

ARAKAWA WAY

# The Five **KIZUNA**

For the happiness of co-workers

## CONTENTS

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● Foreword	1
● Management Philosophy of Arakawa Chemical Group	4
● The Five <b>KIZUNA</b>	10
● Practicing <b>KIZUNA</b>	14
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[Short stories]	
● Part 1: <b>KIZUNA</b> Pine Trees	13

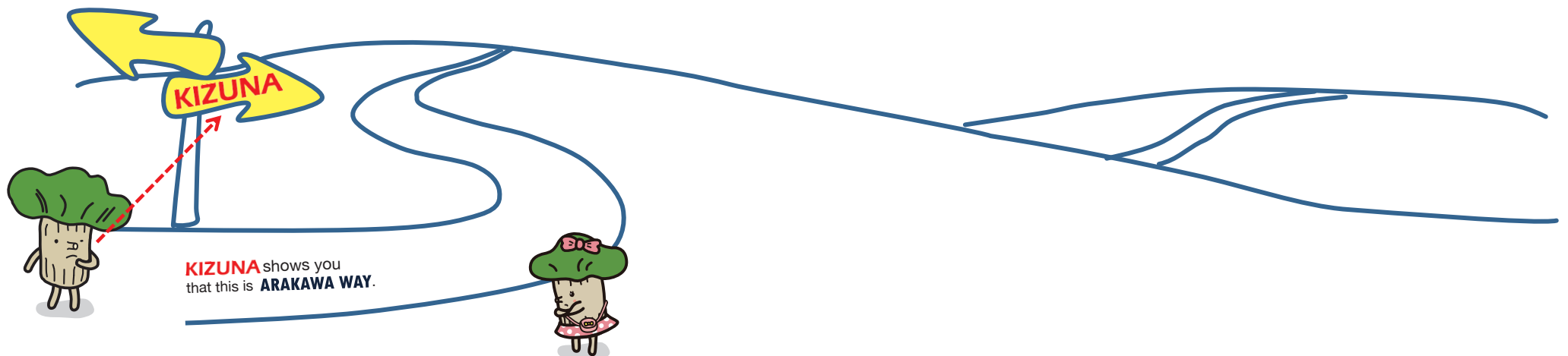
# Think of **KIZUNA** when you get lost.

- **ARAKAWA WAY** is the WAY we should go in accordance with the management philosophy and value.

**ARAKAWA WAY** is also the WAY how we go.

- **KIZUNA** shows you which is **ARAKAWA WAY** and how to proceed along **ARAKAWA WAY**.

- Let's keep this book handy, and proceed along **ARAKAWA WAY**.



# Foreword



## — It's great working at Arakawa Chemical Group.

Even after retirement, everyone says, “It’s great working at Arakawa Chemical Group.” I sincerely hope that Arakawa Chemical remains such a company. In order to achieve this, it is necessary that everyone working at Arakawa Chemical Group and their families are happy.

What is “happiness” about working at the company? That is, everyone sympathizes with the management philosophy and is excited about the future. Moreover, each and every one of us works with enthusiasm toward the future, and continues to grow by reaching for higher goals. I believe that everyone's growth is the company's growth, and it will eventually lead to the realization of the management philosophy.

In order to realize the management philosophy together, this book explains it in an easy-to-understand manner. It shows us what actions we should take and helps us make the right decisions when we have difficulties in daily work. Please always have this book handy and let it help you with your daily life in order to pass on the 140-year history and tradition to the next generation.

