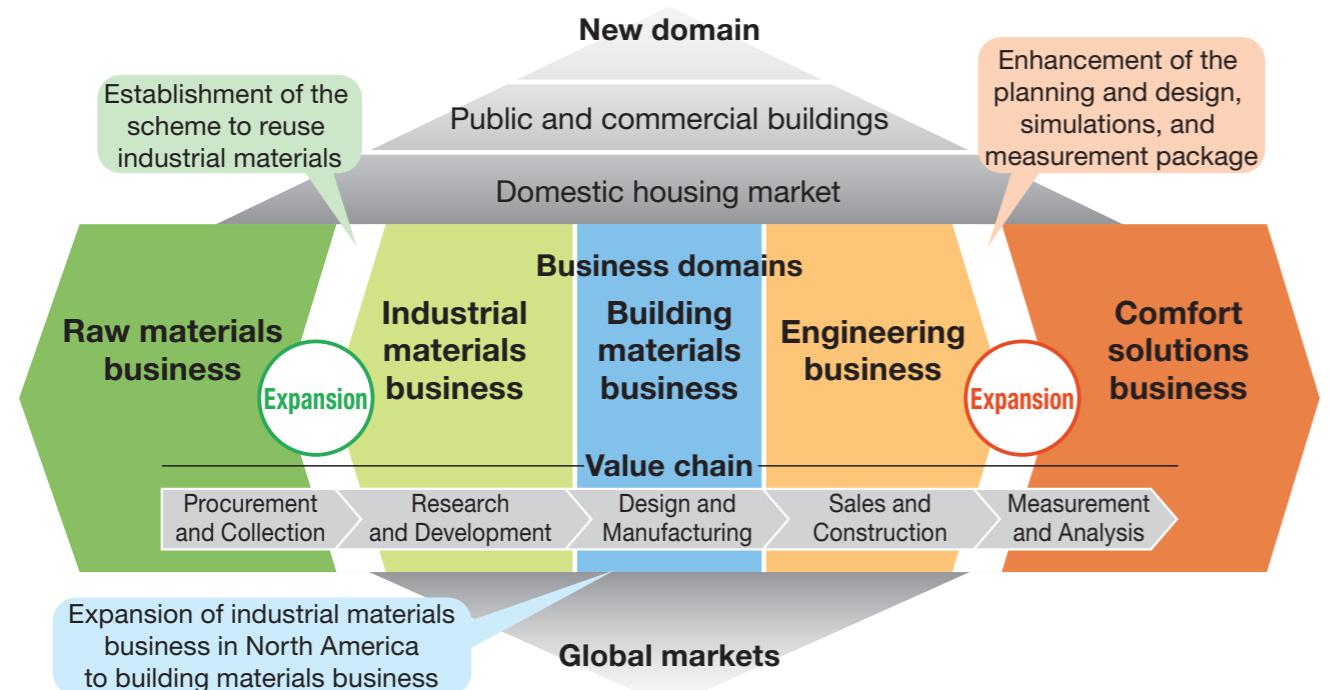




Comprehensive Strength that Creates the Next 10 Years

To meet the needs from a wide variety of sectors, we will expand the domains, such as raw materials business at the upstream of the industrial materials business (business to effectively use raw materials through collection and recycling) and comfort solutions business at the downstream of the engineering business (business to solve customers' issues concerning comfortableness in spaces) centered on the three businesses of industrial materials, building materials, and engineering business that we have cultivated and create the environment to be able to make proposals all in one from the upstream to the downstream.

Business domains in 10 years



Voice of an Executive

The Construction and Finishing Business Division is focused on co-creation with group construction companies, point 0, and other factors and has started making proposals for comfort solutions based on the synergistic effect. Last fiscal year, we established a project team for sound environment solutions by making a shift to proposals for experience beyond the conventional sales of goods in order to enhance proposals related to "sound," for which we have a track record of more than 40 years. As a first step, we launched the Sound Map Pro service, which creates visual images and aural impressions of the spread and resonance of sound, making steady progress in establishing technologies for offices and other public and commercial buildings while promoting new planning and development projects. The completion of the new sound research facility OTOLABO is slated for November 2025. We will further accelerate the sound environment solutions business through the synergistic effect of company technologies and the track record jointly achieved with partner companies. With a focus on comfort for the five senses from sound to warmth, fragrance, and air quality, we aim to shift from a product-out to a market-in approach by making proposals

for comfort solutions in an integrated process from planning and development to sales and construction. To establish comfort solutions as a business, strengthening our proposal making, construction, and governance is essential. The collaboration of manufacturing and sales becomes increasingly more important, including sales cooperation through the ITOCHU Group's network. In FY 2026 as the final year of GP25, we will adequately establish the foundation of the comfort solutions business and build momentum toward the creation of new businesses for the next ten years.

