



We integrated the past medium-term ESG plan and the medium-term management plan in fiscal 2023 and set the important themes to work on from the perspective of ESG and goal values as the ESG goals.

Field	Theme	Goal (Fiscal 2026)	Fiscal 2025 results
E Environment	Promotion of recycle and conversion of waste into values	Reduction of the final waste landfilling treatment amount (production departments in Japan and overseas)	15% reduction (As compared to fiscal 2022) 23.3% reduction (As compared to fiscal 2022)
	Greenhouse gas emissions reduction¹	Total greenhouse gas emissions in Japan and overseas (Scope1+2) Total greenhouse gas emissions in Japan and overseas (Scope3)	10% reduction (As compared to fiscal 2022) 6% reduction (As compared to fiscal 2022) 27.5% reduction (As compared to fiscal 2022) 35.3% reduction (As compared to fiscal 2022)
	Promotion of the use of renewable energy	Renewable energy utilization ratio	Japan: 50% or more Overseas: 40% or more Japan: 54% Overseas: 43%
	Expansion of the amount of carbon storage by using timber	Amount of carbon storage by the wood industrial materials business (MDF and insulation board)	1,100,000 t-CO₂/year 657,900 t-CO₂/year
	Procure wood in a biodiversity friendly way	Lauan usage rate in flooring substrates	50% reduction (As compared to fiscal 2022) 3.5% increase (As compared to fiscal 2022)
	Appropriate management and reduction of chemical substances	Release/transfer amount of the substances subject to the PRTR law (As compared to fiscal 2022)	70% reduction (As compared to fiscal 2022) 17.4% increase (As compared to fiscal 2022)
	Promote the effective use of water resources	Water resource input (Group production bases in Japan and overseas)	4% reduction (As compared to fiscal 2022) 8.1% reduction (As compared to fiscal 2022)
	Reduce the use of plastics derived from fossil fuels	Use of plastic containers and packaging	4% reduction (As compared to fiscal 2022) 12.3% reduction (As compared to fiscal 2022)
	Strengthen environmental risk management	Number of environmental accidents and violations at home and abroad (Those with administrative guidance and penal charge)	0 0
S Social	Enhancement of the quality control structure¹	Number of accidents caused by design in the new product developed Manufacturing and product audit implementation cover rate Product safety and quality improvement education execution rate	0 100% 100% 0 100% 0 20 times/year
	Promotion of CSR procurement	The rate of the CSR survey implementation	100% 82.7%
	Ensuring fair competition and transactions	Serious violations of the Anti-Monopoly Act and Subcontract Act Planning and holding of the enlightenment activities by division and job type	0 0 26 times/year
	Promotion of diversity¹	Total diversity index 3rd Stage ² The ratio of female employees hired (New graduate nationwide course) The female full-time employee ratio The percentage of male employees taking childcare leave (Three-year average) The female manager ratio Long-term care seminar attendance rate Diversity training attendance rate (Managers) The degree of attainment of the employment rate of persons with disabilities Personnel composition by age (Difference by generation)	+30 pt (As compared to fiscal 2022) 50% 20% 50% 2% 90%/year 100% 100% Within the difference of 10 pt +40.7 pt (As compared to fiscal 2022) 47.5% 21.5% 67.0% 2.8% 66.7%/year 91.7% 101.6% Difference of 5.0 pt
	Promotion of health and productivity management	The rate of receiving health promotion allowance Health score (Exercise, rest, and nutrition) Presenteeism loss rate	80% 20 pt 25% 75.2% 16.2 pt 27.7%
Promotion of workstyle reform¹	Total work time reduction rate	3% reduction (As compared to fiscal 2022)	1.4% reduction (As compared to fiscal 2022)
	Rate of taking annual paid leave Employee satisfaction ³	70% 60 pt	72.0% 57.3 pt

Field	Theme	Goal (Fiscal 2026)	Fiscal 2025 results
S Social	Reinforcing human resources development	Job separation rate within three years Young employees' career plan training attendance rate Attendance rate for the priority market enhancement program Attendance rate for training for management staff training program	Within 15% 100% 50% 80% 25.6% 96.0% 54.8% 83.6%
	Enhancement of the occupational safety and health	Serious disaster Factory mutual safety diagnosis execution rate	0 100% 0 Japan: 100% Overseas: 80%
	Human rights promotion activities	Human rights enlightenment training attendance rate Supervisor harassment training attendance rate	100% 100% 100% 100%
	Social contribution activities by cooperating with local communities	Holding of the event planned by cooperating with local communities (Each group production base)	One time/year in each base Held in 19 bases among 20 bases
	Enhancement of the governance system	Degree of penetration of the group corporate philosophy ⁴	60 points or more 60 pt
	Improvement of a dialog with stakeholders	Degree of empathy for our philosophy and activities by customers Holding of the policy explanation meeting for suppliers	90% 1 time/year 87.5% 1 time/year
	Strict compliance⁵	Serious compliance violations Compliance consciousness degree ⁵	0 +5 pt (As compared to fiscal 2022) 0 +1.65 pt (As compared to fiscal 2022)

¹: Set as the non-financial management goals in the medium-term management plan

²: Our own indices in which diversity-related items, such as the female manager ratio, were indexed. Total Diversity Index 3rd Stage is used in and after fiscal 2023 and items related to the method of calculation are reviewed and reset

³: Our own indices in which employees' actual feeling for satisfaction / job satisfaction in the workplace were indexed

⁴: Our own indices in which employees' understanding, sharing, and practice of the group corporate philosophy were indexed

⁵: Our own indices to measure employees' compliance consciousness degree from the perspectives of legal compliance, a sense of ethics, structure, and corporate culture

Sustainability

DAIKEN Sustainability Basic Policy

The DAIKEN Group will bring new value and smiles to the faces of our stakeholders, including employees, by contributing to the development of a prosperous and sustainable society and environment based on the group corporate philosophy. Furthermore, we aim to establish a solid management foundation for the long-term growth of the DAIKEN Group.

① Contribute to the development of a sustainable society, global environment, and the economy

We will continuously review all activities and promote reforms as we contribute to the development of a prosperous and sustainable society and the global environment, while improving business sustainability.

② Pursue sustainability as a business

The DAIKEN Group will maintain and even enhance its strength to build value, an essential driving force for transformation, by maximizing the value of human capital through enhanced job satisfaction and employee well-being, while strengthening engagement with stakeholders.

③ Aim to enhance business value in a sustainable manner

The DAIKEN Group aims to enhance corporate value in a sustainable manner through the two virtuous cycles of its contribution to a sustainable society, the global environment, and the economy and the pursuit of sustainability as a business.

Promotion structure

The DAIKEN Group established the Sustainability Promotion Committee in which the Representative Director, President, and CEO has been the chairperson since fiscal 2023.

By developing the structure to promote sustainability on a company-wide basis, we aim to continuously improve corporate value.



Sustainability Promotion Committee

Chairperson: Representative Director and President CEO
Secretariat: Sustainability Promotion Office, Corporate Planning Department

Number of committee meetings convened in fiscal 2025: 4 times

Key deliberation items

- Progress of the ESG goals in the medium-term management plan
- Reports of the degree of penetration of the group corporate philosophy and the employee satisfaction survey
- Group report creation policy
- Consideration of the initiatives toward the restoration of biodiversity ~Development of seagrass bed restoration materials~
- Reports on the results of the CSR procurement surveys
- Reports on the results of the initiatives for human rights
- Response to the Revised Clean Wood Act