Human Resources Strategy

Officer's Message



Miyuki Tsunegi
Operating Officer in Charge of Human Resources, General Affairs

Supporting Sustainable Well-Being: The Power of People and Organizations

As a manufacturer of electronic components, TAIYO YUDEN plays a role in the evolution of electronics technology while aiming to contribute to the realization of Sustainable Well-being in society at large. When formulating the Medium-Term Management Plan 2030, this was once again clearly articulated in terms of the value we aim to provide to society. The source of the realization of this vision is HR Well-being, which maximizes the power of people and organizations. Our Human Resources Strategy is a key management priority that supports the enhancement of corporate value, and thus we place great importance on treating that strategy as something to be advanced in an integrated manner with our business strategy.

To date, the Company had been growing by seeing as its strengths its employees' integrity and steadfastness, and their ability to see tasks through with dedication. To achieve further growth amid significant changes in the business environment, we must build upon our existing strengths by having each employee think more autonomously, express their opinions, and create value while engaging with those around them. What is required is not merely individual growth but also the ability to harness that strength at the organizational level and establish it as an organizational practice. As HR Well-being serves as the foundation for this very purpose, we have newly defined an HR Well-being Index to present its status in visual form and have positioned it as a management indicator under the Medium-Term Management Plan 2030.

Presenting Human Resource Capabilities in Visual Form, Creating a Growth Cycle

We are organizing the elements that make up HR Well-being, visualizing the current situation, identifying issues in each division, and implementing initiatives for improvement. Reassessing each initiative, including human resource development, respect for diversity, and health management, as being interrelated, we will link them to employee engagement, a sense of growth, and increased productivity, which will ultimately lead to enhanced corporate value.

In the case of human resource development, we place emphasis on the early development of young employees into fully productive professionals and cultivating the next generation of leaders. We designate the first few years after joining the Company as an intensive development period, during which we cultivate personnel capable of delivering results in their respective workplaces, and subsequently develop them into individuals capable of leading the organization with a broader perspective. With regard to candidates for future executive positions, we will also manage the selection, development, and placement processes as an integrated flow centered on succession planning, thereby increasing both the number and quality of candidates.

As regards respect for diversity, we are addressing the promotion of women's active participation as one of our key priorities. Together with actively recruiting, developing, and promoting women, we are striving to provide childcare support, establish systems that enable employees to change job functions or roles, enable flexible working styles, encourage changes in mindset, and develop a supportive corporate culture. Through these initiatives, we will build a virtuous cycle to generate value while engaging with those around them by creating environments in which diverse talents can confidently take on challenges and grow.

From the perspective of health and productivity management, we are positioning the safeguarding of employees' physical and mental health as the foundation for sustainable growth. Not merely a matter for the individual, health is a crucial factor that underpins corporate competitiveness. By advancing initiatives designed to improve lifestyle habits and reduce presenteeism*, we will foster an environment in which employees can work with vitality, thereby boosting the vitality of the entire organization.

* The condition by which an employee is present at work but their productivity is reduced due to health issues.

Communicating Results as a Value Creation Story

We will continue to communicate the results of these initiatives in a clear and easily understood manner. We will actively communicate how the enhancement of HR Well-being contributes to the growth of our people, the revitalization of our organization, and the creation of economic and social value.

TAIYO YUDEN will continue to enhance the power of its people and organizations, aiming to remain a company that contributes to society and where employees can work with pride, take on challenges, and experience growth.

That is why we are convinced that this will be the driving force behind the Company's sustainable growth and the enhancement of its corporate value.

Basic Policy

The Group espouses "employee well-being" as one of its management principles and regards human capital as the source of corporate value creation.

