



***Rubycon***

# CSR Report 2011

Report target period Jan 2011 to Dec 2011  
Report publication date Apr 2012

RUBYCON CORPORATION

---

## Contents

Messages from the top of Company	3
CSR Plan in Rubycon	4
Organization Governance	4
Consumer Issues	
Rubycon products contribution to society	6
Security of Product Safety	7
Participation in Community	8
Environmental Measures	9
Human Rights	11
Creation of Comfortable Workplace	12
Fair Business Practices	13
Major activities in 2011 and 2012 Plans	14

## Messages from the top of Company

Ever since our foundation as a manufacturer of electrolyte capacitors in 1952, Rubycon has delivered a management vision which manufacturing is essential from Japan to all operational bases around the world.

As Rubycon celebrate our 60th anniversary in 2012, we participated in and expressed the support for the universal principles by supporting 10 principles of the UN Global Compact in October 2011 with the mind which we will comply with "Rubycon Vision" and our foundation spirit of "corporate motto" and "Five Rules".

With standpoints "Human rights", "Labor", "Environment", and "Anti-corruption", Rubycon always returns to "the manufacturing origin" and contributes to society through our business activities for solving the social tasks and lasting social development.



Shuichi Katsuyama President and C.O.O  
Rubycon Corporation

## The Ten Principles of the United Nations Global Compact

In October 2011, Rubycon Corporation expressed the support for the universal principles about Human Rights, Labour, Environment and Anti-corruption upheld by United Nations, and officially joined the UN Global Compact.

Rubycon Corporation contributes to society thru business activities, by supporting 10 principles of the UN Global Compact.



### The Ten Principles of the United Nations Global Compact

#### 《Human rights》

Principle 1 : Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2 : make sure that they are not complicit in human rights abuses.

#### 《Labour》

Principle 3 : Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4 : the elimination of all forms of forced and compulsory labour;

Principle 5 : the effective abolition of child labour; and

Principle 6 : the elimination of discrimination in respect of employment and occupation.

#### 《Environment》

Principle 7 : Businesses should support a precautionary approach to environmental challenges;

Principle 8 : undertake initiatives to promote greater environmental responsibility; and

Principle 9 : encourage the development and diffusion of environmentally friendly technologies.

#### 《Anti-corruption》

Principle10 : Businesses should work against corruption in all its forms, including extortion and bribery.

