

The Denka Way

OUR "NEW"
VISION & Mission 2030

*The challenge
to make
the world better
begins*

The Denka Way

Spring
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Denka

世界に誇れる、 化学を。

その仕事は、未来に新しい価値を提案しているか。

人と地球の明日を幸せにしているか。

私たちが創立以来、追求してきたのは

ほかの誰にもできない、デンカならではの強みを生かして
社会を、世界を、よりよく変えていく挑戦です。

100年を越える伝統と、最新のテクノロジーを融合させ
化学の未知なる可能性を切りひらくこと。

未来のニーズを予測し、まだ見ぬ豊かさを創造すること。

環境・エネルギー分野での先端素材の開発や

ライフサイエンス領域のさらなる推進など

私たちは「世界にとってかけがえのない存在」となる

企業をめざし、多様化する社会の課題に挑み続けます。

Denka

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OUR “NEW” VISION & Mission 2030

Our new vision and management plan “Mission 2030”

Denka Group will take on a new challenge starting April 2023.

The old Corporate Philosophy, “The Denka Value,” “Denka’s Mission,” and “The Denka’s Principles” will evolve into a new “Vision” that is based on employee feedback and looks to a new future.

Additionally, New Management Plan “Mission 2030” will begin toward the year FY2030.

Why is a new vision necessary for Denka? What will be the focus of the new management plan?

Executive officers and employees share their thoughts in this special feature.

Creating a new vision

2022

February 16
Various data that predicts the future of the world
[See Pgs. 4-5](#)

February 16

Kick Off
“The Vision Development Project” begins
44 young employees from various departments participated

The discussions start!

Session 1
What is Denka’s Core Value (principles and beliefs)?

Session 2
What is Denka’s Purpose (reason for existing)?

Session 3
What is Denka’s Mission (the goals to be achieved)?

April 13

Final session
Presentation for the management team

Management team has a discussion

Decision made

November 8

Vision presentation
[See Pgs. 6-7](#)

2023

April

The new vision starts!

FUTURE WORLD

Part.1 Denka's New Vision

What Denka can do for the future world

The first step in deciding on Denka's vision was to envisage the "future world." Denka first wanted to understand, as best the company could, what kind of future awaits it so that it can continue to meet expectations as a company.

Denka analyzed in detail the various data that has been published by all the think tanks and drew up the future world from various perspectives, such as population trends, market trends, and more. In addition, Denka determined the fields they could contribute to, set them as "megatrends," and incorporated them into its "three focus areas."

The envisaged "future world," "megatrends," and "three focus areas" became the foundation of the company's new vision and management plan, "Mission 2030."

The Envisaged Future World

More natural disasters

Global economic losses due to an influx of natural disasters from 1978–1997 totaled around 148 trillion yen. The total from 1998–2017 grew to about 250 trillion yen. The global economic loss will only continue to grow due to natural disasters resulting from global warming.

Shift to electric vehicles

The percentage of electric vehicles, including hybrids, throughout the world was only 8% in 2019, but it will grow to 51% by 2030. They will become the most popular automobiles.

More renewable energy

The ratio of Japan's renewable energy in 2019 was 18%, putting us behind Europe, where most countries were around 40%. Japan's government is aiming to reach about 36–38% by 2030.

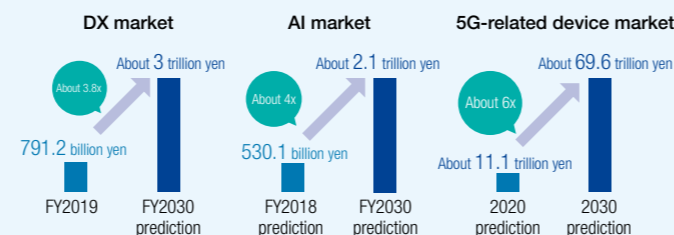
Marine plastic pollution

Marine plastic pollution has long been a concern, but if we continue as we are now, the current pollution amount will double to 2,900 tons by 2040.

Marine plastics will outweigh the world fish population by 2050.

Expansion of DX, AI, and 5G markets

By 2030, the domestic digital transformation (DX), AI, and 5G-related device markets will significantly expand.

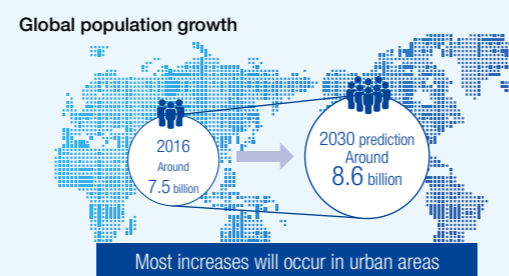


Industrial structure changes

The wall that currently separates the vehicle, energy, and telecommunications industries will be brought down due to the evolution of DX and more. New players will join the various industries, fighting styles will change, and it will become an era where the victor is unknown.

Increased demand for infrastructure

With Africa and India in the lead, the global population will grow to about 8.6 billion by 2030; however, the rural population will plateau, and population will be concentrated in urban areas. With the progress of global urbanization, the demand for building and maintaining infrastructure is rising.



