

〈English〉



TAMURA CORPORATION REPORT 2021

Biltrite Tamura

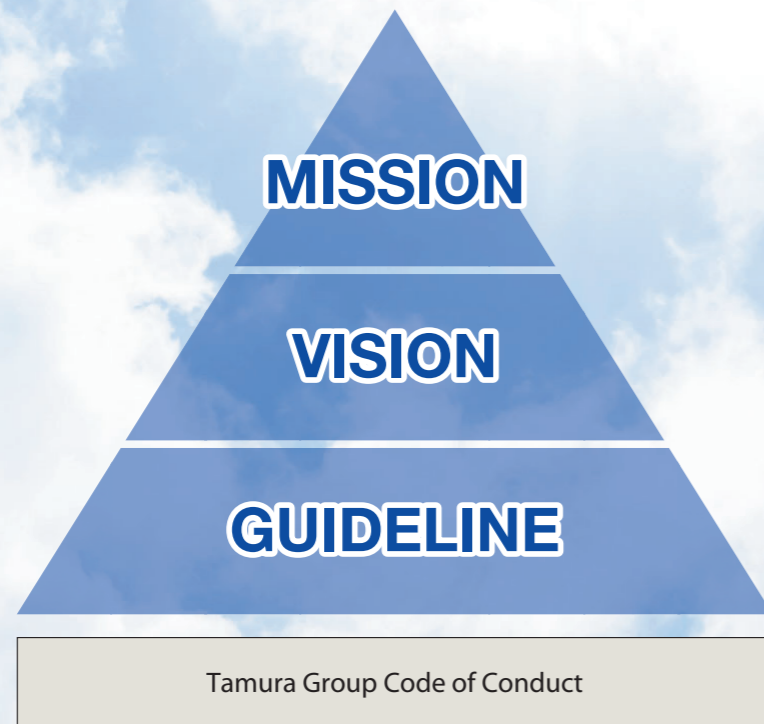
The 12th Mid-term Plan 2019-2021 & 2024

GROWING ANEW

Corporate Slogan

Tamura's mission is to be "your one and only company"

Corporate Philosophy



MISSION

The Tamura Group supplies an original range of products and services, highly regarded in the global electronics market, to satisfy the evolving needs of customers, employees and shareholders supporting the Group's growth.

VISION

- 1 The management of the Tamura Group is based on businesses related to the requirements of the global electronics industry.
- 2 The business of the Tamura Group is based on technologies that support rapidly diversifying customer needs, with a special focus on high market value.
- 3 The Tamura Group evaluates its employees with fairness and highly rates excellent performance and exceptional productivity.
- 4 The Tamura Group is a responsible member of the global community and respects the laws and customs of the countries in which it conducts business activities.
- 5 The Tamura Group strives to protect the global environment, conserve natural resources and promote recycling.

GUIDELINE

1. We attach great importance to partnership.
2. We attach great importance to nurturing a spirit of creativity.
3. We attach great importance to individuality.
4. We attach great importance to social responsibility.

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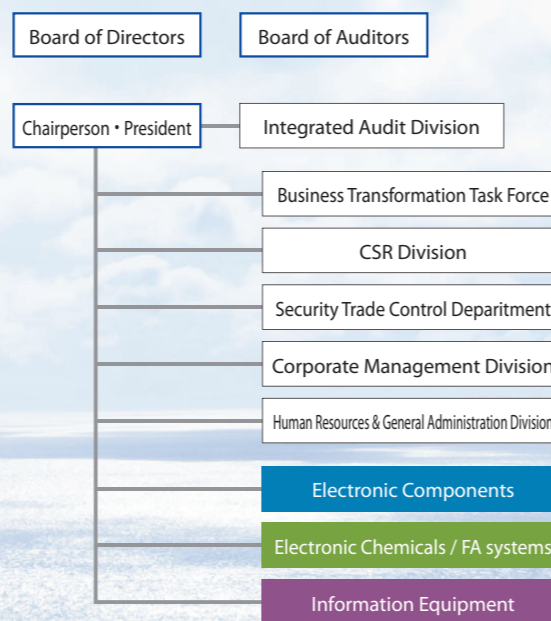
Company Profile

Company name	TAMURA CORPORATION
Founded	May 11, 1924 (Incorporated in Nov 21, 1939)
Capital	¥11,829 million
Share capital	(as of Mar. 31, 2021)
Authorized	252,000,000 shares
Issued and outstanding	82,124,917 shares (Not including 646,556 shares of treasury stock)
Closing date	March 31, each year.
Number of shareholders	13,716

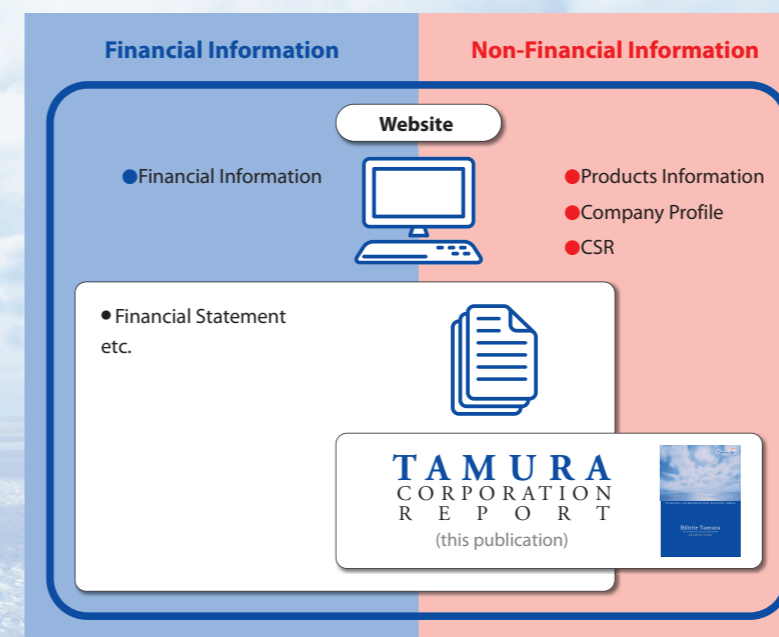
Directors/Corporate officers (as of June. 25, 2021)

Chairperson and Representative Director	Naoki Tamura	Director/Senior Executive Officer	Norihiko Nanjo
President and Representative Director	Masahiro Asada	Director/Senior Executive Officer	Shoichi Saito
Director/Vice President	Yusaku Hashiguchi	Standing Auditor	Yuji Yokoyama
Outside Director	Takeo Minomiya	Outside Auditor	Koichi Moriya
Outside Director	Akira Kubota	Outside Auditor	Atsuji Toda
Outside Director	Haruko Shibumura		

Organization Map (as of April 1, 2021)



Information Schema



Editorial Policy

This brochure is aimed at reporting value creation through the Group's business activities and main corporate social responsibility (CSR) initiatives, and shall be used as a tool for communication with stakeholders. For details of financial statements and CSR activities, please visit the Group website.

Period covered

April 1, 2020 to March 31, 2021
(Includes some activities in or after April 2021)

Publication date

August 2021 (Previous report: September 2020; next report: due in August 2022)

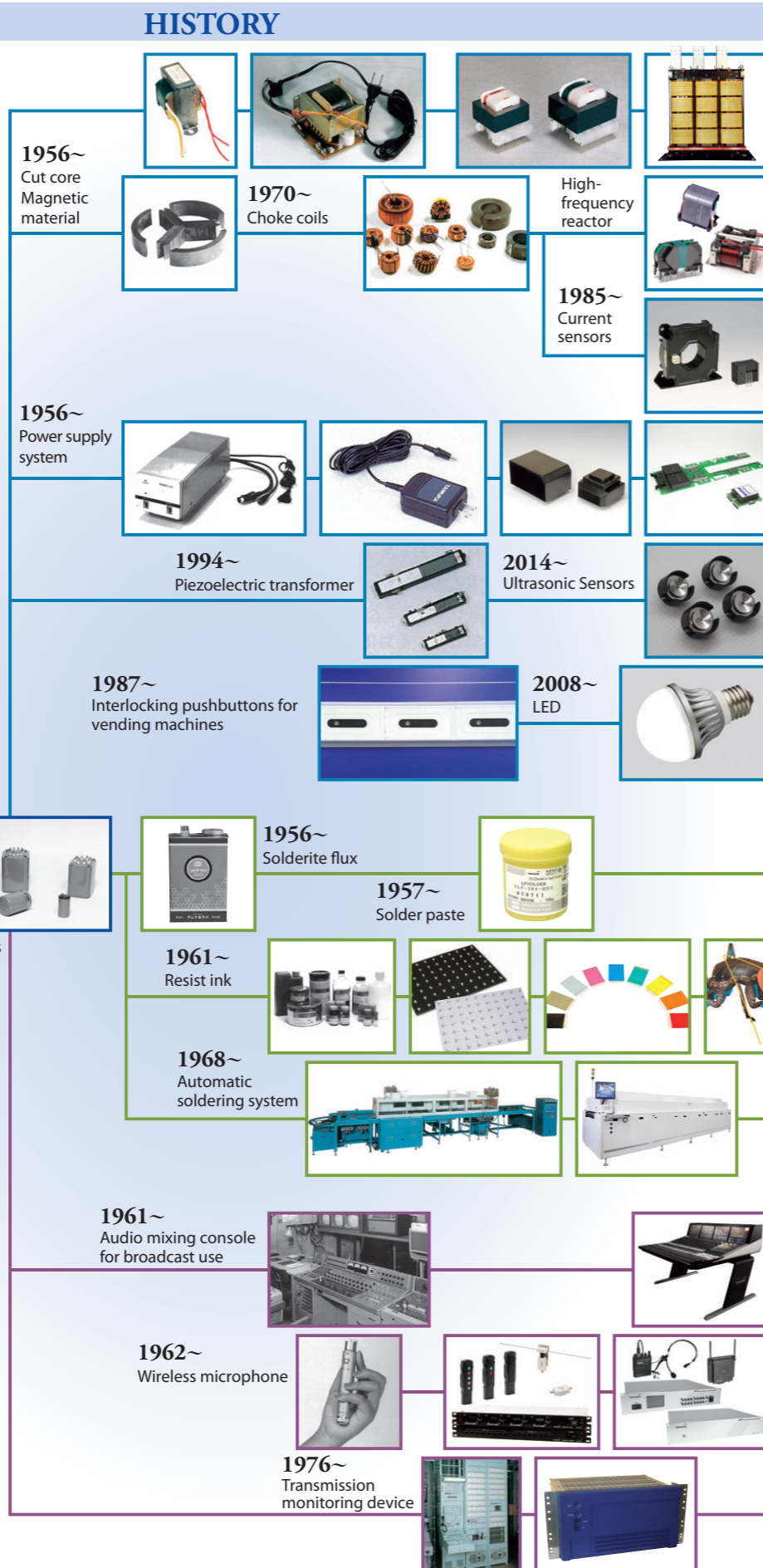
Guidelines used as reference

"ISO26000" Guidance Standard
"International Integrated Reporting Framework"
International Integrated Reporting Council (IIRC)

Contact information

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Time-honored technological capabilities that continue to excel



The company that would eventually become the Tamura Group came into being in 1924, one year before the start of radio broadcasting in Japan, as the Tamura Radio Store. Its main business was radio repair and the manufacture of original radios. In the process of pursuing superior sound, the firm came to handle the manufacture of the key component, the transformer.

since 1924

Manufacture and sale of radio and gramophone

1930~ In-house production of Bilrite series transformer

Its reputation as the "Tamura of transformers" created a foundation on which to expand its businesses, including various electronic components related to transformers; flux and soldering materials that were born out of the pursuit of quality joining materials for the manufacture of transformers; soldering systems; and even broadcast audio equipment and communication systems, based on achievements in the manufacture of transformers for broadcasting and communication.

Currently, Tamura Corporation conducts business operations in three areas: electronic components, electronic chemical mounting, and information equipment, to develop and supply products that meet the needs of new markets, such as the environment and energy markets.