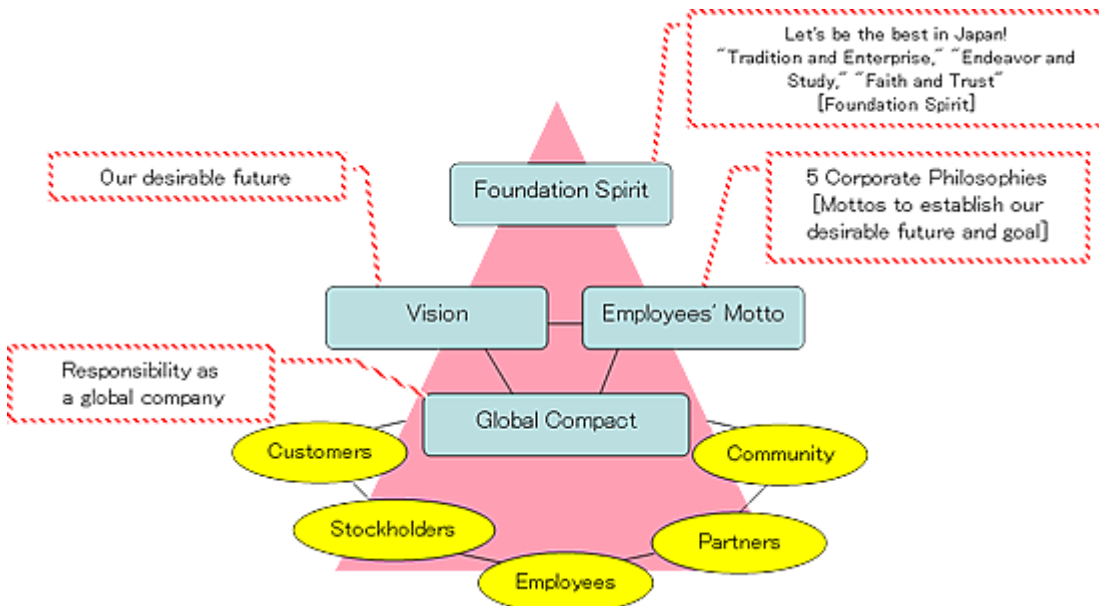


Organization Governance

<<CSR Policy>>

Rubycon’s CSR System to accomplish corporate social responsibility is shown below. Decision-making is performed referring to the vision, the employees motto and the Global Compact, on the basis of the foundation spirit.

All of these support us to remain a reliable company to stakeholders such as customers, partners, stockholders, employees and the community, and to drive steady CSR activities.



## <<Foundation Spirit>>

Company Creed: Let's be the No.1 in Japan in all aspects!

Tradition and enterprise, endeavor and study, faith and trust: a phrase of company song

Our mission is to contribute to the society through manufacture. The word "all aspects" includes sales, profit and treatment of employees as well as quality.

The company song says to keep enterprising mind for considering things favorably and to work together for establishing brilliant tradition.

For the purpose, endeavor and study is essential. Faith is necessary to win trust. A company is built upon management-labor cooperation. A phrase of the company song says to advance with great hope.

## <<Employees' Motto>>

5 Corporate Philosophies

1. Be honest and faithful in daily living
2. Work and live properly
3. Be loving in all aspects
4. Self examine today's deeds and be grateful of no regrets
5. Believe in yourself and believe in hopes

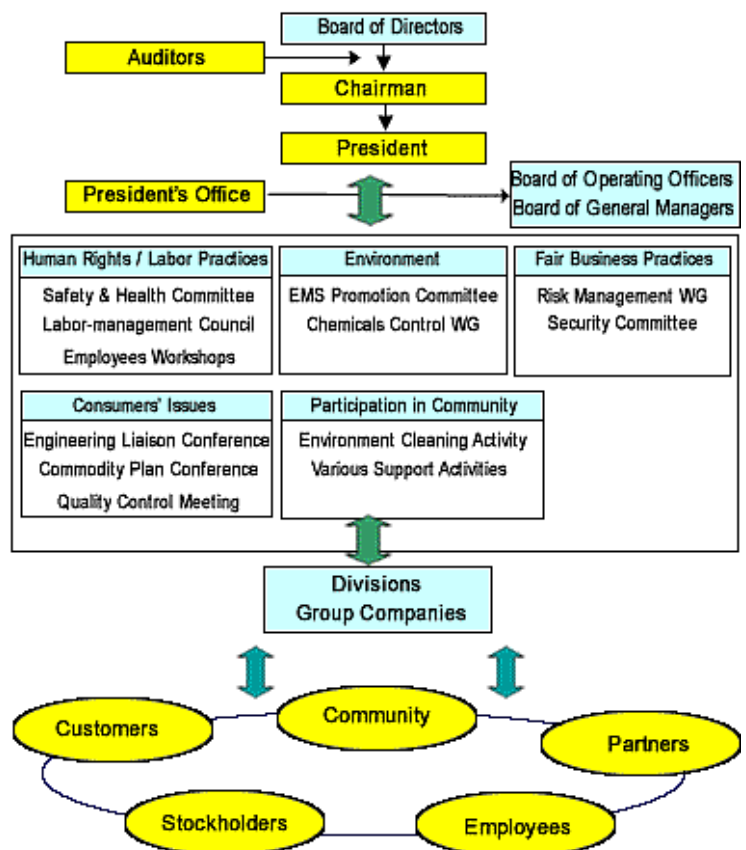
## <<CSR Promotion System>>

CSR activities are positioned as the business itself, and awareness of all employees to CSR is raised under instruction of the president.

Each of the conferences and councils is regularly held, and decisions are penetrated into the whole group including divisions and affiliated companies to share problems.

CSR management is promoted, emphasizing interaction with customers, partners, stockholders, employees and the community.

