

# **Pursuing the Quality**

In accordance with Basics and Ethics, we think and act on our own mind from a customer's point of view, and work hard to improve continuously for each business process.

# **Customer First**

We will devote ourselves to creative manufacturing on a customer-first principle, and develop and provide products and services in which emphasis is placed on safety, quality, and environmental soundness, in order to earn the trust and confidence of our customers and society.

#### Providing Safe Products and Services

We comply not only with the Product Liability (PL) Law, domestic and international laws, and safety standards, but observe also internal standards for further safety in an attempt to improve the level of quality, thereby providing our customers with safe and high-quality products and services. Moreover, in the companywide quality assurance meeting, we share information and consider ways of preventing nonconformities based on case studies of failure occurring both internally and externally.

## Policy to Improve Quality

We have certification of ISO 9001 (quality management systems) at all our Works and are continuously improving our quality management system by using the PDCA cycle in the process approach. In order to further satisfy various requirements of customers on products and services, we get certification of received JIS Q9100 and TL 9000 as applicable to certain product categories, and our sales departments are incorporated into the quality management system.

#### Policy to Address Quality Problems

A series of review and recurrence prevention activities based on thinking and acting from the customer's point of view is called *Ochibo Hiroi* (meaning "gleaning"), which identifies the direct technical causes of problems and the motivational problems that led to those causes, and involves working to prevent recurrence and verifying similar products in an attempt to prevent similar problems.

#### **Globalization Efforts**

We work to exchange human assets in charge of quality assurance, and further improve quality and service in accordance with our promotion of local production for local consumption in the global market.



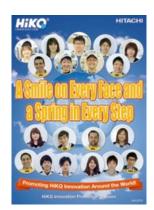
### **HiKQ Innovation Activities**

Launched in August 2009, "HiKQ Innovation" activities (as of this spring) have been under way for three and a half years. Last year we held discussions involving managerial executives and practical personnel regarding how to improve business quality under such themes as business process reforms, "step-up activities" (i.e., bottom-up business reform activities), and various other related activities that promote companywide reactivation. Over the course of three and a half years, these activities are gradually bearing fruit.

In fiscal 2013, we will upgrade our efforts under conventional themes and address new themes as well. Under our Medium-term Management Plan, we are working to build up an "optimal and strongest production system" and achieve the goals of stepping up our production centers, expanding our operations globally, and increasing efficiency in our indirect operations. Our HiKQ innovation activities will also proceed according to these goals. We will also go back to the origin of the activities and spotlight our efforts to raise awareness among our employees as well.

Global expansion requires even more innovation in order to survive amid cutthroat competition. Both products and business quality must be based on global standards. We must also integrate the awareness of employees of the group companies both at home and abroad. We will globally implement "business reforms from the customers' point of view," the basis of our HiKQ activities, with our overseas Group companies. As part of such efforts, we intend to include the employees of overseas Group companies in the activities as well. In our internal network, we present our activities and have been deploying the "HiKQ Net" (i.e., an internal SNS\*) since the fiscal year before last, and intend to proceed toward gradually having overseas personnel participate in this network.

We will continue to have the HiKQ Innovation Promotion



Division take the leadership in working to revitalize both our internal and external communication in order to nurture a corporate culture for conducting business with customer satisfaction being given top priority.

\* SNS (Social Networking Service): A community-based network site

For the purpose of raising employee awareness, a poster featuring younger employees has been prepared and distributed for display at all works and offices.

A few employees of overseas group companies appear as members of the model according to the state of activities from the year 2013 on.

