



## New Year's Message

Happy New Year.

At the start of 2021, I would like to extend my greetings to our stakeholders.

First, I wish those suffering from and struggling against COVID-19 their earliest possible recovery, and I express my heartfelt gratitude to medical professionals for their service day and night.

Last year, the entire world was hit by the COVID-19 pandemic and many businesses faced a sharp plunge in demand. To surmount this unprecedented crisis and continue its business activities, the Denka Group is steadily proceeding with its management plan of Denka Value-Up, which focuses on "transformation and collaboration" in view of the social structural changes after the pandemic, which may be referred to as the New Normal in a bid to solidify its foundations for continued growth. In addition, we have contributed to efforts to address global social issues through our business activities with the use of the Sustainable Development Goals (SDGs) as a guideline for our actions. In so doing, we have started our endeavors to develop into a company truly required by society as our greatest medium- and long-term management challenge.

To look back on the past twelve months, our rapid COVID-19 antigen test made a significant contribution to combating the COVID-19 pandemic. We were able to develop and commercialize this product in a very short period of time, with some outside help. As Japan's only manufacturer of diethyl malonate, a raw material for the AVIGAN® Tablets antiviral drug, we harnessed the full strength of the Denka Group to successfully get our idle manufacturing facilities into operation again in just six weeks in answer to a request from the Japanese government to meet demand for this substance.

Other achievements in 2020 included broadening of our array of products essential to 5G mobile communication and electric vehicles and increasing our capacity to supply them. They will help society advance in the post-pandemic era.

We also set a new target of carbon neutrality in order to fulfill our social responsibility for tackling global warming. We will be boosting hydraulic power generation and evolving advanced energy conservation and other technologies with a view to attaining net zero greenhouse gas emissions by 2050.

In 2021 as well, our whole Group will carry out Denka Value-Up in order to become a company truly required by society. In light of major changes in social and economic structures, meeting our targets will require new actions, such as the introduction of digital transformation (DX) for companywide productivity reforms and the acceleration of innovation.

In parallel with that, we will adopt other major goals of seeking new work styles that will help individual employees display their potential to the fullest degree and attain their work-life balance. We will also deploy health and productivity management that will allow them to concentrate on their duties in physically and mentally healthy conditions. The Denka Group is determined to work as one to change itself for the better.

Let me conclude my New Year's message by wishing your success and prosperity.

\* AVIGAN is a registered trademark of FUJIFILM Toyama Chemical Co., Ltd.

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