

Materiality Identification Process

Teijin Group ascertains and organizes a wide range of social issues, and analyzes and identifies important issues from the perspective of importance to the Teijin Group and impact on stakeholders. The Chief Sustainability Officer then engages in dialogue with external experts, and identifies Teijin Group materiality at the Management Committee meeting.

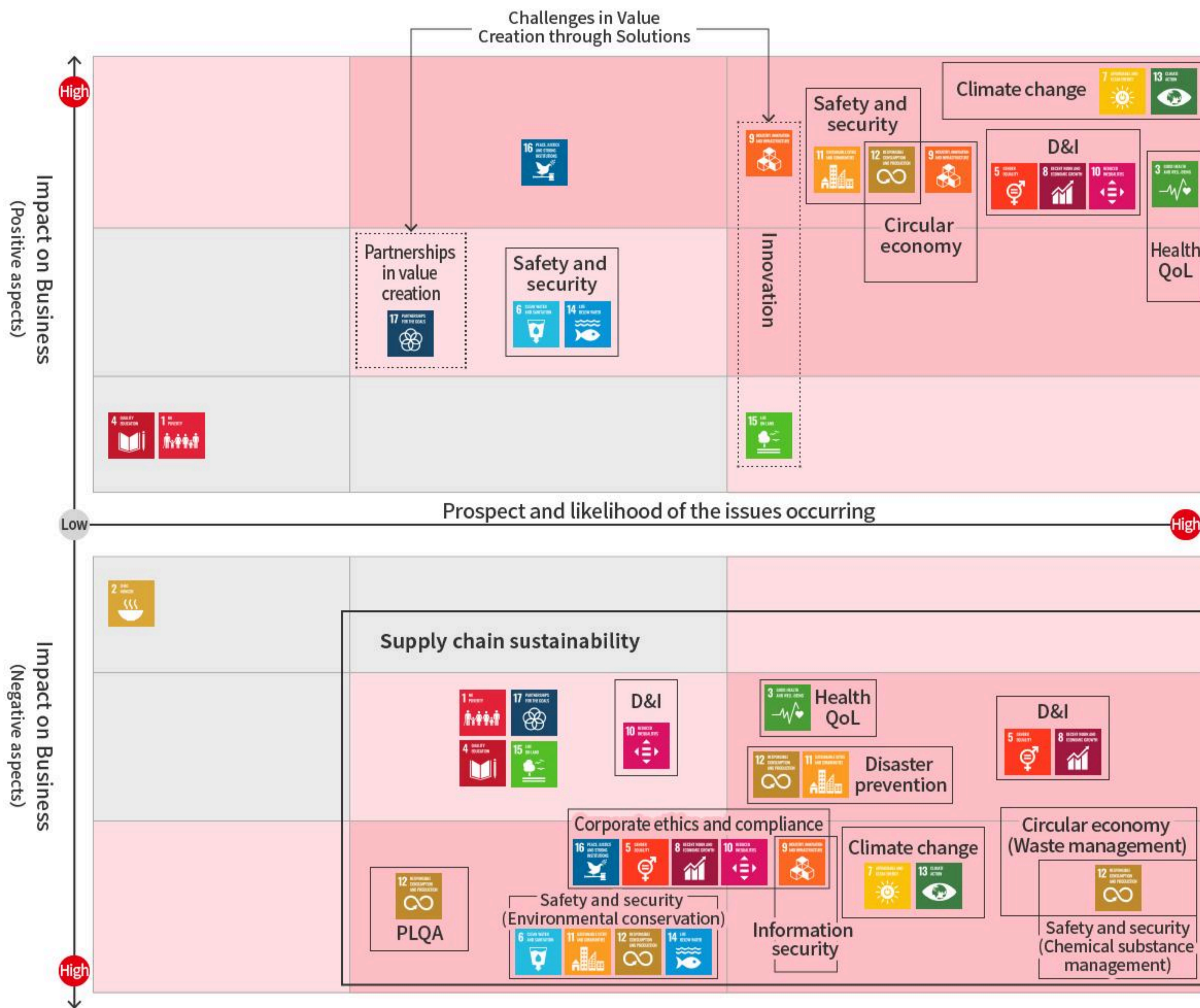


STEP1 Ascertain and organize issues

Ascertain and organize a wide range of trending issues in society, starting with the Sustainable Development Goals (SDGs)

