

Medium-Term CSR Activity Plan

Status of the Medium-Term CSR Activity Plan (for fiscal 2017-2019)

Major CSR activity plan and its results in fiscal 2017 and the major activity plan in fiscal 2018

	Key items	Plan for fiscal 2017	
Management area	CSR management	<ul style="list-style-type: none"> Promote company-wide CSR activities led by the CSR Committee. 	<ul style="list-style-type: none"> Confirm progress in CSR activities. Maintain management philosophy and disseminate it group-wide.
	Risk management	<ul style="list-style-type: none"> Develop, update and manage business continuity plans (BCPs). 	<ul style="list-style-type: none"> Confirm progress.
	Governance	<ul style="list-style-type: none"> Establish optimal corporate governance. 	<ul style="list-style-type: none"> Evaluate the effectiveness of the board and disclose the results externally.
	Compliance	<ul style="list-style-type: none"> Reinforce the compliance system. Further improve compliance education. Develop and implement the whistle-blowing system. 	<ul style="list-style-type: none"> Strengthen the management system with the cooperation of the Legal Affairs Department and Audit Department. Reform and expand the Company's compliance site. Thoroughly disseminate the use of the whistle-blowing system.
Consumer issues	Improving product quality and ensuring product safety	<ul style="list-style-type: none"> Reinforce the quality management system based on quality ISO standards. Reinforce the system to reduce quality-related problems and continue taking measures to prevent reoccurrence of similar problems. Strengthen the quality traceability system. 	<ul style="list-style-type: none"> Respond to the 2015 version of ISO 9001. Strengthen the quality review system. Implement training sessions given by experts. Manage registrations by the user registrants (continue).
	Providing products and services that give high customer satisfaction	<ul style="list-style-type: none"> Reinforce our ability to collect information by strengthening contact points with consumers. Reinforce the system to encourage consumer-centric new product development. 	<ul style="list-style-type: none"> Implement training sessions given by outside lecturers. Collect opinions using a Web questionnaire. Strengthen the input of consumer information in the meetings such as product planning, promotion, etc.
	Enhancing communication with customers	<ul style="list-style-type: none"> Enhance face-to-face communication with customers at showrooms and exhibitions. 	<ul style="list-style-type: none"> Implement promotional measures connected with the strategy to capture the market. Enhance appeal of the TDY* collaborated showrooms *TDY: The three companies of TOTO Ltd., DAIKEN, and YKK AP Inc.
		<ul style="list-style-type: none"> Enhance communication with customers through sales activities. 	<ul style="list-style-type: none"> Promote the Company's understanding through information transmission to customers. Appeal the Company's technologies and product quality.
		<ul style="list-style-type: none"> Enhance communication with customers through websites, etc. Enhance communication with shareholders and investors. 	<ul style="list-style-type: none"> Enhance information transmission by the official site. Systematically hold presentations of financial results to investors (continue).
Protecting personal information	<ul style="list-style-type: none"> Ensure strict management of personal information. 	<ul style="list-style-type: none"> Confirm the status of the retention and management of personal information. 	
Fair operating practices	Ensuring fair competition and transactions	<ul style="list-style-type: none"> Ban all transactions with antisocial forces. 	<ul style="list-style-type: none"> Thoroughly conclude the said contract with a new business partner.
	Protecting intellectual property	<ul style="list-style-type: none"> Continue to provide education on intellectual property. 	<ul style="list-style-type: none"> Hold the intellectual property operation promotion meeting with the development department. Hold e-learning programs.
	Promoting CSR procurement	<ul style="list-style-type: none"> Develop and implement CSR procurement rules. 	<ul style="list-style-type: none"> Carry out the actual condition survey on CSR procurement on a group-wide basis and promote the initiatives.
Labor practices	Promoting life-work balance	<ul style="list-style-type: none"> Encourage employees to reduce overwork and cut long working hours. 	<ul style="list-style-type: none"> Consider the new workstyles that will lead to reduce overwork and cut long working hours.
	Promoting diversity	<ul style="list-style-type: none"> Implement human resources development programs intended to promote the empowerment of female employees and develop a working environment that meets this purpose. 	<ul style="list-style-type: none"> Implement the provision of information and training toward the empowerment of female employees. Implement activities toward the achievement of the action plan for the Act on Promotion of Women's Participation and Advancement in the Workplace. Revise, streamline, and promote the in-house system toward the acquisition of "Kurumin."
	Reinforcing human resources development	<ul style="list-style-type: none"> Develop global human resources. 	<ul style="list-style-type: none"> Employ foreign students, those who have linguistic talents, and those who wish to work abroad. Continue to hold training programs for language training, study abroad, and global communication.
		<ul style="list-style-type: none"> Formulate human resource development programs that facilitate career development and capacity building for employees. 	<ul style="list-style-type: none"> Consider revising the contents of the training currently held. Hold training to the job levels to which the training has not been held. Consider and provide training to improve skills by job type.
Improving the safety and health system	<ul style="list-style-type: none"> Encourage and strengthen efforts to create a safer working environment. 	<ul style="list-style-type: none"> Implement and strengthen the mutual safety diagnosis. 	
Respect for human rights	Raising awareness of human rights	<ul style="list-style-type: none"> Continue education to raise awareness of human rights. 	<ul style="list-style-type: none"> Provide information in the training at the time of promotion, training for new employees, and at other times.
Community involvement and development	Community involvement	<ul style="list-style-type: none"> Participate in local communities. 	<ul style="list-style-type: none"> Implement communication activities in each region. Implement regional exchanges through the events at showrooms. Contribute funding for the Malaysia scholarship.
	Social contribution	<ul style="list-style-type: none"> Continue tree-planting activities in Malaysia. 	<ul style="list-style-type: none"> Implement a secondary forestation program and develop an additional forestation area.
<ul style="list-style-type: none"> Promote the comprehensive use of domestic wood. 		<ul style="list-style-type: none"> Develop and crystallize initiatives across the country. 	