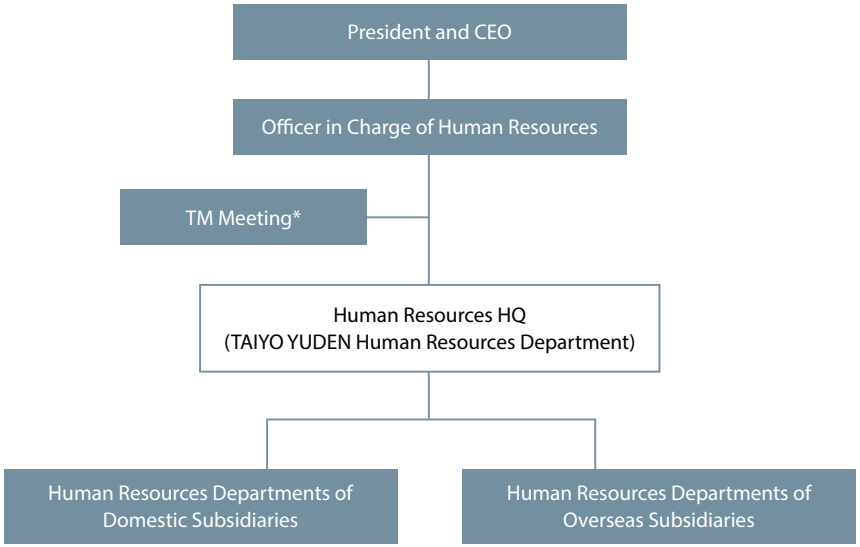
As set forth in our business strategy, to realize the continuous creation of high-value-added products, establish a global supply system, and rapidly respond to technological innovation, it is essential we secure and develop the human resources who support these efforts and enable them to perform to their full potential, and we recognize that promoting human resources strategy in conjunction with management strategy is an important management issue.

Human Resources Strategy

Human Resources Strategy / Social (S) / Sustainability

Governance Structure

Initiatives related to human capital are overseen by the Executive Officer in charge of Human Resources, with the Human Resources Department responsible for formulating strategies and policies and implementing measures. We also regularly monitor the progress of various indicators and measures, and report the details to the TM Meeting and Board of Directors.



*TM Meeting: Abbreviation of Top Management Meeting, which is a meeting body to discuss matters concerning personnel and organization

Review of Medium-Term Management Plan 2025

Under the Medium-Term Management Plan 2025, we set indicators related to work engagement and diversity as key indicators related to human capital, continuously monitored them, and implemented measures aimed at their improvement.

Regarding work engagement, we set a target value of 2.5 or higher as an indicator of pride and a sense of fulfillment from their work, made efforts to create workplace environments where employees can maximize their capabilities, and promoted advances in human resource development measures. Despite various efforts, including measures to improve the working environment through management training for managers and supervisors, the FY2025 work engagement score was 2.28, falling short of the target.

In pursuit of diversity, we have been working toward the target of ensuring that at least 30% of new graduates hired are women, and that the proportion of women in management positions reaches 10% or higher by FY2030. For the Group to grow sustainably, we believe it essential that a diverse group of people with various differences in nationality, culture, gender, generation, length of service, and other attributes interact with and stimulate each other, thereby creating new value. To this end, we foster an environment in which everyone can play an active role by formulating and implementing an action plan to promote the advancement of women. As a result, as of April 1, 2026, the ratio of female new graduate hires was 30.8%, achieving the target, while the ratio of women in management positions was 7.7%, demonstrating steady progress.

Medium-Term Management Plan 2030

Under the Medium-Term Management Plan 2030, we aim to realize "Sustainable Well-Being" across all business activities, and we are working to improve productivity and sustainably enhance corporate value by promoting the well-being of our employees and the organization as a whole. We identified the realization of HR Well-being, the acceleration of human resource development, respect for diversity, and health and productivity management as key priorities, and established indicators and targets in an effort to make improvements in each of these areas.