March 2015

**Tanioku Shozo**, President (2013-2017)

# Management Philosophy of Arakawa Chemical Group

**Management philosophy is not just some decoration.  
It should be practiced by each and every one of us.**

**[ Management Philosophy of Arakawa Chemical Group ]**

**Develop individuality  
and realize everyone's dreams  
through technology and service.**

**Management philosophy of  
Arakawa Chemical Group is...**

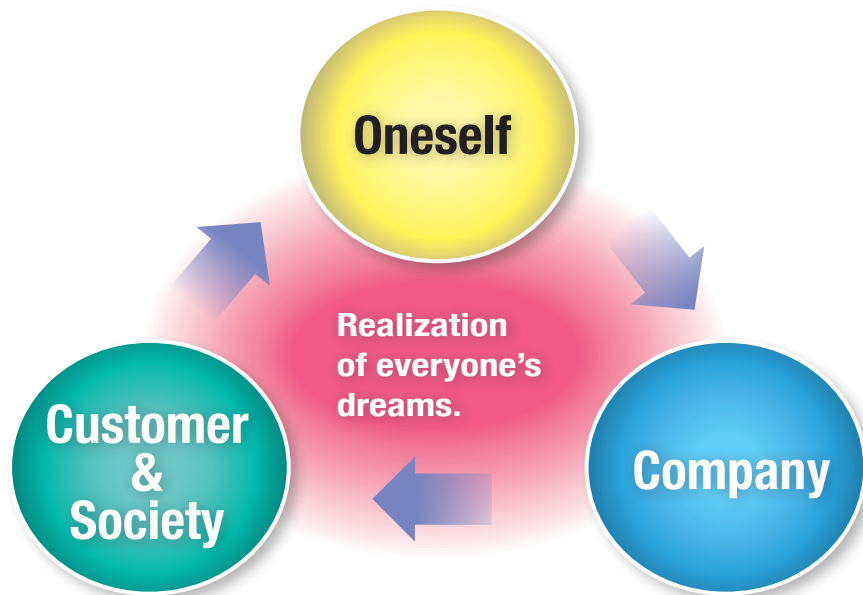
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Arakawa Chemical Group was founded in 1876, and has been contributing to society as a manufacturer of intermediate materials that give functionality to everyday life products such as paper. Our company has been thriving for a long time because we have been focusing on our core businesses while carefully maintaining trust from customers and business partners. At the same time, we have been developing our corporate culture that respects and treats co-workers as a family. "Treat co-workers as a family" means that each and every one of us treasures the bonds, and sometimes inspires each other with serious advice. We are proud that we keep the company grow by growing together like a family.

We, as members of Arakawa Chemical Group believe that our mission is to pass on this tradition to the next generation.

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# Our personal growth leads to everyone's dreams (happiness).



## ● Develop individuality

Developing individuality means to nurture the strength of each and every co-worker in a working environment where they can work positively and vigorously. It is the source of our vitality and has to lead to the growth of the company. It is our wish to continue to be a company where employees are happy at work. Furthermore, we develop a distinctive company by respecting the way of thinking and culture of each country and region, and “bonding individualities together.”

## ● Create unique technologies and provide products and services that meet expectation

We are a distinctive company that has been developing rosin derived products ahead of the industry with our unique technologies. We must keep on evolving to adapt to the changing world. We constantly provide “safe, reliable and high quality” products and services worldwide that the market demands through creative technological development.

