

Total Quality Assurance

Basic Approach

Approach

We define quality assurance as a total activity covering services as well as products and strive to steadily improve the quality of the products and services the Group develops.

Products

Quality assurance for products is a concern for every department, not only the departments directly responsible for production. Departments involved in marketing, R&D, planning, design, sales, and shipment all contribute to quality. This is why we describe our quality initiatives as “total quality assurance” as we strive to improve product quality and manage product safety throughout the Group.

For the maintenance and improvement of product quality, TOPPAN has established a Basic Stance on Product Safety Management and a set of Basic Guidelines on Product Safety Management to securely manage the safety of the products we produce.

Basic Stance on Product Safety Management

We promote product safety management throughout the Group by securing safety and improving the quality of our products based on the Basic Principles of Conduct Guidelines and the principles of corporate social responsibility as a protector of user* safety and health.

*User: Includes both customer companies and end-user consumers.

More details on the TOPPAN Group Basic Policy on Product Safety Management >

<https://www.holdings.toppan.com/en/about-us/our-corporate-approach/total-quality-assurance.html#anchor01>

Services

Every department involved in service development, from planning to release and operation, contributes to quality assurance according to customer requirements. The departments continuously strive to maintain and improve the quality of the services TOPPAN provides.

The TOPPAN Group Basic Policy on Service Quality sets out the guiding principles for service quality management. The essentials of the policy are summarized in our Basic Philosophy on Service Quality Management.

Basic Philosophy on Service Quality Management

We engage in service quality management in accordance with the basic principles of our Conduct Guidelines in order to gain the satisfaction and trust of customers, society, and business partners by driving co-creation of value as we work to enhance the TOPPAN brand.

More details on the TOPPAN Group Basic Policy on Service Quality >

<https://www.holdings.toppan.com/en/about-us/our-corporate-approach/total-quality-assurance.html#anchor02>