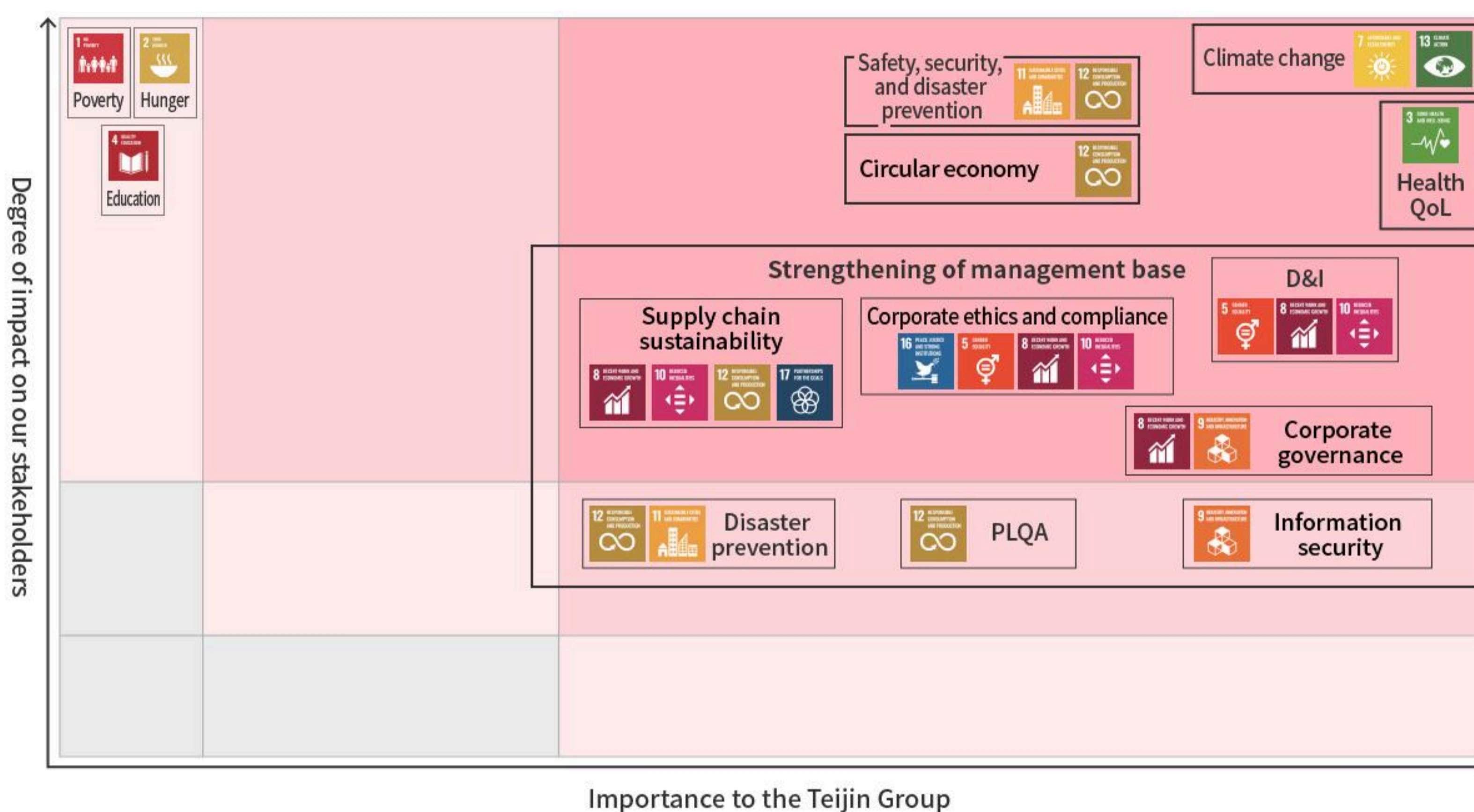
STEP2 Determine degree of importance

Determine degree of importance to the Teijin Group based on degree of impact on businesses (both positive and negative), and probability of anticipated occurrence



STEP3 Extract important issues

Among issues analyzed in STEP 2, those of particular importance to the Teijin Group with a particularly high impact on stakeholders are extracted as important issues



STEP4 Dialogue with external experts

Dialogues are held with external experts regarding the Teijin Group's materiality identification process and the extracted issues



Hidemi Tomita
Director, Lloyd's Register Japan K.K.
(As of October 2019)

"Connecting business fields with solutions helps improve corporate value"

When organizing its materiality with a focus on the SDGs, I believe Teijin can establish a greater sense of a narrative by showing how its three solutions, which are created as a result of its business activities, contribute to society. In addition, Teijin should be able to enhance its corporate value to an even greater extent by extending a particular material or business across multiple solutions. I also think it is important for each employee to gain an understanding on the kind of business opportunities that are created by responding to the SDGs.



Ken Shibusawa
Founding Partner & Chairman of the Board,
Commons Asset Management, Inc.
(As of October 2019)

"Backcasting from the future with a view to the next 100 years is important"

From the viewpoint of a long-term investor, the purpose of a corporation's efforts toward ESG and the SDGs is to achieve sustainable value creation over the long term. To that end, it is important to accumulate existing businesses and make commitments to the future and then think backwards on how to accomplish them. In addition to considering "what" actions it should undertake, Teijin should think about "why" they are pursuing a particular action. I therefore would like to see Teijin promote backcasting with a focus on the next 100 years. Going forward, the extent to which Teijin can ascertain changes in the business environment and consider aspects outside the perspective of its past successes will become increasingly more important.



Toshihiko Goto
Chief Executive Officer, Sustainability Forum Japan
Board Member, Global Compact Network Japan
(As of October 2019)

"Looking forward to long-term value creation related to climate change"

From a short-term perspective too, Teijin deserves praise for supporting the Task Force on Climate-related Financial Disclosures (TCFD). I think the Company could benefit from adopting a more long-term perspective with its vision and strategies. I would like to see Teijin establish goals for 2030 through a backcasting approach that considers the kind of company Teijin aims to be by its 150-year anniversary. If Teijin's management is able to indicate the direction toward which the Company is heading, I believe that knowledge of this path will spur various ideas from employees on how to reduce CO2 emissions and other matters. To survive as a company going forward, it is crucial to pursue efforts from the perspective of value creation related to climate change.

STEP5 Identify materiality

Teijin Group materiality is identified through discussions and confirmation by the Management Committee meeting