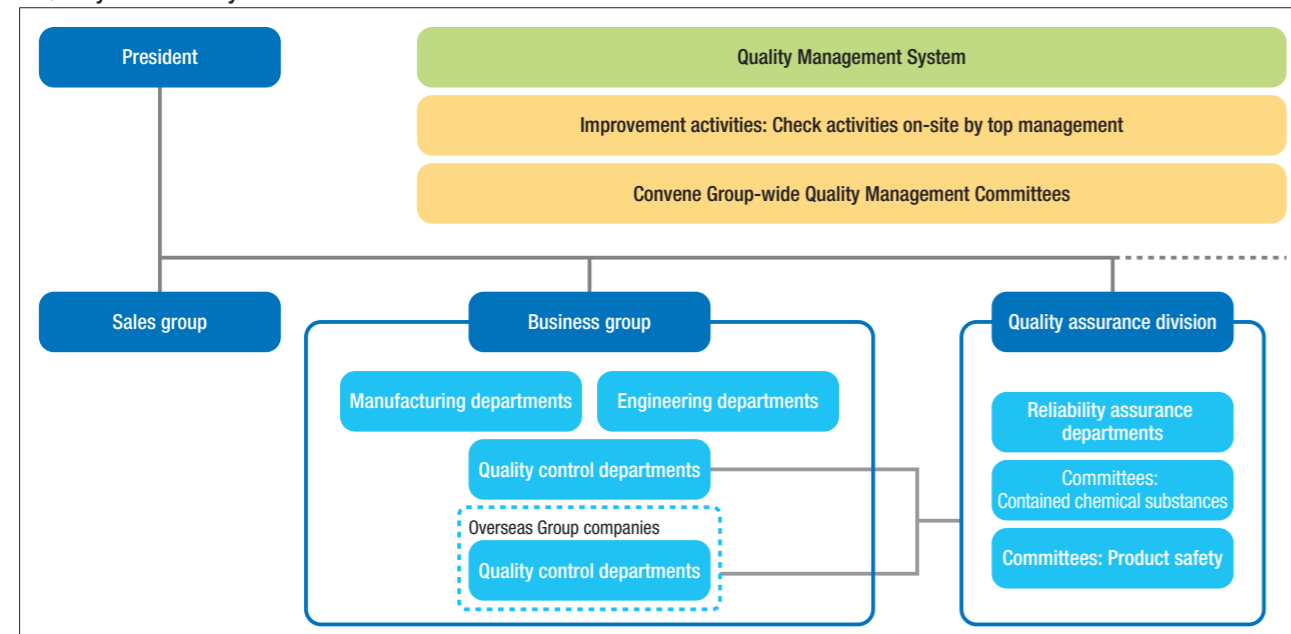
4) Continuous improvement under the three-reality principle (i.e., actual place, actual things, actual situation)

We proactively collect, understand and analyze information such as product and service quality data and customer opinion in order to continually improve product and service quality.

5) Quality improvement in collaboration with business partners

We undertake efforts to cumulatively build trust and improve quality by sharing our conception of quality with our business partners.

Quality assurance system

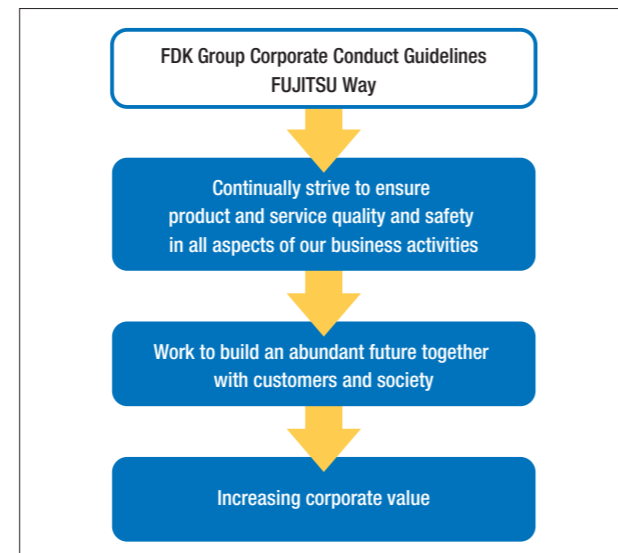


6) Disclosing and responding to quality information

We promptly and responsively disclose appropriate, necessary quality information so that our customers can use our products and services in safety and security.

7) Developing personnel who are mindful of quality

Working to elevate quality-mindedness and improve quality technology, we develop personnel who are always mindful of quality in their actions.



▶ 2. Quality Assurance System

The FDK Group has built a quality assurance system to ensure appropriate application of quality and safety policies and continually undertake quality assurance activities.

▶ 3. Acquisition Status of ISO 9001/IATF 16949

FDK strives for ongoing process improvements based on the Quality Management System (QMS). As of May 2019, all 9 sites, including

locations overseas, have acquired the ISO9001 certification and 3 of those sites have acquired the IATF16949 certification.

▶ 4. Quality Assurance Initiatives

(1) Quality assurance system

In order to provide quality products and services that satisfy the function and performance requirements and other needs of customers, FDK fosters cooperation between management and various departments. This necessitates the participation of every employee in activities across every stage of its corporate activities. Thus, it needs the systems and frameworks to unify the organization for ongoing activities.

FDK has built and operates QMS as noted in item 3, and will achieve and assure quality able to satisfy customers at each step from product planning to manufacture, shipment and aftercare services. In operating these QMS processes, we run through a PDCA (Plan, Do, Check, Action) management cycle with the aim of higher quality and ongoing improvements.

(2) Quality assurance promotion system

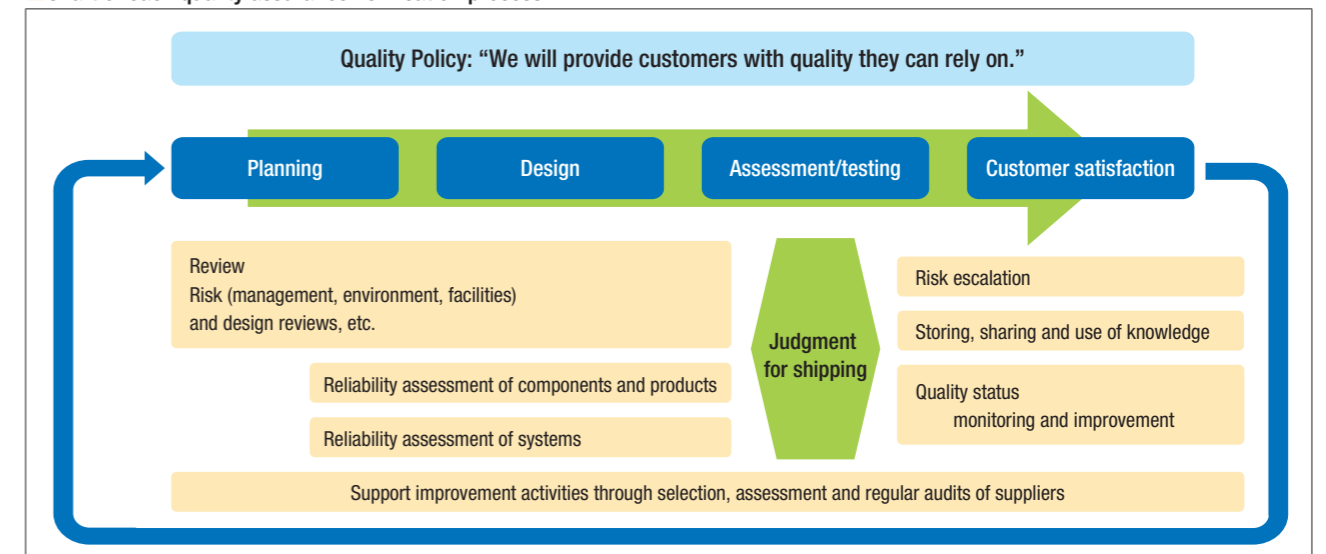
FDK engages in collaborative activities linked to those of each business site, including those overseas across a diverse product line-up. Quality assurance divisions regularly have meetings with all business divisions that drive these activities and actively work to share information, formulate quality proposals, escalate responses in the event of problems and quality issues related to compliance, conduct education to nurture human resources, and horizontally share other information such as examples of defects as well as expertise. Group-wide Quality Management Committees have been set up, hosted by top management, as part of a management-led approach that transcends product categories.