Insufficient water and food

With an increase in population will come a rise in demand for water and food. Compared to FY2000, there will be a total increase of 55% in use of water for daily life as well as water for industrial use by FY2050. There is a possibility that about 40% of the world's population will face serious water shortages. Regarding food supplies in 2030, in addition to the demand of vegetable oils growing to about double what they were in 2005–2007, demand for corn, meats, wheat, rice, and more will increase.

Spreading social unrest

The momentum toward focus on global sustainability is growing and technology is advancing. A rise in population is accompanied with the big possibility of expanding business opportunities, but it is difficult to say the world is heading toward stability. There are already various challenges being faced, such as recently peaceful lands breaking out in war due to domestic and international conflicts, development only being possible in certain populations, and the growing gap between the rich and poor.

Rising political and military tensions

Uneven distribution of wealth and fixed disparities

Regional conflicts and terrorism

Supply chain disruptions

Megatrends Derived from the Future World



Renewable energy



Mobility revolution



Expanded demand for semiconductors and devices



Sophisticated medical needs



Innovative medical technology



Foods and water resources depletion



Increased infrastructure demand

Three Focus Areas of Denka



ICT & Energy

Create a better society with the supply of cutting-edge materials



Healthcare

Improve quality of life for people around the world in areas of prevention, diagnosis, and treatment



Sustainable Living

Realize safe, secure, and comfortable daily lives

Sustainability

More natural disasters and growth of the renewable energy field due to global warming

Evolving technology

Enhancement of DX, AI, and other technologies will be realized quicker

Global population growth

Pandemics and insufficient food and water sources will pose serious issues

Confusion in social order

Growing social unrest with a widening gap, more geopolitical risks, and more

OUR VISION

Denka's Vision

Based on an analysis of the envisaged "future world," we created Denka's new vision through discussions between 44 young employees and executive officers. It is a pyramid encompassing "Core Value," "Purpose," and "Mission."

core value

The "Core Value" is Denka's DNA. It could be said that "Initiative," "Integrity," and "Empathy" are attitudes passed down in Denka for generations that have been re-illustrated in words. They are a creed that already lives within us and should be cherished more.

purpose

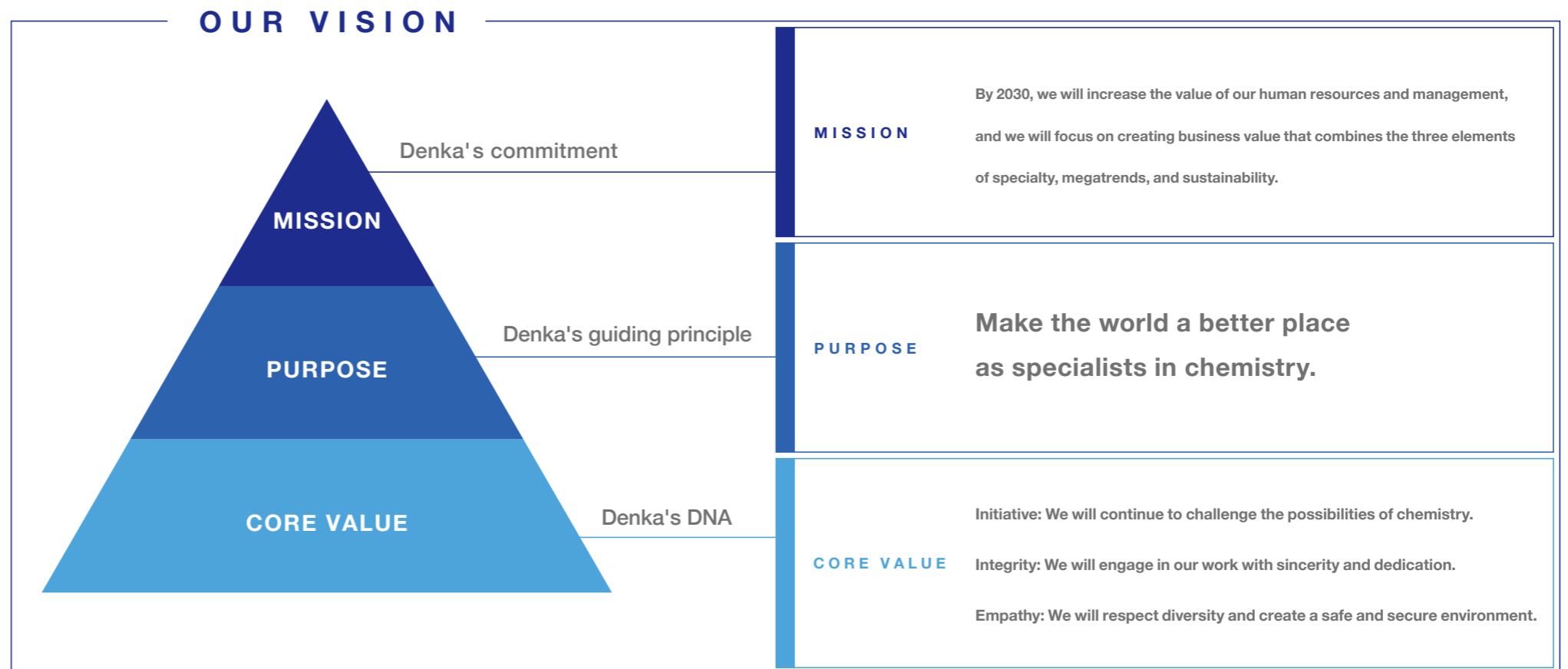
The "Purpose" is Denka's guiding principle. It is the fundamental reason for our existence. Denka selected the words "chemistry," "make the world a better place," and "specialists" after thinking about and deciding what kind of presence we want to be in the world and what we can do as Denka that no one else can.

