

# [ Production Control Standard ]

## 【Core】

### 1 General Provisions

#### 1.1 Purpose

The purpose of this standard is to facilitate smooth running of the production control operation by providing basic requirements for proper control over production volume and delivery time of products.

#### 1.2 Scope

This standard applies to production control of products (including parts, materials, and devices, etc., which constitute the products) marketed under the Honda brand (including Acura brand and OEM products; the same applies hereinafter).

#### 1.3 Definitions of Terms

Definitions of terms used in this standard are as follows.

No.	Term	Definition
1	Production control	An approach to optimize overall production through control of operations in a manner that allows production of products of a specified quality at a predetermined cost with a specified volume in a specified period of time.
2	Purchasing section	A section performs duties and operations, such as determining whether production to be internal or external, purchase planning, supplier selection, contracting, order and price management, cost reduction, delivery and quality control, supplier training, receiving inspection and disbursement control, supplier evaluation, risk management, etc., in order to economically procure a required amount of materials of appropriate quality at a reasonable cost by the time required.

### 2 System

#### 2.1 Management Framework

2.1.1 Production control for products is outlined in Attachment-1 "Production Control System".

2.1.2 The responsible person for each operation related to production control is the head of a section responsible for the operation.

#### 2.2 Roles and Responsibilities

The general roles of related sections for production control are outlined below.

2.2.1 The production control section determines a production plan for each product based on the sales plan and maintains production volume and delivery schedule.

### 3 Production Planning Stage

#### 3.1 Mid- to Long- Term Sales Plan Development

The production control section reviews a sales plan developed by the sales section or a production plan by the receiving party of products, develops and presents to the sales section a mid-to long-term production plan with approval from the head of the production control section, and notifies other related sections of the mid-to long-term production plan.

#### 3.2 Start of Production Preparation

3.2.1 The manufacturing section (including quality sections; the same applies hereinafter) determines facility introduction, process design, procurement of raw materials and parts, change in number of personnel, and the need for job orientation and training based on the mid-to long-term production plan developed by the production control section, and builds processes to ensure production volume and delivery schedules are effectively maintained.

3.2.2 The purchasing section determines the volume of products to purchase from suppliers based on the mid- to long- term production plan developed by the production control section and evaluates their capability in meeting planned production volume, delivery schedule, etc.

#### 3.3 Monthly and Daily Production Plans

3.3.1 The production control section attends and participates in production and sales meetings, which consist of top management members and are held by the sales section, and presents a predetermined production plan at the meeting.

3.3.2 The production control section determines a monthly production schedule identifying product destination, number of units to be sold, model, color, etc., based on the production plan approved at the production and sales meeting, and notifies related sections.

3.3.3 The production control section determines a daily production schedule identifying assembly line, assembly sequence, model, color, quantity, etc., based on the monthly production schedule taking into account productivity, and notifies related sections.

3.3.4 The purchasing section places orders with its suppliers for products, specifying delivery dates, quantity, location, etc., of products being purchased from them based on the daily production schedule determined by the production control section.

Purchase orders for KD parts are made out to the supplying facility of the KD parts.

## 4 Production Stage

### 4.1 Acceptance and Release Of Products

- 4.1.1 The production control section receives products delivered from suppliers or Honda facilities after checking the products for compliance with the daily production schedule or delivery schedule.
- 4.1.2 The production control section releases products delivered from suppliers or Honda facilities, taking into account timing, quantity, etc., of products being released based on the daily production schedule or delivery schedule.

### 4.2 Delivery Performance Control

- 4.2.1 The production control section checks product delivery performance from suppliers or Honda facilities based on the daily delivery schedule.
- 4.2.2 The purchasing section, if it is informed by the production control section or manufacturing section that there is any delay or change in the delivery time of products from a supplier, consults with the production control section, manufacturing section or concerned supplier, etc., decides on an appropriate course of action to keep up with the daily production schedule, and notified related sections.  
  
For products manufactured by Honda facilities, the production control section consults with the manufacturing section and involved facilities to determine an action to take, and notifies related sections.

### 4.3 Production

The manufacturing section receives necessary raw materials and parts based on the daily production schedule determined by the production control section, and uses them for processing and assembly of products under its own responsibility.

The manufacturing section may, in consideration of production efficiency, develop a daily process schedule, which will maintain daily production schedule issued by the production control section, and apply it to the production of other products under its own responsibility.

### 4.4 Production Performance Management

- 4.4.1 The manufacturing section records the results of final assembly and processing of products in a manner that each product on which final assembly and processing, etc. were completed can be readily checked against the daily production schedule.
- 4.4.2 The manufacturing section checks progress of acceptance, release, etc. of products under its own responsibility, and if it is found difficult to keep up with the daily production schedule as a result of such check, reports immediately to the manufacturing section and related sections.

