Product Management

Value chain
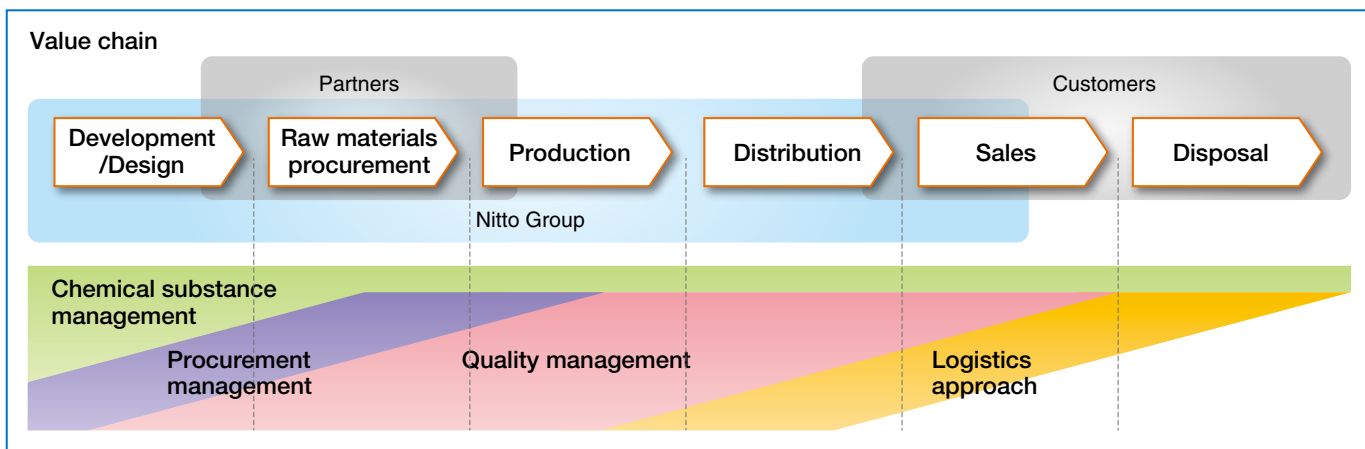

The Nitto Group adopts the following approaches across every value chain, from development and design to disposal, in order to provide safe and reliable products for our stakeholders.
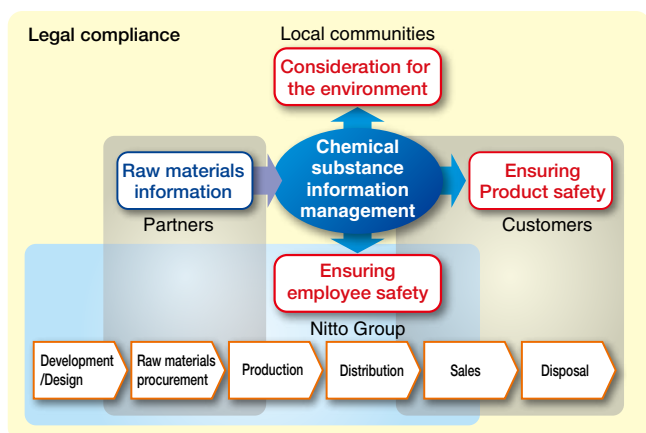
Chemical Substance Management

Besides anticipating social changes and complying with the letter and spirit of the law in every country where we do business, we conduct chemical substance information management with the aim of fulfilling our social responsibilities as an enterprise.

By property managing information on chemical substances contained in raw materials and information on chemical substances produced by the Nitto Group, we are able to ensure the safety of our products and our employees, whilst giving consideration to the environment. Furthermore, we provide proper and prompt information, not only on the chemical substances contained in our products, but also on conflict minerals* to our customers.

* Conflict minerals: minerals which are produced in conflict areas and become the source of funds for armed groups

Construction of Information Management System

Recently, against a background of heightened public concern about chemical substances and globalization, prompt responses to the establishment of new, or changes in, the laws and regulations of each country and area are required.

Embracing the opportunity afforded by the tightening of REACH Regulation in Europe in 2007, Nitto Head Office has taken the initiative of unifying the management of raw materials, chemical substance information and information on the laws and regulations in each country and area. We are currently advancing the establishment of an information management system in each area independently, aiming to strengthen responses to laws and regulations.

In fiscal 2015, responses to the laws and regulations in individual countries in Europe became possible. In the Americas, we are advancing establishment of a system to be in place by fiscal 2018. In addition, we have begun to develop the same system in East Asia (China). In the future, we will conduct autonomous information management in every area.

■ Chemical substance management flow

■ Establishment of area management system

Product Management

Quality Management

In order to provide safe products and services satisfying our customers' demands, we conduct quality management.
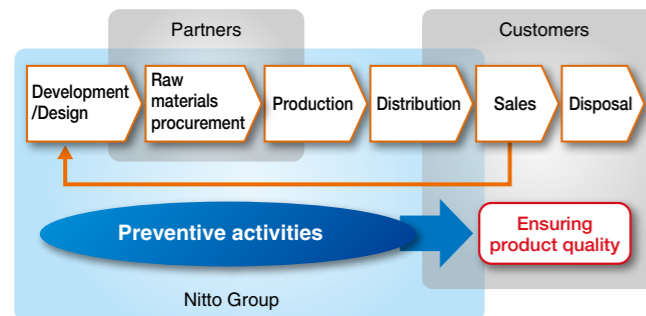
We address not only the establishment, continuous maintenance and improvement of quality, but also engage in activities to prevent risks entailed in our quality management system, such as quality defects and complaints about quality from the planning and development stages through to sales.

