## Revision of Tokyo Saikai's company policy and inspection standards

As a result of the rising costs of raw materials and the fuel used for operating kilns, Tokyo Saikai will revise the price of certain products as of October 2022.

As a company that utilises finite resources, we have reassessed our approach to manufacturing, along with our company values and responsibility to society, and consolidated our mission statement and values accordingly. While aiming to minimise price increases and continue making Hasami porcelain products as accessible as possible, we have also reviewed our position and taken action to improve our approach. Specifically, acknowledging the value of unique characteristics and individuality in ceramic products, which would generally be considered defects, we have revised our inspection standards. Furthermore, through the adoption of plastic-free packaging we aim to reduce our environmental impact and pursue a sustainable model for production and reuse. Through this approach we aim to make effective use of resources and establish an environmentally friendly system that minimises waste, while offering products at reasonable prices.

In order to pass the baton to the next generation, we want to work with our customers and clients to create a sustainable future for Hasami porcelain. We appreciate your ongoing support of Tokyo Saikai.

Kentaro Kodama
Chief Executive Officer, Tokyo Saikai Co., Ltd.
October 2022

TOKYO SAIKAI

## Misson Statemant

Drawing on its roots in the famed porcelain town of Hasami, Nagasaki prefecture, Tokyo Saikai aims to enhance consumers' quality of life by creating long-life brands and services in collaboration with producers, craftspeople and everyone involved in the manufacturing process.

#### **Business value**

Consistent management from design to sales

We are conscious of each and every person involved in product development.

### Local business, global business

We aim to contribute to the needs of society by approaching local culture and customs in a way that can be developed and spread on a global scale.

Flexibility towards social and generational change
We respond with flexibility to changes both in-person and remotely.
Streamlined decision making is one of our strengths.

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4-29-11 833bldg Seta Setagaya Tokyo 1580095 TEL:+81364310062 MAIL:trade@tokyosaikai.com

## Q&A

#### Why do the price changes vary between products?

Compared to standard products, the manufacturing of products with unique forms and/or large sizes requires greater quantities of raw materials and fuel, along with the use of advanced techniques and numerous processes completed by hand. Due to these factors, the increase in price is larger for such products.

# Why have the prices of some Hasami Porcelain products been standardised, regardless of colour?

While wholesale prices previously varied between colours, there is no difference in the cost of producing products such as mugs and teapots, which require craftspeople to attach handles and complete other processes by hand. As a result, the prices of these products have now been standardised. Tokyo Saikai's group companies in the United States and Europe have used standardised pricing for products since their release, and the prices of plates and bowls may be standardised in Japan in the future

#### What changes have been made to Tokyo Saikai's inspection standards?

From September 2022 onwards, the following will be deemed non-defective:

- ·Iron particles, glaze variations, pinholes and other characteristics resulting from the manufacturing process
- ·Individual characteristics such as the depth of colour in the glaze or clay

The production of ceramics involves the use of natural materials, while variations can arise due to the internal conditions of the kilns, which vary with the season and climate, and processes completed by hand. The resulting characteristics can vary in nature and so some products may be assessed on a case by case basis. For further information please refer to the <u>Care Guide</u>.

#### What kind of packaging do you plan to use?

The company will no longer use highly foamed polyethylene sheet for packing or metal staples for securing cardboard boxes. The new packaging will be introduced incrementally and so depending on the timing, deliveries may include some of the former packages.

#### What is the model for the sustainable production of Hasami porcelain?

In Hasami, manual labour forms an essential part of many processes, with numerous craftspeople involved in manufacturing each product. From the raw materials that comprise the clay to firing and overglaze painting, the work is divided between workshops throughout the entire town. As a company involved in the planning and sales of these products, we are conscious of developing sustainable approaches to manufacturing and distribution. In addition to this, distributing these products to the market at a reasonable price and creating a stable environment for each company to produce them is fundamental to the sustainability of the ceramics industry in Hasami. Tokyo Saikai's roots lie in Hasami

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