

2026

Safety & Environmental Report



TAIYO YUDEN

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Editorial Policy

Why this Report was Published	The Taiyo Yuden Group strives for perpetual growth while fulfilling its corporate social responsibilities. We regard endeavoring to improve safety and the environment as an important social responsibility, so promote such activities on a global scale. Every fiscal year, we publish a Safety and Environmental Report presenting our goals, our efforts, major results, and other details in a comprehensive yet easy to understand format.
Intended Readership	This publication assumes a target readership consisting not just of customers and clients, but also local communities in the vicinity of our sites, stockholders, investors, people involved in environmental activities or occupational health and safety, NPOs, NGOs, students, group employees, and a wide range of other stakeholders. We also publish this English version to make the contents available to readers overseas.
Referenced Guidelines	This report follows the Environmental Reporting Guidelines (2018 edition) issued by the Japanese Ministry of the Environment. We have listed the core indicators of environmental performance while referring to the GRI standard. Mixing in charts and figures, it outlines the Taiyo Yuden Group's environmental impact describes our management systems, spotlights current issues and reports on specific measures for improving that impact.
Publication on our Website	This report is published on the Taiyo Yuden website, in consideration of effective use of resources, etc. We hope that this report will help you gain a deeper understanding of our environmental, health, and safety activities, and be used as a reference for making an objective judgment of the Group. Reference : The Taiyo Yuden website https://www.yuden.co.jp/

Scope of Disclosure

Organizations Covered by this Report	This report covers TAIYO YUDEN CO., LTD. and its domestic and overseas subsidiaries. Safety and environment data covers the following Taiyo Yuden Group members: six domestic sites, eight domestic consolidated subsidiaries, and seven overseas consolidated subsidiaries. [Within Japan] TAIYO YUDEN CO., LTD. Takasaki Global Center / Haruna Plant / Nakanojo Plant / Tamamura Plant / Yawatabara Plant / R&D Center / (Hongo Photovoltaic Power Plant) Consolidated Subsidiaries TAIYO YUDEN CHEMICAL TECHNOLOGY CO., LTD. / FUKUSHIMA TAIYO YUDEN CO., LTD. / NIIGATA TAIYO YUDEN CO., LTD. / WAKAYAMA TAIYO YUDEN CO., LTD. / TAIYO YUDEN Mobile Technology Co., Ltd. / Sun Vertex Co., Ltd. / Kankyo Assist Co., Ltd. / ELNA CO., LTD. / (Elna Shirakawa Photovoltaic Power Plant) [Outside Japan] Consolidated Subsidiaries South Korea: KOREA KYONG NAM TAIYO YUDEN CO., LTD. China: TAIYO YUDEN (CHANGZHOU) CO., LTD. China: TAIYO YUDEN (GUANGDONG) CO., LTD. Philippines: TAIYO YUDEN (PHILIPPINES), INC. Malaysia: TAIYO YUDEN (SARAWAK) SDN. BHD. Malaysia: ELNA (MALAYSIA) SDN. BHD. Thailand: ELNA (THAILAND) CO., LTD.
Period Covered by this Report	This Report focuses on our performance from April 1, 2025 to March 31, 2026. (Date of any activities which have taken place outside this period are specified).
Date of Issue	July 2026 (Previous issue: July 2025; Next issue scheduled for July 2027)

Safety and Environmental Management System 2-1

02

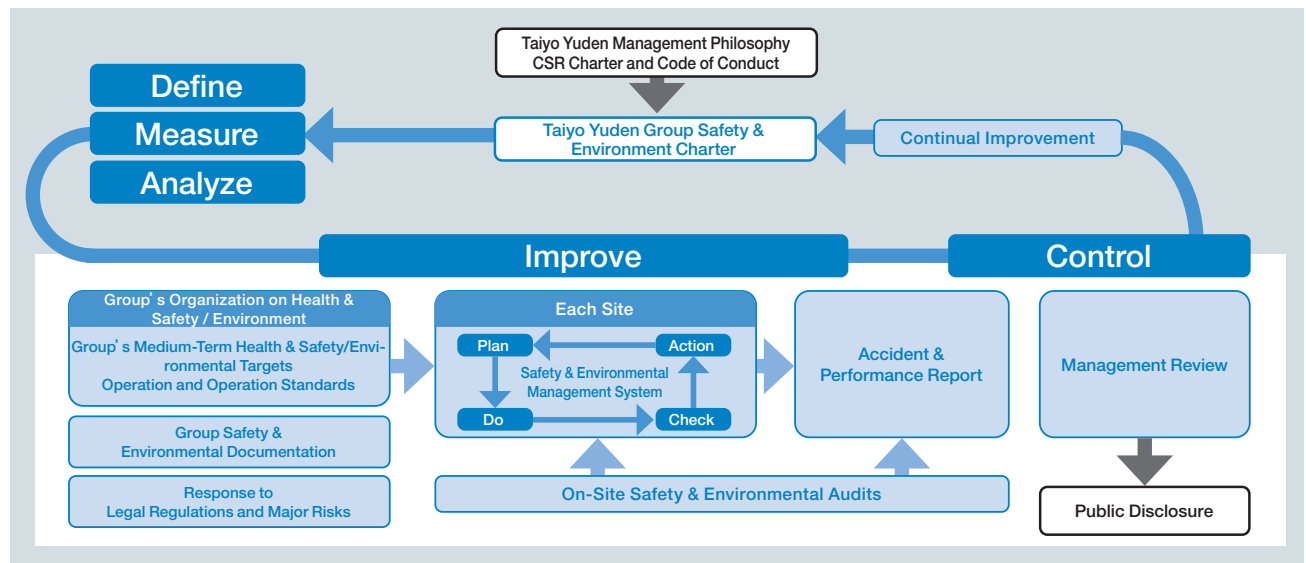
Our group-wide Safety and Environmental Management System keeps individual activities proceeding toward common goals under a common philosophy.

System Overview

This management system consists of long- and short-cycle activities.

In the long-cycle activities, which are designed for the entire group, we are making continuous improvements based on common goals and criteria by checking achievements based on reports about site audits and from sites and by reviewing the management system.

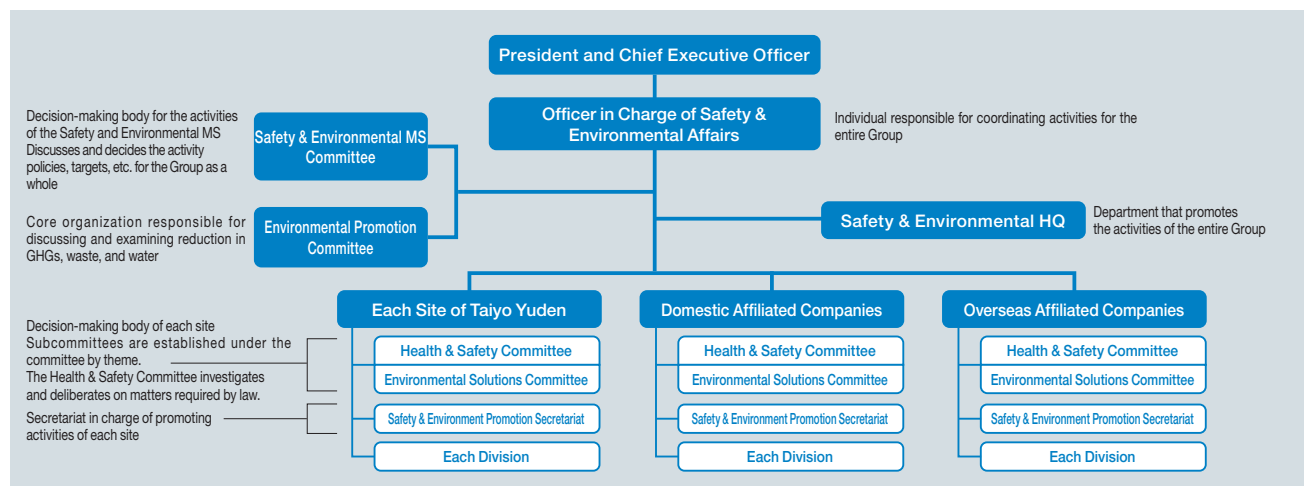
For site-specific short-cycle activities, we have an ISO 14001-compliant management system and the Occupational Health and Safety Management System (OHSMS) in place.



Promotion Structure

The officer in charge of safety and environmental affairs appointed by the President and Chief Executive Officer has overall responsibility for building and managing the promotion structure for Taiyo Yuden's Safety and Environmental Management System.

Safety and Environmental MS Committee, the Environmental Promotion Committee debate and decide policies and issues to be addressed. Each manager of sites then converts his/her decisions into actual plans matching the characteristics of each site, and takes charge of publicizing, enforcing and promoting these concrete targets.



* MS stands for the management system.

* HQ stands for Headquarters.

* The Health and Safety Committee elects company and worker representatives.

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Certification Acquisition Status

The Taiyo Yuden Group is ISO 14001 certified for its production sites and development centers. In addition, we address corporate responsibility in the global supply chain, and the group undergoes the Validated Assessment Program (VAP) audits by the Responsible Business Alliance (RBA) on a continuous basis in line with the set plan.

