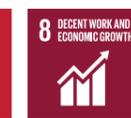




# Customer Relations

Relevant SDGs



Ideal image for 2025

We aim to improve brand strengths of Furukawa products and achieve top rankings in product categories.

## PLAN & CHECK //

### Fiscal 2021 targets and assessments

Achievement

- ① Use the results of change point controls to enhance educational activities for preventing defects from occurring ★★
- ② Improve DR<sup>\*1</sup> and SR<sup>\*2</sup> in the development and design stages ★★★★
- ③ Strengthen quality assurance management for components produced overseas ★★
- ④ Engage in initiatives involving quality assurance frameworks (respective materials businesses) ★★

★★★★Target achieved; ★★★Target partially achieved; ★Target not achieved

### Fiscal 2022 targets

- ① Reduce the number/cost of complaints
  - ①Revise internal rules, criteria, and standards for improving design quality
  - ②Educational activities to eliminate defects originating mainly from change points
  - ③Promote product quality patrols between places of business
- ② Improve product safety
  - ①Activities to improve product safety (reforming methods of education, etc.)
- ③ Strengthen quality assurance systems
  - ①Revise/verify ISO systems, rules, and standards for each place of business

\*1 DR: Abbreviation for Design Review. Third-party reviews of specifications and design specifications, programs, and other outputs from each phase (sales, accounting, purchasing, production management, quality assurance, etc.).

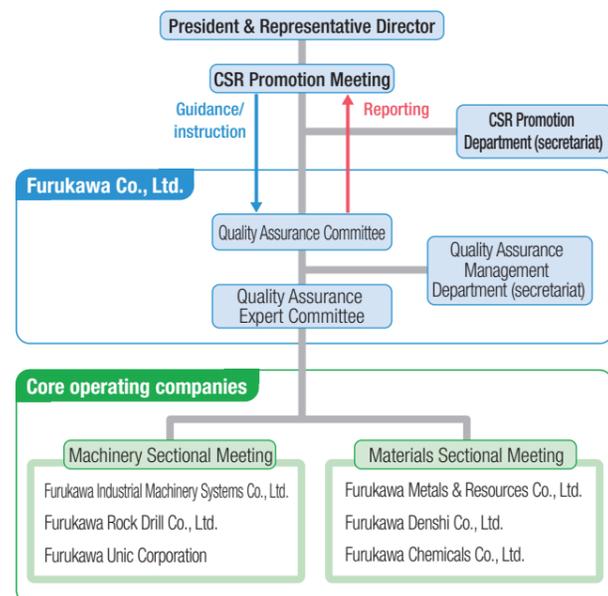
\*2 SR: Safety Review. Reviews with emphasis on aspects of safety during the use of newly developed products.

## DO //

### Quality Assurance Management System

The Furukawa Company Group revised its quality assurance management system in fiscal 2021. In order to establish a system that assures customers of reliable product quality in addition to safety, the Product Safety Committee established within the headquarters of Furukawa Co., Ltd. was changed to the Quality Assurance Committee. Additionally, the Quality Assurance Management Department was newly established within the company's Technology Division in order to promote activities for quality assurance and product safety and to manage the Group's quality assurance system. Under Quality Assurance Basic Policy and Quality Assurance Action Guidelines, which were enacted concurrently, the entire company will come together in an effort to provide manufacturing and services worthy of customers' trust and satisfaction.

#### Quality Assurance Management System



#### Quality Assurance Committee

The Quality Assurance Committee oversees the Quality Assurance Expert Advisory Council—a gathering of people responsible for quality assurance in core operating companies—and organizes sectional meetings dedicated to machinery and materials to undertake activities in their respective segments. These organizations under the Quality Assurance Committee promote compliance with laws and regulations on manufacturing, quality assurance, and product safety, and the manufacturing of products that customers can use with a sense of safety and security. Additionally, risk assessments and other activities for improving product safety levels are continuing with the understanding that quality assurance is an integral part of product safety.

