

Contributing to the achievement of a sustainable society and brightening the world



Profile

Born in 1959, in Hokkaido. Specialized in metallurgical engineering at the Graduate School of Science and Engineering, Waseda University. Entered the company in 1985.

After entry, gathered experience at the Nikko Works over a period of 24 years, ranging from research and development of copper alloys to a position as General Production Manager of the Copper Rolling Plant. After this, served successively as Production Development Department General Manager, Magnet Wire Division General Manager, Copper & High Performance Material Products Division General Manager, and Global Marketing Sales Division General Manager. Has completed numerous accomplishments including structural reform of the Magnet Wire Division and early measures for recovery from snow damage at the Nikko Works, and assumed the position of President in April 2017.

President
Keiichi Kobayashi
Furukawa Electric Co., Ltd.

Kei Kobayashi

- You assumed the position of President in April of this year, so please tell us your current viewpoints on sustainability.

Since our company was established in 1884, we have drawn on our material expertise in a wide range of fields including copper and aluminum as a manufacturer of electric wire and non-ferrous metals. Through continuous technological innovation we have created technologies and businesses required by our society, such as the construction of infrastructure to serve as the foundations of society and industry. The Furukawa Group's founder Ichibei Furukawa worked diligently toward the goal of creating a new Japan with the desire to "make Japan brighter". We have in turn inherited this view, holding a strong sense of duty and broadened outlook now with the conviction to "make the world brighter". Our Group has a responsibility to make contributions to all of our stakeholders while continuing to pursue robust business activities and create profits, as well as to help in achieving a sustainable society by supporting efforts to resolve various issues with our businesses and technology. Deploying its businesses on a worldwide scale, our Group constantly takes a globally-oriented approach to the resolution of problems to achieve sustainability, and to the contributions we provide to our stakeholders.

- Since your new medium-term management plan has started from the previous fiscal year and is now underway, please tell us about your overall initiatives for the plan, including your policies for this fiscal year.

Our "Furukawa G Plan 2020: Delivering Sustained Profitable Growth" medium-term management plan, which began from the previous fiscal year, includes three points positioned as its main initiatives: "Strengthen and reform businesses", "Expand sales in the global market", and "Step up efforts to tap into new markets". I will take the lead and carry out these points to completion myself, in order to achieve its objectives so that the plan's path of growth will be established. We will also accelerate our reforms in selling styles, manufacturing styles, and work styles, to strengthen our Group's financial base so that we can provide even further reliability in meeting the expectations of our stakeholders including all of our shareholders and bring peace of mind for them. In this fiscal year, the second year of the plan, we are proceeding with five priority initiatives: 1. Thoroughly implement "safety first" and compliance; 2. Create new values together with our customers; 3. Achieve highly competitive manufacturing; 4. Continually undertake challenges for new products, new technology, and new manufacturing methods; and 5. Develop human resources to lead the next generation. Among these, we are placing the highest emphasis on "safety first" and "thorough implementation of compliance", the foremost prerequisites for our business activities. While proceeding with intensive initiatives to develop personnel and environments with the goal of zero accidents, we will continue to provide ongoing education for thorough implementation of compliance.

- As you move forward with your medium-term management plan, what types of initiatives are you engaging in to contribute to the achievement of a sustainable society?

As our Group proceeds with the three main initiatives that were mentioned previously: “Strengthen and reform businesses”, “Expand sales in the global market”, and “Step up efforts to tap into new markets”, we are deploying infrastructure businesses to protect the environment, support life, and sustain lifestyles on a global scale. For example, as signature products which can contribute to the prevention of global warming, we have developed aluminum wire harnesses and lead battery status detection sensors, which can help to achieve higher automobile fuel efficiency for reducing CO₂ emissions. As representative products which can contribute to recycling, we have developed recycled resin “Green Troughs” which use waste plastic as their primary raw material, and optical fiber cables whose structures are suited to recycling. We are also working to support the foundations of our continually-progressing advanced information society with products to sustain its smart infrastructure. These include riser cables for offshore floating wind power generation, superconducting magnet which support superconducting flywheel power storage systems, and active optical products used in backbone systems for telecommunication involving the rapidly-increasing amounts of data associated with the spread of IoT. In addition, many of our Group’s products are making valuable contributions to the achievement of a sustainable society, and we are furthermore focusing on new product development with great consideration for the natural environment.

- What points are you strengthening in particular, with regards to the management infrastructure which supports your business activities?

Since FY2015, we have started “Work Style Reform” activities. We are proceeding with changes to our working styles and to our organizational culture, which include environmental arrangements such as the introduction of a telework system, and are striving to achieve sustainable growth for the company while also enriching the lives of our individual employees. Our Group has declared its management philosophy to be: “Nurture human resources at every level, so that we can become a more diverse and creative organization”. We believe it is essential to build environments and cultures where diverse human resources can flourish while proceeding with Group Global management, and we have been deploying measures for diversity promotion for some time.

Looking next at corporate governance, we continuously improve operation of board meeting by conducting questionnaires to all members of Board and Audit & Supervisory Board on evaluations for improving the effectiveness of Board. We are also engaging in institutional design to reach the ideal state of our company, from the perspective of governance which balances offense and defense. Additionally, we are striving for instilling our Group philosophies (Corporate Philosophy, Management Philosophy, Group Credo) in all employee in our Group and for developing human resources able to act while upholding our common Group values.

- What types of initiatives are you promoting for environmental conservation?

As our Group Global management has progressed since FY2013, we have proceeded with the combination and reorganization of our manufacturing bases and have improved the efficiency of our energy usage, steadily reducing the amount of CO₂ emissions during our production. We have also utilized the material expertise that is a particular strength of our company to reduce CO₂ emissions even at the stages at which our products are used, making contributions through material supplies of rectangular magnet wire for hybrid vehicle motors and the previously-mentioned wire harnesses for automobiles. From here on, we will expand our product lines with high environmental contributions, including heat-resistant products and lighter products based on oxygen-free copper and resin technology. Our Group company Furukawa Nikko Power Generation Inc. is carrying out hydroelectric power generation with zero CO₂ emissions, with the resulting augmented power generation capability contributing to an increased supply of renewable energy. Our Group is also continuing its efforts to answer social demands, actively releasing environmental data and raising our transparency and reliability through certification by third-party certifying bodies.

- Lastly, please give a final message to the readers of this report.

Our Group is deploying its business activities based on the relationships of trust we have with all of our various stakeholders, including our shareholders and customers. Through this Sustainability Report, we hope to provide a greater understanding of our activities and to additionally deepen the level of communication between our stakeholders and our Group. Based on our Corporate Philosophy of "Drawing on more than a century of expertise in the development and fabrication of advanced materials, we will contribute to the realization of a sustainable society through continuous technological innovation", we will bring out the further potential of our Group for even stronger advancement of our business activities, and we intend to continue being a company whose existence is essential to our society.

We hope to be able to receive your further cooperation and support for our Group from here on.

