

# S Social Activities



TAIYO YUDEN has designated the most important social issues as “materiality”—or “key issues”—and endeavors to contribute to the realization of sustainable social infrastructure.

## Human Rights

### Human Rights and Labor Policy

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

#### Labor Human Rights Management Policy and Compliance Requirements

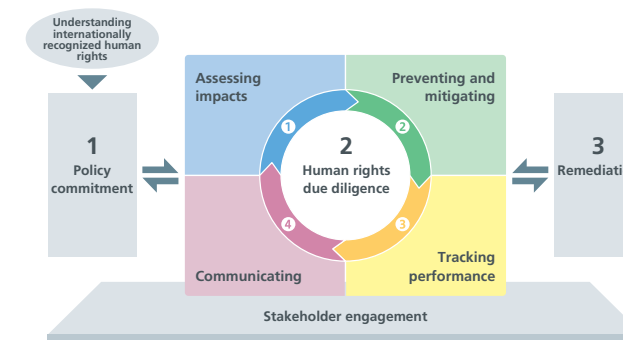
<https://www.yuden.co.jp/en/sustainability/society/laborrightrule/>

#### Example Initiatives in FY2023

- We have developed educational materials that include the United Nations Guiding Principles on Business and Human Rights, human rights policies, harassment prevention, and the prohibition of discrimination based on sexual orientation. These materials have been deployed in our Japanese and overseas bases. We ran regular e-learning courses at our Japanese bases.
- We conducted regular specialized training through e-learning for labor and human rights departments at our Japanese bases.

### Human Rights Due Diligence

TAIYO YUDEN is engaged in developing human rights policy, conducting human rights due diligence (Identification of adverse effects on human rights, prevention and mitigation of adverse effects on human rights, follow-up of effectiveness of response, dissemination of information and communicate outside the company), and establishing a remedial mechanism.



We have developed and operated the labor and human rights management system to ensure an appropriate work environment where human rights are duly respected. Additionally, we have established the Labor and Human Rights Management Policy and Compliance Requirements by implementing policies into practice, and each site conducts PDCA activities to make continuous improvements. Furthermore, TAIYO YUDEN established the “Group Labor Rights Management Manual,” the “Management Standards for Limiting Working Hours to 60 hours per week and limiting working hours to 6 consecutive days,” etc., and conducts monitoring for all sites.

Regarding our risk assessment related to human rights, labor, and other areas, we regularly conduct labor rights self-assessments based on the Responsible Business Alliance (RBA) Code of Conduct and carry out improvement and correction activities based on this feedback.

### <Example initiatives for human rights due diligence>

#### CSR Activities for Suppliers

TAIYO YUDEN Group distributes the “TAIYO YUDEN Group CSR Procurement Guidelines (CSR Procurement Requirements)” (hereinafter referred to as “CSR Procurement Guidelines”) to new suppliers in order to have them understand the Group’s CSR policies including human rights and labor problems, and TAIYO YUDEN Group only starts to implement transactions with suppliers after they declare that they will comply with the requirements. Also, TAIYO YUDEN Group assesses “maximum working hours,” “legal minimum wages” and “avoidance of child labor,” etc. using the “CSR Self Check Sheet” prepared based on the RBA Code of Conduct, and deals with suppliers that meet the Group’s criteria.

TAIYO YUDEN Group regularly conducts assessments for existing suppliers by using “CSR Self Check Sheet.” Furthermore, TAIYO YUDEN Group conducts physical inspection audits for critical suppliers on a regular basis. TAIYO YUDEN Group requests corrective actions from suppliers failing to meet the Group’s criteria as a result of assessment.

#### Result of agreements with “CSR Procurement Guidelines”

Measurement Unit (KPI)	
Rate of agreements with “CSR Procurement Guidelines”	
Result of FY2023	Targets for FY2023 to 2025
99%	100%

#### CSR Procurement Self-Assessment

Until FY2023, TAIYO YUDEN Group had received self-assessments from 535 suppliers. Based on the assessment results, no high risks have been identified from any of TAIYO YUDEN Group’s suppliers.