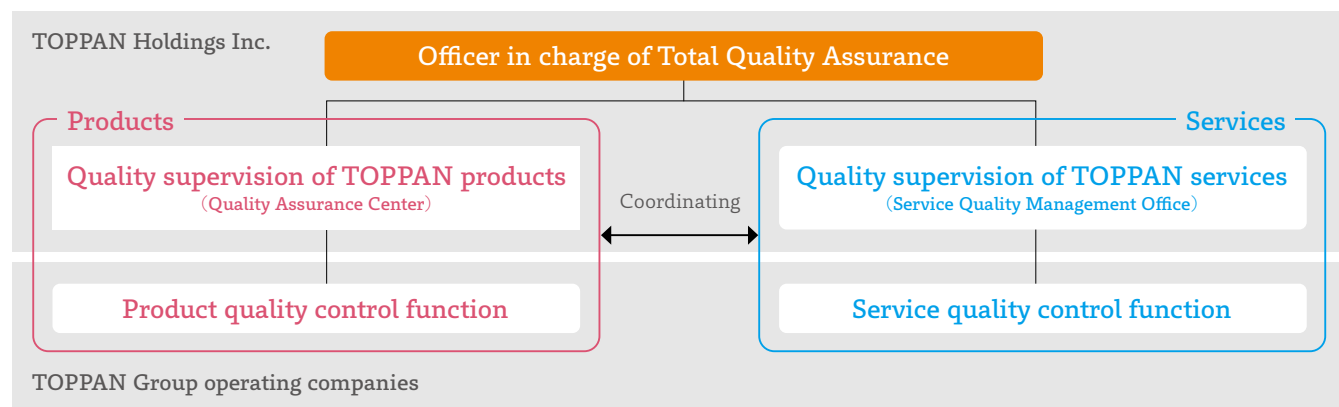
Promotion Framework

Framework System

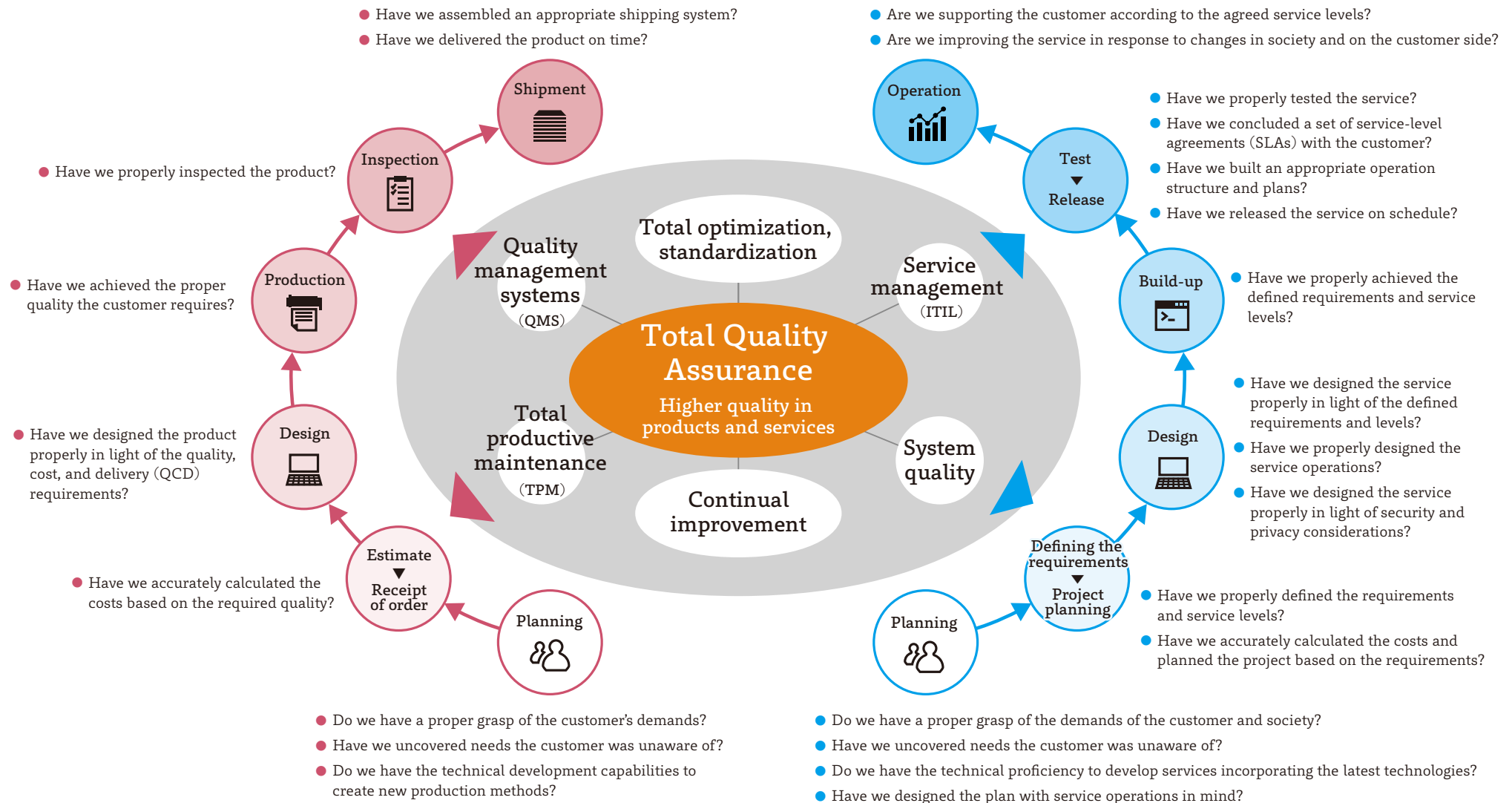
Adding to our long-established product-based system, we have developed a service-based quality assurance system that extends our quality efforts to encompass services as well as products. TOPPAN’s “total quality assurance” activities have been implemented through the interoperation of assurance systems that merge product quality control with service quality control at each operating company. The officer in charge of Total Quality Assurance at TOPPAN Holdings Inc. supervises this comprehensive framework for quality governance for products and services.

Comprehensive Quality Assurance Framework

— Product quality assurance departments — Service quality assurance departments




TOPPAN's Total Quality Assurance in Business Activities



Products

Operating companies in the TOPPAN Group have established ISO-9001-compliant quality management systems (QMS) to sustain product safety management. Based on their QMS, the companies strive for continuous improvement and the assurance of their product quality.

 More details on our ISO 9001 accreditation and certification >

<https://www.holdings.toppan.com/en/about-us/our-corporate-approach/iso/iso9001.html>

The quality assurance departments in each operating company handle customer complaints and claims on products. When a serious product-related incident occurs, TOPPAN sets up a Crisis Management Committee in line with the Group's rules on risk management to rapidly and properly address the issue, giving the top priority to user safety. We have also formulated rules on corrective actions for claims from customers in accordance with ISO 9001. Based on these rules, the quality assurance departments determine fundamental causes, take optimal countermeasures, and prevent recurrence through the standardization of corrective actions.

