

Contribution through Core Business

Improve Quality and Ensure Product Safety

Akihiro Tamura Senior General Manager Quality Assurance Division

Establishing a Quality Assurance Structure That Pursues Automation and an Environmental Management System

To enhance our Group's Product Quality Policy "Supply reliable products and services under the concept of Customer-First and Best Quality," we will review our quality control standards, entrench the RIKEN Standard throughout the Group, and promote the establishment of a global quality assurance structure that pursues automation.

As for the environment, for all our business activities, we take into consideration the effects on the environment. To protect the environment and realize a sustainable community, we established an environmental management system and promote continuous improvement, prevention of environmental pollution, and support for environmental protection, including the formulation of our rules besides complying with the relevant laws and regulations. We also aim to obtain confidence and understanding from society through appropriate and accurate information disclosure.



Quality Assurance Structure

Led by our Product Quality Policy "Supply reliable products and services under the concept of Customer-First and Best Quality," we engage in manufacturing in compliance with ISO 9001. Thorough quality control over entire processes, from acceptance of raw materials to delivery of products, is conducted by carrying out quality improvement activities in collaboration with all of our production sites, including overseas sites, every week. In addition to preventing the reoccurrence of past defects, we perform root cause analysis and share information regarding new defects.

Quality Improvement Activities

Using sensing technologies, we visualize change points to discover abnormalities in production processes. Combined with AI-based shipping inspections, these sensing technologies have helped to improve our preventive activities, which seek to eliminate defective products.

In FY2023, we launched the Global Quality Control Consortium, where employees in charge of quality control at overseas consolidated subsidiaries discuss quality control methods with each other. Discussing about the activities of each site helped to improve the level of quality control for the

Group as a whole.

In FY2024, we will conduct activities to promote the automation of operations related to quality and shipping inspections as well as standardization using data so that we can provide products that have even less quality deviation.

Improvement of Product Safety

Product safety is the responsibility of manufacturers, and we have kept this in mind since RIKEN TECHNOS was established. We are further enhancing our product safety measures and complying with the Japanese Product Liability Act. We have not had a single product liability issue with any of our products for which product liability is a special concern (our products for medical use or our products which have received public certification, such as UL certification).

The Product Safety Committee conducts activities to identify and reduce our risks, including compliance with the Product Liability Act and management of chemical substances. In addition to products for which product liability is a special concern, cases that the overseeing department or the committee sees the need for risk identification and reduction are discussed by the committee to improve product safety.

Organization of Product Safety



Procedure for Product Safety Inspections



Tomozo Ogawa Senior General Manager Procurement Division

Achieve Sustainable and Stable Procurement of Raw Materials and Other Procurement Supplies through the Building of Partnerships

As a global company, we procure a lot of raw materials and other procurement supplies from various regions in the world. However, stable procurement has become even more difficult than before due to our business partners' review of their businesses and environmental issues.

From among our business partners related to procurement and logistics, we determined suppliers for raw materials and other procurement supplies by comprehensively assessing factors—such as quality, price, and stable procurement—and built partnerships based on mutual trust with each supplier. In this way, we responded to changes in the market and environment. We will further strengthen our relationships with business partners, and at the same time, further widen the scope of our procurement in the future to respond even more rapidly to changes in the market and environment.

In addition, for logistics, we will engage in activities for responding to changes in the logistics environment, such as the "2024 logistics problem."



Procurement Structure

To supply safer and more reliable products to our customers, RIKEN TECHNOS is making efforts to build better environmental and quality management systems, including our supply chain, with the cooperation of our business partners, in accordance with our Procurement Policy given below. We also promote the establishment of sustainable

supply chains using requests for cooperation concerning the environment and various communication tools based on our Environmental Policy and Green Procurement Standard. In addition, we are expanding our procurement contacts and working to achieve competitive raw materials procurement to continually reduce costs.

Procurement Policy

1	Fair Procurement Transactions and Selection	We deal with our business partners on an equal footing. Ordinarily, we purchase from multiple sources, and we offer fair and impartial business opportunities. During selection, whether in Japan or overseas, we consider appropriate quality, price, and environmental friendliness from a global perspective.
2	Creation of Partnerships	We build and maintain good relationships of mutual trust with our business partners for coexistence and co-prosperity.
3	Observance of Relevant Laws and Regulations and Self-management	We take care with confidential information from our business partners and procure with a focus on the social norms and relevant laws and regulations in each country.
4	Realization of a Sustainable Society	In our procurement, we actively use environmentally friendly raw materials and promote further switching over from conventional raw materials to contribute to achieving the SDGs and respond to climate change.
5	Respect for Human Rights and Elimination of Unfair Discrimination	We do not procure or engage in transactions involving raw materials that contribute to conflicts or which are obtained through unlawful labor (such as child labor or labor which involves the infringement of human rights) in all regions, even if they are not conflict or high-risk regions.

Actions in Logistics Processes

In response to the "2024 logistics problem," we brought forward our order closing times as well as performed investigations on truck drivers' waiting times and loading and unloading work.

We will continue to improve delivery efficiency and expand

initiatives for reduction of CO₂ emissions.

We will also promote the collection of pallets to reduce the amount of new pallet procurement and the transition to plastic pallets to protect forests.