

Capital Supporting Evolution

The Daiseki Group possesses the types of capital to support a business model that serves as the core of the circular economy, underpinning society and facilitating the circulation of resources. By complementing one another, these types of capital enhance our competitiveness and serve as a driver of value creation aimed at realizing a sustainable society.

>> Social Capital

Relationships of trust with clients and partners built up over many years

> P.27 Special Feature: From Solving Client Challenges to Anticipating Future Needs

Daiseki's industry-leading client base is a vital form of capital that supports our "One Daiseki" business model. We serve a broad spectrum of industries—including manufacturing and construction—which forms the backbone of our efforts to realize a circular economy. Our distinctive end-to-end service model, from the acceptance of industrial waste to the processing and sale of recycled products, is made possible by this extensive client network. By maintaining strong relationships across diverse sectors, we are able to deliver more tailored and effective solutions. The deep trust we have built is also evident in the frequent referrals we receive from business partners and partner companies.

✔ Efforts to Strengthen Intellectual Capital

We are focused on responding to the needs of leading-edge companies that are advancing carbon neutrality and the circular economy.

- Providing guidance on treatment methods to recycle waste as a valuable resource
- Enhancing support from both environmental and cost-efficiency perspectives
- Expanding partnerships with environmentally conscious companies and municipalities, and pursuing new client acquisition in untapped regions



>> Manufacturing Capital

Supporting Japan's manufacturing through physical infrastructure

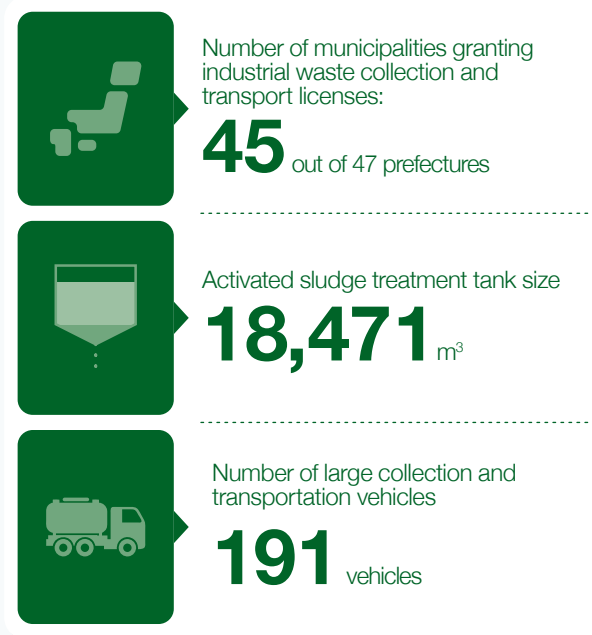
> P.33 Daiseki Group's Business Strategy

Daiseki has a nationwide network of facilities, including large-scale industrial waste treatment plants. When businesses select a waste management provider, compliance with the Act on Waste Management and Public Cleaning and possession of proper permits and facilities are basic requirements. In addition, the ability to efficiently handle large volumes of industrial waste is a key factor in provider evaluation. Daiseki's robust manufacturing capital enables us to meet the demanding needs of major waste-generating businesses. Through this infrastructure, we support the circulation of recovered waste as a valuable resource.

✔ Efforts to Strengthen Intellectual Capital

We are making capital investments to balance environmental and safety priorities, including pollution prevention, CO₂ emissions reduction, recycling enhancement, and accident prevention.

- Introduction of new equipment to expand the range of treatable and recyclable materials
- Opening new operating sites to acquire clients in untapped regions
- Capital investment in new business development, including testing equipment and demonstration plants



>> Human Capital

The driving force behind the Daiseki Group's "evolution" and "deepening"

> P.41 Strengthening Human Capital Management

Leveraging various forms of capital requires the power of people. At Daiseki, we place great importance on human capital as the foundation of our technical skills and proposal capabilities. We invest in developing independent, management-ready talent by providing management training, including finance education, for executive candidates, in addition to entrusting Works managers with independent, profit-and-loss responsibility. In new business development, we engage both internal staff and external experts to drive progress. To foster future innovation, we are committed to creating a workplace where diverse talent can thrive.

✔ Efforts to Strengthen Intellectual Capital

To secure and develop the next generation of talent that will sustain a company that prospers for 100 years, we are advancing initiatives to strengthen our human capital.

- Securing talent internally and externally to support new business development
- Reforming the personnel system through the "Nurture the Future" project
- Developing innovative talent by providing employees with management training in finance, business strategy, marketing, and accounting through GLOBIS's eMBA program



>> Intellectual Capital

Technical capabilities and expertise that further enhance our competitive advantages and support the creation of new value

> P.23 Daiseki's Value Chain and Competitive Advantages

Daiseki views waste not as garbage, but as a valuable resource. While industrial waste is classified into 37 categories under the Act on Waste Management and Public Cleaning, the optimal treatment varies even within the same category depending on the waste's properties, client requirements, and intended reuse. We have built services that respond to the diverse needs of environmentally conscious clients and accumulated the technical expertise and know-how to recycle waste while minimizing environmental impact. Daiseki values this approach to waste management as part of our "DNA That Creates Innovation," placing great importance on intellectual capital.

✔ Efforts to Strengthen Intellectual Capital

To safeguard Daiseki's profitability for the future, we are expanding our intellectual capital through both offensive and defensive strategies.

- Building industrial waste treatment services that meet the diverse needs of our clients
- Filing patent applications to protect Daiseki's unique intellectual property rights
- Continuously conducting market research and R&D to drive new business development

