

Complying with the Law

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 the Action Guidelines on each work site while also publishing them on FDK intranet.

Reviewing Regulations About Compliance

FDK Group put in place compliance regulations in September 2016 for the purpose of more thorough compliance. FDK Group has established even more specific bylaws and guidelines in these regulations as of February 2017 about antitrust laws, corruption, and antisocial forces that could greatly impact our businesses.

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 newly appointed managers through in-house teachers. In addition, we conduct various compliance training for all of our employees.

FDK also holds periodic group training at each business site related to export management and subcontracting transactions. In FY2016, FDK held “To Prevent Violations in Security Export Control” e-learning required for all employees as well as “Classification Training” for related staff to facilitate complete compliance with relevant exporting regulations.



Group training

Complying with Laws and Regulations Related to Business Operations

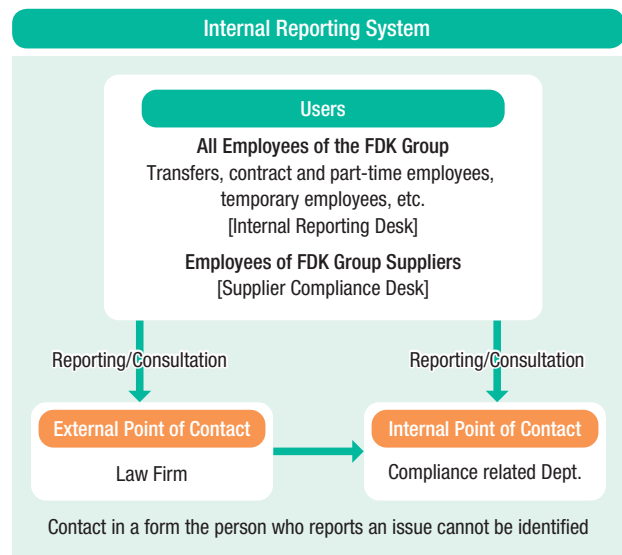
There are many laws, regulations, and standards relevant to business promotion of the FDK Group. FDK Group is thorough in ethical compliance in accordance with not only these laws, standards, and regulations but also social trends, the latest academic information, and other related information. FDK has also put in place relevant bodies related to aspects of FDK business from our Safety and Health Committee, Environmental

Management Committee, and Contained Chemical Substance Management Committee to an Export Management Committee and Product Safety Promotion Committee in an effort to achieve both better business operations and product quality.

Internal Reporting System

FDK set up an “Internal Reporting Desk” in 2006 to receive reports and offer counsel about breaches to internal rules and violations to laws and regulations from everyone working at the FDK Group (transfers, contract and part-time employees, temporary employees, etc.). FDK also established a “Supplier Compliance Desk” in September 2016 to receive reports from suppliers who are doing business with the FDK Group.

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.



Communication of Information

FDK strives to raise awareness about laws and regulations by providing employees a broad range of information about compliance that includes an explanation of internal rules, information about amendments to laws and regulations, and an introduction of examples about violations.