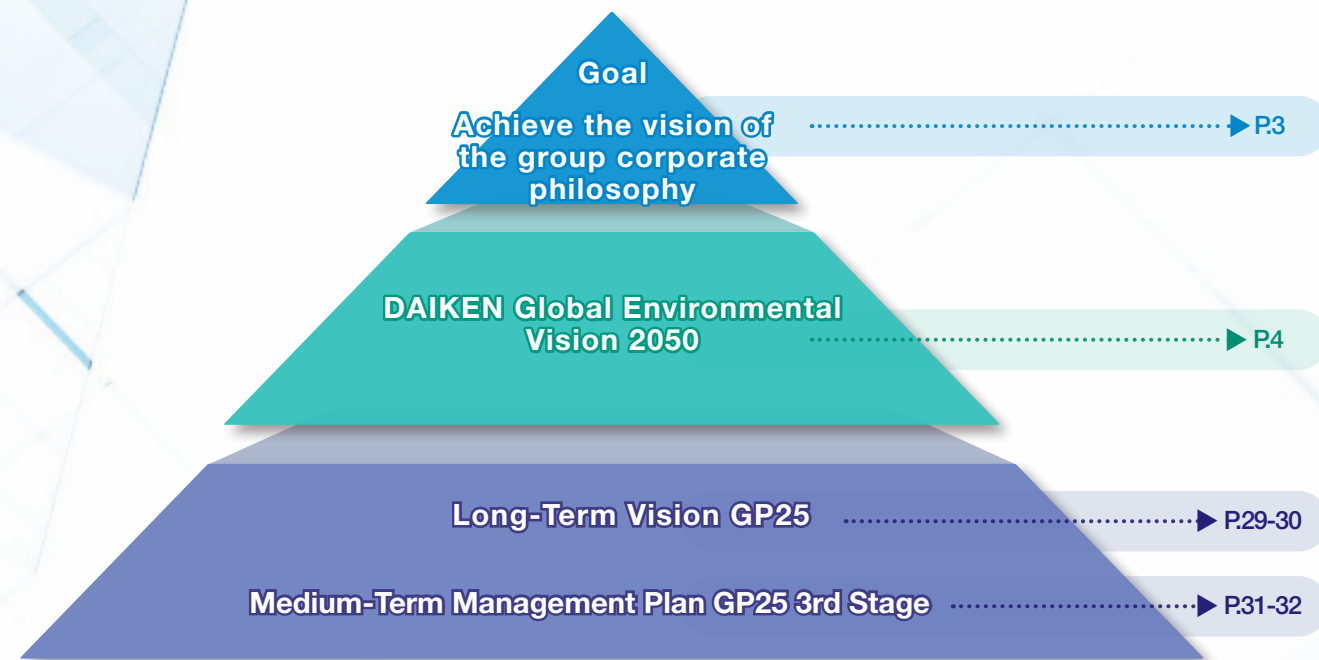


Daiken Group's Value Creation



OUTCOME

Creation of economic value
Financial outcomes

Creation of social value
Creating shared value (CSV) by
Daiken businesses

Five foundations that support Daiken

Human resource foundation

— Number of employees —
Consolidated 3,627
— Amount invested in human resources —
47,23 million yen
▶ P.47-50

Production foundation

— Number of production bases —
20 bases
(13 bases in Japan and 7 overseas bases)
— Manufacturing human resources —
2,619
— Capital investment spending —
3,802 million yen
▶ P.55-56

R&D foundation

— R&D expenses —
1,687 million yen
— Development human resources —
130
▶ P.43-44

Customer base

— Number of business partners —
853 companies
*Excluding the business partners of Kyota Kougyo Co., Ltd., Karuteru Corporation, and CIPA Lumber Co., Ltd.
— Number of sales departments —
26 sales departments
(23 sales departments in Japan and 3 overseas sales departments)

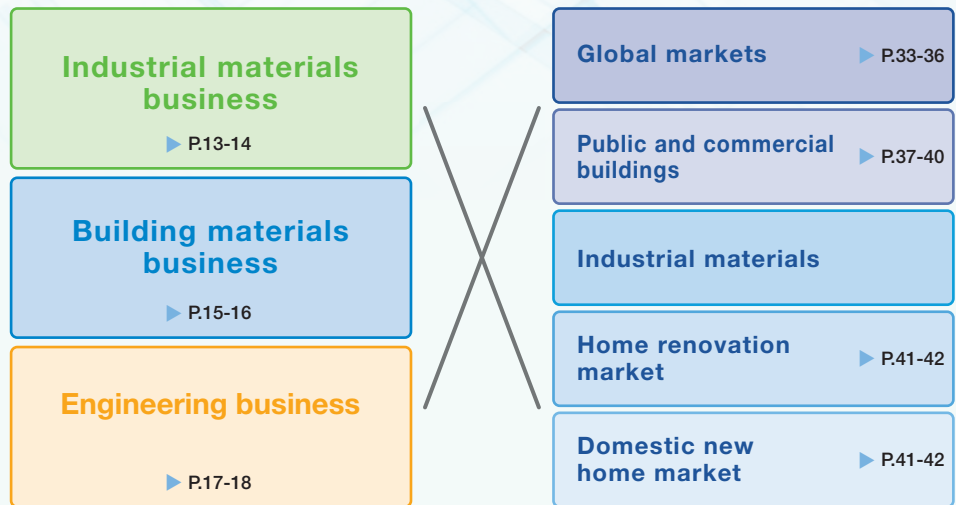
Financial foundation

— Net sales —
210,642 million yen
— Operating profit —
5,938 million yen
— Shareholder equity ratio —
47.1%

INPUT

OUTPUT

Business/market strategies that use strengths



Re-input
management
resources

CONTENTS

Daiken Group's Value Creation

Daiken Group's Goal	3
Our Sustainability Goals	5
Interview with Top Management	7
Changes in Value Creation	11
Three Businesses Use Strengths	
Industrial Materials Business	13
Building Materials Business	15
Engineering Business	17
Business Models and Strengths	19
Risks, Opportunities and Materiality	21
Creating Shared Value (CSV) by Daiken Business	23

Strategy for Value Creation

Long-Term Vision GP25	29
Progress of the Medium-Term Management Plan	
GP25 3rd Stage	31
Global Markets	33
Public and Commercial Buildings	37
Domestic Housing Market	41
Research and Development	43
Environmental Strategies	45
Human Resource Strategies	47
Corporate Governance	51

Data

ESG Goals	53
Company Information	55

Editorial policy

The Daiken Group has issued the Daiken Group Report as an annual integrated report for stakeholders in order to enhance the understanding of its initiatives for the improvement of medium-term and long-term corporate value. This report shows the progress of the medium-term management plan GP25 3rd Stage, which is the final step toward the realization of the long-term vision GP25 and introduces the initiatives toward the realization of the growth strategy based on the pursuit of the resolution of social issues by using sustainability as the key axis.

Company information

DAIKEN CORPORATION and the Daiken Group
*Environmental information differs in scope.

Eligible period

Fiscal 2024 (April 1, 2023, to March 31, 2024)
*Some sections include information other than the above fiscal period.

Reference guidelines

● IFRS International Integrated Reporting Framework
● ISO 26000

[Disclaimer regarding future prospects] The forecasts and estimates 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.