mission

The "Mission" is Denka's commitment. It is made of our bold, convincing, and ambitious targets. The "Core Value" and "Purpose" have universality, but the "Mission" has a goal and a time limit. It's the mountain we need to climb. We aim to reach the mountain's summit by 2030, and we incorporated a concrete strategy in our new management plan, "Mission 2030."

corporate slogan

Furthermore, so that Denka's vision could be more easily communicated internally, we came up with the Japanese corporate message "世界に誇れる、化学を。" We further enhanced our old slogan, "できるをつくる," by incorporating our aim to make the world a better place with chemistry as an unrivaled presence, or specialist, the world can be proud of. The English corporate message, "Possibility of chemistry," will continue to be used.



CORPORATE MESSAGE Possibility of chemistry



Here are messages from the members who participated in "The Vision Development Project" on the thoughts that went into the vision's creation.



Yoko Horikoshi
Advanced Polymer Research Dept.
Denka Innovation Center
New Business Development Dept.

Dreams make life, visions make corporations

I like Shohei Otani's quote, "Life doesn't make dreams, dreams make life," and I think in a similar way, "visions make corporations." I am searching for what motivates me and what kind of life I want to lead as I observe and learn from the people around me that I respect.



Eri Kamimaki
Polymer Research Dept.
Polymer Solutions Dept.
Elastomers & Infrastructure Solutions
Electronics & Innovative Products

A Denka at which everyone can enjoy working

I reconsidered what it means for Denka to be a company that holds an important social role in a wide variety of fields. I think people are the most important. I think it would be great if we could create a work environment at Denka that conveyed to all members this message: "We all care about you."



Yusuke Takahashi
Electronic Products Dept.
Elastomers & Infrastructure Solutions
Electronics & Innovative Products Dept.

Overcoming conflicting opinions and thinking it through

It was difficult coming up with a vision that would be understood by all employees and our opinions clashed. On the other hand, I could tell we all wanted to make this an outstanding company recognized by ourselves and others. As for me, I now have a clearer sense of what it means to work at Denka.



Akihiro Yamashita
Organic Materials Research Dept.
Polymer Solutions Dept.
Elastomers & Infrastructure Solutions

We thought about the past and future

We looked back on Denka's 100-year history and racked our brains thinking of a vision that looks toward the future. I think it is difficult for everyone to feel familiarity with a "vision," but this time I think we were able to come up with something everyone can sympathize with. I, too, will work hard to achieve our vision.



Soichiro Nakanishi
Sustainability Promotion Div.

A vision at our center is important for change

In order for Denka to take the next step forward, I think it is important to separate what is important to change with the times and which traditions we should keep and to clarify the meaning of our existence. As the generation that will build the foundation for the next 100 years, I want to get everyone around me involved.



Kana Sato
Corporate Planning Dept.

Reminded of the infinite possibilities

I participated in the project as both a secretariat and a member of Generation Y/Z. Through the project, I was reminded of the wonderful people at Denka and the passion they have as well as the infinite possibilities available to us. I will give my all, keeping in mind the vision that will serve as our compass.

OUR THOUGHTS

Interview with President Imai

Eyes forward

Go Forward, Guided by the Shining North Star

We asked President Imai what thoughts went into the vision and what he wants to convey to all our stakeholders.



A vision of simpler, more powerful words

I would like to thank everyone at all our offices and affiliated companies for working up to the very end to achieve the goals in our management plan, "Denka Value-Up," ending at the end of March.

In alignment with the start of our new vision and mission in April, I want to share my thoughts with everyone.

In 2015, the 100th anniversary of Denka's establishment, we came up with a new corporate philosophy, "The Denka Value." Our mission was "Taking on the challenge of expanding possibilities of chemistry to create new value and contribute to sound social development," and we decided on five "Denka Principles."

The reason we took the determination of the next management plan as an opportunity to also update our philosophy was because I thought it was necessary to have a more powerful vision as our foundation to bring us together as one to promote our new management plan.

Incorporating the thoughts of young employees

The creation of our vision started with lending an ear to the young employees at Denka. After taking into consideration the current conditions surrounding us, it became clear we would need to stretch ourselves

to achieve much higher goals in 2030. I wanted to create a vision that would help realize the next management plan, "Mission 2030," and that everyone who plays a core role at Denka could be proud of accomplishing and that makes their faces light up."

The young project team held discussions over the last two years, first coming up with the three "core values" that make up Denka's DNA: "initiative," "integrity," and "empathy." "Empathy" is especially unique and was not part of the original corporate philosophy. Feel reassured and work energetically in a safe environment. Understand the customer's true needs. Make an environment free of accidents for your coworkers. And most importantly, ensure diversity to maintain the organization's competitiveness. None of the above can be accomplished without empathy for your partners. We were able to determine excellent "core values" necessary to Denka's future.

