Editorial Policy and Selective Report Issues (Materiality)

This report is based on Version 3.1 of the Global Reporting Initiative (GRI)* international guidelines, and in keeping with the TEL Group's materiality which was clarified this time, the editorial policy is to report on the status of activities. As a global company, the TEL Group complies with international CSR initiatives and regulations such as the United Nations Global Compact and GRI, and social issues are checked against our own CSR management and managerial resources, clarifying the selective report issues (materiality).

Step 1

Check social issues

Based on such guidelines as the 10 principles of the United Nations Global Compact, seven core subjects of ISO 26000, and EICC—a code of conduct for the electronics industry—reviews were carried out by the seven CSR promotion departments, and based on external feedback, social issues were confirmed.

Step 2

Check the relevance between the size of the issues and business

Based on the relevance between social issues checked in Step 1 and the TEL Group's business, the impact on society and issues with a high level of interest were identified.

Step 3

Inspect and review the validity of social issues

Based on the progress of initiatives for issues and changes in society that could affect business, the validity of establishing issues was inspected, and reviews were carried out when necessary.

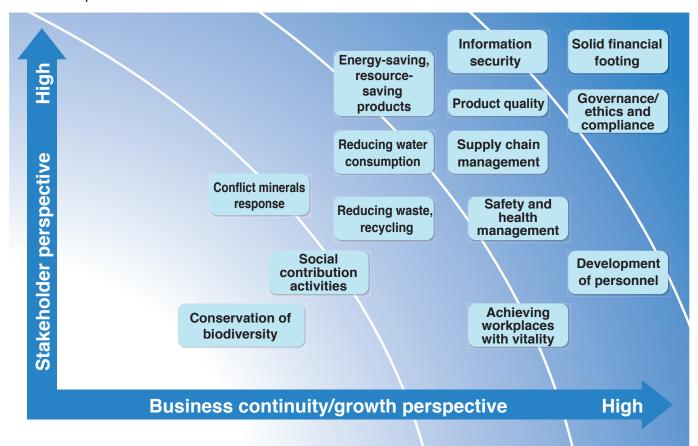
List of selective report issues

Issues	Outline	Main stakeholders	Reference point
Solid financial footing	Establish a strong financial footing	Shareholders Investors	Annual Report
Information security	Put in place a framework for preventing information leaks Safe and effective utilization of information assets	Customers	p. 10
Governance/ethics and compliance	Business ethics and compliance results	Shareholders Investors	p. 8, pp. 10–11
Achieving workplaces with vitality	Create a workplace that achieves a good work-life balance for all employees	Employees	pp. 12-13
Development of personnel	Support the development of skills by employees Build a framework for development of skills	Employees	p. 13
Safety and health management	 Carry out safety activities for work, design, and education, etc. Create a comfortable workplace environment 	Employees	p.12, pp. 14–15
Product quality	Achieve high quality to obtain customer's trust Achieve efficient and stable quality control	Customers	p. 16

^{*} See CSR Goals on pages 28 and 29 of this report for details about materiality

| Glossary | *Global Reporting Initiatives. International guidelines for improving quality, reliability and comparability of contents of CSR reports.

Selective report issues matrix



Issues	Outline	Main stakeholders	Reference point
Supply chain management	Optimization of the entire supply chain	Suppliers	p. 17
Conflict minerals response	Improving the system related to the conflict minerals problem	Customers Suppliers	p. 17
Energy-saving, resource-saving products	Promoting environmentally friendly product design Provide customers with environmental value	Customers	pp. 20–22
Reducing water consumption	Effective use of resources	Local community Administrative organization	p. 22
Reducing waste, recycling	Preventing environmental pollution from waste Proper management and processing of regulated chemical substances	Local community Administrative organization	pp. 22–23
Conservation of biodiversity	Promoting initiatives for biodiversity conservation and improving the framework	Local community	p. 19
Social contribution activities	Initiatives for the development of young people as future leaders Supporting community-based citizenship activities and revitalization efforts in response to local needs	Local community Administrative organization	pp. 24–26