List of Certifications Acquired

Location	Name of Sites	Acquired ISO14001 Certification	Certification authorities
Japan	TAIYO YUDEN CO., LTD. Takasaki Global Center, Haruna Plant, Nakanojo Plant, Tamamura Plant, Yawatabara Plant, R&D Center	22046582 (as of Oct. 1998) Collectively certified in Japan	BV
	TAIYO YUDEN CHEMICAL TECHNOLOGY CO., LTD.		
	FUKUSHIMA TAIYO YUDEN CO., LTD.		
	NIIGATA TAIYO YUDEN CO., LTD.		
	WAKAYAMA TAIYO YUDEN CO., LTD.		
	TAIYO YUDEN Mobile Technology Co., Ltd.		
	Kankyo Assist Co., Ltd. ELNA CO., LTD.		
South Korea	KOREA KYONG NAM TAIYO YUDEN CO., LTD.	KR004983 (as of Mar. 2002)	BV
China	TAIYO YUDEN (CHANGZHOU) CO., LTD.	CN055260 (as of Jun. 2025)	BV
	TAIYO YUDEN (GUANGDONG) CO., LTD.	CN057234 (as of Dec. 2001)	BV
Philippines	TAIYO YUDEN (PHILIPPINES), INC.	PH13/0920 (as of Nov. 2001)	SGS
Malaysia	TAIYO YUDEN (SARAWAK) SDN. BHD.	EMS00226 (as of Oct. 2002)	SIRIM
	ELNA (MALAYSIA) SDN. BHD.	17318-E (as of Dec. 2003)	Kiwa
Thailand	ELNA (THAILAND) CO., LTD.	04 104 990506 (as of Mar. 2004)	TUV

Safety and Environmental Audits

04

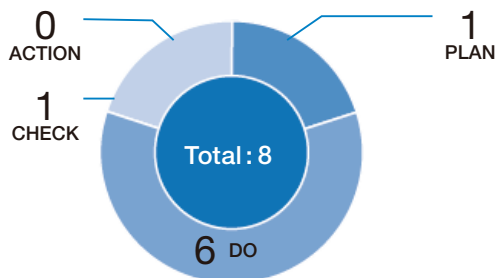
Triple audits evaluate each site's compliance, accident risk management, and the environmental impact situation aimed at producing continuous improvement.

External Audits

ISO14001 certification audits by certification authorities

Sites with ISO14001 certification underwent the audits required to update or maintain such certification. These audits uncovered 8 nonconformities. The root causes were analyzed and corrective action was promptly taken in response to each issue. The nonconformities were minor issues related to the management systems and would not directly cause environmental pollution or occupational accidents.

Number of Nonconformity Instances Found with External Audits



Nonconformity Examples

Details of nonconformities

The procedures for reviewing the emergency response drills that had been conducted were insufficient.

Some waste containers had deficiencies in their identification labels.

Corrective/remedial actions taken

The relevant rules were revised to ensure that emergency response procedures are reliably reviewed, and training was implemented to the personnel concerned.

The rules on identification labels for waste containers were revised, and training was implemented to the personnel concerned.

The RBA-VAP audits for FY2025 have been completed at 5 domestic sites and 3 overseas sites.

Internal Site Audits

Audits of site safety and environmental activities at regularly scheduled intervals allow us to compare sites.

Domestic sites: Once every two years
Overseas sites: Once every three years

In FY2025, site audits were conducted to verify compliance with customer requirements and the safety, health, and environmental requirements of the RBA Code of Conduct, as well as the implementation status and maintenance of safety and environmental risk countermeasures. During the audits, auditors reviewed documents and conducted on-site inspections regarding such matters as the controls for potential hazards based on customer and RBA requirements, management of required protective equipment, emergency preparedness, management of chemical substances, waste, air quality, and water quality, and education and training.

The audits revealed deficiencies in the areas of protective equipment management, fire extinguisher management, and labeling management.

We aim to improve the level of health, safety, and environmental protection activities for the whole group by globally incorporating societal requirements in a timely manner and sharing the results after benchmarking products from all sites.

Issue Examples

There were some deficiencies in the management of protective equipment inspection records.

Materials placed around some fire extinguishers obstructed access to them in the event of use.

Some deficiencies were found in the information shown on the GHS* labels on waste liquid containers.

* GHS: The Globally Harmonized System of Classification and Labelling of Chemicals

Internal Audits

Audits targeting site departments on observance of safety and environment laws, target achievement, and performance.

Once or twice every year

All sites conducted internal audits of their departments in accordance with their management systems. Priority areas were determined for each site, and 20 nonconformities were uncovered as a result of conducting internal audits (at sites in Japan). Corrective action was completed in all cases without delay, and after a follow-up check, it was reported to the top management that the management system has been effective in complying with the Taiyo Yuden Group's policies and goals.

Other Audits

On-site inspection of waste disposal contractors (Sites in Japan)

During FY2025, we inspected and audited 22 companies (5 collection, delivery, and intermediate processing companies; and 17 intermediate processing companies). The results showed that all inspected operators are processing and disposing of waste appropriately. The operators have also been classified into three ranks from the results of these inspections, with the frequency of future inspections varying depending on the rank of the operator.

Safety and Environmental Risk Management

05

Various types of regularly scheduled training are implemented to respond to sudden accidents, disasters, and other risks, with the objectives of early discovery, rapid response, prevention and mitigation.

The Taiyo Yuden Group reconfirms appropriate procedures and strives for continuous improvement.

Firefighting Training



Yawatabara Plant

We conducted initial firefighting training using fire extinguishers. (October 2025)



TAIYO YUDEN CHEMICAL TECHNOLOGY

We conducted water discharge firefighting training using outdoor fire hydrants. (July 2025)



TAIYO YUDEN (GUANGDONG)

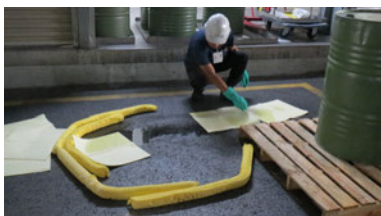
We conducted fire extinguisher handling training using powder fire extinguishers. (June 2025)

Emergency Training for Spillage of Chemical Substances



Nakanojo Plant

We conducted recovery training on the basis of the assumption of a chemical substance leak. (December 2025)



TAIYO YUDEN (SARAWAK)

We conducted spill containment and recovery training on the basis of the assumption of a chemical substance leak during transportation. (July 2025)



ELNA (MALAYSIA)

We conducted spread prevention training assuming that a chemical substance leaked. (May 2025)

Evacuation and Medical Emergency Training



Haruna Plant

We conducted training on CPR procedures and the use of AEDs. (August 2025)



NIIGATA TAIYO YUDEN

We conducted evacuation drills on the basis of the assumption of an earthquake occurring at night. (November 2025)



KOREA KYONG NAM TAIYO YUDEN

We conducted training on transporting and handing over injured persons in the event of a fire with the supervision of the fire department. (October 2025)

Removing Soil Contamination

The investigation was conducted in accordance with the Soil Contamination Countermeasures Act at Haruna Plant, and countermeasures were implemented.

Environmental Accidents

No accidents that could affect the surrounding environment have occurred.

Measures for Prevention of Fire and Explosion

We have established our own voluntary standard on the three elements of combustion (combustibles, oxygen, and heat sources) as prevention measures for fire and explosion, and we implement measures and conduct management accordingly. In addition, we conduct training on firefighting/evacuation every year in preparation for the breakout of a fire. No fire or explosion has occurred.

Employee Enrichment through Safety and Environmental Training

06

We provide a variety of training programs covering both general and specialized knowledge to promote employees' awareness of preventing occupational injury and illness, as well as active participation in environmental conservation.

Training Structure

Name	Category	Purpose	Main Subjects
General Training	Awareness	Raising new recruits' awareness of occupational health and safety and environmental preservation, and ensuring they understand environmental problems pertinent to companies	General theory of Safety, Health, and Environment/ Status of Safety, Health, and Environment at the Taiyo Yuden Group
		Deepening all employees' understanding of the Taiyo Yuden Group Safety, Health, and Environment Charter and Course of Action, and teaching them the skills to act accordingly	Management system (including the Safety, Health, and Environment Charter) / Mental health
		Understanding potential hazards and environmental impact with regard to divisional health and safety/environmental activities and work	Division activities / Matters for compliance in work
Health & Safety Training	Abilities	Deepening understanding of the role of the duty for employee safety required by legal regulations and teaching foremen skills to instruct their subordinates regarding health and safety.	Role of the General Manager of Health and Safety / Role of management / Role of foreman / Chemical substance management / Hazardous material management
		Teaching of specialized skills to operators of forklifts, cranes, and other heavy equipment, as well as managers of processes that handle organic solvents and the like, and employees involved in these tasks	Workplace restricted duties / Training for specific tasks / Prevention of static electricity accidents
		Teaching the skills to recognize risks and creating a safe and sanitary workplace	Risk assessment / Health and Safety targets / Cases of Health and Safety improvements / Causes of Health and Safety accidents and their countermeasures
Environmental Training	Abilities	Teaching special skills to managers and relevant employees involved with equipment and facilities for which a legal notification is required	Management to prevent deterioration of water quality / Management to prevent air pollution / Waste management
		Training skills to integrate business activities with environmental activities in order to balance an improvement in our environmental impact with improved resource productivity	Chemical substances and their environmental impact / Environmental targets / Cases of environmental improvements / Causes of environmental accidents and their countermeasures

Training Examples

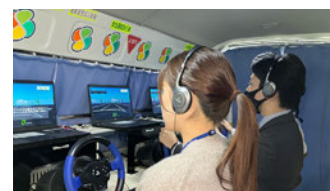
General Training

Holding events related to health and safety

We hold various events related to health and safety at all sites and these events provide opportunities for employees to raise their awareness and develop their abilities. Examples include health classes on stretching techniques to help reduce fatigue and driving aptitude tests using a driving simulator.



Health Seminar



Driving aptitude assessment

Occupational Health and Safety Training

Training on how to wear the respiratory protective equipment

Training was conducted on the proper way to wear masks, including mask positioning and strap tightness, while using measuring equipment to assess mask-to-face fit in real time.

Aerial work safety measures training

Practical instruction on the proper way to wear a full-body harness safety belt and how to use ropes and equipment in order to prevent falls when working at heights was provided by an external instructor.



Training on how to wear the respiratory protective equipment



Aerial work safety measures training

Environmental Training

Training for wastewater treatment facility managers

Training was conducted for wastewater treatment facility managers on such topics as trends in water quality laws and regulations, the latest water treatment technologies, and the fundamentals of industrial wastewater treatment, including on-site practical training.

GHG Emissions Reduction Training

To continuously promote initiatives to reduce GHG emissions, training was conducted on the relationship between business activities and GHG emissions, as well as specific measures for reducing emissions.