Improvement Processes of Actions to Strengthen Quality Assurance

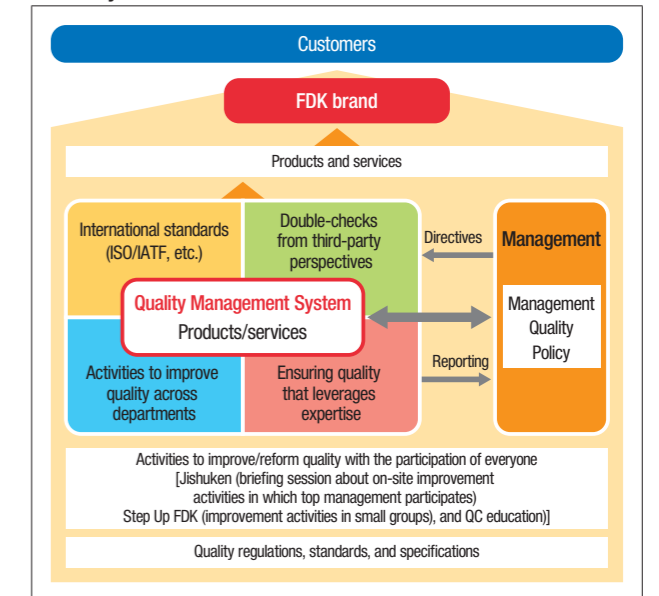
▶ 1. Quality assurance activities for products and services through objective points-of-view

FDK conducts reviews from broad standpoints that involve not only a single department but all other departments through the entire verifi-

Chart of each quality assurance verification process



Quality assurance framework



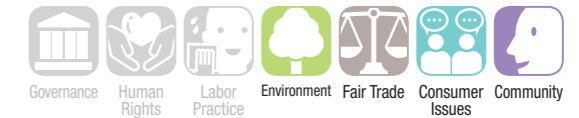
cation process from planning to mass production in accordance with quality standards and regulations while reinforcing greater objectivity in these assessments to supply quality that provides trust for customers, which is the quality policy of the FDK Group. About 500 items are verified by design review, a representative step in quality assurance activities in one year.

▶ 2. Green Procurement Initiatives

FDK Group contributes to the development of a more sustainable society by conducting business activities that consider the environmental burden and providing environmentally-friendly products.

FDK Group is providing environmentally-friendly products to customers through the use of materials that consider the environment based on the "FDK Group Green Procurement Standards".

Relationship with Society



Social Requirements

- Accurate, transparent information disclosure
- Mutual communication with stakeholders
- Heightened demands for ESG and non-financial information disclosure

The FDK Approach

- Communicating and Collaborating with Stakeholders

Highlights of Relationship with Society

Number of factory tours 2	Number of Battery-making Class sessions held 8	Number of environmental class sessions 2	Number of external clean-up activities 31
Number of communications with shareholders, investors 179	Number of survey responses from customers about CSR/conflict minerals 241	Number of suppliers that took the CSR survey 218	

Initiatives supporting Relationship with Society

Communicating and Collaborating with Stakeholders

Basic Concept

As a good corporate citizen, FDK Group will pursue a thorough understanding of the multiple needs and expectations of its stakeholders and pursue business activities as a fundamental policy to meet these needs and expectations. FDK Group works to heighten corporate value by continually engaging in corporate activities that contribute to society through proper disclosure of information that should be made public, and a dialogue with stakeholders, reflected in business activities.

Initiative example (1): FY2018 targets and achievements

FY2018 targets

- | | |
|--|--|
| <p>(1) Releasing CSR Report
(Release of report for FY2017 activities. Plan and start production of report for FY2018 activities)</p> <p>(2) Customers
Disclosing correct information for the request from customers</p> <p>(3) Shareholders, investors
The general shareholders' meeting, IR meeting, information disclosure over the website, and the deliberations for the communication opportunities for the briefings about management policy and business performance, etc.</p> | <p>(4) Suppliers
Proceeding two-way communication</p> <p>(5) Employees
Dialogue between labor and management, satisfaction surveys, a communication with top management and promote risk management</p> <p>(6) Local communities
Activity to contribute to local community (such as, Communication event with local community, Cleaning activity, Factory tour, Making Battery class, etc.)</p> |
|--|--|

FY2018 achievements

- (1) Releasing CSR Report**
The FY2017 CSR Report was issued in September 2018. We confirmed assessments from employees and external parties to advance considerations for the FY2018 report (to be issued in 2019).
- (2) Customers**
We answered customer inquiries on topics such as our corporate profile, presented at exhibitions, and worked to provide the right information to customers.
- (3) Shareholders, investors**
We worked to provide appropriate explanations in response to 179 inquiries received during the year from shareholders and investors. FDK Group worked to disclose accurate information to external stakeholders on its homepage as necessary.
- (4) Suppliers**
The CSR survey was administered to 218 procurement partners, out-sourcers, personnel dispatching companies and industrial waste processing contractors, and the results were provided as feedback.
- (5) Employees**
FDK Group strove to engage in regular ongoing dialogue between labor and management for employees. There were also three human resources hotline consultations, to which we made efforts to respond.
- (6) Local communities**
Regarding activities contributing to local communities, our efforts are shown in example (2).

Example effort (2): activities contributing to local communities

FDK Group actively engages in activities that contribute to local communities as one action to strengthen opportunities to communicate with stakeholders.

FDK Group hosts various activities throughout the year at all business sites, including Group company plants, such as Battery-making

Class, and outside environmental for elementary and junior high schools students that utilize the features of FDK businesses in addition to plant tours, cleaning activities close to the local community, and participation, donations, contributions for events as well as blood donation.

