



# Cultivation of a New Corporate Culture

SHOWA DENKO Report 2022 75



Discussions between Management and Employees

Town-Hall Meetings

At a study session held for members of management in December 2021, participants were given the opportunity to rethink the views of management on our purpose and values, leading the participants to declare the policies based on which they personally will work toward achieving our aims. Later, the background for the establishment of our purpose and values, as well as the sentiments encapsulated in our purpose and values, were explained to employees through town-hall meeting events that began in January 2022. Discussions at town hall meetings and roundtable discussions have yielded questions and comments regarding our concrete vision for a “Co-creative Chemistry Company” and the desire for a corporate culture that allows employees to pursue their ambitions without fear of failure. We continued to arrange opportunities for discussions on an ongoing basis thereafter, leading to a wider range of communication between management and employees. Meanwhile, president and CEO Takahashi has been actively visiting business sites and Group companies, and around 30 such visits took place over the period from January to June 2022. Topics raised at such forums for discussion with employees have not been limited to our purpose and values; human resource development and a range of other topics have also been brought up. Furthermore, president and CEO Takahashi and CFO Someniya have been working to communicate a broad range of information outside of these events through the Company blog. Topics covered ranged from the measures they will focus on in the future to more personal comments.

The opportunity to speak directly with management was incredibly valuable as it let me feel their passion about changing our current situation.

I was able to sense management's strong commitment to transforming human resource development frameworks.



Comments from Participants  
Town-hall meeting at the Shiojiri Plant

Rank-Based Training

Training for Section, Department, and Division Managers

In February 2022, training sessions were held for the division managers of various organizations. These sessions included group work and role-playing activities designed to help division managers understand our purpose and values and their background, to forge a personal connection with these principles, and to find an effective way to explain them in their own words to the employees they oversee. Later, division managers led training sessions for section and department managers positioned below them, during which they explained their visions of their respective organizations, discussed how they should change their actions based on these visions, and stated how these matters related to our purpose and values. The section and department managers then went on to organize workshops in their workplaces, where anecdotes about exercising our values were shared among participants. The workshops also entailed discussions aimed at formulating a shared vision of the type of organization they wish to have, and the changes in actions that will be required to accomplish this goal.

Comment from a Participant

Through this experience, I was able to gain an understanding of the actions that should be pursued from the perspective of our organization and business division. Moreover, the training session for section and division managers proved to be a valuable opportunity for sharing thoughts and sentiments among managers.



Satoshi Hara General Manager, Basic Chemicals Division, Showa Denko K.K.

Cross-Organizational Dialogue Event

Online Café



A series of Online Café events were arranged for employees of Showa Denko and Showa Denko Materials over the period from February to March 2022. A total of 10 events were held, in Japanese, English, and Chinese, to promote understanding regarding our purpose and values as well as mutual understanding about the two companies. Approximately 2,400 employees took part in these events.

The events opened with explanations of our purpose and values from management, after which employees were broken up into groups of three to four people to exchange opinions on the appeal of our future as the newly integrated company, based on the theme of what the Company will look like in 2030 through action based on our purpose and values. Brisk exchanges of opinion were seen at all events, and dialogues branched out from the defined discussion theme, leading participants to talk about subjects such as the issues they sense regarding their work or company and their ambitions for the future.

Comment from a Participant

The event made me realize the importance of expressing one's own interpretation of our values and of being accepting toward other interpretations.



Kanami Nakamura  
Advanced Performance Materials Operational Headquarters, Information and Communication R&D Center, Information and Communication Business Headquarters, Showa Denko Materials Co., Ltd.

Employee-Participation Activities for Delivering Solutions That Exceed the Bounds of Customer Expectations and Imagination

Global Meetings

Initiatives in 2021

In 2021, Showa Denko advanced initiatives to maximize the value of customer experiences (CX) to achieve its goal of becoming a *KOSEIHA* Company, while Showa Denko Materials conducted its Working On Wonders Beyond Boundaries (WOW-BB) to provide impressive solutions that surpass customer expectations. In addition, Showa Denko's CX Global Awards and Showa Denko Materials' WOW Global Awards were held to provide forums for sharing and honoring best practices. The judging events for the respective global awards were held jointly in 2021 to share best practices and encourage exchanges between employees from both companies.

Awards Presented to Integrated Teams

The 2021 global awards featured activities by several integrated teams comprised of employees from both Showa Denko and Showa Denko Materials. Even though this event preceded the announcement of the

new corporate philosophy, the integrated teams proved engaged in empowered action founded on mutual respect as well as respect for the corporate philosophies of both companies. As such, the activities of the integrated teams were shared within the organization as best practices. A total of 15 teams were selected for gold medals or WOW Grand Prix awards. The projects of these teams included initiatives that had been advanced through an ongoing process of iteration aimed at accomplishing their goals, as well as initiatives that placed emphasis on internal and external stakeholders. All of the award-winning activities were those that warranted sharing throughout the organization. At the April 2022 global meeting, which saw attendance by some 500 people from seven countries, presentations were made by the 15 award-winning teams, and an award ceremony honoring these teams was held.

Future Initiatives

In 2022, global awards will be completely integrated between the two companies

based on the concept of co-creation and mutual understanding. These programs are expected to provide a prime opportunity to accelerate the exercise of our purpose and values and to express our values through working together with employees from around the world. In addition, workplaces have established declarations of action based on our purpose and values, and numerous entries for awards have been received with themes pertaining to targets and concrete initiatives based on the declarations. The judging events are scheduled to take place in September 2022. We look forward to the events providing opportunities for discussions regarding individuals' experiences of exercising our purpose and values, and the resulting feelings of mutual understanding are expected to provide positive stimulation. It is therefore anticipated that the global awards will contribute to cross-organizational co-creation and a mutual pursuit of higher ambitions.

Comment from Participants

Our team sought to achieve substantial reductions in the weight of automotive external components, to contribute to the realization of a low-carbon society. Through the development of proprietary materials, we succeeded in reducing the amounts of materials used in these components, and consequently their weight, by 45% compared to prior offerings. Other teams have also produced significant advancements by working toward their goals. We believe that it is activities such as these that exhibit our values and help to fulfill our purpose as a newly integrated company.

Team Body Dep Shimodate Works (Goshomiya) Showa Denko Materials

Presentation by a gas development team from Showa Denko's Electronic Chemicals Division (top photograph)



Column Future Design Project

The Future Design Project, launched in 2021, sees participation from members of management and employees from around the world, making this project a consistent venue for discussion regarding the future of the newly integrated company. In 2021, activities of the project included discussions of the values to be emphasized by the newly integrated company and requests for suggestions for the Company's new name. These activities gave us an understanding of employees' expectations and feelings with regard to the newly integrated company. In 2022, the project will promote understanding with regard to the corporate philosophy of the newly integrated company and work to develop a new corporate slogan. By having employees participate in these activities, we hope to craft a vision for the Company that encompasses the expectations of its members.

Online participation by approx. 500 individuals from seven countries