Indicators and Targets

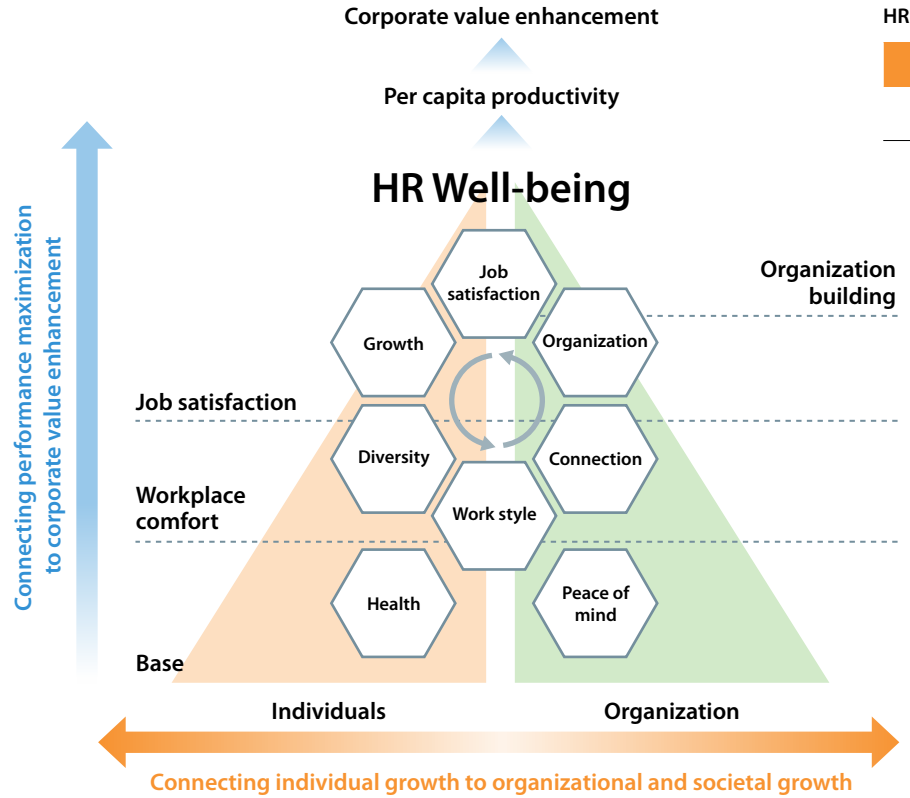
Key themes	Indicators	FY2030 (targets)
Realize HR well-being	HR Well-being Index	Improve 10% or higher
Accelerating human resource development	Training expenses	Peer benchmark level
Respect for Diversity	Female manager ratio	10% or higher
	Employment rate of persons with disabilities*1	Above legal employment rate*2
	Female hires ratio	30% or higher*2
	Ratio of men taking parental leave	85% or higher
Health-Oriented Management	Subjective vitality index	80% or higher

*1 TAIYO YUDEN CO., LTD., and domestic Group companies
*2 Target values to be continuously achieved each fiscal year during Medium-Term Management Plan 2030

HR Well-Being

TAIYO YUDEN views the growth of its people and organization as the foundation for enhancing corporate value, and positions the realization of "Human Resources (HR) Well-being" at the core of its human resources strategy.

The HR Well-being concept involves each employee fully demonstrating their capabilities and motivation, as well as the establishment of an organizational environment that supports this. Based on factors such as peace of mind, health, work style, diversity, growth, job satisfaction, and organizational culture, we established our own "HR Well-being Index" as a metric to quantitatively assess these areas. We position this index as a key management indicator and, through ongoing monitoring and improvement initiatives, are working to cultivate an organizational culture that contributes to enhancing both workplace comfort and job satisfaction.



HR Well-Being Index

Target
Improve 10% or higher

Accelerating Human Resource Development

With the aim of establishing a human resource base that supports sustainable growth, we are making efforts to advance human resource development through systematic training, assignments, and promotions.