Visit the following site for the Quality Assurance Basic Policy and the Quality Assurance Action Guidelines  
[https://www.furukawakk.co.jp/pdf/CSR/e/csr\\_21.pdf](https://www.furukawakk.co.jp/pdf/CSR/e/csr_21.pdf)

#### Machinery Sectional Meeting Activity Report

The Machinery Sectional Meeting is continuing to promote efforts to “reduce complaints” and “monitor production change points” under the concept of “making products that satisfy our customers.” The sectional meeting is making efforts to share information about methods of analyzing and reducing complaints and toward the horizontal spread of the methods themselves between places of business. To prevent change points on the production floor from generating defects and complaints, the sectional meeting is establishing a mechanism for a flow that starts with visualization and proceeds through change point aggregation, prevention planning, execution of prevention activities, and verification in that order.

Small-group manufacturing improvement activities are being promoted at each place of business with the aim of translating individual improvements, however small, into improvement of quality, productivity, safety, and the environment, in addition to striving to enhance awareness of quality among officers and employees. Also, the latest measuring instruments are being used to shorten the time required for measurement, improve product precision, and expedite development. Regarding delivery times, quality, and distribution—the risk factors of procuring components from overseas—efforts will be made to create multiple channels for remote auditing and procurement to limit the impact of pandemic-related delays in auditing and distribution abroad. Discussions on this topic will continue based on the belief that the importance will increase further in the future in terms of the ideal state of product safety and quality assurance with automated machinery.

## ACTION //

[Comment from the Responsible Committee] Overview of Fiscal 2021

### Based on quality assurance, all products and services are for our customers

The Quality Assurance Committee implements various efforts to guarantee that every product and service produced and provided to customers by the Furukawa Company Group is safe and satisfactory. Even for components procured overseas and in manufacturing at overseas plants, and for products for export as well, we aim to guarantee quality worthy of the pride of Japanese manufacturers.

In fiscal 2021, we made efforts to implement complete prevention educational activities and improve DR and SR in the development and design stages, and promoted efforts such as improving operational efficiency by incorporating ICT into manufacturing and inspection operations and visualizing change points—an ongoing theme from the previous fiscal year—on the production floor, all in an effort to limit complaints at each place of business.

In fiscal 2022, we will promote educational activities to eliminate defects originating from change points, implement activities to improve quality through quality patrols between places of business, and revise regulations for strengthening quality assurance systems at each place of business.

**Tatsuki Nazuka**  
Quality Assurance Committee  
Chairperson, Director, Senior  
Executive Officer, General  
Manager, Technology Division



Core operating companies in the machinery business will maintain their momentum in taking the next steps for improving manufacturing capacity and on-site strengths to maintain customers' trust in the Furukawa brand.

#### Materials Sectional Meeting Activity Report

Based on a customer-oriented approach, the Materials Sectional Meeting—which comprises core operating companies whose products are materials that are widely used in electronic devices and other products—is taking steps to improve the quality assurance system encompassing components procured overseas with the goal of achieving zero market complaints.

For risk assessment at core operating companies in the materials business, the sectional meeting provides information about risks in SDS<sup>\*3</sup> and the like in addition to fully understanding the major risks of allowing

defective products into circulation, and efforts are made to prevent such circulation by promoting the automation of inspections and highly reliable designing through FMEA<sup>\*4</sup> focused on change points control. The Materials Sectional Meeting shares this information and engages in activities aiming to enhance the skills of each company.

As a result of these kinds of efforts, we achieved zero market complaints in fiscal 2021. Likewise, we aim to achieve zero market complaints again in fiscal 2022, and will accordingly take steps that involve designing highly reliable products, preventing the release of defective products, and improving our quality assurance framework which includes products procured overseas, and work on activities to further heightening skills of each company.

\*3 SDS: Abbreviation for Safety Data Sheet.

\*4 FMEA: Abbreviation for Failure Mode and Effects Analysis. A systematic analysis method that predicts the causes of quality problems and prevents them at the design and process planning stage.

## TOPICS

### Responding to complaints

When complaints are made, the Quality Assurance Departments of core operating companies take the lead in immediately checking the facts, and analyzing and verifying the causes. When problems with quality are deemed to be particularly serious, the departments make reports to the competent authorities according to laws and regulations, disclose information to customers through websites and other means, and promptly report the circumstances to management; accordingly, the Group comes together and takes swift, proper measures under the system in place.