PRODUCTS

Switching transformers, Reactors, Coils (High-frequency products)

Power transformers, Reactors, Coils (Low-frequency products)

Specialized large transformers and reactors

Current sensors

AC adaptors, Battery chargers
Power modules
Power supply for outdoor LED lighting
Gate driver modules

Piezoelectric ceramic products

LED-related products
Vending machine products
IoT-related products (Human sensors/Environment visualization sensors)

Solder pastes, Solder wires, Solder bars
Post-flux
Self assembling material

Solder resists (for rigid PCBs and flexible PCBs)
Photo imageable coverlay coat
OSP (pre-flux)
White reflective material,
black absorbing material

Reflow soldering system
Wave soldering system
Spray fluxer and other peripheral devices

Audio mixing console for broadcast use
Sound editor and other equipment

Wireless intercom
Wireless microphone

Communication network equipment
Security-related equipment
OEM products

CORE TECHNOLOGY

Power solutions

- Dust core material development and mass-production technology
- Electromagnetic field, heat, structural analysis (simulation) technology
- High-efficiency, low-noise power supply technology
- Large current transformer coil winding technology
- Environmental technology
- Adaptive technology for highly reliable standards (JAXA and MIL standards, etc.)
- Mass production technology for large products
- Design technology for special specifications (water cooling, waterproof, high pressure)

Piezoelectric ceramics

- Material development and process technology
- Element design technology and analysis technology
- Technology for controlling piezoelectric elements

LED/LD application and IoT solutions and semiconductor devices

- LED packaging technology
- Waterproofing technology
- Thermal design and analysis technology
- Optical design and analysis technology
- High-efficiency reflection processing technology
- Sensing technology
- Data processing technology
- Growth technology of single crystal substrates
- High-quality epitaxial growth technology
- High efficiency High-power LED manufacturing
- Lighting design technology
- Optical single-crystal technology
- Wireless technology

Mounting process, PCB material and semiconductor mounting material

- Unified, collaborative product development for both material and equipment
- Resin design and synthesis technology (photosensitive resin, thermosetting resin, thermoplastic resin)
- Metal powder production technology
- Soldering technology
- Thermosetting technology
- Environmental technology (technologies compliant with Pb-free, halogen-free requirements)
- Simulation technology (CAE analysis)
- Analytical technology contributing to materials design
- Reliability evaluation technology for product quality
- Reflow heating technology
- Wave soldering technology
- (Nitrogen) Atmosphere control technology
- Photosetting technology
- Soldering technology
- Heat control technology

Information equipment

- Audio processing technology
- Digital signal processing technology
- Acoustic technology
- High-frequency technology
- Radio technology
- High-density mounting technology
- Surround-sound technology

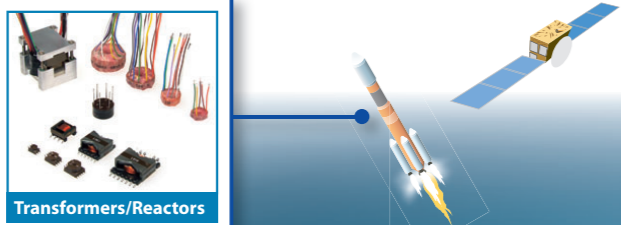
Tamura's Technologies Supporting Society, Industry, and Daily Life

Tamura's products have been supporting various industries and social infrastructure as "materials," "components," and "devices" that range from consumer products, such as automobiles and electronic equipment, to devices at manufacturing sites and natural-energy-related and aerospace fields. From raw materials to complete systems, Tamura's technologies have contributed to safety and comfort as well as a decarbonized society.

Electronic Components
Electronic Chemicals / FA Systems
Information Equipment

In Aerospace

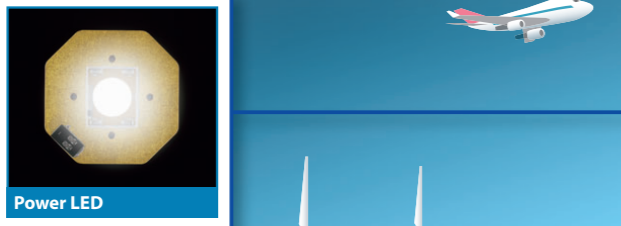
Contributing to society by providing ultimate environmental resistance in the form of airplanes, rockets, and satellites



Transformers/Reactors

At Lighthouse

Achieving energy-saving, extended service life, and improved maintainability for the luminous source of the lighthouse, which requires ultra-high brightness and high straightness



Power LED

At Train Stations

Supporting railway operation in the audio-visual realm by conveying such information as arrival/departure times



LED electric bulletin board
Wireless microphone for railways

In convenience stores and shops


LED light source contributes to energy savings for shop sign lighting and showcases.



Advertisement LED Lighting
LED lighting for showcases

At Telecommunication Base Stations

Solder resist and paste underpins digital telecommunication systems as essential materials for substrates used in telecommunication base stations.



Solder resist
Solder paste

In Broadcast Stations

Used in equipment for adjusting sound delivered to audiences, and wireless systems for in-house communication



Audio mixing console
DECT-based Intercom
Portable audio mixer

In Automatic Vending Machines on the Street

Realizing leading-edge functions for display, item selection, interface with a smartphone, etc.



Product selection buttons
Price display unit

In Wind and Solar Power Generation, by infrastructure

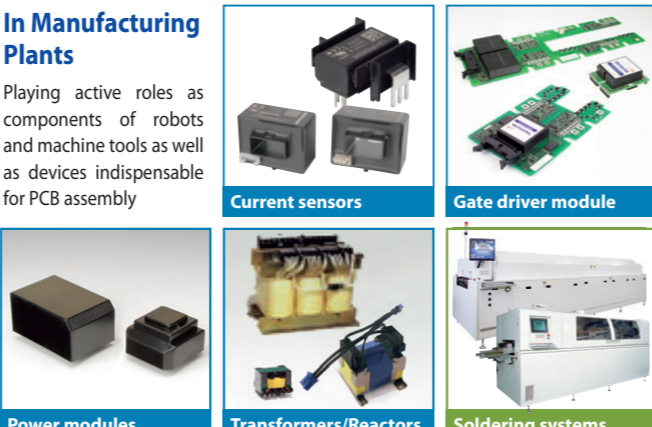
Offering parts and materials that contribute to efficiency improvement in renewable energy generation and DC transmission



Large transformers and reactors

In Manufacturing Plants

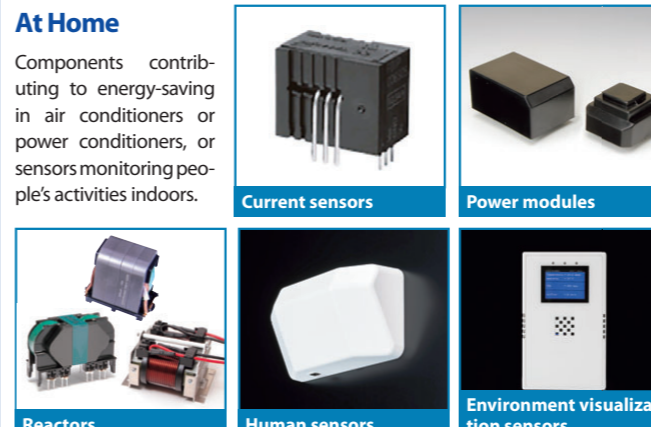
Playing active roles as components of robots and machine tools as well as devices indispensable for PCB assembly



Current sensors
Gate driver module
Power modules
Transformers/Reactors
Soldering systems

At Home

Components contributing to energy-saving in air conditioners or power conditioners, or sensors monitoring people's activities indoors.



Current sensors
Power modules
Reactors
Human sensors
Environment visualization sensors

In Eco-Friendly Cars

Supporting safe, secure, and eco-friendly driving with highly reliable and efficient parts and materials




Automotive reactors/Coils
Solder wires/Solder bars
Solder resist
Solder paste

In Smartphones and Tablet PCs


Employed as materials that support device evolution to realize multi-functionalization and miniaturization




Solder resists for flexible PCBs
Low alpha solder paste
Type 6 solder paste
Black absorbing material
Photo imageable coverlay coat (film or liquid form)



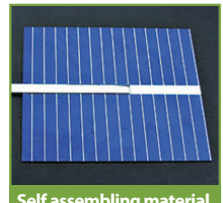
Current sensors




Gate driver module




Power modules



Self assembling material



White reflective material



Flux



Masahiro Asada

President and Representative Director
Tamura Corporation



Naoki Tamura

Chairperson and Representative Director
Tamura Corporation

Through a tripartite initiative composed of “business strategy,” “work style reform,” and “operational reform,” we are ready to help realize a decarbonized society.

With the intention of responding to market needs that surged in 2020, including a growing push to achieve “carbon neutrality” and promoting efforts to solve social issues through our businesses, the Tamura Group is stepping up initiatives to propel the “One Tamura Strategy.” Chairperson Tamura and President Asada will talk about the financial results amid the COVID-19 pandemic and the progress of the medium-term management plan, and discuss the direction of the road ahead under the Group’s sustainability management.

(Date of interview: May 20, 2021)

With the impact of COVID-19, tell us about the business environment for FY2020.

Asada: In FY2020, on the back of the global economic downturn due to the COVID-19 pandemic, both sales and profits plunged, particularly until the second quarter. Since October, however, sales and profits have recovered moderately, and are on a gradual recovery track.

By business, whereas the electronic components and electronic chemicals businesses have been rebounding, soldering equipment and LED-related products for vending machines faced an uphill battle as customers cut capital spending. The production system was disrupted somewhat mainly in countries where lockdown measures were taken to curb the spread of COVID-19. Nevertheless, no major trouble was reported, and since the latter half, nearly the same production system as that before the pandemic has been in place.

With the headwind continuing into 2021, prices of metals in particular, such as tin, silver, copper, and iron, have been soaring since February, weighing extremely heavily on the electronic components and electronic chemicals businesses. Furthermore,

due to the effects of the COVID-19 pandemic, the number of flights and ships has fallen sharply to affect logistics, and freight rates have been surging. Albeit no exit for both in sight as yet, we expect the situation to be brought under control in the latter half.

Tell us about the financial results for FY2020 and the progress of the medium-term management plan.

Asada: As for our financial results for FY2020, sales and operating income fell 7.2% and 14.0% from a year earlier, respectively. By business, whereas the electronic components and electronic chemicals/FA systems businesses saw both sales and profits decrease, the information equipment business met the sales target during a demand expansion period at the end of the fiscal year to ensure increased profits albeit decreased sales. In terms of the progress of the medium-term management plan, to our regret, we failed to meet the target for the second consecutive year.

In FY2021, the final year of the current medium-term management plan, we anticipate that the effects of the COVID-19 pandemic would drag on, and it would be unlikely for us to fulfill

the target. For this reason, we position FY2021 as a period for sowing seeds with the post-COVID-19 era in view and for getting ready to give us a head start in the next medium-term management plan that starts in FY2022, with the aim of achieving a V-shaped recovery.

Tell us about the measures taken as part of the One Tamura Strategy and the effects and results of them over the past year.

Asada: The One Tamura Strategy is a tripartite initiative that promotes “business strategy” to take up challenges in the future, “work style reform” with the aim of becoming a company that gives employees job satisfaction, and “operational reform” to boost work efficiency, thereby realizing “One Tamura.”

In order to move this initiative forward, we reshuffled management and strengthened cooperation among business units for strategic projects in 2020. As the heads of business units were reshuffled, we decided to redraw business strategy plans. Drawing a four-quadrant matrix with “new products and technologies” and “existing products and technologies” on the vertical axis and “existing markets” and “new markets” on the horizontal axis, we have identified ways of creating new businesses essential to sustainable growth and determined the direction of the road ahead (page 10).

Furthermore, we were able to make great strides in promoting cooperation among business units in the past year as we conducted cross-business-unit research and development to create new products and technologies in new markets. For instance, a project to create a new product is underway by a joint team of developers from the electronic components and electronic chemicals businesses. Moreover, we set up the Business Reform Promotion Office in April and launched a new project with a view to stepping up marketing activities as well. The management, including Chairperson Tamura and me, has joined hands to promote business reform from bottom up vigorously.

Under the One Tamura Strategy, you have stated that you will contribute to achieving carbon neutrality in particular as part of needs that surged on the back of the COVID-19 pandemic.

Asada: Recently, one company after another has declared that it would achieve net-zero carbon emissions in the future both at home and abroad. Tamura has traditionally dealt with “highly reliable” and “highly efficient” electronic components and parts that constitute the backbone of energy conversion for wind power generation, automobiles, or charging, and will further enhance this product portfolio. With the realization of a decarbonized society in mind, we need to come up with new products and services, follow the business trend toward attaining carbon neutrality, and link that initiative to a new business strategy by setting a big goal.