Becoming a specialist is the only path for Denka

With "core value" at its base, the "purpose" acts as the guiding principle that shows us the unchanging direction we should aim for. It's similar to the "Specialty Fusion Company" mentioned in "Denka Value-Up." The only path forward for Denka is to "Make the world a better place as specialists in chemistry." Globalization will continue to advance forward without turning back, further expanding the stage of work and advancing technology. Throughout

that, in order for us to survive and continue to grow, we need to become "Denka specialists" and pour our management resources into "the job we can do better than anyone else."

That said, "the job we can do better than anyone else" cannot be something that makes us selfish. In addition to "specialty," "megatrends" help us measure whether a product is truly needed by our customers and the world, and "sustainability" measures whether those products will be needed in 2030 and beyond and whether those products are providing value. These three elements together are what define "the job we can do better than anyone else" and make up the "three-star businesses," or "Denka specialists," that we should focus on.

We will need to make changes and face challenges in the various areas and at the sites to make all businesses into "three-star businesses." We will change our portfolio, including disposing of and withdrawing from businesses we do not see as having the potential of a three-star business. In addition to making these decisions, it is necessary for us to take to the next level the challenger DNA we have accumulated since Denka's establishment.

Taking something and making it our own is the key to achieving our vision

I could feel everyone's challenger spirit while listening to the young employees exchange their

opinions. I also sensed their desire to contribute to society and grow through their job. This new vision reflects the determination of both Denka and those who work here to demonstrate their strengths and make the world a better place as a specialist.

Whether we can make this vision meaningful depends on everyone's ability to take it and make it something of their own. One of the keys to this vision's success is the leadership of the managers who are responsible for spreading the vision at the work sites. I expect them to lead their teams with the "purpose" at the center of their decisions.

As someone with a role in management, it is my duty to always anticipate the future that awaits us in 2030 and beyond, to focus management resources on the "three-star businesses," and to build our successes so that we can achieve this vision. Even when faced with challenges, I will keep my eyes forward, look at the shining north star, and proceed forward without hesitation.

Finally, together with all group internal and external stakeholders, Denka will aim to "Make the world a better place as specialists in chemistry" and make all businesses "three-star businesses" by 2030. Please look forward to Denka's continued transformation.



