Strengths and Value Offered in Our Value Chain

To deliver the environmental value demanded by society, we conduct our business activities in waste treatment and recycling under the unified approach of "One Daiseki." This enables us to consistently meet the diverse needs of our clients while generating revenue at every stage of environmental value creation. Below, we outline the strengths of the Daiseki Group's value chain, the value it generates, and our future direction



Consultation and analysis

Through careful listening, analysis, and evaluation, we uncover our clients' latent needs and identify environmental challenges related to industrial waste treatment and the use of recycled products.



Value created

Challenges

Expertise, technical capability, and tailored proposals

- Extensive experience and accumulated know-how in handling diverse types of industrial waste across a wide range of
- > P.25 Capital Supporting Growth (Social Capital)
- · Specialized analytical equipment and skilled employees
- Environment-related analysis and research
- Ability to offer comprehensive, one-stop solutions through the integrated "One Daiseki" approach, covering all related

Broad business scope and diversified revenue sources

- · Support for resolving environmental challenges across a wide range of industries enables a stable revenue
- Advanced technological expertise and know-how in industrial waste treatment allow for prompt problem-solving
- Compliance support, including contracts in accordance with the Waste Management and Public Cleansing Act
- · Capture growing demand for carbon neutrality and the circular economy
- · Further strengthen Group-wide collaborative sales to enhance client convenience



Collection and transportation

While strictly complying with the Waste Management and Public Cleansing Act we conduct reliable and safe collection and transportation services that meet client requirements.

Prompt, dependable collection and transportation with a nationwide network, dedicated large vehicles and specialist staff

- Industrial waste collection and transportation permits in 45 prefectures, enabling emergency response capability > P.25 Capital Supporting Growth (Manufacturing Capital)
- A large fleet of heavy vehicles dedicated to waste transportation and numerous partner companies
- > P.25 Capital Supporting Growth (Manufacturing Capital)
- Specialized staff who meet internal standards for driving and waste handling

Strong client trust during normal times and disasters

- · Contributing to stable operations for clients through reliable service delivery
- · Long-standing compliance with environmental laws, including the Waste Management and Public Cleansing Act, earning client trust
- Supporting disaster-affected companies (earthquakes, typhoons, etc.) to recover
- Daiseki's track record
- Strengthen safety measures to ensure employee well-being and maintain client
- Secure both the quality and quantity of specialized staff, considering challenges such as labor shortages in the logistics



Intermediate treatment

We safely and reliably detoxify and reduce the volume of waste at our intermediate treatment facilities, tailored to the physical and chemical characteristics of the waste, contributing to CO₂ reduction.

Industry-leading treatment volume and variety leveraging manufacturing capital and technical expertise, contributing to client CO2 reduction

- · Operation of large-scale activated sludge facilities
- > P.25 Capital Supporting Growth (Manufacturing Capital)
- Proprietary combined treatment methods that make processing of difficult-to-treat waste liquids easier Wastewater treatment and recycling
- Strict compliance with environmental regulations to ensure proper treatment
- Use of low-CO₂ emission treatment technologies
- Carbon neutrality

Safe and cost-effective environmental conservation and CO₂ reduction

- Safety backed by technological expertise Safety
- Realizing low-cost treatment through proprietary technologies
- Trusted as a leading industrial waste treatment provider
- Supporting clients' CO₂ reduction
- · Employing low-CO2 emission treatment technologies
- Carbon neutrality
- Enhance safety measures to protect employees and maintain client trust
- Reduce intermediate treatment costs



Recycling and product creation

We process client waste to manufacture recycled products, contributing to the prevention of resource depletion by offering alternatives to virgin materials.

Balancing environmental conservation and economic efficiency Staff deeply committed to

- An outstanding business model that harmonizes environmental conservation and economic efficiency
- > P.21 Value Creation Process

environmental value creation

- · Recycling rate of 89.2%, significantly exceeding the national average of 54.2% (FY2023 data, Ministry of the Environment)
-) P.07 At a Glance
- Staff driven by a strong mission to manufacture and sell recycled products > P.27 Daiseki Strengths (A shared sense of mission)

Contribution to economic resource circulation and the circular economy

- Manufacturing and selling recycled products through cascade recycling as substitutes for virgin materials, helping to prevent resource depletion
- Advancing material recycling business to support the circular economy Recycled resources
- · Further improve the efficiency of cascade recycling
- Expand markets and develop technologies for material recycling



Consulting and technology provision

We propose solutions from new perspectives that leverage the strengths of the Daiseki Group to address clients' latent needs and environmental risks.

Proactive proposal capabilities for potential environmental challenges and a broad client base

- · Credibility as a Carbon Disclosure
- Project (CDP)-A list company Expertise and technical capabilities
- under the "One Daiseki" approach) P.26 Capital Supporting Growth
- (Intellectual Capital) · Extensive client base backing the realization of a circular economy > P.25 Capital Supporting Growth
- (Social Capital) Numerous employees driving innovative
- > P.26 Capital Supporting Growth (Human Capital)

Responding to core client challenges and needs while balancing profitability and environmental value creation

- · Identifying clients' fundamental issues and needs, then proposing unique Daiseki solutions to create client value > P.15 Feature: Innovating a New Business Model
- · Building new business models that contribute to environmental conservation, carbon neutrality, and the circular economy
- · Capture growing demand for carbon neutrality and circular economy initiatives
- Acquire know-how and advanced technologies through the promotion of "One Daiseki
- > P.09 CEO Message

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