

Progress in Sustainability KPI (Targets) FY2024

\*The figures for ratio of female managers are as of March 31 of each fiscal year. Target figures are as of April 1 after the end of the fiscal year.

Materiality	Priority Initiatives	KPI (target)	Target fiscal year	FY2024 Results	Details of main actions taken	Scope		
						DKK	Affiliated companies Japan	Overseas
Workplace culture and work style reforms	Respect of employee human rights (including those of partner companies)	Employees attending human rights training sessions: 100%	Continuous target	100%	- Provided training on respect for human rights.	Y	Y	N
	Eradication of harassment	Employees attending harassment training sessions: 100%	Continuous target	100%	- Created our own training materials and held training sessions.	Y	Y	N
	Hiring diverse human resources; promoting women's empowerment	Ratio of female managers: At least 10% Certified with Eruboshi	2026	9.2%	- Held training sessions on parental leave for male employees. - Provided diversity education as part of training for third-year employees at each level. - As a result of the above activities, the ratio was 9.17% as of April 1, 2025.	Y	N	N
		Ratio of employees with disabilities: Adhere to legal requirements	Continuous target	DKK only: 2.10% ※legal rate of employment for the disabled: 2.5%	- Three new hires in FY2024. - Provided onsite practical training for job applicants. Planned the training adjusted to the characteristics of the trainees' disabilities based on advice offered by a vocational school for people with disabilities. - The support organization's staff individually interviewed the hires twice during the year to ensure that they feel comfortable in the workplace.	Y	Y	N
		Established system to employ workers up to age 70	2024	Launched a new personnel system Established system to employ workers up to age 70	- The new personnel system launched in October 2024 has established a retirement age extension and re-employment program, which will be implemented in 2026.	Y	N	N
	Productivity improvement using digital transformation (DX)	Reduction in average total working hours per year to the 1,800 hour level	2024	1,825 hours	- Some departments began DX assessment learning that is based on the digital skill standards set by the Ministry of Economy, Trade and Industry and the Information-technology Promotion Agency ahead of the other departments. - Put greater focus on monitoring by the labor management system and introduced an automatic computer shutdown system in order to reduce excessive and/or unfair working hours. - Introduced a human resource management system and career planning form for upskilling.	Y	Y	N
Strengthening of corporate governance	Compliance-focused management	Compliance education sessions for officers and division chiefs: At least once every year	Continuous target	2 times	- Held compliance training seminars for all officers and managerial staff of DKK per se and group companies in Japan on such topics as obligations and responsibilities of directors, and laws and regulations, with an attendance rate of 100% for all seminars.	Y	Y	N
		Attendance at compliance training sessions: 100%	Continuous target	100%	- Provided training sessions on the DKK Group Standards that cover compliance, internal control, and legal compliance for all employees of DKK and group companies in Japan, with an attendance rate of 100% at all sessions.	Y	Y	N
	Promotion of communication with stakeholders	Participation of director and outside directors in dialogue with investors	Continuous target	8 times	- Held an SR meeting in November 2024 in order to facilitate communication with investors. The president or an outside director was present at all interviews conducted with eight companies. - Messages from outside directors are published in the Sustainability Report 2024 disclosed in September 2024.	Y	N	N
	Ensuring transparency of management	Board of Directors effectiveness evaluation: Once every year	Continuous target	Once	- The Board of Directors deliberated on the details of the effectiveness evaluation conducted in FY2024 to set goals for FY2025. - We will have more in-depth discussions about management strategies and launch initiatives to provide even more useful information as measures to enhance the effectiveness of the Board of Directors.	Y	N	N
		Rate of Directors' attendance at Board meetings in a year: 100%	Continuous target	DKK only: 100% Including DKK domestic group companies: 99%	- The attendance rate of directors at Board of Directors meetings at DKK and group companies in Japan was 99% for FY2024. It was 100% for DKK.	Y	Y	N
	Enhancing information security	Obtaining ISO27001	2024	Four of our group companies in Japan obtained the certificate	- Four of our group companies in Japan (Denko, Denko Seisakusho, Denko Techno Heat, and Fukoku Denko) obtained the ISO 27001 certification.	Y	Y	N
Attendance rate of security training sessions: 100%		Continuous target	100%	- Held two training sessions on information security for all employees of DKK and group companies in Japan. - Provided educational training for employees who open emails in training sessions on targeted cyberattack emails.	Y	Y	N	
Contribution to social infrastructure development	Construction of stronger information infrastructure	Sales from projects for communication equipment and for enhancement of anti-disaster functions, and of induction heating equipment and other devices related to safety device systems: up 35% from FY2023	2026	Sales connected to updates to communication equipment and the maintenance business: up 37.7% from FY2023	- Enhanced sales activities in steel tower-related businesses for the defense industry, which successfully led to an increase in sales.	Y	Y	N
	Secure safety through promotion of disaster prevention busines			Sales connected to projects for enhanced anti-disaster functions of municipalities and others: up 1.4% from FY2023	- We received numerous orders for and delivered wireless devices used for municipalities' anti-disaster efforts and 280-MHz anti-disaster devices as a result of the more effort we put into research on customer needs and of enhanced sales activities, yet we did not reach the target.	Y	Y	N
	Reinforce safety of car society			Sales of induction heating equipment and other devices related to safety device systems: up 29.7% from FY2023	- Although the figure did not reach the target, there were certain effects, including greater sales of electric steering and other products, and more inquiries about energy- and power-saving parts.	Y	Y	N
	Secure safety and quality	Percentage of our engineers holding government certification related to business evaluation application: at least 70%	2025	70.8%	- To achieve a higher percentage of certified employees, held several study and information exchange meetings on each subject of construction management for engineers. - Collected information from various media to give apt advice to employees scheduled to take the test.	Y	N	N
		Conversion of company-owned cars to advanced safety vehicles (ASVs): 100%	2030	52%	- Progressively replaced company-owned cars at DKK per se and group companies in Japan with advanced safety vehicles (ASVs). (DKK only: 67.3%／Including DKK domestic group companies: 23.3%)	Y	Y	N

