

Examples of Environmental Initiatives

In our voluntarily formulated Quality and Environmental Policy, we pledge to “promote energy saving, resource saving, and build energy-saving production lines.” We are working to reduce energy consumption and costs by advancing a shift to renewable energy through the installation of solar power generation systems at the Head Office/Komaki Plant and Thai Plant, and managing and controlling overall energy supply and demand at the Tohoku Plant. Going forward, we will contribute to environmental conservation by striving to reduce CO₂ emissions through continuous improvement activities such as installing energy saving equipment and building energy saving production lines.



Topics

Relevant SDGs



Renewable Energy Initiatives (Solar Power Generation)

Thai Plant



We are adopting renewable energy with the aim of achieving SDG 7, “Ensure access to affordable, reliable, sustainable and modern energy for all.” In June 2019, we began operation of a solar power generation system which is offsetting 15% of the Thai Plant’s CO₂ emissions. In fiscal 2019, we reduced annual CO₂ emissions by 197 tons.

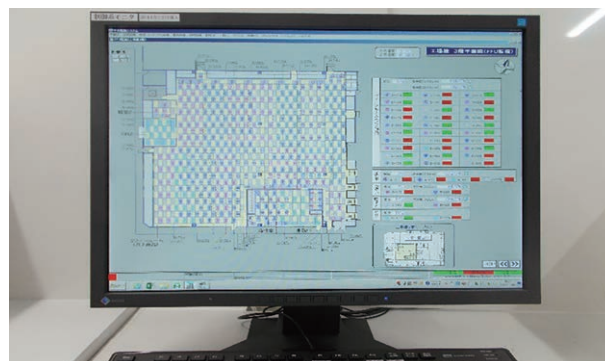
Head Office/Komaki Plant



As an initiative for incorporating renewable energy design, in July 2020 we installed and began operation of a solar power generation system at the CKD Head Office/Komaki Plant. It is expected to reduce annual CO₂ emissions by 300 tons. Going forward, we plan to systematically install these systems at our other plants in Japan and overseas.

Introducing FEMS

Tohoku Plant



At our Tohoku Plant, we have installed a Factory Energy Management System (FEMS) which can visualize energy management from power receiving to distributing to facilities, monitoring energy use, operational status of production and infrastructure equipment, and energy consumption. By measuring and analyzing the energy consumed by each equipment, we can optimize plant energy usage and reduce CO₂ emissions.

Corporate Governance

We strive to ensure and strengthen the feasibility of corporate governance from the perspectives of “ensuring transparent, healthy management” and “appropriate cooperation with stakeholders” for the purpose of realizing a greater level of sustainable corporate value.

Mindset

CKD Group endeavors to further enhance corporate governance as a mechanism to realize management that is healthy and efficient, and that has a character of transparency which earns the ongoing trust and goodwill of all stakeholders, with their diverse range of vested interests.

Status of Internal Control System and Risk Management Structure Development

CKD's basic policy for putting in place an internal control system and risk management structure is determined, and executed, by its Board of Directors. Details of the basic policy are as follows.

a) Ensuring conformity to laws and regulations, as well as the Articles of Incorporation

To be sure that directors and employees comply with laws and regulations, as well as the Articles of Incorporation in the performance of their duties, we maintain Standards of Conduct and internal regulations, and have put in place a system that prohibits relations with antisocial forces and offers a way to report illegal activities. We have also established a Nomination, Remuneration Advisory Committee to designate directors and determine their compensation, among other duties.

b) Preserving and managing information

Proposal approval forms, the minutes of various meetings, and other information associated with the execution of duties by directors are appropriately preserved and managed in accordance with laws and internal regulations.

c) Risk management

In tandem with seeking to raise awareness of compliance among all employees, the risk management sections of each business division work in close cooperation and under the primary authority of the divisions tasked with risk management (General Affairs Department, Information Resource Management Department, Internal Control Audit Office and Legal Department) at headquarters, which promotes companywide risk management. In addition, to respond promptly and with precision to risks that are increasingly complex, we have established the Risk Management Committee under the auspices of the Board of Directors as an entity that manages risks laterally throughout the Company. The Risk Management Committee deliberates and decides upon matters relating to companywide risk management.

d) Ensuring efficient execution of duties by directors

As a general rule, the Board of Directors convenes once a month, and the Board of Managing Directors, composed primarily of Company officers, convenes on an as needed basis. This enables swift decision making by management. The Company also holds Management conferences for matters that impact operations at each business division. These meetings are attended by officers and division heads who share information through reports and discussions on the analysis of the business environment and the progress of financial planning, and also reflect management decisions. In addition, the introduction of an executive officer system has effectively separated the management decision making, as well as supervisory and operational execution functions, responsibilities that had previously been held by the Board of Directors. This enables precise and prompt decision making, and agility in executing business operations.

e) Ensuring appropriate operations within the corporate structure

CKD promotes efficient subsidiary management based on regulations for the control of subsidiaries both in and outside of Japan. In tandem with this, as subsidiaries fall under the scope of Standards of Conduct and within the risk management structure, we pursue proper business operations with subsidiaries by having a thorough system of reporting to headquarters and providing advance approval concerning important matters.

f) Matters related to employees assigned to auditors
The Company assigns employees to assist the auditors in the performance of their duties, as necessary, and grants such employees the authority to conduct investigations as directed by the auditors. In such cases directors and auditors deliberate in advance concerning human resources.

g) Reporting to auditors

At the request of auditors, directors and employees of the Company and its subsidiaries shall provide required reporting, and share information regarding Groupwide management conditions and status of business execution, in accordance with laws and regulations and as stipulated by the Audit & Supervisory Board. In addition, employees who are assigned to auditors are not to be the subject of disadvantageous treatment due to sharing information and reporting to auditors.

h) Structure to ensure the effective execution of other auditor audits

To raise the effectiveness of the Group's audit structure, we have established the Internal Control Audit Office under the direct control of management, and ensure opportunities for information exchange by auditors, accounting auditors and the Internal Control Audit Office. In addition, auditors may consult with external experts in the legal, accounting or other fields as necessary, and the payment of related expenses will be the responsibility of the Company.

Officer Remuneration

The Nomination, Remuneration Advisory Committee, an advisory body to the Board of Directors, deliberates on the remuneration system for officers, and it has established the following basic policies.

- Design the system to motivate officers to contribute to the enhancement of corporate value
- Ensure the appropriateness of the method for determining the remuneration and distribution
- Design the system to allow officers to share the interests with shareholders through stock ownership

Remuneration for directors is determined following consultation with the Nomination, Remuneration Advisory Committee, by the representative director who is authorized by the Board of Directors, within the range approved by the General Meeting of Shareholders and in accordance with standards established by the Company. The remuneration for directors consists of fixed remuneration, performance-linked remuneration, and restricted stock remuneration, while outside directors are paid only fixed remuneration, in light of their role to supervise management from an independent perspective. Fixed remuneration is set at a fixed amount for each position, taking into account the level of responsibility and contribution to management.

Performance-linked remuneration is based on consolidated sales, consolidated operating income, ROE, and development investment of the previous fiscal year, which are linked to the Medium-Term Management Plan as key performance indicators. The distribution of performance-linked remuneration is set in a manner such that the higher the position is, the greater the distribution becomes, thereby requiring higher performance and responsibility for performance.

Criteria for Judging Independence

The Company deems an outside officer or a candidate for an outside officer to be independent from the Company if the officer or the candidate are judged to have no risk of generating conflicts of interest with ordinary shareholders of the Company.

* For details of our criteria for judging independence, see Principle 4-9 of the CKD Corporation Corporate Governance Report.

Providing Outside Officers with Information

In order to give our outside officers a deeper understanding of the Company's business, we provide explanations such as a business overview when they are first appointed, followed by opportunities to observe at each of our plants in Japan. We also carry out the following training and information provisions.

