

Materiality

Materiality (Basic Policies and General Principles of the Mid-Term Management Policy)

Tamron regards materiality to achieve sustained growth together with society as an important matter in the formulation of business strategy and the decision-making process, and has incorporated this into its mid-term management policy. When

addressing these material issues, there are “Key CSR Issues” representing individual issues related to the environment, society and governance in order to mitigate risks and take advantage of opportunities.

Materiality	Key CSR Issues	Mid-Term Management Policy (Basic Policies and General Principles)
1 Creating excitement and peace of mind 	<ul style="list-style-type: none"> Contributing to social issues through business 	<ul style="list-style-type: none"> We will enhance our marketing, product planning and sales capabilities, provide products that respond to market trends and customer needs to excite customers, and work to expand our business through increased market share and other approaches with sales strategies adapted for each market.
2 Creating new light 		<ul style="list-style-type: none"> Besides expanding existing businesses, we will step up the creation of new businesses through enhanced marketing focused on the "resolution of social issues" in line with the guiding principles of the SDGs, and collaborative creation, including through M&A. In addition to developing elemental technologies focused on our core competency in optical technologies, we will pursue R&D in new technological fields and focus on a horizontal specialization (including collaboration between industry, academia and government) such as collaborative creation.
3 Business structural reforms (improved productivity) 		<ul style="list-style-type: none"> We will accelerate the global expansion of our existing businesses, capture demand in the markets of developing countries with top priority placed on strengthening our position in Asian market, strive to boost profitability and bolster our operating foundations. To respond to severe changes to the external environment, we will reinforce our Chinese development structure, work to shorten lead times from development to mass production, and deliver new products that cater to customers in each market in a timely fashion. We will build a global structure of efficient production across three regions, and with the Fourth Industrial Revolution in mind, pursue further productivity improvements and cost reductions by way of automation, labor saving and personnel saving with the introduction of smart factories.
4 Contributing to a sustainable earth 	<ul style="list-style-type: none"> Reducing CO₂ emissions Recycling resources and reducing waste Environmentally friendly design Reducing harmful chemical substances Water management 	<ul style="list-style-type: none"> To contribute to the realization of a sustainable global environment, we will reduce greenhouse gas emissions as part of measures to combat climate change while also promoting the recycling of resources. <p>Environmental Strategy P33-34</p>
5 Empowering employees 	<ul style="list-style-type: none"> Human resource development Developing comfortable workplace environments and promoting diversity Fostering the development of the next generation 	<ul style="list-style-type: none"> We will promote improved work-life balance and diversity, foster the development of human resources, and develop workplace environments in which all employees can demonstrate their full potential. <p>Human Resource Development P35-36</p>
6 Developing the foundations of trust and sustained growth 	<ul style="list-style-type: none"> Expanding the disclosure of nonfinancial information Enhancing product quality and safety management Promoting CSR procurement Preparing for major disasters Enhancing internal reporting systems Improving the governance system 	<ul style="list-style-type: none"> We will strengthen corporate governance to improve the effectiveness of strategies and tactics, and achieve sustained growth. <p>Governance P39-40</p>

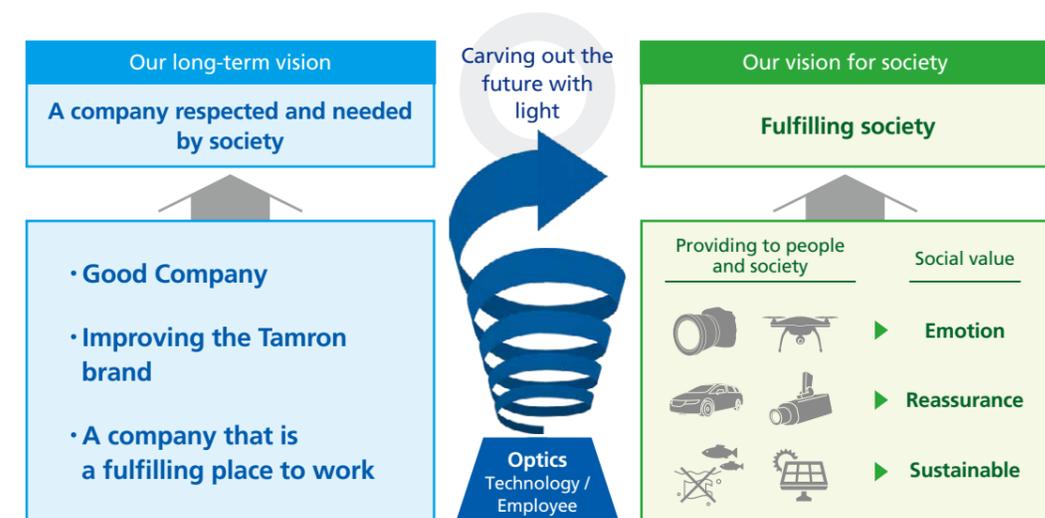


The Direction of Sustained Growth



Achieving sustained growth through business structural reform

Tamron's Vision for Sustainable Growth and Society



Please see our website for initiatives on key CSR issues. <https://www.tamron.com/csr/>