TAIYO YUDEN's Management Capital

Capital	FY2024 Achievement	Initiatives to Reinforce Our Management Capital
Financial capital ■ Sound financial structure	■ Total assets ¥**573.1** billion ■ Equity ratio **55.6**%	We are working to improve our ROIC and, especially, our profit margins. We are focusing on high-value-added zones, determined through profitability evaluations, while at the same time making adjustments in areas such as our balance of fixed costs. This includes selling off or pulling products with low future growth potential and implementing structural reforms in businesses with declining profitability. Many of our businesses are in markets whose environments are subject to dramatic change, so we strive to improve our equity ratio and maintain our financial soundness while also introducing DOE (the dividend on equity ratio) as a key metric to provide shareholder returns with a strong focus on stability.
Intellectual capital ■ Core technologies that create cutting-edge products	■ R&D expenses ¥**15.0** billion ■ Number of Patents Held **1,496** (Japan) **2,172** (Overseas)	Based on our R&D slogan, "innovative advance," we strive to develop products with a focus on overall optimization, from the development of cutting-edge materials to mass production. We are also enhancing our capabilities in the high-end and high-reliability segments. In our intellectual property activities, we create, protect, and utilize intellectual property through management methods optimized for individual businesses.
Manufacturing capital ■ Global production system to maintain a steady supply of products	■ Number of production bases **21** ■ Capital investment ¥**64.1** billion	We have production bases in five countries including Japan, through which we strive to maintain a steady supply of products. We use ongoing capital investment to improve our production capacity with an eye toward future growth and also to improve productivity.
Human capital ■ Hiring and developing diverse personnel to drive our management strategies	■ Number of employees (consolidated) **20,779** ■ Training expenses per employee **100,414** yen	We recruit a diverse workforce, promote global management, nurture and advance the next generation of business leaders, and implement various training and educational programs that empower employees, including initiatives that promote women's participation.
Social/related capital ■ Sustainability activities based on global standards ■ Building and maintaining trust-based relationships with business partners	■ Number of years since founding **75** ■ Number of years since public listing **55** ■ Business sites in **13** countries and regions	We comply with all applicable laws, regulations, and international rules and we live up to our corporate social responsibility. By doing so, we earn the trust of our stakeholders. We also strive to establish greater mutual trust with our business partners and develop together through activities such as regular assessments and briefing sessions.
Natural capital ■ Minimization of energy usage in product manufacturing ■ Sustainable use of resources	■ Energy (electricity) consumption **1,037,396** MWh ■ Water use **4,259,000** m^3	We strive to contribute to the achievement of global environmental targets, recognize the importance of disclosing climate-related financial information, and endorse the TCFD. We also conduct GHG emissions surveys of our business partners and support them in calculating their emissions volumes with the aim of reducing GHG emissions from the entire supply chain.