

ESG

Sustainability

Fundamental Stance

TAIYO YUDEN's mission is to become "stronger and more socially aware through the wonders of science." Our aim is to pursue sustainable growth for the Group, safe, secure, comfortable, and convenient lives for people, and sustainable growth for humanity as a whole through our business by demonstrating creativity and innovation to revolutionize society. This stance is in line with the TCFD recommendations

which the TAIYO YUDEN Group endorses, as well as the Sustainable Development Goals (SDGs) adopted at the United Nations.

In order to achieve this mission, we have identified our more important issues as materiality and are moving forward with initiatives based on specific measures and numerical targets laid out in the medium-term management plan 2025.

Sustainability Promotion Structure

The Sustainability Committee convoke a quarterly to discuss solutions to sustainability issues, including materiality. We receive activity reports from ESG-related committees (Safety and Environment MS, TGS, Environment Promotion, Health Promotion, and Information Security) and deliberate on them. These contents will be reported to the Board of Directors by the President and Chief Executive Officer, who is the Chairperson of the Sustainability Committee, and will be deliberated appropriately.



*TGS Committee : Abbreviation of Taiyo Green Strategy Committee, which is a meeting body to discuss matters concerning chemicals based on stakeholders' requirements

Employee Awareness

We regularly carry out awareness-raising activities on the concept of sustainability, the key issues we have identified as materiality, as well on social issues we as a corporate group should address based on the belief that employee understanding is essential to resolving these issues. In addition to training new employees on the SDGs, we also offer e-learning programs and group training sessions for existing and temporary staff, as well as training for Corporate Officers.

E Environment Activities

Fundamental Stance on Environmental Activities

TAIYO YUDEN aims to be a corporate group that fulfills its corporate social responsibility and continues to develop in perpetuity. We recognize that tackling environmental issues represents one of the most important social responsibilities that the Group must uphold. As such, we are working to reduce our environmental impact from a global perspective

based on our Fundamental Principle of the Environment: "To hand over this precious Earth to the future generation, environmental burden in every business activity in research, development and design of the product, procurement of parts and materials manufacture, sales and associated services shall be reduced."

Environmental Impact of Corporate Activities

The TAIYO YUDEN primarily produces electronic components for delivery to our customers, set manufacturers. These electronic components have a life cycle with only a small environmental impact during use. The bulk is during production, with the main environmental impact arising from energy and water consumption, emissions (including CO2) in the course of manufacture, waste and wastewater.

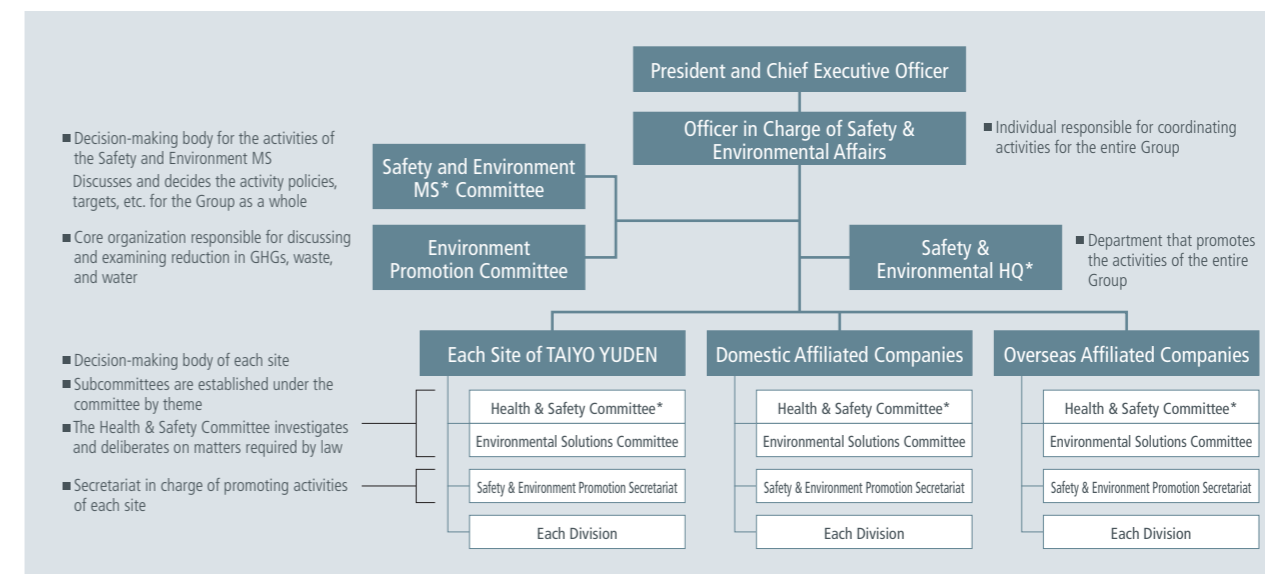
The TAIYO YUDEN is striving to improve our environmental impact by first identifying and analyzing in detail this

environmental impact and then taking such measures as minimizing the resources applied and conserving other energy and resources by improving production processes. The TAIYO YUDEN products are used in electrical and electronic equipment, automobiles, and other products which become waste once their product lifetime is over. We are therefore also striving to remove hazardous substances from these products.

Framework for Promoting Safety and Environmental Affairs

TAIYO YUDEN has established and operates a framework for promoting its Safety and Environmental Management system, the overall responsibility for which lies with the officer in charge of safety and environmental affairs appointed by the President. Safety and Environment MS Committee, the

Environment Promotion Committee debate and decide policies and issues to be addressed. Each manager of sites then converts his/her decisions into actual plans matching the characteristics of each site, and takes charge of publicizing, enforcing and promoting these concrete targets.



* MS stands for the management system.
 * HQ stands for Headquarters.
 * The Health & Safety Committee consists of representatives selected from among management and employees.

Medium-Term Environmental Targets

TAIYO YUDEN has identified "strengthening responses to climate change" and "efficiently using resources and helping to build a recycling-based society" as materiality (key issues) related to environmental efforts. Especially for climate change, a global issue, we have set medium-term environmental targets to achieve carbon neutrality by 2050. To achieve these targets,

we will be diligent at saving, generating, and re-using the energy that drives our manufacturing based on the principle of decarbonization.

Achievement Levels for Medium-Term Environmental Targets
<https://www.yuden.co.jp/or/company/sustainability/environment/materiality/>