As for automobiles, based on our assumptions that it will take some more time for the mass adoption of electric vehicles (EVs) to happen, and that hybrid vehicles (HVs) will keep growing, we are expanding the production system for boosting reactors for automotive use. At the new factory built at Wakayanagi Tamura Corporation, a member of the Group, mass production was launched on a full scale in 2019. Also, a new factory was completed at our Sakado Factory in December 2020. Production facilities will be deployed by the end of FY2021, and the factory

will be launched in the first half of FY2022. As for overseas operations, we are optimizing our manufacturing sites in China. We have established a new factory for boosting reactors for automotive use in Foshan, and have realigned the factory for power source-related products in Shenzhen into two factories in Suzhou and Shenzhen as well.

Regarding greenhouse gases, you have set a new reduction target before formulating the next medium-term management plan.

Tamura: We hold the CSR Management Committee meetings, including outside directors, on a regular basis. In one of our discussions, a member pointed out that we might need a slightly longer-term strategy to address this. In order to help achieve carbon neutrality, comply with Japan’s Corporate Governance Code, and respond to a wide array of requests from customers and shareholders, we concluded that we should reformulate a new sustainability strategy typical of Tamura, and as a way to achieve the goal, we decided to identify what materiality is for us.

As we worked on identifying materiality, given the fact that the society’s demand to cut greenhouse gases has grown, we set a new goal of cutting greenhouse gases by 51% relative to the FY2013 level by 2030 ahead of time. Needless to say, carbon neutrality means achieving net-zero CO2 emissions. Thus, with revising ways to procure energy in the first place also in view, we will proactively source renewable energy down the road. For example, we are considering deploying new solar power generation facilities on the roof of the new factory for boosting reactors for automotive use in addition to the office building, which is a nearly ZEB (net zero energy building), at the Sakado Factory.

Please share with us the progress of identifying materiality and a schedule for announcing new sustainability strategy.

Tamura: As for materiality, we evaluated candidate items on the basis of two yardsticks, i.e., the degree of importance from

Basic policy on promotion of SDGs (Sustainable Development Goals)

Tamura Group Code of Conduct

The Tamura Group recognizes our corporate social responsibility (CSR) of balancing the achievement of a sustainable society and the sustainable growth of the Tamura Group. We recognize the term “SDGs” as shared global language regarding social issues. In addition to understanding the business opportunities presented by SDGs and the responsibility of corporation in achieving SDGs, the Tamura Group will contribute to the solution of social issues through products, services, technology, and business activities.

SUSTAINABLE DEVELOPMENT GOALS



the society's perspective and that from Tamura's perspective, respectively, and listed those of high importance. The nine key challenges that we picked are described in detail on page 13. As we begin formulating the next medium-term management plan that starts in FY2022, we hope that we would be able to reflect the identified materiality in each business unit's strategy as well.

We are in the process of drawing up a new sustainability strategy. We believe that it is indispensable to incorporate this new strategy into the next medium-term management plan as part of long-term guidelines. We will work out the final details and deploy this new strategy as it is integrated with the business strategy, and announce it at the same time as the next medium-term management plan.

In recent years, SDGs have been drawing attention in society. What efforts or initiatives did you carry out in FY2020?

Tamura: More than five years have passed since the Sustainable Development Goals (SDGs) were adopted by the United Nations (UN) in September 2015. Rather than whether we contribute to them or not, now is the time to call the substance of the initiatives into question. I myself, as the person in charge of promoting the initiatives, have come to feel the burden of responsibility more than ever.

In FY2020, we revised the Tamura Group Quality Policy as part of issues associated with SDGs. Considering that our utmost fundamental social responsibility is to contribute to the global community through our products and services from the very beginning, we wanted to go back to where we started and think about the quality that serves as the basis for our social responsibility, and reconfirm that none other than the untiring efforts for quality improvement represent a matter-of-course corporate culture for the Tamura Group. We believe that especially because this culture is a matter of course for us, it helps enhance not only the quality of products but that of the company as a whole as well, which ultimately results in achieving all SDGs. We will take concrete actions using this new quality policy as the compass.

In parallel, we will move further ahead with the personnel system reform as measures related to Goal 8 "Decent Work and Economic Growth," so that we can give important posts to those who are motivated regardless of age or gender. On top of these,



we are actively leveraging remote work from the standpoint of preventing the spread of COVID-19. This has made our work environment more employee-friendly for those facing the challenge of raising children or nursing the elderly.

Finally, tell us about the future challenge that you face, the direction of the road ahead, and your aspirations for the centennial anniversary.

Asada: In addressing carbon neutrality, which is one of the immediate social challenges, we believe that our products are highly effective. In areas centered on automotive application, power electronics, and IoT/next-generation telecommunications, which form the nucleus of the medium-term management plan, we will develop and launch new highly reliable and efficient products, and grow them as our strategic products that lead our sales as a whole.

Furthermore, in order to help promote innovation at job sites where strategic products are created, we will promote operational reform by leveraging information and communication technology (ICT) aggressively. We will also push ahead with work style reform that respects the diversity of people and put in place a personnel system that remunerates individuals according to their motivation and ability to work, thereby making Tamura a company where people can truly feel job satisfaction. I am positive that building an organizational climate that gives rise to innovation will definitely give us a head start as we work on the next medium-term management plan.

Tamura: In such a year plagued by the COVID-19 pandemic, whereas activities outside the company were affected significantly, there were not a few positive aspects, including the fact that we were able to accelerate efforts to enhance internal systems, such as work style and personnel system reforms, at a single stroke. On the business front, I am convinced that we were able to draw up a new business strategy and build a strong portfolio, thereby laying a robust management foundation that can respond to the post-COVID-19 business environment. Tamura will continue to be a company that is needed by society and aspire to reach new heights as it nears its centennial anniversary, which is just around the corner. Let me close this message by asking all stakeholders for their continued understanding and support.



The 12th Medium-term Management Plan (2019–2021 & 2024)

Bilrite Tamura **GROWING ANEW**

Bilrite = Build up + Right

The Tamura Group is working on its 12th medium-term management plan with an eye toward its centennial year in business (2024) and ensuing sustainable growth as a long-term vision. In its first fiscal year, however, the Group was hit hard by the COVID-19 pandemic and as a result, both sales and profit expected for FY2021 are predicted to fall far short of the targets set in the medium-term management plan. Although the surrounding business environment is expected to remain harsh, the Group will accelerate efforts with the intent of achieving sound growth in the medium and long term, based on the belief that pushing further ahead with the One Tamura Strategy is the challenge that needs to be addressed at the moment.

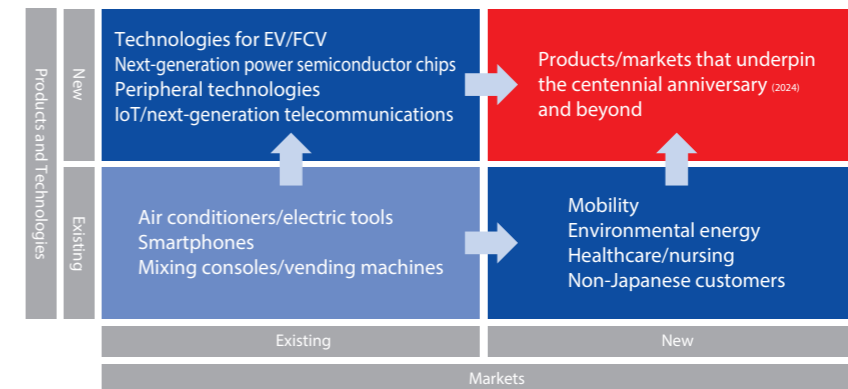
One Tamura Strategy

A tripartite initiative

- 1 **Business strategy to take up challenges toward the future**
- 2 **Work style reform to realize job satisfaction**
- 3 **Operational reform to boost efficiency**

Business Strategy to Take up Challenges toward the Future

The Tamura Group is holding internal discussions on ways to target new markets and develop new products that lie beyond existing markets and products, formulating a strategy to meet the target, and executing it. Under the 12th medium-term management plan, the Group as a whole picked "automotive," "power electronics," and "IoT/next-generation telecommunications" as the markets of focus, although currently, as decarbonization policies gain speed globally, the shift to EVs or renewable energy has been moving forward ahead of schedule. The Group will continue to step up these initiatives targeting growth markets through concerted efforts.



The rapid move toward carbon neutrality

Markets that the Group as a whole should focus on

Automotive

Support for popularization of eco-friendly cars as well as safe and comfortable driving

Responding to the world's growing need for eco-friendly cars, we offer a wide range of automotive products that are essential for improving fuel consumption, environmental performance, cruising performance, and acceleration performance.

Power electronics

Support for next-generation energy-saving societies

We promote the power electronics business by offering products that can be used in wind-power generation and electricity transmission/distribution for the expansion of renewable energy, and products that contribute to energy efficiency improvement.

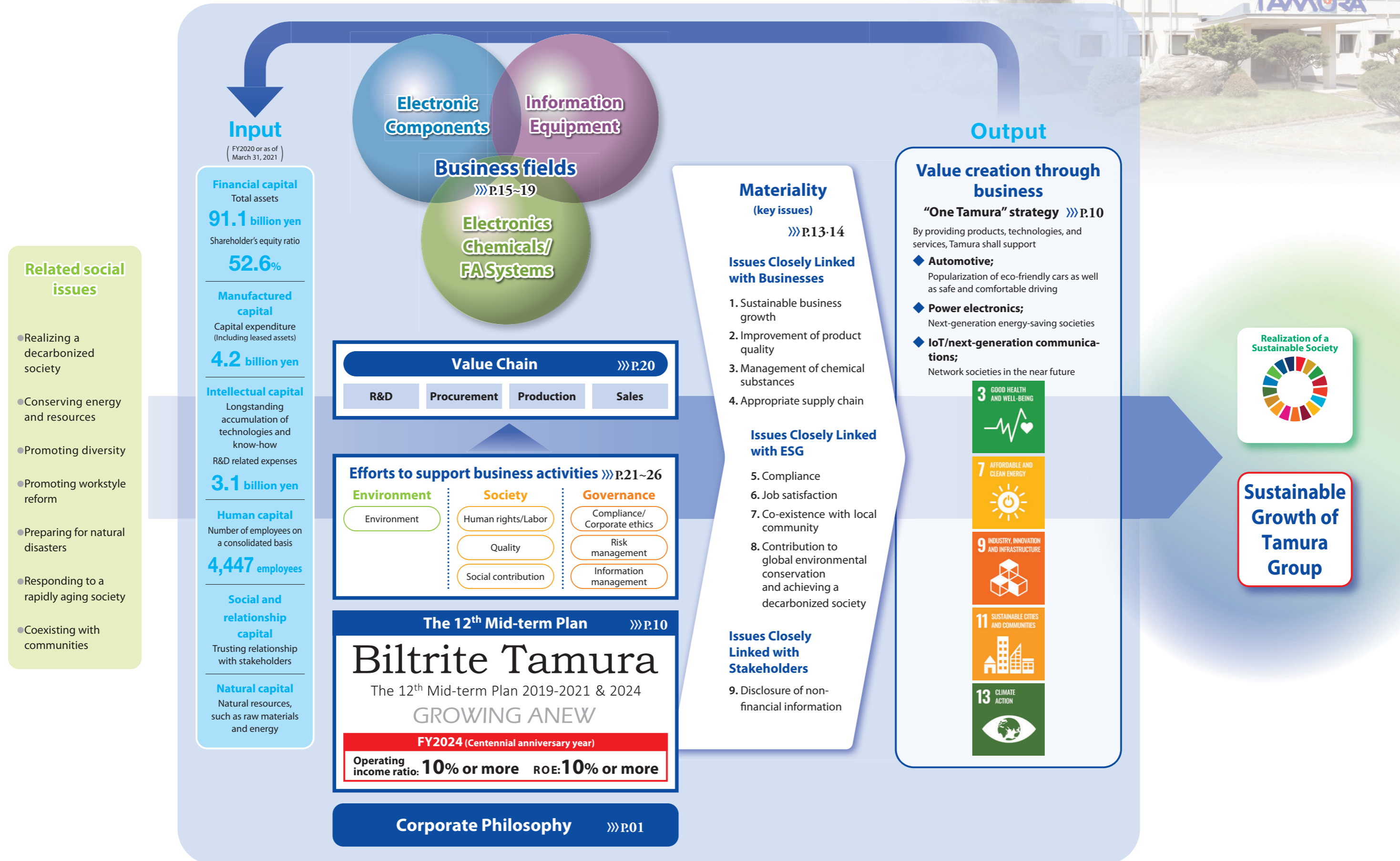
IoT/next-generation communications

Support for network societies in the near future

We provide products that can support a wide range of communication technologies, including chemical materials for multi-functionalized electronic devices such as 5G (5th generation mobile communications system) smartphones.

