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# Total Quality Assurance

## Basic Approach

The TOPPAN Group defines the creation of quality through the construction and operation of a systematic quality management framework across all divisions and processes associated with the provision of products and services as "Total Quality Assurance," and strives to improve quality for both products and services.

In order to advance initiatives for Total Quality Assurance, we have formulated the TOPPAN Group Basic Quality Policy as a common policy covering both products and services, taking into account both the conventional concepts of product safety management and perspectives related to customer engagement, with a view toward portfolio transformation.

Within the scope of this policy, we set forth the Basic Philosophy on Product and Service Quality Management and Guidelines on Product and Service Quality Management, which define the principles we aim for in maintaining, improving and enhancing quality.

### Basic Philosophy on Product and Service Quality Management

In accordance with the basic principles of our Conduct Guidelines, we strive to improve the TOPPAN brand through value creation and implement quality management to provide safe, secure products and services with the aim of gaining the satisfaction and trust of our customers, society, and business partners[1].

[1] Business partners: Suppliers and cooperating companies (including partners in collaborations)

### Guidelines on Product and Service Quality Management

Each member of the TOPPAN Group adheres to laws and internal regulations and identifies core issues across the supply chain to provide products and services that exceed expectations throughout their life cycle,[2] based on strong relationships of mutual trust and cooperation with customers, society, and business partners.

[2] Life cycle: The cycle of products and services from planning/development to manufacturing, use (maintenance/after-sales service), and end of life.

🌐 TOPPAN Group Basic Quality Policy ›

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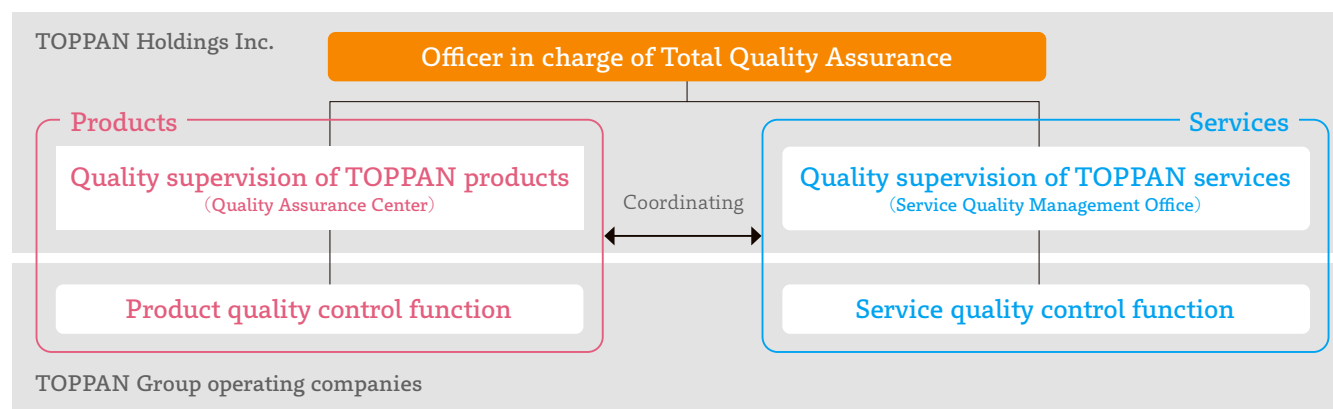
## Promotion Framework

