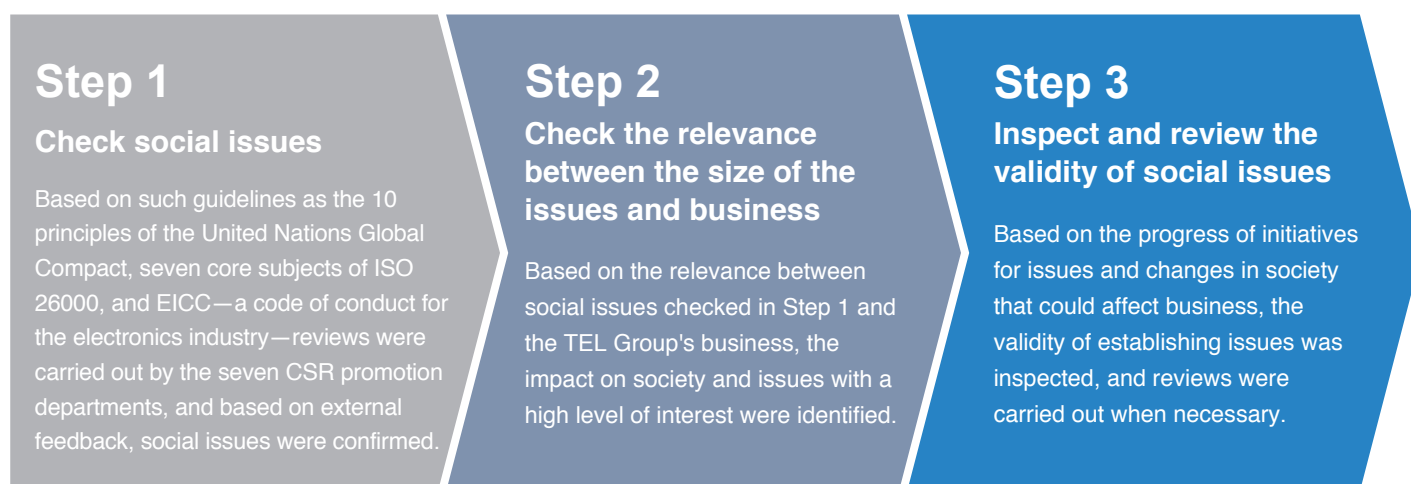


# Editorial Policy and Selective Report Issues (Materiality)

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).