Toshio Imai
Representative Director,
President

OUR ACTION

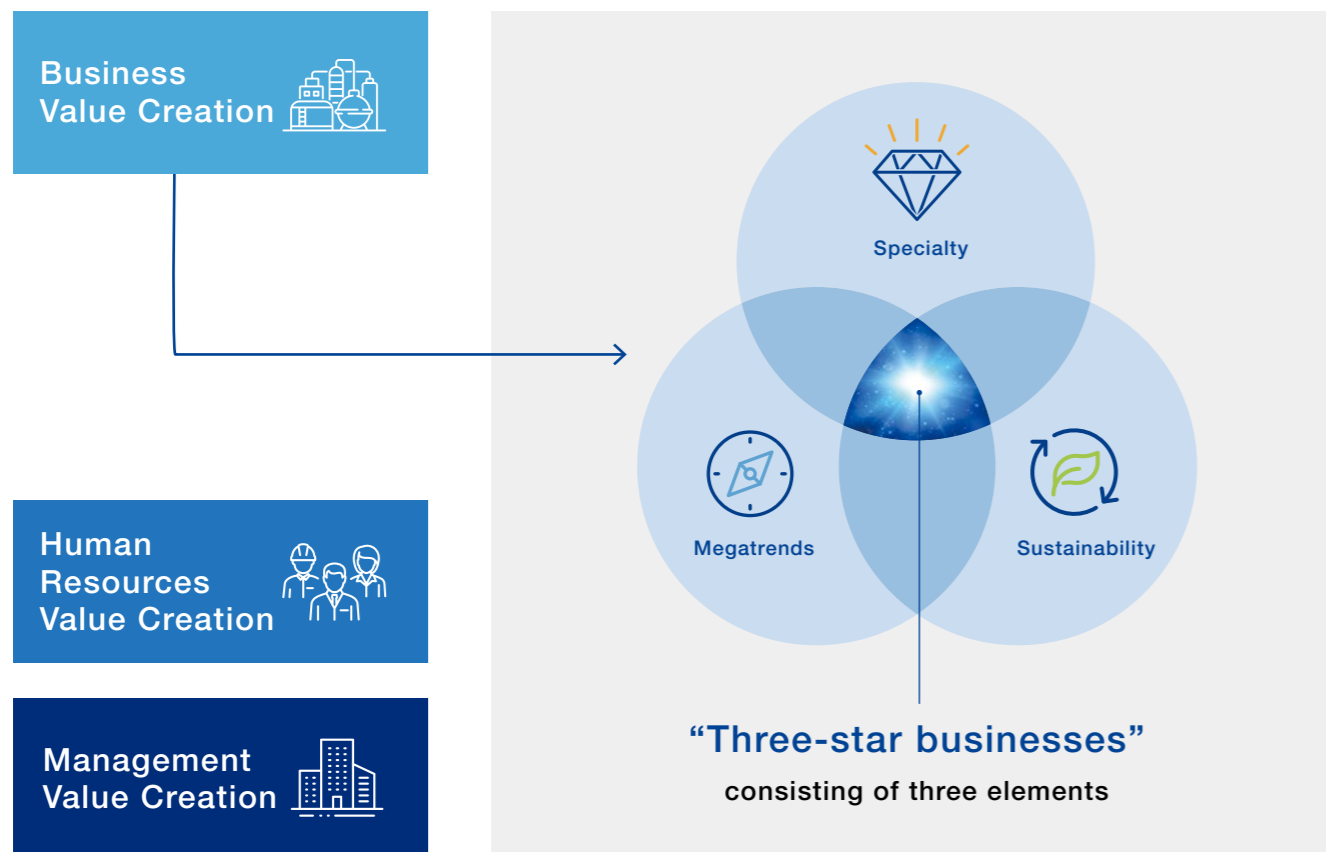
Part.2 Mission 2030

Actions leading to 2030

The Mission 2030 is a management plan with goals to reach by 2030 in order to realize Denka's new vision. As a growth strategy plan, Denka is making efforts to increase corporate value through improving business value creation, human resources value creation, and management value creation. For business value creation, Denka aims to turn all its businesses into "three-star businesses" that incorporate the three elements of specialty, megatrends, and sustainability.

MISISON

By 2030, Denka will increase the value of its **human resources** and **management**, and the company will focus on creating **business value** that combines the three elements of specialty, megatrends, and sustainability.



Business Value Creation

Increase profitability in megatrend areas where Denka can demonstrate its strengths to contribute to a sustainable society.

Three focus areas

- ICT & Energy
- Healthcare
- Sustainable Living

Pursuit of sustainability

→ Introduced on pages 12 to 13

2030 KPI Targets

Sales 600 billion yen or more	Three-star businesses 100%
Operating income 100 billion yen or more	Operating income ratio 15% or higher
ROE 15% or higher	ROIC 10% or higher
Approved Investment settlement 540 billion yen from FY2023 to FY2030	Total shareholder return ratio 50% level
CO₂ emissions 60% reduction compared with FY2013 (1 million tons)	Maximum output of renewable energy power 150 MW

Human Resources Value Creation

Become a company that enables each individual to actually feel their own growth with Denka's core values of initiative, integrity, and empathy.

Policies

- Strengthening HR development systems
- Promoting Diversity, and Equity & Inclusion
- Health and productivity management, and work style reform

2030 KPI Targets

Average training costs (compared to FY2021) 2 times	Ratio of women, foreign nationals, and mid-career hires in managerial positions 50%
Visualization and ongoing improvement of employee engagement	

Management Value Creation

Strengthen ESG management through more sophisticated corporate governance.

Policies

- Process reforms
- Respect for human rights
- Placing the utmost priority on safety
- Supply chain management
- Product safety
- Enhancement of corporate governance

2030 KPI Targets

Investment in process reforms 50 billion yen from FY2023 to FY2030	Identification of human rights risks and the establishment of response processes
Rate of lost-worktime injuries (1.1 in FY2021) 0.2 or under	High-risk suppliers 0
Serious quality accidents 0	Serious compliance violations 0

FOCUS AREA

In business value creation, we will focus on three areas that derive from our envisaged world of the future and megatrends: ICT & Energy, Healthcare, and Sustainable Living.

In tandem with this, we will pursue sustainability through each of the areas.

Through these measures, we intend to shift more emphasis to “three-star businesses” that combine the three elements of specialty, megatrends, and sustainability.

Three Focus Areas in Creating Business Values

Megatrends and Specialty

Sustainability

Business Value Creation



ICT & Energy


Operating Income Target for 2030
45 billion yen

【Policy】 Create a better society with the supply of cutting-edge materials
【Strategy】 In the next-generation high-speed telecommunications sector, we will establish the top share in the fields of energy loss and heat conduction by mastering precision particle spheroidization and high temperature control technologies.
 In the xEV and renewable energy sector, we will master nanoparticles and high temperature firing technologies to create products that will lead the next-generation battery and renewable energy markets and make them the de facto market standard.

Next-generation high-speed telecommunications

Needs	»Energy loss, heat conduction
Technology	»Precision spheroidization »High temperature control »Precision film formation »Coordination polymerization
Strategic	»Establish top market share
Products	 Spherical silica, spherical alumina  Carrier tape sheets and top cover tapes  Heat dissipation materials  Emitter  Low dielectric organic insulating material

xEV & Renewable Energy

Needs	»Electroconductivity, super high-purity, durability
Technology	»Nanoparticles »Impurity control »High temperature firing
Strategic	»Become the de facto market standard
Products	 Acetylene black  Silicon nitride  Ceramic substrates  Spherical silica, spherical alumina



Healthcare



Operating Income Target for 2030
40 billion yen

【Policy】 Improve quality of life for people around the world in areas of prevention, diagnosis, and treatment
【Strategy】 In the prevention area, we will use new technology to research vaccines, such as mRNA vaccines, that differ from those of conventional culture technologies.
 In the diagnosis area, we will improve the performance of reagents and testing kits and strengthen our product lineups to bring high value-added products to the market.
 In the treatment area, we will strengthen our viral products manufacturing capacity ahead of the growing demand accompanying the expansion of indications and overseas development.