Preventive Activities

In order to ensure product quality, we employ FMEA (Failure Mode and Effect Analysis) to thoroughly forecast any potential issues, which are likely to occur in the design and operations processes, and investigate whether appropriate measures to these issues are taken. In addition, we implement the concept of SBSQ (Same Brand Same Quality) for the purpose of maintaining the same quality standards for products of the same serial number, irrespective of production base.

We have been conducting basic education on quality. However, by conducting more advanced education, we try

■ Quality management flow

The Americas: Quality control education by local staff

to increase the capabilities of human resources engaged in quality control. Until fiscal 2014, we provided Basic Quality Seminars to employees of different grade levels at manufacturing and processing sites in Japan, China and South Asia. In fiscal 2015, we expanded quality control education to Europe, the Americas, Korea and Taiwan, focusing on the cultivation of human resources able to identify and solve quality-related issues by themselves.

In the future, we will establish an education system at the initiative of each area and aim at producing quality satisfying our customers.
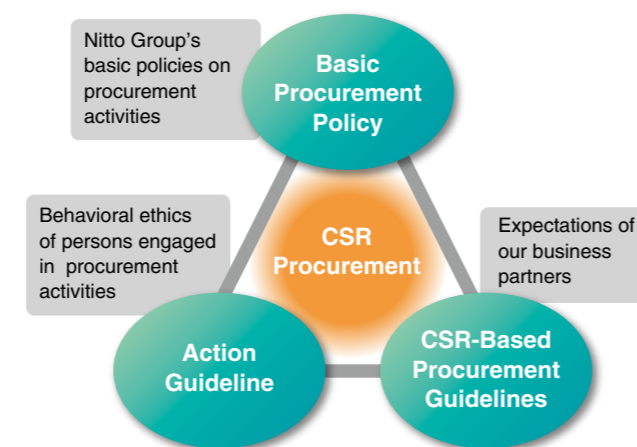
Procurement Management

Procurement Management Policy

The Nitto Group fulfills its corporate social responsibility in procurement activities so as to be a company trusted and chosen by our stakeholders, including our customers and partners.

In February 2016, the Nitto Group established a new Basic Procurement Policy as our basic policy on procurement activities.

In order to implement this Policy, we demand that persons engaged in procurement activities act in conformity with the Action Guidelines, adhering to corporate ethics and societal norms.

Furthermore, by establishing CSR-Based Procurement Guidelines, we expect our business partners to follow the essence of the Basic Procurement Policy and Business Conduct Guidelines of the Nitto Group. As such, we have enhanced our approaches to CSR-based procurement in areas such as fair and equitable dealings, compliance with corporate ethics and laws and concern for the environment.

The Nitto Group aims to coexist in mutual prosperity with our partners, while enjoying the confidence of every one of our stakeholders.

Green Procurement

We promote green procurement by selecting environmentally-friendly materials on a priority basis from our environmentally-conscious partners.

Logistics Approach

We address logistics for the purpose of efficiently delivering products and services satisfying our customers without delay.

With proper logistics, we are able to ensure product quality, while giving consideration to the environment.

Construction of Logistics System

We are improving the efficiency of our physical distribution through standardization of sales operations and the development of a system supporting such standardization. So far, we have implemented the construction of a system with a focus on Japan. However, in fiscal 2014, we began development of such a system in Korea, and in fiscal 2015, began construction of a framework for such a system in China and Taiwan, too.

Emission-reduction of Environmentally Hazardous Substances

In transporting products requiring temperature regulation, we generally use reefer containers maintaining a constant internal temperature. However, such a method is costly and has a large environmental impact, compared to common containers. As a countermeasure, we have insulated containers, which has kept temperature variation to a

The inside of an insulated container

minimum. The insulating of containers has resulted in a reduction of 360 metric tons of CO_2 over a period of eight years.

Our approach has achieved cost reductions, and contributed not only to lower CO_2 emissions, but also a reduction in waste disposal through reusing. As a result, we were awarded the Award of Technological Development for Emission-reduction in Logistics Environment at the 17th Award Ceremony of the Logistics Environment Award by the Japan Association for Logistics and Transport. In the future, we will strive for further improvements in our environmentally-friendly logistics by pioneering technological development.

Product Risk Management

The Nitto Group conducts the aforementioned approaches concerning our products and properly deals with existing unknown risks.

In order to minimize the effects of such risk, we have established a Product Risk Management Committee and regularly share information. The committee develops activities aiming for faster and more globalized responses through the three types of section meeting below.

In the future, we will continue to enhance our risk management system so as to cover the activities of the whole group.

Risk Management Section Meeting	Main Activities
Quality	• Responses to risks inherent in purchased goods and raw materials • Implementation of conclusion of quality assurance agreement • Prevention of recurrence of serious complaints
Chemicals	• Response to REACH [1] (including CLP[2]) • Response to the chemical substances control laws of each country • SDSs (safety data sheets) prepared in accordance with GHS[3] • Review of Nitto Group Regulations on Voluntary Management of Chemicals
Logistics	• Response to GHS product description (including GHS in China) • Response to EPA (Economic Partnership Agreement) and FTA (Free Trade Agreement) • Response to information disclosure in exports • Response to indication method established by export control order

*1 REACH: Regulation concerning the Registration, Evaluation, Authorization and Restriction of Chemicals in Europe
*2 CLP: Classification, Labeling and Packaging
*3 GHS: Globally Harmonized System of Classification and Labeling of Chemicals