We are securing compliance under the spirit that a corporate is a public institution. We provide proper feedback of requests from stakeholders.



<<Rubycon products contribution to society>>

**Rubycon products contributing to society with the keywords of energy creation, energy saving and energy storing**

Global urgent themes are energy issues facing to societies, especially after the east Japan earthquakes occurred last year. Rubycon continues contributing to improvement in efficiency, life time and miniaturization by suggesting capacitors, our main products, for the use in various power conversion devices with the keywords of energy creation, energy saving and energy storing.

**New energy area**

Rubycon capacitors are used in the applications of PV power converters and inverters for wind power generation.

For Photovoltaic power generation

VXG Series

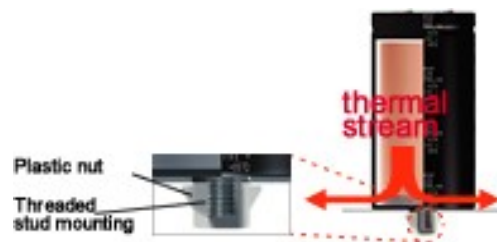


MXG Series



For Wind energy generation

LSU-SM Series



**Next-generation Lighting area**

Lighting takes up 20% of the world energy consumption, the energy saving in the lighting applications is becoming extremely important as one of the countermeasures of global warming. Aluminum electrolytic capacitors are the key component that impacts the life in the LED lighting products diffusing into the societies. Rubycon introduced in 2011, a evolutionary capacitor series realizing twice as long life as conventional, whose high reliability is greatly noted in the industry.

**2time longer life time compared to conventional series**



**Energy harvesting area**

Energy harvesting (environmental energy generation) is a technology to harvest and reuse the minor energy around everybody's daily life. It's gathering people's attention. Capacitors have an important role as energy storage elements and are required to have low leakage performance, miniature & large capacitance values and long life performance. Rubycon suggests PMLCAP, thin film polymer stacked capacitors and Electric Double Layer capacitors for use in there.



## <<Security of Product Safety>>

We, at Rubycon, closely check compliance and non-use of banned substances in planning phase of product development, in order to secure product safety. We also describes safety instructions in our catalog and delivery specifications.

We perform reliability tests with various processes to secure safety of products to be manufactured. Reliability tests are performed in planning stage of production development to confirm adequacy of designed materials, in process design stage to check production conditions, and in mass production to secure process reliability with additional safety items, so as to maintain reliability of Rubycon products. We are striving to supply safe and reliable products.

## << Response to Product Accident and Failure>>

Quality Assurance Center receives complaints and investigation requests for accident and failure from customers through each sales location.

Quality Assurance Center uses special equipment for the primary investigation of returns and notifies complaint information to the concerned factory on the current day. Then the center starts investigation of production record and cause of the failure.

Quality Control Section in the concerned factory performs expansion estimation and prepares measures to report to QA Center. QA Center reports the measures to each customer.

QA Center further conducts internal audit as well as effectiveness verification and horizontal development, so as to check the measures. For critical complaints, QA Center cooperates with management to take the best response. Under the motto "I guarantee the quality," all of Rubycon members are aiming at manufacture to win customer satisfaction, and addressing to quality improvement to prevent customer complaints.

## << Improvement of Customer Satisfaction>>

Rubycon has the quality policy of "manufacture to win customer satisfaction" that provides customers with relief and trust through 5 pillars of organizational power, swiftness, analyzing ability, small group activity and reliability supporting quality. We are addressing to quality improvement to contribute to the society and the future.

We conduct customer questionnaire every year including cost, delivery and service as well as quality, so as to improve customer satisfaction.

## Participation in Community

### << Social Action Program >>

#### Acceptance of Internship

In the view of social service and youth development, we accept the requests of internship for students of junior high-school, high-school and university, businesspeople and disabled people as much as possible. Such requests are increasing year after year, and we are going to accept to the utmost extent.

#### Participation in Clean-up Activity around Tenryu River Area

We were participating in clean-up activities around Tenryu River Area (Tenryu River Environmental Picnic) every year to cooperate with community residents. The activities work as parent-child communication, as children of employees participate in them.



