

DENSO's Value Creation Process

Maximizing the Value of "Green" and "Peace of Mind" to Continue to Grow with Society

DENSO puts sustainability management into practice by taking the resolution of social issues as a starting point and then utilizing accumulated strengths and capital to implement business activities and advance value creation processes. Through this approach, we aim to contribute to a sustainable society and enhance our corporate value.

Tradition of Sustainability Management [P.28-29](#)

Principal social value we offer and related indicators (Fiscal 2026)

- Realization of carbon-neutral manufacturing: Achievement of carbon-neutral plants through the procurement of renewable energy and the utilization of carbon credits (carbon neutrality without carbon credits by fiscal 2036)
- Contribution to an environmentally friendly mobility society: Dissemination of electric vehicle components (production of inverters: 12 million units; production of thermal management products: 2.8 million units; production of power supply systems: 7.6 million units)
- Contribution to the elimination of traffic accident fatalities: The types of traffic accident covered by DENSO safety products account for 56% of the traffic accidents that result in fatalities (aim to increase this to 100% by fiscal 2036)

Principal financial value we offer and related indicators (Fiscal 2026)

- Expansion of equity spread over the medium to long term (ROE: 10% or higher; operating margin: 10%)
- Cash generation through business portfolio reform (Electrification domain revenue: ¥1 trillion; ADAS domain revenue: ¥500 billion)
- Balance between disciplined restraint and targeted investment (Capital expenditures: ¥350 billion; R&D expenditure: ¥450 billion)
- Long-term, stable shareholder returns (DOE: 3.0% or higher; flexible share buybacks)



Strengthening Our Capitals

Reinforcing Our Strengths

Realizing a Sustainable Society

Contributing to the SDGs through our corporate activities



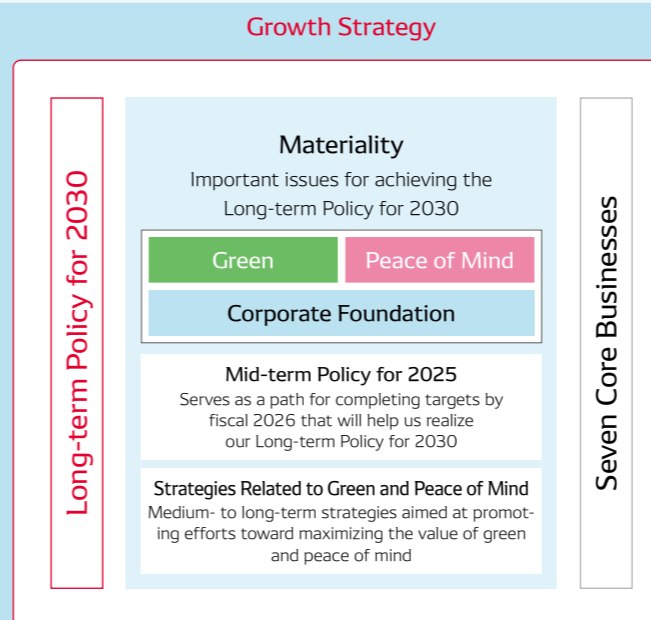
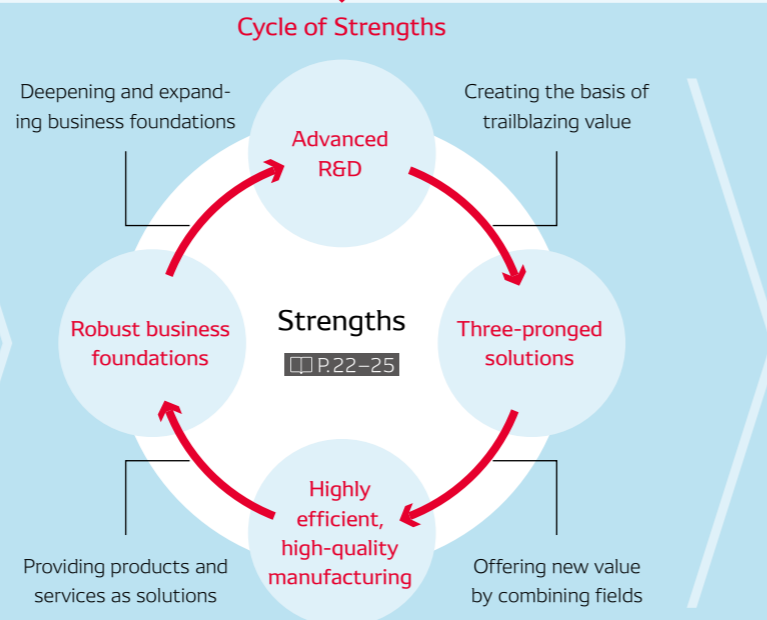
Social Issues

DENSO Philosophy

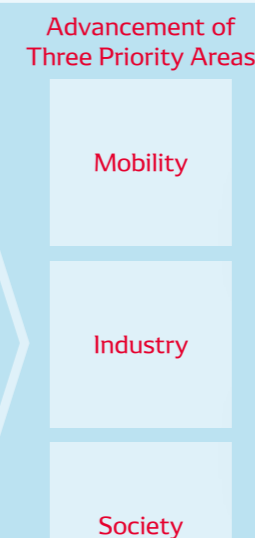
DENSO Spirit
Foundation of Our Value Creation

The DENSO Creed, which embodies the spirit of our founding, and the DENSO Spirit, which serves as an action guideline, form the foundation of our value creation. Each and every employee respects the DENSO Creed and DENSO Spirit and works to earnestly reflect them in their actions. This, in turn, helps invigorate the value creation process.

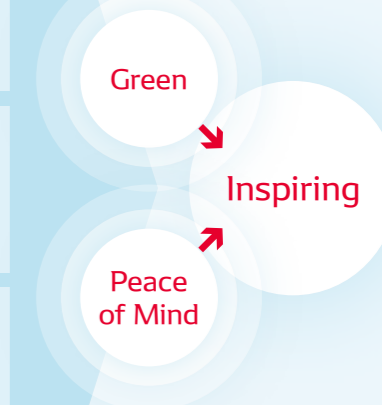
DENSO Creed



Overview by Product [P.48-65](#)



DENSO's Vision
Maximizing the Value of "Green" and "Peace of Mind" to Be Inspiring



Foundations Underpinning Value Creation



Controlling Factors That Negatively Impact Our Value Creation
We are implementing measures to respond to risks that could negatively impact our value creation.

- Efforts to Maximize the Value of "Green" [P.90-93](#)
- Risk Management and Compliance [P.114-118](#)
- Undertaking Initiatives toward Respecting Human Rights [P.96](#)