Contributing activities to local communities that utilize the features of FDK businesses

<ul style="list-style-type: none"> • Battery-making Class (Head Office, Kosai, Washizu) 	<ul style="list-style-type: none"> • Factory tours (Washizu) 	<ul style="list-style-type: none"> • Status of efforts at each business site <table border="1"> <tr> <td>Head Office</td> <td>Battery-making Class: 2 "The Sound of Batteries Powered by the Sun" concerts: 12</td> </tr> <tr> <td>Kosai Plant</td> <td>Battery-making Class: 2 Participation in youth science experiments: 1</td> </tr> <tr> <td>Washizu Plant</td> <td>Battery-making Class: 4 Factory tours: 2</td> </tr> <tr> <td>Takasaki Plant</td> <td>Environmental classes: 2</td> </tr> </table>	Head Office	Battery-making Class: 2 "The Sound of Batteries Powered by the Sun" concerts: 12	Kosai Plant	Battery-making Class: 2 Participation in youth science experiments: 1	Washizu Plant	Battery-making Class: 4 Factory tours: 2	Takasaki Plant	Environmental classes: 2
Head Office	Battery-making Class: 2 "The Sound of Batteries Powered by the Sun" concerts: 12									
Kosai Plant	Battery-making Class: 2 Participation in youth science experiments: 1									
Washizu Plant	Battery-making Class: 4 Factory tours: 2									
Takasaki Plant	Environmental classes: 2									
<ul style="list-style-type: none"> • Environmental classes (Takasaki) 	<ul style="list-style-type: none"> • Participated in Hamanako Clean activity (Kosai, Washizu) 									

Ongoing activities contributing to local communities

<ul style="list-style-type: none"> • Flowerbed planting (Tottori) 	<ul style="list-style-type: none"> • Clean-up activities near business sites (Takasaki) 	<ul style="list-style-type: none"> • Status of efforts at each of the other business sites <table border="1"> <tr> <td>Kosai Plant</td> <td>Traffic safety campaigns: 4 Local clean-up activities: 4 Blood donation drives: 2 Donations (used files): 1 Participation in local ceremonies (Oiden Festival): 1</td> </tr> <tr> <td>Washizu Plant</td> <td>Local clean-up activities: 3 Blood donation drives: 1 Donations (stamps, bell marks) : 2</td> </tr> <tr> <td>Takasaki Plant</td> <td>Local clean-up activities: 3 Blood donation drives: 2</td> </tr> <tr> <td>Tottori Plant</td> <td>Local clean-up activities, flowerbed planting: 10 Blood donation drives: 2 Donations and contributions: 6 Recommended products of the Silver Human Resource Center to employees: 1</td> </tr> <tr> <td>FDK ENGINEERING</td> <td>Local clean-up activities: 1</td> </tr> </table>	Kosai Plant	Traffic safety campaigns: 4 Local clean-up activities: 4 Blood donation drives: 2 Donations (used files): 1 Participation in local ceremonies (Oiden Festival): 1	Washizu Plant	Local clean-up activities: 3 Blood donation drives: 1 Donations (stamps, bell marks) : 2	Takasaki Plant	Local clean-up activities: 3 Blood donation drives: 2	Tottori Plant	Local clean-up activities, flowerbed planting: 10 Blood donation drives: 2 Donations and contributions: 6 Recommended products of the Silver Human Resource Center to employees: 1	FDK ENGINEERING	Local clean-up activities: 1
Kosai Plant	Traffic safety campaigns: 4 Local clean-up activities: 4 Blood donation drives: 2 Donations (used files): 1 Participation in local ceremonies (Oiden Festival): 1											
Washizu Plant	Local clean-up activities: 3 Blood donation drives: 1 Donations (stamps, bell marks) : 2											
Takasaki Plant	Local clean-up activities: 3 Blood donation drives: 2											
Tottori Plant	Local clean-up activities, flowerbed planting: 10 Blood donation drives: 2 Donations and contributions: 6 Recommended products of the Silver Human Resource Center to employees: 1											
FDK ENGINEERING	Local clean-up activities: 1											
<ul style="list-style-type: none"> • Seashore clean-up activities (Tottori) 	<ul style="list-style-type: none"> • Participated in Hamanako Clean activity (Kosai, Washizu) 											

Relationships with Employees



Social Requirements

- Work style reforms, creating environments conducive to work (reducing overtime work hours, increasing paid leave use rates, enhancing systems for long-term care and childcare)
- Equality in hiring (post-retirement rehiring, hiring of people with disabilities, women's workplace participation and advancement)

The FDK Approach

- Embracing diversity and inclusion
- Developing human resources for their contribution to society and the planet
- Establishing and raising awareness about company-internal systems

Highlights of Relationships with Employees



Initiatives supporting Relationships with Employees

Embracing Diversity and Inclusion

Basic Concept

FDK Group believes each employee should grow together with the organization as we respect each other and embrace diverse human resources regardless of differences such as nationality, gender, age, ability or disability. We thereby incorporate a range of values and work styles in our efforts toward diversity as a management strategy to heighten corporate value.

FDK strives to cultivate employees who, from a global perspective, have high aspirations to contribute to the advancement of society.

Example of effort (1): initiatives to respect human rights

FDK Group engages in enlightenment activities through training and seminars for everyone who works at the FDK Group to eliminate all discrimination, embrace diverse human resources and take actual action toward inclusion.

FY2018 targets and achievements in respect for human rights

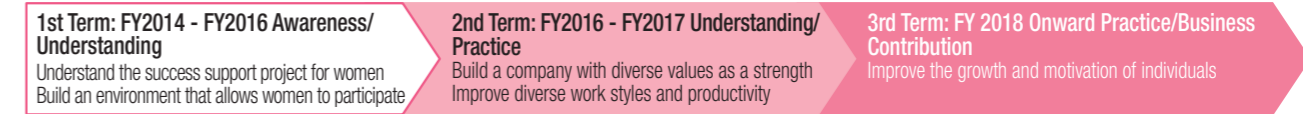
▶ Human Rights Enlightenment Activities

FDK Group expanded awareness about the respect for human rights by conducting human rights enlightenment activities in conjunction with the Human Rights Week in December.

- Held seminars for the purpose of improving human rights awareness
- Distributed human rights promotion leaflets to every employee
- Human rights education and training
 - FDK Group has incorporated human rights training in the various training curriculum to put in place opportunities for employees to actively think about human rights.
 - Management training
 - New manager training
 - Supervisor promotion training
 - Mid-level employee training

Example of effort (2): diversity initiatives

▶ Milestones



▶ 1st Term: FY2014 - FY2016 (Awareness/Understanding)

- FDK Group launched the Success Support Project for Women for the purpose of expanding and supporting opportunities for women to succeed in an effort to heighten awareness and improve the work itself.
- FDK Group subscribes to gender equality at each Group location to realize a balanced life between work, family and community lifestyles.

▶ 2nd Term: FY2016 - FY2017 (Understanding/Practice)

- We have been expanding efforts to evolve the organization through an ongoing cycle in which employees autonomously map out their future careers regardless of limitations and managers expect and support that growth.

▶ 3rd Term: FY 2018 Onward (Practice/Business Contribution)

- FDK Group will position "Diversity & Work-Life Balance" as a key management strategy in an effort toward work-style innovation.

- Reduced meetings and the time to create materials
- Put in place a comprehensive no overtime day
- Established six days annually of simultaneous paid leave and paid leave use promotion days
- ▶ **Initiatives for after age-based retirement**
- Held Senior Life-plan Seminars for employees 55 and older
- ▶ **The Act on Promotion of Women's Participation and Advancement in the Workplace**
- Renewed awareness among women and increased the number of female supervisors

FDK held a total of 40 seminars related to diversity in FY2018, including those above.

