

**Results of IMS Initiative in 2018 and  
Initiative Plan of 2019  
for HORIBA Group in Japan**

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**HORIBA**

# 2018 IMS Target Initiative Results for HORIBA Group



The HORIBA Group sets "Group IMS Target" to ensure the effectiveness of the IMS. It consists of five categories:

- ① Safety ② Quality ③ Health ④ Environment ⑤ Risk Management.

[HOR] : HORIBA, Ltd. ; [STEC] : HORIBA STEC Co., Ltd. ; [HAT] : HORIBA Advanced Techno Co., Ltd. ; [HTS] : HORIBA Techno Service Co., Ltd.

😊 = Achieved    😐 = Partially Achieved    😞 = In Progress

| Category   | Theme  | Group IMS Target                 | Outcome   | Result  |   |
|------------|--|----------------------------------|---|---|---|
| ① [Safety] | Safety Declaration and Action Guideline : adherence to the action plan | ① Factory equipment safety       | (1) Zero accidents regarding development/relocation of bases. Implementation of safety measures during the Aso Factory expansion.   | Zero accidents regarding development/relocation of bases.                                     | 😊 |
|            |  |                                  | (2) Implementation of risk assessment and safety measures (prevention of exhaust and leakage of discharged (waste) water)   | Strengthened the countermeasure for safety by updating internal system of risk assessment.    | 😊 |
|            |  | ② Industrial accident prevention | (1) Zero work-related accidents, work-related traffic accidents, occupational illness, and commuting accidents  | Accidents reduced from last year, but target is unaccomplished.                               | 😞 |
|            |  |                                  | (2) Zero accidents during irregular work.   | There were no accidents during irregular work.  | 😊 |
|            |  | ③ Product Safety                 | (1) Zero SA and A rank incidents in the Complaint Sheet <sup>※1</sup> . SA・A rank : Serious complaint that may cause accident resulting in injury or death, fire, environmental pollution or a lot of loss to customers | Implemented corrective action.  | 😞 |
|            |  |                                  | (2) CAPA <sup>※2</sup> management and checking of past implementation of corrective or preventive measures.   | Implementing CAPA continuously.   | 😐 |
|            |  | ④ Service Safety                 | (1) Zero on-site incidents attributable to product or service (including potential or serious incidents).   | Cases that might have resulted as accident happened in test practice and periodic inspection. | 😞 |
|            |  |                                  | (2) Implementation of sufficient workplace safety and health inspection and worksite safety and health patrol periodically.   | Implemented the patrol as planned.  | 😊 |
|            |  | ⑤ Traffic Safety                 | (1) Zero fatal accidents and becoming the cause of accident resulting in injury   | HFL <sup>※3</sup> were installed in cars, and there was no accidents.                         | 😊 |
|            |  |                                  | (2) Zero accidents damaging physical objects (damaging other people's property or own vehicle)  | Prevention of recurrence is implemented.  | 😞 |

※1 Complaint sheet = Sheet containing complaints from customers  
 ※2 CAPA = Corrective action and preventive action  
 ※3 HFL = Driving control support system (HORIBA FLEET LINKAGE)

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|-------------|---|---|---|--------|
| ② [Quality] | ① Balanced division<br>(prevention/assessment/loss)<br>and reduction of quality costs | (1) Improvement of quality costs per factory in each factory.<br>Medium to long term target:<br>Preventive cost $\geq$ Appraisal cost $\geq$ Failure cost | Number for each company is below.<br>[HOR] 1:6:3<br>[STEC] 1:5:4<br>[HAT] 4:2:4                         | 😐      |
|             |   | (2) Reduction of failure cost from 2017   | Failure cost increased due to review of the scope.  | 😐      |
|             | ② Improvement of factory quality  | (1) BIWAKO Factory : Reduce lead-time from order, design, production, to installment.   | Lead-time reduced due to improvement of 79 themes.  | 😊      |
|             |   | (2) As Factory : Establishment of the Group's core factory system for mass production (stable quality / cost reduction)                                   | Corresponding to drastic changes of semiconductor market, including increase and decrease in personnel. | 😊      |
|             | ③ Achievement of triple zero  | Zero major complaints, zero major accidents, zero violations of laws and regulations  | Target unaccomplished.  | 😐      |