Prevention

Needs	»Prevention of infectious diseases
Technology	»Cultured and recombinant proteins
Strategic	»Using new technology to research and develop new vaccines, such as the mRNA vaccine
Products	 Influenza vaccines  Norovirus vaccine (under development)

Diagnosis

Needs	»Advancement of vitro diagnostics
Technology	»Production of diverse antibodies »Simultaneous multi-item measurement
Strategic	»Entry into next-generation diagnostic pharmaceuticals and genetic testing domains
Products	 Reagents for automatic analyzers  Antigen testing kits

Treatment

Needs	»Cancer treatments
Technology	»Culturing and purification of viruses »Formulation
Strategic	»Upgrading of manufacturing capabilities and development of business in the CDMO domain
Products	 G47Δ virus preparation for cancer treatment  Developing new products



Sustainable Living

Operating Income Target for 2030
15 billion yen

【Policy】 Realize safe, secure, and comfortable daily lives
【Strategy】 In the food sector, we will contribute to solving food shortages by utilizing biostimulants and fertilizers. In the infrastructure sector, we will use special cement additives to achieve rapid product development and focus on overseas development. We will also reduce the burden on the environment through the carbon-negative concrete.
 In the daily necessities sector, we will contribute to the realization of a circular economy through the establishment of chemical recycling and the development of bio-derived resins.

Foods

Needs	»Contribution to food demand
Technology	»High-temperature firing »Humic acid control
Strategic	»Overseas expansion
Products	 Biostimulants

Infrastructure

Needs	»Easing the impact of natural disasters »Reducing the burden on the environment
Technology	»High density/densification »Quick hardening »CO ₂ fixing
Strategic	»Technology development and overseas marketing adapted to increasingly sophisticated infrastructure demand
Products	 Special cement additives  LEAF




Daily necessities

Needs	»Circular economy
Technology	»Chemical recycling »Development of bio-derived resins
Strategic	»Early establishment of technology and social implementation »Collaboration with local communities and other companies
Products	 High-performance styrene-based resins  PLATIECO® (a sustainable plastic)



Pursuit of Sustainability

Measures



Achievement of carbon neutrality

		
Portfolio reform including establishment of low-carbon acetylene chain	Development and implementation of CO ₂ capture, storage, and utilization technologies	Expansion of green energy by increasing hydroelectric power generation and establishing new solar power plant

Sustainable cities and fulfilling daily lives

	
Promotion of circular economy for styrene-based packaging materials	Establishment of CO ₂ sequestration technology

Environmental conservation and minimization of environmental footprint

	
Continuation of zero waste emissions	Response to natural-related risks, such as biodiversity and water resource conservation, based on the Taskforce on Nature-related Financial Disclosures (TNFD)

WHAT WE AIM FOR

Part.2 Mission 2030 Q&A with Kazuo Takahashi, Senior Managing Executive Officer

The Road to Achieving “Mission 2030”

We had the opportunity to speak with Kazuo Takahashi, Managing Executive Officer, about the key points of “Mission 2030” and the mindset that will be required to achieve it.



Kazuo Takahashi
Representative Director,
Senior Managing Executive Officer

*In charge of the Business Planning Dept. as of March 2023.

2030 KPI Targets			
ROIC	10% or higher	ROE	15% or higher
Rate of lost-work-time injuries (FY2021: 1.1)	0.2 or under	CO ₂ emissions (Compared to FY2013)	60% reduction

Q
What did you particularly focus on in formulating “Mission 2030?”

A We will clarify our value as a world-class integrated chemical manufacturer through value creation in the three areas of business, human resources, and management.

Denka will avoid the “conglomerate discount”^{*} trap by refining our businesses in the three focus areas where we can demonstrate our strengths and creating “three-star businesses” based on the three elements of specialty, megatrends, and sustainability. This will allow us to increase our business value and achieve

sustainable growth. When formulating our plan, our top priority was to convey this basic idea in an easy-to-understand manner. Additionally, we will focus our management resources on areas where we excel and will not hesitate to withdraw from businesses where we cannot demonstrate our strengths.

^{*}A conglomerate discount refers to the tendency of markets to value a diversified group of businesses at less than the sum of its parts.

Q
How will we create value in human resources and management?

A We will promote the transformation of our corporate culture through investment in human resources and system reforms.

The reality is that Japan’s working population is projected to decline by 8% in 2030. However, we believe that our people are the key to creating the future of Denka. As such, value creation in human resources is an urgent priority, and we are committed to investing in human resources and reforming our systems to enable each and every employee to experience a sense of growth.

We also recognize that taking on new challenges and innovating requires diversity. As such, we will work on hiring a diverse workforce, flexibly assigning the right people to the right jobs, and creating workplaces where people can freely and openly express their

opinions. Our goal is to preserve Denka’s unique DNA, which has endured for 107 years, while also embracing positive changes to our corporate culture.

In the area of management value creation, we will focus on reforming our business models and organization, improving productivity, and ensuring worker safety to reduce the rate of lost-worktime injuries. We will also prioritize product quality control, strengthen corporate governance, and uphold high ethical standards through transparent and fair practices. At Denka, we believe that the steady accumulation of day-to-day efforts is the foundation of our success and the key to creating value.

Q
Both financial and non-financial KPIs have been released, but are there any figures that you would like employees to pay particular attention to?

