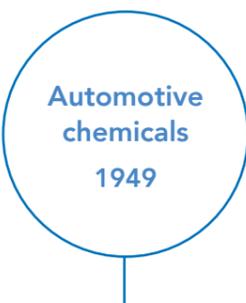


Value Creation Story

History of Value Creation by CCI

Since its founding in 1949 as a manufacturer of brake oil, CCI has expanded into a wide range of business fields and has successfully transformed itself in various ways. We will continue to provide safety, comfort, and peace of mind, as we embark on the next stage in our journey.

■ Sales in Japan ■ Overseas sales



NEXT STAGE

1949



May, 1949
Chuo Chemical Industries Corporation was established

Founding of the company as a brake oil manufacturer

Inspired by a desire to put an end to tragic road accidents, we began development of brake oil products, demonstrating a spirit of resolute determination.



1970

Expanding into the rubber business (now the industrial tire business)

In cultivating businesses that will support further growth, we developed a new segment of industrial urethane rubber wheels.



1980-1990

Expanding into overseas markets

Determined to take advantage of the access to world-class technology and the foresight into the future, we established a local subsidiary in the U.S. to further develop our market. Subsequently, local subsidiaries (or branch offices) were established in Taiwan, the UK and Thailand.



December, 1980
A local subsidiary was established in the US



September, 1981
A local subsidiary was established in Taiwan

2000-

Strengthening the global supply system

To further expand our supply system throughout the world, we established local subsidiaries in China (5 locations), Mexico, Brazil and Germany as well as a joint venture company in Malaysia.



May, 2005
A local subsidiary was established in Foshan, Guangdong Province, China



July, 2017
A local subsidiary was established in Germany

1977

Expanding into the car care supplies business

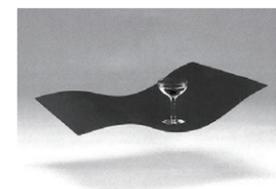
In an era of widespread car ownership, we have expanded into the car care supplies business (now part of our Automotive Chemicals Division) for everyday drivers by utilizing our carefully-developed chemical blending technology.



1992

Expanding into the vibration damping business (now the residential construction materials business)

Using the vibration damping, sound absorption and soundproof insulation technology developed in our automotive chemicals business, we have expanded into the business of creating safe and comfortable homes.



2007-

Developing environmentally friendly products

Using the technology that we have cultivated over the years, we develop and market environmentally friendly products.



2007
Having acquired Shimoda-Ecotech Co., Ltd. as a subsidiary, we began the design, manufacturing and marketing of grease traps (fat and oil blockers)



2018
We developed and began marketing Oil Vanish, a fat and oil-degrading microbial agent

Value Creation Story

Value Creation Process

Through the effective use of our technological achievements, we will continue to create new value in our products that will enable people to lead richer, more fulfilling lives.



External environment

- Transformation of the mobility sector
- Climate change
- Changing the business environment through digital transformation (DX)
- From selling products to experiential consumption
- More diverse customer needs
- Trend towards smaller families and population aging