Specifically, we are promoting succession management, conducting recruitment and placement based on our human resource portfolio, systematically developing managers and next-generation leaders, and optimizing development initiatives based on assessment results. Through these efforts, we are promoting skills development tailored to each role, ranging from future business leaders to highly specialized professionals.

Developing Future Leaders

At TAIYO YUDEN, in order to achieve the Medium-Term Management Plan 2030, we are systematically strengthening our pipeline of management talent in anticipation of changes in the future scale of our businesses and business portfolio.

Specifically, we use succession plans as a starting point to clarify the roles and capabilities required of future executive candidates, and promote the integrated management of evaluations, development, and placements.

Additionally, through selective leadership training programs for next-generation leaders, practical problem-solving exercises, and efforts to strengthen communication and strategic thinking skills, we are developing diverse leadership capabilities that extend beyond managerial positions. When selecting candidates, we also comprehensively review evaluation results, assessments, and expected roles to identify the qualities necessary for future executives.

Through these initiatives, we aim to enhance the quality and speed of decision-making in response to changes in the business environment, and continuously develop management talent capable of providing stable support for global business operations.

Employee Training

At TAIYO YUDEN, we view employee training expenses as more than simply training costs—they are an investment in the human capital which will support future competitiveness. In addition to extensive investments in training to date, we are currently strengthening our focus on key employee groups, primarily managers and leaders, to enhance those capabilities that directly contribute to the realization of business strategies.

Specifically, by combining training tailored to key issues, programs for cultivating the next generation, and general education supporting global expansion, we are both improving core competencies across the entire company, and focusing investments on human resources who will drive future growth. We revise training themes and target audiences in response to changes in business strategy and human resource portfolio, and prioritize delivering the necessary learning to essential human resources rather than focusing on the training expense amounts themselves.

Through these initiatives, we aim to translate the enhancement of individual employee capabilities into higher organizational productivity, the development of future leaders, and ultimately the enhancement of corporate value over the medium to long term.



Manufacturing personnel training

Employee Training Expenses (TAIYO YUDEN CO., LTD.)

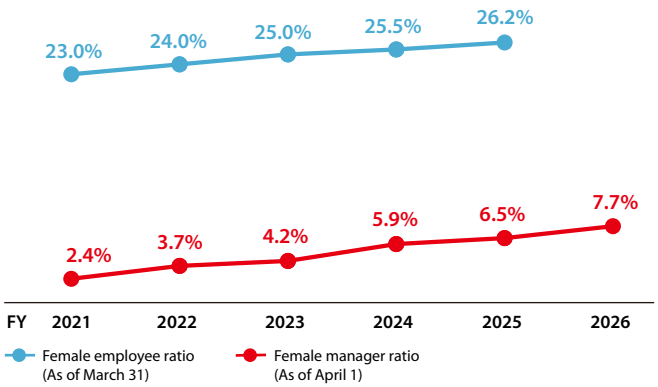
	FY2022	FY2023	FY2024	FY2025
Total training expenses (Unit: 1,000 yen)	230,026	258,541	294,011	205,778
Training expenses per employee (Unit: yen)	79,237	90,621	100,414	73,440

Respect for Diversity

At TAIYO YUDEN, we believe that the promotion of diversity that leverages individuality is a source of corporate competitiveness, and we aim to improve human resource and organizational capabilities by cultivating a mindset and establishing an environment that enables diverse human resources to play active roles, and implementing human resource development measures.

In terms of specific initiatives, we are conducting various training programs, while also making efforts to promote information sharing and networking through articles in Group newsletters and employee networking events. We also actively dispatch employees to external training programs.

Percentage of Female Employees (TAIYO YUDEN CO., LTD.)



Indicators

To realize diversity, we have set targets to be achieved by FY2030 for the female manager ratio, the employment rate of persons with disabilities, the female hiring ratio, and the ratio of male employees taking parental leave.

Regarding the ratio of women in management positions, we are working to create a supportive environment by formulating and implementing action plans to promote the active participation of women, with the goal of increasing the ratio to 10% or higher in FY2030.