Training for wastewater treatment facility managers



GHG Emissions Reduction Training

Environmental Accounting

07

We promote efficient environmental management by introducing environmental accounting to clarify the expenses incurred by our sites in Japan for their environmental protection activities.

Environment Maintenance Costs

Type of cost		Expenses (million yen)	Investment (million yen)	Main items
Business unit area costs		2,115	607	
Breakdown	Pollution prevention	874	26	Monitoring and measurement of atmosphere, water quality, noise, vibration, and soil; preparations for and responses to emergencies
	Conservation of global environment	121	189	Ozone depleting substance emission reduction, water quality improvement, exhaust gas purification, resource conservation
	Cost for global warming prevention	517	384	Greenhouse gas emission reduction, energy conservation
	Resource recycling costs	603	8	Waste management, and outsourcing of waste treatment; reduction of waste; recycling
Upstream / downstream business activities		10	—	Activities to improve the environmental impact of products, green procurement
Management activity costs		467	—	Building and operating an EMS; surveillance audits; environmental training; costs for operating secretariat; department operations costs
R&D		181	—	R&D costs to improve the environmental impact of product processes etc.
Social activities		18	—	Donations to environmental groups; participation in communities' global environmental preservation events
Response to environmental damage		82	—	
Total		2,873	607	

Environment Maintenance Effectiveness

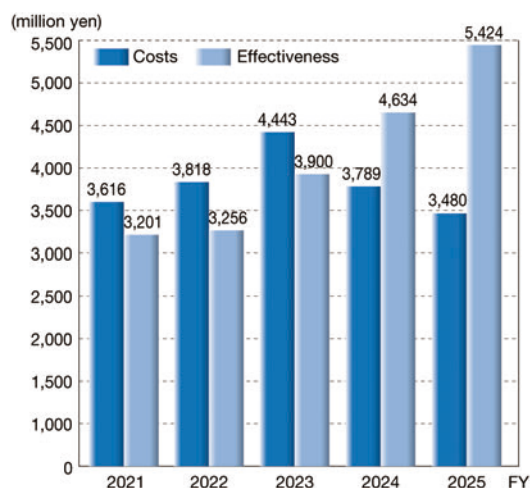
We calculate the economic effects only for those activities clearly improving our environmental impact.

Type of effectiveness	Economic effect (million yen)	Effects on amounts*	Main items
Energy saving	1,177	17,404kL	Improvement in productivity; improvement in energy management method
Conservation of resources	66	25,627t	Reduction of the amount of materials and resources used
Reduction in waste, and recycling	4,181	7,307t	Improvement in recycling rate
Total	5,424		

* "Effects on amounts" indicate the calculated difference with the case where no activities are conducted to improve our environmental impact.

* No penalties related to the environment have been paid.

Trends in Environmental Accounting



Environmental Accounting Standards

1. The sum total of the costs for complying with environment-related laws and regulations, the costs incurred purely for the purpose of improving our environmental impact, and the EMS operation costs are calculated. However, in cases where environmental preservation costs partially overlap the costs for other purposes, the latter shall be deducted and the balance shall be applied.
2. Depreciation costs shall be the current fiscal year's depreciation expenses at the environmental conservation facilities.
3. If a clear-cut distinction cannot be made between the environmental cost and that for other purposes, if 50% or more of the content is environment-related, the full amount can be counted as the environmental preservation cost.
4. The cost-effectiveness by saving energy is yielded from the reduction of either the rated dissipation or the operating time or both.
5. The cost-effectiveness by reducing and recycling waste is calculated as follows:

Lowered costs through reducing waste and recycling =

$$[\text{Unit cost of waste treatment in the prior fiscal year (JPY/ton)} - \text{Unit cost of waste treatment in this fiscal year (JPY/ton)}] \times \text{Amount of waste generated (tons)}$$

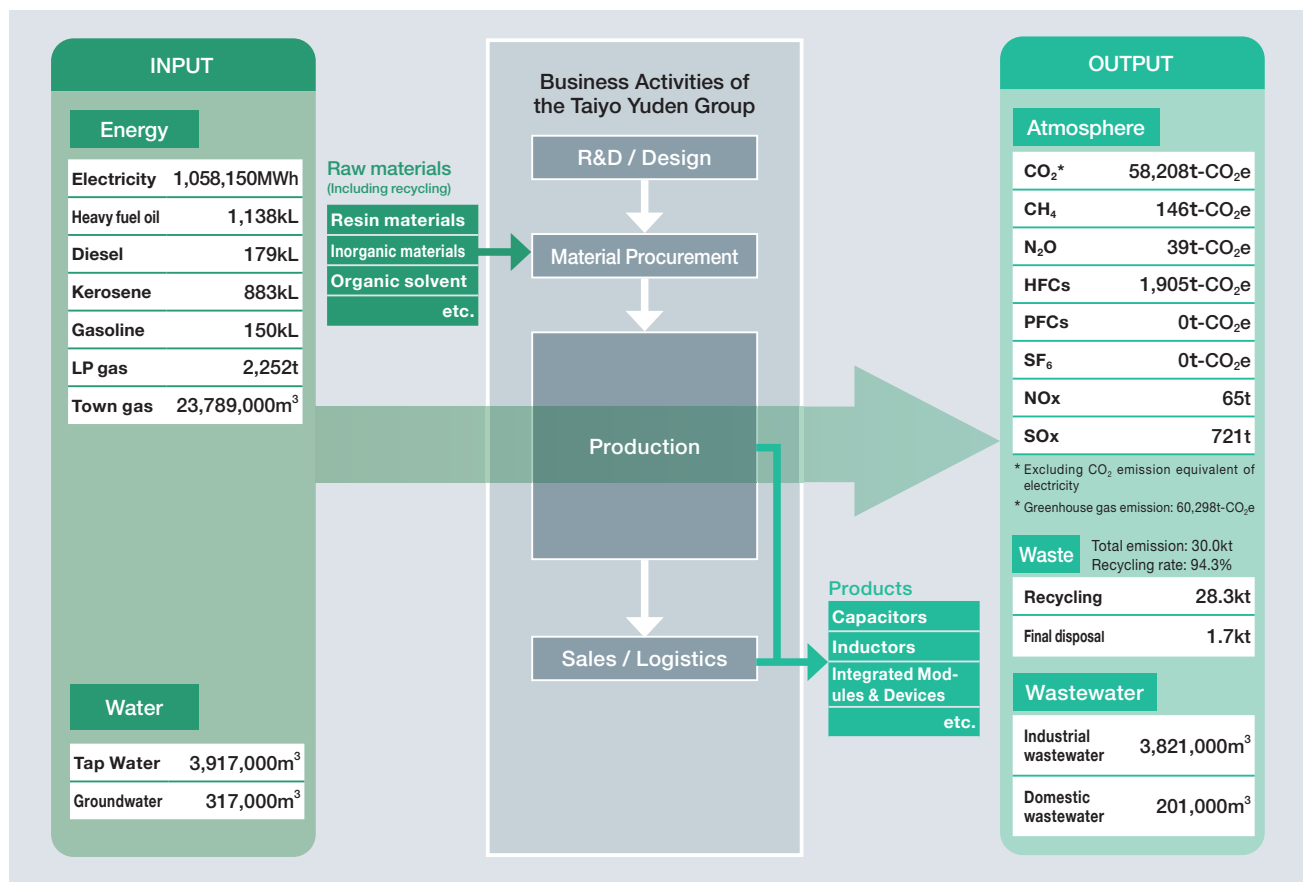
Determining Environmental Impact of Corporate Activities

08

Detailed understanding and analysis of the environmental impact of corporate activities is a prerequisite to devising various measures to improve this.

Material Balance

The Taiyo Yuden Group primarily produces electronic components for delivery to our customers, set manufacturers. These electronic components have a life cycle with only a small environmental impact during use. The bulk is during production, with the main environmental impact arising from energy and water consumption, emissions (including CO₂) in the course of manufacture, waste and wastewater. The Taiyo Yuden Group is striving to improve our 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. The Taiyo Yuden Group products are used in electrical and electronic equipment, automobiles, and other products which become waste once their product lifetime is over. We are therefore also striving to remove hazardous substances from these products.



Reasons for Changes from FY2024

In FY2025, heavy oil consumption decreased and LP gas consumption increased due to infrastructure equipment upgrades.

Achievement Levels for Medium-Term Environmental Targets

09

We set medium-term environmental targets for the Group, and all sites pursue environment impact improvement.

Taiyo Yuden Group Environmental Targets and Results

In the Medium-Term Management Plan 2025, we identified strengthening responses to climate change and effective use of resources and contribution to building a recycling-oriented society as material issues in our environmental initiatives. In particular, we have established targets aimed at achieving carbon neutrality in response to climate change, a global challenge. To achieve these targets, we will continue to promote manufacturing based on the principle of decarbonization by thoroughly implementing energy conservation, energy creation, and renewable energy initiatives. To reduce the absolute value of GHG emissions, we have set target values in accordance with the 1.5° C SBT (Science Based Targets), and they have been approved by the SBTi as the Near-Term Targets.

