

Improvement of Products Quality

Our Quality Policy is “Providing products and services that satisfy customers”, and based on this policy, we set mid-term quality targets and work on quality activities.

[Quality Targets] - “Elimination of Quality Risks” with thorough governance

- “Logistics and Supplier Management” to maximize quality performance
- “Visualization of Quality Management and Quality Activities” that leads to enhancement of corporate value

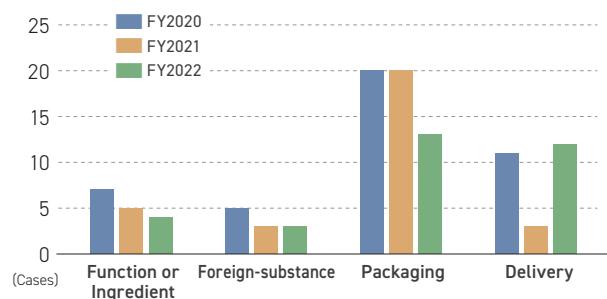
System

The quality assurance office at each plant, which is independent from the manufacturing divisions, inspect the quality of each product. In addition, the quality assurance division at the head office, which oversees the company-wide quality assurance activities, conducts quality audits at each plant and affiliated company. To promote quality assurance activities on a company-wide basis, the Quality Assurance Committee meets regularly to report the results of quality activities, the results of quality audits and the status of improvements, and complaints and status of corrective actions. The committee discusses the next year's action policy of quality assurance, etc. The reports and contents of the discussions are reported to the Board of Directors, and quality management systems are in place under management review.

Indicators

Since the number of complaints increased in FY2020, we conducted improvement activities with narrowed down priorities, resulting in a slight decrease in the number of complaints since FY2021. The percentage of complaints attributable to contract logistics suppliers, such as packaging and delivery, remains high. The number of serious complaints was in a declining trend with 3 cases in FY2020, 2 cases in FY2021, and 1 case in FY2022. We aim to achieve zero cases in FY2023.

The number of complaint cases



* Complaints with identical details are counted as one case

Activities

Internal Network of Product-quality Intelligence

We have established an internal network to promptly collect and evaluate customer feedback (complaint information) regarding

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Web https://www.nissanchem.co.jp/eng/csr_info/communication/customer.html

our products and to take necessary corrective action. Customer feedback is promptly communicated to each division to enable response to customers and quality improvements.

Since April 2023, we have operated the new company-wide electronic quality-information system that centrally manages raw materials abnormalities, all internal quality problems and corrective & preventive actions, supplier information and quality-related documents, as well as complaint-related information.

Prevention of Quality Fraud and Data Tampering

In FY2020, we established and began implementing the guidelines aimed to prevent fraud and tampering regarding quality control. In FY2022, we confirmed the conformity of the contents of notifications from authorities such as authorization documents, customer requests, and manufacturing records. No fraud and inconsistency were found as a result.

Fostering Quality Culture

In 2021, we established the Quality Behavior Model aiming to enhance the quality of our employees' behavior, and disseminated it as our top message.

In FY2022, we conducted in-house training on “Non-conformity on Quality” for whole company, and a training on “Change control” with the aim of reducing quality risks due to change for our all business departments and plants. We will continue to develop company-wide in-house training on quality compliance.

Logistics and Supplier Management

We aim for total quality assurance, considering not only the quality of the manufactured products themselves, but also the packaging materials, transportation, attached documents, and demonstration of function at the customers, as part of our products.

Since a high percentage of our abnormal quality attributable to packaging and transportation work process, we share our improvement targets with contract logistics suppliers and strive for improvement. In addition, we have established internal guidelines for suppliers including contract manufacturers, and conduct evaluations through quality audits to maintain appropriate management.