- Provision of materials and detailed explanations of key issues before Board of Directors meetings
- Scheduled participation in Audit & Supervisory Board meetings and other opportunities for information sharing
- Observation tours of plants both in Japan and overseas, including those belonging to Group companies
- Setting of opportunities to hear status reports from executive officers at Board of Directors meetings

Total remuneration, total of each type of remuneration, and number of each type of officer (fiscal 2019)

Officer Type	Total Remuneration (millions of yen)	Total Remuneration by Type (millions of yen)			Number of Officers
		Fixed Remuneration	Performance-linked Remuneration	Restricted Stock Remuneration	
Director (excluding outside directors)	202	133	57	11	5
Audit & Supervisory Board members (excluding outside Audit & Supervisory Board members)	17	17	—	—	1
Outside officers	40	40	—	—	6

* As of the end of fiscal 2019, there are eight directors (including three outside directors) and four Audit & Supervisory Board members (including three outside Audit & Supervisory Board members).

Promotion Structure

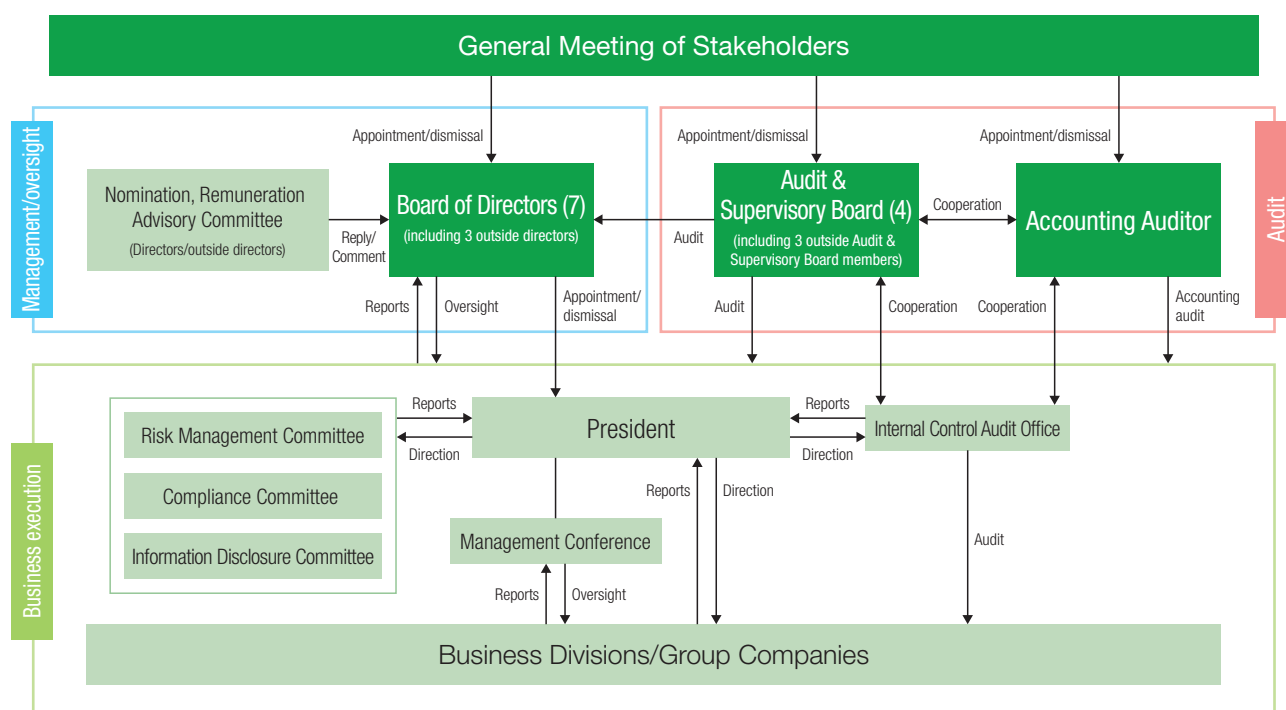
In addition to its responsibilities as determined by laws and regulations, the Board of Directors is positioned as an entity that determines basic policy and important matters concerning management. We believe that it is essential to have leadership driven by top management and decision making that is both transparent and fair. Based on this thinking, as a company that has adopted a board of auditors' system, we entrust to administrative personnel the execution of those routine duties as would be permitted within the scope of the law, and we work toward management that is transparent and objective owing to strengthened management oversight conducted by Audit & Supervisory Board Members. In addition, together with appointing three independent outside directors, we have established a Nomination, Remuneration Advisory Committee as an advisory body to the Board of Directors to strengthen the independence, objectivity and accountability of Board of Directors' functions associated with director nomination and remuneration. The committee is convened as needed, and based upon the results of deliberation on matters related to nomination and remuneration, committee members report to the Board of Directors.

Oversight Functions

The Company has adopted a board of auditors' system, and its Audit & Supervisory Board is composed of four auditors, three of whom are outside auditors. Each Audit & Supervisory Board Member attends Board of Directors' meetings and other important meetings based on the audit policies, formulated by the Audit & Supervisory Board, and audit plans, and conducts audits of directors' execution of duties through surveys on the status of business tasks and financial conditions. Auditors work closely with the Internal Control Audit Office and accounting auditors, and exchange information on an as needed basis.

The Standing Audit & Supervisory Board member also attends important meetings such as Management Conferences to deliberate on the management matters of each business division, analyze the business climate, and work to understand the status of business planning progress so as to provide appropriate audits. Accounting audits are conducted under an audit contract with Deloitte Touche Tohmatsu LLC for Companies Act audits and Financial Instruments and Exchange Act audits. We request accounting audits that are fair and unbiased.

Corporate governance organization



Outside Audit & Supervisory Board Member Messages



Koichi Hayashi

Outside Audit &
Supervisory Board Member

I have been involved with finance, accounting, and auditing for roughly 30 years. After acquiring experience in audit work in the US and returning to Japan, I have participated in multiple M&As, including cross-border M&As, and the accompanying post-merger integration work. Meanwhile, as CKD aims for greater global business growth, it has been actively promoting capital partnerships outside of Japan and business acquisitions within Japan. Based in part on my past experience, I intend to constantly verify whether CKD's management control framework corresponds to its growth. Even in these chaotic times, only when this appropriate control framework is in place can CKD achieve sustainable business growth and build win-win relationships with its stakeholders.



Takeshi Sawaizumi

Outside Audit &
Supervisory Board Member

With no end in sight to the COVID-19 pandemic that is gravely affecting the world economy, the escalation of the power struggle between the US and China is shaking up global systems. Japan is subject to a wide range of geopolitical risks and the country is facing an extremely difficult situation in terms of both national security and economy. Despite this situation, CKD is aiming to be a "Total FA Worldwide Supplier" and further advance its business development. Based on my experience and involvement in the management of many companies from the stance of finance, I will maintain my gaze on these numerous changes at the global level, while at the same time as an outside Audit & Supervisory Board member, ensure credibility among all stakeholders and strive to contribute however modestly, to the achievement of the corporate targets established by CKD.



Shuzo Hashimoto

Outside Audit &
Supervisory Board Member

The COVID-19 pandemic is transforming the social and economic structures that have existed to date. It is driving great change in the way social and economic activities are carried out and I think that companies will need to practice more robust corporate governance.

As an outside Audit & Supervisory Board member, my role is to oversee the execution of duties by directors and communicate from a more neutral and objective position. Over more than 30 years working as a lawyer, I have participated in the business of a variety of companies and I will strive to leverage this experience at CKD. I will remain aware of my position as an outside Audit & Supervisory Board member as I cooperate with our varied stakeholders and I will do my best to ensure the effectiveness of the Company's corporate governance and contribute to enhancing corporate value.

A Conversation with the Outside Directors



Kazumasa Uemura
Outside Director

Junichi Kagawa
Outside Director

Facilitator: Kazunori Kajimoto
President

Noriko Asai
Outside Director

As the need for sustainable growth rises, there is growing interest in corporate governance. CKD's three out of seven directors are outside directors. These outside directors shared with us their thoughts on the Board of Directors, their challenges and expectations regarding the future growth of the Company.