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Promotion of environmental management	Promote carbon neutral	Scope 1 & 2 greenhouse gas emissions: At least a 30% reduction from FY 2019 levels	2030	Set up measures to reduce emissions in Scopes 1 and 2, ensuring that these measures were consistent with the requirements for SBTi validation	- To obtain SBTi validation, set targets that meet the requirements for the validation and submitted our application to the SBTi Services. - Regarding Scopes 1 and 2, set targets for greenhouse gas reduction that are consistent with the requirements for SBTi validation, along with measures to achieve the reduction. A phased switchover to electricity that uses a high percentage of renewable energy is planned.	Y	Y	Y
		Scope 3 greenhouse gas emissions: At least a 15% reduction from FY 2019 levels	2030	Set up measures to reduce emissions in Scope 3, ensuring that these measures were consistent with the requirements for SBTi validation	- In Scope 3, 90% of the greenhouse gas emissions were in Category 1 or 11. Set targets to reduce emissions in these two categories. - Set up measures to reduce emissions that included the purchase of products designed to cut CO2 emissions and the reduction of electricity used by our products.	Y	Y	Y
		Promoting use of renewable energy: No quantitative target (follow-up item)	—	Finalized and implemented plans to adopt renewable energy for the primary actors of emissions in Scopes 1 and 2	- Decided to switch to a power purchase agreement for electricity with a 30% renewable energy ratio in 2025 at the Kawagoe Office, each of our plants, and group companies in Japan. (Some of our offices/plants adopted this initiative in 2024.) - Decided to switch from this agreement to that for electricity with a 50% renewable energy ratio in stages over the years between 2027 and 2029.	Y	Y	N
	Promotion of realizing circular society	Ratio of total emissions recycled into resources: At least 96%	Continuous target	Ensured full observance of the rules about waste sorting to maintain and oversee the ratio of emissions recycled into resources	- Achieved a 96% or higher ratio of emissions recycled into resources through our 3R activities and the full observance of the rules about waste sorting.	Y	Y	N
		Waste emissions (t): No quantitative target (follow-up item)	—			Y	Y	N
	Expansion of environmental products	Develop products that reduce environmental impact by 10%: more than 16 items	2030	Advanced research and development for products that reduce environmental impact by 10%	- Provided educational sessions on the Green Procurement Guidelines primarily for on-site work departments. - Set a development theme to meet the target of a 10% reduction in environmental impact. The advancement of research and development is under way.	Y	N	N
Creation of new businesses	Using wireless and radio frequency technologies in new areas; Entry into service business	At least five new projects initiated each year  Total of At least five projects executed	2025     2030	Solved social issues with AI solutions	- Exhibited Cybercore's Edge AI solution that uses a connected drive recorder in the JVC KENWOOD booth at AUTOMOTIVE WORLD 2025. See the news release on January 15, 2025, for details: “Cybercore Exhibited Its Edge AI Solution Using a Connected Drive Recorder in the JVC KENWOOD booth at AUTOMOTIVE WORLD 2025” URL: <a href="https://denkikogyo.co.jp/11304/">https://denkikogyo.co.jp/11304/</a> (Japanese only)	Y	N	N
				Solved social issues in our communications business	- Performed the world's first successful test using a real horizontally polarized omnidirectional antenna in the sub-terahertz range that is considered for use in the age of 6G, and began to receive orders. See the news release on November 5, 2024, for details: “DKK Announces the Completion of the World's First Test Using a Real Horizontally Polarized Omnidirectional Antenna in the Sub-terahertz Range and the Start of Receiving Orders” URL: <a href="https://denkikogyo.co.jp/10836/">https://denkikogyo.co.jp/10836/</a> (Japanese only)	Y	N	N
				Created a business that leverages the superheated steam technology, which applies high-frequency induction heating, to provide sustainable value	- Successfully sterilized powdered food with heat, without damaging the color and aroma, using D-Rapid® (an ultra-superheated steam system), as a result of joint research with Rakuno Gakuen University. See the news release on November 15, 2024, for details: “DKK Establishes Sterilization Technology to Keep Colors and Aromas of Powder Intact through Joint Research with Rakuno Gakuen University” URL: <a href="https://denkikogyo.co.jp/10914/">https://denkikogyo.co.jp/10914/</a> (Japanese only)	Y	N	N
				Explored measures to increase the number of our applications for patents, etc.	- Set up an internal consultation service related to intellectual property. - Created and made available an educational video about intellectual property, and provided training sessions. - Considered a review of our compensation system and prepared a suggestion for a new system.	Y	N	N
				Provided creativity development training titled "Planning and Creation Project"	- Launched the Planning and Creation Project for human resource training, and trained 17 employees in total over the two periods in FY2024.	Y	N	N