

E Environment Activities

Previous Initiatives

Because of the past ten years of energy/resource saving with the “Half Impact For Earth” activities, the FY2020 performance compared to FY2008 shows a 55% reduction in average energy consumption per unit, a 50% reduction in average waste generation per unit, and a 63% reduction in average water use per unit, which means we have achieved a reduction of at least 50%.

New Medium-term Environment Target Initiatives

“Strengthening responses to climate change” and “efficient use of resources and contribution to the construction of a recycling-based society” have been set as the materialities of environmental efforts. Especially for climate change, a global issue, we set targets to achieve carbon neutrality in 2050. In order to achieve the targets, we will carry out thorough energy

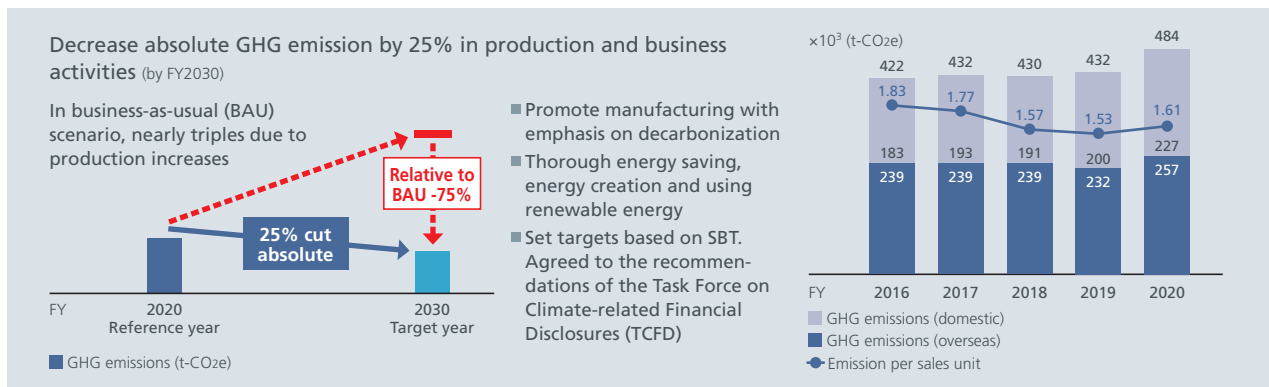
saving, energy generation, and energy renewal while propelling manufacture based on the principle of decarbonization. To reduce the absolute value of GHG emissions, we set target values in accordance with the SBT (Science-Based Targets).

Endorsement of TCFD

TAIYO YUDEN has endorsed recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), which was established by the Financial Stability Board (FSB). Going forward, we will strive to analyze the “risks” and “opportunities” that climate change presents to our business and promote active information disclosure to our stakeholders based on the TCFD recommendations that ask for the disclosure of climate-related information that may have a financial impact.



Toward a Carbon-Neutral 2050



S Social Activities

Labor and Human Rights

TAIYO YUDEN not only complies with the labor laws and regulations of each country in which it operates, it also supports and respects major international standards and rules for protecting human rights, such as the UN Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the UN Global Compact, the UN Guiding Principles on Business and Human Rights, and the standards of the Responsible Business Alliance (RBA). In May 2020, TAIYO YUDEN signed the UN Global Compact and has been acting in accordance with its Ten Principles, which are set out under the headings of Human Rights, Labor, the Environment, and Anti-Corruption.

Labor Human Rights Management Policy and Compliance Requirements

[Policy]

TAIYO YUDEN will be striving for creating a company trusted by society by observing the spirit of regulations/laws and international rules regarding Labor Human Rights as well as defining following compliances in terms of CSR Charter and code of conduct of the group.

[Compliance Items]

1. Ban of Child Labor
2. Ban of Enforced Labor
3. Securing Health and Safety
4. Freedom of Association
5. Ban of Employment based on Discrimination
6. Ban of Inhuman Behavior
7. Proper Working Hour
8. Remuneration/Wage

ESG

Health and Safety

TAIYO YUDEN works to eliminate work-related accidents and reduce major risks based on the Fundamental Principle of Health and Safety, which states that “In order to ensure the well-being of our workers, who are an important resource of the company, we shall pursue workplaces which always maintain safety and where employees can work in confidence while maintaining the health of our workers.”

The medium-term plan is set to prevent industrial accidents by clarifying action targets for each of the 5Ms (Man, Machine, Method, Material, Measurement) and by setting a target incidence rate of injuries and illness to numerically evaluate the results of such efforts.

New Medium-term Occupational Health and Safety Targets

Results and Targets	5Ms for Medium-term Targets
Incidence rate of injuries and illness FY2025 Target Less than 0.016 <hr/> FY2020 Results 0.015	Man Creation of a “Safe workplace” culture
	Machine Equipment safety meeting the ISO and IEC standards
	Method Standardization of procedures for safe work
	Material Minimization of toxicity and danger of chemical substances
	Measurement Strengthening of checking system

Materials Procurement Activities

With a basic policy on the procurement of materials, TAIYO YUDEN promotes CSR procurement activities across its entire supply chain, including technologies and services of suppliers and parts, materials, machinery, and other products procured by the Group.