#### Road Clean-up around Company

We perform road clean-up activity around our headquarters in time with monthly company clean-up activity.



#### Promotion of local firefighting activities and Japanese Red Cross Service activities

We, at Rubycon, promote cooperation with and participation in community activities. Local firefighting activities and local Red Cross service activities are especially important for local active disaster prevention and local welfare. We treat absence due to participation in such activities as paid holidays.

#### Participation in Ina-matsuri Festival

We participated in Ina-matsuri Festival every year with a dancing team. The dancing team performs powerful dance in gratitude for the community, in order to encourage the festival.





### << Reduction of Environmental Burden >>

#### Power Saving and CO2 Emission Reduction

Rubycon has been designated as a specific proponent according to the Act on the Rational Use of Energy in 2010, and have been addressing to annual energy saving rate more than 1%.

#### Energy Saving Measure in Progress

##### Power Saving in Lighting

- Thinning in lamp illumination
- Installation of remote switch for fluorescent lamp
- Desktop lamps
- Replacement with LED lamps

##### Power Saving in Air Conditioner

- Cleaning of outdoor unit
- Water spray to factory roofs in summer
- Water sprinkling in summer
- Introduction of circulating water spray to factory roofs

\*Collection of sprayed water through rainwater pipes for spray again

##### Power Saving in Compressor

- Repair of air leakage points
- Improvement of air intake
- Introduction of inverter compressor

##### Measures for Production Facilities

- Thermal isolation and radiation of heat source

##### Other

- Enlightenment of energy and resource saving with check sheet



Thinning of lamp illumination and introduction of remote switch



Pump for circulating water spray to building roofs



Test run status of circulating roof spray system

#### CO2 Reduction

We are addressing to "Reduction of greenhouse gas over 5% by March, 2015 against 2009" as the medium-term target.

The amount of CO2 emission in the fiscal year 2010 (April, 2010 – March, 2011) was 6,385t which was 1% more than in 2009. It was because of increase in air conditioner operating hours due to hot summer in 2010. We are going to continue greenhouse gas reduction.

### <<Promotion of Recycling >>

Waste Plastics : We maintain 100% recycling of waste plastics.

Waste Products : We maintain 100% recycling of waste products.

Paper : We segregates paper from combustible waste to pass on 50% of combustibles to recycling.

Miscellaneous : We are addressing to recycling to establish Zero Waste Emission.

## <<Control of Banned and Hazard Substances>>

We have specified our "Banned and Abolished Substance List" for banned and hazard substances, and continually update it according to customers' requirements of green procurement including RoHS and REACH regulations, so as to reflect them to our commitment to such requirements.

We have a check system for RoHS regulated substances in material reception stage through regular XRF analysis for samples and inspection of high-precision analysis data.

We also have a material tracing system to prevent reception, incorporation and contamination of banned and abolished substances. In the system, barcode is used to identify all materials under cooperation of suppliers to establish material traceability, and we have a database to trace material information within 24 hours to prevent environmental defects from discharging.

We are continually striving for preserving the environment with the catchphrase "I preserve the globe."

## <<PRTR>>

We prepare annual report according to the PRTR Act. The achievements in recent years are as follows:

2009: 83,350kg transferred

2010: 76,375kg transferred

2011: 83,350kg transferred

## <<Environmental Clean-up Activity>>

We, at Rubycon, are operating research, development and production in natural blessings. As expressed with our environmental catchphrase "I preserve the environment," we are continually cleaning our premises preserving the nature, in order to make visitors comfortable. We have Environmental Preservation Section dedicated for premises maintenance, and all employees clean up the premises in the early morning every month.



### <<Respect of Human Rights>>

Our employee working regulations specify equal opportunity such that employees aren't discriminated by their nationality, religion, sex or social position.

The regulations also specify strict compliance of "prohibition of forced labor," "prohibition of child labor," "restriction of dangerous and harmful work," and "restriction of dangerous and harmful work for pregnant," stipulated by laws.