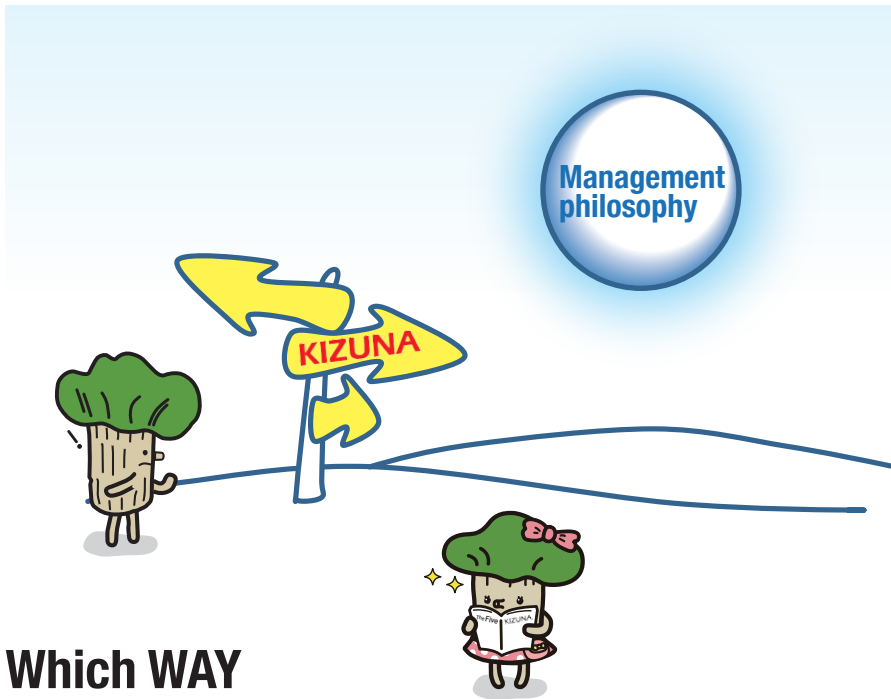
## ● Realize more of everyone's dreams

“Everyone” refers to all who have relations to Arakawa Chemical Group including co-workers. It is each and every co-worker that plays the leading part.

Everyone's dreams can only be realized when co-workers work with enthusiasm, realize their own dreams, thus leading to company's growth. This will contribute to the prosperity of customers, business partners and society, and also lead to the growth of co-workers and the company. This virtuous cycle realizes more dreams.

Based on this philosophy, Arakawa Chemical Group practices management focusing on safety and environmental consideration as a chemical manufacture and aims to be a company that continues to be recognized by society.

Let's practice the management philosophy.

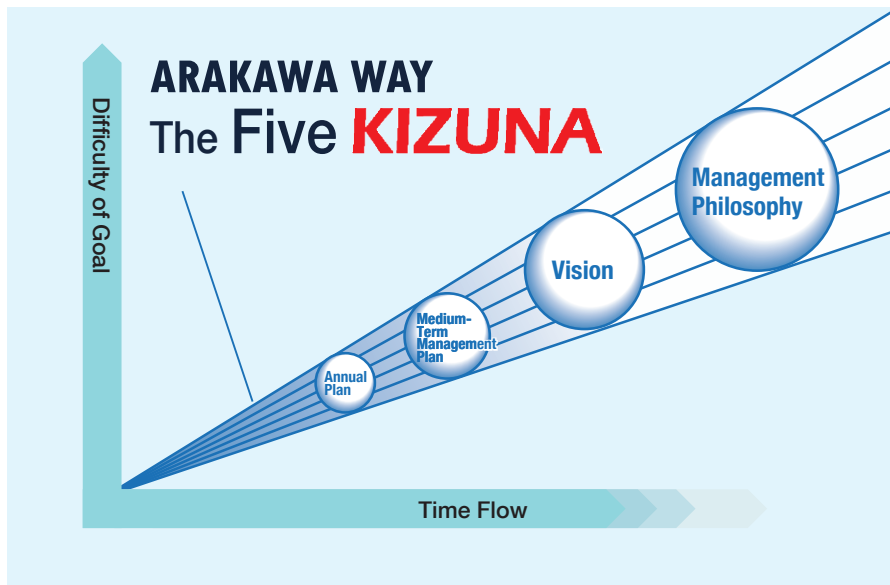


Which WAY should we go?

ARAKAWA WAY  
The Five KIZUNA

ARAKAWA WAY leads us to happiness.

# ARAKAWA WAY The Five KIZUNA guides us



The illustration above shows the positioning of **ARAKAWA WAY**.  
**Management Philosophy** ..... What a company or an organization exists for.  
**Vision** ..... Future blueprint of medium-term objectives.  
**Medium-Term Management Plan** ..... A concrete plan to realize vision.  
**Annual Plan** ..... A one-year plan to achieve medium-term management plan.  
 \*Vision, Medium-Term Management Plan and Annual Plan are all based on the Management Philosophy.