Please tell us about your backgrounds.

Kagawa: Previously, I worked for many years at a major global automaker with a focus on jointly developing new products in the engine development divisions. As each country has different requirements regarding matters on vehicle performance and development targets, I felt that it was crucial to maintain close communication with customers. Following this, I became an executive officer when the 2008 global financial crisis hit, which made us realize the importance of having cash on hand. I also have experience on earthquakes, and I think that business continuity planning (BCP) is key, especially for manufacturers. I believe I can provide advice that will help the Company create a robust corporate structure as we expand globally.

Asai: I have spent roughly 30 years visiting and analyzing the management situations at manufacturing and R&D locations in Japan and overseas, and have seen technological change at approximately 3,000 sites. While working in the public sector, including for the Ministry of Economy, Trade and Industry and the Ministry of Health, Labour and Welfare, I also got to experience the latest technological innovation as a member of technology screening committees for robotics and materials. I also participated in labor policy discussions regarding workstyle reforms. I want to leverage this experience to contribute to raising corporate value by ensuring objectivity and transparency and verifying the adequacy and appropriateness of decision making from an external perspective.

Uemura: After receiving my medical license, I aimed to become a researcher and clinician in 1990, and I began research activities in the U.S. In 2005, I took a position at the Medical Education Center at Nagoya University's School of Medicine where I became responsible

for medical training, as well as personnel matters as an advisor to the director of the university hospital. In this capacity, I have also dealt with issues regarding mental health and labor management.



Kajimoto: Over the years, the number of situations we've faced concerning mental health has risen, and we have had more dealings with medical and pharmaceutical-related industries, so we were glad to appoint an outside director with medical experience.



What are your impressions of CKD?

Kagawa: My impression is that CKD is an extremely serious company. As long as Japan remains a manufacturing country, there will be investment in equipment and facilities. I think that showcasing the Company's approach, including in areas outside of medium- to long-term management plans, to the public will also have a beneficial effect on our employees' mindsets. I think we need to communicate information about the Company in a positive manner.

Asai: CKD's employees are active at venues outside of the Company, such as in the Industrial Value Chain Initiative,^{*1} the Robot Revolution Initiative, and at exhibitions, and I feel that they are adapting to changes in the business environment, such as digital transformation (DX) and the fourth industrial revolution, and they are doing their best to grow and take on new challenges.

Uemura: Technology and skills are being passed down properly and while observing workplaces, I feel that work is being carried out seriously and diligently. However, I also get the impression that, for the most part, employees do not share the Company's social mission and values. Also, although there have been fewer major workplace accidents, there are small accidents occurring due to employees copying their senior colleagues rather than following the manuals. I think this is because there is a general lack of awareness regarding working with initiative.

What are your thoughts regarding CKD's meetings of the Board of Directors?

Kagawa: Meetings proceed smoothly, even when there are lots of items on the agenda, and I feel that basically most items have already been decided in advance. In regard to medium- to long-term management planning, I think it would be better if we were able to hold a little more discussion at meetings.

Kajimoto: Meetings have, for the most part, proceeded in this fashion for many years without being questioned, so going forward, I would like to make discussions fuller.

Asai: Amid movement toward the introduction and revision of corporate governance and stewardship codes, Board meetings have an appropriate sense of urgency and an atmosphere where members can give their opinions openly. The introduction of an executive officer system is realizing swift and accurate decision making and agility in regard to executing duties, and I think that the six outside directors and Audit and Supervisory Board members can leverage each of our diverse backgrounds in terms of qualifications, roles, and expert knowledge to perform our duties swiftly.

Kajimoto: As Board meetings are held once a month in principle, it may be a slight challenge to contribute shortly after being appointed. We will consider providing more information, such as Management Conference minutes.

Uemura: Like Mr. Kagawa, I think it would be good to have opportunities to discuss things. This is an area in which we should improve.

What are your thoughts about CKD's technology?

Kagawa: In our product development processes, we create collections of case studies of past issues, but as these aren't read until problems actually occur, we keep on making the same mistakes over and over again. To stop this from happening, we first need to create systems to prevent issues from occurring.

Kajimoto: Didn't you visit the Tohoku Plant?

Kagawa: Yes. I was impressed that there were absolutely no stoppages involving the gas valve assembly equipment. I think it is an extremely well-developed machinery and it can contribute to improving productivity so we can further raise production levels.

Kajimoto: What are your thoughts regarding CKD from a global perspective?

Asai: Global technological development is moving toward cyber-physical systems,^{*2} and digital twins, and even triplets, are being explored. IoT is making business borderless, and within this, we are aiming to be a Total FA Worldwide Supplier that is developing a product line-up of over 500,000 items, adapting to the use of



IoT at plants and development of smart factories, and developing technologies such as equipment with communications and sensing functions and failure prediction.

Please tell us your thoughts regarding COVID-19 countermeasures and health and productivity management.

Kajimoto: We were able to implement countermeasures due to detailed advice from Director Uemura.

Uemura: Initially I thought it might be difficult to implement

countermeasures in the manufacturing industry, as the work cannot be done online, but we have been able to apply certain measures and prevent infections at workplaces. However, I think we need to provide care that deals with the stress of online communication. We are realizing health and productivity management that goes beyond the set level and the improvement of environments is progressing smoothly. Welfare efforts that look after employees' physical and mental health also result in greater productivity.

Please give us your opinions regarding CKD's governance structure.

Kajimoto: We have established a Nomination, Remuneration Advisory Committee so the president no longer nominates their own successor.

Asai: I have been impressed with the Company's initiatives to transform corporate governance, including the Nomination, Remuneration Advisory Committee. Within a business environment that is changing at an incredible speed, I think that creating opportunities to hold discussions in a way that incorporates external perspectives will be important to raising corporate value.

Kajimoto: The number of women in management positions has increased and I want to have excellent female employees speak at future Board of Directors meetings. Unless we transform the mindsets of our male employees and bring in talented women, we will not be able to compete internationally.

Uemura: Career continuation and advancement for women is also a big issue in the healthcare field. We need to create an environment that does not bring female careers to a halt.

What are your expectations for CKD going forward?

Kagawa: I would say DX. I think manufacturing will be fundamentally non-digital, based on the three realities principle.^{*3} I think this principle and on-the-job training are crucial to raising the performance and sensibilities of people, but we need to advance our DX and then skillfully combine it with this principle and training.



Asai: In 2018 at the World Economic Forum, an initiative was started to recognize advanced factories worldwide that are at the forefront of the fourth industrial revolution as "Lighthouses" (pioneering companies). I expect the Company to contribute to the solution of global issues by achieving sustainable growth in a manner that is in line with the times as a total FA supplier that can provide customers with the best solutions.

Uemura: I want the Company to take a direction of raising employee engagement so employees can really feel that they are contributing to the Company's development and success.

Kajimoto: These are valuable opinions and I hope to reflect them in the future management of the Company. Our outside directors offer broad experience together with a variety of knowledge and talents making them one of CKD's strengths. I hope to deepen communication with our outside directors going forward so that we can work toward raising corporate value.

^{*1} Industrial Value Chain Initiative: A forum where activities are carried out to design a new society in which manufacturing and IT are integrated, and to direct the changes in the right direction. Participants from manufacturing sites of member companies equally take the initiative based on their own viewpoints.

^{*2} Cyber-physical systems: Systems that merge physical and digital aspects.

^{*3} An approach that focuses on "real places," "real things," and "real facts."

Risk Management

CKD considers risk management as an important operational activity to be a company that continues to earn the trust of society, and together with maintaining this management structure, the Company strives to mitigate serious risk and to minimize loss that results from risk.

Mindset

CKD identifies various risks ancillary to business activities so as to ensure business continuity and to raise corporate value, and based upon the proper assessment of such risks, undertakes efficient and effective management activities.