Diversity Promotion Framework

FDK Group has worked to build a women-friendly workplace since FY2014, and it has been promoting diversity thereafter around the two axes of "supporting the success of diverse human resources" and "realizing diverse work styles" with the aim of facilitating individual growth regardless of gender to create new value therein.

▶ Diversity Policy

FDK Group is promoting diversity around the two principles below based on issues identified in our Employee Satisfaction (ES) Survey, the feedback received in discussions between the President and employees, and the results of a diversity questionnaire that targeted female employees.

Improve the growth and motivation of individuals

Each and every employee shall accept one another to drive added value and contribute to the organization in their own unique way.

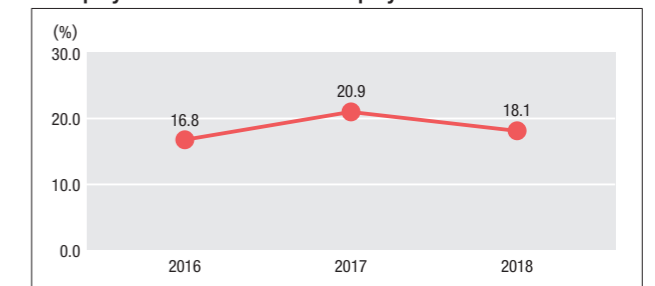
Enhance corporate competitiveness and growth

FDK Group management and employees will freely debate matters from diverse perspectives to continually forge new knowledge and technology.

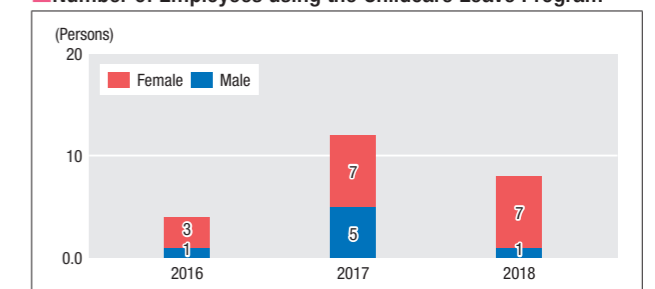
FY2018 diversity-related targets and achievements

- ▶ **Renewing Awareness and Reforming the Corporate culture**
 - Conducted workplace management seminars for all managers and supervisors
- ▶ **Improving Motivation to Drive the Will of Each Person**
 - Conducted leadership training for upper-level employees
 - Formulated career paths and strengthened relevant support
 - Conducted career design training for senior management positions
- ▶ **Reducing Total Working Hours to Improve Awareness about Work-Life Balance**
 - Built an environment to produce higher results in a shorter period of time
 - Standardized operations and created procedural manuals to abolish single-person tasks

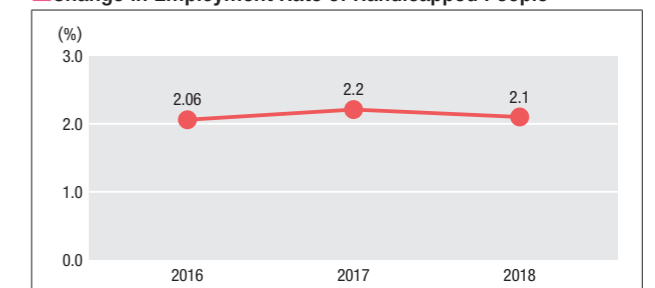
■ Employment Rate of Female Employees



■ Number of Employees using the Childcare Leave Program



■ Change in Employment Rate of Handicapped People

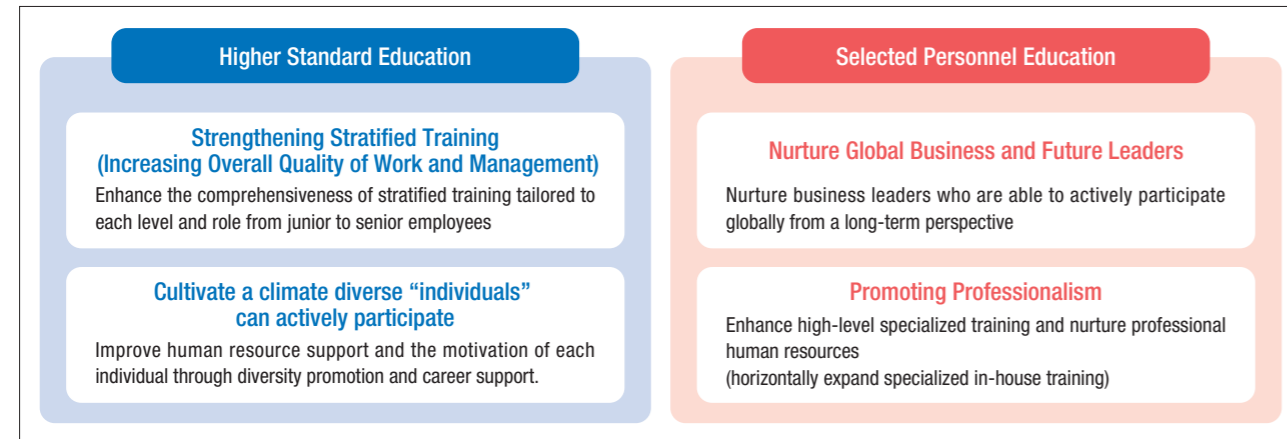


Developing Human Resources for Their Contribution to Society and the Planet

Example of effort (3): Human Resource Development Policy

► Four Themes to Nurture Human Resources

FDK Group strives to nurture human resources by categorizing human resource development into four main themes.



Examples of Initiatives (4):

► Enhancing Stratified Training

During FY2018, we refined the FY2017 curriculum to increase awareness of legal and regulatory compliance, and conducted training for the purpose of acquiring the knowledge and skills needed at each organizational level.

The Current State of Stratified Training

- New general manager training
- New manager training
- Supervisor promotion training
- Mid-level employee training (advanced, basic)
- New employee training

► Enhancing Specialized Skills

Two employees were sent to Fujitsu Technical Academy, operated by FUJITSU University in order to learn electric and electronic mechatronics technology.

► Developing Global business Leaders

FDK defines global human resources as "people who have sufficient knowledge about their company and can work in operations in a multicultural environment while respecting the traditions of different countries" in addition to "possessing the skills (language and communication skills) to think about and execute matters from a global perspective".