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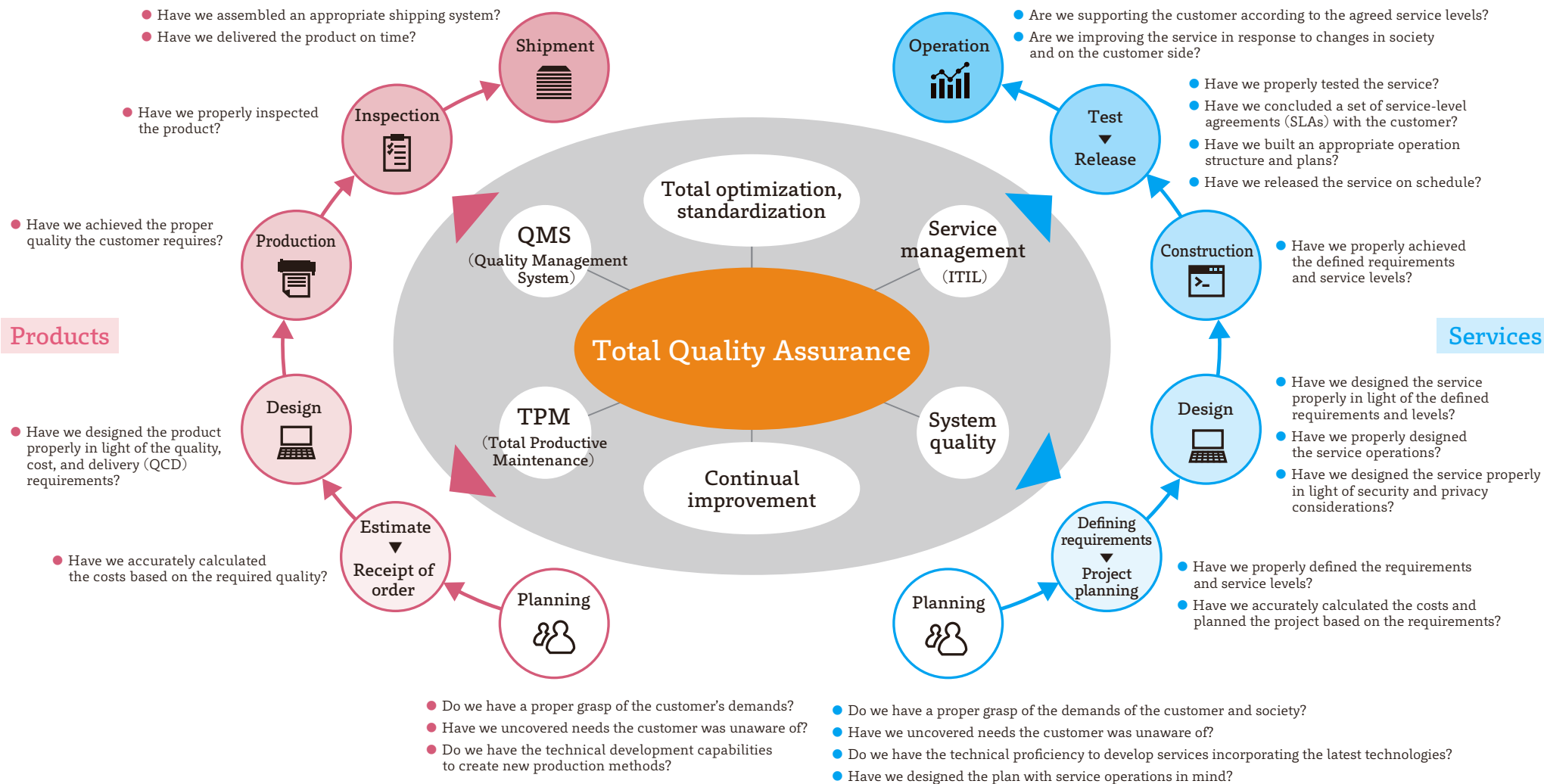
TOPPAN's Total Quality Assurance activities have been implemented through the interoperation of assurance systems that merge product quality control with service quality control at each operating company. The officer in charge of Total Quality Assurance at TOPPAN Holdings Inc. supervises this comprehensive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

Comprehensive Quality Assurance Framework



─── Product quality assurance departments    ─── Service quality assurance departments

TOPPAN Holdings Inc.

**Officer in charge of Total Quality Assurance**

Products / Services

Quality supervision of TOPPAN products (Quality Assurance Center) — Coordinating — Quality supervision of TOPPAN services (Service Quality Management Office)

Product quality control function / Service quality control function

TOPPAN Group operating companies

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## TOPPAN's Total Quality Assurance in Business Activities



**Products**

- Have we assembled an appropriate shipping system?
- Have we delivered the product on time?
- Have we properly inspected the product?
- Have we achieved the proper quality the customer requires?
- Have we designed the product properly in light of the quality, cost, and delivery (QCD) requirements?
- Have we accurately calculated the costs based on the required quality?
- Do we have a proper grasp of the customer's demands?
- Have we uncovered needs the customer was unaware of?
- Do we have the technical development capabilities to create new production methods?

