

**The CMC Way**

**Embrace change.  
Seek not to swim against the changing tide...**

**The organization itself must change with the times.  
But our core values will always remain the same.**

The CMC Way is our company's fundamental DNA. It encompasses the promises we make to our customers and our responsibilities to society in general. The CMC Way embodies the values that have been held dear since the company's very beginning and defines who we are and what we stand for as an organization.

These values are what have made CMC the company it is today. As members of the CMC Group, we must all strive to uphold these values in every action we perform and decision we make.

This booklet introduces the five core values of the CMC Way. By acting consistently with these values, we can each play an active role in ensuring the continued growth and success of the CMC Group.

“We all worked together to achieve the best we could for our customers and ourselves, and things just grew from that. In the beginning, I had no idea CMC would become the company it is today.”

Kanji Hayashi, founder of CMC

## **Don't fight change! And don't wait for it to happen – transform the world yourself.**

The world continues to change, now perhaps more rapidly and radically than ever before. Technological innovations redefine our lives. The volume of information that surrounds us grows by the day.

When confronted with changing circumstances, we at CMC have not sought to swim against the changing tide, but have transformed ourselves and our business. Despite the changes we have undergone, we have always stayed true to the values of our founding philosophy – **Customer First, Genba-Shugi, Challenge, Professionalism, and Exceptional Judgment**. Collectively, these values comprise the CMC Way, our unique set of values that are the cornerstone of our success.

It is by living these values and applying them constantly in everything we do that we will continue to develop *CMC people* – employees who **love their work** and **possess the initiative to make things happen**. And our workplace will be one that fills us with inspiration and excitement.

## **Customer First**

Putting customers at the heart of our business

**Mutual success is our goal. As our customers grow and develop, so will we.**

At CMC, we develop strong, mutually beneficial relationships with our customers. By growing our customers' businesses, our business will also expand and develop. Helping others to succeed gives us the greatest sense of satisfaction. This is our common mission, regardless of our individual roles.

Only by truly understanding what customers think, feel, need, and want can we hope to give them the utmost value. Our own perceived internal constraints can never be used as an excuse for not putting the customer's needs ahead of our own.

We must dedicate ourselves entirely to providing our customers with the utmost support in marketing their products if we expect to succeed in exceeding their expectations.

## Genba-Shugi

### Seeing things firsthand

*Genba* – a key concept in Japanese business – is a word that has no direct equivalent in English. Literally, “the actual place”, the *genba* is the place where the real work is done, where products are developed, where customers’ are served. The frontlines. The *genba* may be at a shop counter or in a business meeting. It may be behind the wheel of a delivery vehicle or on the factory floor.

Genba-Shugi is the principle of always going to the *genba* to see for yourself and find out the facts firsthand; getting into the trenches and getting your hands dirty; never assuming and never making decisions without full knowledge of the real situation. Genba-Shugi means total commitment to understanding the workplace and the customer’s every need.

## **Don’t just stand on the sidelines. If you want to know the real story, go and see for yourself.**

To know the *genba* is to know the customer. Without going to the frontline and seeing for ourselves, we cannot expect to know what customers truly expect, what obstacles we may face, and what opportunities exist.

The most fulfilling work is that where you are fully engaged and at the heart of the action. Job satisfaction is not found by being chained to your desk.

No one – from the most senior executives to those who have just joined the company – can afford to distance themselves from the *genba*. At CMC, we believe that real work is “hands-on” and involves going directly to the source.

## **Challenge**

Expanding our horizons

**Don't expect things to be done for you. Be bold, and show initiative.**

What is the meaning of “work”? At CMC, we believe that this is something that each and every one of us must define for ourselves. In order to make true progress, we need to have the conviction to break new ground and motivate ourselves with challenging goals.

The longest journey still begins with a single step. But it is that first step that requires the greatest courage. We all need to have the courage to take on new challenges, as well as the perseverance to follow through on what we start.

This is something we are all capable of doing. Surely, any challenge that ultimately leads to changes for the better is worth the effort...

## **Professionalism**

Quality in everything we do

**Strive to be the best you can, and never, ever give up. You'll always regret it in the end.**

A true professional is never satisfied with the status quo. At CMC, we are committed to achieving professional quality in all of our endeavors. This means understanding quality from the customer's perspective and always striving for continuous improvement.

We must never forget that quality is what the customer defines it to be, not what we say it is.

As professionals, it is essential that we have the core competencies to meet our customers' basic expectations with regard to quality through skillful execution and attention to detail.

## **Exceptional Judgment**

The right decision at the right time

**Appropriate decisions will produce gradual improvement. Breakthroughs, however, require exceptional judgment.**

In the course of our work, we are constantly required to make all types of decisions. In order to make the right choices, it is essential that we have the ability to determine precisely *what* it is that we need to decide.

Not only is it important that the right decision is made, but also that the decision is made as swiftly as possible. This doesn't mean, of course, that decisions should be rushed.

But decisions should never be put off. Avoiding making the tough calls simply shows that you are not facing up to your responsibilities.

A final word...

**Love your work. Live life to the fullest.**

**Kanji Hayashi**

## CMC and the CMC Way

When our company first came into being in May, 1962 it was a tiny operation, consisting of Kanji Hayashi, now the company chairman, and just two other employees.

Today, more than 700 employees on three continents count themselves as members of the CMC Group. The scale of the company was one of the reasons the CMC Way was created. When there were only three employees, it was relatively easy to ensure everyone shared the same values, approaches, and perspectives; however, with a larger company, it's not as easy to maintain such consistency.

When we say we want to maintain consistency, it doesn't mean we don't respect individuality. Individuality is important in itself. The purpose is to ensure that everyone shares the same underlying core values, and works according to the same approaches.

The CMC Way encompasses the same five values that have been most important to us since day one. These values are undoubtedly what has made CMC the company it is today and remain as valid today as ever. The CMC Way will remain indispensable as we continue to grow and evolve.

Our continued success depends on each and every one of us embracing the five values of the CMC Way, and putting them into practice in our day-to-day work.

The five core values of the CMC Way.

