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Company name	ADEKA CORPORATION
Stock exchange listing	Tokyo (code no. TSE 4401)
Representative	HIDETAKA SHIROZUME PRESIDENT AND CHIEF EXECUTIVE OFFICER
Contact	FUMITAKE KOYAE GENERAL MANAGER, LEGAL AFFAIRS & PUBLICITY DEPARTMENT

## ADEKA Group Mid-Term Management Plan 『ADX 2023』

ADEKA CORPORATION (President and Chief Executive Officer: Hidetaka Shirozume) has formulated **ADX 2023**, a Mid-Term Management Plan for FY2021 to FY2023, and begins implementing the plan in April this year.

**ADX 2023** is positioned as the first stage for achieving ADEKA Group's vision for 2030, **ADEKA VISION 2030 — An Innovative Company Contributing to a Sustainable future and Affluent Lifestyles —**.

The Group will build a robust corporate structure emphasizing profit, with the goal of improving corporate value based on both its social and economic value and further contributing to a sustainable future.

### ADX 2023 Targets

Financial indexes (FY2023)	Operating profit	<b>JPY 35 billion</b> (Net sales: JPY 380 billion)
	ROE	<b>9%</b>
Capital investment amount		<b>JPY 50 billion</b> (3 years)
Dividend policy (Dividend payout ratio)		<b>30% or higher</b> (Based on our comprehensive consideration of appropriate shareholder returns, maintaining stable dividends as our policy)

## 1. ADEKA group management system

For more than a hundred years since its foundation, the ADEKA Group has been contributing to affluent lifestyles through the provision of our valuable products, technologies and services under its management policies, **To be a company that is progressive and dynamic with a keen attitude towards the new changing tide and, Creating a better future for the people of the world.**

As the external environment is changing, the Group has formulated the **ADX 2023** based on management policies and the Fundamental CSR Policy.



## 2. The Fundamental CSR Policy

To respond to the new social environment, the ADEKA Group has reviewed its Fundamental CSR Policy and established its new CSR Priority Issues. In addition to fulfilling its corporate social responsibilities throughout the supply chain, the Group will address social issues by providing value as the manufacturer of our valuable products, technologies and services. The Group will also continue to improve its corporate value to meet stakeholders' expectations and help build a sustainable future through its main business.

The CSR Priority Issues are reflected in the measures of the Mid-Term Management Plan. Moving forward, the Group intends to integrate management and CSR.

### 3. Our Vision for 2030

The ADEKA Group established its vision for 2030.



2030 is the target year of the Sustainable Development Goals (SDGs). The Group aspires to be a corporate entity that is helping to build a sustainable future and supporting people's affluent lifestyles and is aiming to lead the world with its innovative technologies.

### 4. The *ADX 2023*, Mid-Term Management Plan

『 **ADX 2023** 』 (ADX is pronounced “ədəks”)

It was named *ADX* to express ; ADEKA's intent to transform itself to achieve sustainable growth, the ADEKA Transformation.

The three-year period is positioned as the first stage for achieving ADEKA Group's vision for 2030, ***ADEKA VISION 2030 — An Innovative Company Contributing to a Sustainable future and Affluent Lifestyles —***.

During this period, the Group will build a robust corporate structure while pursuing profit. Further, the Group aims to transform itself through the implementation of ***ADX 2023*** and respond to the new social environment.

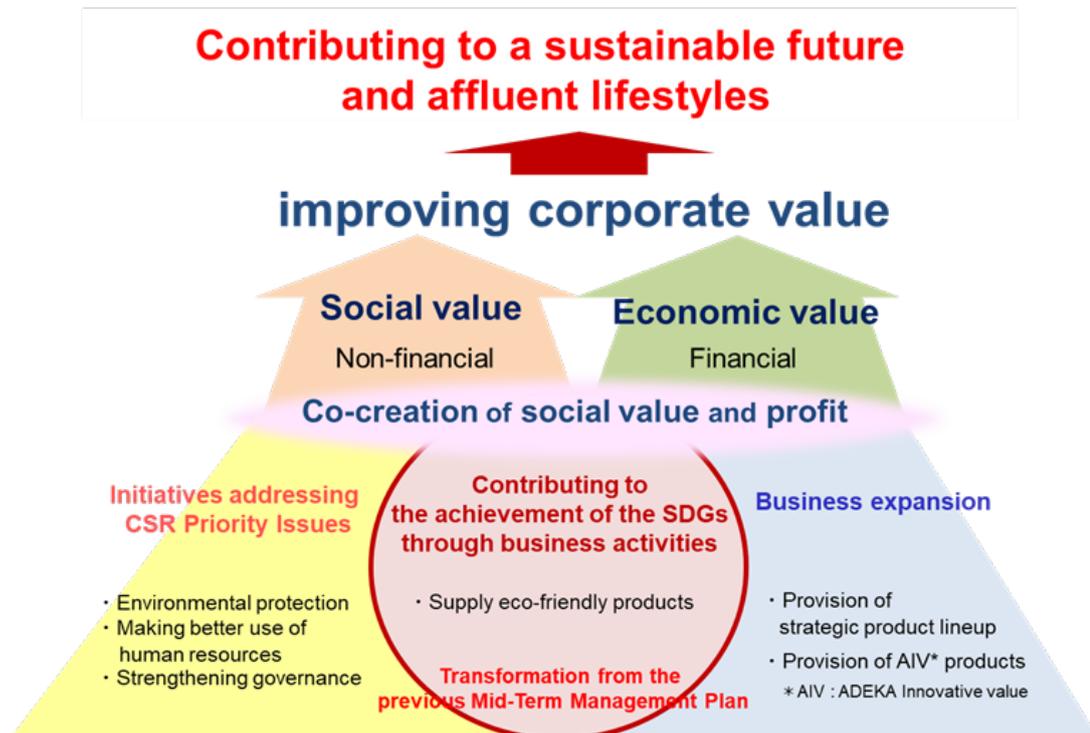
#### (1) Fundamental policy

**Transform the management foundation to be compatible with the new social environment, aiming to achieve sustainable growth with an emphasis on profitability.**

Helping to build a sustainable future, the Group will maximize its sales and profit by addressing social issues through developing its products and services. The Group will build a robust corporate structure emphasizing profit, with the goal of improving corporate value based on both its social and economic value and further contributing to a sustainable future.

(2) Key strategies

**ADEKA will transform itself** for the new social environment and carbon neutrality. To maximize its social and economic value, the Group will advance initiatives for **transforming the earnings structure, achieving sustainable growth by new domains, and reinforcing the Group management.** The Group will also advance both human resource and DX strategies.



◆ **Transforming the earnings structure**

Helping to achieve the SDGs, the ADEKA Group will include the supply of its eco-friendly products among its polymer additives, chemicals, food products, and life science businesses. In addition, the Group will optimize total cost by increasing productivity.

◆ **Achieving sustainable growth with new domains**

The Group will seek to create new businesses by targeting the domains of life science, environment, energy, and ICT. In addition, through M&A activities, the Group will enhance and optimize its portfolio.

◆ **Reinforcing Group management**

The Group will continue to enhance Group governance. We will achieve a strong financial base and will realize new work styles.

- Details of the **ADX 2023** Mid-Term Management Plan will be explained in the financial report. (Details will be available online on June 2, 2021.)

■ Contacts

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