

Value Creation Process

Under its Basic Philosophy and priority foundations of corporate activity (safety, quality, and compliance), the Daicel Group will continue to contribute to the happiness of people and society by expanding the scope of value co-creation based on its Sustainable Management Policy.

Basic Philosophy

The company making lives better by co-creating value

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Trends in Social Change

- Global population growth and ongoing aging of society
- Pursuit of safety and security
- Depletion of resources and effective use of resources
- Uncertain world situation
- Evolution of digital technologies (IoT, AI)
- Response to climate change, prevention of environmental pollution
- Global social change, diverse values

Addressing social issues, and providing people with new values to achieve better quality of life

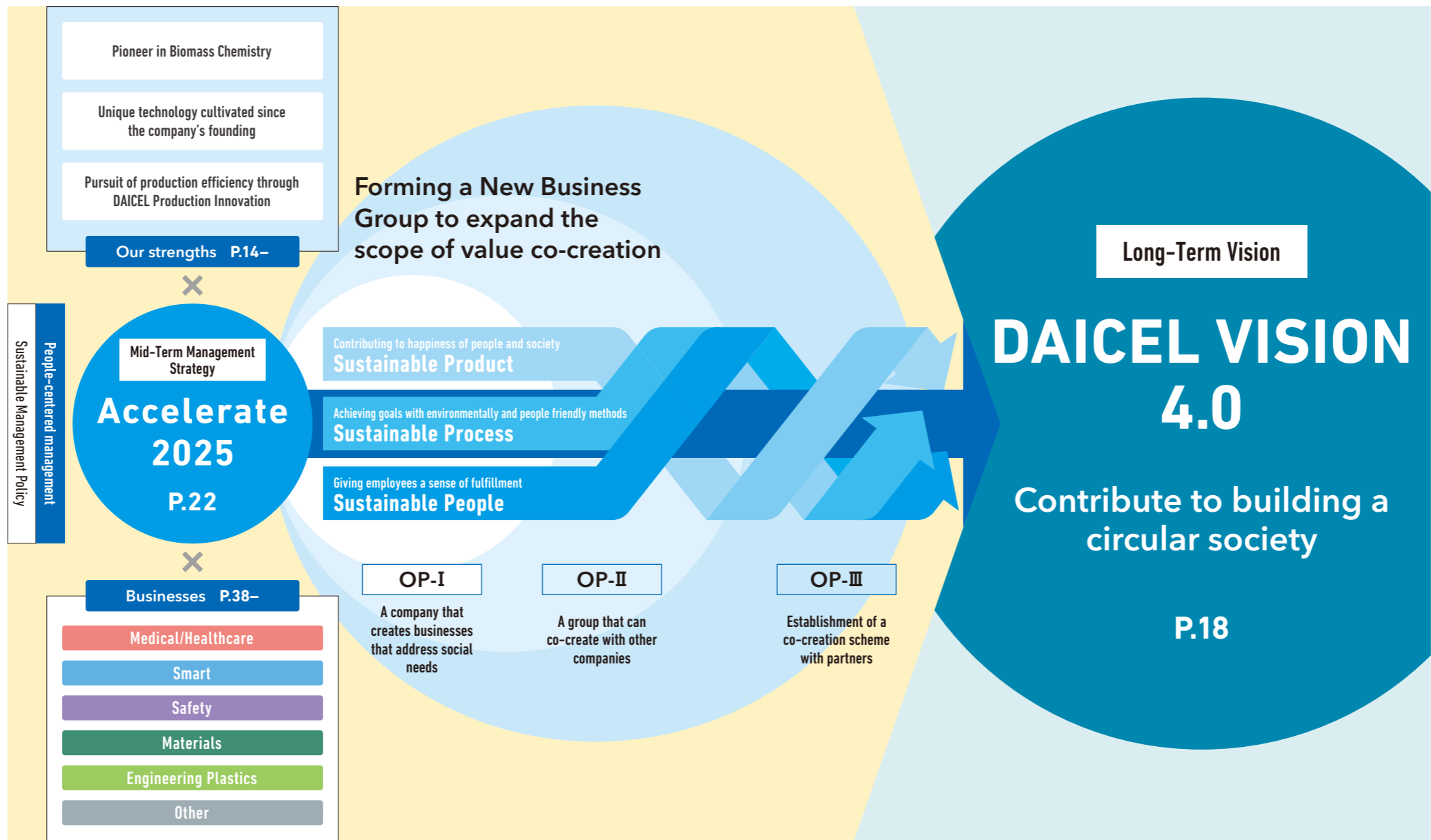
Goals

Daicel will contribute to building a circular society and achieve both a sustainable society and the growth of our Group

INPUT

(Invested capital for FY2023/3)

Human capital	
Number of employees	11,207
Number of R&D Personnel	1,228
Ratio of overseas employees	52.5%
Ratio of female employees	29.4%
Intellectual property	
R&D expenses	21.9 billion yen
Number of patents owned*	Approx. 5,100
Number of trademarks owned	Approx. 1,900
Financial assets	
Total assets	765.6 billion yen
Equity Ratio	38.6%
Manufacturing capital	
Capital expenditures	56.3 billion yen
<small>Optimal plant operation with DAICEL Production Innovation, and the Autonomous Production System</small>	
Social capital	
Number of group companies	76 companies
<ul style="list-style-type: none"> ● Trust with customers and business partners cultivated over many years ● Cooperative links with partners in industry, government, and academia 	
Natural capital	
Energy consumption (in crude oil equivalent)	753 thousand kL
Water intake	101 million tonnes



OUTPUT/OUTCOME

(FY2023/3 results)

Financial Outcome in Value Creation	
Net sales	538.0 billion yen
Operating income	47.5 billion yen
EBITDA	79.1 billion yen
ROIC	5.3%
Total return ratio	51.7%
Sustainable Product	
● Providing happiness through our business and products	
Medical/Healthcare	P.38
Smart	P.40
Safety	P.42
Materials	P.44
Engineering Plastics	P.46
● Exploring Possibilities with Technology for Melting Wood P.26	
Sustainable Process	
● Daicel Group's Challenge to Achieve Carbon Neutral P.28	
Sustainable People	
● Implementation of "People-Centered Management" P.34	

Priority Foundations of Corporate Activity

Safety, Quality, and Compliance

* Figures for FY2022/3 are for Daicel on a non-consolidated basis, but for FY2023/3 the boundary has been expanded to include the number of patents and trademarks owned by the Daicel Group.