A We would like everyone to be aware of ROIC, rate of lost-worktime injuries, and CO₂ emissions.

I would like all managers to be keenly aware of the first of our financial KPIs, which is the ROIC (Return On Invested Capital) of 10% or higher, and work towards achieving it. This is also a requirement of “three-star businesses.” Currently, our figure of 7% is in line with that of other chemical manufacturers. However, our shareholders have entrusted us with funds for investing in expenditures and M&A, so we must set challenging goals and meet the expectations of our many stakeholders.

We hope that all employees working in our

plants understand the importance of non-financial KPIs such as “rate of lost-worktime injuries” and “CO₂ emissions.” Safety is paramount, and we want everyone to arrive and leave work in good health. Additionally, reducing CO₂ emissions is a challenge that we can all take on. It’s estimated that the carbon dioxide tax in 2030 will be around 10,000 yen per ton, which could wipe out most of our net income at current emissions levels. Achieving these goals will only be possible if management decisions and ongoing efforts by employees are aligned.

Q
How do you specifically intend to run the business?

A Two committees will be formed to promote KPI achievement across the company.

In April, we will establish two committees: the Portfolio Transformation Committee, which will focus on achieving financial KPIs, and the Sustainability Committee, which will focus on achieving non-financial KPIs. The former will be led by a director and include heads of technology, research, and human resources strategy, who will work towards promoting the “three-star business” portfolio. The

latter will be attended by outside directors and Chairman Yamamoto as an observer, and will play a role in accelerating the resolution of non-financial issues. Through free and vigorous discussions across the entire company, these committees will support management decision-making and progress management.

Q
What kind of mindset is required of employees to achieve “Mission 2030?”

A Reviewing your work is the first step toward change.

It’s important to avoid complacency in our work. People can get used to anything if they do it for a week. However, decline sets in once we start thinking, “There’s no room for improvement in my work.” We should always be asking ourselves questions like, “Is this the best approach to this work?” “Are these the right people for the job?” or “Is there anything wasteful or dangerous in this process?” By continuously evaluating our methods and making improvements, we can grow.

That said, people’s mindsets cannot be changed solely by an order from top management. People only change when they have a rational reason to do so and when it is in their best interest and that of their families. We believe that a system that encourages this kind of thinking will be a driving force in accelerating change.

Management will take the lead in creating a more comfortable and efficient workplace. We hope that you will help us by voicing your support for these changes.

My Vision

Denka's Future as Envisaged by Each of Us

The "mission" I want to accomplish in 2030

We will ask employees from various positions, generations, and workplaces about the future they envision for Denka, changing the theme in each issue.



Establishing new businesses with three elements by creating business and human resources value

Nobuyuki Yoshino Managing Executive Officer

Establishing new businesses starts with searching for themes that are expected to have good compatibility and future synergistic effects with Denka. To narrow down the searched themes, we need to establish a highly stable business model. This process requires a wide range of technological capabilities that can address the fusion of new and conventional technology and human resources who have the ability to monetize those capabilities. To gain the technological capabilities and the human resources, we must create business and human resources value as the two pillars of new business establishment. We will aim for establishing new businesses incorporating the three elements of specialty, megatrends, and sustainability by increasing business and human resource value on a long-term basis.

My Personal Vision for 2030

I will retire in 2030, but I don't have a definitive vision yet. I hope that I can live a carefree life with peace of mind while living in my favorite place, traveling whenever I want, and looking after my grandchildren and other family members.

Goshuin book (for Goshuin, a seal that is given at shrines)



Making our business sustainable by securing potential human resources

Hideki Takahashi Managing Executive Officer

Once a business is established, it will last for 20 to 30 years. Many executives in Life Innovation, including myself, are of older age and have a wealth of various experiences, but most of us will retire in a few years. At the same time, our healthcare business tends to be regarded as a "special area" and is avoided by other divisions. Regardless of whether an employee's background is in the humanities or science, if they aspire to make the world a better place as specialists in chemistry, I promise I will prepare a field in Life Innovation that is not labeled as a special area but is one in which many people can play an active role.

My Personal Vision for 2030

If I just stay home, I will get involved in several local volunteer activities, so I hope to spend half of every year in Hawaii if I can.

(The room pictured isn't my property.)



Maintaining healthy finances that will be the foundation for a sustainable company

Rimiru Hayashida Managing Executive Officer

When focusing on businesses with specialty, megatrends, and sustainability, we can't avoid financial burdens, including strategic investment for creating new value (businesses) and costs for renewing businesses (portfolio reform). For this reason, we will fulfill our role to realize balanced spending for our future activities (offensive) and financial health (defensive). In addition, I would like to seriously think about whether the management or business operation methods can be changed in terms of capital efficiency, such as ROE and ROIC. Through my work, I will play a role in the company's sustainable and healthy growth.



My Personal Vision for 2030

I will be about 70 years old in 2030. I hope that by that time, I will be living a peaceful life where my greatest concern will be my granddaughter, who will be an elementary school student.



Growing human resources and creating human resources value for the next century

Ikuo Ishida Managing Executive Officer

Mission 2030 has various KPIs based on human resources. It is no exaggeration to say that if we don't grow human resources, we can't look ahead to the next century. I believe that environments surrounding companies will change more rapidly, so we need to cultivate the ability to identify and adapt to the changes from a long-term perspective. I think that by discussing each employee's career and life plans in addition to holding training seminars, we can focus on cultivating next-generation human resources by using our experiences and increasing the level of diversity in our company.