Medium-Term Environmental Targets			Performance	Evaluation	
Prevention of global warming	Global	GHG absolute emissions Reduction by 42% in FY2030 * compared to FY2020	Reduction of 27.6% in FY2025 Steady progress has been made toward achieving the FY 2030 target.	➡	○
Biodiversity conservation Effective use of resources by reducing consumption	Global	Intensity waste generation (Production output) Reduction by 10% in FY2025 * compared to FY2020	Reduction of 0.9% in FY2025 Although improvements have been made each year, the effects of the measures implemented have not been fully realized.	➡	×
		Intensity water use (Production output) Reduction by 10% in FY2025 * compared to FY2020	Reduction of 16.9% in FY2025 Initiatives have been progressing steadily.	➡	○
Biodiversity conservation Cyclic use of resources by reuse and recycling	Japan	Waste final disposal volume rate 0.1% annually	0.0% in FY2025 A 100% recycling rate has been achieved.	➡	○
	Outside Japan	Waste final disposal volume rate 12% annually	9.3% in FY2025 Waste has been properly treated, and recycling has been promoted.	➡	○
Biodiversity conservation Nature conservation activities in local areas	Global	Continue nature conservation activities in local areas (such as forests)	Continued afforestation, forest maintenance, extermination of non-native species, etc.	➡	○
Environmental risk management	Global	Compliance with applicable environmental laws and regulations	Complied with all applicable laws and regulations	➡	○
		Maintain zero accidents that affect the ecosystem and carry out ongoing training	Maintained zero accidents that affect the ecosystem and conducted periodic emergency training	➡	○
Contribution through environmentally friendly products	Global	Development of smart products	Continued development of smart products, which reduce environmental impact through downsizing, etc.	➡	○
		Regulatory compliance for chemicals contained in products (RoHS, ELV, REACH)	Complied with regulations for chemicals contained in products	➡	○

New Medium-Term Environmental Targets

10

As FY2025 is the final year of the Medium-Term Environmental Targets, we have established new Medium-Term Environmental Targets.

Initiatives and Target Values of the Taiyo Yuden Group's New Medium-Term Environmental Targets

In the Medium-Term Management Plan 2030, we identified strengthening responses to climate change and effective use of resources and contribution to building a recycling-oriented society as material issues in our environmental initiatives as we work to enhance corporate value through both economic and social value. In particular, in response to climate change, which is a global challenge, we have set targets aimed at achieving carbon neutrality for Scope 1+2 emissions by 2050, SBT-level reductions in Scope 1+2 and Scope 3 emissions by FY2030, and a 100% renewable energy adoption rate by FY2040. To achieve these targets, in addition to thoroughly implementing energy conservation, energy generation, and renewable energy initiatives in the course of promoting manufacturing based on the concept of decarbonization, we will work to strengthen collaboration with suppliers.

New Medium-Term Environmental Targets

Initiative	Coverage	Medium-term Target
Strengthening Responses to Climate Change	Global	Carbon neutrality Achievement by FY2050 (Scope 1+2)
	Global	Renewable energy adoption rate 100% by FY2040
	Global	GHG Scope 1+2 emissions 42% reduction by FY2030 * compared to FY2020
	Global	GHG Scope 3 emissions (Categories 1 and 3) 25% reduction by FY2030 * compared to FY2021
Effective use of resources and contribution to building a recycling-oriented society Biodiversity conservation	Global	Recycling rate 70% or higher
	Global	Intensity waste generation (Production output) Reduction by 10% in FY2030 * compared to FY2020
	Global	Intensity water use (Production output) Reduction by 10% in FY2030 * compared to FY2020
Biodiversity conservation Protection of nearby natural environments	Global	Continue nature conservation activities in local areas (such as forests)
Environmental risk management	Global	Compliance with applicable environmental laws and regulations
	Global	Maintain zero accidents that affect the ecosystem and carry out ongoing training
Contribution through environmentally friendly products	Global	Development of smart products
	Global	Regulatory compliance for chemicals contained in products (RoHS, ELV, REACH)

Curbing Global Warming 2-1

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There are three categories for greenhouse gases (GHG) emitted during the course of business activities: direct emissions from energy use (Scope 1), indirect emissions from energy use (Scope 2) and indirect emissions from the supply chain (Scope 3). We concentrate on managing and reducing emissions.

Results of Efforts to Reduce Greenhouse Gases

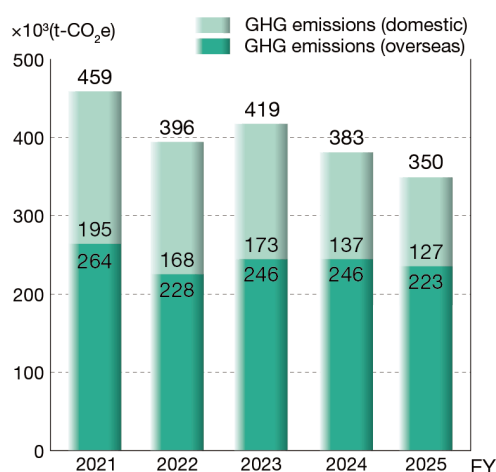
In FY2025, the GHG emissions by the entire group decreased by 33,000 tons-CO₂e compared to FY2024. Specifically, emissions by the sites in Japan decreased from 137,000 tons-CO₂e in FY2024 to 127,000 tons-CO₂e, and those by the overseas sites decreased from 246,000 tons-CO₂e in FY2024 to 223,000 tons-CO₂e (see G1). The amount of energy used by the entire group was 278,000 kL (crude oil equivalent).

We will continue to review production processes, with a focus on core products, to further improve production efficiency and reduce energy use.

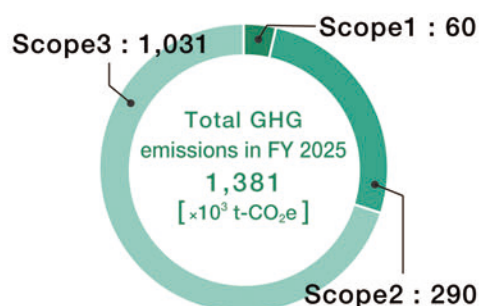
Furthermore, we have been promoting the incorporation of renewable energy as part of our efforts to combat global warming. Renewable energy use in FY2025 was 350,950 MWh.

Recognizing the importance of reducing GHG emissions throughout the supply chain, we are also working to reduce Scope 3 emissions.

G1: GHG Emissions (Scope1+2)



G2: Breakdown of Total GHG Emissions



G3: Breakdown of GHG emissions (Scope 3)

Category	Emissions (x10 ³ t-CO ₂ e)	Remarks
category1 Purchased Goods and Services	724	
category2 Capital goods	99	
category3 Fuel- and energyrelated activities (not included in scope1 or scope2)	106	
category4 Upstream transportation and distribution	55	
category5 Waste generated in operations	13	
category6 Business travel	4	
category7 Employee commuting	18	
category8 Upstream leased assets	0	Included in Scope2

Category	Emissions (x10 ³ t-CO ₂ e)	Remarks
category9 Transportation and delivery (downstream)	2	
category10 Processing of sold products	9	
category11 Use of sold products	Not applicable	
category12 End-of-life treatment of sold products	0.2	
category13 Leased assets (downstream)	Not applicable	
category14 Franchise	Not applicable	
category15 Investments	Not applicable	
Total	1,031	

* Totals may not match the breakdown due to rounding.

Curbing Global Warming 2-2

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Reducing Greenhouse Gas Emissions

Efforts to save energy

Energy Savings in Air-Conditioning Systems [Tamamura Plant / TAIYO YUDEN (GUANGDONG) / TAIYO YUDEN (PHILIPPINES)]

To reduce the energy consumed by air-conditioning systems, which account for a large amount of energy use, we reviewed methods for generating and supplying cooled air, as well as methods for controlling chilled water. These improvements increased the operating efficiency of air-conditioning systems and reduced electricity consumption. We reduced GHG emissions by 964 tons-CO₂e per year.



Chilled water system for air conditioning

Energy Savings in Compressors [Tamamura Plant / FUKUSHIMA TAIYO YUDEN]

We upgraded compressors that supply air to production processes to inverter-driven compressors and introduced a system for controlling the number of compressors in operation. This enabled efficient operation according to plant operating conditions and reduced electricity consumption. We reduced GHG emissions by 243 tons-CO₂e per year.



Compressors

Efforts to energy creation

The Taiyo Yuden Group has been installing solar panels as part of our efforts to combat global warming. After establishing the group's first power-generating site, the Hongo Photovoltaic Power Plant, in FY2013, we have gradually expanded installations at other sites as well. In FY2025, we installed solar panels at 1 site, and we currently generate electricity at 14 sites in Japan and overseas.

Solar power generation sites

- Takasaki Global Center
- R&D Center
- Hongo Photovoltaic Power Plant
- TAIYO YUDEN CHEMICAL TECHNOLOGY
- FUKUSHIMA TAIYO YUDEN
- WAKAYAMA TAIYO YUDEN
- TAIYO YUDEN Mobile Technology
- Sun Vertex headquarters
- Elna Shirakawa Photovoltaic Power Plant
- KOREA KYONG NAM TAIYO YUDEN
- TAIYO YUDEN (CHANGZHOU)
- TAIYO YUDEN (PHILIPPINES)
- TAIYO YUDEN (SARAWAK)
- ELNA (MALAYSIA)



Takasaki Global Center



TAIYO YUDEN CHEMICAL TECHNOLOGY



WAKAYAMA TAIYO YUDEN



KOREA KYONG NAM TAIYO YUDEN



TAIYO YUDEN (SARAWAK)



ELNA (MALAYSIA)

Efforts to utilize renewable energy

The Taiyo Yuden Group is expanding its use of renewable energy. In FY2025, solar power generation equipment was newly installed on the premises of the Takasaki Global Center, and 100% of the electricity used at the site was converted to renewable energy through on-site energy generation and the switch to electricity derived from renewable sources. As a result, the number of sites using 100% renewable electricity increased to three: the Takasaki Global Center, the R&D Center, and Sun Vertex headquarters.

We are also promoting the procurement of renewable energy from off-site sources. In FY2025, the Tamamura plant and NIIGATA TAIYO YUDEN began off-site corporate PPAs. Through these initiatives, we will procure additional renewable energy in a stable manner over the long term.

Scope 3 Reduction Initiatives

We are promoting initiatives in cooperation with our business partners to reduce Category 1 emissions, which account for approximately 70% of the Taiyo Yuden Group's Scope 3 emissions. In FY2025, we held decarbonization briefings for our business partners. At these briefings, we explained the Taiyo Yuden Group's policies, delivered messages from management, and called on our business partners to cooperate in reducing emissions. In addition, we regularly conduct interviews on the status of their initiatives and provide support for calculating GHG emissions at our business partners.

Efforts to Address Climate Change 4-1

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In response to the recommendations of the Task Force on Climate-related Financial Disclosure (TCFD), we are proceeding with a scenario analysis of the risks and opportunities that climate change issues pose to society and business, and consider business strategies based on the results.

