

Efforts to improve quality and customer satisfaction – Establishing trust with customers –

Basic Policy (Fundamental concept)

- ISEKI Group works to provide consistent product quality assurance from product planning to sales and after-sales service while reflecting the opinions from the market in product development and improvement so as to offer products developed from the customers' perspective in a timely manner.
- The Group takes all possible measures for quality control and makes prompt responses in good faith should any quality-related issues arise.

Product development reflecting the voices of customers

Product development and consistent quality assurance system that reflect the voice of customers

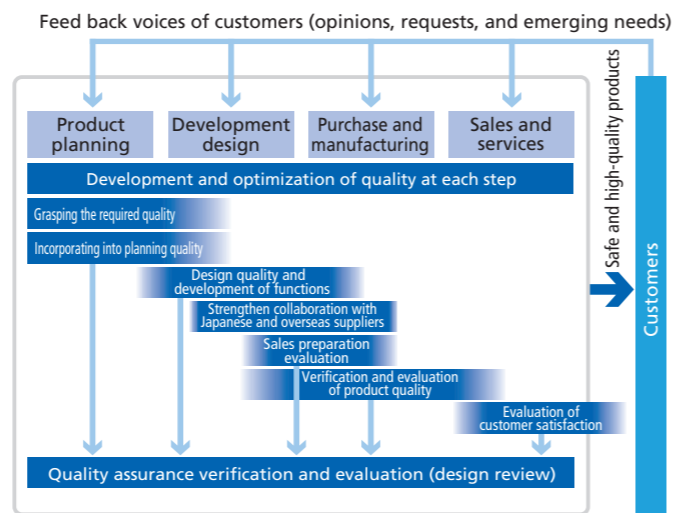
ISEKI Group has a seamless quality assurance system in place, where quality assurance verification and evaluation are conducted (design is reviewed) in every step from product planning, development and design to purchase, manufacturing, sales, and services with the aim of providing products that are safe and respond to the trust placed by the customers.

In product development, ISEKI Group grasps the requirement details based on the voice of customers (opinions, requests, and emerging needs) and utilizes them in product planning and build them into functions in development and design, ultimately reflecting them in purchase and manufacturing. In each step, the Group carries out evaluation and verification of quality optimization from various aspects. ISEKI Group also gathers customer opinions through service activities to provide instructions on test operations upon delivery and inquire on the conditions of the delivered products and has built a mechanism that feeds back those opinions for development and improvement, reflecting those in developing safe, high-quality products.

Improvement of productivity and quality by introducing production support equipment

ISEKI Group horizontally deployed conventional technologies such as the parts integration system and

Flow of how voices of customers are reflected in product development



the assembly direction management system that improve productivity.

In addition, the Group formulates capital investment plans for production support and verifies practical applications thereof, including image recognition tools using information technologies, digitalization of know-how of skilled workers, and systematization of work standards.

Early responses to quality defects

When an issue occurs in products, ISEKI promptly performs inspections and repairs of the products giving the utmost priority to customers' safety. When we launch a recall, we notify and report to the concerned authorities*1 without delay, disclose information, and strive to draw attention of and provide information to customers. We share information on quality deficiencies internally in order to prevent the recurrence of the same deficiency.

Responses to and utilization of inquiries from customers

We strive to respond to inquiries, opinions, and comments from customers promptly in a sincere manner (target of within one business day). The valuable opinions from customers are fed back to the Company's executives and relevant departments and are used for better product development, sales, and service activities. Further, for matters that receive a large number of inquiries, ISEKI Group disclose them on its website so that other customers can make best use of them.

Number of recalls by fiscal year*2

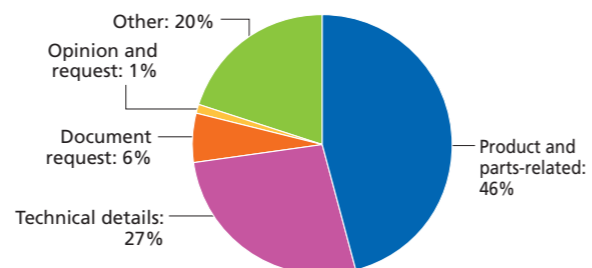
	2017	2018	2019	2020	2021	2022
Number of recalls	6	0	2	0	4	1

*1 Ministry of Land, Infrastructure, Transport and Tourism, Ministry of Agriculture, Forestry and Fisheries, Ministry of Economy, Trade and Industry, etc.

*2 Number of recalls filed with the Ministry of Land, Infrastructure, Transport and Tourism

● Please find the link below to access important notifications of recalls:
<https://www.iseki.co.jp/news/> (in Japanese)

Contents of inquiries regarding products from customers (FY2022) (Total number of inquiries that came through the website: 584)



Human resources development

Early nurturing young designers

Young designers implement the integrated system for rice farming by themselves for one year. We strive to develop products from customers' viewpoint, improving knowledge on not only farm work but also general agricultural matters through farm work.



Service skills contest

We held a service skills contest for young service staff at sales subsidiaries. The contest is intended to bolster repair fees at sales subsidiaries, as well as improve skills and increase motivation of each staff member.



Provision of products and services in consideration of the needs of customers and society

Preventing farming accidents

In recent years, a lot of accidents at the time of using agricultural machinery have occurred, and, in 2022, the number of farm work accidents was 321*1 in Japan.

To ensure customers' safety in farm work, ISEKI Group works to develop products with enhanced security and safety features. For the safety of farm work using tractors, we have developed a model equipped with a seat belt reminder*2, ahead of the 2025 implementation of new safety inspection criteria. Seat belt reminders are already mandatory for automobiles. They urge passengers to fasten their seat belts with lights and sounds. Our new model is the first tractor in Japan equipped with the reminder. We will press ahead with our development activities to ensure the safety of farm workers.

*1: According to statistics by the Ministry of Agriculture, Forestry and Fisheries
 *2: The reminder will be installed in phases, starting from the BF Series tractors



The system sets off a sound alarm with a light lit to warn that the seat belt is unfastened.



Customer satisfaction survey

To offer products and services of higher quality, we conduct customer satisfaction surveys targeting customers in Japan. The CS Enhancement Working Group promotes the activity. The survey results are reported to the ESG Committee and fed back to relevant departments. We thus strive to make improvements as needed.