Shipment → Inspection → Production → Design → Estimate ▼ Receipt of order → Planning

**Total Quality Assurance**

- Total optimization, standardization
- QMS（Quality Management System）
- Service management（ITIL）
- TPM（Total Productive Maintenance）
- System quality
- Continual improvement

**Services**

- Are we supporting the customer according to the agreed service levels?
- Are we improving the service in response to changes in society and on the customer side?
- Have we properly tested the service?
- Have we concluded a set of service-level agreements (SLAs) with the customer?
- Have we built an appropriate operation structure and plans?
- Have we released the service on schedule?
- Have we properly achieved the defined requirements and service levels?
- Have we designed the service properly in light of the defined requirements and levels?
- Have we properly designed the service operations?
- Have we designed the service properly in light of security and privacy considerations?
- Have we properly defined the requirements and service levels?
- Have we accurately calculated the costs and planned the project based on the requirements?
- Do we have a proper grasp of the demands of the customer and society?
- Have we uncovered needs the customer was unaware of?
- Do we have the technical proficiency to develop services incorporating the latest technologies?
- Have we designed the plan with service operations in mind?

Operation → Test ▼ Release → Construction → Design → Defining requirements ▼ Project planning → Planning

## 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.

🌐 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, and using corrective action management rules in accordance with ISO 9001, they determine fundamental causes, take optimal countermeasures, and prevent recurrence through the standardization of corrective actions. The Quality Assurance Center also compiles monthly data on customer claims and cases of product quality loss from operating companies and monitors the progress of improvement activities, to improve quality throughout the Group.

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. For recurrence prevention measures, the Quality Assurance Center checks the validity and implementation status, and works on further enhancing safety by sharing information throughout the entire Group.

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, ensuring a high level of safety and quality.

*"ISO" is a registered trademark of the International Organization for Standardization.

## Services

The Service Quality Management Office, which supervises the overall service quality governance of the Group, has developed service quality rules for the TOPPAN Group based on international standards such as ITIL and ISO, and spearheads efforts to promote appropriate management of quality and risk throughout the entire service lifecycle, as well as continuous improvement activities, at each operating company.

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.

*"ITIL" is a registered trademark of AXELOS Limited.

### 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
- Compliance

## Activities

### Products

#### ● Continual Improvement of the Quality Management System

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 2024, a total of 291 seminar participants learned how to effectively use internal audits to identify areas where the system can be improved to increase quality.

The center also conducts assessments of QMS effectiveness at Group sites. In fiscal 2024, the center conducted assessments at 50 sites throughout the Group, clarified areas of improvements for each process, and provided guidance for those improvements.

#### ● Manufacturing Certification Systems for Food-related and Healthcare-related Businesses

For both food-related and healthcare-related businesses that call for high levels of quality assurance and safety, we have introduced audit and certification systems and conduct quality management in accordance with strict standards. In the food-related business, we conducted certification audits at 12 internal and external business sites in fiscal 2024 to strengthen safety and quality management systems based on a set of quality assurance guidelines for order receipt and production and a quality audit check sheet. Similarly, in the healthcare-related business, we conducted certification audits at 13 business sites in fiscal 2024, working on checking and improving the quality management process.

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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
    Manufacturing subsidiaries    2 sites
    Production business partners    10 sites

Healthcare businesses
    Manufacturing subsidiaries    9 sites
    Production business partners    4 sites

## Services

### ● Enhancing the Effectiveness of the Quality Management System

We are enhancing collaboration between the Service Quality Management Office and the service quality control functions of Group companies to establish a Companywide quality management cycle. To prevent quality incidents and improve response capabilities, we have reinforced our quality check systems for services and established frameworks and rules for incident management. With ongoing monitoring of initiatives by each operating company and consistent tracking of customer evaluations, we are further enhancing the effectiveness of the quality management system.

### ● Raising Quality Awareness through Education

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.

In fiscal 2024, we implemented e-learning on the TOPPAN Group Basic Policy on Service Quality and the TOPPAN Group's service quality rules for employees in service-related departments within the Group. A total of 16,280 people participated, with trainees learning the importance of service quality and exploring ways to improve quality through their own work.