

Supply Chain

Basic purchasing policy

Tokai Rika is developing global purchasing of parts, materials and equipment which are superior in terms of environment, quality, delivery, and cost, on the basis of the five principles for purchasing. We have stipulated that we will provide fair trade opportunities, no matter what nationality or company size, and develop healthy and good and long-term cooperative relationships with our suppliers. We carry out our activities in accordance with this.

Upon selecting suppliers, we periodically review order policy on the basis of a comprehensive evaluation for each fiscal year.

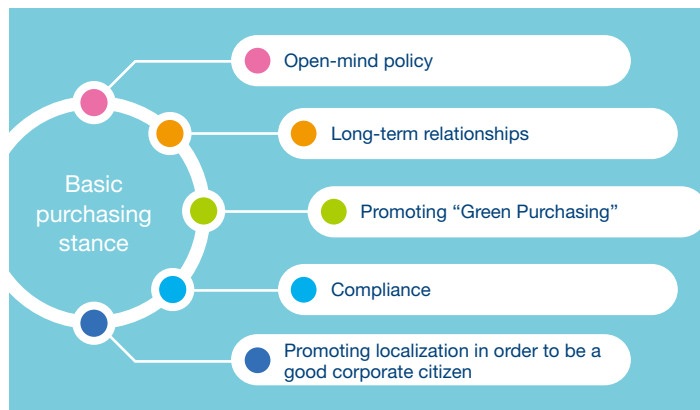
Strengthening cooperation with suppliers

Every April, we hold a supplier meeting for our major suppliers. Through explanations of the business environment, group policy, and basic purchasing policy, we share and deepen collaboration on various activities and goals, such as safety and disaster prevention, CSR, quality assurance, reinforcement of our foundations, and strengthening competitiveness. We also praise and present awards to suppliers who have achieved outstanding results with regard to quality and cost reduction.



Purchasing Policy explanation

Basic purchasing stance



Activity Report for FY 2023

1 Safety/disaster prevention	<ul style="list-style-type: none"> Enhancing promotion of STOP6 Sharing of accidents with absence from work Prevention and minimization of fire and flood damage
2 Quality assurance	<ul style="list-style-type: none"> Monthly confirmation of improvement plans based on quality targets On-site physical inspection in the occurrence of defects
3 Reinforcement of our foundations	<ul style="list-style-type: none"> Promoting BCP activities
4 Development of information infrastructure	<ul style="list-style-type: none"> Improvement of operational efficiency through the use of IT Self-diagnosis of information security
5 Realization of carbon neutrality	<ul style="list-style-type: none"> CO₂ emissions reduction of suppliers
6 Strengthening competitiveness	<ul style="list-style-type: none"> Supplier proposals from the development stage
7 Social responsibility	<ul style="list-style-type: none"> Promotion of CSR

Declaration of Partnership Building

We have formulated and announced the "Declaration of Partnership Building" with the aim of increasing added value through mutually-beneficial nature with our business partners and new collaboration.



Declaration of Partnership Building logo

Supplier support

We are making efforts to strengthen our suppliers' structures and to ensure sustainability in the supply chain, including the environment, respect for human rights, and labor safety, where expectations from stakeholders are increasing. Specifically, we visit each of our suppliers' sites to conduct various activities (for carbon neutrality, quality improvement, BCP, productivity improvement) and provide training for key suppliers (on respect for human rights).

We will continue to strengthen the foundations of our supply chain through activities in collaboration with our suppliers.

Sustainability guidelines for suppliers

Aiming to promote sustainability throughout our supply chain, we have developed the Supplier Sustainability Guidelines, a set of requirements for suppliers with regard to compliance, human rights, labor, the environment, and other issues.

In addition, key suppliers are asked to conduct self-inspections to further disseminate the guidelines and confirm compliance.

Education and training for employees

From the viewpoint of penetrating sustainability among suppliers, we provide education to Supply Chain Planning Division members who are responsible for their roles. Additionally, from the perspective of legal compliance, we regularly conduct education on the Subcontract Act for Tokai Rika Group employees.