Efforts to Address TCFD

As the impact of climate change on society—such as frequent storms and floods—continues to grow, the role companies must play in achieving a decarbonized society has become increasingly important. Accordingly, under our Medium-Term Management Plan 2030, which aims for greater corporate value through both economic value and social value, we consider strengthening our response to climate change a key management issue. To address climate change, a global challenge, we are promoting manufacturing based on the concept of decarbonization with the aim of achieving carbon neutrality by FY2050. As Medium-Term targets, we have set a target of achieving a 100% renewable energy adoption rate by FY2040 and reducing Scope 1+2 emissions by 42% by FY2030 compared with FY2020. To achieve these targets, we are thoroughly implementing energy conservation, energy generation, and renewable energy initiatives.

We have also set a target of reducing Scope 3 emissions (Categories 1 and 3) by 25% compared with FY2021 in order to strengthen initiatives across the entire supply chain and contribute to the realization of a sustainable society. We are working to strengthen collaboration with suppliers to achieve this target. In FY2024, our GHG emissions reduction targets were validated by the SBTi as Near-Term target. We aim to contribute to the achievement of the international goals set forth in the SDGs and the Paris Agreement through collaboration with a wide range of stakeholders.

We also recognize the importance of disclosing climate-related financial information. Accordingly, we have endorsed the TCFD and are expanding our disclosure in line with the TCFD recommendations.

Governance

We recognize climate change as one of the important management issues and aim to promote activities for sustainability issues through business activities throughout the company, and since FY2021, we have held the Sustainability Committee (four times a year) chaired by the President and Chief Executive Officer.

In addition, the board of directors is composed of members with a balanced mix of knowledge, experience, and expertise related to material issues, including ESG and sustainability, and has the necessary skills and competencies to ensure appropriate oversight in these areas.

If the targets are not achieved or may not be achieved, the Environmental Promotion Committee needs to investigate the cause and take corrective measures for improvement. The deliberations and decisions by the Environmental Promotion Committee are reported to the Sustainability Committee, which is its superior committee.

Strategy

1 Identification of risks and opportunities

In order to identify climate-related risks and opportunities that affect our business, we used climate scenarios such as the IEA and the IPCC to identify them, qualitatively evaluated their characteristics, and conducted scenario analysis.

Division	Assumed event	Climate-related risks and opportunities	Degree of financial impact (Profit basis)	Division	Assumed event	Climate-related risks and opportunities	Degree of financial impact (Profit basis)
Transition risks	Introducing and raising carbon prices	Increasing of operation costs due to introducing of carbon prices	Medium	Opportunities	Acceleration of xEV shift	Increasing in sales of electronic components for the electric vehicle market due to the global shift to xEVs	Major
	Strengthening environment-related regulations	Increasing of costs for measures due to strengthening of GHG emission reduction targets and energy efficiency improvement targets	Medium		Increased demand for high-efficiency products	Increased sales of electronic components for the industrial equipment market due to increased demand for power supplies with energy management functions to reduce GHG emissions	Major
		Increasing of costs due to compliance with domestic and overseas environmental regulations	Medium		Increased production efficiency	Secure profits by promoting low-carbon production activities including the development of energy-saving measures and the introduction of renewable energy	Major
Physical risks	(Acute) Intensifying extreme wind and flood damages	Intensified wind and flood damages to sites	Minor - Medium		Promotion of climate change-related measures	Enhance customer trust by advancing climate change-related measures	—
	(Chronic) Long-term change in weather patterns	Suspension of production due to water shortages caused by drought and a decline in productivity due to heat waves	Minor - Medium				

Degree of financial impact: Minor=JPY 1.5 billion or less; Medium=JPY 1.5billion to 6 billion; Major=JPY 6 billion or more

Efforts to Address Climate Change 4-2

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2 Setting the scenario analysis theme

We carried out a scenario analysis on the following themes evaluated as “highly important risks and opportunities” based on the degree of impact on our business, the relevance to our business strategies, and the degree of stakeholder interest.

Transition risks

Target business / Analysis theme

Common to all businesses	Financial impact of introducing carbon prices on operating costs
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External information referred to in the analysis

	1.5°C scenario	4°C scenario
Key reference scenarios ^{*1}	NZE (Net Zero Emissions by 2050 Scenario)	STEPS (Stated Policies Scenario)
View of the world	CO₂ emissions from the global energy sector reach net zero by 2050. This scenario assumes a world in which the rise in global temperature is limited to 1.5°C with a probability of at least 50% through the expansion of renewable energy capacity and improvements in energy efficiency. Although the temperature increase is expected to temporarily exceed 1.6°C, it is projected to return to below 1.5°C by 2100.	This scenario assumes a world in which energy, climate, and industrial policies adopted or announced by countries are implemented, and the energy transition progresses based on actual policy trends, without assuming the achievement of targets such as those under the Paris Agreement. Global temperature rise is projected to reach 2.5°C by 2100.
	Demand for fossil fuels is expected to decline structurally as low-emission technologies become more widely adopted.	Oil demand is expected to peak around 2030, and coal demand is also expected to begin declining, while demand for natural gas is expected to continue increasing for the time being.

^{*1} The analysis is based on the scenarios made public in World Energy Outlook 2025, the annual report by the IEA (International Energy Agency).

Physical risks

Target business / Analysis theme

Common to all businesses	Impact of intensified extreme weather disasters on sites(Floods and Storm Surges)
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This data covers the 15 sites in Japan and 7 sites outside Japan.

We assessed physical impacts at the baseline (current), and at the middle and end of this century.

External information referred to in the analysis

Information provider	Reference
Ministry of Land, Infrastructure, Transport and Tourism	The Geospatial Information Authority of Japan “Web-Based Flood Simulation Search System at an Arbitrary Point (Flood Navigation System),” “Hazard Map Portal Site” Flood hazard map, Guidance on the Physical Risk Assessment Based on the TCFD Recommendations (March 2023)
Fathom	Global Flood Map
WRI (World Resources Institute)	Aqueduct Water Risk Atlas V4
IPCC (Intergovernmental Panel on Climate Change) ^{*2,3}	AR6 Climate Change 2021: The Physical Science Basis, Working Group 1 Interactive Atlas
Others	Yukiko Hirabayashi et al. (2013). Global flood risk under climate change. Nature Climate Change, 3(9), 816-821. Cui, D., Liang, S., Wang, D., and Liu, Z. : A 1 km global dataset of historical (1979–2013) and future (2020–2100) Köppen–Geiger climate classification and bioclimatic variables, Earth Syst. Sci. Data, 13, 5087–5114, https://doi.org/10.5194/essd-13-5087-2021 , 2021.

^{*2} We assessed physical impacts based on the climate scenarios SSP1-2.6 and SSP5-8.5 used in the IPCC AR6.

^{*3} The SSP1-2.6 and SSP5-8.5 scenarios correspond to the RCP2.6 and RCP8.5 climate scenarios used in AR5.

Opportunities

Target business / Analysis theme

Electronic component business	Impact of the global spread of electric vehicles on the sales of electronic components for the automotive market
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Major pieces of external information referred to in the analysis

Information provider	Reference
IEA	IEA World Energy Outlook 2023 IEA Global EV Outlook 2023 IEA Global EV Data Explorer (Last updated 23 Apr 2024)

Efforts to Address Climate Change 4-3

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3 Scenario analysis results

■ Transition risks: Financial impact of introducing carbon prices on operating costs

Risk	Impact of carbon prices on operating costs in 2035 and 2050
Our climate scenario analysis prerequisites	Assuming that a carbon price of approximately 26,900 yen will be imposed on each ton of GHG emissions in 2035 and approximately 37,400 yen in 2050, we forecast the impacts of carbon prices. Carbon prices are set based on IEA World Energy Outlook 2025 (Net Zero Emissions by 2050 Scenario, Stated Policies Scenario).
Analysis result	We forecast future GHG emissions trends and the financial impact on operating costs if carbon prices were introduced. Under the 1.5°C scenario, if GHG emissions reduction measures were implemented, costs would have been reduced by about 1.5 billion yen as of 2035 and by 5.7 billion yen as of 2050 compared with the scenario where no measures are taken (see G1). In addition, although we are promoting the introduction of renewable energy, even if the power is 100% renewable energy, the remaining Scope1 emissions in the 1.5°C scenario will be 170,000 tons-CO₂e (see G2), and the impact of the carbon price will be about 5.7 billion yen. G1 : Carbon price effect ■ 4°C scenario ■ 1.5°C scenario ■ 1.5°C scenario (after emission reduction measures) (million yen) 2035 2050 FY 6,000 5,000 4,000 3,000 2,000 1,000 0 ■ 4°C scenario ■ 1.5°C scenario ■ 1.5°C scenario (after emission reduction measures) ×10³ (t-CO₂e) 2035 2050 FY 1,000 800 600 400 200 0
Strategy	In order to reduce energy consumption, we believe that it is necessary to improve production efficiency by reviewing our production processes, focusing on our core products, along with promoting the introduction of renewable energy. In addition, we plan to consider measures to reduce the remaining Scope1 emissions toward the achievement of carbon neutrality.