Risk Management Promotion Structure

CKD formulates risk management regulations that define a structure of risk management promotion. In conjunction with this, the Company positions the Risk Management Committee directly under the Board of Directors, which serves to promote risk management. The Risk Management Committee performs the following duties.

- a) Considers methods of risk identification, assessment and response, and makes the decision on how to respond to risk
- b) Assesses the effective results of the risk response method, and based upon this, considers corrective measures
- c) Provides guidance, communicates and makes requests in relation to matters for thorough companywide implementation
- d) Audits and monitors matters decided upon by the Risk Management Committee
- e) Reports to the Board of Directors

Formulation of Business Continuity Plans (BCP)

We make preparations for events such as large-scale earthquakes, fires, typhoons or other enormous disasters, and believe that the safety of human life is of the utmost priority. We therefore formulate BCP that serves to aid in the recovery of the local community and our business partners, and keep our business in operation.

Main Initiatives

- Educate all employees and conduct training for working-level responders
- Implement an array of drills (drills for initial response, business recovery, evacuation, first aid, fire extinguishing, and others)
- Prepare supplies (return-to-home support kits, stored rice and water, electricity generators, etc.)
- Hold BCP formulation seminars for business partners

Mindset on Information Security

Information security refers to securing the safety of computers and information for conditions that enable information to be used properly, and can be categorized into three elements, namely, confidentiality, integrity, and availability. At CKD we strive to heighten the level of information security for technical data, engineering drawing information and other material of a classified nature. We also introduce security measures to efficiently protect information assets, and define related points and operational processes. Moreover, under our information security framework we take measures such as conducting drills, seek to educate all employees, and bring together a range of related information in order to clarify laws and regulations that pertain to information security, various rules and guidelines.

Compliance

In our **Standards of Conduct**, which sets out the basic principles that we should adhere to when carrying out business activities, we make our approach to legal compliance clear and to raise awareness of compliance throughout the entire Group, including overseas we are implementing various initiatives.

Mindset

We shall fulfill our social responsibilities by ensuring each and every employee adheres to laws, regulations, and business ethics.

Thorough Standards of Conduct

Our Standards of Conduct clearly outlines our thorough policy regarding legal compliance, comprehensively covering topics including fair transactions, preventing harassment, bribery and illicit benefit sharing, and other dishonest and corrupt acts. Additionally, in order to communicate this policy widely throughout the Company, we provide all employees with a CKD Conduct Guidelines Manual, implement internal compliance training, and share legal compliance information with overseas sites.

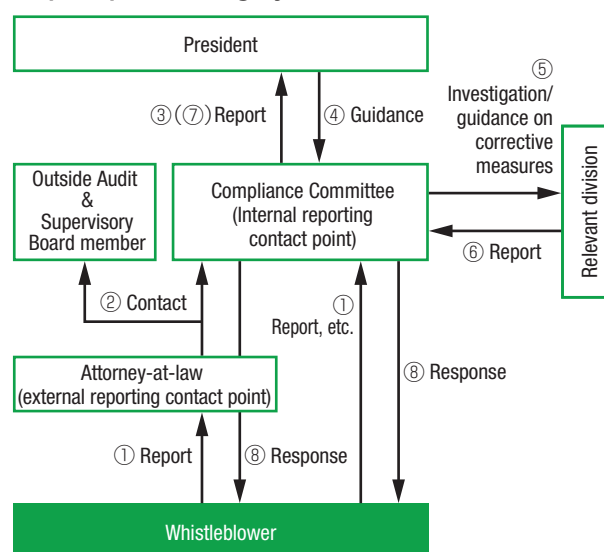
Handling Risk of Compliance Violations

The status of handling matters related to legal compliance as stipulated in the Standards of Conduct is covered under risk assessments of business operations carried out by the Risk Management Committee under the supervision of the Board of Directors. Procedures for handling these matters are considered in accordance with the importance and priority of the risk involved. When dealing with customers and contractors who may become new business partners, we carry out due diligence as necessary, including screening before any transaction is carried out and confirming whether there have been any instances of inappropriate transactions, fraud or corruption. Furthermore, our approach to compliance is clearly stated through means such as the Request for Business Partners posted on our corporate website, and new business partners are informed of this approach. In fiscal 2019, there were no cases of disciplinary action taken for reasons such as bribery or corruption, nor any instances of expenses occurred, such as fines or settlement payments, in relation to such acts.

Whistleblower System

We have established a whistleblower system as a mechanism through which employees and others who work in the CKD Group can make reports. In parallel with this internal reporting system, we have also established an external reporting system, staffed by an independent attorney-at-law, and in addition to taking care to protect those making reports, including assuring anonymity and confidentiality, we strive to quickly discover and correct compliance problems. Reports can be made regarding a wide range of compliance violations, including violations of the Antimonopoly Act, such as cartels, and violations of criminal laws, such as bribery, corruption, and embezzlement. We continuously work to make employees aware of this whistleblower system, and we are making progress on creating a structure which enables reports to be made by overseas-based employees by developing our ability to handle reports in English and multiple other languages. The details of reports are presented to the president without delay, and matters are investigated and deliberated on by the Compliance Committee. We take action to correct any problems and ensure that they do not reoccur.

Report processing system



Board of Directors, Audit & Supervisory Board Members



Kazunori Kajimoto
President

Apr. 1980	Joined the Company
Jun. 2004	Director & Executive Officer General Manager, Sales and Marketing Division
Jun. 2005	Director & Managing Executive Officer
Jun. 2008	President (to the present)



Katsuhito Okuoka
Director and
Senior Managing Executive Officer

Apr. 1991	Joined the Company
Jun. 2014	Deputy General Manager, Components Business Division, General Manager, Administration Department
Jun. 2015	Executive Officer General Manager, Components Business Division
Jun. 2016	Director & Executive Officer
Jun. 2018	Director & Managing Executive Officer
Jun. 2019	Director and Senior Managing Executive Officer (to the present)
Jun. 2020	General Manager, Corporate Planning Department (to the present) General Manager, Security Export Control Office (to the present) General Manager, Internal Control and Auditing Office (to the present)



Shinji Yuhara
Director and Executive Officer

Apr. 1986	Joined the Company
Oct. 2007	General Manager, Nagoya Sales Department, Nagoya Branch, Sales and Marketing Division
May 2012	Osaka Branch Manager, Sales and Marketing Division
Jun. 2013	Executive Officer
Apr. 2014	Deputy General Manager, Sales and Marketing Division
Apr. 2015	General Manager, Sales and Marketing Division (to the present)
Jun. 2018	Director & Executive Officer (to the present)



Katsunori Hayashida
Director and Executive Officer

Apr. 1984	Joined the Company
Jun. 2006	General Manager, Production Department, Automatic Machinery Business Division
May 2009	General Manager, Battery Engineering Department, Automatic Machinery Business Division
Apr. 2011	General Manager, Procurement Department, Purchasing Division
Jun. 2018	Executive Officer General Manager, Automatic Machinery Business Division
Jun. 2019	Director and Executive Officer (to the present)
Jun. 2020	General Manager, Components Business Division (to the present)



Junichi Kagawa
Outside Director

Apr. 1977	Joined NGK Spark Plug Co., Ltd.
Jun. 2003	Director
Jun. 2007	Managing Director
Jun. 2009	Senior Managing Director
Jun. 2011	Advisor & Senior Technical Executive
Jun. 2012	Director, the Company (to the present)
Jul. 2014	Commissioned by NGK Spark Plug Co., Ltd.
Apr. 2015	Advisor, Shinwa Gijutsu Company (to the present)



Noriko Asai
Outside Director

Apr. 1997	Research Assistant, School of Economics, Nagoya University
Mar. 1999	Received Ph.D. (Economics)
Apr. 2003	Assistant Professor, School of Management, Chukyo University
Apr. 2007	Professor, School of Management, Chukyo University (to the present)
Jun. 2015	Director, the Company (to the present)
Jun. 2020	Outside Director, IBIDEN Co., Ltd. (to the present)



