


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 Environment, Social, and Governance (ESG) to make our businesses robust.

Social issues and needs

SDGs



- Realization of low-carbon society
- Building a recycling-oriented society
- Measures for water resources
- Measures for biodiversity
- Conservation of tropical timber
- Decrease in labor force
- Promotion of diversity
- Promotion of workstyle reform
- Development of local communities
- Revitalization of the domestic forest products industry
- Preparation for natural disasters
- Improvement of the safe, secure, healthy, and comfortable living environment
- Response to the super-aging society

Growth strategy and enhancement of the management foundation

I. Accelerating growth strategies

Business Strategies	Market Strategies
Industrial materials business	Global markets
Building materials business	Public and commercial buildings
	Industrial materials
Engineering business	Home renovation market
	Domestic new home market

II. Enhancement of the Management Foundation

Financial affairs	Business infrastructure
ESG (CSR) activities	
E Environment ▶ P44 P65	Medium-Term ESG Plan ▶ P42
S Social ▶ P45 P61	
G Governance ▶ P43 P51	
Group Conduct Guidelines	
Introduce management resources	

GP25 2nd Stage

Creation of economic and social value

Creating shared value (CSV) by Daikden businesses

- 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
- Saving construction time and work



R&D Innovation
▶ P35



Management goals (Fiscal 2022)

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**

Achieve the Long-Term Vision GP25

Strengthen the foundation of value creation

Optimized financial foundation

Firm and flexible business infrastructure

Management foundation enhanced by ESG

Investment to build the foundation for further value creation

Nonfinancial Indicators

- Total CO₂ emissions in Japan **(26%)**
(Compared to fiscal 2014)
- 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
- 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

Achieve the vision of the Group Corporate Philosophy