■ Physical risks: Impact of intensified extreme weather disasters on sites (Floods and Storm Surges)

Risk	Impact of increased weather disasters associated with climate change on our manufacturing sites at the middle and end of this century																																																								
Our climate scenario analysis prerequisites	We assessed 22 sites inside and outside Japan based on public hazard information and various information obtained for climate change impact assessment.																																																								
Analysis result	We assessed the potential for manufacturing site damage due to intensifying extreme floods and storm surges, and screened sites that require priority investigation of the impact of physical risks. We independently graded baseline (current) flood and storm surge risks and assessed the changes in the current to mid-century or end-of-century grades based on the RCP2.6 and RCP8.5 climate scenarios. Regarding flooding, in Japan, there was one site that seemed to be at high risk at present, but there was no change in the grade in the future. On the other hand, there are no overseas sites that are currently considered to be at high risk, and there is no change in the grade in the future. As for storm surges, there are no domestic and overseas sites that are currently considered to be at high risk and there is no change in the grade in the future. <table><tr><th rowspan="3">Flood risk</th><th colspan="5">Number of Sites Rated as Major Hazard (Grade A)</th><th rowspan="3">Storm Surges risk</th><th colspan="5">Number of Sites Rated as Major Hazard (Grade A)</th></tr><tr><th>2005</th><th colspan="2">2050</th><th colspan="2">2085</th><th>2010</th><th colspan="2">2050</th><th colspan="2">2090</th></tr><tr><th>-</th><th>RCP2.6</th><th>RCP8.5</th><th>RCP2.6</th><th>RCP8.5</th><th>-</th><th>RCP2.6</th><th>RCP8.5</th><th>RCP2.6</th><th>RCP8.5</th></tr><tr><td>Japan (15 sites)</td><td>1 site</td><td>1 site</td><td>1 site</td><td>1 site</td><td>1 site</td><td>Japan (15 sites)</td><td>0 site</td><td>0 site</td><td>0 site</td><td>0 site</td><td>0 site</td></tr><tr><td>Outside Japan (7 sites)</td><td>0 site</td><td>0 site</td><td>0 site</td><td>0 site</td><td>0 site</td><td>Outside Japan (7 sites)</td><td>0 site</td><td>0 site</td><td>0 site</td><td>0 site</td><td>0 site</td></tr></table>	Flood risk	Number of Sites Rated as Major Hazard (Grade A)					Storm Surges risk	Number of Sites Rated as Major Hazard (Grade A)					2005	2050		2085		2010	2050		2090		-	RCP2.6	RCP8.5	RCP2.6	RCP8.5	-	RCP2.6	RCP8.5	RCP2.6	RCP8.5	Japan (15 sites)	1 site	1 site	1 site	1 site	1 site	Japan (15 sites)	0 site	0 site	0 site	0 site	0 site	Outside Japan (7 sites)	0 site	0 site	0 site	0 site	0 site	Outside Japan (7 sites)	0 site	0 site	0 site	0 site	0 site
Flood risk	Number of Sites Rated as Major Hazard (Grade A)					Storm Surges risk	Number of Sites Rated as Major Hazard (Grade A)																																																		
	2005		2050		2085		2010		2050		2090																																														
	-	RCP2.6	RCP8.5	RCP2.6	RCP8.5		-	RCP2.6	RCP8.5	RCP2.6	RCP8.5																																														
Japan (15 sites)	1 site	1 site	1 site	1 site	1 site	Japan (15 sites)	0 site	0 site	0 site	0 site	0 site																																														
Outside Japan (7 sites)	0 site	0 site	0 site	0 site	0 site	Outside Japan (7 sites)	0 site	0 site	0 site	0 site	0 site																																														
Strategy	In the future, we will investigate in detail the sites that have been assessed as being at high risk based on the results of this analysis and take preventive measures such as installing equipment to minimize flooding on site and ensuring the installation height of the power supply system if deemed necessary. In addition, we will establish a stable product supply system based on our Business Continuity Plan(BCP), which will enable us to resume business activities as soon as possible in the event of a business continuity problem such as a shutdown.																																																								

Efforts to Address Climate Change 4-4

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Risk management

The Senior Operating Officer in charge of safety and the environment is designated as the person responsible for risks related to climate change. In accordance with the Group Management System, these risks are reported to and discussed by the Internal Control Committee through the Compliance Subcommittee and the Risk Management Subcommittee. We refer to the social situation analysis, interviews with customers and suppliers, and ESG-related engagement process with investors as tools to identify risks and opportunities related to climate change. The impact of these risks has been assessed in relation to their financial impact and management strategy.

Indicators and targets

GHG emissions

To contribute to global efforts to limit the temperature increase to 1.5°C, the Taiyo Yuden Group has set emissions targets aligned with the 1.5°C scenario. For GHG emissions from its own business activities (Scope 1+2), the Group aims to reduce GHG emissions by 42% by FY2030 compared with FY2020 and achieve a 100% renewable energy adoption rate by FY2040. To achieve these targets, we are steadily advancing initiatives to reduce GHG emissions through measures such as improving production efficiency and using renewable energy. We have also set a target of reducing Scope 3 emissions (Categories 1 and 3), which are indirect emissions in the supply chain, by 25% by FY2030 compared with FY2021. To achieve this target, we are working to strengthen collaboration with suppliers. We will continue to plan and implement further initiatives to reduce GHG emissions, including indirect emissions in the supply chain.

Please refer to page 11 for changes in GHG emissions.

Target

The GHG emission reduction targets the Taiyo Yuden Group set have been accepted as the targets based on scientific evidence and approved by the SBTi, an international initiative, as the SBT.

The approved GHG emissions reduction targets of the Taiyo Yuden Group are shown below.

Scope1+2	Reduction of 42% in FY2030 (compared to FY2020)
Scope3 (Category 1 and 3)	Reduction of 25% in FY2030 (compared to FY2021)

To achieve the above targets, we will steadily advance initiatives to reduce GHG emissions by promoting energy saving, energy creation, and the utilization of renewable energy.

External Assessment of Climate Change Information Disclosure

The Taiyo Yuden Group was selected by CDP*, an international environmental nonprofit organization, as an A List company, earning the highest rating for its outstanding transparency and leadership in performance in the field of climate change for the fourth consecutive year. The Group's supply chain initiatives were also highly evaluated, and the Taiyo Yuden Group received the highest rating of "A" in the Supplier Engagement Assessment (SEA) for the fourth consecutive year.

* CDP is a non-governmental organization (NGO) managed by a British charitable organization, established in 2000. It operates a global information disclosure system for investors, companies, countries, regions, and cities to manage environmental impacts including reducing their own greenhouse gas emissions, protecting water resources, and protecting forests.



Reducing Waste / Preserving Water Resources 2-1

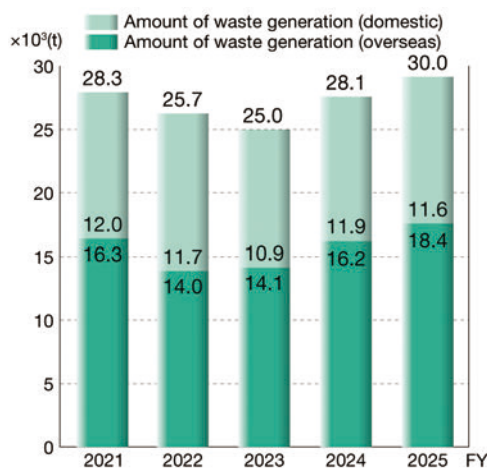
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We strive to reduce environmental effect on biodiversity while coexisting with nature, and we use the 3Rs (reduce, reuse, recycle) to reduce waste and make effective use of water resources.

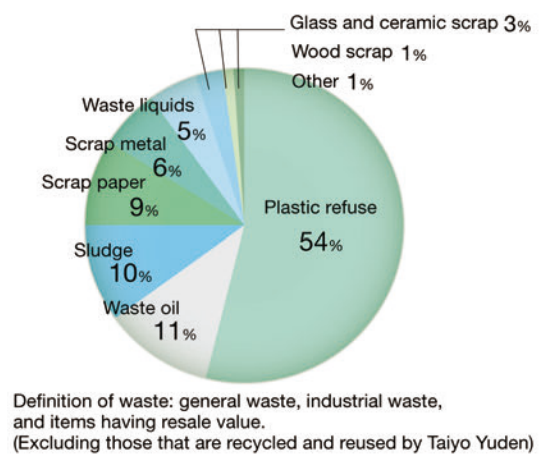
Results of Reducing Waste

The amount of waste generated in FY2025 by the entire group increased to 30,000 tons from 28,100 tons in FY2024 (see G1). The waste (including valuables) mainly consists of waste plastic, waste oil, and sludge (see G2). The domestic final disposal volume remained the same as in FY2024 at 0 tons. The waste recycling rate reached 100% (see G3). The overseas final disposal volume was decreased to 1,700 tons from 2,200 tons in FY2024 (see G4). We will continue working to reduce waste volumes, boost in-house recycling rates, and recycle waste into resources at our overseas sites.

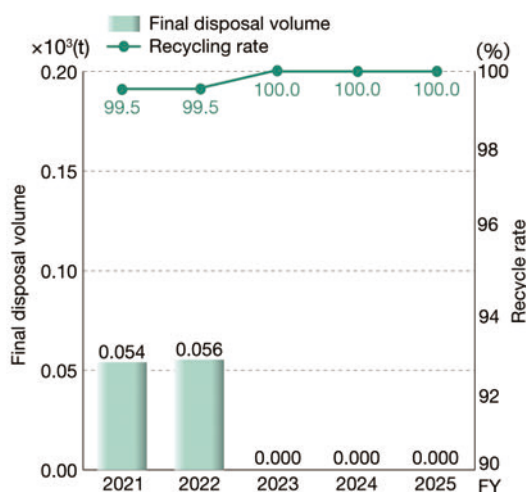
G1: Amount of Waste Generation



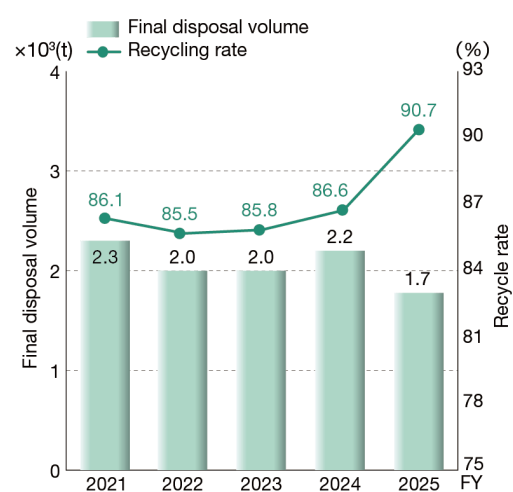
G2: Breakdown of Waste



G3: Domestic Final Disposal Volumes and Recycling Rates



G4: Overseas Final Disposal Volumes and Recycling Rates



Reducing Waste / Preserving Water Resources 2-2

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Reduction in Waste Generation

Reduction of waste by changing the surface treatment method [TAIYO YUDEN (PHILIPPINES)]

Chemicals are used in some processes for surface treatment of electronic components, and used chemicals are properly treated as waste. By reviewing production methods and reducing the amount of chemicals used, we were able to reduce the amount of waste generated.