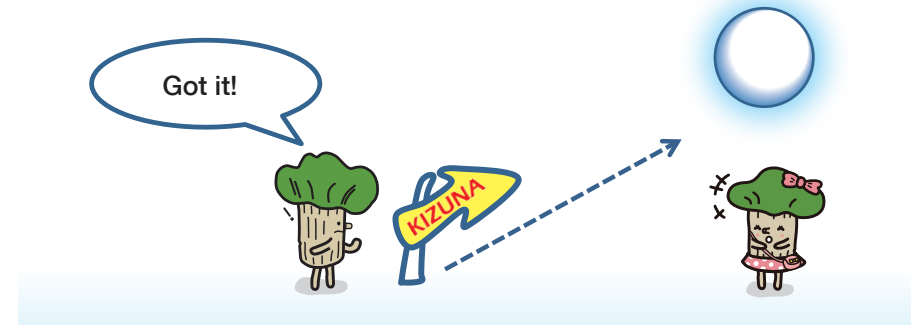
## In order to act in accordance with “Arakawa Spirit” and set priorities

- Definition of “**Arakawa Spirit**”

“Arakawa Spirit” refers to the way of thinking that Arakawa Chemical Group has cherished over its long history as well as actions and practices based on the mindset.

- What should we do now to achieve our goals?

Value and Code of Conduct, “the Five **KIZUNA**” shows you the way.  
**KIZUNA** clarifies actions based on “Arakawa Spirit” and its priorities.





## KIZUNA Pine Trees

Onahama Plant in Fukushima Prefecture celebrated its 25th anniversary and the commemorative ceremony was held there in October 2014. It has been 3 years since the Great East Japan Earthquake in 2011 and we made a new start for the future, inheriting the spirit of the predecessors.



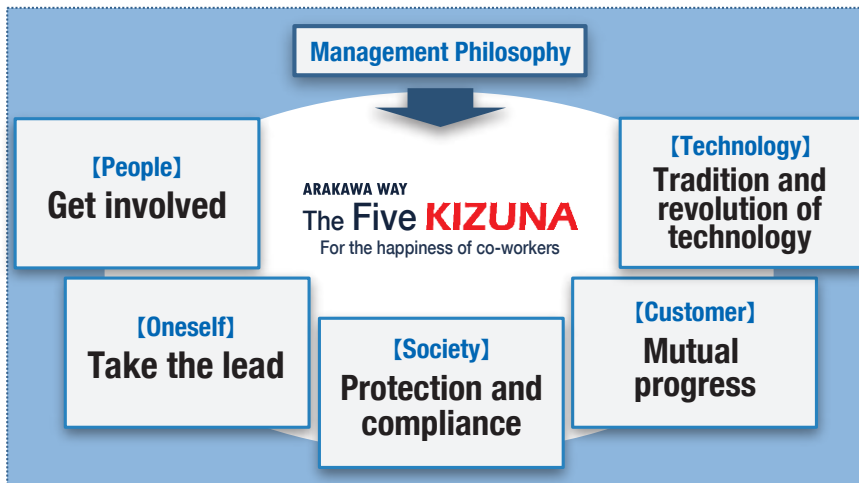
On that very day three years ago, Onahama Plant was hit by the earthquake. Osaka Head Office immediately set up an emergency response team. The first delivery of relief supplies arrived at Onahama Plant swiftly from Osaka. Companies near the plant were surprised, saying "Why did your relief supplies come even more quickly from Osaka than ours from Tokyo?" This was because our colleagues in all of the offices and plants of ours and logistic companies made lots of efforts and we had learned a lot from the Great Hanshin-Awaji Earthquake back in 1995.

