Our CSR

NGK SPARK PLUG, CO., LTD., which celebrated
the 80th anniversary of its establishment this year,
will continue to be an indispensable company
that fulfills its social responsibility to all stakeholders,
even beyond our 90th and 100th anniversaries.

Our CSR

CSR is usually translated into Japanese as "*kigyo no shakaiteki sekinin* (corporate social responsibility)." However, we communicate it to our employees as "meeting stakeholder expectations and needs through our business to make stakeholders happy," which is easy to understand.

An Unchanging Aspiration from Our Establishment to the Present Day

The Aspiration Contained in Our Founding Charter

NGK SPARK PLUG was established in 1936 in a spin-off of the Spark Plug Division of NGK INSULATORS, LTD., our founding entity.

This is the Founding Charter created 80 years ago when NGK SPARK PLUG first came into being. This Founding Charter allows us a glimpse of the objectives and aspirations at the time of the company's establishment. According to this, "The internal combustion engine was in the process of shifting into exports due to rapid progress in traffic conditions. NGK INSULATORS, LTD., which has focused on this, has repeatedly conducted research into spark plugs since 1922, and we will establish NGK SPARK PLUG CO., LTD. in order to further develop and advance this area, contributing to national culture."

In other words, it can be seen that NGK SPARK PLUG was established with the objective of contributing to national culture (the internal combustion engine industry).
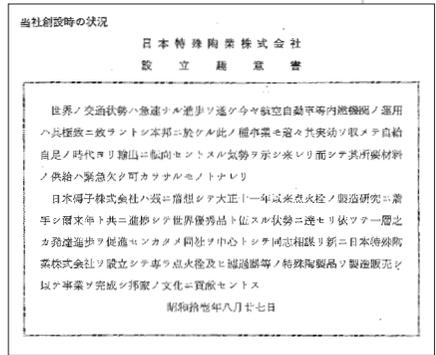
Founding Charter

"Contributing to national culture"

The Aspiration Contained in Our Corporate Philosophy

Corporate Philosophy

2 Management Policy

3 Action Guideline

1 Commitment

We created our Corporate Philosophy in 1996, the 60th anniversary of our establishment. A corporate philosophy expresses a constant approach for a company to promote its business activities.

The three elements of Commitment, Management Policy and Action Guideline constitute our Corporate Philosophy, which states, "We will deepen mutual trust and confidence, suggest new value with our eyes on the future, and contribute to the peoples of the world" as its slogan.

"Contributing to the peoples of the world"

Thus, while the times when each of them was created are different, NGK SPARK PLUG has maintained a constant aspiration to "contribute to the nation and the world," that is society, since its establishment.

"Wanting to serve society through business"

Building Positive Relationships with Society Through Business

Our connections with society
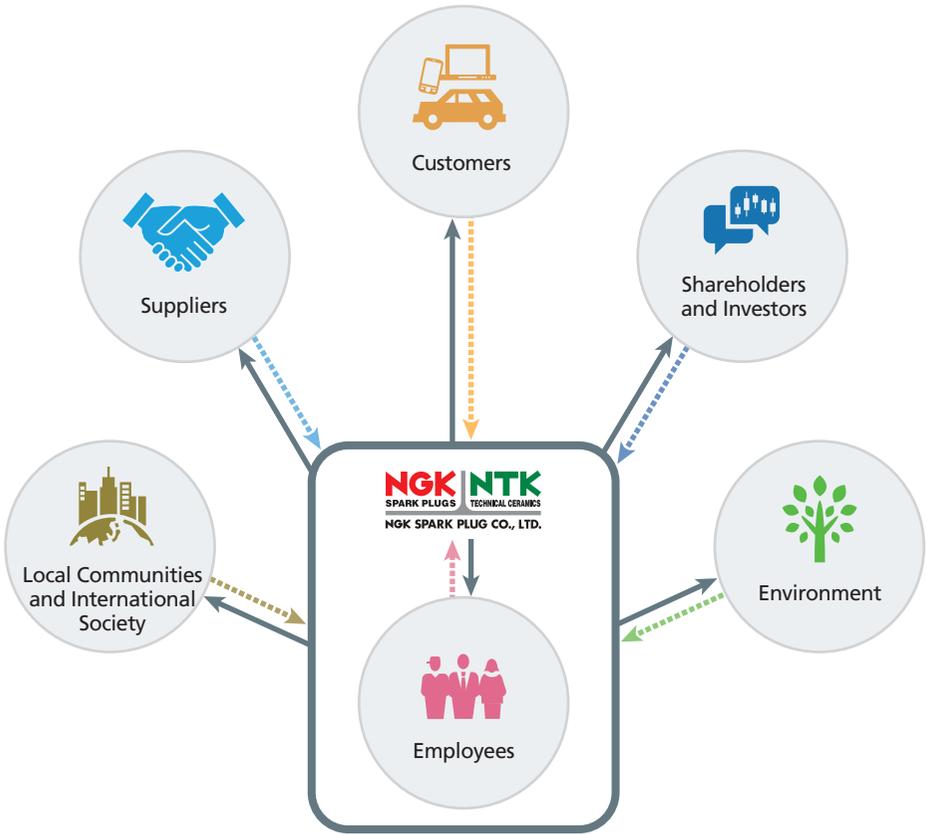
NGK SPARK PLUG engages in business activities with the aspiration of "wanting to serve society through business." Society here indicates the people and organizations with which we have relationships and they are called "stakeholders."

