### **Denka Group Core Competencies**

Denka Group aims to achieve "making the world a better place as specialists in chemistry" by utilizing to the maximum its technological capabilities and its originality that captured the megatrends, which have been nurtured throughout the 109 years of its history.

#### 1 Core Technologies and Market Share



## Initiatives to increase our competitive advantage

To respond promptly to market changes and diversifying needs, we reorganized the research and new business development systems throughout the company in April 2022, and newly established the "New Business Development Division". We are aiming to enhance new business creation by setting up an organization under this division that consistently conducts the series of processes from business concepts to concept verification, incubation, and commercialization, as well as setting up the Denka Innovation Center mainly in charge of basic research, and by clarifying responsibilities.



#### 2 Sustainable competitiveness

Denka's hydroelectric

power generation

▶P58

# Denka's hydroelectric power generation in numbers

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Denka's entire electric power usage (FY2023 results) Approximately 40%



Number of power plants
\* Includes plants owned by
joint venture companies

 $17_{\mathsf{plants}}$ 



General household electricity consumption equivalent

80.000 household



Maximum output

**140,000** kW



Power generation output in Japanese manufacturing companies

No. **2** 

Methane to Acetylene Introduction of innovative technologies and measures to reduce CO<sub>2</sub> emissions

The volume of CO<sub>2</sub> reduced is estimated to be over 300,000 tons for the emissions from the raw materials of the process. This is a level of impact of around 10 to 15% of the 2,470,000 tons of CO<sub>2</sub> emissions in 2013.

Polystyrene chemical recycling

▶P50



Companies, citizens, and local government are cooperating in chemical recycling of polystyrene

#### 3 Employee engagement

We regularly conduct an employee awareness survey at Denka. The FY2023 survey showed high employee engagement, with all fields exceeding the standard score (3.0). In the future, we will measure the effect of various measures via this survey and also discover newer issues, and we will make use of these in in-house measures.

Desire to continue working at this company

3.8/5.0

Strong desire to achieve self-imposed work targets

4.1/5.0

Diverse working styles (working from home, reduced time, flex, etc.) are accepted

3.8/5.0