We have formally participated in UN Global Compact proposed by the united nation in October, 2011, and put up our original poster in each of our departments including our group companies and overseas distributors, in order to comply with the 10 rules.

We are thoroughly instructing the importance to respect and cooperate each other for pursuing work through personnel training courses described below.

### <<Child-raising and Nursing Care>>

#### Establishment of Child-raising and Nursing Vacation Regulation

We have "Child-raising and Nursing Vacation Regulation" complying with the Child Care and Family Care Leave Act. Many of our employees use child-raising vacation to return to work.

To support child-raising, employee raising a child up to the first grade of primary school can select working hours 2 hours shorter than regular at most.

#### Establishment of Healthcare Vacation

Healthcare vacation system is our original one to accumulate annual paid holidays not used up to 10days for a year with the retention of 2 years at most. This system helps need of long cure due to accident, injury or disease.

#### Hourly Paid Holiday

We also have an hourly paid holiday system in which an employee can have hourly holiday up to 2 days in a year. It is useful for late attendance or early leaving due to going to a hospital for one's own or a family's sake.

#### Acquisition of Kurumin Mark

We have been addressing to the next-generation development support, and approved Kurumin Mark by Nagano Labor Bureau on August 29, 2008 according to the Act for Measures to Support the Development of the Next Generation.



#### Mothers' Meeting

We gather female employees in child-raising vacation and working raising children, so as to exchange child care information. It is a good opportunity to consult childcare problems.

### <<Safety and Health>>

Employees are company's resources. We wish them to be health and safe in work and to be happy. For the purpose, we are pursuing various activities as follows:

Safety and Health Patrol (Twice a year)

Patrol of Health Representative (Weekly)

Factory Environment Survey (Twice a year)

Factory Environment Survey (Twice a year)

VDT Environment Survey (Twice a year)

Risk Management

Risk management for workplaces and jobs was performed by all employees in 2011.

Young Drivers Club

In the national safety week and the national labor health week, members of Young Drivers Club inspect fastening of seat belt and call for safety driving.

Disaster Drill

We performs company-wide disaster drill in the national labor health week.

Safety and Health Education

We provide safety and health education to members of safety and health committee members.

### Address to Mental Healthcare

We provide mental healthcare training with external instructors.

We take appropriate actions for persons of mental disorder in cooperation of personnel section, company nurse and company doctor.

### Health Consultation

Company nurse picks up 3 to 4 persons every month from long-hour workers and employees with findings in medical check, to consult company doctor on monthly visit.

## Fair Business Practices

### Compliance of the subcontract act (Act against Delay in Payment of Subcontract Proceeds, Etc. to Subcontractors)

We are understanding obligations and bans of original contractor in the subcontract act, penetrating the actual contents of them to all employees and companies of our group through education, and identifying illegalities in all subcontracts, so as to secure fair business transactions.

We place first priority on compliance to start business with a new subcontractor or to change business mode, and we don't give a green light unless compliance is identified.

### Compliance of the Foreign Exchange and Foreign Trade Law and the Tariff Act as AEO (Authorized Economic Operator)

We fulfill corporate social responsibility as one of authorized economic operators (79 special importers, 241 special exporters and 41 authorized traders across the country as of February, 2012), so as to pursue smooth trade operations. We have been authorized in December, 2008.

Exports to a country, an organization or a company of the subject of export control are excluded to prevent accidents. We don't deal with commodities subject to the control.

We are conducting internal and external training for customs and bonding system, so as to raise employees' awareness of them.



### Risk Management

We are holding risk management workshop once a month as a part of risk management, so as to examine actual risks. Risks are picked up across the whole Rubycon Group, and listed on a risk map to estimate possible frequencies and loss amounts. Owner is designated for the top-priority issue to take measures. For the risks of natural disaster, we are developing BCP, on the basis of the experience in the Great East Japan Earthquake 3.11, 2011. Decisions in and proceedings from the workshop are distributed to all locations including domestic and overseas bases, so as to share information and penetrate measures.