To enable motivated employees to advance further in their careers, we are enhancing systems, including the establishment of a career transition program enabling employees in clerical positions to transfer to general positions.

Regarding the employment of persons with disabilities, we are implementing measures including support for retention after employment, and will maintain an employment level that exceeds the legal employment rate.

The female hiring ratio is an indicator established with the aim of increasing employee diversity. We aim to maintain a female hiring ratio of at least 30% among new graduate hires, and are focusing on securing exceptional human resources.

We also recognize that encouraging both men and women to take parental leave is essential for promoting diversity, and we have established a parental leave system that exceeds legal requirements. To deepen understanding between employees who are expecting a child and their supervisors, we distribute guidebooks on balancing careers and childcare to both and conduct awareness-raising and educational activities using e-learning and other methods. We aim to increase the ratio of men taking parental leave to 85% by FY2030.

Detailed data is provided below.

Diversity

Diversity / Social (S) / Sustainability

Column

Promoting Women's Empowerment Through Cross-Industry Co-Creation

For the four years from FY2022 to FY2025, TAIYO YUDEN participated in Women's Summit Tokyo (WST), a cross-industry exchange program. WST brings together companies in the Greater Tokyo Area that are proactively engaged in promoting of women's participation, regardless of industry, and offers a program in which mid-career female employees expected to become next-generation leaders learn about business leadership.

In FY2025, the Gunma Prefecture Manufacturing Cross-Industry Co-Creation Project, an initiative focused on advancing women's participation and career development in the manufacturing industry, was launched to develop the leadership skills of female employees in the Research and Development Laboratory and business divisions. TAIYO YUDEN has participated in the project since the planning and proposal stage.

In this project, we develop activities starting with a presentation on Diversity, Equity, and Inclusion (DE&I) at the kickoff seminar and a panel discussion featuring members of senior management from the participating companies. Additionally, through seminars promoting women's participation in the workforce and work style reforms, factory tours at participating companies, and the exchange of views, we will share and analyze the challenges faced by each company, leading to the development and implementation of concrete improvement measures. In addition to fostering the leadership skills of each participant, we aim to build a network that transcends corporate boundaries and promote collaboration to advance local industry and resolve local challenges. Through these efforts, we will contribute to enabling the manufacturing sector to demonstrate leadership in local communities.



Health-Oriented Management

TAIYO YUDEN defines HR Well-being as a state in which the growth of employees—the source of corporate value—and the growth of the organization mutually reinforce one another. By creating an environment where each and every employee can perform to the best of their ability, we aim to improve productivity and sustainably enhance corporate value.

To achieve HR Well-being, we consider maximizing employee potential to be a key theme. By monitoring the "subjective vitality index*," we are able to visualize whether employees are able to perform at their best while maintaining good physical and mental well-being.

Regarding "Focus 5," established as a lifestyle habits indicator, we continuously monitor performance and quantitatively assess progress of related initiatives. These initiatives aim to increase the subjective vitality index through changes in employee behavior and improvements in the workplace environment. We use these indicators to verify the effectiveness of initiatives and promote more effective Health-oriented management.

* Calculated from the reciprocal of presenteeism measured during stress checks

Focus 5 Trends

Definition		FY2025 Target (%)	FY2025 Actual (%)
Diet	Ratio of employees with BMI 18.5 or more and less than 25	65.3	64.3 ↓
Non-smoking	Ratio of employees with no smoking habits	83.3	83.6 ↑
Exercise	Ratio of employees with exercise habits	28.7	30.7 ↑
Sleep	Ratio of employees who get sufficient rest through sleep	78.3	60.9 ↑
Stress	Ratio of employees not classified for "High stress"	86.3	85.2 ↑

* The arrows show the changes compared to the previous fiscal year

Health-Oriented Management

Health-Oriented Management / Social (S) / Sustainability