Kazumasa Uemura
Outside Director

Mar. 1990	Received Ph.D. (Medicine) from Nagoya University
Aug. 2005	Professor, Medical Education Center, School of Medicine, Nagoya University
Apr. 2009	Advisor to President, Nagoya University
Apr. 2017	Professor, Faculty of Health and Medical Sciences Aichi Shukutoku University (to the present)
May 2017	Professor Emeritus of Nagoya University (to the present)
Jun. 2017	Director, the Company (to the present)



Masafumi Kokubo

Standing Audit & Supervisory Board Member

Apr. 1983 Joined the Company
 Oct. 2005 General Manager, Sales and Planning Department, Sales and Marketing Division
 Oct. 2008 Chairman and President, TAIWAN CKD CORPORATION
 Sep. 2012 General Manager, Corporate Planning Department
 Jun. 2015 Executive Officer
 Jun. 2018 Director & Executive Officer
 General Manager, Security Export Control Office
 General Manager, Internal Control and Auditing Office
 Jun. 2019 Director and Senior Executive Officer
 Jun. 2020 Standing Audit & Supervisory Board Member (to the present)



Koichi Hayashi

Outside Audit & Supervisory Board Member

Oct. 1990 Joined KPMG LLP, New York Office
 Apr. 1997 Registered as a certified public accountant
 Mar. 2008 Representative Director, Attax Co., Ltd. (to the present)
 Jun. 2010 Audit & Supervisory Board Member, the Company (to the present)
 Jun. 2013 Outside Auditor, Plaza Create Co. Ltd.
 Jun. 2018 Outside Director, Plaza Create Co. Ltd. (to the present)



Takeshi Sawaizumi

Outside Audit & Supervisory Board Member

Apr. 1974 Joined The Sumitomo Bank, Limited (currently Sumitomo Mitsui Banking Corporation)
 Jun. 2002 Executive Officer
 General Manager, Osaka Second Corporate Business Office (Sumitomo Mitsui Banking Corporation)
 Jun. 2003 Executive Director, Sumitomo Mitsui Card Company, Limited
 Oct. 2006 President, Alpha REIT Advisors Co., Ltd.
 Jun. 2008 President, SMBC Consulting Co., Ltd.
 Jun. 2014 Audit & Supervisory Board Member, the Company (to the present)
 Oct. 2014 Advisor, Laox Co., Ltd. (to the present)



Shuzo Hashimoto

Outside Audit & Supervisory Board Member

Apr. 1987 Registered as attorney-at-law Joined Oguri Law Office
 Apr. 1992 Established Hashimoto Law Firm, Director (to the present)
 Apr. 2004 Vice Chairman, Nagoya Bar Association (currently Aichi Bar Association)
 Jun. 2020 Audit & Supervisory Board Member, the Company (to the present)

Board of Directors Meeting Attendance and Skill Set Matrix

	Name	Attendance at Board of Directors meetings	Skill Set							
			Independence (Outside)	Corporate management	Manufacturing, technology, research and development	Sales and marketing	Finance and accounting	Legal affairs	Compliance, corporate governance	International experience
Directors	Kazunori Kajimoto	11/11		○		○	○		○	○
	Katsuhito Okuoka	11/11		○	○				○	
	Shinji Yuhara	11/11				○				
	Katsunori Hayashida	9/9			○	○			○	○
	Junichi Kagawa	11/11	○	○	○	○		○	○	○
	Noriko Asai	11/11	○		○	○			○	
	Kazumasa Uemura	11/11	○	○					○	○
Audit & Supervisory Board Members	Masafumi Kokubo	11/11		○		○	○	○	○	○
	Koichi Hayashi	10/11	○	○			○		○	○
	Takeshi Sawaizumi	11/11	○	○		○	○		○	
	Shuzo Hashimoto	—	○	○				○	○	

* The attendance result for Katsunori Hayashida is for meetings after he assumed office on June 21, 2019.

* Shuzo Hashimoto assumed the position of Audit & Supervisory Board member on June 19, 2020.

Human Resources

Human resources development putting the abilities of employees to their best use

We believe the realization of “A Corporate Culture That Places Faith in Human Resources” requires us to develop global human resources and create a working environment where employees can challenge themselves and pursue self-fulfillment. We value the potential of each of our employees, regardless of gender, age, or nationality, and are focused on strengthening our human resources development efforts so that each worker can make the most of his or her abilities.

Mindset

One of our key corporate commitments is creating a “Corporate Culture That Places Faith in Human Resources.” Quite simply, we believe human resources represent human capital and are accordingly viewed as a key management resource for the sustained development and growth of the Company. Developing the abilities of our employees is a key theme for management at CKD, and our goal is to create a lineup of human resources that can provide products and services of great value to our customers while simultaneously expanding our business on a global basis.

Policy

We are focused on the strategic and systematic creation of a production system in which workers are eager to tackle the challenges of a new business while maintaining the strengths inherent in our core technologies and technical abilities, and a sales system where our employees can meet the needs of our customers not only in Japan, but around the world.

A Corporate Culture That Places Faith in Human Resources

We place a high value on the motivation and potential of each of our employees, and are focused on enacting business reforms without fear of failure and creating a corporate culture that maximizes the strengths of the organization.

■ Career Planning Sheets

In order to better create a workplace motivating to employees, CKD supervisors and managers use a “Career Planning Sheet” as a means of communication in assisting subordinates in their career planning efforts.

Promoting Work-Life Balance

We are working to improve the lives of our workers both at home and in the workplace, as we believe a fulfilling life in both these locations contributes to a working environment where employees can achieve self-fulfillment.

■ Reducing Working Hours Through Improved Operational Efficiency and Time Management

- Reduce use of outside labor through the implementation

of operational improvements

- Establishment of a set day once a week where workers leave at a specified time
- Setting specified days when all employees use paid time off
- Creation of an hourly paid leave system

■ Childcare Support System

CKD has created a system for childcare leave that is open to all our employees. We have also extended the use of the reduced working hour system and exemption system where workers can be exempted from overtime work until their child reaches their sixth year in elementary school. CKD is creating a working environment in which our female employees can give birth with peace of mind, and where male and female employees raising their children can balance their work and home responsibilities.

■ Nursing Care Support System

We have also created an environment in which employees who provide long-term care can manage this situation while continuing to work. In general, CKD employees may take leave for up to one year to care for their spouses, children, the parents of either the employee or their spouse, as well as grandchildren, siblings or grandparents with whom they are living with or are dependent on them.

Promoting Diversity

CKD is promoting a workforce that makes the best use of its diversity and does not discriminate on the basis of gender, nationality, or age.

Measures Aimed at Empowering Women

We believe the creation of an environment in which women can play an active role and fully demonstrate their abilities will contribute to a workplace where every employee can provide their best contribution.

With this in mind, we opened a daycare center at the Head Office and Komaki Plant location in April 2018. We also established at the same time a system that provides support to employees working in areas where daycare is not available for their child in non-licensed daycare centers.

■ Promoting the Active Participation of Foreign Employees

In order to further promote diversity and globalization, the CKD Group is actively hiring foreign employees, including 36

foreign nationals employed in Japan (as of March 31, 2020).

■ Broadening the Re-employment System

We broadened our system for re-employing retired employees in April 2012. With the goal of increasing the number of options available for workers after they reached the retirement age of 60, we established a lifetime employment program allowing employees to continue working regardless of their age while simultaneously maintaining our existing re-employment system.

Human Resources Development

Bolstering our efforts to allow our diverse employees to play an active role and make the most of their abilities.

■ Education and Training

Using a level-specified system for all employees, we are providing educational programs according to each worker's role in the Company and educational support for self-development in line with that worker's particular business. Moreover, each department engages in programs and initiatives designed to improve the skills of their employees and the environment in which they work.