Kenichi Takakuwa
General Manager of the
Construction & Finishing
Business Strategy
Department



Initiatives toward Creating Shared Value (CSV) by DAIKEN Business

Creating Shared Value (CSV)
by DAIKEN Business
Realization of a sustainable and
recycling-oriented society



To the marine domain with sustainable industrial materials

TAISEI
NAMACON

Leave a Nest

三豊市
MITOYO
詫間漁業協同組合



Ecosystem restoration by restoring
seagrass beds

We have cooperated with the four organizations of Taisei Namacon Co., Ltd., Leave a Nest Co., Ltd., Mitoyo City in Kagawa Prefecture, and Takuma Fisheries Cooperative since January 2025 and started the demonstration experiment on marine recycled materials that we are developing in the actual sea area of Mitoyo City in Kagawa Prefecture. In this demonstration experiment, we have installed multiple materials that have different structures and components that are expected to have the effect for seagrass bed restoration and have been verifying the methods that are effective in improving rocky-shore denudation,* which has become a problem in recent years. Development of materials for the ocean is our first attempt and is a challenge to the new business field. With manufacturing, cultivated through existing businesses, that utilizes unused resources and by taking advantage of technologies in the development of industrial materials, we aim to contribute to the protection of marine lives as well as the restoration and conservation of the marine environment and realize a sustainable society by coexisting with the natural environment.

*Rocky-shore denudation: A phenomenon where seagrass communities (seagrass beds) are in the poor vegetation state that exceed the range of seasonal prevalence or secular change in reefs and bounding stone areas in neritic waters

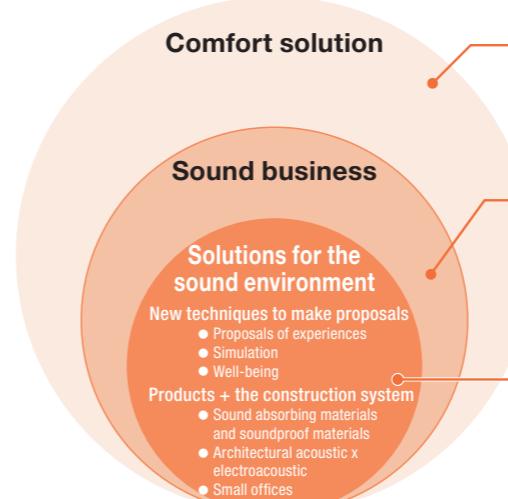
Creating Shared Value (CSV)
by DAIKEN Business
Resolution of the issues in public
and commercial buildings



Establish comfort solutions by using sound as the starting point
and expand into every environmental factor and market

We collectively emphasize our product appeal, construction capabilities, and proposal capabilities and promote the comfort solutions. We aim to expand horizontally in various markets and technical domains by starting from the office market that has high needs for sound, which is our greatest strength.

Strategy using sound x the office market as the starting point



Expansion of the domains of technologies and markets

We will expand the technical domain, such as heat and light, by using the initiatives in the sound business as the format and promote solutions for comfortable spaces to the new facility market.

Expansion of products/building of business for the office market

With the approach of sound, which is our strength, we will focus on the office market. Based on the market and customer information obtained from the demonstration experiments, we will expand the mechanism to the sound business.

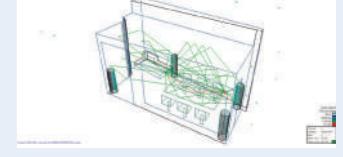
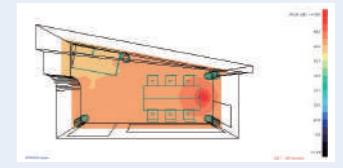
Survey and analysis through the demonstration experiments

We will acquire information on the market and customers through the co-creation with other companies and demonstration experiments

Realize well-being spaces with the solutions for the sound environment

We co-create with Electric Works Company (EW company), Panasonic Corporation, which has strength in electroacoustic and started proposing solutions for the sound environment aimed at improving value of the office spaces. We fuse together both companies' technological capabilities and contribute to the creation of well-being offices. We introduced our sound absorbing material in the meeting room in worXlab, which is Panasonic's live office and improved the sound environment based on the simulation. We confirmed the effects, such as the improvement of the utilization rate, and the room has been utilized as the experience room as well. At our Akihabara Technical Space, we introduced Panasonic EW company's plant-type environmental sound BOX and improve comfort by the environmental sound, such as the facilitation of meetings by BGM. Both companies will put effort into the creation of new value using sound as the axis.

Panasonic



The sound environment simulation