### Protection of Intellectual Properties (Measures against Counterfeit Products)

In recent years, measures against counterfeit products are essential to companies. Counterfeits may threaten customers' safety as well as intellectual properties. In consideration of such circumstances, Rubycon has participated in Project 3, International Intellectual Property Protection Forum (IIPPF). We are going to proactively work with companies and entities desiring solution of intellectual property infringement issues within the project and to enhancing cooperation with the concerned agency, the custom and consumers, in order to eradicate such counterfeits.

### Protection and Control of Information

Misuse of information important to corporate management will have significant impact on relations of trust with partners and their management. We have established security policy and privacy policy recognizing importance of information assets. We give the first priority in risk management to the policies. We are protecting and controlling information assets through education of employees and various security measures and activities.

## Major activities in 2011 and 2012 Plans

Tytle	Item	Objectives and plans in 2011	Major activities in 2011	page	Objectives and plans in 2012
Organization Governance	CSR Management	Participation in UN Global Compact	We have formally participated in UN Global Compact proposed by the united nation in October, 2011, and expressed the support for the universal 10 principles as well as contribution to society through our business activities.	Messages from the top of Company	Group activities on priority themes
	Dialogues with Stakeholders		We explained to all the suppliers about participation in UN Global Compact. We also published it onto our website and distributed our original posters to put up at each of our company sections and group companies to put up.		
	Corporate Governance	Driving transparent management	Frequent & regularly explanations of policies at reveille and managers meetings.	CSR Promotion System	Creation and disclosure of CSR Report
Human Rights & Labor Practices	Respect to Human Rights & Prohibition of Discrimination	Human rights awareness campaign	Human rights education training was conducted at the follow-up training course of new employee training program (October 20)	Respect of Human Rights, Support to Child-raising and Family Care	Human rights awareness campaign (continue)
	Development of human resources	Enhancement of employees trainings	Chinese and English language courses (started in October)		Enhancement of training programs and deployment.
			Managers' training (conducted on September 22)		
			Participation in business telephone manner contest (September 6). 2 employees won the highest award.		
	Support to diverse ways of working	Continuation of employment according to the elderly individual's willingness and ability to work	Employment extension system (Meister & Advisor)		Employment extension system (continue)
		Leveling the workload by adoption of cross-over working system	Education and training		Propulsion of cross-over working system
	Employees' Safety and Health	Anti-Lifestyle-related diseases	Health consultation/advise Mental care guidance		Anti-Lifestyle-related diseases (continue)
		Safety and Health activities ta each working section	Countermeasures are taken based upon the Risk Assessment results (progress review by Safety & Health committee every month)		Safety and Health activities ta each working section (continue)
			Safety & Health patrol, Indoor environment crean-up activity, Fire drill, survey of wearing seatbelt while driving, etc. at the occasion of National Labor Health Week (October 1 ~ 7).		
		Reduction of Work Accidents	Against the objectives of reduction from the prior year, the result became increase by the rate of 4.52 per 1000 people and 2.21 per million hours.		
	Support to Child-raising and Family Care	Support to Child-raising and Family Care	Enactment of Child-raising and Family Care Leave Provisions		Support to Child-raising and Family Care (continue)
Mothers' Meeting					
Kurumin certification status					
Coordination with Labor's Union	Joint hosting of events with Labor's Union	Rubycon Summer Festival (August 6)	-	Joint hosting of events with Labor's Union (continue)	
		Rubycon group companies' Softball and Mallet Golf Tournament (September 3, rained out and conducted Prize Lottery only)			
		Labor-management Council			