The Tamura Group aims to increase corporate value by contributing to society through our business activities and is making continuous efforts to create new values towards solving society's problems.

Creating Value



Identify Materiality (key issues)

The Tamura Group identified materiality concerning sustainability in May 2021.

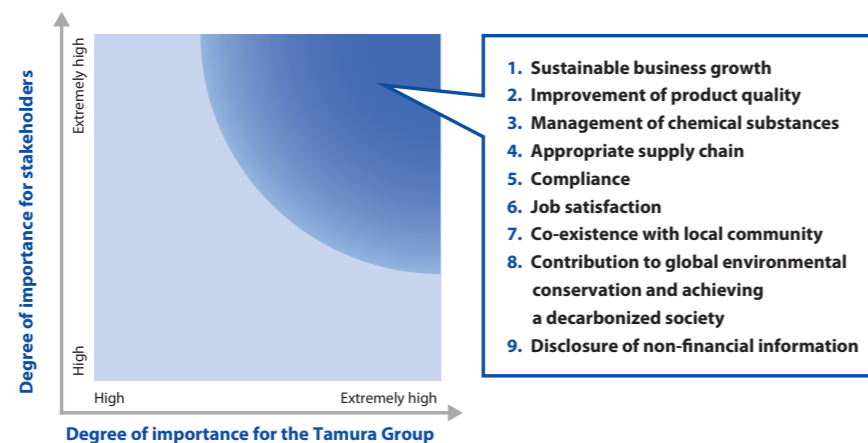
The Tamura Group will promote CSR and perform its social responsibility in the areas of global environment, human rights and labor, quality, social contribution, compliance, risk management, and information management while setting forth a sustainability strategy aiming for 2030 and positioning SDGs as the challenge that the Group as a whole should address.

Furthermore, it is formulating a new sustainability strategy targeting 2050 in order to clearly define what it wants to evolve into from a long-term perspective, work on sustainability more strategically, and grow sustainably. As part of this effort, the Group reassessed how it should be toward the future, and how to address or approach a variety of social challenges and treat these as materiality (key issues).

»» The Process of Identifying Materiality



Assessment Results



»» Materiality for the Tamura Group

We divided materiality into three, i.e., “issues closely linked with businesses,” “issues closely linked with ESG,” and “issues closely linked with stakeholders.”

Division	Materiality	Ideal state	Approach	Contribution to SDGs
Issues Closely Linked with Businesses	1. Sustainable business growth	A company that makes sustainable growth and social problem solving compatible and whose existential value is recognized by the general public	Products that contribute to sustainability, continued expansion of sales of new products and into new markets	3 GOOD HEALTH AND WELL-BEING, 7 AFFORDABLE AND CLEAN ENERGY, 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE, 11 SUSTAINABLE CITIES AND COMMUNITIES, 12 RESPONSIBLE CONSUMPTION AND PRODUCTION, 13 CLIMATE ACTION, 16 PEACE, JUSTICE AND STRONG INSTITUTIONS
	2. Improvement of product quality	A company that understands customer needs, meets their requirements, and lives up to their expectations	Act in compliance with the quality policy and hand it down from generation to generation	
	3. Management of chemical substances	A company that promotes the management of chemical substances and offers safe and secure products and services	Appropriate management of chemical substances across the whole supply chain	
	4. Appropriate supply chain	A company that promotes CSR procurement (global environment, responsible mineral resources, child labor, business continuity plan (BCP), etc.) across the whole supply chain	Promote CSR procurement across the whole supply chain	
Issues Closely Linked with ESG	5. Compliance	A company that understands social responsibility, observes laws, regulations, rules, social norms, and corporate ethics, and is trusted by society	Promote compliance and maintain and enhance its risk management system	
	6. Job satisfaction	A company that attracts people, is admired by people, respects each employee's character, and allows each employee to feel proud of the company, gain job satisfaction, and find joy in working	Respect and give consideration to diversity and evaluate employees fairly	5 GENDER EQUALITY, 7 AFFORDABLE AND CLEAN ENERGY, 8 DECENT WORK AND ECONOMIC GROWTH, 13 CLIMATE ACTION, 15 LIFE ON LAND, 16 PEACE, JUSTICE AND STRONG INSTITUTIONS
	7. Co-existence with local community	A company that contributes to regional development as a member of the local community and is trusted by citizens	Contribute to local citizens' economic activities and improving their living environment	
	8. Contribution to global environmental conservation and achieving a decarbonized society	Take up the challenge of achieving carbon neutrality A company that contributes to the realization of a decarbonized society through the promotion of energy-saving and decarbonization efforts in various aspects of products and services as well as business activities	Realize carbon neutrality in the Group's activities, such as offering products that contribute to sustainability and introducing renewable energy	17 PARTNERSHIPS FOR THE GOALS
Issues Closely Linked with Stakeholders	9. Disclosure of non-financial information	A company that is needed by every single stakeholder and can live up to the expectations of society	Disclose information with ESG in mind timely and respond to Task Force on Climate-related Financial Disclosures (TCFD)	16 PEACE, JUSTICE AND STRONG INSTITUTIONS

»» Future Efforts and Initiatives

The Tamura Group will continue to deepen discussions on the identified materiality at the CSR Management Committee in a bid to identify what the Group wants to be by 2050, and will draw up a roadmap to address the challenges. Furthermore, in formulating the next medium-term management plan that kicks off in FY2022, the Group will set the target and work on it by following the plan-do-check-act (PDCA) cycle on a group-wide basis.

Electronic Components

“High-reliability” and “high-efficiency” power technology contributes to the future of power electronics, realizing safer and more secure lives as well as a decarbonized society.



Contributing to realization of a decarbonized society with “Only One” technology

Ryo Nakatsu

Senior Executive Officer and Director of Magnetic Business Sector

We will work to expand our business by targeting the electric vehicle market, which is expected to grow as the trend toward decarbonization accelerates around the world, as well as the energy market for power generation, power storage, power saving, and power transmission and distribution. In the electric vehicle market, the demand for highly efficient and highly reliable in-vehicle reactors, which have been undergoing development using high-performance materials for more than ten years, is surging. In the energy market, the need for high-efficiency large-scale reactors with improved cooling efficiency is increasing as well.

We will respond to the ever-increasing demand for environmentally friendly products with “high performance, high reliability, and high efficiency” technology, and contribute to the realization of a decarbonized society. We will also build a global production system that takes BCP into consideration, and will aim for the growth of sustainable business.



Contribution for Carbon Neutral World!

Yuji Nakayama

Senior Executive Officer and Director of Unit Business Sector

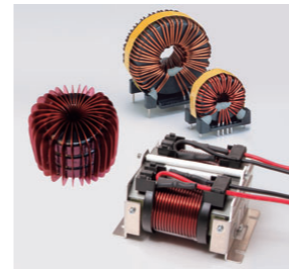
There is an increasing demand for renewable energy toward the realization of a decarbonized society. Therefore, the Unit Business Sector is developing the following items (1), (2), and (3) with the objective of manufacturing them as series products: (1) gate driver modules for power semiconductor control required in the markets for solar and wind power generation, electricity storage, in-vehicle equipment for EV, and motorization; (2) ASIC current sensors for inverter current detection; and (3) next-generation high-efficiency power supply using next-generation semiconductor technology such as gallium oxide.

In the future, we will reconsider materials and manufacturing processes to meet the market demand for even higher power. We will contribute to the realization of a decarbonized society by developing and disseminating “highly reliable” and “highly efficient” products.

Social value of business

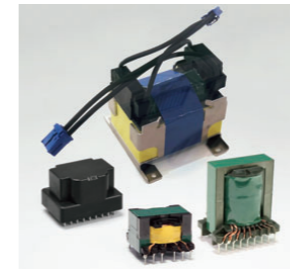
- We are directing efforts into the development of high-reliability and high-efficiency products required for power systems that deal with high current, such as those for eco-friendly cars, renewable energy, and industrial equipment. Our boosting reactors for eco-friendly cars, which necessitate high-safety designs, are highly regarded in terms of performance and quality, so we will enhance production capacity in response to increases in demand, supporting the widespread use of eco-friendly cars.
- The LED-related products that we have developed include high-brightness power LEDs that are extremely power efficient and human sensors to which sensing and communication technologies are applied. These products help monitor people’s activities in nursing-care facilities and the like, enhancing safety.
- Our transformers, reactors, LEDs, power supplies, and piezoelectric ceramics products contribute to saving energy and resources in devices that incorporate these products. We provide these products globally in a broad range of areas, effectively offering eco-technological solutions to social problems.

Products



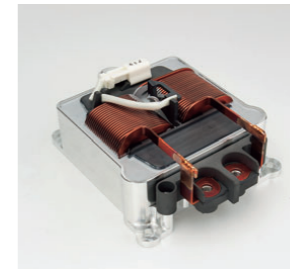
Reactors and coils

Reactors are core components for voltage control and noise removal for power conditioners, air conditioners, and the like. They contribute to energy saving and clean energy.



High-frequency transformers

High-frequency transformers are necessary to miniaturize electronic devices or increase efficiency. Our products are compatible with various types of circuits and enable higher-frequency power conversion, contributing to energy saving.



Automotive reactors

The reactors are key components for optimal voltage control in hybrid and electric cars. Our reactors ensure not only eco-friendly but also highly reliable and safe driving.



Large transformers and reactors

In large-scale wind or solar power generation systems and the like, large transformers and reactors are the core components—the former are used for voltage conversion and the latter are for voltage control and noise removal. They contribute to the spread of renewable energy.



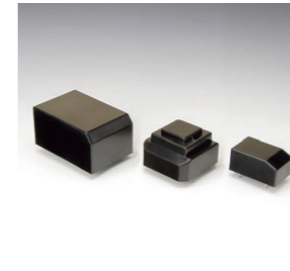
Transformers and reactors for aerospace use

As the only domestic manufacturer that has obtained certification from Japan Aerospace Exploration Agency (JAXA) for the standards of transformers and reactors for power systems, we develop, produce, and supply transformer and coil products for onboard use on satellites and their launching vehicles.



Current sensors

In order to make effective use of natural energy, it is necessary to monitor electrical current in equipment with a high degree of accuracy. Our product line, which is broad in terms of current range and accuracy range, contributes to creation, storage, and saving of energy.



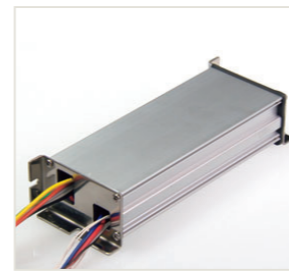
Power modules

High-efficiency DC converter functions are packaged. e modules allow you to easily design high-performance power supply (high-efficiency, low-standby-power, quiet, and small) best suited for your product.



Gate driver module

The product for driving high-power switching semiconductors used in inverters, etc. Suitable for both IGBT and SiC-MOSFET because of its low noise characteristics. This product can contribute to drastic simplification of equipment design.



Power supply for outdoor LED lighting

LED power supply for outdoor use such as facility illumination and road illumination. Designed to achieve high efficiency and high power factor and equipped with multi-stage optical modulation function, the product can realize the industry’s top level of energy saving illumination.



AC adaptors

Our AC adaptors supply stable power to optical network units (ONU). Their high resistance to exogenous noise due to thunder and other causes provide support for communication lifelines such as the Internet and telephones.



Piezoelectric transformers

The use of the resonance phenomenon of piezoelectric ceramics allows efficient generation of high voltage. Our products are used for high-voltage power supply for laser printers, copiers, ion generators, etc.



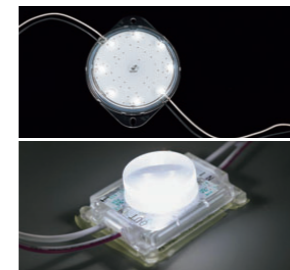
Piezoelectric vibrators

Ultrasonic generator used in cleaning processes in semiconductor manufacturing, etc. It uses Tamura’s original piezoelectric ceramics and has high strength and low heat generation even for high output.