For environmental initiatives, please see the Medium-Term Environmental Plan (p. 37).

◎The level significantly exceeded the target ○Achieved the target △Did not achieve the target ×The level significantly below the target

Fiscal 2017 Results	Self-assessment	Plan for fiscal 2018
<ul style="list-style-type: none"> Confirmed that CSR activities were properly conducted. Formulated the group's corporate philosophy and disseminated it group-wide using various tools. 	○	<ul style="list-style-type: none"> Confirm progress of the CSR activities. Formulate and implement the group's corporate philosophy and CSR.
<ul style="list-style-type: none"> Confirmed that BCPs were operating properly. 	○	<ul style="list-style-type: none"> Confirm progress (continue).
<ul style="list-style-type: none"> Evaluated the effectiveness of the board, analyzed the result, and disclosed it externally. 	○	<ul style="list-style-type: none"> Evaluate the effectiveness of the board and disclose the result externally (continue).
<ul style="list-style-type: none"> The Legal Affairs Department and Audit Department cooperated with each other and enhanced the management system. Prepared to respond to the amendment of the Personal Information Protection Law. (Revision of the regulations, etc., posting in the in-house site, etc.) Added the whistle-blowing contact point and disseminated it group-wide. 	○	<ul style="list-style-type: none"> The Legal Affairs Department and Audit Department cooperate with each other and strengthen the management system (continue). Revamp the Company's compliance site. Expand the information to be provided in line with the amendment of the Personal Information Protection Law. Thoroughly disseminate the use of the whistle-blowing system (continue). Systematize the anonymous whistle-blowing.
<ul style="list-style-type: none"> Revised and started to operate the company regulations that correspond to the 2015 version of ISO 9001. Confirmed the implementation status by the internal audits. Strengthened the review system by adding advisors and others. Implemented seminars given by the external experts. Number of user registrants: 9,133 	○	<ul style="list-style-type: none"> Receive the review on the transfer to the 2015 version of ISO by an external institution. Hold an operation training for the division managers. Enhancement of the quality review system (continue). Hold training programs, etc. given by experts (continue). Manage registrations by the user registrants (continue). Analyze the registrant information and consider its method of use.
<ul style="list-style-type: none"> Implemented the basic training on making responses and training on complaints by inviting outside lecturers. Conducted a web questionnaire surveys (eight times). Held meetings and prototype evaluation meetings which widely incorporated consumer information, market researches, etc. 	○	<ul style="list-style-type: none"> Review entries in the inquiry recording system. Individually disseminate to the development department. Consider the method for marketing review which promptly incorporates the customers' opinions. Implement processes from the establishment of promotion and release themes to the improvement of tools.
<ul style="list-style-type: none"> Posted in the architecture magazines (4 magazines) (25 times). Made a presentation at the exhibitions for public and commercial buildings (JAPAN SHOP, etc.). Opened showrooms in Nagoya, Kanazawa, and Takamatsu. Improve the web reservation system, implemented a questionnaire survey, etc. 	○	<ul style="list-style-type: none"> Place an advertisement in architecture magazines (four magazines) (continue). Make a presentation at exhibitions for public and commercial buildings (continue). Enhance the use of Akihabara Technical Space.
<ul style="list-style-type: none"> Held policy briefing sessions (8 locations and 731 participants). TDY* held a collaborated grand prix awarding ceremony "Kansha no Tsudoi" (About 370 participants). *TDY: The three companies of TOTO Ltd., Daiken, and YKK AP Inc. 	○	<ul style="list-style-type: none"> Promote the Company's understanding through the information transmission to customers (continue). Appeal the Company's technologies and product quality (continue).
<ul style="list-style-type: none"> Strengthened the information transmission to the customers such as public and commercial buildings, etc. 	○	<ul style="list-style-type: none"> Completely revamp the external website and strengthen the information transmission.
<ul style="list-style-type: none"> Held presentations for financial results to investors (continued). 	○	<ul style="list-style-type: none"> Systematically hold presentations of financial results to investors (continue).
<ul style="list-style-type: none"> Confirmed that management of personal information was operated properly. 	○	<ul style="list-style-type: none"> Confirm the status of the retention and management of personal information (continue). Respond to the amendment of the Personal Information Protection Law.
