

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.

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FDK CORPORATION
President & CEO

Ryo Nagano

