

Corporate Message

Toward the future going beyond the functions of yesterday

Since its establishment, the Daiken Group has developed a multitude of products by capitalizing on limited resources and listening to our customers' needs. Today we have evolved into a company where our efforts have accrued to provide first rate building materials and comfortable spaces for our customers. We will continue to strive towards a sustainable future where people can enjoy pleasant living spaces and lead spiritually rich lifestyles. In pursuit of new possibilities, we will transcend the past by developing innovative functions towards a brighter tomorrow.





A housing material manufacturer becomes an all-embracing company for building materials



CONTENTS

Table of Contents 1-2

Foundation of Value Creation

Businesses and Characteristics 3-4
 Product Development Uses Strengths 5-6
 Process of Creating Value 7-8

Vision of Value Creation and Strategy

Management Policy 9-10
 Message from the President 11-14

Practice of Value Creation

Financial and Non-financial Data 15-16
 Summary of Business 17-18
 Initiatives for Priority Areas 19-24

ESG Information

The Daiken Group's CSR 25-26
 Medium-Term CSR Activity Plan 27-28
 Governance 29-32
 With the Society 33-36
 For the Environment 37-40

Financial Information

10-Year Summary of Consolidated
 Financial Data 41-42
 Consolidated Balance Sheet 43-44
 Consolidated Statements of Income 45
 Consolidated Statements of
 Comprehensive Income 46
 Consolidated Statements of
 Changes in Net Assets 47
 Consolidated Statements of Cash Flows 48

Company Information

Corporate Profile/Directors and *Kansayaku*/
 Corporate History/Stock Information 49-50

■ Editorial Policy

The Daiken Group previously issued the CSR Report to better communicate with our stakeholders about the Group's general management and corporate activities with a focus on its approach to corporate social responsibilities. The Group updated the CSR Report in fiscal year 2016 and issued a Daiken Group Report. We hope that the report clarifies the corporate value and growth potential of the Daiken Group. In addition, the website offers the Group's initiative on CSR and environment data in detail.

■ Eligible period:

Fiscal 2017 (April 1, 2016, to March 31, 2017)

*Some contents include information other than the relevant fiscal year.

■ The scope of report:

Daiken Corporation and Daiken Group

*The performance data for safety, health, and environment differs in scope.

■ Issued in

September 2017

■ Reference guidelines

"The GRI Sustainability Reporting Guidelines 4"
 ISO26000

International Integrated Reporting Council (IIRC)

"The International Integrated Reporting Framework"

【Disclaimer regarding future projections】

The forecasts and estimates shown in this report are based on information available at the time of the report's issuance. Plans and figures depicting the future do not imply a guarantee of actual outcome.