Technology and managerial assets*

Technical department researchers
78 personnel

Production sites in Japan
8 sites

Overseas business sites
12 sites in 8 countries

No. of patents held
212 patents



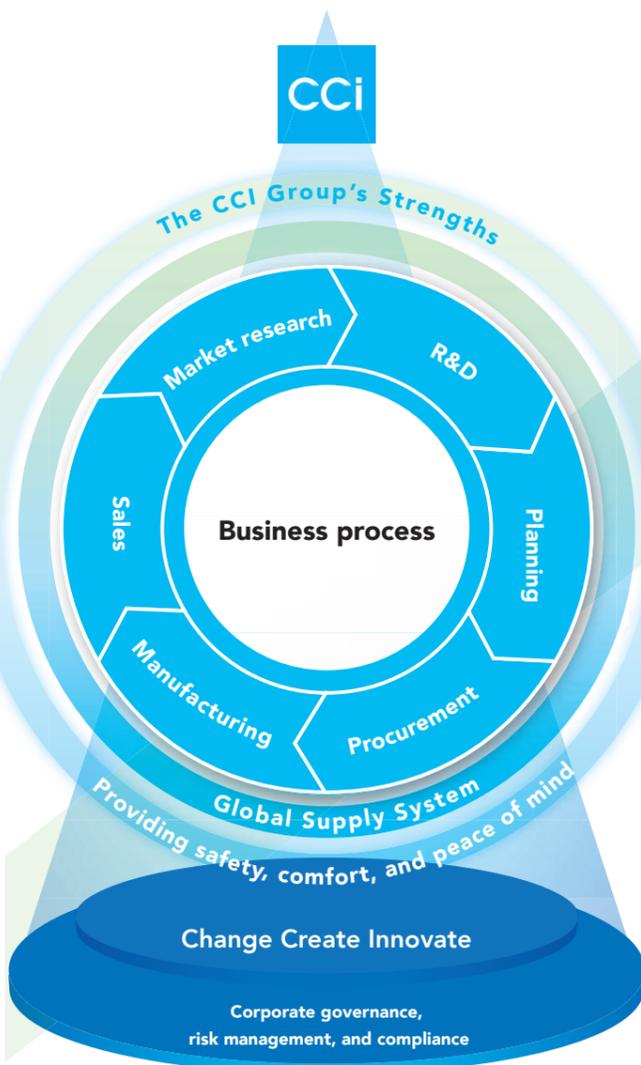
CCI CORPORATION Headquarters Laboratory

* Data correct as of March 31, 2023
No. of technical department researchers and patents held (CCI Corporation)

Advancing technological solutions by synergistic approach.
Contributing to society for safety, comfort, and peace of mind.

Change Create Innovate

Changing through challenges for a better tomorrow Creating ingenious solutions, driven by customer focus Innovating through collaboration



Our approach to social issues

- Automotive Chemicals Division**
 - Developing next-generation mobility products
 - Developing environmentally friendly products
 - Simplifying car cleaning and maintenance in anticipation of future growth in car-sharing
- Residential Construction Materials Division**
 - Providing a tranquil residential environment
 - Making on-site installation more efficient
 - Expanding the use of noise reduction technology in the mobility sector
- Industrial Tires Division**
 - Providing environmentally friendly products
 - Antibacterial, durable, conductive, noise-reducing, energy-saving
 - Long product lifespan
 - Wheel / tire reuse (retreading)
- R&D Department**
 - Providing environmentally friendly products and services driven by new technologies
- Corporate Division**
 - Establishing systems and an environment that allows you to work anywhere
 - Improving employee engagement

ESG priority issues (Targets for 2030)

- 12 RESPONSIBLE CONSUMPTION AND PRODUCTION**
 - Building a recycling-oriented society for our products
 - Switching over to using non-petroleum-derived raw materials
- 9 INDUSTRY INNOVATION AND INFRASTRUCTURE**
 - Reducing waste at every stage from procurement through on-site construction to demolition
- 3 GOOD HEALTH AND WELL-BEING**
 - Reducing the amount of environmentally-impactful substances used
- 13 CLIMATE ACTION**
 - Manufacturing low-carbon emitting products (Energy management)
- 8 DECENT WORK AND ECONOMIC GROWTH**
 - Promoting diverse work styles

Our vision for society (in 2050)

Realizing richer, more fulfilling lives for people

- [Society]**
- Providing mobility in an environment characterized by safety, comfort, and peace of mind
 - Creating tranquil living spaces
 - Enhancing health and quality of life
- [Workplace]**
- Realizing diverse work styles



Creating unprecedented value

- Generating new products and services



Contributing to a sustainable society

- Achieving a carbon neutral society
- Transitioning to a circular economy



Value Creation Story

Divisional Initiatives

Here, we introduce some of the initiatives adopted by individual divisions and departments to realize sustainable management.

