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Message from the President



Transforming the organization:
Building a diverse portfolio for
sustainable growth

Hidekuni Kuroda
Representative Director of the Board,
President and CEO

■ Unveiled in 2021, our long-term vision: CCC 2030

In February 2021, we unveiled CCC 2030, our long-term vision for 2030. We formulated this vision on the belief that we needed a longer-term perspective to succeed in a rapidly changing business landscape. CCC 2030 (CCC stands for Change, Challenge, Create) outlines assumptions about how the world will change in 10 to 20 years' time and sets out a vision of how we as an organization must change accordingly. The direction in which the world is changing comes as no great surprise. Much more startling is the pace of change, which has been accelerated by Covid-19. The pandemic has hastened the arrival of a new normal, entrenching new digital trends into workspaces and learning spaces. To succeed in this new normal, we must build a new strategic approach, one that targets new patterns of working and learning. This is our mission over the next ten years.

■ A new corporate purpose for the future: “be Unique”

When formulating CCC 2030, we spent long discussions and a lot of soul-searching on two themes. The first concerned the existential question—What is our organization's purpose in the world? What value do we offer? Our organization was originally founded for the purpose of enriching the world through products and services. Over the years, we have enjoyed business success by doing exactly that. However, we now find ourselves in a time of unprecedented change, the likes of which occur once in a hundred years. Our then statement of purpose—“enrich the world through our products and services”—had served us well down the years and it remained dear to our hearts. Nonetheless, we concluded that a new statement of purpose would be necessary to achieve success in the future. So we re-conceptualized our purpose, focusing on entrepreneurial drive—our starting point. The new purpose is expressed as “be Unique.” This slogan conveys our desire to create unique experiences through our products and services—to inspire and ignite everyone's unique creative spark. This is the role we must play in our customers' lives, and it is this role that holds the key to our future success.

■ Reviewing what has brought us success so far and clarifying what will bring us success tomorrow: Designed with Empathy

The second theme for CCC 2030 was to reaffirm our strength. In other words, where does our strength lie?—What will drive our future success? We felt that clarifying this matter would make our organization more surefooted for the road ahead. We concluded that our strength lies in the way we design with empathy. As a generalist-eclectic manufacturer, we had cultivated prowess in marketing, design, product planning, and the like. We also have many kinds of interfaces with customers and a range of mechanisms to meet customers' needs. Traditionally, we relied on these assets to drive our

business growth. However, with values and lifestyles diversifying, we increasingly work with customers to create new value, and such co-creative efforts have cultivated empathic bonds between us and the customer. Hence, from now on, we will regard our strength as our ability to design with empathy with customers.

By leveraging this strength in our business activities, we can go forward with greater confidence and clarity and bring new value to the world.

Identifying material issues to entrench commitment to sustainable growth

A crucial part of CCC 2030 is the need to adopt a more sustainable mindset with a long-term focus. We want to achieve a successful balance between economic value (profit growth) and social value.

We will keep creating new value in an effort to solve the problems our customers face. To that end, we must protect the bottom line. However, we will eschew any kind of profit-making practice that severely harms society or the environment. Such practices, no matter how lucrative they may be, would never contribute to our success as an organization in the long run.

In an effort to drive new venture creation, we have started investing in a range of startups and joint ventures. Our investment decisions in this area are guided by the principles of sustainable management. If we maintain this stance, then our business collaborations will become a byword for the creation of sustainable business.

To communicate the direction of our sustainable management to stakeholders and to entrench commitment to sustainability among employees throughout our corporate group, we undertook a materiality analysis, which revealed five material issues: pitch ideas for new ways of working, promote diversity and inclusion, respond to the climate crisis, contribute toward a circular economy, and contribute toward a society that coexists with nature. For each of these issues, we have shown the SDGs they are linked with and have set targets for 2030. We will continue internal discussions and dialogue with stakeholders to further clarify medium-term goals and action plans.

We will work as one to realize our vision of becoming an ecosystem of diverse businesses that grow sustainably. Let me conclude by thanking all our stakeholders for their confidence in us. I look forward to continuing our journey together.