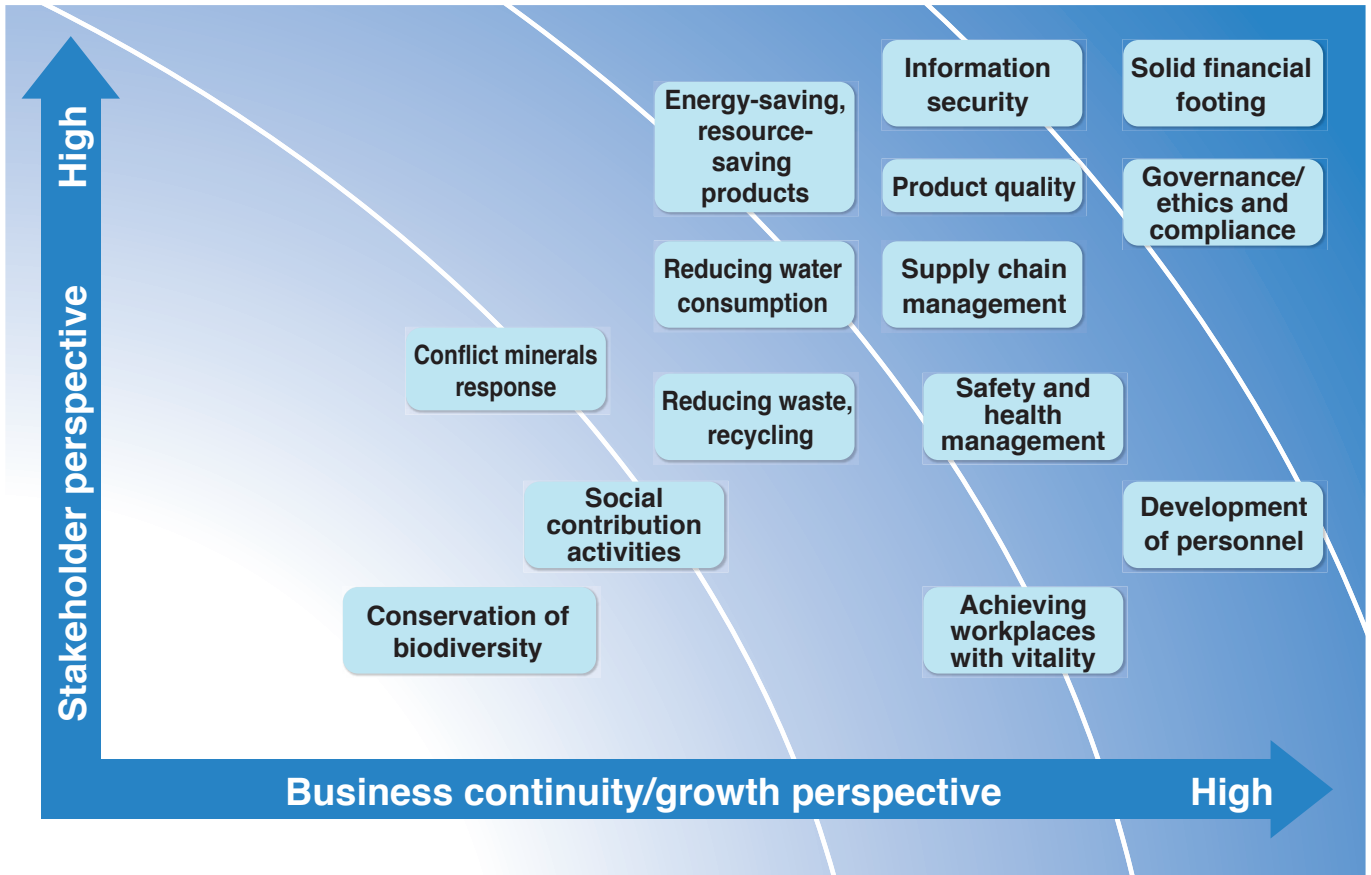


## List of selective report issues

Issues	Outline	Main stakeholders	Reference point
<b>Solid financial footing</b>	<ul style="list-style-type: none"> <li>Establish a strong financial footing</li> </ul>	Shareholders Investors	Annual Report
<b>Information security</b>	<ul style="list-style-type: none"> <li>Put in place a framework for preventing information leaks</li> <li>Safe and effective utilization of information assets</li> </ul>	Customers	p. 10
<b>Governance/ethics and compliance</b>	<ul style="list-style-type: none"> <li>Business ethics and compliance results</li> </ul>	Shareholders Investors	p. 8, pp. 10–11
<b>Achieving workplaces with vitality</b>	<ul style="list-style-type: none"> <li>Create a workplace that achieves a good work-life balance for all employees</li> </ul>	Employees	pp. 12-13
<b>Development of personnel</b>	<ul style="list-style-type: none"> <li>Support the development of skills by employees</li> <li>Build a framework for development of skills</li> </ul>	Employees	p. 13
<b>Safety and health management</b>	<ul style="list-style-type: none"> <li>Carry out safety activities for work, design, and education, etc.</li> <li>Create a comfortable workplace environment</li> </ul>	Employees	p.12, pp. 14–15
<b>Product quality</b>	<ul style="list-style-type: none"> <li>Achieve high quality to obtain customer's trust</li> <li>Achieve efficient and stable quality control</li> </ul>	Customers	p. 16

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

Selective report issues matrix



Issues	Outline	Main stakeholders	Reference point
<b>Supply chain management</b>	<ul style="list-style-type: none"> <li>• Optimization of the entire supply chain</li> </ul>	Suppliers	p. 17
<b>Conflict minerals response</b>	<ul style="list-style-type: none"> <li>• Improving the system related to the conflict minerals problem</li> </ul>	Customers Suppliers	p. 17
<b>Energy-saving, resource-saving products</b>	<ul style="list-style-type: none"> <li>• Promoting environmentally friendly product design</li> <li>• Provide customers with environmental value</li> </ul>	Customers	pp. 20–22
<b>Reducing water consumption</b>	<ul style="list-style-type: none"> <li>• Effective use of resources</li> </ul>	Local community Administrative organization	p. 22
<b>Reducing waste, recycling</b>	<ul style="list-style-type: none"> <li>• Preventing environmental pollution from waste</li> <li>• Proper management and processing of regulated chemical substances</li> </ul>	Local community Administrative organization	pp. 22–23
<b>Conservation of biodiversity</b>	<ul style="list-style-type: none"> <li>• Promoting initiatives for biodiversity conservation and improving the framework</li> </ul>	Local community	p. 19
<b>Social contribution activities</b>	<ul style="list-style-type: none"> <li>• Initiatives for the development of young people as future leaders</li> <li>• Supporting community-based citizenship activities and revitalization efforts in response to local needs</li> </ul>	Local community Administrative organization	pp. 24–26