Automotive Chemicals Division



Managing Director and Division Manager,
Automotive Chemicals Division

Hisayoshi Osawa

Contributing solutions to environmental problems through innovative product development

The Automotive Chemicals Division develops products that meet customers' needs, utilizing the extensive engine coolant and brake fluid know-how accumulated over the years as well as a strong R&D system, including the research facilities maintained abroad. Each product adheres to high quality standards, thanks to a rigorous quality management system that makes effective use of IT. Today, with growing environmental awareness and the need to realize carbon neutrality (CN), there is strong demand for products that utilize new energy sources and technologies. With the transition to EVs proceeding rapidly, the division is committed to contributing solutions to the world's environmental problems through innovative products. ESG measures implemented by the division include the development of BEV and FCV supplies and long-life products that can contribute to a circular economy along with recycling initiatives. The division is also actively promoting CSR-based procurement. In addressing the key issue of reducing CO₂ emissions, the team is thoroughly reviewing manufacturing processes and products from the ground up, preparing to contribute environmentally friendly products to the public.

Industrial Tires Division



Focusing on ESG measures, and providing products and services that meet contemporary needs

The Industrial Tires Division boasts outstanding technology in bonding urethane to metal cores, an important factor in producing high-quality urethane tires. With urethane tires being used in an increasingly wide range of environments, the requirements for tire durability have become more stringent. To enhance durability, CCI has undertaken industry-leading R&D work on urethane bonding. The divisional strategy formulated by the Industrial Tires Division for FY 2022 emphasizes the promotion of ESG measures. In addition to initiatives on reducing environmentally harmful substances, the division is also making steady progress on cutting CO₂ emissions through improvements in equipment and processes, increasing productivity. The team is also focused on reducing waste such as paper, packaging and raw materials, as well as reducing the rate of nonconforming products. In developing environmentally friendly products and services, we also provide customers the option to reuse the metal components of tires through urethane retreading. CCI aims to be a trusted enterprise by providing high-quality products and services that meet the needs of the times.



Executive Officer and Senior General Manager,
Industrial Tires Division

Hironobu Murase

Residential Construction Materials Division



Executive Officer and Senior General Manager,
Residential Construction Materials Division

Hirokazu Sako

Delivering environmentally friendly products and services that provide safety and peace of mind while contributing to a rich home environment

The Residential Construction Materials Division provides soundproof drainage pipes for residential buildings, offering a quiet, comfortable living environment while improving on-site efficiency and developing products that reduce costs and save time. Although housing demand in Japan is expected to decrease due to the trend towards smaller families and the aging of the population, we aim to achieve sustained growth by maintaining high quality standards, providing value-added products and offering design and processing services. As regards ESG measures, in addition to enhancing efficiency at our plants and reducing waste, we are also collaborating with manufacturers to collect and recycle PET shrink film waste generated during production to maximize resource circulation. We are steadily making progress on the key issue of reducing CO₂ emissions by enhancing productivity and reorganizing production lines, realizing energy savings. We will continue to establish next-generation business foundations while remaining attentive to customers' needs. Despite the marketing environment's unpredictability, we will strive to deliver environmentally friendly, high-quality products and services that provide safety and peace of mind.

R&D Department



Building next-generation businesses, developing environmentally friendly products, and promoting research on decarbonization

The R&D Department supports the development of new businesses for the next generation and the implementation of effective strategies in each segment. In addition, R&D is undertaking the development of environmentally friendly products and research on decarbonization as well as the building of bio-based products as a replacement for petrochemical-derived products by 2030. The department also conducts collaborative research with universities, launching a Research Grant Program in FY 2021 with the goal of aiding young researchers and students. Selecting research topics from a wide range of fields and providing support for study, we assisted in seven projects at Nagoya University and Gifu University during FY 2022. We have established KPIs directed towards ESG measures as a means for improvement, managing and reviewing them annually. As R&D expands its investment in research and builds unprecedented products, we will continue to demonstrate our commitment to facing new challenges as well as our passion in fulfilling the philosophy of "Chemistry is for the world and for all people."



Director, Technology Management and
R&D Department

Michihiro Hori