

# JTEKT CSR Management

- The CSR Report 2017 PDF is published with the aim of conveying the concept and activities pertaining to JTEKT's CSR in an easily understood manner. This report emphasizes objectiveness, completeness and continuity.
- Please refer to the JTEKT REPORT 2017 for information about JTEKT's business performance, business activities, planning, and strategy.
- For related articles:  
M = JTEKT CSR Management F = Special Edition  
S = Social Report E = Environmental Report  
J = JTEKT REPORT 2017

## Target period and target organizations/scope

### Target period

FY2016 (April 2016 - March 2017)

\* Some items include content from other periods.

### Target organizations and scope

All activities of the JTEKT group

For items for which there is no criteria uniform across the JTEKT group, the unconsolidated results of JTEKT are displayed. As a general rule, if there are changes in the tallying scope, we revise data dating back to the past.

## Reference guidelines

- ◎ The 4th edition of Sustainability Reporting Guidelines (G4 Guidelines)
- ◎ ISO26000 (International Standard for corporate responsibility)

JTEKT's Concept of Social Responsibility M\_01

CSR promotion M\_02

# JTEKT's Concept of Social Responsibility

## About CSR (Corporate Social Responsibility)

In February 2009 JTEKT formulated its CSR Policy. In April 2016, it rearranged these into JTEKT's Concept of Corporate Social Responsibility and the Corporate Activities Standards and is engaging in a wide range of CSR activities.

## Concept of CSR

The JTEKT group focuses on fulfilling its mission of "Seek to contribute to the happiness of people and the abundance of society through product manufacturing", and engages in business activities in harmony with the economy, society and the environment based on our Corporate Activities Standards. As a good corporate citizen, we work to resolve social issues together with our customers and suppliers who share this mindset in order to continue contributing to the sustainable development of society and the world.

## Corporate Activities Standards

### Responsibility to our customers and business partners

- We follow proper business practices and engage in fair, transparent and free competition based on a respect for the law.
- We derive concepts from the market, provide the best in quality, technology and service, and obtain the satisfaction and trust of customers.

### Responsibility to our shareholders

- We maintain close communication not only with shareholders but also with society at large and disclose corporate information properly, while at the same time working to improve our corporate value on a continuous basis.

### Responsibility to our employees

- We respect the individuality of employees, create workplaces that are motivating to employees and enable them to fulfill their potential, and strive to provide each with abundant living circumstances.

### Contributing to regional societies and to global society

- As a good corporate citizen, we aggressively pursue activities that contribute to society.
- We follow international rules, observe the laws, cultures and customs of countries and regions where we have operations, and seek to contribute to their growth.
- We carry out global environmental improvement activities proactively and aggressively with deep awareness of their being an important corporate mission.

# CSR Promotion

## Companywide CSR activities in each department

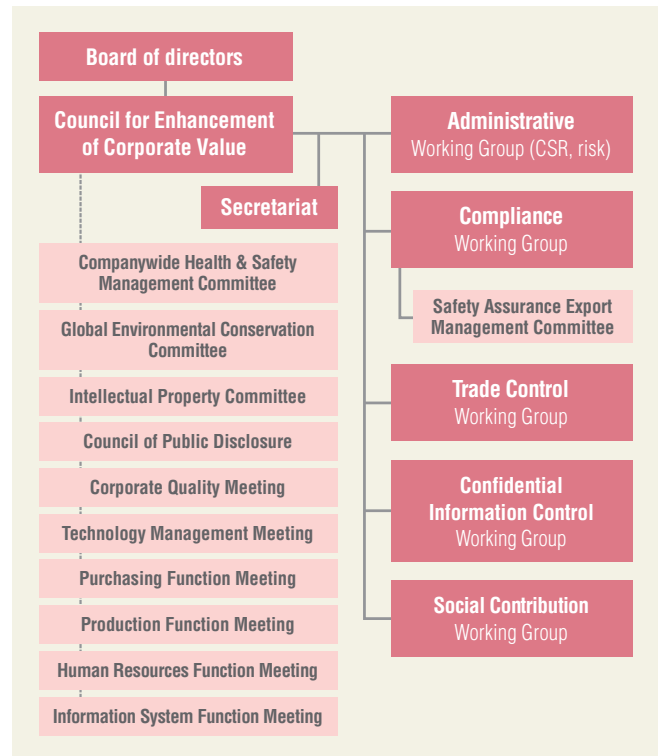
JTEKT considers CSR activities to be true corporate activities and has each department prepare an annual CSR implementation plan. In addition, we rotate a PDCA cycle (\*1) in accordance with monthly management based on policy management. Through mechanisms such as this aimed at achieving goals, we are applying our company policies and business/function policies into concrete initiatives and steadily promoting CSR activities.

\*1 **PDCA cycle** PDCA is a management tool for continuously improving work by repeating a Plan-Do-Check-Action cycle.

## Specialized working groups

Specialized working groups are established to create and promote activity plans for compliance, trade control, confidential information control, and social contribution, all of which are important themes.

## Outline of the CSR promotion structure



<b>Administrative Working Group</b>	Plan and monitor the progress of CSR activities, regularly assess risk management status and evaluate risks.
<b>Compliance Working Group</b>	Raise awareness and reinforce the need for compliance with laws, internal rules and business ethics.
<b>Trade Control Working Group</b>	Propose and promote measures for securing compliance with foreign rules concerning imports and exports.
<b>Confidential Information Control Working Group</b>	Assess and improve in accordance with guidelines and strengthen structures and systems concerning information security.
<b>Social Contribution Working Group</b>	Promote social contribution and volunteer activities.

## Start of discussion to improve corporate value

JTEKT has regularly inspected the progress of its CSR activities in the CSR Promotion Committee chaired by President that was formed in February 2009. Meanwhile, in recent years, society has begun placing particular emphasis on sustainable value creation by companies and stakeholders' interest in this area is growing year after year. For JTEKT as well, the extent to which we can improve corporate value through our CSR activities is a major factor in our ability to fulfill our Corporate Philosophy of "Seek to contribute to the happiness of people and the abundance of society through product manufacturing". For this reason, in March 2017, the name of "CSR Promotion Committee" was changed to "Council for Enhancement of Corporate Value" and the committee began to go beyond the conventional scope of CSR activities by opening discussions about practical implementation models aimed at value creation (Management Model and Engagement Model).

## Establishment of the Council of Public Disclosure

JTEKT conducts appropriate information disclosure in accordance with laws and regulations. In August 2016, the Council of Public Disclosure was established, comprising of concerned directors and managers of JTEKT's Corporate Headquarters. This Council confirms the facts of information necessary for the realization of corporate governance and proactively discloses this through a timely and appropriate route. In addition to this information, JTEKT also discloses ESG (\*2) information in JTEKT Report, our integrated report, in order to increase the transparency of our corporate activities and strengthen our foundation as a company trusted by society.

\*2 **ESG** The first letters of "Environment", "Social" and "Governance". Items a company must consider when rolling out its businesses as corporate responsibility.