The Quality Assurance Center compiles monthly data on customer claims and cases of product quality loss from operating companies and monitors the progress of improvement activities. For serious product-related incidents, the center checks the validity of recurrence-prevention measures and the status of efforts to sustain those measures. TOPPAN has also adopted a production approval system to accredit Group sites and partner companies as entities qualified to engage in the manufacture of food containers/packages and healthcare products according to the exacting quality-assurance levels required for safety and sanitation.

Services

We established a Service Quality Management Office at TOPPAN Holdings Inc. in October 2023 to govern service quality management. This office properly manages service quality and pertinent risks and promotes continual improvements throughout the entire lifecycle of a service.

We have also formulated a set of rules on service quality at the TOPPAN Group as practical principles based on global standards, primarily the ISO standards and the Information Technology Infrastructure Library (ITIL) framework. These management rules are aligned with the TOPPAN Group Basic Policy on Service Quality.

A system has also been developed to ensure consistent quality control across service development processes, from planning and release to operation and continual improvement. Independent specialized departments at each operating company check the quality of services based on the required process-based procedure/quality standards we have defined to improve the quality of our services. This management system allows us to assess the effectiveness of the TOPPAN Group's rules on service quality and the operating companies' activities for securing their service quality. The Service Quality Management Office evaluates their activities and supports their improvement efforts.

When a serious service-related incident occurs, a Crisis Management Committee will be set up to rapidly and properly handle the issue in line with our rules on risk management. The process closely parallels our response to a product-related incident.

TOPPAN's Checklist on Service Quality

Check Points

- Cyber security
- Privacy policy
- Service levels
- Operational design
- Terms of use
- Response to service interruptions
- Contract risks when using AI
- Legal compliance

Activity Results

Training, education

Activity results, performance data

Products

Enhancing Quality Management Systems

The Quality Assurance Center holds training seminars for internal auditors for quality management systems (QMS) to improve the effectiveness of QMS across the TOPPAN Group. In fiscal 2023, a total of 179 seminar participants learned how to effectively use internal audits to detect potential defects in QMS at their sites.

The center also assesses QMS effectiveness at Group sites and provides guidance to shore up the weaknesses identified in their QMS processes. Quality management assessments were held at 44 Group sites in fiscal 2023.

Accreditation System for Food Packaging and Healthcare Products

Food packaging requires exacting quality assurance for safety and sanitation. We have adopted a production approval system to ensure that the production sites of TOPPAN and business partners can manufacture containers and packages only after

undergoing audits with checklists in conformance with the Quality Assurance Guidelines for Food Packaging. Accreditation audits for packaging operations were carried out at eight sites inside and outside of the Group in fiscal 2023. The accreditation system for approving production via audits has also been applied to the healthcare business. Accreditation audits were conducted at 16 sites inside and outside of the Group in fiscal 2023.

Audits for Food Filling/Packing and Healthcare Businesses

Audit Points

- Agreements with client companies
- Quality assurance systems
- Design of products and services
- Management of equipment and inspection devices
- Management of safety and sanitation
- Steps to prevent the admixture of different products
- Steps to safeguard against insect infestations
- Steps to prevent the admixture of foreign substances
- Steps to prevent the outflow of defective products
- Steps to prevent contamination
- Traceability
- Food defense
- Education and training
- Maintenance of systems and frameworks for product safety and quality

Operational Sites Audited

Tier 1 food filling/packing businesses

- 5 sites run by manufacturing subsidiaries
- 3 sites run by production business partners

Healthcare businesses

- 7 sites run by manufacturing subsidiaries
- 9 sites run by production business partners

Services

To underpin service quality, every operating company takes thorough steps to educate human assets on the significance and purpose of the TOPPAN Group Basic Policy on Service Quality and the TOPPAN Group's rules on service quality. Employee training and awareness campaigns have been organized to establish appropriate actions based on the policy and rules.

Groupwide e-learning programs on the basic policy were arranged in fiscal 2023 (16,703 participants). Trainees learned the importance of service quality and explored ways to improve it.

The fiscal 2024 training mainly consists of e-learning programs on the rules on service quality for employees from service departments across the Group. The training programs, in combination with informative communications from senior managers, have been effective in improving the quality of the services TOPPAN delivers.