Approach to Product Quality
The TEL Group aims for product quality that generates customer trust in our products and services through continuous provision of products and services that consistently satisfy customers. In order to ensure that our manufacturing systems do not produce defective products, the TEL Group has acquired ISO9001 certification and works to ensure that our product quality management system operates appropriately.

Quality Assurance System
The TEL Group has established a quality committee comprising heads of the quality department of each business unit. The committee meets regularly to oversee efforts to enhance product quality and address priority issues, thus promoting improvement and enhancement of product quality for the entire TEL Group.

Approaches to Procurement
The basic philosophy of the TEL Group includes "providing high-value products and services around the world that help people to lead healthy and enriched lives, and demonstrating consistent leadership as a world-class company by creating hope for the future and addressing environmental problems." In order to realize this philosophy, it is vital that we build strong partnerships with our suppliers.

Based on this basic philosophy, we have established the following Basic Procurement Policy and continue to work proactively to fulfill its goals.

Communicating with Suppliers
The TEL Group not only uses EDI* for procuring parts and materials, but also operates its own website as a two-way tool for communicating with suppliers. The website can be linked to the internal systems of both the TEL Group and the supplier.

In order to strengthen our supply chain, the TEL Group has launched joint projects with our suppliers, including annual meetings with numerous suppliers. The fiscal 2010 meeting featured the theme of "Aiming at medium- to long-term growth together in a significantly evolving market," and presentations and discussions were held on growth strategies and environmental initiatives under this topic. This event helped to reaffirm the importance of the supply chain.

* EDI (Electronic Data Interchange) is a framework to electronically exchange information related to commercial transactions among corporations in a unified standard format.