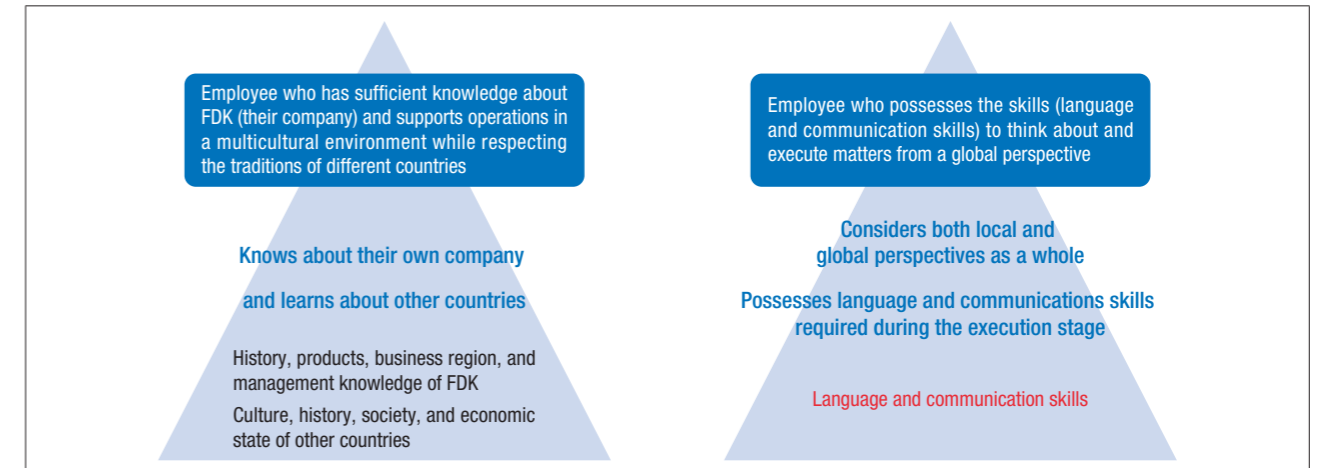


Stratified training



Training to deepen understanding of other cultures

Picture of a Global Human Resource



Deepening the understanding of other cultures, which is crucial to doing global business, was set as an objective for FY2018. We established training in understanding of other cultures, which was undergone by 13 people.

In order to boost language abilities, we made a variety of learning styles (schools, e-learning, and online English language courses) available for selection to provide equal learning opportunities to all business sites.

By offering the TOEIC test as part of stratified training, and for anyone else who wishes to take it twice a year, FDK is also providing an opportunity for employees to check their own language ability.

► Education and training for next-generation leaders

FDK holds training to cultivate the next generation of leaders for a strong organization able to accurately assess and respond to environmental changes. The effort involves nurturing self-reliant and independent individuals with broad perspectives reflecting discernment of their relationship with society while developing and disseminating transformative awareness and thinking within the company.

The training is built around looking at and thinking about things from various points-of-view to heighten ideas without exception as well as nurture new inspiration and an ability in discovery. Throughout FY2018, 15 people participated.

Training was established so that the next generation of leaders could acquire necessary skills and team management-related knowledge while increasing general enlightenment on leadership. There were 14 participants in this program.

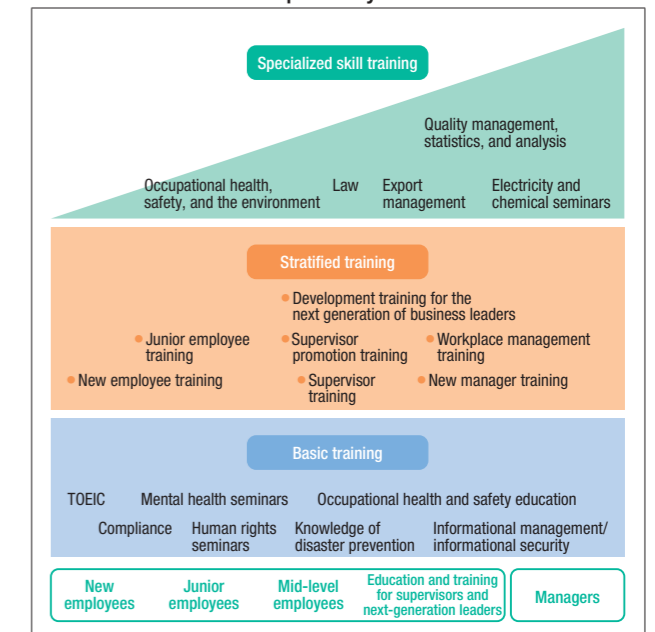


Development training for the next generation of business leaders

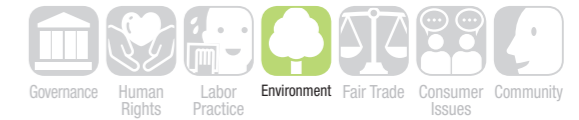
Human Resource Development System

FDK Group is conducting education in-line with three categories; "basic training" related to the knowledge, skills, and code of conduct that should be shared with all employees, "stratified training" in-line with the level and role of each employee from new employees to management, and "specialized skill training" to heighten the expertise of employees in their occupations.

Human Resource Development System



Environmental Conservation Activities



Social Requirements

- Reduction of environmental impacts throughout society
- Global warming prevention
- Waste reduction

The FDK Approach

- Providing environmentally-friendly products
- Increasing productivity, upgrading facilities
- Reuse of items of value, thorough sorting

Highlights of Environmental Conservation Activities

8th Environmental Action Plan of 6 target items, 3 were achieved	Design for environment Target achievement*	Reduction of greenhouse gases Target achievement*	Improved energy efficiency of 5 sites, 4 achieved targets
Reduction of chemical substances of 4 sites, 3 achieved targets	Reduction of waste of 5 sites, 4 achieved targets	Local environment/social contributions Target achievement*	*See the following page for detailed data.

Initiatives supporting Environmental Conservation Activities

Protecting the Global Environment

Basic Concept

FDK Group positions environmental conservation as one of the most important items of management to further environmental management reflected in its unique businesses under the slogan, "FDK Group Cares about Nature and Safeguards our Planet" to pass down a beautiful Earth to the next generation.

FDK Group Environmental Policy

As a member of the Fujitsu Group, the FDK Group recognizes the need for action toward the realization of an independently sustainable and

recycle-oriented society with initiatives toward environmental conservation that follow the business activities of the company, which include not only legal compliance in each country and region, greenhouse gas reduction, waste reduction, and thorough management of chemical substances but also the reduction of our environmental impact through the products that FDK provides.

FDK has established the FDK Group Environmental Policy to promote even more robust companywide environmental management, and are implementing it as shown below to incorporate the FDK Group Vision.

FDK Group Environmental Policy

The FDK Group will promote environmental management under its slogan based on the environmental philosophy below.

Philosophy

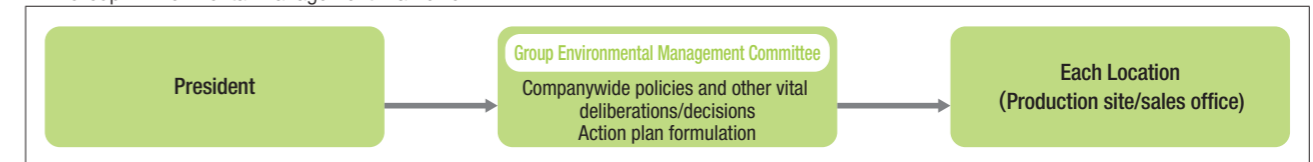
The FDK Group has made its mission to "Contribute globally to society with technology that efficiently uses electric energy." As a Smart Energy Manager, The FDK Group will contribute to the realization of a sustainable society by developing and supplying batteries and electronic device products which benefit the environment while bringing satisfaction to customers.

Moreover, the FDK Group will promote environmental initiatives as "One FDK" with the help of each and every employee through fair corporate activities which comply with environmental laws and regulations to pass down a beautiful global environment rich with nature to the next generation.

The FDK Group Slogan

FDK Group Cares about Nature and Safeguards our Planet.

FDK Group Environmental Management Framework



FDK Group 8th Environmental Action Plan (FY2016 to FY2018)

The FDK Group has formulated a three year plan that conforms to the Fujitsu Group Environmental Action Plan and it has been promoting environmental initiatives. Through these policies and targets, FDK Group contributes to reducing the environmental impact of customers and society while striving to reduce the environment impact of the FDK

Group by strategically and continuously expanding these activities to all FDK business regions.