"Stakeholders" refers to the suppliers that deliver raw materials and equipment to us, the customers that buy the products we sell, and the employees involved in our business activities. The shareholders and investors that provide us with capital and the local communities and international society where we have production and sales sites are also our stakeholders. Meanwhile, although not a stakeholder in the sense of referring to people or organizations, we are also connected with the environment that takes in the CO_2 and the waste discharged by our business activities and consideration for the environment is also a responsibility that a company should fulfil.

Acting in Accordance with Our Promotion System Based on Our CSR Philosophy and Policy
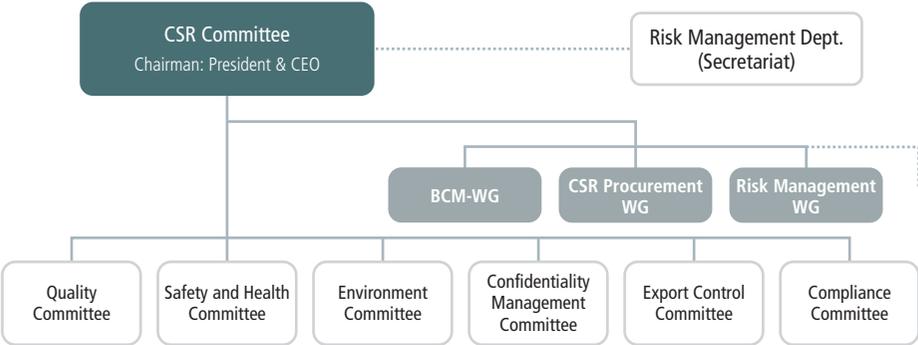
Organization of our CSR Philosophy and Policy

Enhancement of Corporate Value

Corporate Philosophy

Corporate Code of Conduct
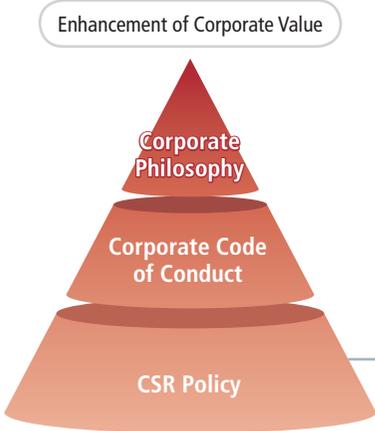
CSR Policy

We act based on our Corporate Code of Conduct and our CSR Policy in order to realize our Corporate Philosophy.

- Risk Management Policy
- Compliance Policy
- Information Security Policy
- Corporate Quality Policy
- Information Disclosure Policy
- Procurement Policy
- Human Resource Policy
- Occupational Safety and Health Basic Policy
- Social Contribution Policy
- Environmental Policy

CSR Promotion System

CSR Committee
Chairman: President & CEO

Risk Management Dept. (Secretariat)

BCM-WG

CSR Procurement WG

Risk Management WG

| Quality Committee | Safety and Health Committee | Environment Committee | Confidentiality Management Committee | Export Control Committee | Compliance Committee |

The CSR Committee determines the priority themes for each fiscal year, to implement CSR Policy. The Committee also oversees and evaluates CSR-related activities implemented by the respective expert committees and divisions, and makes appropriate proposals regarding them, so as to achieve full optimization of CSR activities, thereby strengthening our business foundations.

The CSR Committee sets up respective working groups as deemed appropriate, each of which holds discussions on specific themes to develop countermeasures.

We have established a company-wide CSR promotion system by securing close coordination between the CSR Committee, the CSR Promotion Sub-Committee and expert committees.

Establishing Targets for CSR Promotion Activities

We have identified the material issues for the NGK SPARK PLUG Group and established medium-term targets for fiscal 2020 and short-term targets for each year. In the establishment of short-term targets, the individual expert committees and departments prepared targets reflecting the Corporate Philosophy, Corporate Code of Conduct and CSR Policy based on a recognition of expectations and needs from stakeholders, and these targets were approved by the CSR Committee.