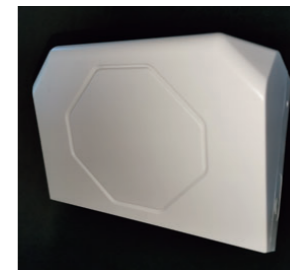
Vending machine related products

We have developed major components such as the item selection button, which holds over 90% of the market share according to our investigation, the price display unit, and LED lighting. Buttons with a built-in price display have already become the trend for vending machines.



LED lighting for special applications

LED lighting for special applications, such as inside lighting type signboards and refrigeration showcases that utilize optical engineering design technology. This product has been adopted for use in showcases manufactured overseas, mainly Asia.



3D motion sensor

It performs three-dimensional space sensing, measuring the width, depth, and height of an object. In addition to detecting the presence or absence of the object, it can detect the object’s posture and movement.



Environment visualization sensor

It measures and analyzes room temperature, humidity, carbon dioxide concentration, density of allergens, etc. It enables the subscription service in which an interior space is kept comfortable and safe from such dangers as heat stroke, infectious diseases, etc.

Electronic Chemicals/FA Systems

Well-refined soldering technology for “highly reliable” and “highdensity mounting”, with eco-friendly materials and equipment, contributes to the development of a sustainable electronics industry.



Challenge the global market with environmentally friendly materials and equipment

Seiji Shibata

Senior Executive Officer and Director of Electronic Chemicals/FA Systems Business Sector

The Business Sector of Electronic Chemicals/FA Systems is one of the first to comply with environmental regulations, such as fluorocarbon regulations and lead regulations. Currently, we are facing headwinds such as the COVID-19 pandemic and the price increase of molten metals. We will contribute to the electronics industry with environmentally friendly materials and equipment while taking on various challenges by making the best use of our network of global bases.

The Electronic Chemicals subdivision aims to achieve customer satisfaction through the development, manufacture, and sales of highly reliable solder pastes, including highly heat-resistant solder, solder resists for flexible substrates that realize high functionality, and the photo imageable coverlay coat (PICC). The FA Systems subdivision will develop technology for foreign matter prevention and heat control in furnaces and environmentally friendly equipment that reduces energy consumption, and will continue to support global manufacturing.

Social value of business

Electronic Chemicals

As cars are becoming more fuel-efficient and highly functional, automotive components are becoming more electronically controlled, lightweight, and miniaturized. Under these circumstances, we offer superior materials that meet reliability requirements that are becoming stricter each year. Our materials have high reliability and show good performance, including crack resistance, heat resistance, and humidity resistance, even in a harsh engine room environment. In addition, as smartphones and wearable devices are becoming more multi-functional, lightweight, and miniaturized, there is a demand for further high-density mounting and various joining methods. We provide materials that meet such demand, supporting high-speed and high-capacity communication in 5th generation (5G) mobile network systems.

FA Systems

We provide high-performance soldering systems compatible with other assembly equipment. Such systems are needed due to an increase in demand for in-vehicle PCBs associated with advances in automotive electronics or to development in smart factories typified by Industry 4.0. Our systems show good environmental performance that helps save power and resources. Using this advantage, our systems streamline mounting lines and support manufacturing in evolving factories around the world.

Products



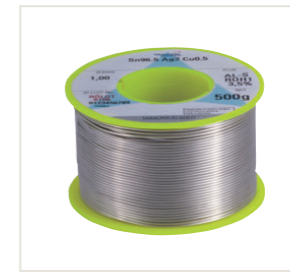
Solder paste

Used as joining material for surface mounting, solder paste is prepared by mixing solder powder and a flux. Tamura's extensive metal composition lineup provides compatibility with various applications, such as fine mounting, in-car use, and micro bump formation.



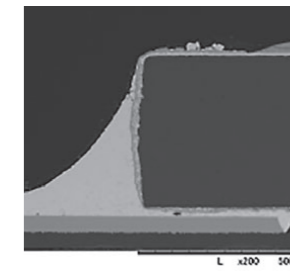
Solder bars

Solder for wave soldering equipment. It has excellent wettability and fluidity, and is appropriate for use in a wide range of applications from general purpose to in-vehicle use.



Solder wires

It is used for soldering inserted parts with a soldering iron and for correcting solder defects.



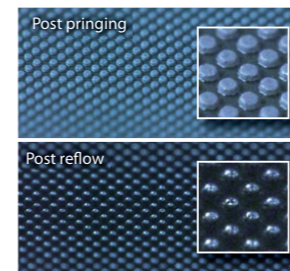
High heat resistance solder

In-car electronic devices should have high resistance to harsh temperature environments due to miniaturization and mechatronic integration. Our solder products prevent solder joints from cracking, contributing to reliability improvement of electronic devices.



Selective soldering material

Solder paste available for quick-heating soldering such as laser soldering. It allows 3D mounting and partial soldering. It is also available as a jet dispensing product.



Low alpha solder pastes

A halogen-free type solder paste for forming micro bumps for semiconductor packages. It produces less voids and is compatible with narrow-pitch printing.



Flux

Flux is the keystone of Tamura's materials development. By chemically removing oxide film from the metal surface to be soldered, flux ensures superior wettability and spreadability for solderable metals.



Solder resist

The solder resist plays an important role in maintaining insulation performance by protecting printed circuit boards (PCBs) from oxidation. Mindful that it serves as the face of PCBs, Tamura is as attentive to the external appearance as the reliability.



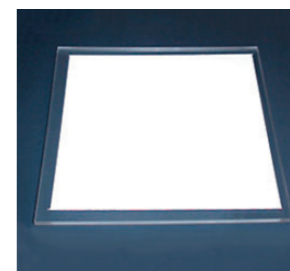
Solder resists for flexible PCBs

Halogen-free solder resists for flexible PCBs are available in rich color variations.



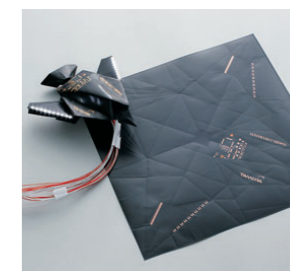
Photo imageable coverlay coat (film or liquid form)

Insulation material satisfying the requirements for functional modules—good workability, fine-mounting capability, weight and thickness reduction, and high reliability.



White reflective material

White reflective materials are applied to the back surface of a LED PCB or a solar power panel to increase reflectivity. They are highly functional halogen-free materials with high reflectivity and discoloration resistance.



Black absorbing material

These materials are applied to a surface of a printed circuit board or a film to accentuate LED light. They can meet design requirements such as covering and hiding wiring.



Reflow soldering system

Reflow soldering system heat PCB-mounted electronic components to melt solder and join the components and circuits on the board. Our new systems are equipped with convection control technology that efficiently circulates gas within the systems, making it possible to suppress flux adhesion to the inner surface of the furnace as well as reduce nitrogen consumption.



Wave soldering system

Wave soldering system through which a printed circuit board with electronic components inserted is passed with its lower surface dipped in solder bath. The soldering system uses a solder bath made of titanium, which is resistant to corrosion, and has a hot air heater with high preheating capability.

Information Equipment

Improve “safety and security” of social infrastructure through “sound” to deliver “value” and “excitement” to customers.



Promote development of new markets and new products by strengthening cooperation between the information equipment business and the light wave businesses

Norihiko Nanjo

Director/Senior Executive Officer, Director of Information Equipment Business Unit and President of KOHA Co., Ltd.

Most of the TV and radio audio in Japan goes through the audio adjustment console manufactured by Tamura Corporation. In FY2021, we launched the next-generation audio adjustment console NTX series equipped with IP functions that contribute to efficient program production. We will bring excitement to customers through comprehensive maintenance services unique to production in Japan. In addition, we will promote further integration with KOHA Co., Ltd., the group company excelling in high-brightness LED technology, sensing technology, and communication technology. We will also promote the development and expansion of digital health products that can contribute to monitoring, safety, and security in daily life by using 3D (millimeter wave) sensors, environment visualization sensors, etc. In this way, we will contribute to safe living in an aging society.

Products



Audio mixing consoles for broadcasting

Sound adjusting equipment used in TV and radio broadcast stations, etc. By integrating acoustic and network technology, we have realized IP functions that support efficient program production.

Social value of business

- We have accumulated sound and communication technologies in the areas of broadcasting and telecommunication. Using these technologies, we provide customers, particularly broadcast stations, with wireless intercoms and more as well as audio mixing consoles compatible with high-resolution 4K/8K TV broadcasting, thereby delivering new experiences to the audience and contributing to comfortable living.
- We have applied our original wireless technology to various systems that watch over for human safety life.

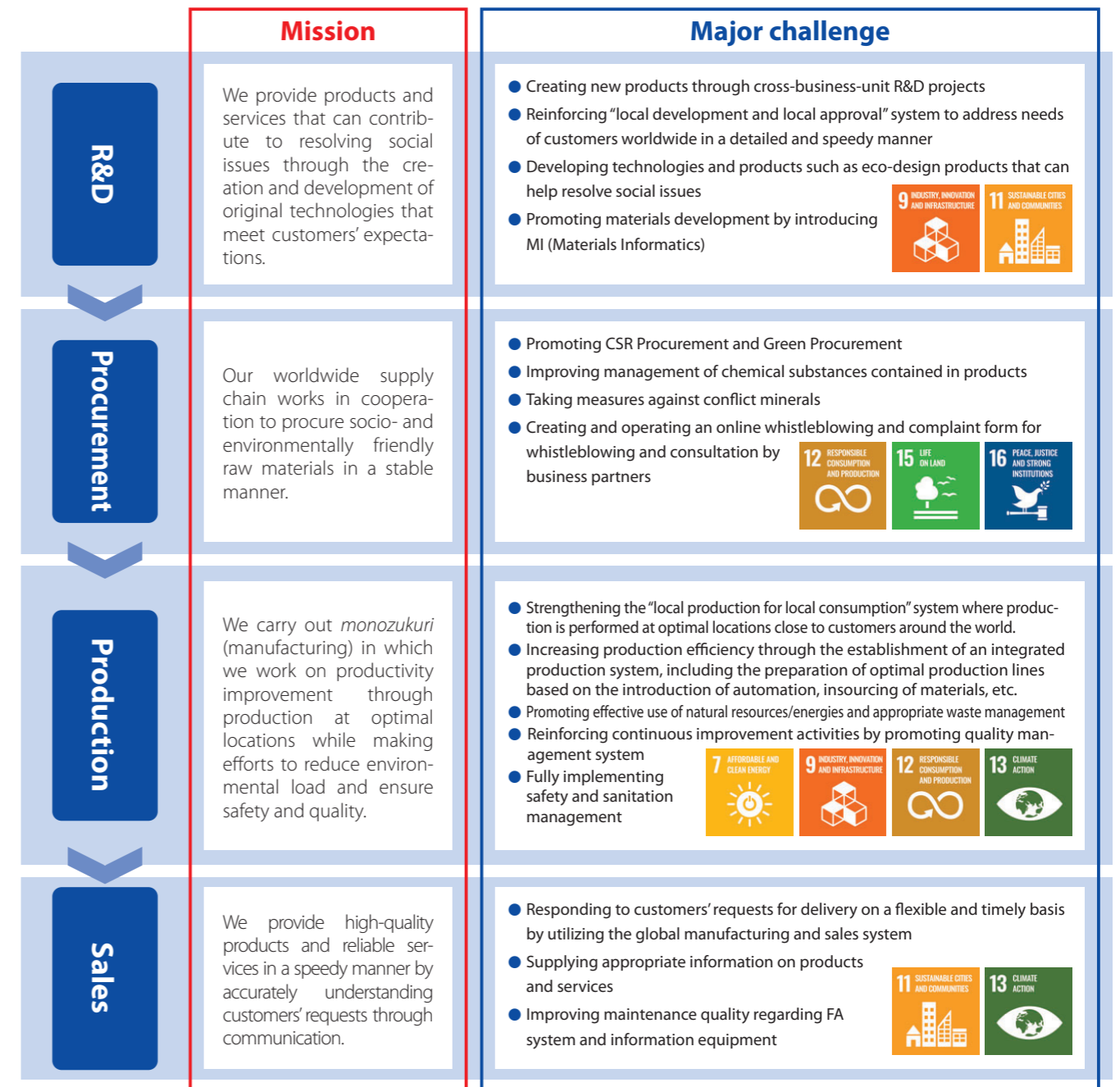


Wireless devices

Wireless intercoms, such as DECT-based intercoms, are essential communication tools for producing TV and radio programs. Wireless microphones for railways are capable of not only amplifying voice across platforms but also controlling departure bells and door closing indicators using control switches.