Results for FY2018 are shown in the table below. FDK will respond to themes it was unable to achieve by analyzing the factors which prevented success to build new frameworks.

Items	Action Plan (2016 through 2018)	FY2018	
		Targets	Achievements
Design for environment	Develop at least one battery product or electronic device annually that contributes to better energy efficiency (energy savings).	Develop at least one battery or electronic device annually at each site	Kosai: Developed power supply unit product Takasaki: Developed Ni-MH battery that uses recycled materials Tottori: Improved the capacity of Cylindrical-type Lithium batteries
	Develop at least one battery product or electronic device annually that contributes to better resource efficiency (resource savings).	Develop at least one battery or electronic device annually at each site	Kosai: Miniaturized DCDC module products Takasaki: Developed Ni-MH battery for a low self-discharge model
Reduction of greenhouse gases	Reduce the amount of energy consumption and CO ₂ emissions 15% compared to FY2013 by the end of FY2018. (46,169t or less)	Reduce overall domestic emissions by the FDK Group to 46,169t or less by the end of FY2018	43,463t Measures included renewing aged equipment, transitioning to LED lighting, steps taken against air leakage
Energy efficiency	Improve the energy consumption per unit an average of 1% per year.	Improve an average of 1% per year	Achieved target at four of five locations
Reduction of chemical substances	Improve the PRTR* chemical emissions per unit 3% compared to FY2015 by the end of FY2018.	Improve 3% compared to FY2015 at each location	Achieved target at three of four locations
Reduction of waste	Reduce the amount of waste per unit 3% compared to FY2015 by the end of FY2018.	Improve 3% compared to FY2015 at each location	Achieved target at four of five locations
Local environment/social contributions	Conduct at least two initiatives a year toward local environmental efforts and social contribution activities.	Conduct at least two initiatives a year at each site	Please see page 23 and page 24.

*PRTR (Pollutant Release and Transfer Register): The publicly accessible database has companies measure emissions to the environment of chemical substances that could be harmful to the health of people or the ecosystem (air/water/soil) from their business sites as well as emissions transferred off-site as waste to report those emissions to their country. Their country then releases the quantity of emissions and transfer off-site based on the reported data and measurements.

Addition of domestic sales offices to the scope of ISO14001 certification

In FY2018, domestic sales offices were added to the scope of ISO14001 certification.

Production sites and sales offices join together to move forward with environmental action.

FDK ENGINEERING CO., LTD. greatly reduced electrical power use by increasing compactness.

Group company FDK ENGINEERING CO., LTD. rebuilt its factory facili-

ties for greater earthquake resistance.

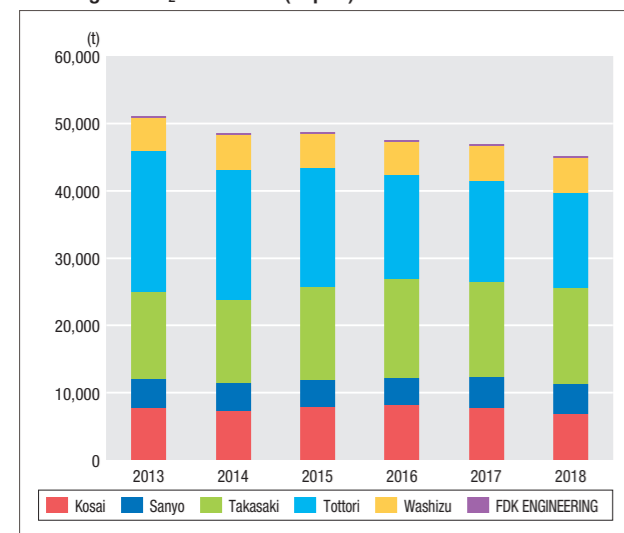
This enabled progress through the following energy conservation measures.

- (1) Mobile crane equipment was installed inside the factory, increasing production efficiency and reducing operating space.
- (2) Highly energy-efficient roofing, exterior walls and double glazing were used in the new factory, as well as energy-saving air conditioning and LED lighting.

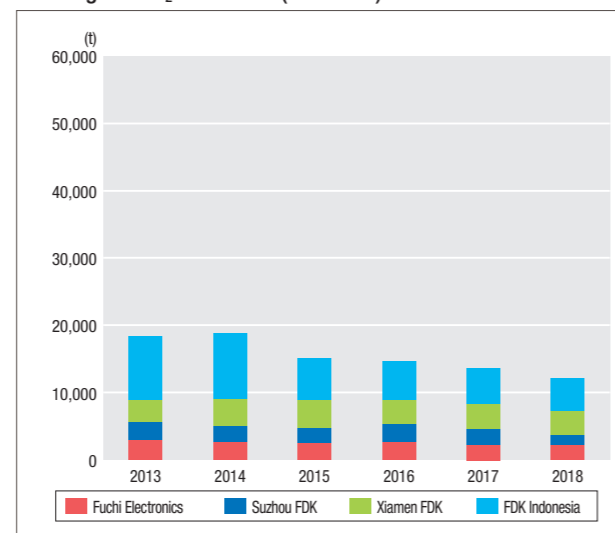
This resulted in a 25% reduction in structural floor area. Electric power use was cut by 38%.

Change in CO₂ emissions (Japan/Overseas) FY2013 to FY2018

Change in CO₂ emissions (Japan)

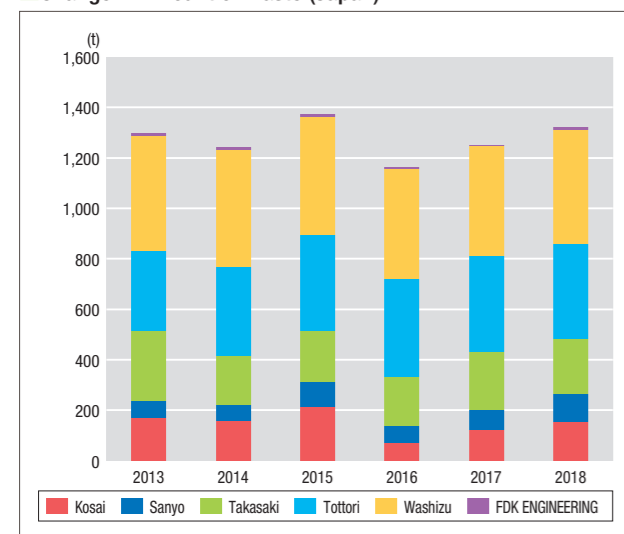


Change in CO₂ emissions (Overseas)

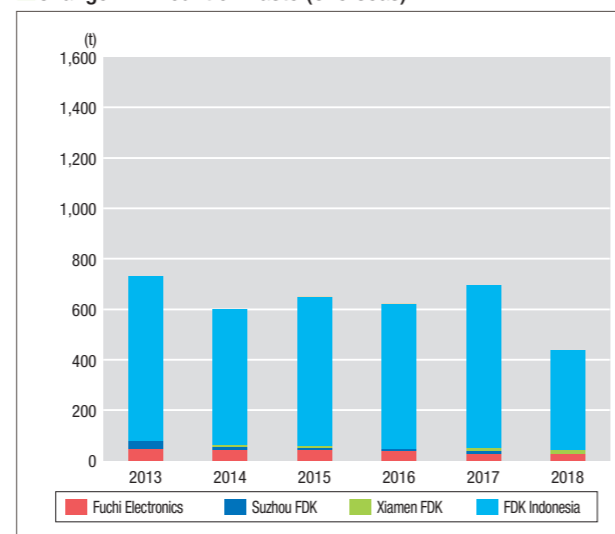


Change in Amount of Waste (Japan/Overseas) FY2013 to FY2018

Change in Amount of Waste (Japan)