We reduced waste liquid by 479 tons per year.

Resource Recycling Efforts

94% of the waste generated through our business activities is recycled and reused as resources in society. However, we are also promoting efforts to reuse waste for the Taiyo Yuden Group's own business activities.

For solvent A, which is the most frequently used solvent in our business, 43% of the amount used is recycled waste solvent. In addition, for reels that are used in packaging electronic parts, strict quality checks are performed and 3% of all the reels are recycled reels.

Results of Water Resource Efforts

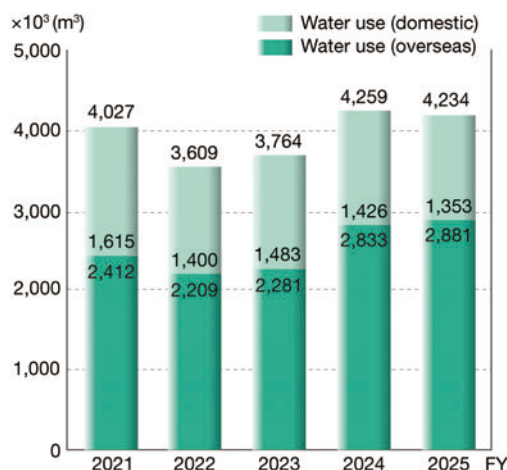
The amount of water used by the entire group decreased from 4,259,000 m³ in FY2024 to 4,234,000 m³ in FY2025.

Specifically, the amount of water used by the sites in Japan decreased from 1,426,000 m³ in FY2024 to 1,353,000 m³ and those by the overseas sites increased from 2,833,000 m³ in FY2024 to 2,881,000 m³ (see G5).

The quantity of water withdrawals was 3,917,000 m³ from municipal water supplies (or other water supply facilities), and 317,000 m³ from freshwater and underground water.

The quantity of water recycled was 778,000 m³.

G5: Water Use



Breakdown of water withdrawals

	Quantity of water withdrawals (×10 ³ m ³)
Municipal water supply (or other water supply facilities)	3,917
Freshwater/underground water	317

Reducing Water Use

Recycling of Grinding Wastewater [TAIYO YUDEN Mobile Technology]

Water is used in the process of grinding materials for production. By treating and reusing wastewater generated during the grinding process, we were able to reduce water use.

The amount of water used was reduced by 18,000 tons per year.

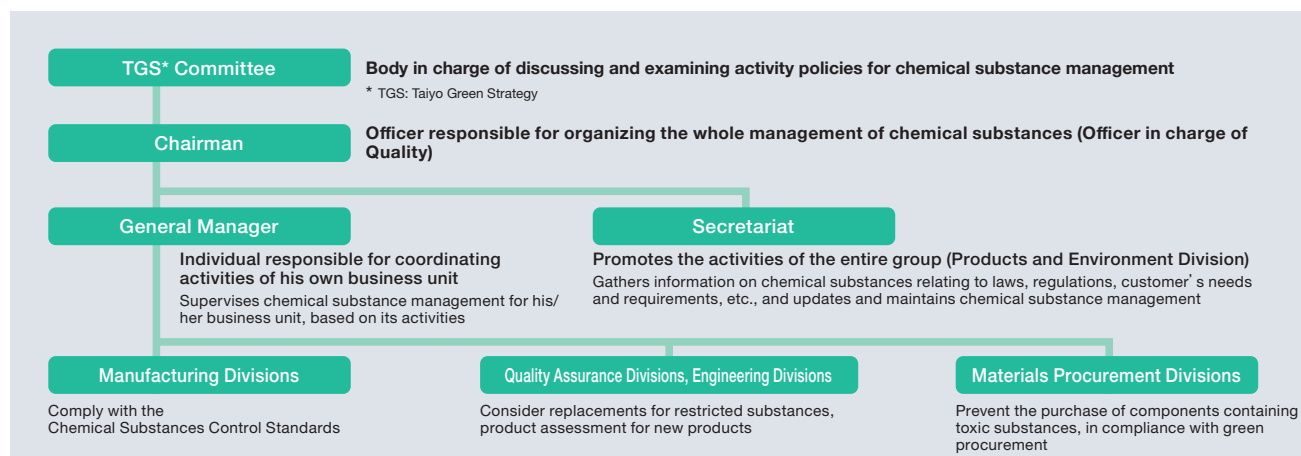
Appropriate Management of Chemical Substances

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To ward off environment contamination with chemicals and adverse effects on human health, we have banned the use of forbidden substances, implemented a chemical management framework, and are working on reducing emission volumes.

Chemical Management Framework

The Taiyo Yuden Group has its own standards in place for chemical substance management, which define chemical substances that must not be used, must only be used in limited situations, and must be managed.



Target Chemicals

Prohibited substances	Cadmium, compounds containing cadmium, mercury, compounds containing mercury, hexavalent chromium compounds, etc.
Substances to be restricted	Lead in ceramic/glass frit and piezoelectric bodies, tetrabromobisphenol A (TBBPA), polycyclic aromatic hydrocarbons (PAHs), and so on.
Substances to be managed	Toluene, REACH SVHC (substance of very high concern), xylene, etc.

PRTR Law Compliance

In order to reduce the risks that chemicals impose on the environment, the Taiyo Yuden Group reports to the government the amounts of chemicals released to the environment (air, water, and soil), and waste chemicals transported and recycled under the Japanese Law for Pollutant Release and Transfer Register (PRTR). The government publishes the records and a database of these quantities making them widely available to members of the general public.

PRTR Restricted Substances

Management No.	Chemical Substance Name	Emission (ton/year)	Amount Transferred (ton/year)	Amount Recycled (ton/year)	Management No.	Chemical Substance Name	Emission (ton/year)	Amount Transferred (ton/year)	Amount Recycled (ton/year)
82	Silver and its water-soluble compounds	0.0	5.3	4.1	309	Nickel compounds	0.8	6.1	7.4
87	Chromium and trivalent chromium compounds	0.0	1.3	0.4	405	Boron compound	0.3	0.5	0.0
300	Toluene	35.2	31.0	29.0	438	Methylnaphthalene	0.1	0.0	0.0
308	Nickel	0.2	3.4	94.8	460	Trityl phosphate	0.0	0.0	0.1

Note: Target chemical substances and their incoming amount shown refer to substances for which their incoming amount exceeds 1 ton in compliance with the PRTR Law.

Emission: This refers to the total emission into the atmosphere, water, and soil.

Amount Transferred: This refers to the amount whose disposal is outsourced to an industrial waste contractor outside the business facility concerned.

Ozone-depleting Substances

We do not use ozone-depleting substances in our production processes. Although we use HCFC as a coolant in air conditioners and other equipment, we carry out appropriate collection and disposal.

Achievement Levels for Medium-Term Occupational Health and Safety Targets

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All employees participate in health and safety efforts based on the Fundamental Principle of Health and Safety outlined in the Taiyo Yuden Group Safety and Environment Charter and implemented according to the Occupational Health and Safety Management System (OHSMS).

Fundamental Principle of Health and Safety, and Targets

In order to realize our health and safety philosophy of "creating a workplace where employees can work without anxiety," the Taiyo Yuden Group has drawn up group-wide medium-term plans. The medium-term plan is set to prevent industrial accidents by clarifying action targets for each 5Ms (Man, Machine, Method, Material, Measurement) and by setting a target incidence rate of injuries and illness for numerically evaluating the result of such efforts.

Principle of Health & Safety In order to ensure the well-being of our workers, who are an important resource of the company, we shall pursue workplaces which always maintain safety and where employees can work in confidence while maintaining the health of our workers.							
Medium-term Plan Taiyo Yuden Group Occupational Health and Safety Management Plan							
5Ms for Medium-term Targets							
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						
	<table> <tr> <th>FY2025 Targets</th><th>FY2025 Performance</th></tr> <tr> <td>Incidence rate of injuries and illness less than 0.016</td><td>Incidence rate of injuries and illness 0.020</td></tr> <tr> <td>Accident Frequency Rate less than 0.08</td><td>Accident Frequency Rate 0.10</td></tr> </table>	FY2025 Targets	FY2025 Performance	Incidence rate of injuries and illness less than 0.016	Incidence rate of injuries and illness 0.020	Accident Frequency Rate less than 0.08	Accident Frequency Rate 0.10
FY2025 Targets	FY2025 Performance						
Incidence rate of injuries and illness less than 0.016	Incidence rate of injuries and illness 0.020						
Accident Frequency Rate less than 0.08	Accident Frequency Rate 0.10						

Although steady improvements were made through continuous efforts, both the incidence rate of injuries and illnesses and the accident frequency rate fell short of their targets.

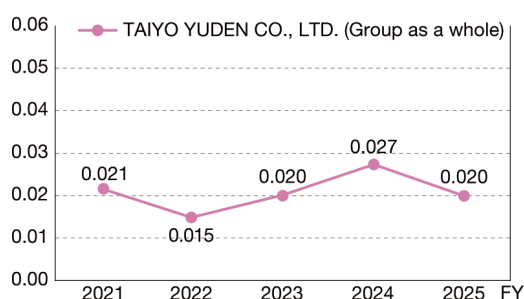
FY2025 Work-related Accidents and Safety Indicators

In FY2025, the incidence rate of injuries and illness for the entire group was 0.020 (see G1), the accident frequency rate was 0.10 (see G2), and the danger rate was 0.0057.

