Sanyo Chemical Group Value Creation Process

External environment

Climate change

Further progression of declining birthrate and aging population

100-year-life era Declining working population in Japan

Growing needs for preventive medicine and health promotion

Further development of DEI

Six material issues

Material issues on business domain

CN

Achieve carbon neutrality as Interface Innovator

QOL

Improve QOL by performance through chemistry

Material issues on management domain

Create innovations by supporting value creation of industry, culture, and education

Develop human resources and improve work environment by recognizing diversity

RM

Conduct the risk management thoroughly by strengthening the Guardian function

Implement challenge-oriented and transparent management

Vision

Grow into a global, unique, and highly profitable company

DFI

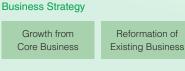
Conceptual diagram of "WakuWaku Management"



- WakuWaku Management Passion
- Job Satisfaction
- Comfortable Free Atmosphere Workplace
- Bright, Pleasant and Positive
- Pride and DNA
- Flexible Work Styles

New Medium-Term Management Plan (FY2023-FY2025)

Basic Policies



Global Deployment

Toward the Future Beyond 2025

New Growth Path

Solutions to Social Issues

Initiatives to Support Growth

WakuWaku Management

Input (FY2022)

Financial capital

Shareholders' equity: 132.3 billion yen Liabilities: 53.1 billion yen

Manufactured capital (production site)

Amount of investment in plant and equipment: 12 billion yen Production sites: Japan 5 / China 2 / South Korea 2 / Thailand 1 / Malaysia 1 / U.S. 1

Intellectual capital

R&D expenses: 5.6 billion yen R&D personnel: 419 Number of patent applications: 292

Human capital

Number of employees: 2,089

Social and relationship capital

Client companies Business partners Subcontractors Universities / Research institutes

Natural capital

Raw materials: 561,000 tons Energy consumption: 123,000 kL Water consumption: 4.33 million m²

Business model

Value chain

Order Procurement

Production

Reportable segments by market

Toiletries and Health Care

Petroleum and Automotives

Plastics and Textiles

Society we want to achieve where every employee feels pride and satisfaction from his/her work FY2030 Quantitative **Targets** Interface Innovator Outcome An environment-friendly **Company mission** Operating profit: circular-oriented society "WakuWaku" of Everyone Interface Control Technology 50 billion yen Creation of New Business Model "WakuWaku Company" Link People to People "WakuWaku" Influence Creation of Innovation Support the Environment ROIC: Providing Solutions Support Diversity 10.0% Beyond the Boundaries of Support People and Their Chemistry Lives A society where people can live healthily and safely Transformation of Business Portfolio through our corporate activities Establish a better society FY2025 Quantitative Operating profit composition ratio **Targets** Operating profit: 15 billion yen A society where Operating profit ratio: everyone can shine 7.5% with their personality ROIC: 7.0% FY2021: 11.8 billion yen FY2025: 15.0 billion yen X Sustainable Management