Change in Amount of Waste (Overseas)



Environmental performance data by business site

Items	(Unit)	Kosai Plant	Takasaki Plant	Tottori Plant	Washizu Plant	FDK ENGINEERING
CO ₂ emissions	FY2018	6,830	14,179	12,524	5,142	158
	Previous fiscal year	7,772	14,171	15,004	5,105	239
Water usage	FY2018	94,707	22,699	69,520	44,865	747
	Previous fiscal year	84,024	24,179	98,717	46,691	739
PRTR chemical emissions	FY2018	0	0	139	3	—
	Previous fiscal year	3	182	178	—	—
SOx emissions	FY2018	—	—	—	—	—
	Previous fiscal year	—	—	—	—	—
NOx emissions	FY2018	375	—	1,728	—	—
	Previous fiscal year	167	—	4,688	—	—
Soot (measured density)	FY2018	—	—	0.001未満	—	—
	Previous fiscal year	—	—	—	—	—
Waste water	FY2018	94,707	21,796	33,889	44,863	538
	Previous fiscal year	84,024	23,629	51,816	46,691	739
Waste	FY2018	153	218	380	449	10
	Previous fiscal year	122	231	380	433	5

Items	(Unit)	FDK ECOTEC	Xiamen FDK	Fuchi Electronics	FDK Indonesia
CO ₂ emissions	FY2018	28	3,517	2,319	4,795
	Previous fiscal year	25	3,720	2,227	2,412
Water usage	FY2018	—	23,608	9,040	10,087
	Previous fiscal year	—	20,633	7,892	11,366
PRTR chemical emissions	FY2018	—	—	—	—
	Previous fiscal year	—	—	—	—
SOx emissions	FY2018	—	—	—	—
	Previous fiscal year	—	—	—	—
NOx emissions	FY2018	—	—	—	—
	Previous fiscal year	—	—	—	—
Soot (measured density)	FY2018	—	—	—	—
	Previous fiscal year	—	—	—	—
Waste water	FY2018	—	18,886	9,040	10,087
	Previous fiscal year	—	16,506	7,892	11,366
Waste	FY2018	—	12	26	397
	Previous fiscal year	—	10	7	645

** — indicates an item not measured in the specified fiscal year because it is outside the scope of statistics collected at a given plant, is not pertinent, or is only subject to obligatory measurement every other year.

*The CO₂ conversion coefficient for purchased electric power is calculated as 0.57t-CO₂/MWh to calculate CO₂ emissions.

*Suzhou FDK has been excluded from the above due to suspension of operations from January 2019.

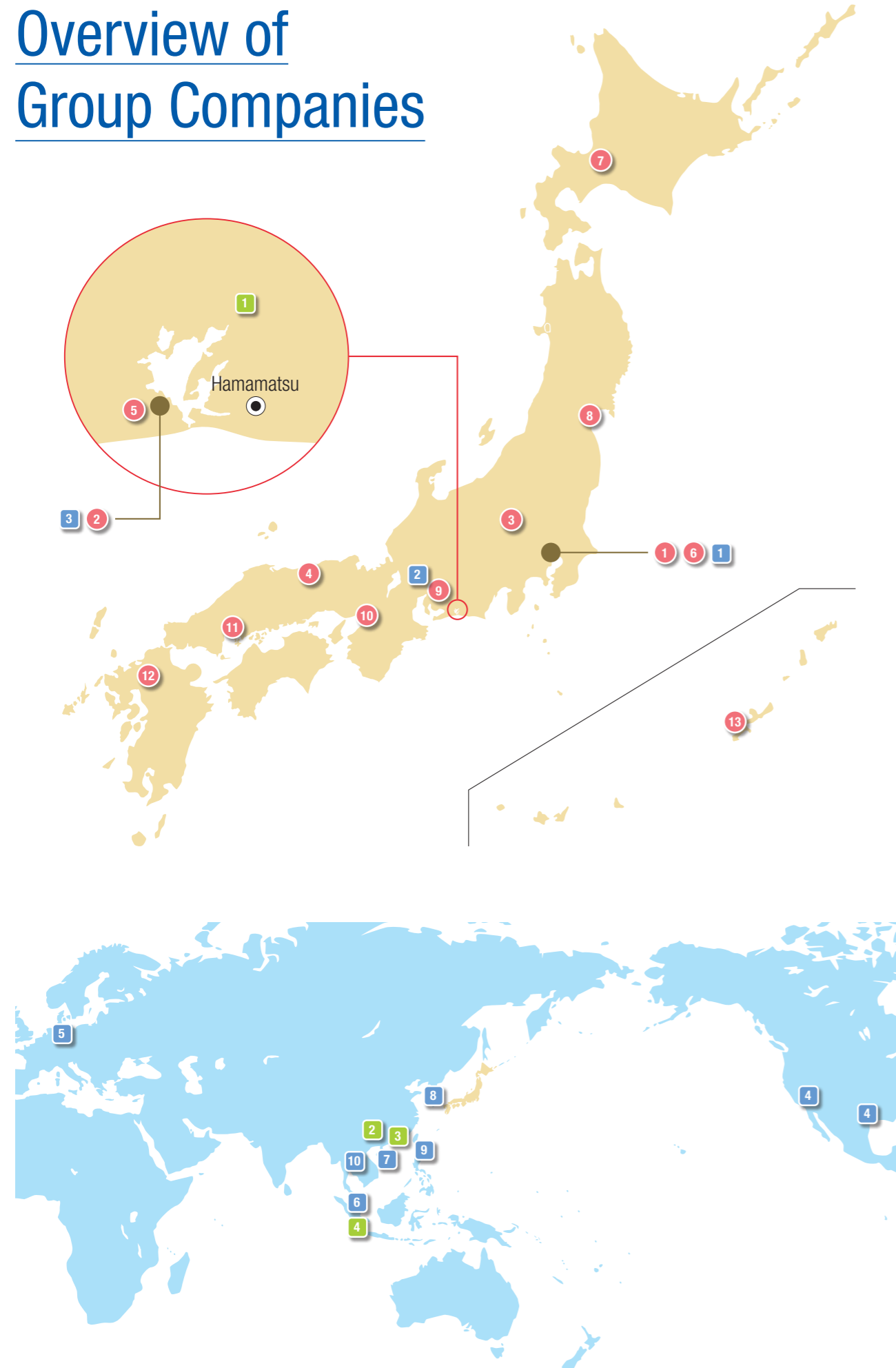
*The Sanyo Plant has been excluded from the above due to an April 2019 decision to transfer of manufactured product operations at the plant.