## Major activities in 2011 and 2012 Plans

Titlye	Item	Objectives and plans in 2011	Major activities in 2011	page	Objectives and plans in 2012	
Environment	Environmental Management	Continuation of ISO14001 certification and observation of certified processes & rules	Maintenance & administration at Rubycon group companies.	-	Maintenance & administration at Rubycon group companies (continue)	
	Environment-friendly Business Processes	Control of Banned and Hazard Substances	Chemical control work group meeting is held every other month and instructions and completeness assessments are communicated throughout the Rubycon group companies.	Environmental Measures	Control of Banned and Hazard Substances (continue)	
			Instructions to suppliers of "Green Procurement" (sustainable procurement)			
		Reduction of Industrial Waste and Promotion of Recycling	100% recycle of "Grade D" Industrial waste			Reduction of Industrial Waste and Promotion of Recycling
			50% recycle of "Grade A" Industrial waste			
		Energy Saving Measure: Goal to reduce by 5% energy consumption at the point of March 2015, compared with the FY2009 result. (average energy calculated per one piece of capacitor)	To review the accumulated result as after March 2012. (The prior year result was unfavorable due to increase by 1%)			To review the accumulated result as after March 2012. (The prior year result was unfavorable due to increase by 1%)
	[Power Saving measure recovering from East Japan earthquakes impact]	15% power saving achieved at each of Rubycon group companies.	-	Power Saving measure (continue)		
Supply of products that correspond to environmental requirements	Release of Environment-friendly Miniaturized and Energy-saving products	World smallest BXW series and Long Life LLE series for LED lighting were released.	Rubycon products contribution to society	Development of products that correspond to environmental requirements		

## Major activities in 2011 and 2012 Plans

TYTLE	Item	Objectives and plans in 2011	Major activities in 2011	page	Objectives and plans in 2012	
Fair Business Practices	Risk Management	Creation of Rubycon group's guideline including BCP	Critical risk map of group companies was composed and countermeasures were taken. Briefing session to suppliers	Fair Business Practices	Countermeasures to critical risk items (continue)	
	Fair competition and trade	Compliance to the related laws in trade with suppliers	Compliance to the subcontract act		Compliance to the related laws in trade with suppliers (continue)	
		Compliance to the related laws in foreign trade	AEO workshop (January 18)		Compliance to the related laws in foreign trade (continue)	
	Protection and Control of Information	Propulsion of information security control (most critical item in the risk management)	Review of Security Control Regulation, education and countermeasures		Propulsion of information security control (continue)	
	Protection of Intellectual Properties (Measures against Counterfeit Products)	Propulsion of brand protection & countermeasure to counterfeit product	Analysis of counterfeit products, publication of warning message on our homepage, and necessary actions taken to the customers.		Propulsion of brand protection & countermeasure to counterfeit product (continue)	
Consumer Issues	Improvement of Product Quality and Security of Product Safety	Enlightenment of PSE law	Education training of Product Safety and Product Liability to employees Risk assessment to evaluate product safety and design examination	Security of Product Safety	Enlightenment of PSE law (continue)	
		Improvement of production lines in whole group companies	Improvement and maintenance of production equipments in order to upgrade the production capacity at Ouchi factory of Akita Rubycon	-	Improvement of production lines in whole group companies (continue)	
	Response to Product Accident and Failure	Compliance to Consumer Products Safety Act	Briefing session to suppliers about product accident examples and risk associated with change in material	Consolidated administration of external failures of Rubycon group companies, and immediate information disclosure to all related people	Response to Product Accident and Failure	Compliance to Consumer Products Safety Act (continue)
			Customer Satisfaction Survey			
	Improvement of Customer Satisfaction	[Supply chain actions after East Japan earthquakes]	Quick delivery supplies to critical customers in order to eliminate confusions in product supply to markets, and many letters of appreciation were received.	-	-	Supply chain actions (continue)
Participation in Community & Community Development	Social Action Program	Society contribution activities at each location of Rubycon group companies	Cleaning in and around company site once a month as part of "Environment Clean-up Activity".	Social Action Program	Society contribution activities at each location of Rubycon group companies	
			Tonouchi Memorial Clock Museum open to public	-		
			The members of Company Relations planted yellow cherrt trees in the Tonouchi Memorial Park.	-		
			Participation in Citizens Dance of Ina festival (August)	Social Action Program		
	Encouragement of participation to Community Firefighting Team and Red-cross Service activities					
Assistance to the affected areas	[Contribution support to impacted area from East Japan earthquakes]	Work experience training for students, general people and disabled. Donations were made to Nihonmatsu City of Fukushima Prefecture for the East Japan earthquakes, and appreciation award was given back. Donations were made to Red-cross for East Japan earthquakes.	-	-		