



Quality Control and Quality Assurance

Basic Approach to Quality

Idemitsu Group has defined its basic stance on quality as follows. "In order to ensure product safety and minimize the impact on people and the environment, we aim to promote quality assurance activities that take into account the entire life cycle of our products and services, from development and consumption to disposal, and strive to improve customer satisfaction and protect consumers." In addition, the Basic Essential Points on Quality Assurance serve as the highest-level internal regulation on quality, and set forth the following quality assurance policy as the basic concept of quality.

1. Provide products and services of appropriate quality from the customer's perspective.
2. Take an environmentally conscious approach to production activities and product development.
3. Provide safe and secure products.
4. Always ensure compliance and fulfill our social responsibilities.

Quality Control and Quality Assurance System

Our quality assurance system consists of two components: systems in place at business units and affiliated companies, and a corporate-level system for overseeing these. In actual quality activities, these systems work together to ensure that the Group as a whole implements its quality assurance policy.

Quality Control and Quality Assurance Systems in Each Business Division and Affiliated Company

Our business divisions and affiliated companies conduct quality management activities at every stage of their operations, from product development to manufacturing and sales. These activities are intended to contribute to the maintenance and improvement of the quality of products and services to meet the needs of customers and society. In addition, each business division and affiliated company has introduced a quality assurance management system to ensure the quality of products and services provided to customers. A total of 37 business units and affiliates in our group have acquired ISO 9001 certification. (As of the end of September, 2020)

● Quality Control in Lubricants

In our lubricants departments, we strive to enhance product quality through an ISO 9001-compliant quality assurance management system with the aim of providing a stable supply of products with consistent quality to our customers worldwide. All Idemitsu-owned sites in and outside Japan are ISO 9001-certified. We continually strive to prevent complaints and problems, aiming for zero customer complaints.

Quality Assurance System at the Corporate Level

The Quality Assurance Headquarters has been established as a corporate quality assurance organization to strengthen the governance of quality throughout our group. The Quality Assurance Headquarters is headed by the executive in charge of quality assurance (Director) appointed by the Board of Directors. Members of the headquarters consist of the heads of quality-related business divisions and the presidents of affiliated companies, with Safety, Environment (HSSE) & Quality Assurance Department serving as its secretariat. The Quality Assurance Headquarters formulates policies for company-wide quality assurance activities and promotes initiatives to address such important issues as the maintenance, review and improvement of the quality assurance management system. Each business division operates its own PDCA cycle in accordance with these policies. As a general rule, the Quality Assurance Headquarters meets once a year to monitor progress in quality assurance activities and determine our basic policies for the next fiscal year. We also conduct regular quality audits to improve the activities of each division.

■ Idemitsu Group's Quality Assurance Management System (PDCA cycle)



Promotion of Quality Control and Quality Assurance

Initiatives to Ensure Product Safety

We conduct checks of product safety at each product stage, from research and development through sales based on Rule for the Product Safety. Regulations of various countries concerning chemical substances have been frequently changing, and it is essential to respond swiftly and decisively to these changes. In FY2017, we introduced a new tool aimed at better managing information on the hazardous properties of chemical substances used in our products. Having expanded the scope of departments subject to chemical information management, we have successfully responded to domestic and overseas regulations, which are evolving frequently.

Response to Complaints on Quality

In the unlikely event of serious product safety or quality issues, we follow the "Crisis Response Rules" to minimize damage and any impact on society at large. The Customer Relations Center receives quality-related complaints and inquiries and, depending on the content, works with relevant departments to provide a swift response. We had no serious quality incidents requiring company-wide response during FY2019.

Providing Appropriate Product Safety Disclosure and Labeling

We issue safety data sheets (SDS) for the products it manufactures as stipulated under the relevant laws. Each product bears labeling that indicates its hazardous properties and safety-related details in accordance with chemical classification that complies with the GHS (Globally Harmonized System of Classification and Labelling of Chemicals). Product safety information is also available via Idemitsu's website as it is equipped with a system that enables users to search product data by name or usage.

Employee Education and Awareness Raising Regarding Quality

The Idemitsu Group conducts education and awareness raising activities aimed at increasing employees' awareness of quality. Specifically, we hold workshops for managers in charge of quality to empower them to promote quality assurance activities at their respective divisions or affiliates, as well as internal seminars on such highly specialized topics as responding to laws and regulations on chemical substance management. Such activities help us advance quality assurance activities across the Group. Furthermore, every November, we conduct Quality Month events, holding lectures on quality, soliciting quality slogans, and putting up posters to inspire each and every employee to think about quality (in FY2020, lectures were cancelled to prevent the spread of COVID-19).