Concerts, "The Sound of Batteries Powered by the Sun"

Under the theme of "Thinking about the Earth through batteries," FDK supports the concerts "The Sound of Batteries Powered by the Sun" by Yumiko Orishige on the claviola, a rare instrument. Our support for the concerts by Orishige, one of the world's only claviola performers, is a part of our environmental activities. The performances are powered entirely from Ni-MH batteries without the use of commercial power supply. During FY2018, 12 concerts were held both in Japan and overseas, attended by many listeners. FDK will continue to engage in projects that contribute to society and the environment through the activities that utilize the features of FDK businesses.



Overview of Group Companies



■ Head Office/Business Site/Sales Office

Head Office

Business Site	Address	ISO14001	ISO 9000's and TS/IATF16949
1 Head Office	Shinagawa Crystal Square Bldg., 1-6-41 Konan, Minato-ku, Tokyo 108-8212 Japan Tel: +81-3-5715-7400	EC98J2005	—

Business Site

Business Site	Address	ISO14001	ISO 9000's and TS/IATF16949
2 Kosai Plant	2281 Washizu, Kosai-shi, Shizuoka 431-0495 Japan TEL: +81-53-576-2151	EC98J2005	4745
3 Takasaki Plant	307-2 Koyagi-machi, Takasaki-shi, Gunma, 370-0071, Japan TEL: +81-27-361-7575	EC98J2005	4184927
4 Tottori Plant	28 Ohta, Iwami-cho, Iwami-gun, Tottori 681-0063 Japan TEL: +81-857-73-1771	EC98J2005	ISO9001:4193838 IATF16949:281965
5 Washizu Plant	614 Washizu, Kosai-shi, Shizuoka 431-0431 Japan TEL: +81-53-576-2111	EC98J2005	JQA-0459

Sales Office

Business Site	Address	ISO14001	ISO 9000's and TS/IATF16949
6 Tokyo Metropolitan Area Sales Office	Shinagawa Crystal Square Bldg., 1-6-41 Konan, Minato-ku, Tokyo 108-8212 Japan Tel: +81-3-5715-7436	EC98J2005	—
7 Sapporo Sales Office	Tsukamoto Bldg. 7 Goukan, 13-9-1 Kita 7-jo-Nishi, Chuo-ku, Sapporo-shi, Hokkaido 060-0007 Japan TEL: +81-11-798-4699	EC98J2005	—
8 Sendai Sales Office	Ciero Sendai-Higashiguchi Bldg., 4-12-1 Tsutsujigaoka, Miyagino-ku, Sendai-shi, Miyagi 983-0852 Japan TEL: +81-22-293-5265	EC98J2005	—
9 Nagoya Sales Office	Orchid Bldg., 2-38-2 Meieki, Nakamura-ku, Nagoya-shi, Aichi 450-0002 Japan TEL: +81-52-561-3141	EC98J2005	—
10 Osaka Sales Office	Terasaki No. 2 Bldg., 1-8-29 Nishimiyahara, Yodogawa-ku, Osaka-shi, Osaka 532-0004 Japan (Battery Sales) Tel: +81-6-6350-4883 (Electronic Device Sales) Tel: +81-6-6350-4877	EC98J2005	—
11 Hiroshima Sales Office	UPEC Hikari-machi Bldg., 2-9-27 Hikari-machi, Higashi-ku, Hiroshima-shi, Hiroshima 732-0052 Japan TEL: +81-82-535-1450	EC98J2005	—
12 Fukuoka Sales Office	Ichigo Hakata Bldg., 1-28 Gion-machi, Hakata-ku, Fukuoka-shi, Fukuoka 812-0038 Japan TEL: +81-92-291-9421	EC98J2005	—
13 Okinawa Sales Center	1-9-6 Inanse, Urasoe-shi, Okinawa 901-2128 Japan (Ryukyu Freight Forwarders Co., Ltd T.C. Division) TEL: +81-98-868-8685	EC98J2005	—

■ Group Companies (4 manufacturing-related companies)

Business Site	Address	ISO14001	ISO 9000's and TS/IATF16949
1 FDK ENGINEERING CO., LTD.	281 Hirooka, Hosoe-cho, Kita-ku, Hamamatsu-shi, Shizuoka 431-1302 Japan TEL: +81-53-522-5280	EC98J2005	JQA-QMA15241
2 XIAMEN FDK CORPORATION	No. 16, Malong Road, Huoju Garden, Huoju Hi-Tech District, Xiamen, Fujian, China TEL: +86-592-603-0576	00117E20324R3M/3502	ISO9001:00117030657R3M/3502 IATF16949:298607
3 FUCHI ELECTRONICS CO., LTD.	No. 355, Section 2, Nankan Road, Rutsu Shan, Tao Yuan, Taiwan TEL: +886-3-322-2124	4E9E001-03	ISO9001:2015/69024.3 IATF16949:0339560
4 PT FDK INDONESIA	Kawasan Industri MM2100, Blok MM-1 Jatiwangi Cikarang Barat, Bekasi 17520 Jawa Barat, Indonesia TEL: +62-21-8998-2111	13/02329	13/02328

■ Group Companies (10 sales and other companies)

Business Site	Address	ISO14001	ISO 9000's and TS/IATF16949
1 FDK SALES CO., LTD.	Shinagawa Crystal Square Bldg., 1-6-41 Konan, Minato-ku, Tokyo 108-8212 Japan Tel: +81-3-5715-7430	EC98J2005	—
2 FDK ECOTEC CO., LTD. (Gifu Site)	478 Ehigashi, Aza, Tsuchikura, Hirata-cho, Kaizu-shi, Gifu 503-0322 Japan Tel: +81-584-66-4781	EC98J2005	—
3 FDK PARTNERS CORPORATION	2281 Washizu, Kosai-shi, Shizuoka 431-0431 Japan TEL: +81-53-576-3121	EC98J2005	—
4 FDK AMERICA, INC.	(Head Office) 1280 E. Arques Avenue, MS310, Sunnyvale, CA 94085, U.S.A. TEL: +1-408-746-6815 (Dallas Office) 2801 Telecom Parkway, MS C1R, Richardson, Texas 75082, U.S.A. TEL: +1-972-231-2531	—	—
5 FDK ELECTRONICS GMBH	Einsteinring 24, 85609 Aschheim/Munich, Germany TEL: +49-89-3306680-0	—	91110693/2
6 FDK SINGAPORE PTE. LTD.	4, Leng Kee Road, #04-08 SIS Bldg., Singapore 159088, Singapore TEL: +65-6472-2328	—	—
7 FDK HONG KONG LTD.	Suite 1607-1608A, 16/F., Tower 3, China Hong Kong City, 33 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong TEL: +852-2799-9773	—	—
8 FDK KOREA LTD.	11F, Kyobo Life Insurance Bldg., 1, Jong-ro, Jongno-Gu, Seoul 03154, Republic of Korea TEL: +82-2-582-8452	—	—
9 FDK TAIWAN LTD.	8F-4, No.57, Sec. 1, Chongqing S. Rd., Zhongzheng Dist., Taipei City 100, Taiwan TEL: +886-2-2311-5161	—	—
10 FDK (THAILAND) CO., LTD.	408/150, 35th Floor Phaholyothin Place Building, Phaholyothin Road, Khweng Samsain-nai, Khet Phayathai, Bangkok 10400 Thailand TEL: +66-2-163-4664	—	—

*The acquisition status of third-party certifications such as the ISO14001, ISO9000's and TS/IATF16949 is current as of March 31, 2019.