4.4.3 The production control section checks progress of production against the daily production schedule based on the results of final assembly, product processing, etc. and if any delay in the production is found, consults, discusses and promotes a corrective action with related sections as well as investigates the cause.

#### 4.5 Control of Changes in Production Plan

4.5.1 The production control section, if informed of any change in the sales plan or the receiving party's production plan, or any delay or change in the production, reports to the head of its own facility as well as immediately determines any actions needed to address the change or delay, and consults with and notifies related sections of the need to review or update the production plan of its own, if necessary.

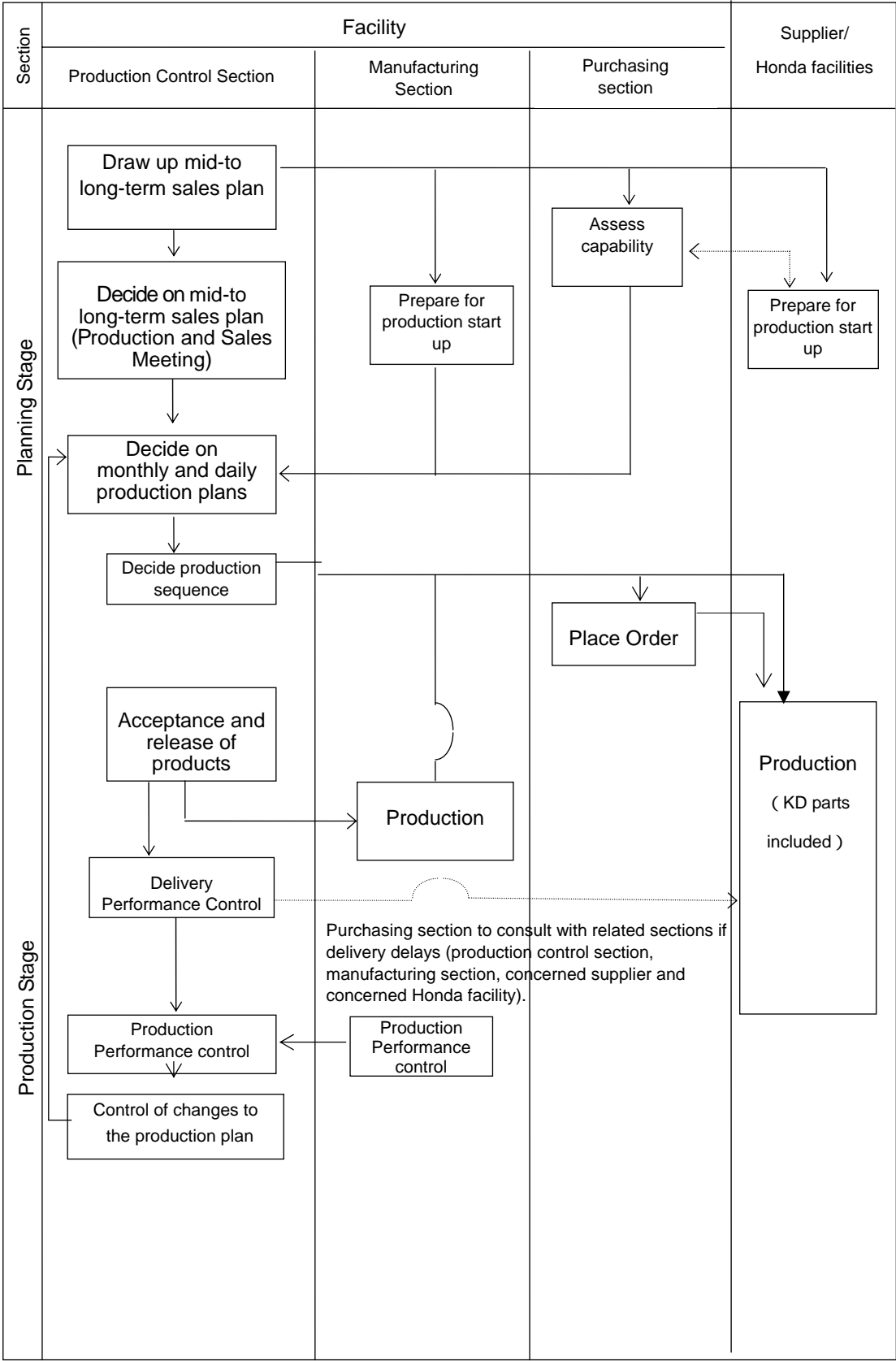
4.5.2 The manufacturing section, if informed of a change in the production plan, determines the need of change to facility introduction, process design, procurement of raw materials and parts, number of personnel, and job orientation and training, and arranges its own processes in such as way that allows the revised production plan to be maintained efficiently.

## 5 Supplementary Provision

### 5.1 Application of the Standard

Matters relating to establishment, revision and implementation of this standard are outlined in G-HQS [Quality Management Standards Control Standard].

Production Control System



## Establishment and Revision

[illegible]