

Foreword

Wisdom and Creativity

Kosei Okamoto
Executive Officer
General Manager,
Product Marketing Division



The three pillars of Komatsu are “innovation-driven value creation,” “a growth strategy based on restructuring operations,” and “a growth strategy based on growth-oriented structural reform.” We have tried to maximize corporate value through a virtuous cycle of increasing profitability and solving ESG issues.

One of the environmental (the E in ESG) issues is global warming. Greenhouse gases are apparently causing global warming. Decarbonization and carbon neutrality are now at the center of much global attention, with many efforts underway to meet these challenges. The fields of mining and construction machinery are attempting to reach carbon neutrality by electrifying power sources, adopting fuel cells, adopting hydrogen engines, and using e-fuels. However, these are currently in the research stage, and it will take some time before they can be put to practical use in business. It is the responsibility of a company to protect the global environment and pursue a sustainable society, but it must also be viable as a business. Business viability is essential for both Komatsu and our customers. Price and operating hours have not reached a level that customers are satisfied with, so further improvements are needed.

There are many challenges to meet in order for Komatsu to make a profit. We need not just technology on the machine level (electrification, fuel cell adoption), but also to build power supply chains, hydrogen supply chains, and other relevant supply chains. These are not things that Komatsu can do alone. We must consider collaborations with others and company acquisitions. Under these circumstances, we have to differentiate ourselves from competitors. There’s a lot to think about.

These are things that our generation, which has been pushing ahead exhaust gas regulations compliance since the 1990s, has never experienced. It was clear what we had to do to comply with exhaust gas regulations (reduction of NOx, PM, etc.). Now we must consider the demands of society, the expectations of our customers, and company profits in thinking about what to do.

Komatsu celebrated its centennial anniversary in 2021. We have 100 years of experience and technical capabilities. But can this alone get us out of today’s turbulent situation? Conventional approaches together with the technology and experience of the past are not enough. We also need wisdom and creativity, as well as the desire to take on new challenges.

Komatsu is aiming for carbon neutrality in 2050. The situation we now face will continue for a while. We would like to change the environment and everyone’s awareness for these issues so that each individual can make full use of their wisdom, creativity, and can-do spirit.