Sustainable Value Chain ~Creation of added value~

With the aim of continuously providing safe and secure high-quality products and services that satisfy customers from all over the world, the Tamura Group has been working on resolving social issues by promoting business activities while taking social and environmental impacts into account in all processes ranging from R&D, procurement, and production to sales.



Foundation that supports value chain

With the aim of creating additional value in each process in the value chain, we endeavor to reinforce maintenance and development of diverse human resources who engage in functions and business activities useful for governance and compliance, and efforts that contribute to local society and environmental conservation at each base.





CSR Goals and Results

The Tamura Group is promoting CSR in such areas as “environment,” “human rights/labor,” “quality,” “social contribution,” “compliance/corporate ethics,” “risk management,” and “information management,” in relation to the environment, society, and governance.

* In order to show the association between the Tamura Group’s initiatives and the Sustainable Development Goals (SDGs), each area of activity is indicated by the corresponding SDGs icons.

Self-assessment criteria

- 100% or higher achievement
- 80–100% achievement
- Less than 80% achievement

Report page

Page number indicates the page on which activities are reported in the TAMURA CORPORATION REPORT 2021.
 Web: <https://www.tamuracorp.com/csr/>
 All activities, with some exemptions, are reported.

Area of Activity	Key Issue	FY2020 Goals	Main Result in FY2020	Self-assessment	FY2021 Goals	Report page	
Environment 	● Offering eco-design products	● Premier eco-design products sales ratio: 15%	● 14% [Goal not achieved]		● Premier eco-design products sales ratio: 7%	Pages 23-24 Web: ◆ Environmental Management ◆ Environmental Targets, Performance, and Evaluation ◆ Eco-design Products ◆ Action on Environmental Protection	
	● Reduction in use of substances of concern	● Substances of concern: 60% reduction in basic unit compared with FY2005	● 56% [Goal not achieved]		● Substances of concern: 60% reduction in basic unit compared with FY2005		
	● Promotion of energy and resource savings	● CO ₂ emissions: 8.6% reduction compared with FY2013	● 15% [Goal achieved]		● CO ₂ emissions: 9.8% reduction compared with FY2013		
	● Promotion of group-wide integrated ISO 14001 certification	● Compliance with environmental laws and regulations	● No violations of environmental laws and regulations		● Compliance with environmental laws and regulations ● Implementation of internal environmental auditor development training and upskilling training		
Human rights/Labor 	● Personnel system and human resource development	● Development of global human resources and management ● Revision of personnel system	● Introduction of new personnel system that responds to diversification of employees' values and work styles and aims to increase job satisfaction		● Development of global human resources and management	Pages 25-26 Web: ◆ Human Rights/Labor ◆ Supply Chain Management	
	● Work style reform	● Improvement of working environment ● Work efficiency improvement through introduction of RPA (Robotic Process Automation) ● Enrichment of healthcare	● Improvement of ICT infrastructure and development of company rules to enhance flexibility of work sites and hours ● Introduction of work-from-home arrangements ● Implementation of labor management training and stress management training ● Promotion of taking paid leave ● Improvement of work efficiency in departments that have introduced RPA ● Implementation of stress check and periodic stress counseling		● Improvement of working environment ● Launch of business process re-engineering (BPR) project, and improvement of efficiency and increased added value by reviewing indirect business processes ● Enrichment of healthcare		
	● Promotion of diversification	● Execution of action plan to promote active female participation ● Promotion of employment of disabled/elderly persons	● Implementation of consultation meetings to support career development of young employees ● Introduction of work system that enables employees engaged in childcare or nursing to select work-from-home days and working hours ● Promotion of employment of disabled/elderly persons		● Execution of action plan to promote active female participation ● Promotion of employment of disabled/elderly persons		
	● Promotion of safety and sanitation	● Promotion of safety and sanitation	● Workplace safety and sanitation inspection, and implementation of safe driving habit self-check, etc. for drivers and cyclists		● Promotion of safety and sanitation		
	● Promotion of CSR procurement	● Response to conflict minerals issues	● Promotion of conclusion of contracts, etc. in accordance with “Procurement Guidelines” ◆ Disuse of conflict minerals ◆ Elimination of antisocial forces		● Response to conflict minerals issues		
	● Provision of high-quality products	● Establishment/enhancement of quality education system ● Quality improvement awareness-building activities during the Quality Month ● Hosting of Tamura Group Quality Promotion Conference	● Revision and dissemination of quality policies ● Provision of design reviewer training, job teaching training, basic quality training, and support for getting QC certification ● Message sent by officers responsible for quality on the first day of the Quality Month ● Hosting of Tamura Group Quality Promotion Conference		● Dissemination of quality policies ● Establishment/enhancement of quality education system ● Quality improvement awareness-building activities during the Quality Month ● Hosting of Tamura Group Quality Promotion Conference		
Quality 	● Increased green procurement	● Update of green procurement standards ● Strengthening of management of chemical substances in products	● Update of green procurement standards ● Promotion of sharing of information on establishment, revision, and abolishment of laws and regulations for chemical substances in products		● Update of green procurement standards ● Strengthening of management of chemical substances in products	Page 26 Web: ◆ Quality/Service ◆ Supply Chain Management	
	Social contribution 	● Continuous social contribution activities	● Donation activities ● Promotion of resource recycling activities	● Donation activities ● Support for the Drop-in Center Project in Bangladesh ● Collection of empty cases of disposable contact lenses, donation of old books, promotion of used stamp collection activity, etc.			● Donation activities ● Promotion of resource recycling activities
		● Coexistence with community and volunteer activities	● Hosting of Monozukuri (manufacturing) School ● Implementation of internship and job experience programs ● Coexistence with the community and volunteer activities	● Provision of soon to be dismantled Sakado Factory building for firefighters' training ● Promotion of environment beautification activities near and around individual business sites, participation in the Akaya Project and more.			● Hosting of Monozukuri (manufacturing) School ● Implementation of internship and job experience programs ● Coexistence with the community and volunteer activities
Governance 	● Promotion of compliance with laws and regulations	● Promotion of compliance education	● Implementation of legal practice training, including patents, security trade control, contracts, and unfair competition prevention ● Discussion-based training in small groups using training materials ● Issuance of e-mail magazines in which familiar news, case studies, etc. of compliance violations are explained in an easy-to-understand manner		● Promotion of compliance education	Web: ◆ CSR Management ◆ Compliance	
	● Dissemination of CSR	● Continuous dissemination of SDGs	● Company-wide dissemination of SDGs through training, internal newsletters, etc., and implementation of SDG education overseas		● Continuous dissemination of SDGs		
	Risk management 	● Strengthening of risk management	● Response to COVID-19 ● Periodic/occasional review of business continuity plan (BCP) documents ● Implementation of emergency drills	● Response to COVID-19 while maintaining business continuity ● Global implementation of BCP in individual business segments ● Implementation of evacuation drills and safety confirmation drills at domestic business sites ● Improvement of stockpile at each business site in Japan		● Continuous response to COVID-19 ● Re-development of BCP and enhancement of business continuity management (BCM) ● Implementation of emergency drills	Page 26 Web: ◆ Risk Management ◆ Human Rights/Labor
		● Reinforcement of data protection program	● Reinforcement of the information protection system	● Enhancement of network security against cyberattack and information leakage		● Reinforcement of the information protection system	
Information management 	● More timely and appropriate disclosure of corporate information	● Timely and appropriate corporate information disclosure on Website	● Timely and appropriate corporate information disclosure on Website		● Timely and appropriate corporate information disclosure on Website	Web: ◆ Risk Management ◆ Corporate Governance	



Environmental Topics

Contributing to Realization of a Decarbonized Society through Acquisition of Worldwide Integrated Certification

The Tamura Group began building a globally unified environment management system in FY2006 and had integrated 23 sites of 16 companies by FY2020 in an attempt to improve its environmental performance and enhance environmental governance.

With an eye toward carbon neutrality by 2050, the Group boosted its greenhouse gas reduction target by FY2030 by at least 21% compared with the FY2013 level, to 51% or higher, and will put it into effect starting in FY2022.

In order to attain sustainable growth and realize a sustainable society, the Group will work on saving energy and leveraging renewable energy thoroughly.

Tamura Group Environmental Targets

- Greenhouse gas emissions*:
 - FY2030: Reduction of **51% or more** (compared with FY2013 levels)
- Amount of renewable energy introduced:
 - FY2030: **More than double** (compared with FY2019 level)

* Within Scope 1 (direct emissions from our own fuel use or production process) or Scope 2 (indirect emissions from the use of electricity or heat we purchased).
 • Emissions related to new plants are added to those of past fiscal years including the base year to appropriately evaluate reduction efforts made after the start of operation.
 • Emission coefficients represent those of electricity purchased based on agreements in principle.

Tamura Group Environmental Policy

Environmental Concept

The Tamura Group conducts all its business activities in harmony with the environment by promoting sustainable resource use, climate change mitigation and adaptation, and biodiversity and ecosystem protection. These activities are based on the Group Mission Statement: "The Tamura Group supplies an original range of products and services, highly regarded in the global electronics market, to satisfy the evolving needs of customers, employees, and shareholders supporting the Group's growth."

Main Measures

Fully recognizing the global targets specified in the SDGs (Sustainable Development Goals) and the Paris Agreement and with the aim of achieving continuous business growth, the Tamura Group focuses on the following environmental protection activities in its business operations, including design, development, production, and after-sales service of electronic components, electrochemical materials, soldering equipment, and information equipment, by utilizing its environmental management system, observing pollution prevention practices as well as laws and regulations, and working on their consistent improvement.

1. The supply of eco-friendly products.
2. Control and reduction of environmental burden materials.
3. Promotion of energy conservation and saving resources.



Topics Environmentally Friendly Sakado Factory

The office building of the Sakado Factory (Sakado City, Saitama Prefecture) is engaged in eco-friendly initiatives as a nearly ZEB (net zero energy building) that achieves net energy saving of 75% or higher after adding up the building's power consumption and energy creation. In FY2020, trees were planted in the parking space and around the building of the Sakado Factory in consideration of biodiversity conservation (native vegetation, including Kousa dogwood and Japanese mountain cherry).



Greening of the parking space



Greening that gives consideration to biodiversity conservation



Efforts on Premier Eco-design Products

The Tamura Group carries out product environmental assessment in the development and design phases to minimize environmental impact, and strives to contribute to achieving the SDGs through the development and provision of premier eco-design products.

Gate driver modules: 2DUD_P series and 2LG series

The 2DUD_P series and the 2LG series are gate drivers compatible with high-voltage/high-current IGBT and SiC-MOSFET (1700 V/1800 A class), suitable for 2 MW class solar power generation and wind power generation systems.

Tamura's unique "low-capacitive coupling, insulated DC-DC converter," "low-impedance drive circuit," and "structural design that minimizes gate wiring" enable stable gate drive even in switching operations exceeding 3,000 A. In addition, they are equipped with a short-circuit protection function that can safely stop operation even for a short-circuit current of 10,000 A or higher via DESAT detection and soft turn-off. They are also equipped with important functions, such as active clamps, UVLOs, and mirror clamps, for driving IGBTs and SiC-MOSFETs.

These functions will improve the reliability and design efficiency of the entire system developed by the customer. Furthermore, they will contribute to the stable supply of renewable energy, for which needs are accelerating toward the realization of carbon neutrality.



Solder paste using recycled Sn TLF-204-27F4-R

Solder pastes TLF-204-27F4-R use tin that is refined and recycled from waste solder collected from customers. The "R" in the product name indicates Recycling.

The company has received the "Recycling Verification Statement" certified by SGS for both materials recycled after use in the production process (Post-Industrial) and materials recycled after use by the end consumer (Post-Consumer). These products are appropriate for resource recycling such as environmental regeneration and waste management for the realization of a sustainable society, toward which the movement is globally accelerating.

