

President's Message

I believe that promoting sustainable management represents an important challenge for achieving growth, both for individual employees and for the company as a whole.

Message

Providing safety and peace of mind as our core tenet

As we at CCI Group publish our first ever Sustainability Report, I would like to take the opportunity to offer this message. Since its founding in 1949, CCI Group's core tenet has been to provide customers with safety and peace of mind. We have undertaken the development and manufacturing of a wide range of products, from automotive specialty chemicals, such as engine coolant and brake fluid, to soundproofing and vibration damping materials. These efforts were based on a strong resolve to reduce car accidents. I believe that the source of our continued growth rests in our strengths, which include our ability to offer solutions based on superior technological resources and our extensive knowledge of quality management. As reflected in our corporate philosophy, "Change Create Innovate: Creating a rich environment for the 21st century – Intellectual utilization of technological results" our persistence in creating new value in our products and our focus on the customer serve as the cornerstones for our progress.

We are deeply aware of the social responsibility that a business enterprise must shoulder

With safety and peace of mind as our focus, we are committed to rooting our business activities in sustainable management. When contemplating the current state of society and market trends, we see that the business environment is greatly affected by climate change, the rapid pace of IT and digital transformation (DX), the COVID-19 pandemic, and other momentous changes in the world. In addition to this, there is the dramatic, once-in-a-century transformation of the automotive sector. With the impact of new innovations such as electric vehicles (EV) and automated driving systems coupled with industrial expansion, we are faced with an unprecedented change. We view these changes as an opportunity for further business growth. Although we are not a publicly listed company, we have established ESG targets based on sustainable management. We are keenly aware of the responsibilities a business enterprise holds towards customers, employees, and society. We recognize that we now live in a time where sustainability is the criteria on which businesses will be evaluated. I view our initiatives in this area as representing, for myself and also for our employees and the company as a whole, an important challenge that we must take on so as to achieve continued growth.

Striving to create new value that is not constrained by the status quo

Going forward, we will be addressing seven key issues in line with our vision for 2050 which emphasizes "Realizing richer, more fulfilling lives for people," "Creating unprecedented value," and "Contributing to a sustainable society." We recognize the importance of creating new value that is not constrained by the status quo. We as a company will undertake initiatives based on the KPIs* for ESG targets towards 2030. KPIs have been assigned to individual employees alongside those for each applicable department. As an example, if a goal is set to limit production losses to within X% and continuous improvements are made, it is possible to reduce the overall level of waste within the company. Encouraging employees to learn more about ESG targets and properly understanding them as a team is an important challenge for us. We are also continuing to focus on our CO₂ reduction project with measures aimed at a 30% decrease by FY 2030 (compared to FY 2019). I believe that taking on this challenge as a company will add great value to our products and businesses endeavors.

* KPI stands for "key performance indicators."

My hope is that we as a company can grow together with society as we continue to provide added value in our products

In April, 2022, we established the Sustainability Promotion Committee, and began implementing tasks related to our goals. We have appointed specific individuals to take on responsibilities for each division and coordinate monthly meetings. Through effective communication among the departments, we aim to ensure that sustainable management is practiced throughout the company. Many of the responsible personnel are young employees with an in-depth understanding of ESG principles. We hold great confidence in their versatility. As our personnel represent an important asset for the company, one aspect of our vision for the future aims to enrich the lives of our employees. In promoting sustainable management, we hope to grow together as a team and be a company of whose work employees and family members can feel proud. As we continue to provide added value in our products and contribute to the local community, we will strive for progress alongside our ever-changing society.

We humbly request your continued support and understanding.

Tetsuya Okabe

President and CEO

