

# Value Creation Process

Our strength lies in the "strong individuality" of our creative, diverse human resources, technologies, and products, and we create innovation that brings together the "strong individuality" embodied in our Corporate Philosophy of "Wa sureba tsuyoshi." Using this strength, we are addressing the materials-related needs of customers based on global megatrends and market needs, to become a high-performance materials company supporting sustainable societies. By pursuing a growth strategy supported by corporate governance based on the principle of "obey the law and walk the path of virtue" and business activities as "a genuinely development-driven company" engaged in the "mass production of high-quality materials," we will work to become the "best enterprise" that contributes to society's sustainable development by continuing to be a company that is indispensable to customers and society.

Global megatrends	
Climate change	Lack of energy and resources
Urbanization	Demographic changes
Technological advances including in information technology	
Measures for environmental regulation	Increased need for energy conservation
	Increased need for mobility

Market needs		
Automotive (electric vehicles)	Electronics (Internet of Things, and semiconductors and displays)	Infrastructure-related (aircraft, railways)

## Needs for materials

Environmental resistance  
Safety

**DNA**  
DNA cultivated over more than 100-year history (addition and maturation through process of evolution including mergers and acquisitions)

**Strength**

**Strong individuality with diversity**

Creative human resources, technologies, products

**Value**

*Wa sureba tsuyoshi*  
**侖則彊**

**Strength**

**Bringing together strong individuality**

Innovation springing from the knowledge of creative human resources and diverse technologies and products

High efficiency  
Low loss

Lightweight

Multifunction

## Addressing business risks

Changes in the external environment				
Lower profits from high resource prices	Intensified competition from rise of Chinese and emerging-market manufacturers	Lower competitiveness from strengthening yen	Increased costs from higher expectations for quality	Loss of standing for existing products from technological innovation

Corporate governance

Business activities

Fiscal Year 2021 Medium-Term Management Plan

**Growth strategies**

**Building people**

One step ahead tomorrow of where you are today  
Experience a true sense of personal growth through the workstyle reform project *Monozukuri* that considers of safety, environment, and quality

**Building innovation**

"Only 1, No. 1" *Monozukuri* and new products

**Building the future**

**Vision**

A high-performance materials company supporting sustainable societies

**Corporate Creed**  
Becoming the "best enterprise"