■ System for Overseas Trainees

We have established an overseas trainee system allowing the exchange of employees for training. The fostering of a global workforce and the promotion of enhanced understanding over how the businesses work is contributing to improvements in our business.

■ Skill Training Facility

We launched a skill training dojo (facility) in fiscal 2016 with the aim of teaching employees how to best use measuring equipment and machine tools for metals processing. In the parts processing department, we aim to raise the level of processing skills by improving the skill level of young employees and ensuring that the refined skills of senior employees are passed on to their younger colleagues.

■ Support for Language Learning

In order to support employees in acquiring the language abilities required to conduct global business, we provide them with opportunities for self-driven study, such as access to external courses and online study support.

Occupational Safety and Health

With the goal of achieving zero accidents, we are focused on creating a "safety first" corporate culture, including through the implementation of safety and health activities in which all Company employees participate.

■ Basic Philosophy

We put safety first and follow correct procedures in manufacturing operations.

Maintaining a safe and healthy workplace allows us to provide products that our customers can use with peace of mind.

■ Policies

1. We will maintain healthy minds and bodies.
2. We will make safety a priority and raise safety awareness among all employees.
3. We will comply with all laws, internal rules and specified work procedures.
4. We will work to predict and avoid risks.
5. We will produce safe and secure products.

Promoting Health Management

We believe the health of our employees is a key issue for management, and we are working accordingly to improve health awareness among the employees and create a working environment conducive to healthy minds and bodies.

■ The CKD Health Management Declaration

We believe the health of our employees is a key issue for management and in cooperation with health insurance societies and labor unions, we are working to improve health awareness among the employees, building a working environment conducive to healthy minds and bodies, and promoting "health management."

■ Key Initiatives

1. Work-life balance (workstyle reforms, management of time spent working)
2. Prevention of lifestyle-related diseases (improving diet, sleep, exercise habits, preventing smoking and passive smoking)
3. Creating a comfortable working environment (promoting mental health, improving the working environment, supporting for balancing treatment and work)

■ Recognition as an Outstanding Organization for Health & Productivity Management in 2020

In 2019, we formulated the CKD Health Management Declaration and we have been continuously implementing initiatives that enhance health and productivity. In March 2020, our efforts were recognized as we were certified as an outstanding organization for health and productivity management under the large enterprise category of the Certified Health & Productivity Management Organization Recognition Program.*



* Certified Health & Productivity Management Organization Recognition Program: A program operated jointly by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi that gives recognition to organizations carrying out excellent health and productivity management.

Quality Management System

Focused on manufacturing products of even higher quality

With the goal of more efficiently and effectively supplying products and services that satisfy our customers, we have made a commitment to continually improve product quality and environmental management practices throughout the Company. In line with this commitment, we have established annual quality and environmental policies and promoted their awareness not only within CKD but also among those working with the Company.

Policy

Our product quality and environmental policies focus on more efficiently and effectively supplying products and services that satisfy our customers. Accordingly, we have established the following policies and remain committed to continuously improving the quality management system throughout the Company.

[Quality]

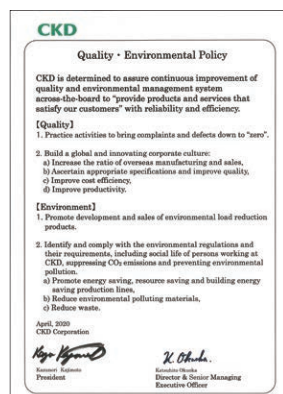
1. We will conduct activities aimed at achieving zero complaints and zero product defects.
2. We will build an innovative and global structure that:
 - a) Improves the overseas production and sales ratios
 - b) Identifies optimal quality and boosts product quality
 - c) Improves cost competitiveness
 - d) Enhances productivity

Our policy on quality centers on quality targets aimed at preventing defects, and sustained improvements through a focus on productivity, cost competitiveness, quality, and overseas operations.

Our ongoing efforts to enhance quality include ISO 9001-based quality management, and evaluating operational conditions through internal audits and management

reviews twice a year. Moreover, all employees, including those at overseas subsidiaries, participate in efforts aimed at raising quality awareness each year in November, which we have selected as our month to focus on quality.

Quality and Environmental Policies



ISO Certification for CKD Group Companies in Japan and Overseas

ISO 9001, ISO 14001 Certification

	Certification	Certification Date
CKD Corporation	ISO 9001	Jun. 24, 1994
	ISO 14001	Dec. 8, 2000
CKD THAI CORPORATION LTD.	ISO 9001	Jan. 14, 2004
	ISO 14001	
CKD (China) Corporation	ISO 9001	Jan. 4, 2009
	ISO 14001	
CKD Nikki Denso Co., Ltd.	ISO 9001	Mar. 16, 2018

Initiatives

Case Study A: Implementing Own-Process Completion Activities

Don't create or continue to make defects, and don't allow defects to move to post-processing

With the aim of zero complaints and zero defects, we are promoting a quality policy that includes own-process completion*1 activities.

Our main activities for entrenching this policy include Challenge 1000*2, which enters its fifth year this year, as well as activities started this fiscal year where each team in the Production Department aims to half their own number of defects.

Through these activities we are working to make improvements using process defects by quality control (QC) stories and provide opportunities for employees to learn while practicing own-process completion.

These activities are being carried out not only in domestic plants, but also in overseas production bases, with a focus on improving plant capabilities so that consumers around the world can use our products with confidence and peace of mind.

*1 Own-process completion: Centers on the idea that a manufacturer can guarantee the product quality of items produced in-house through the incorporation of machine and line quality measures.

We keep the customer in mind during every process to ensure that we do not create or continue to make defects, or allow defects to move into the next process in the line. An important point is to set specific quantitative production conditions for creating a good product and evaluation standards for evaluating whether a product is good.

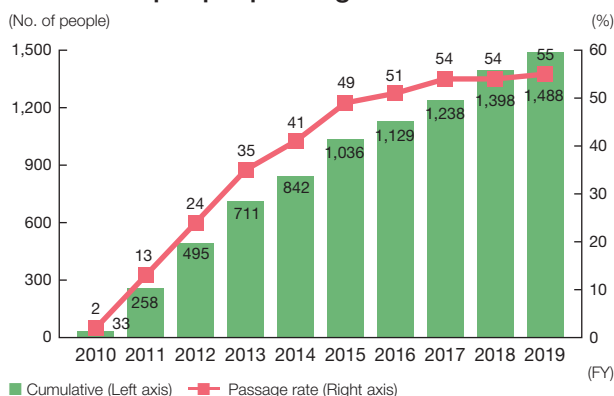
*2 Challenge1000: CKD has established a policy of designating the mass production line at a plant with a high defect rate as a priority line, and set a defect rate reduction target of 1,000ppm (0.1%). The idea is for all departments to work together to make continuous improvements, and through these activities provide OJT for own-process completion and improve the quality control process (QC story).

Case Study B: Using QC Testing to Improve Skills

Raising quality awareness on a companywide basis through QC certification

With the goal of boosting quality awareness companywide, we launched activities promoting QC testing in fiscal 2010 and over the ten years through fiscal 2019, 1,488 people had taken and passed the exam, including not only those working in technology, production, and purchasing, but also those focused in sales and working in the head office. One positive result of many people taking the exam was an increased basic knowledge of quality and the formation of a common language, which has contributed to ongoing improvements and effective management. QC certification exams are planned each year as part of the company's training plan, and have become entrenched on a sustained basis at a companywide level. We are also engaged in activities designed to contribute to those taking the exam to successfully pass it, including seminars conducted by an in-house instructor being held immediately before the exam.

Number of people passing the QC exam



Case Study C: Efforts during Quality Month

Products and services that satisfy our customers

November is "Quality Month" at CKD and all employees participate in related activities, including the sharing of quality month messages from the Company, executive QC patrols, reports and evaluations on quality-related activities, and the creation of quality slogans, with the best of these being recognized with awards. Checks on progress toward meeting quality targets and daily improvement activities that take place during Quality Month not only raise awareness regarding quality, but also allow the Company to recognize successful efforts, improving on-site operations and employee motivation. With the goal of deepening quality awareness, we also



QC Patrol

communicate our ideas on quality to employees both in Japan and overseas through Quality Month messages. Finally, the company president and executives participate in QC patrols, demonstrating their commitment to quality by directly observing quality conditions at the company's production and manufacturing facilities.