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| Category   | Theme   | Group IMS Target  | Outcome description  | Result |
|--|---|---|--|--------|
| ③【Health】  | ① Occupational health   | (1) Maintain zero health problem caused by exhaust, discharged (waste) water, toxic substances, radiation, or chemical substances | There were no health problems regarding exhaust, discharged water, substances, radiation or chemical substances. | 😊      |
|  | ② Health promotion  | (1) Maintaining 100% health checkup participation   | Target accomplished.   | 😊      |
|  |   | (2) Increase health instruction rate than 2017  | Health instruction rate increased 40% from 2017.   | 😊      |
|  | ③ Mental health   | (1) Reduce employees who have mental illness than 2017  | Number of employees employees with mental illness increased from 2017.   | 😞      |
| (2) Improvement on the Stress Check group analysis result.<br>(1.Reduction of the number of employees under severe stress/<br>2.Reduction of overall workplace health risks) |   | Number of employees under severe stress decreased.<br>Result of stress check is better than the average.                          | 😊  |        |
| ④【Environment】   | ① Energy and resource saving                                    | (1) 1% increase in energy use efficiency from 2017.   | Target was unaccomplished due to increase in production base for STEC.   | 😐      |
|  |   | (2) Expand activities to reduce waste materials.  | Target accomplished.   | 😊      |
|  | ② Prevention of environmental accident                          | (1) Zero environmental accidents  | Target unaccomplished.   | 😞      |
|  | ③ Maintenance and enhancement of products                       | (1) More energy and resource saving   | Energy and resource saving activity is done in targeted products.  | 😊      |
|  |   | (2) Early submission of information on chemical substances contained in products  | Implementing early submission.   | 😊      |
| (3) Conformance with the EU RoHS Directive.  | Implementing conformance with the EU RoHS Directive as planned. | 😊   |  |        |
| ⑤【Risk Management】   | ① Management of information security/ confidential information  | (1) Prevention of information security incidents.   | Continual training for information security is implemented.  | 😊      |
|  | ② Business Continuity   | (1) Enhancement of resilience as the benefit of BCMS※4  | Strengthened company's resilience by installing new safety conformation system.                                  | 😊      |
| (2) Expansion of coverage (management, pandemic)   |   | Constructing system that can sustain disaster and cyberterrorism.   | 😊  |        |

※4 BCMS = Business Continuity Management System

# 2019 IMS Target for HORIBA Group

Target: Achieve Triple Zero and become the partner with safety and trust

| Category   | Target Value/Control Item   |
|------------|---|
| ①【Safety】  | <b>Safety Declaration and Action Guideline: adherence to the action plan</b><br>1.Factory Equipment Safety<br>(1) Zero accidents regarding development/relocation of bases<br>•Implementation of safety measures during the Aso Factory expansion.<br>(2) Implementation of risk assessment and safety measures (prevention of exhaust and leakage of discharged (waste) water) |
|            | 2.Industrial Accident Prevention<br>(1) Zero work-related accidents, work-related traffic accidents, occupational illness, and commuting accidents<br>(2) Zero accidents during irregular work.   |
|            | 3.Product Safety<br>(1) Zero SA and A rank incidents in the Complaint Sheet<br>(2) CAPA management and checking of past implementation of corrective or preventive measures.  |
|            | 4.Service Safety<br>(1) Zero on-site incidents attributable to product or service (including potential or serious incidents) .  |
|            | 5.Traffic Safety<br>(1) Zero fatal accidents and becoming the cause of accident resulting in injury<br>(2) Zero accidents damaging physical objects (damaging other people's property or own vehicle)   |
| ②【Quality】 | 1.Enhance Customer Satisfaction<br>(1) Balanced division (prevention/assessment/loss) and reduction of quality costs<br>•Medium to long term target: Preventive cost $\geq$ Appraisal cost $\geq$ Failure cost<br>•Reduction of failure cost from 2018<br>(2) Strengthen Change Control Management (Confirmity and Zero Violation)  |
|            | 2.Improvement of Factory Quality<br>(1) Improvement of productivity in Biwako Factory<br>(2) Establishment of the Group's core factory system for mass production (stable quality / cost reduction/ QSR) in Aso Factory   |
|            | 3.QSR<br>(1) Construct management system that satisfy QSR requirements  |

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|----------------|---|
| ③【Health】      | 1.Occupational Health<br>(1) Maintain zero health problem caused by exhaust, discharged (waste) water, toxic substances, radiation, or chemical substances  |
|                | 2.Health Promotion<br>(1) Reduce employees who have mental illness than 2018<br>(2) Increase health instruction rate than 2018  |
|                | 3.Mental Health<br>(1) Reduce employees who develop mental problem than 2018<br>(2) Improve the Stress Check group analysis result.<br>(1.Reduction of the number of employees under severe stress/<br>2.Reduction of overall workplace health risks) |
| ④【Environment】 | 1.Energy and Resource Saving<br>(1) 1% increase in energy use efficiency from 2018<br>(2) Expand activities to reduce waste materials.  |
|                | 2.Prevention of Environmental Accident<br>(1) Zero environmental accidents  |
|                | 3.Maintenance and Enhancement of products<br>(1) More energy and resource saving<br>(2) Early submission of information on chemical substances contained in products<br>(3) Conformance with the EU RoHS Directive.                                   |
| ⑤【Risk】        | 1.Information Security<br>(1) Prevention of information security incidents.<br>•Reduce number of information security incidents 10% from 2018   |
|                | 2.Business Continuity<br>(1) Enhancement of resilience as the benefit of BCMS   |