However, an even more severe disaster followed. The Fukushima Daiichi Nuclear Power Station accident occurred. Tsukuba R&D Center provided great help when the emergency response team at Osaka Head Office called for evacuation of Onahama Plant. Tsukuba R&D Center itself was also suffering from the disaster and the situation was severe. However it still sheltered a total of ca. 250 fellow employees and their families from Onahama Plant. Nearby apartments and hotel rooms were quickly arranged to provide further accommodation the next day. The plant held a series of gathering events afterwards with the R&D Center to express gratitude. The bond between Onahama Plant and Tsukuba R&D Center became even stronger through these events.

At the end of the commemorative ceremony, the memorial pine trees were planted by Tsukuba R&D Center to celebrate Onahama Plant's 25th anniversary. The pine trees which witnessed the KIZUNA between Onahama Plant and Tsukuba R&D Center still grow strong today.



## Do whatever we can do now



## Do what we are supposed to do

The five core values named “the Five **KIZUNA**” define “Arakawa Spirit” that we cherish. These values show us which way is **ARAKAWA WAY** and how to proceed along the **ARAKAWA WAY**.

“The Five **KIZUNA**” expresses what we are supposed to do and what we do naturally every day. It is important for us to do it continuously.

**Value**

【Society】

**Protection and  
compliance**

We, as members of Arakawa Chemical Group, protect **the lives** of the employees and company's **reputation**.

**Code of Conduct****Safety first**

We protect the lives of the employees and ensure the safety of communities by giving safety the highest priority.

**Comply with the rules**

Complying with internal and external rules is fundamental to an everlasting company.

**Protect the environment**

We keep environmentally friendly behavior in mind in every situation from product development to production and sales.

**Value**

【People】

**Get involved**

We, as members of one big family of Arakawa Chemical Group, **take care of one another** and **improve ourselves**.

**Code of Conduct****Treasure communication and teamwork**

In order to achieve objectives, we support each other by sharing our knowledge and ideas.

**Recognize one another's strengths**

Everybody has his / her own strengths. We recognize one another's strengths, inspire each other and improve ourselves.

**Enlighten each other with caring attitude  
and improve ourselves together**

Education is necessary for team achievements, yet it should not be one-way. We improve ourselves by teaching and being taught with caring attitude.

**Value****【Oneself】****Take the lead**

We take the lead spontaneously with sense of **responsibility** while maintaining **individuality** in one big family.

**Code of Conduct****Have aspiration towards work**

Setting a vision or concrete goal creates passion for work and leads to a rewarding sense of satisfaction and good performance.

**Understand one's role and emphasize the strengths**

We understand our role, develop necessary abilities and perform our duty with professional awareness.

**Accomplish our business with sense of responsibility**

All tasks are important.

In order to accomplish our work, it is important to take the lead with sense of responsibility.

## Value

【Technology】

## Tradition and revolution of technology

“Technology” consists of not only those directly related to product development and manufacturing, but also skills and know-how acquired through various aspects of daily operations. We **inherit** our predecessors' technologies and **create** new values.

## Code of Conduct

### Make the most of existing knowledge and pass down

We understand, improve and make the most of our accumulated know-how and new technologies, and pass them on to the next generation.

### Be creative without compromise

In order to create new values, it is important to challenge oneself to new things without compromise or fear of failure.

### Grasp the changes and think without boundaries

We always grasp changes in environment and circumstances, and adapt to changes in time and society by repeatedly innovating without being bound by existing practices and common sense.

**Value****【Customer】****Mutual progress**

We share our **joy** with our customers by providing satisfactory products and services and gaining customer **trust**. This is the driving force behind our growth.

**Code of Conduct****Keep in mind that everyone's work is eventually connected to the customers**

Our work is eventually involved with the customers even if it appears not to be directly related. Accumulation of everyone's careful work results in customer satisfaction.

**Think for the customers and meet the expectations**

We always try to give our full attention to our customers, work tenaciously until the expectations are met, and build trust relationships.

**Provide products and services that constantly delight the customers**

Providing products and services that constantly satisfy and delight the customers deepens customer trust.