Case study D: Introducing the QC Meister Program

Cultivating experts who can play a key role

We have introduced the QC Meister Program with the aim of cultivating personnel who can function as quality experts who can play a key role in quality control at our workplaces. We have set three levels of QC proficiency from a One-Star Meister to a Three-Star Meister and the conditions for achieving the top rank level of a Three-Star Meister are extremely difficult, including acquiring Grade 1 in the QC Kentei (an exam assessing QC knowledge). Achieving meister certification provides an employee with status, further raising motivation, and we look forward to seeing these personnel raise the level of the Company's QC activities.

Case study E: Automating Inspections

Automation using image processing to realize labor-free visual inspections

Visual inspections pose challenges such as human error, as they rely on human sight and it is difficult to make quantitative judgements. Therefore, we are working on automating visual inspections at all our plants. We are accelerating development of the required image recognition and processing by applying the image processing technology we have cultivated over 20 years through an easy-to-use Facilea^{*3}

^{*3} Facilea is a visual programming tool for image processing that was launched in May 2020

Case Study F: Quality Awareness Activities for Suppliers

Quality policy briefings and quality improvement activities

As part of Quality Month, the Company holds briefings for its major suppliers. In addition to explaining current quality policy details and reporting on the state of quality over the past year, the Quality Assurance Department provides an explanation on the importance of modification control^{*4}. We conduct a survey after the briefing, focusing on the quality control status of each supplier and explanations that have been provided to secondary suppliers. We also conduct follow-up activities to ensure the implementation of content provided during the briefings.

^{*4} Modification Control refers to efforts aimed at minimizing risk of defects in products delivered to customers as the company or supplier makes shifts in manufacturing methods, materials, or machinery. In addition to verification testing, we also suggest changes to customers and implement them if approved.

Environmental Management System

Living in harmony with the environment

CKD is engaged in companywide efforts to improve the environment, including efforts in regard to pollution and in ensuring compliance with product-based environmental regulations, such as the European RoHS Directive. We recognize that the realization of a low-carbon society is indispensable to the needs of the international community, and believe that not only can business be conducted while maintaining the environment in a beautiful state, but that the environmental activities undertaken by each of our employees can produce significant positive results. CKD will continue to contribute to the preservation of the environment by developing and supplying to our customers environmentally friendly products that comply with relevant laws and regulations thanks to our years of experience in automation and fluid control technologies.

Policy

We have established our environmental policies in line with our commitment to ensure that CKD business activities, products, and services have an appropriate environmental impact and contribute to the prevention and reduction of pollution.

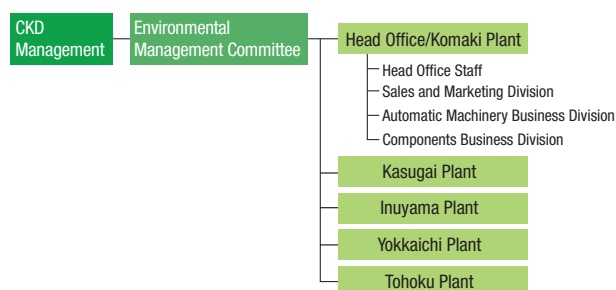
[Environment]

1. We will promote the development and expanded sales of environmentally friendly products.
2. We will clarify and comply with all environmental laws and regulations, while working to prevent pollution and CO₂ emissions, including by those working at CKD in their social life.
 - a) We will promote the conservation of energy and resources and build energy-saving production lines
 - b) We will reduce environmental pollutants
 - c) We will reduce waste

We are developing and expanding sales of environmentally friendly products, focusing not only on the conservation of energy and resources, but also on the environmental impact of the product throughout its life cycle. While maintaining compliance with all environmental laws and regulations, we are also working to reduce our environmental impact as much as possible by conducting our business in recognition of our social responsibilities and continually striving to reduce CO₂ emissions and pollution.

Structure

Companywide efforts to reduce our environmental impact.



Environmental Regulations and Compliance

There are a number of environmental laws and regulations that apply to CKD operations, including the Air Pollution Control Law, the Water Pollution Control Law, and the Waste Disposal and Public Cleansing Act. In May 2019, there was a violation of the Water Pollution Control Law at the Head Office/Komaki Plant. This violation was swiftly reported to the authorities, dealt with, and measures were implemented to prevent a reoccurrence. There were no other incidents of regulatory violations resulting in fines or other disciplinary measures or accidental spillages of chemicals or other substances that might impact the environment.

Environmental targets and results

	Target	Result
Develop and expand sales of products with low environmental impacts	Develop and release environmentally friendly products in line with our standards	Established annual development and sales targets. Achievement rate in fiscal 2019 was 93%.
	Expand sales of products with low environmental impacts	The target in sales of component products has been increased by 5% year on year. The target achievement rate in fiscal 2019 was 87%.
	Collect requests from customers for improvements in products with low environmental impacts, and propose development and improvement plans	Established sales division targets. Achievement rate in fiscal 2019 was 334%.
Reduce environmental pollutants	Accumulate data related to chemical substances within products in line with REACH regulations	Promoting the collection of substance data in order to comply with customer requests.
Promote the conservation of energy and resources	Improve infrastructure and reduce energy consumption	The target reduction in energy consumption per unit is 1% which is in line with the Energy Conservation Act. In fiscal 2019, our energy consumption volume increased 3% compared to the previous fiscal year, and energy consumption per unit was up 16%. The five-year average energy consumption per unit increased 2% in the period from fiscal 2015 to fiscal 2019.

Soil and Groundwater Purification at the Head Office/Komaki Plant

The results of a soil survey conducted during the construction of a plant building in May 2014 showed amounts of hazardous substances above standard levels. We notified and filed reports with authorities, and we have been implementing response measures in a planned and continuous manner. Additionally, no groundwater pollution has spread beyond the site.

Excavation and disposal of polluted soil	Soil that exceeded standards was excavated in October and November 2014 and has been transported to and disposed of at an authorized facility
Pumping and purification of polluted groundwater	Pumping and purification began in July 2015 and changes in concentration are monitored
Biological purification of polluted groundwater	Since June 2018, we have implemented biological purification as an additional countermeasure to speed up purification and prevent spread outside of the site

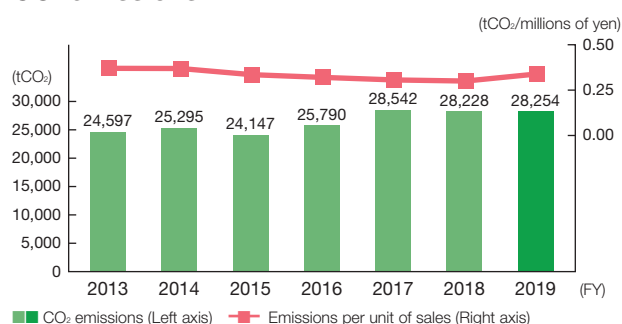
Initiatives Aimed at Combatting Global Warming

We are reducing CO₂ emissions intensity by enacting continuous improvement activities including systematically introducing renewable energy (solar power generation equipment), introducing (and upgrading) highly efficient equipment, and building energy-saving production lines.

- CO₂ emissions rose 0.1% overall due to an increase of 2,647 tCO₂ from the Tohoku Plant which was completed in January 2019. While emissions have increased by 15% compared to fiscal 2013 (3,657 tCO₂), they have decreased per unit of sales by 8% over the same period.