Measurement Unit (KPI)	
Rate of suppliers in conformance with CSR assessment	
Result of FY2023	Targets for FY2023 to 2025
97%	100%

## ESG / Social Activities


### Health and Safety

TAIYO YUDEN places importance on safety in the environment where our employees work. It works to eliminate work-related accidents and reduce major risks based on the Fundamental Principle of Safety and Health, which states that “Employees are big assets to TAIYO YUDEN. To ensure the employees’ happiness, the safety shall be kept so that employees could work without anxiety and the health of employees are maintained.” Based on this idea of placing importance on safety, we incorporated an indicator concerning safe and secure workplaces as one of our social values in the KPIs which are the targets in the medium-term management plan 2025. For the specific targets we set an incidence rate of injuries and illness of less than 0.016 and an accident frequency rate of less than 0.08. These are levels which are substantially lower than the average for the Japanese manufacturing industry. Currently, we are advancing activities to prevent industrial accidents for achievement of the target incidence rate of injuries and illness and the target accident frequency rate by clarifying action targets for each of the 5Ms (Man, Machine, Method, Material, Measurement) for achievement of the medium-term targets by FY2025. Regarding FY2023, the incidence rate of injuries and illness was 0.020 and the accident frequency rate was 0.10.

#### Example Initiatives in FY2023

- As a result of visualizing the effects of protective equipment on workers and strengthening the training on the right way to wear it, it was confirmed at the Safety Awareness Survey that improvements had been made.

#### Medium-term Occupational Health and Safety Targets

Results and Targets			5Ms for Medium-term Targets	
Incidence rate of injuries and illness	Accident frequency rate		Man	Intensive basic training and fostering "Awareness of safe behavior"
			Machine	Enhancing the level of facility safety design for designers
			Method	Safe work without inconsistencies
			Material	Minimization of toxicity and danger of chemical substances
			Measurement	Strengthening of checking system
FY2025 Targets				
Less than 0.016	Less than 0.08			
FY2023 Results				
0.020	0.10			

\*The accident frequency rate for domestic manufacturing was 1.29, and it was 0.54 for the electronics industry (both for FY2023)

### Materials Procurement Activities

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

#### Initiatives for CSR Procurement

##### ■ CSR Procurement Policy

The TAIYO YUDEN Group established the “CSR Charter” and the “CSR Code of Conduct” and promotes CSR activities in order to fulfill corporate social responsibility. We endeavor to carry out socially responsible procurement that complies with both the CSR Charter and the CSR Code of Conduct. We also share our procurement initiatives with our suppliers, distributing to them the “CSR Procurement Guidelines” that outline the items we require them to comply with, obtaining their consent to the compliance items, and carrying out transactions. Our policy for socially responsible procurement is to ensure that every part of the supply chain, including the suppliers, complies with our CSR Procurement Guidelines. In order to assess these initiatives, we also regularly distribute “CSR Self Check Sheet” to our suppliers, and use the results to gauge how socially responsible our procurement is. Where necessary, we work together with our suppliers to implement improvements.

##### ■ Responsible Minerals Procurement Policy

There are concerns that the minerals such as tin, tantalum, tungsten, gold (3TG), cobalt, and mica 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. To fulfill 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. Furthermore, TAIYO YUDEN Group requests suppliers to procure minerals from the refiners/smelters approved by globally recognized frameworks such as RMI.

### 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.

#### Example Initiatives in FY2023

##### ■ Arts and crafts workshop

We participated in an event for children that promoted hands-on experiences to enjoy science and held an arts and crafts workshop for elementary school students.

Refer to this page for information on other initiatives.

##### Social Contribution

<https://www.yuden.co.jp/en/sustainability/society/contribution/>