

ESG / Environmental Activities

Message from the Officer in charge

We are promoting energy conservation in our production activities and working for improvement of our environmental impact

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We recognize that tackling environmental issues represents one of the most important social responsibilities that the Group must uphold. For this reason, we are working for improvement of our environmental impact from a global perspective based on our Safety & Environment Charter.

The characteristic of electronic components such as multi-layer ceramic capacitors and inductors, etc., which are the main products of TAIYO YUDEN, is that the environmental impact in their life cycle is large during production but small during use. The main environmental impact during production is energy and water consumption, waste, wastewater, and emissions (including CO₂). TAIYO YUDEN is striving to improve its 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, as it aims to enhance both its economic value and its social value.

In the medium-term management plan 2025, TAIYO YUDEN has identified “strengthen measures to address climate change” and “use resources effectively and contribute to creating a recycling society” as two materiality issues related to the environment. The background to this is that TAIYO YUDEN desires to contribute to consideration of the negative impact on ecosystems and human beings arising from climate change presented in the report of the IPCC (Intergovernmental Panel on Climate Change), and to the transition to a “circular economy” using resources in a sustainable form, which is currently being studied throughout the world. In this context, we have expressed our support for the Task Force on Climate Related Financial Disclosures (TCFD) and we are striving to enhance our information disclosure in line with the TCFD.

Regarding responses to climate change, the top management are holding a series of discussions in the Sustainability Committee, the Environmental Promotion Committee on which I serve as chair, and in other forums, and we are advancing initiatives for achievement of the targets across the entire TAIYO YUDEN Group. Aiming to achieve carbon neutrality by 2050, TAIYO YUDEN has set a target in the medium-term management plan 2025 of a 42% reduction of GHG emissions by FY2030 compared to FY2020.

We are engaging in activities using the three approaches of energy conservation, energy creation, and use of renewable energy sources for achievement of this target. There are manufacturing processes which use clean rooms and manufacturing processes which use firing furnaces, etc. in the production of electronic components, increasing the amount of energy used in the production activities. For that reason the issue that we should tackle first is energy conservation. Therefore, we are carrying out activities with the promotion of manufacturing based on the pursuit of drastic miniaturization and higher efficiency and the principle of decarbonization at their core. In addition, for energy creation we are working on the further introduction of solar power generators and for the use of renewable energy sources we are rolling out renewable energy procurement in Japan and overseas. As one example, the R&D Center plans to switch to all of the energy it uses to renewable energy by FY2024. The reduction measures are progressing steadily, so in FY2022 we were able to reduce GHG emissions by 18.3% compared to FY2020, the reference year.

In addition to advancing countermeasures in the production activities, which have a large environmental impact, we have also started reducing GHG emissions in other areas. Firstly, in order to set reduction targets regarding the GHG emissions (SCOPE 3), we have started to improve the precision of our understanding of emissions and to consider reduction measures.

Apart from GHG emissions reduction, we have set numerical targets regarding reduction of the amount of waste generation and reduction of water use in the medium-term management plan 2025 and are focusing our efforts on these targets.

As for environment-related investment, we are planning to allocate about 10% of the capital investments plan totaling ¥300 billion over the five years of the medium-term management plan 2025 to investment for the environment, IT, and building safe and comfortable workplaces. Going forward, we will continue to strongly promote initiatives for the environment, one of our most important social responsibilities.