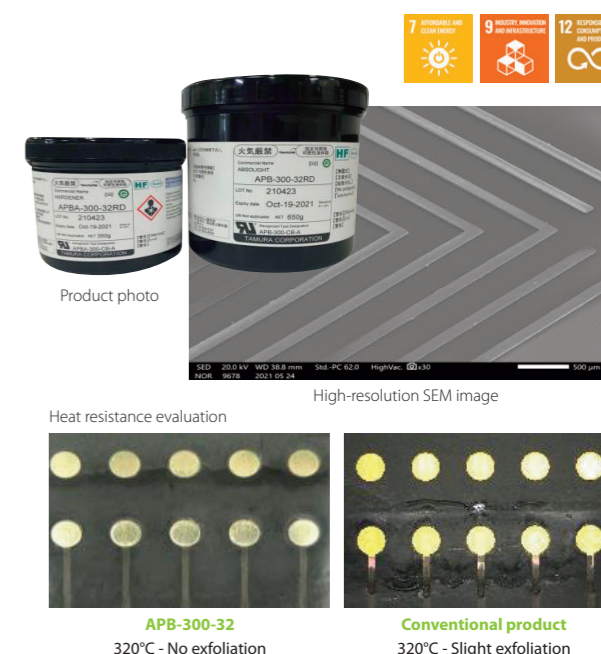


Solder resist for flexible PCBs: APB-300-32 series

As smartphones and wearable terminals become more sophisticated and lighter, flexible printed circuit boards (FPCs) are becoming more integrated and denser.

The black photo-developing solder resist APB-300-32 series for FPCs has realized strong adhesive bonding without the necessity of using connectors, and supports short-time pasting process by improving heat resistance and adhesiveness. Furthermore, in the FPC manufacturing process, high resolution has been achieved by low exposure (100 mJ/cm²), which is less than half of that in the company's conventional method. In the direct imaging exposure process, which is essential for high-density FPC processes, both high productivity and excellent resolution have been realized.

The product is halogen-free and therefore environmentally friendly, contributing to the development of advanced technology.





Social and Governance Topics

Promotion of Work Style Reform and Business Process Re-engineering (BPR)

Development of a working environment where employees can concentrate on work in a pleasant way

Through efforts to increase job satisfaction along with appropriate labor management, we have been working on the development of a working environment where employees can concentrate on their work continuously in a pleasant way.

As part of measures to improve job satisfaction, we have introduced systems that enable employees to take multipurpose leaves for childcare, nursing, volunteer work, etc. as well as hourly-paid leave. Furthermore, a system is also in place in which past employees who retired for a specific reason, such as childcare, nursing, or spouse's job relocation, are re-employed by the Company. Thus, in the environment where employees' values and work styles are diversified, we have been providing support to establish good work-family balance. Furthermore, it introduced work-from-home arrangements while enhancing infrastructure by strengthening its enterprise server to handle increased access and office regulations as well. While extending support to individual employees' self-directed work style, it focuses on providing guidance on management methods and mental healthcare so that teamwork is not eroded even if opportunities for face-to-face communication decrease.

With regard to optimization of labor management, seminars on labor management and stress management have been held for managers and supervisors, promoting efforts to fully spread compliance-based labor management and realize a less stressful work environment.

Efforts at Boosting Work Efficiency

The Tamura Group has been working on boosting work efficiency in a business process re-engineering (BPR) project led by President Asada as the chief executive officer in FY2021. As results have been produced by the unit that deployed robotic process automation (RPA) ahead of the pack, the Group is deploying RPA horizontally on a company-wide basis, automating routine tasks, and shifting employees to high value-added tasks.

Introduce of the New Personnel System that Activates both Employees and Organizations

Aiming to activate employees and organizations, Tamura manages a fair and just personnel evaluation system through appropriately and effectively using three important factors for personnel management: development, assignment, and treatment. Each employee is evaluated fairly and justly based on his or her "behavioral characteristics" and "efforts for achieving their goals." The Company also requires all managers and supervisors to receive evaluator training in order to ensure the fairness and transparency of personnel evaluations. Further, the job grading system has been introduced for determination of treatment, in which the employees' grades are determined not based on age, educational background, and gender, but based on duties and responsibilities.

The Group revamped the personnel management system in April 2021 in response to the diversification of employees' values and work styles. It expects those at the management level to demonstrate strong management ability and make available an environment that allows employees who work under them to perform exceptionally with no worries. Therefore, it has pro-

Make Measures against COVID-19 and Business Continuity Compatible

Business establishments and factories in the Group follow COVID-19 guidelines issued by the central government of the respective countries or local governments. Furthermore, the Group has introduced a wide array of arrangements, including teleworking, rotating shifts or staggered working hours, replacing domestic and overseas business trips by Web conferencing, and ensuring social distancing by employees when working at the office. On top of these, any employee who is or suspected to be infected with COVID-19 will receive prompt response following a predetermined flow, thereby making the prevention of the spread of infection and business continuity compatible.



The Group had completed the deployment of the online conferencing system by the end of FY2019, i.e., before the COVID-19 pandemic. Thus, the Group was able to switch to "a new normal" smoothly in FY2020 and have seen improvements brought about by cost reduction.

moted measures with focus on enhancing teamwork, including the introduction of the "psychological safety" concept and the 360-degree feedback. The Group also rigidly defined the roles of highly professional personnel, i.e., their mission is to demonstrate a high degree of expertise in delivering competitive products and services to the market, and they will be remunerated according to their performance. Furthermore, the Group also revamped the evaluation items for behavioral characteristics so that everyone can optimize his/her abilities without reservation regardless of gender or age. As for the job grades for the young age bracket, in particular, the Group cut the number of years for promotion significantly, offering young employees an opportunity to engage in higher-level jobs early on.

By implementing these new systems, the Group will enable employees to choose diverse work styles, thereby boosting job satisfaction.

Revision of Quality Policy

Regarding quality, one of the essential factors for the future growth of the company, based on the Group's renewed conviction that it needs to foster a corporate culture where the quality-first philosophy is a matter of course, it revised its quality policy in January 2021. Under the new quality policy, the Group set "Creating Correct, Quality Products" as its compass in accordance with the "Bilrite Tamura" slogan, which was set forth during the start-up phase and has been handed down to the medium-term management plans. Furthermore, the Group translated what this quality policy means into specific action guidelines (Eight Articles of Manufacturing for production and

Tamura Group Quality Policy

Creating Correct, Quality Products

Bilrite Tamura

Correct

- Correctly grasping and understanding our customers' needs and what the industry considers self-evident
- Correct decisions and actions by defining quality conditions that suit needs

Quality Products

- Products that provide joy to customers by meeting their expectations

Create

- Manufacturing that emphasizes the work process and finished product

We

- 1 learn and teach top-class knowledge, skills, and the correct standards, aiming to become professionals:
- 2 comply and ensure compliance with decisions, and constantly strive for the optimal decisions and actions.

TAMURA January 1, 2021 Chairperson and Representative Director **Naoki Tamura**

10 Rules of Design for development) with the aim of making Tamura's quality culture take root, transcending generations.

Chairperson Tamura delivered a message on the revision of the quality policy at the Group's annual quality promotion convention, and sent posters and explanatory materials in Japanese, English, and Chinese to all the bases in the Group. Moreover, the Group ran an article on this issue in the company newsletter to ensure that all employees are informed and that the revision becomes widespread.

Creation of an Online Whistleblowing and Complaint Form for Whistleblowing and Consultation by Business Partners

To encourage business partners to notify the Tamura Group if someone who is associated with the Group commits or is suspected to have committed a compliance violation so that a legal violation can be detected and rectified early on, the Group created an online whistleblowing and complaint form for whistleblowing and consultation by business partners on its website in October 2020, and notified main business partners of it. The reception desk will be operated in Japan as the initial step, and be expanded to overseas bases step by step.

The Group has an internal whistleblowing system targeting executives and employees in place; it will step up business operations based on a compliance culture further through the creation and operation of the new form.



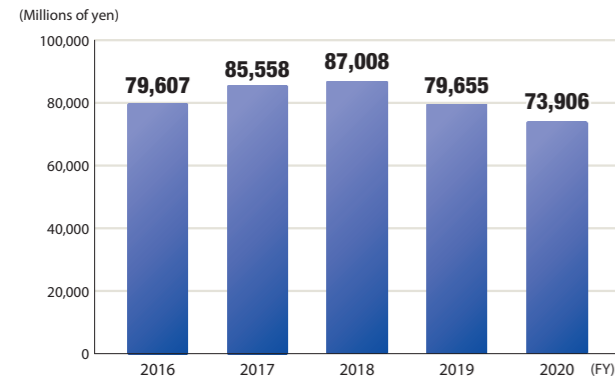
Building to be Demolished Offered for Firefighting Training

The Tamura Group offered the soon-to-be-demolished building of the Sakado Factory as a site for a fire drill by the Sakado Tsurugashima Firefighting Union in October 2020. On the assumption that the building collapses, a rock drill bore a hole in the concrete floor to rescue those who were left behind on the floor below; the drill was like real firefighting.

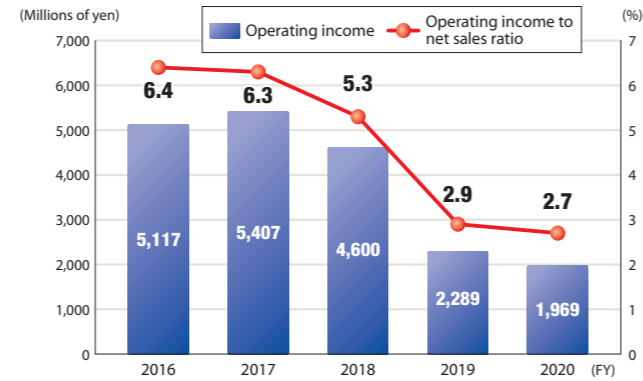


Main Financial Data <Consolidated>

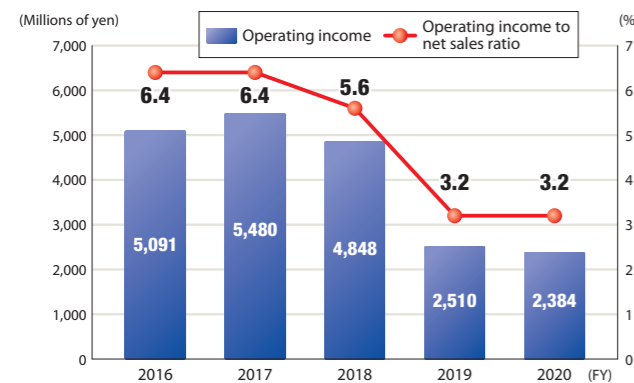
Net sales



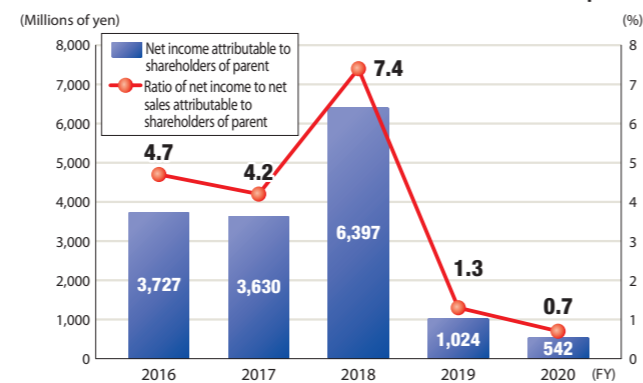
Operating income/Operating income to net sales ratio



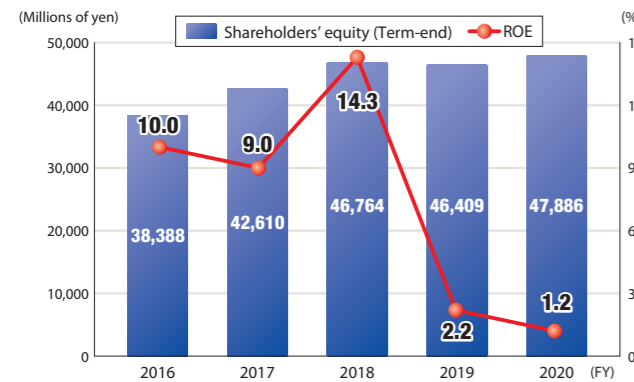
Ordinary income/Ordinary income to net sales ratio



