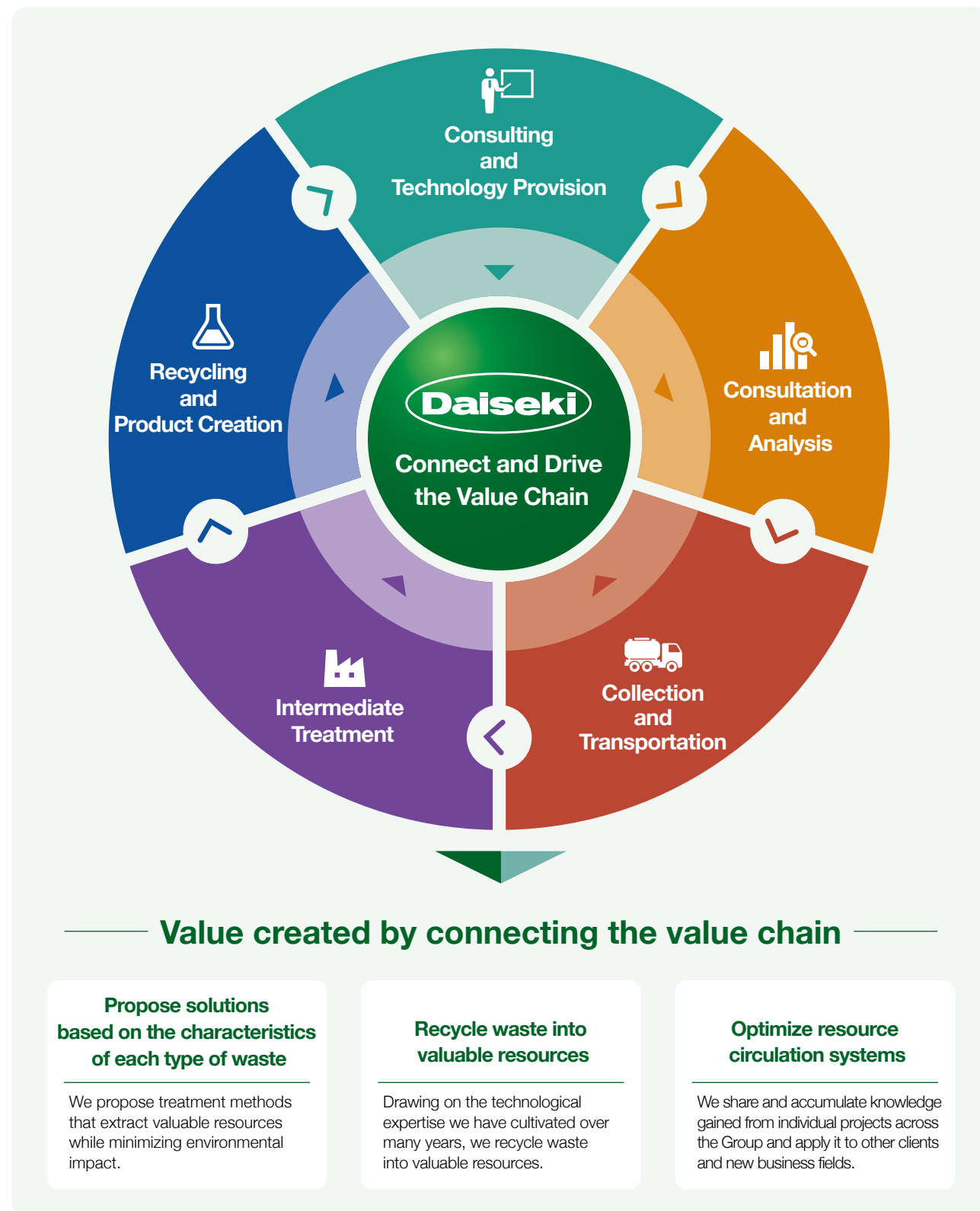


Daiseki's Value Chain and Competitive Advantages

The essence of Daiseki's competitive advantage lies in its ability to provide integrated services spanning waste collection through to resource recovery. By identifying the optimal means—whether leveraging the Group's technologies and expertise, undertaking M&A, or pursuing collaboration—we connect the value chain and achieve resource circulation. This page explains the strengths and challenges at each stage of the process, as well as the value created through collaboration across the value chain.

- > P.25 Five Strengths That Connect and Drive the Value Chain
- > P.27 Special Feature: From Solving Client Challenges to Anticipating Future Needs
- > P.47 Capital Supporting Evolution



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.

Strength

Proactive proposals that support clients' manufacturing, environmental conservation, and resource circulation

Challenges

- Develop personnel capable of identifying clients' latent needs and driving Daiseki's evolution into a solution-oriented company



Consultation and analysis

We analyze waste samples provided by clients and, based on the results, propose a safe and reliable treatment method before entering into a contract.

Strength

Extensive expertise, technical capability, and the ability to respond to a wide range of client needs

Challenges

- Further strengthen the technological capabilities and compliance framework needed to address increasingly complex waste treatment requirements



Collection and transportation

We collect waste from clients' factories and other facilities and transport it safely and reliably to our processing plants.

Strength

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

Challenges

- Strengthen safety measures to protect employees and maintain client trust
- Secure both the quality and quantity of specialized staff, considering challenges such as labor shortages in the logistics industry



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.

Strength

Industry-leading treatment volume and variety leveraging manufacturing capital and technical expertise, contributing to clients' CO₂ emissions reductions

Challenges

- Strengthen safety measures to protect employees and maintain client trust
- Reduce intermediate treatment costs



Recycling and product creation

We process clients' waste into recycled products.

By selling recycled products that serve as alternatives to virgin materials, we promote resource circulation and help prevent resource depletion.

Strength

Balancing environmental conservation and economic efficiency. Staff deeply committed to environmental value creation

Challenges

- Further improve the efficiency of cascade recycling
- Expand markets and develop technologies for material recycling