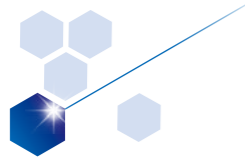


My Personal Vision for 2030

I will have already retired in 2030, but I would like to always keep curiosity alive in order to take on new challenges.



At Kurashiki Ivy Square, Okayama Prefecture



A Specialist's Perspective

Through "Mission 2030," Denka aims to become a specialist in the chemistry field. What do Denka's specialists foresee for the future?

I Believe in Unseen Possibilities and Do Not Want to Stop Challenging Myself.

Denka's β -type SIAION phosphors are mainly used in white LED backlighting for LED displays and more. In order to realize better and more vivid phosphors, Toyoshima is researching and developing new phosphors using material informatics.

The R&D of new phosphors requires patience. This is because it is the process of creating something from scratch. Despite this, Toyoshima has not given up on experimenting. "This process could lead to some unexpected results, so I have thrown away all preconceptions and am trying to keep pushing forward. The feeling after discovering a new material through using trial and error to find the most optimal path to development is rewarding." He also spends his days refining his expertise so he does not miss discovering even a slight change when analyzing the numerous results of his experiments on both macro and micro levels. Toyoshima said passionately, "My dream is to create a new, groundbreaking phosphor that undermines everything we thought we knew, thereby helping Denka's technological capabilities be recognized throughout the world."

Hiroaki Toyoshima
Specialty Ceramics Research Dept.
Denka Innovation Center
New Business Development

Joined the company as a mid-career transfer in 2010. He is working in the research and development of new phosphors using material informatics at the Denka Innovation Center.



DENKA TOPICS

Introducing Denka Group news topics from January to April 2023.

Apr.

Changing the corporate slogan and completing vision videos for internal and external use

The new vision and Mission 2030 can be viewed on a special webpage.



世界に誇れる、化学を。

Denka

Denka has changed its Japanese corporate message "できるをつくる。" to "世界に誇れる、化学を。" in order to convey its new vision internally and externally. Denka has also completed two videos that are now available on its corporate website. The first video is designed to explain Denka's vision to external stakeholders. The second video, featuring President Imai and other executives sharing their perspectives on the new vision, is to enhance employees' comprehension of the Mission 2030 new management plan. The videos can be viewed on a special Mission 2030 webpage, so please check them out.

*Denka's English corporate message, "Possibility of chemistry," remains the same.

Jan.

Signing ceremony following the establishment of a corporate venture capital (CVC)

On January 16, Pegasus Tech Ventures and Denka established a CVC fund and held a signing ceremony. By investing in and collaborating with ventures around the world that have cutting-edge technology, products, and business models, Denka will aim to strengthen and expand existing businesses while accelerating the creation of new ones. The fund is aiming to invest a maximum of around 0.1 billion US dollars by FY2030.



Jan.

PLATIECO® eco-friendly and sustainable plastic developed

A new eco-friendly and sustainable plastic called PLATIECO® has been developed by combining natural eggshell with polystyrene resin, a type of plastic. This material has already been used in Gundam plastic models from the Mobile Suit Gundam series, as it can reduce plastic usage and greenhouse gas emissions.

GUNPLA using PLATIECO®, "ENTRY GRADE 1/144 RX-78-2 GUNDAM [Classic color]" (Manufactured: BANDAI SPIRITS CO., LTD.) (C) SOTSU-SUNRISE



Feb.

Annual uniform partnership contract with ALBIREX NIIGATA extended Further progress expected in the 2023 season with the return to J1

Denka has extended its annual uniform partnership agreement (covering the neck area) with ALBIREX NIIGATA in the J1 Soccer League. In the 2023 season (February 2023 – January 2024), Denka will continue to provide support to ALBIREX NIIGATA. In accordance with its ESG policy, Denka strives to contribute to society and people's lives by improving health and welfare, promoting sports, and revitalizing local communities.



©ALBIREX NIIGATA

Feb.

Groundbreaking ceremony for a chemical recycling plant for styrene resins

On February 1, Denka and its group company, Toyo Styrene Co., Ltd., held a groundbreaking ceremony to construct a chemical recycling plant for styrene-based resins at the Chiba Plant. The ceremony was attended by Senior Managing Executive Officer Shinmura and Managing Executive Officer Tokumoto from Denka, as well as President Ishizuka from Toyo Styrene and President Miyagawa from Denka Consultant & Engineering Co., Ltd. During the ceremony, a Shinto ritual was performed, and all participants prayed for a safe construction process.



Mar.

Recognized as one of the "White 500" enterprises

On March 8, Denka was selected as one of the top 500 companies ("White 500" enterprises) in the large enterprise category of the 2023 Certified Health & Productivity Management Outstanding Organizations Recognition Program. This program is organized by the Ministry of Economy, Trade, and Industry (METI) and the Nippon Kenko Kaigi to recognize companies that excel in health management, taking into account their efforts on regional health challenges and the Nippon Kenko Kaigi's health promotion initiatives. This marks Denka's second consecutive year of being selected for the program.