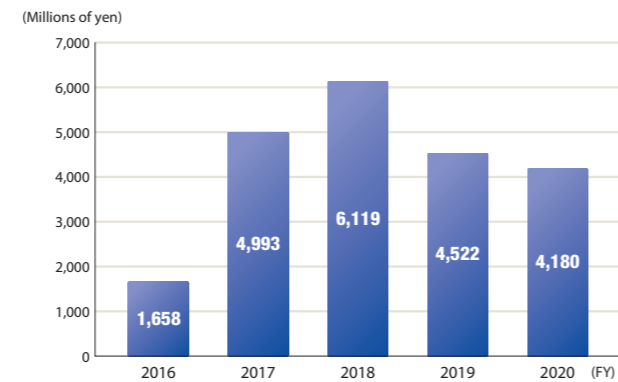
Net income attributable to shareholders of parent / Ratio of net income to net sales attributable to shareholders of parent



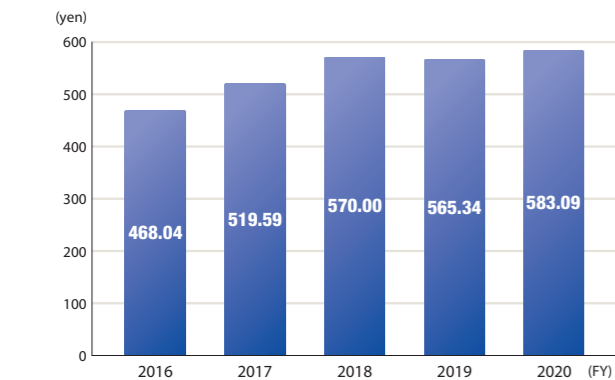
ROE (Return on Equity)



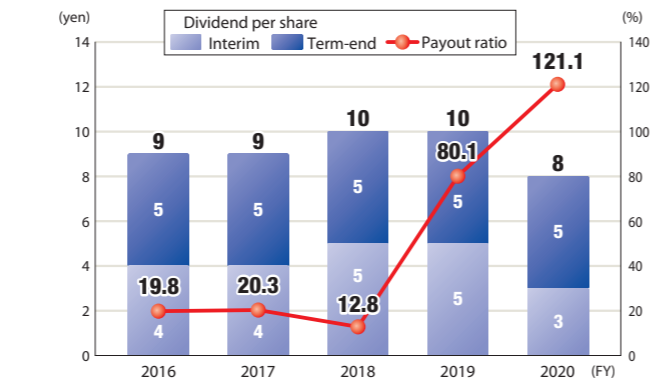
Capital expenditure



Net assets per share

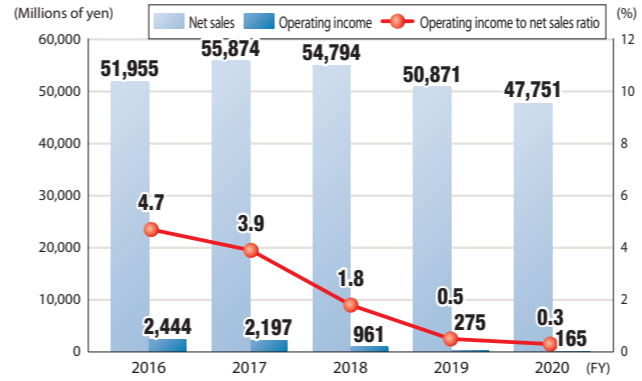


Dividend per share/Payout ratio

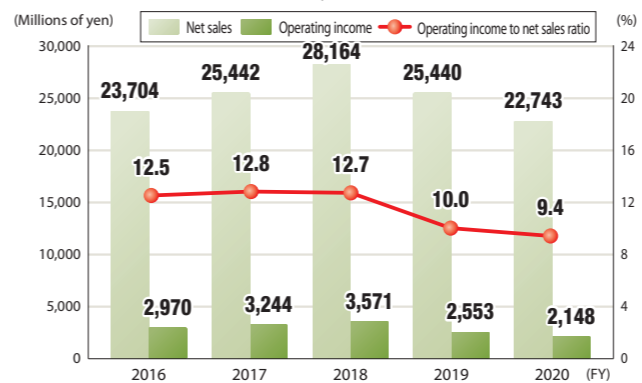


Net Sales/Operating Income/Operating Income to Net Sales Ratio by Business Segment

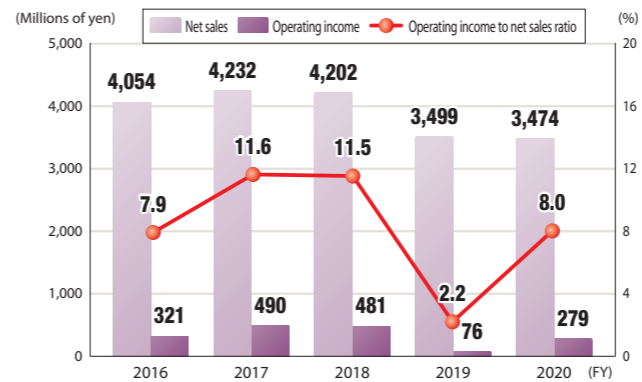
Electronic Components



Electronic Chemicals / FA systems

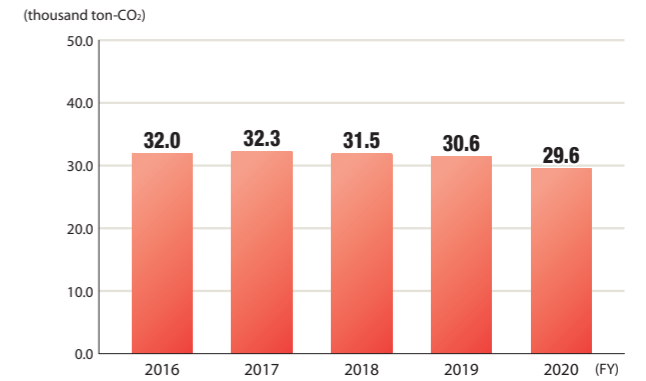


Information Equipment

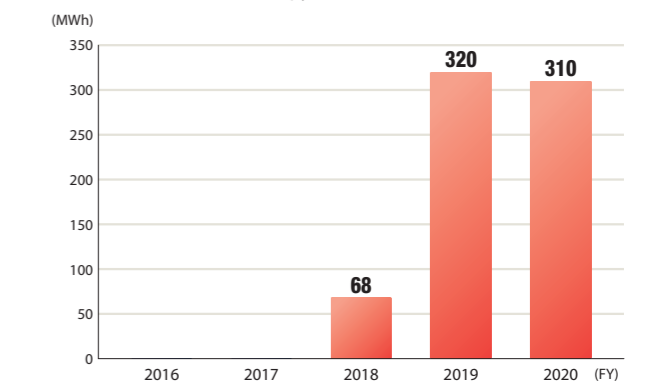


Main Non-Financial Data

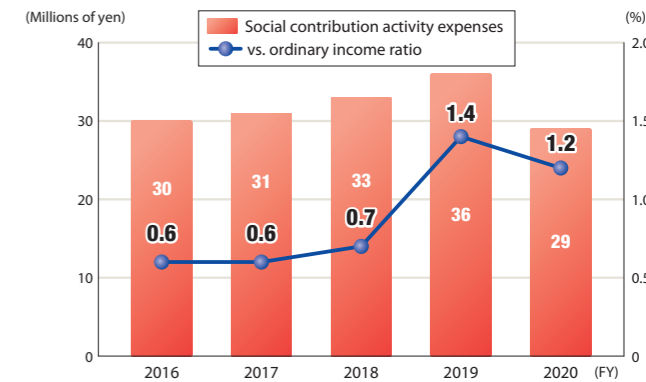
Greenhouse gas emissions (Scope 1, 2)



Use of renewable energy



Social contribution activity expenses



*Calculated by converting payroll costs of those who are involved in offering money, goods, or facilities, and activities into monetary amounts

*Due to the elimination of intracompany transactions (mainly company-wide future development expenses), the total operating income of all companies does not coincide with the total operating income of the business segments.

EUROPE

- Tamura Elsold GmbH
- Tamura Europe Limited
- Tamura Magnetic Engineering S.R.L.

- Tamura Corporation of China Limited
- Shanghai Xiangle Tamura Electro Chemical Industry Co.,Ltd.
- Tamura FA System (Suzhou) Co., Ltd.
- Tamura Electronics (Suzhou) Co., Ltd.
- Tamura Seiko Electronics (Changshu) Co.,Ltd.
- Tamura Chemical Korea Co.,Ltd.
- Tamura Corporation of Korea
- Tamura Electronic Material (Tianjin) Co.,Ltd.
- Hefei Ecriee-Tamura Electric Co.,Ltd.
- Op-Seed Co., (BD) Ltd.
- Earth Tamura Electronic (Myanmar) Co.,Ltd.
- Tamura Elcomponics Technologies Pvt.Ltd.
- Tamura Corporation (Thailand) Co.,Ltd.
- Tamura Electronics (M) Sdn.Bhd.
- Tamura Kaken (M) Sdn.Bhd.
- Taiwan Tamura Technology Co., Ltd.
- Tamura Corporation of Hong Kong Limited
- Tamura Kaken (Dongguan) Ltd.
- Tamura Electronics (S.Z.) Co.,Ltd.
- Tamura Electronics (Huizhou) Co.,Ltd.
- Tamura Automotive Electronics (Foshan) Co., Ltd.
- Tamura Corporation Vietnam Co.,Ltd.
- Tamura Corporation Singapore Pte.Ltd.

ASIA

AMERICAS

- Tamura Kaken Corp.,U.S.A
- Tamura Corporation of America
- Tamura Power Technologies de Mexico, S.A de C.V.
- Telepart-Tamura Industria e Comercio Ltda.
- Indusul Industria de Transformadores Ltda.
- Industria Sul Brazil de Transformadores Ltda.

JAPAN

- Wakayanagi Tamura Corporation
- Nagoya Sales Office
- Aizu Tamura Corporation
- Osaka Sales Office
- Tamura Corporation
 - Head Office/Tokyo Factory
 - Sakado Factory
 - Iruma Factory
 - Sayama Factory
 - Kodama Factory
 - Koha Co.,Ltd.

- Head Office/Regional Headquarters/Others
- Electronic Components
- Electronic Chemicals
- FA Systems
- Information Equipment

Tamura Electronics (Suzhou) Co., Ltd.

Tamura Electronics (Suzhou) Co., Ltd. was established in July 2019 as part of the company's effort to restructure the Electronic Components Business production bases in China. The production of chargers was transferred from Tamura Electronics (S.Z.) Co., Ltd. to the company. Following its full-scale launch in October 2020, Tamura Electronics (Suzhou) is rolling out a slew of power source-related products centered on chargers.



Tamura Automotive Electronics (Foshan) Co., Ltd.

Tamura Automotive Electronics (Foshan) Co., Ltd. was set up as Tamura Group's first factory specializing in boosting reactors for automotive use in China. The building was completed in January 2021, and preparations are being made to start full-scale mass production in 2022.

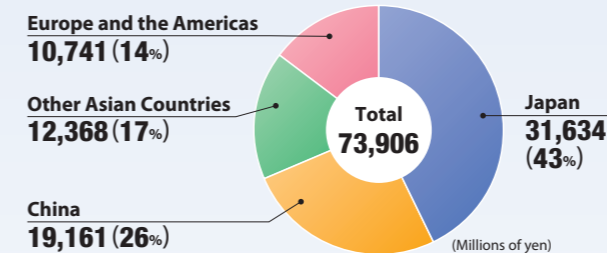


New Sakado Automotive Product Factory, Tamura Corporation

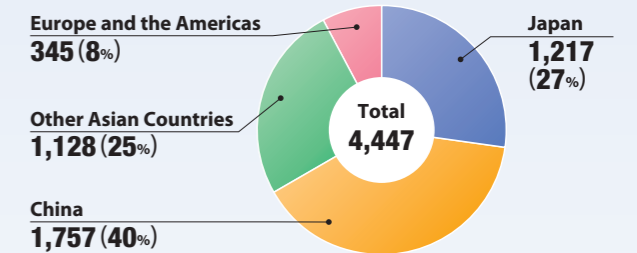
Tamura built a new factory within the Sakado Factory to expand the production of boosting reactors for automotive use. The building was completed in December 2020, and preparations are under way to launch full-scale mass production in 2022.



Composition of net sales by region (consolidated) (FY2020)



Number of employees by region (consolidated) (as of March 31, 2021)





This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.



Tamura's mascot "Quenu"

TAMURA CORPORATION
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