Responsible Minerals Procurement

<p>Responsible Minerals Procurement Policy</p> <p>TAIYO YUDEN Group established “CSR Charter” and “CSR Code of Conduct” and promotes CSR activities in order to fulfill corporate social responsibility. As “Mutual Trust/CSR” in our Procurement Policy, TAIYO YUDEN Group shall actively practice the CSR management in procurement activities and further establish sound partnership to build mutual trust and development.</p> <p>There are concerns that the minerals such as tin, tantalum, tungsten, gold, and cobalt in the Democratic Republic of the Congo and adjoining countries or Conflict Affected and High-Risk Areas (CAHRAs) can finance armed groups in those conflict regions through illegal mining and trading of minerals and raise human rights abuses or labor issues such as child labor or forced labor. As one way of fulfilling its social responsibility in its supply chain, TAIYO YUDEN Group implements appropriate measures to procure minerals, ensuring that we do not become involved in such issues through the trade of minerals used in our products. TAIYO YUDEN Group requests suppliers to understand TAIYO YUDEN’s procurement policy and cooperate with the survey in the procurement process.</p>	<p>Furthermore, TAIYO YUDEN Group requests suppliers to procure minerals from the refiners/smelters approved by globally trusted frameworks such as RMI.</p> <p>Concrete Initiatives</p> <ol style="list-style-type: none"> 1. TAIYO YUDEN Group establishes management system of minerals procurement complied with OECD due diligence guidance. 2. TAIYO YUDEN Group promotes “Responsible Minerals Procurement” throughout supply-chain in collaboration with industry organization. 3. TAIYO YUDEN Group identifies and evaluates risks by using globally standardized programs of RMI such as the latest version of CMRT or CRT. 4. When any problems are found in the mineral procurement process, TAIYO YUDEN Group stops using the said mineral and requests the upstream companies in the supply chain to take any corrective actions. 5. TAIYO YUDEN Group discloses results of mineral procurement survey upon customers’ request.
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Social Contribution

Our corporate approach is to coexist harmoniously with the local communities. We contribute to communities, such as holding and participating in volunteer activities and charity events, interacting with communities and providing factory tours.

Electronic Handicraft Workshop

We hold electronic handicraft workshops on an ongoing basis for elementary school students. The aim of these workshops is to spark the student’s interest in science through experiencing the enjoyment of electrical work.



Women’s Softball Team Children’s Coaching





Established in 1984, TAIYO YUDEN SOLFILLE is a women’s softball team in the first division of the Japan Softball League. The team has consistently produced athletes that represent Japan, even participating in the Olympics. It also inspires local communities and children to dream through activities such as softball classes held throughout the country.



RBA-VAP Audit

TAIYO YUDEN regularly undergoes RBA-VAP audits as third-party evaluation of our compliance with the RBA (Responsible Business Alliance) Code of Conduct, in order to continually enhance the level of our activities relating to labor, health and safety, environment, and ethics.

External Evaluation

Inclusion in ESG Indexes		
 FTSE4Good	 FTSE Blossom Japan	<p>2021 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)</p> <p>The MSCI Japan Empowering Women Index is an index compiled by MSCI (US). The index includes Japanese companies with high gender diversity scores thanks to their promotion of women in the workplace. The Government Pension Investment Fund (GPIF) of Japan has selected this index as a core ESG index.</p>
<p>FTSE4Good Index Series</p> <p>The FTSE4Good Index Series is an index compiled by FTSE Russell (UK). The index includes companies that have demonstrated strong Environment, Social, and Governance (ESG) practices that are based on global standards.</p>	<p>FTSE Blossom Japan Index</p> <p>The FTSE Blossom Japan Index is an index compiled by FTSE Russell (UK) and includes Japanese companies that have demonstrated strong ESG practices. The Government Pension Investment Fund (GPIF) of Japan has selected this index as a core ESG index.</p>	
 S&P/JPX Carbon Efficient Index	 Sompo Sustainability Index	
<p>S&P/JPX Carbon Efficient Index</p> <p>The S&P/JPX Carbon Efficient Index is an index compiled by the Tokyo Stock Exchange and S&P Dow Jones Indices (US). Companies included are selected based on their disclosure of environment-related information and their carbon efficiency standards. The Government Pension Investment Fund (GPIF) of Japan has selected this index as a core ESG index.</p>	<p>SOMPO Sustainability Index</p> <p>The SOMPO Sustainability Index is an index compiled by SOMPO Asset Management. The index is composed of Japanese companies with strong ESG performance evaluations and stock valuations.</p>	

Other Sustainability-related Evaluations (TAIYO YUDEN CO., LTD.)			
 健康経営優良法人 Health and productivity ホワイト500	 SPORTS YELL COMPANY 2021	 女性が活躍している会社	 2021年認定するみんな 未来が活躍している会社
<p>Health & Productivity Management Outstanding Organization 2021</p> <p>In 2021, TAIYO YUDEN was certified as a Health & Productivity Management Outstanding Organization for the third year running by the Ministry of Economy, Trade and Industry and Nippon Kenko Kaigi. This certification demonstrates the high evaluation of the linking of our human resources strategy with health-oriented management and efforts including our holding of sleep and other health-related seminars and no-smoking initiatives.</p>	<p>Sports Yell Company 2021</p> <p>In 2021, TAIYO YUDEN was certified as a Sports Yell Company by the Japan Sports Agency for being a company that proactively promotes sports in an effort to boost employee health.</p>	<p>Eruboshi</p> <p>TAIYO YUDEN has earned “Eruboshi” certification with a three-star rating (third stage), which is given to companies recognized as implementing outstanding initiatives to promote active roles for women by the Ministry of Health, Labour and Welfare.</p>	<p>Kurumin</p> <p>In June 2021, TAIYO YUDEN was awarded “Kurumin” certification by the Ministry of Health, Labour and Welfare for being a company that supports child rearing based on the Act on Advancement of Measures to Support Raising Next-Generation Children. We believe that this certification shows that the results of our efforts to create an environment where it is easy to balance professional and personal life have been highly evaluated.</p>