

## Group Corporate Philosophy

### Company mission

[Our Mission]

We will create a wonderful future  
with our technology, ideas, and passion.

### Company vision

[Our Vision]

As a company respected by everyone,  
we will give the highest priority to harmonizing an affluent society  
with the environment by offering new value  
that exceeds people's expectations.

### Company values

[Our Values]

We pledge the following:

- Ensure harmony between the environment, society, and people.
- Be careful of safety, security, health, and comfort.
- Courageously accept the challenges of new ideas.
- Promptly respond to changes and opportunities.
- Be sincere at all times.



### Message to stakeholders

In fiscal 2019, we completed the final fiscal year of the three-year medium-term management plan GP25 1st Stage, which was the first step in the realization of the long-term vision GP25, which envisions our goal for 2025. In addition to the new home market, which has been our primary field, we achieved the enhancement of new product proposals, executed proactive M&A, and strengthened R&D as the foundation for expansion into the non-housing, global, and other new markets. In the meantime, requirements have been identified for continuously meeting the expectations of clients and achieving customer satisfaction.

In fiscal 2020, the GP25 2nd Stage was started as the new medium-term management plan that envisions our next growth strategies. In a rapidly changing business environment, we will leverage our strengths in industrial materials and technologies to further enhance achievements from the 1st Stage and strengthen our foundation by responding to requirements as opportunities for reform through the pursuit of a resolution to the social issues that have always been our goal since our establishment. In this manner, we will continuously endeavor to improve corporate value so that we remain the choice of customers and supported by the stakeholders at all times. We sincerely ask for your continuous support.

Representative director,  
President

Masahori Okuda

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### The scope of report

DAIKEN CORPORATION and Daiken Group  
\*Environment data differs in scope.

### Eligible period

FY2019  
(April 1, 2018 to March 31, 2019)

\*Some contents include information other than the above period.

### Reference guidelines

International Integrated Reporting Council (IIRC)  
The International Integrated Reporting Framework

### [Disclaimer regarding future prospect]

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 outcomes.

### Editorial Policy

This report focuses on the *resolution of social issues through business*, which we regard as the key to achieving our targets, and provides an overview of the creation of value by our company. In addition, the report outlines the growth strategies described in the new medium-term management plan that started in fiscal 2020, as well as the initiatives for the enhancement of the management foundation focused on ESG. We had a special interview inviting external experts at the time of opening the R&D center. This interview shares the philosophy of the management executives, along with how SDGs will be proactively incorporated into R&D activities and how new value creation will be pursued for the future. We hope that this report helps stockholders, investors, and other diverse stakeholders deepen their understanding of our medium-term and long-term initiatives for the enhancement of corporate value and that the report provides a new opportunity for dialog. Please visit our website for details of the ESG information including environmental data.

### About cover design



The circles in three colors represent our business model, which consists of the three core businesses (industrial materials, building materials, and engineering), supported by technology, creativity, and passion as the three elements of the mission of our group and our philosophy as the source of continuous strength. The three arrows represent the three-step medium-term management plan for the realization of our long-term vision. To become an *all-embracing company for building materials*, as our corporate image in the long-term vision, and *Toward the future going beyond the functions of yesterday*, all employees in the group share the same goals to accelerate growth strategies as symbolized by this design.