<ul style="list-style-type: none"> Maintained the situation where the said contract is concluded with all business partners. 	○	<ul style="list-style-type: none"> Thoroughly conclude the said contract with a new business partner (continue).
<ul style="list-style-type: none"> Held the intellectual property operation promotion meeting for the development department and explained the cases. Held e-learning training programs for second to fifth-year employees. 	○	<ul style="list-style-type: none"> Hold intellectual property operation promotion meetings with the development department (continue). Hold e-learning programs (continue).
<ul style="list-style-type: none"> Completed in building the CSR survey system and conducted the actual condition survey (237 companies). 	○	<ul style="list-style-type: none"> Carry out the actual condition survey on CSR procurement (continue). Promote the initiatives with suppliers based on the survey results.
<ul style="list-style-type: none"> Established the New Workstyle Reform Promotion Project. Introduced the automatic PC shut-down on a trial basis. 	△	<ul style="list-style-type: none"> Establish and promote the Preparation Office to Promote the Realization of New Workstyle Reform. Analyze the overtime work results and consider new work styles.
<ul style="list-style-type: none"> Held a management training program for those in the managerial position under the theme of the promotion of the empowerment of female employees (41 participants). Held a skill improvement training program for female employees (35 participants). Received the award of excellence as a leading company for women's participation in workplace from Osaka City. Submitted an application to acquire "Kurumin." 	△	<ul style="list-style-type: none"> Provide information and hold training programs toward the empowerment of female employees (continue). Conduct activities toward the achievement of the action plan for the Act on Promotion of Women's Participation and Advancement in the Workplace (continue). Collect information on various evaluations on the empowerment of female employees/Make necessary applications, etc.
<ul style="list-style-type: none"> Employed foreign students. Continued to hold language training programs for new employees. 	○	<ul style="list-style-type: none"> Employ foreign students, those who have linguistic talents, and those who wish to work abroad. Hold language training programs (continue) [review eligible persons].
<ul style="list-style-type: none"> Promoted for newly appointed directors and directors serving their terms to taken the seminars (Number of seminars: 31). Introduced a new training program to be taken at the time of promotion and built the training system at the time of being promoted to each job level. 	○	<ul style="list-style-type: none"> Hold various training programs (continue). Hold sales human resource development programs that place emphasis on skills.
<ul style="list-style-type: none"> Strengthened the safety activities by implementing the diagnostic schedule according to the characteristics of the plants. Increased the number of those who conduct the safety diagnosis and strengthened the own department's safety activities through the diagnosis of other plants. 	○	<ul style="list-style-type: none"> Raise the level of the mutual safety diagnosis and enhance safety education. Raise the level of those who conduct the diagnosis and consider starting the safety and cultural diagnosis (overseas).
<ul style="list-style-type: none"> Invited outside lecturers when providing a training program for new employees and provided information on the overall human rights. Provided information on harassment in the training at the time of promotion. 	○	<ul style="list-style-type: none"> Provide information in the training programs at the time of promotion and training programs for new employees (continue).
<ul style="list-style-type: none"> Held programs of exchange with local governments and local residents, cleanup events, plant tours, etc. in individual regions. Held regional exchanges through the events at showrooms. Two local companies in Malaysia (Daiken Sarawak Sdn Bhd. and Daiken Miri Sdn Bhd.). Contributed funding to the Malaysia scholarship. 	○	<ul style="list-style-type: none"> Conduct communication activities in each region (continue). Hold regional exchanges through the events at showrooms (continue). Contribute funding for the Malaysia scholarship (planned to be continued).
<ul style="list-style-type: none"> Felled trees (262 ha) and implemented a secondary forestation program (262 ha) and a forestation program (290 ha) in the additional forestation area. 	○	<ul style="list-style-type: none"> Fell trees in the forestation area, implement a secondary forestation program, and develop an additional forestation area.
<ul style="list-style-type: none"> Proposed the use of locally grown wood across the country. Released "Wood cube" for which locally grown wood can be used. 	○	<ul style="list-style-type: none"> Develop and crystallize initiatives across the country (continue). Test out the soil improvement material, agriculture, and livestock raising in the areas around Nichinan City.