Quality Control Initiatives

Our approach to quality

The TEL Group provides high-quality products and services. We include the entire process from development through manufacturing, installation and maintenance. We also focus on the quality of the entire customer experience. For us, the satisfaction and trust of our customers is proof of our quality.

Quality Policy

1. Quality Always

Quality is not only the foundation for customer satisfaction, but also the foundation for meeting expected production schedules and reducing downtime. We prioritize quality over temporary cost increases.

2. Quality Design and Assurance

We build quality into every TEL product during the design phase by focusing on leading-edge technology. By bringing quality into our processes early and focusing on quality throughout all processes, we succeed in providing highquality products and services.

3. Quality and Trust

When we find a quality problem, manufacturing, sales and service departments analyze the facts and complete a thorough investigation to determine the cause, resolving the problem as quickly as possible. Our customers can trust in our commitment to address identified quality problems.

4. Continuous Improvement Activities

We improve quality with an effective quality management system. This includes using quality measures, improving by applying the PDCA cycle, and practicing continuous improvement activities.

5. Communication with Stakeholders

In addition to providing product quality information in a timely manner, we understand and align to the expectations of our stakeholders.

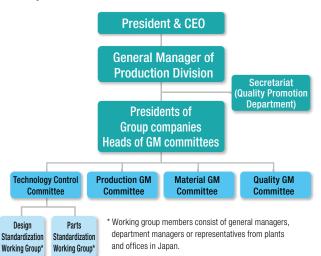
Quality assurance

When a quality problem occurs, we promptly take action to minimize its impact on the customer. Sales and service departments then report relevant information to the quality assurance department responsible for the product that caused the problem. Based on the use and quality record of the product, the quality assurance department will then conduct an analysis, investigate possible causes and inform production and technology departments of the results while also sharing the information with other divisions to prevent similar problems from happening.

Quality promotion framework

The TEL Group has established a cross-divisional TEL Group Quality Promotion Framework led by four working groups. These working groups cooperate with each other for efficient and stable quality control with the goal of improving customer satisfaction.

Quality Promotion Framework



<Technology Control Committee>

The Technology Control Committee is comprised of the Design Standardization Working Group and the Parts Standardization Working Group. At these working group meetings, factory

and division representatives with specialized knowledge share the latest information and identify common essential challenges in standardization as a foundation of manufacturing. The particular focus of the committee is on improving quality in the development and design phase (front loading).



Improving design quality

The TEL Group performs repeated design reviews, evaluations and simulations at the design stage to develop equipment with a higher level of perfection, and it makes continuous improvement efforts by implementing PDCA cycles to increase the satisfaction and gain the trust of customers. These measures have resulted in improved quality and a drop in the number of changes needed during the design phase.

Number of changes at the design stage (FY2007 = 100)

