

Value Creation Model

Megatrends

Changes in the external environment

- Progress in democratization and generalization of AI
- Rapid spread of 5G
- Evolution of autonomous driving and robotics
- Remote society

Changes in the macro-environment

- Climate change
- Tightening environmental regulations
- International trade friction
- Threats of natural disaster and infectious disease
- Resource depletion
- Geopolitical risk



TAIYO YUDEN considers the management philosophy it has inherited from its founder to be its shared values and is striving to contribute to the realization of a secure, safe, comfortable, and convenient society through the “wonders of science” set forth in its mission.

Recent years have seen seismic shifts—also known as “megatrends”—in domains such as technology, the environment, and public health. By revising our business strategies, R&D strategies, and human resources strategies flexibly in line with these changes, our goal is to offer greater economic and social value, and to grow sustainably hand-in-hand with society.

Mission

Stronger and more socially aware through the wonders of science

Management Philosophy

Employee well-being, Betterment of local communities, Responsibility to provide returns to shareholders

Business operations at TAIYO YUDEN

Investment capital (FY2022)

Financial capital

Total assets ¥503.4 billion
Equity ratio 63%

Intellectual capital

R&D expenses ¥12.6 billion

Manufacturing capital

Number of production bases 18

Human capital

Number of employees (consolidated) 21,819

Social/related capital

Number of years since founding 73
Number of years since public listing 53

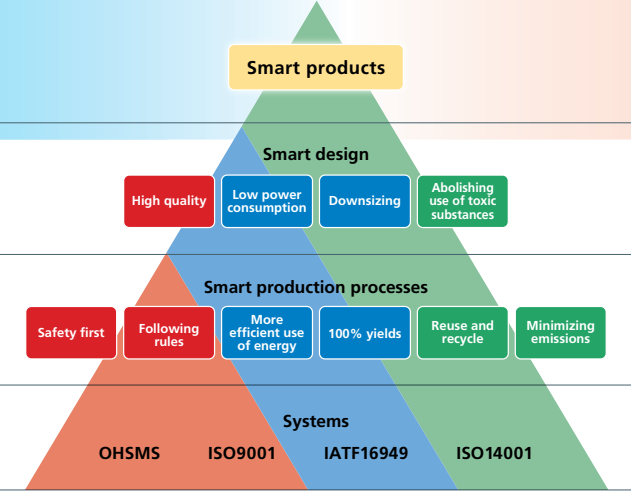
Natural capital

Energy (electricity) consumption 891,139 MWh
Water use 3,609,000 m³

Leverage from business activities

Vision

To be an excellent company that enjoys the trust and highest regard from all stakeholders



Creating value through business activities

- Strengthen core technologies to make our core business grow
- Create solutions to solve social issues

Economic value

Social value

- E Response to climate change
- S Achieve health-oriented management and work style reforms at safety first workplace
- G Improve management quality

Outcome

Medium-term management plan 2025

[Financial]

- Net sales ¥480 billion
- Operating margin 15% or higher
- ROE 15% or higher
- ROIC 10% or higher

[Non-Financial]

GHG emissions

■ Absolute amount FY2030 42% reduction (compared with FY2020)

Waste / Water usage

■ Basic unit (production volume) FY2025 10% reduction (compared with FY2020)

Safe & secure workplace / Optimization of group base functions

■ Creating safe, comfortable and environmental friendly workplaces

■ Incidence rate of injuries and illness < 0.016

■ Accident frequency rate < 0.08

Work style reforms / Diversity

■ Work engagement 2.5 or higher

■ Rate of newly recruited female graduates 30% or higher

■ Female manager ratio FY2030 10% or higher