Note: Domestic plants and sales offices

CO₂ emissions



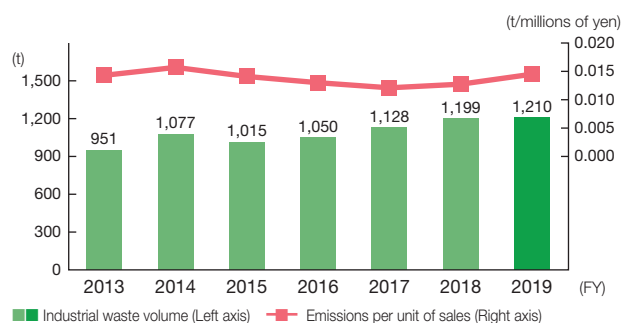
Initiatives Aimed at Reducing Industrial Waste

We are working to separate and recycle waste generated at the Company's plants and reduce waste consigned to landfill with the aim of reducing overall waste volumes and the amount of waste per unit.

- The volume of industrial waste generated decreased 0.6% overall despite an increase of 46 t from the Tohoku Plant which was completed in January 2019. The volume of waste has increased 27% compared to fiscal 2013 (259 t), and it has increased per unit of sales by 1% over the same period.

Note: Domestic plants

Industrial waste volume



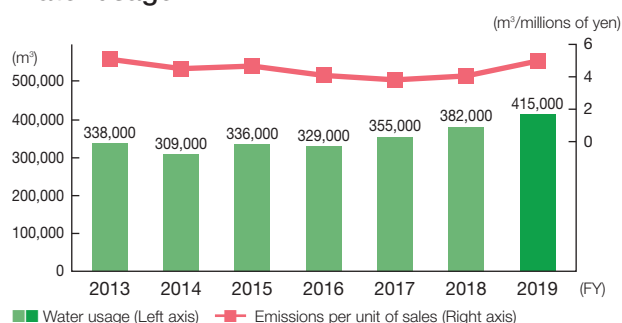
Initiatives Aimed at Reducing Water Consumption

We are promoting the effective use of water resources at each of our plants through measures such as reusing discharged water with the aim of reducing overall water consumption volumes and the amount used per unit.

- Water use rose 9% overall due to an increase of 47,000 m³ from the Tohoku Plant which was completed in January 2019. While use has increased 23% compared to fiscal 2013 (77,000 m³), it has decreased per unit of sales by 2% over the same period.

Note: Domestic plants

Water usage



Contributing to the Local Society

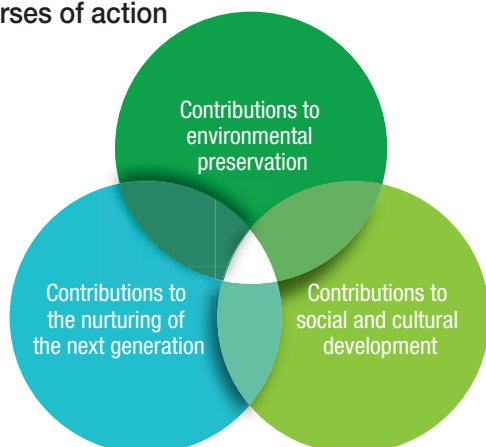
CKD aims to be an “open” company that can contribute to society and local communities.

We aim to be an “open” company that can contribute to the sustainable development of society by fulfilling our social responsibilities through our business activities and tackling the issues facing society and local communities.

Policy

As a good corporate citizen, we value engagement with local communities, promote social contribution activities, and strive to play our part in creating an affluent society. (Based on the Corporate Philosophy, Corporate Commitment, and Standards of Conduct)

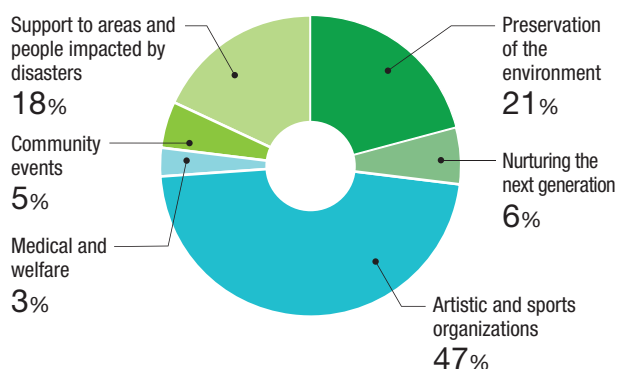
Courses of action



Initiatives

CSR Funding

Through our CSR funding, which started in 2006, we have been providing continuous support and actively carrying out activities linked to social contribution. In fiscal 2019, we supported environmental conservation activities and social and cultural initiatives, such as promoting sports and the arts.



Creating a System Allowing Time off for Volunteer Activities

With the goal of supporting employees in their social contribution activities, CKD created a system allowing 3-5 days off per year for volunteer-related activities. This allows each employee to contribute to society in an area in which they feel familiar, with possible fields for action including welfare activities, disaster relief and recovery efforts, and activities aimed at preserving natural habitats.

Contributing to the Preservation of the Environment

CKD forestation activities

CKD employees and their families participate in volunteer activities to preserve forest areas in the Kaisho Forest area of Seto City, Aichi Prefecture. This area has volunteer activities throughout the year, including pruning and trimming, maintaining the trees and bushes around the viewing area, and preserving the promenade.



Clean-up activity around the Oyama River

CKD sponsors the Oyama River clean-up activity, in which employees and local residents work together, every September. The effort serves to revitalize the area around the Oyama River that runs through Komaki City, Aichi Prefecture, where the Company's head office and factory are located, and contributes to the preservation of a rich environmental area.



Nurturing the Next Generation

Teaching science through manufacturing (monozukuri)

CKD sponsors a science class for elementary school students in the area around the Komaki facility, where the head office is located. Noting that children are becoming increasingly distanced from science, our goal is to increase their interest in science and nurture those who will be the leaders in the years ahead.



Practical training for those studying pharmaceuticals

CKD also conducts practical training for pharmacy students in their fifth year of study. The training centers on the theme of deepening knowledge related to PTP* sheets, including how to operate the PTP for pharmaceuticals packaging machines and how PTP sheets are manufactured.

* PTP stands for "Press Through Package", where medicine can be taken out by pressing it through the enclosing package material.

Sponsoring Science Inkare

In fiscal 2019, one of 102 student presentations from around Japan was selected to receive the CKD award.

Contributing to Social and Cultural Development

Eco-cap and used stamp collection activities

CKD is involved in the collection of PET bottle caps and used stamps. The collected caps are sold to recycling companies, with the profits donated to provide vaccines to children around the world. In fiscal 2019 the collected caps were used to fund vaccines for 139 people. Used stamps are donated to organizations providing medical support overseas or sold to collectors, with gains of sales used to fund activities. In fiscal 2019 we collected 1.2 kg (equivalent to ¥4,000).

Efforts aimed at promoting blood donations

CKD has conducted blood drives since 2006. In fiscal 2019, 301 people took part.

Table for Two

Table for Two is a project that sends meals to children in Africa, funded through a donation of ¥20 per meal at the Company's cafeteria. Cafeterias at four CKD plants in Japan take part in the program and in fiscal 2019, we donated enough to fund 13,952 meals.

Social Contribution Activities at Overseas Group Companies

Efforts to preserve the environment in China

CKD (China) Corporation participates in annual activities to preserve the environment such as promoting eco-activities and cleaning up refuse around local roads. In fiscal 2019 it cooperated with companies located around the plant on efforts to keep China's cities and towns clean.

Efforts to preserve the environment in Thailand

The annual social contribution activities of CKD THAI CORPORATION LTD. include making donations and participating in cleaning efforts. In fiscal 2019, it cleaned refuse from Pak Nam Prasae Beach in Rayong Province.



Efforts to preserve the environment in the US

CKD USA CORPORATION participates in the Christmas tree decorating event at the Brookfield Zoo in Chicago, Illinois. A portion of the participation fee is donated to fund the protection of wildlife and forests. The company's social contribution efforts also include participation in Toys for Tots, which provides Christmas presents for underprivileged children.

