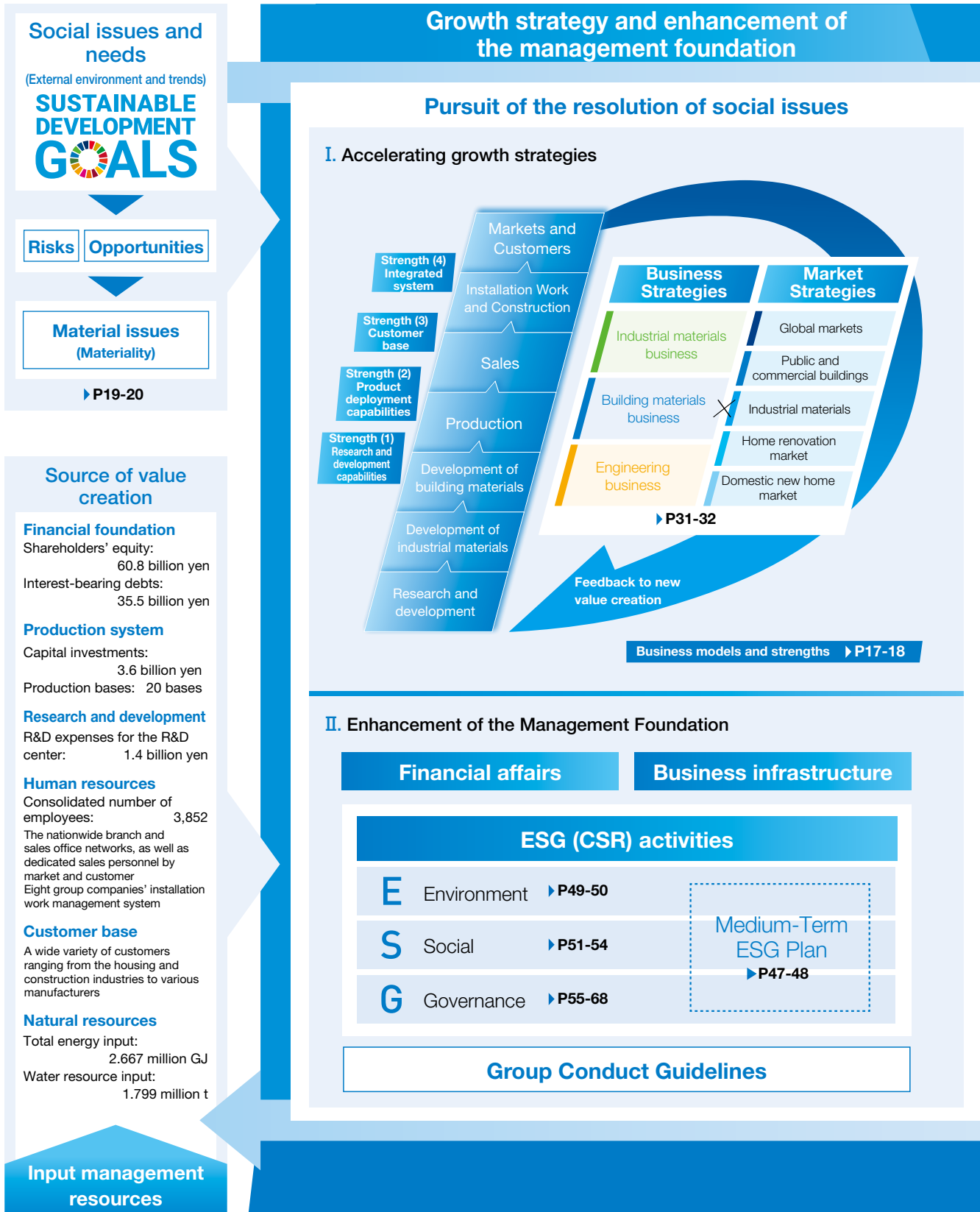


Process of Creating Value

The Daiken Group aims for the realization of a sustainable society and the creation of economic and social value by contributing to solving social issues, such as the Sustainable Development Goals (SDGs), through business activities that make use of our unique strengths. The Group also united CSR activities based on the Environment, Social, and Governance (ESG) to make the foundation of our businesses robust.



Creation of economic and social value

Product Development Uses Strengths

▶ P13-14

Creating shared value (CSV) by Daiken businesses ▶ P25-28

- Promoting the use of domestic timber
- Recycling of wood resources
- Reduction of CO₂ emissions
- Creating a safe, secure, healthy, and comfortable space
- Effective utilization of unused resources
- Promotion of anti-seismic performance
- Development of labor saving type products and techniques



Strengthen the foundation of value creation

Optimized financial foundation

Firm and flexible business infrastructure

Management foundation enhanced by ESG

Medium-Term Management Plan GP25 2nd Stage (Fiscal 2020-2022) Management goals

▶ P29-30

Financial indicators

- Net sales **225 billion yen**
- Operating profit **12 billion yen**
- Operating profit ratio **5.3%**
- Profit attributable to owners of parent **7 billion yen**
- ROE **10%**
- ROA **7%**
- Shareholder equity ratio **40%**
- Dividend payout ratio **30% or more**

Non-financial Indicators

- Total CO₂ emissions in japan **(26%)**
(Compared to fiscal 2014) ▶P50
- Total diversity index* **+20pt**
*Our own indices in which the eight diversity items, such as the female manager ratio, were indexed as compared to fiscal 2019 ▶P52
- Serious quality accidents and violations **0**
- Degree of penetration of the Group Corporate Philosophy* **+10pt**
*Our own indices in which employees' understanding, sharing, and practice of the group corporate philosophy were indexed as compared to fiscal 2018 ▶P66

Target

Achieve the vision of the Group Corporate Philosophy

▶ P3

Long-Term Vision

GP25

Grow/Glow Plan 25 in 2025

▶ P4

Medium-Term Management Plan

GP25 3rd Stage (Fiscal 2023-2026)