

Basic Stance Regarding CSR Activities

The TAIYO YUDEN Group's management philosophy is to support employee well-being, support the betterment of local communities, and accept responsibility to provide returns to shareholders. The fulfillment of these responsibilities is the basis of management at TAIYO YUDEN.

Business enterprises can not develop all alone, but they evolve along with local communities. Fifty years ago, our business involvement with local communities was confined to Japanese society, but now it has spread worldwide. By this change, we have obtained more opportunities to expand our business and to increase the economic value of our products. At the same time, however, the range of our stakeholders has broadened, and their requirements and expectations are growing bigger and deeper.

As we turn these opportunities into results which incorporate an increase in economic value, we will also enhance our social value by responding to stakeholders' requirements and expectations, and by fulfilling our social responsibilities. To accomplish this goal, we take responsibility not only for the safety and quality of our products, but also for our activities within the Company that are related with labor and human rights, safety and health, the environment, and ethics.

CSR Charter

To present the management philosophy of the TAIYO YUDEN Group more clearly to stakeholders, in 2005 the CSR Charter (TAIYO YUDEN Group's Charter on Social Responsibility) was established. To win the trust and goodwill of society, the TAIYO YUDEN Group will respect human rights, keep abreast of and comply with laws and international rules and regulations, and take a socially conscious course of action based on high ethical standards.

Business

- The TAIYO YUDEN Group will win our clients' confidence by developing and providing high value-added products and services for which safety is thoroughly considered.
- The TAIYO YUDEN Group will pursue global environmental preservation by reducing environmental impacts caused by our business activities.
- The TAIYO YUDEN Group will engage in fair, open, and free competition while maintaining sound relationships with governmental/administrative bodies, citizens and organizations.

People

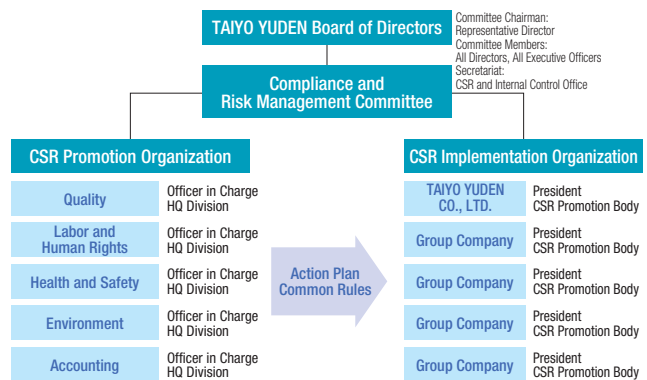
- The TAIYO YUDEN Group will respect the dignity and individuality of each person based on recognition of people's diverse backgrounds and characteristics.
- The TAIYO YUDEN Group will strive to create safe work environments that ensure our employees are able to perform their duties with a sense of reassurance.

Society

- The TAIYO YUDEN Group will actively participate in social contribution efforts while valuing co-existence with local and international communities.
- The TAIYO YUDEN Group will promote widespread communication with society and disclose corporate information on a timely basis in an appropriate manner.

CSR Activities Promotion Framework

In the Group's CSR activities, overall management is provided by the Compliance and Risk Management Committee, chaired by the President and attended by all directors. The promotion organization is comprised of officers in charge and HQ divisions appointed for each provision of the Code of Conduct and each applicable risk, and management is carried out according to a system (the Compliance and Risk Management System) implemented by each group company in accordance with the activity policy and rules in common established by the promotion organization.

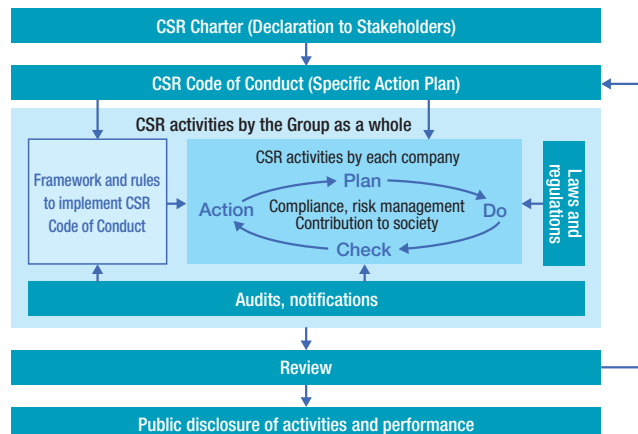


CSR Management System

The TAIYO YUDEN Group has built a CSR management system to achieve the goals set forth in our CSR Charter and assure compliance with the CSR Code of Conduct.

In carrying out CSR activities, we follow the provisions of our Code of Conduct and comply with laws and regulations as a matter of course. We also have a framework and rules in place for promoting proper conduct and all of our group sites employ a management system based on the plan-do-check-act (PDCA) cycle.

These activities are checked through internal audits and a notification system. An annual review of CSR performance is conducted and activities are continually being improved.



Environmental Activities

Converted energy from diesel oil to natural gas

Although TAIYO YUDEN (GUANGDONG) had used diesel oil boilers, it has converted the energy to natural gas since 2012. In the year ended in March 2014, we introduced natural gas boilers into the cafeteria and no.

6 plant. The reduction in the amount of greenhouse gases came to 4,156 tons-CO₂e during the year.



Opened a solar power plant

We built a solar power plant at the site of the old Hongo Research institute, Takasaki-city, Gunma, with 460kW capacity, which is equivalent to the amount of electricity used by 150 households, and started operation in November 2013. While effectively utilizing our assets, we create energy from the renewable source and distribute it across the region to help realizing sustainable society.



Contributing to Society

Plant tours/work experience tours

TAIYO YUDEN Group has been hosting plant tours and work experience as one of the most important connection points with people in the communities. We have junior high school students



in the neighborhood visiting Tamamura Plant every year in order to gain some working experience. They experience work at the plant through the experience program.

Support for victims of earthquakes and typhoons

TAIYO YUDEN (PHILIPPINES) donated cash, clothing, daily necessities and bottles of water for the victims of Typhoon Haiyan, as well as the earthquake on Bohol Island in 2013.



We donated relief money through the Japanese Red Cross for the restoration of the disaster-affected areas.

Health and Safety Activities

Lectures on static electricity disaster prevention/local exhaust ventilation

Static electricity disaster prevention/local exhaust ventilation classes were held across the sites provided by instructors invited from outside of the companies. We learned about the ignition mechanism of static electricity and its prevention measures. It is mandatory to install local exhaust ventilation systems at sites where specific chemical substances are handled. Classes were held by a professional body to learn the basics of local exhaust ventilation design and its inspection methods.



Fire and evacuation drills

Various types of regularly scheduled drills are conducted to prepare for sudden accidents and disasters. With exercising procedures on early discovery, rapid response, prevention and mitigation of impact, the TAIYO YUDEN Group improves and reconfirms appropriate procedures of them. At TAIYO YUDEN (TIANJIN) ELECTRONICS, fire brigade officers taught how to use fire extinguishers with hands-on training in addition to helping evacuation and rescue drills.



For further details on our CSR activities, please visit at <http://www.yuden.co.jp/or/company/csr/>