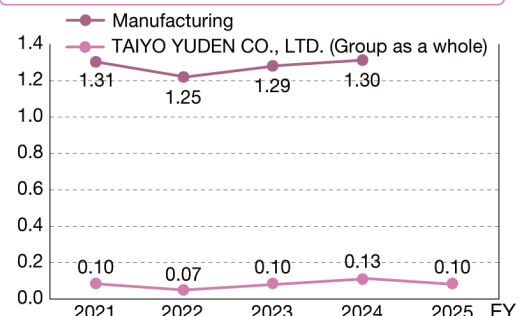
Five accidents that require time off from work* have occurred, and no fatal accidents have occurred.

* One day off or more

G1: Trends in incidence rate of injuries and illness



G2: Trends in Accident Frequency Rate



$$\text{Incidence rate of injuries and illness} = \frac{\left(\frac{\text{Number of the absentees due to occupational injury (at least one workday lost)}}{\text{Total actual number of hours worked by registered workers}} \right) + \left(\frac{\text{Number of the absentees due to occupational illness (at least one workday lost)}}{\text{Total actual number of hours worked by registered workers}} \right)}{\times 200,000}$$

$$\text{Accident Frequency Rate} = \frac{\text{Number of the victims of occupational injury (at least one workday lost)}}{\text{Total actual number of hours worked by registered workers}} \times 1,000,000$$

We are promoting countermeasures against occupational injury and illness by conducting risk assessments in all workplaces. We found no workplace with high risks. Going forward, we will continue to conduct activities geared toward achieving zero work-related accidents from the perspective of the 5Ms, based on our medium-term health and safety plan.

New Medium-Term Occupational Health and Safety Targets

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As FY2025 is the final year of the Medium-Term Occupational Health and Safety Targets, we have established New Medium-Term Occupational Health and Safety Targets.

New Medium-Term Occupational Health and Safety Targets

As FY2025 was the closing year for the Medium-Term targets established for FY2022-2025, we assessed and analyzed results for targets, and established the New Medium-Term Occupational Health and Safety Targets (Medium-Term targets for FY2030).

To eliminate unsafe conditions and unsafe behaviors, which can lead to occupational accidents and fire incidents, we have clearly defined measures for the next five years to further raise the level of occupational health and safety activity programs for each of the 5M elements: Man, Machine, Method, Material, and Measurement. Going forward, we will carry out activities in line with these new Medium-Term Occupational Health and Safety Targets, promote specific initiatives to eliminate accidents and reduce serious risks, and build and firmly establish a safety culture.



Efforts and Status 2-1

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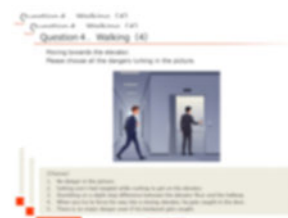
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Intensive basic training and fostering “Awareness of safe behavior”

To create a safe workplace culture, we are conducting activities to help employees increase their knowledge of health and safety so that they can perform their work with such knowledge in mind.

In FY2025, we addressed issues identified on the basis of the analysis results of the Seventh Safety Awareness Survey as a core theme across the organization. To ensure that common rules for all employees are firmly established, we strengthened the improvement cycle by continuing to conduct individual feedback and follow-up training by issue, in addition to on-site verification. We also conducted risk prediction training a total of eight times for employees at sites in Japan and overseas with the aim of firmly establishing highly effective safety behaviors and improving risk sensitivity. As a result, the Eighth Safety Awareness Survey confirmed further improvement in employees’ safety awareness.

We will continue to conduct the Safety Awareness Survey and improve safety awareness of each employee to promote a culture of workplace safety.



Risk Prediction Training Materials

Machine

Enhancing the level of facility safety design for designers

With the objective of ensuring our machine safety activities conform to global standards (ISO and IEC), we are reviewing the Safety Standards for Group Machines, which define measures against risks common to production machines to enhance safety measures for them.

In FY2025, in light of the growing use of next-generation industrial robots such as collaborative robots, we focused on developing equipment safety experts (R-SA: Robot Safety Assessors) who are capable of properly implementing and evaluating robot safety measures, in order to build workplace environments where employees can work with peace of mind. Through these efforts, we strengthened our organizational framework. In addition to developing equipment safety experts (SA: Safety Assessors and SSA: Safety Sub-Assessors) who have advanced expertise in equipment safety design, we are also developing designers and persons in charge (SBA: Safety Basic Assessors), thereby continuously strengthening our framework.

We will continue our efforts to reduce occupational injuries associated with machines.



SBA Development

Method

Safe work without inconsistencies

We are upgrading and reviewing procedures to standardize them and make them safe and consistent so that employees can work more safely.

In FY2025, in addition to implementing risk countermeasures for work in hot environments, we reassessed procedures for confirming the condition of employees suspected of heatstroke, reporting such cases, and providing first aid. We then made improvements to ensure safer and more reliable responses to the issues identified.

We will continue to strive toward promoting a safe working environment from a common perspective.

Material

Minimization of toxicity and danger of chemical substances

To minimize the hazards and dangers of chemical substances, we are continuously taking measures against risks associated with tasks that require workers to handle chemical substances.

In FY2025, we conducted verification testing by an external specialized organization with the aim of reducing the risk of heat generation and ignition caused by waste contaminated with chemical substances. Based on the findings obtained, we verified storage methods for waste that may generate heat or ignite and reviewed management procedures, thereby further enhancing safety.

We will continue to work toward minimizing the hazards and dangers of chemical substances.

Measurement

Strengthening of checking system

To provide safe and hygienic workplaces, we are working to raise check levels by upgrading and improving the methods for identifying invisible hazards (or those that have gone unnoticed).

In FY2025, to improve the effectiveness of occupational health and safety training, we checked employees’ understanding immediately after training and conducted regular on-site monitoring to assess whether what they had learned was being put into practice. By continuously confirming the process from knowledge retention to behavioral change, we enhanced the effectiveness of training.

Going forward, we will continue our efforts to deepen the level of checks to create safe and hygienic workplaces.

Efforts and Status 2-2

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Health

1 Reducing incidences of mental health problems

Taiyo Yuden developed a system^{*1} to reduce the number of employees with mental health problems and are making efforts to prevent mental health problems.

In addition to conducting legally required stress checks using the New Brief Job Stress Questionnaire, we also conduct surveys on presenteeism^{*2} and the incidence of harassment within the organization.

[Approach to individuals]

- We provided regular advice and guidance to new graduates and mid-career hires who had experienced changes in their living environments.
- We provided support and guidance to employees identified as having a high level of presenteeism.
- We conducted stress checks for employees assigned overseas and also recommended counseling.

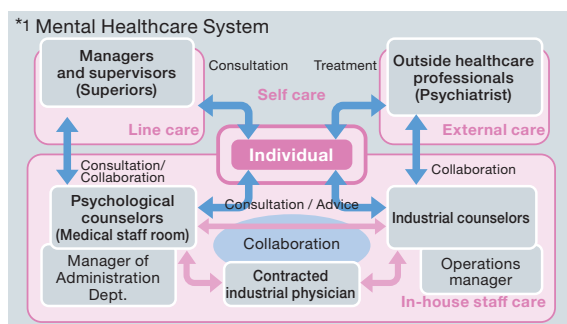
[Organizational approach]

- We conducted surveys based on the results of group analyses of stress check results.
- We provided feedback on the survey results to the managers responsible for each department and implemented measures to improve the workplace environment in order to enhance psychological safety.^{*3}

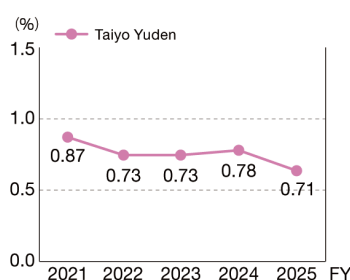
In addition to these initiatives, we launched seminars aimed at improving each employee's self-care capabilities.

The incidence rate was 0.71%, achieving the lowest level in the past five years (see G1).

We will continue to enhance training, work closely with industrial physicians, psychiatrists, and industrial counselors, and work on mental health care so that all employees can work with peace of mind and motivation.



G1 : Incidence rate



^{*2} Refers to the state in which employees are unable to fully perform to their potential because of mental or physical health issues.

^{*3} Refers to the state where you can speak your thoughts and feelings to anyone in the organization with confidence.

2 Establishing a healthy lifestyle

Under its management philosophy of "Employee Well-Being," Taiyo Yuden is committed to health and productivity management in order to help improve productivity and creativity by building a foundation for safe and secure work and creating an organization where employees can work with vitality. As part of these efforts, we have established health indicators, known as Focus 5, diet, nonsmoking, exercise, sleep and stress, along with target values, and are implementing various measures to achieve these targets. In FY2025, we implemented the following health measures in line with each item of the Focus 5 health indicators.

[Diet] We continued to measure vegetable intake.

[Nonsmoking] We promoted efforts to reduce the smoking rate.

[Exercise] In addition to measuring lower-limb muscle strength, we supported the establishment of exercise habits by offering courses on exercises that can be continued without difficulty and streaming videos on improving walking posture.

[Sleep] Analysis of an employee survey revealed that the main cause of insufficient sleep was stress. Accordingly, we implemented measures focusing on the relationship between stress and sleep.

[Stress] We implemented preventive activities through individual and organizational approaches.

In external evaluations, these initiatives were evaluated, and we received the following certification.

- Health & Productivity Management Outstanding Organization 2026 (White 500)^{*4}
- Sports Yell Company 2026^{*5} (the sixth consecutive year)
- Outstanding Corporate Entity for Shokuiku (Food and Nutrition Education) 2026^{*6} (first certification)

We will continue to promote the creation of workplaces where each employee can stay mentally and physically healthy and work with vitality.

^{*4}: The recognition system that evaluates the status of health and productivity management recommended by the Ministry of Economy, Trade and Industry

^{*5}: The recognition system of the Japan Sports Agency

^{*6}: A certification system promoted by the Ministry of Agriculture, Forestry and Fisheries for companies that implement initiatives to improve dietary habits.



Health & Productivity Management Outstanding Organization 2026 (White 500)



Sports Yell Company 2026



Outstanding Corporate Entity for Shokuiku (Food and Nutrition Education) 2026