Fields of Activities		Medium-term targets (by fiscal 2020)	Department in charge
Management	Company-wide CSR Management	· Promote a CSR PDCA cycle on a global basis	Risk Management Dept.
		· Promote CSR awareness-raising activities on a global basis	
	Compliance		
	Company-wide Promotion System	· Construct a global promotion system	Compliance Committee
		· Continue education on helpline content	
		· Continue compliance awareness and knowledge training	
		· Continue monitoring of compliance awareness and knowledge and corporate culture change	
	Security Control	· Deploy educational tools to NGK SPARK PLUG and group companies in Japan and monitor implementation status and effectiveness	The Confidentiality Management Committee
		· Continuously improve security control, including group companies, and establish system for surveillance of implementation status	
	Export Control	· Establish a system for surveillance of implementation status of appropriate export controls, including group companies	The Export Control Committee
	Information Security	· Continuously reduce security risk of group companies through deployment of Group Information Security Regulations	Information Systems Dept.
	Respect for and Protection of Intellectual Property Rights	· Implement patent review activities for mainstay products prior to design review meeting, including group companies	Intellectual Property Dept.
		· Establish new methods to deal with increasingly sophisticated counterfeiters, particularly in emerging countries	
		· Have at least 15% of submitted patents be differentiation patents utilizing a patent portfolio that adds rivals' information	
		· Implement IT-BCP measures	
		· Involve trademark aspects in strengthening our brand organization	
		· Enhance intellectual property education, including group companies	
	Risk Management		
	BCP/BCM	· Expand business continuity management system to group companies in Japan	BCM Working Group
		· Construct a management system that can respond to not only earthquakes but also other disasters	
		· Construct a procurement BCP framework and expand and operate it at group companies	Procurement Group
		· IT-BCP countermeasures for server infrastructure (cloud utilization)	Information Systems Dept.
	Company-wide Risk Management	· Build company-wide risk management suited to NGK SPARK PLUG	Risk Management Dept.
With Our Customers	Safety and Quality	· Expand quality assurance to all group companies with a focus on goods for all customers	Quality Committee, Corporate Quality Management Div.
		· Expand quality management to all group companies aimed at delivering value to all customers	
With Our Shareholders and Investors	Information Disclosure	· Disseminate information that leads to increased shareholder trust	Public Relations Dept.
		· Disseminate information in an easy-to-understand and approachable manner on a global level	Risk Management Dept.
		· Construct a framework for an IR strategy aimed at institutional investors	Accounting & Finance Dept.
		· Disseminate information that captures stakeholders' expectations and the changes in social trends	Risk Management Dept.
With Our Employees	Employment and Human Rights	· Implement fair evaluations that correspond to clear expectations	Human Resources Dept.
		· Establish educational programs that target the leaders of each group company	
		· Employ diverse human resources strategically	
		· Achieve personnel and human resource functions that contribute to the promotion of management strategy	
		· Further encourage the promotion of active participation by women	

Fields of Activities		Medium-term targets (by fiscal 2020)	Department in charge
With Our Employees	Employment and Human Rights	· Zero workers leaving their jobs in order to provide nursing care	Human Resources Dept.
		· Achieve the mandatory number for employment of people with disabilities	
		· Promote active participation by seniors	
	Occupational Safety and Health	· Raise productivity by decreasing the rate of onset of mental illness	Environment & Safety Management Dept.
		· Develop systems that make it difficult for accidents to occur aimed at developing a global safety culture	
With Our Suppliers	CSR Procurement	· Improve the framework for evaluation aimed at global optimum procurement and deploy and operate at group companies	Procurement Div.
		· Reduce risk in the supply chain by thoroughly establishing CSR procurement	Procurement Div, Risk Management Dept.
		· Promote education and enlightenment aimed at reducing risk utilizing supplier seminars, etc.	
With Local Communities and International Society	Social Contribution	· Continually enhance the social status of the NGK SPARK PLUG Group through social contribution activities	Public Relations Dept.
For Environmental Protection	Environment	· Promote environmental activities aimed at achieving global Eco Vision	Environmental Committee, Environment & Safety Management Dept.

Implementing Initiatives Aimed at Raising Awareness of CSR

We continuously implement CSR awareness-raising activities.

We have been running elementary CSR training since 2014 as an awareness-raising activity so each and every employee feels more familiar with CSR.

Our elementary CSR training is expected to lead to changes in awareness about work, an increase in motivation, and pride in the company as employees become aware of the connections between themselves and society and of their contribution to society.
In addition, we regularly publish the CSR Newsletter and hold lectures by experts to continually raise awareness of CSR.

Training

Each Individual Is Aware, Considers, and Acts

In our elementary CSR training, after learning about the establishment of the company, the significance of CSR, and relationships with stakeholders, employees participate in group work that uses card games which get participants to recognize who their stakeholders are and to consider by themselves how to make these stakeholders happy.

By being aware of and considering the fact that the company makes stakeholders happy in various ways, the awareness of individual employees changes and their actions change. As a result, the company changes and makes stakeholders happy again. Through such a cycle, we will continue to be a company that is indispensable to the world.

Making stakeholders *Happy*