

Progress in Sustainability KPI (Targets) FY2025

Materiality	Priority Initiatives	KPI (target)	Target fiscal year	FY2025 Results	Details of main actions taken	Scope		
						DKK	Affiliated companies Japan	Overseas
Promotion of Human Capital Management	Advancing health and productivity management	Employee engagement score: 50% or higher	2027	Employee engagement score: an average of 36%	・ Conducted engagement surveys Analyzed the results of the engagement survey and consider initiatives to enhance engagement.	○	○	—
		Annual health checkup participation rate: 100%	Continuous target	Annual health checkup participation rate: 100%	・ Achieved a 100% participation rate by implementing measures such as encouraging unexamined individuals to undergo their annual health checkups.	○	○	—
		Employees who receive re-examinations as advised after the annual checkup: 80% or higher	Continuous target	Employees who receive re-examinations as advised after the annual checkup: 82.4%	・ Achieved our target by encouraging individuals who required follow-up examinations to undergo them through follow-up notices and awareness-raising activities.	○	—	—
		Employees who receive specific health guidance as advised: 80% or higher	2027	Employees who receive specific health guidance as advised: 46.6%	・ Conducted awareness-raising activities to encourage individuals advised to receive specific health guidance to do so.	○	—	—
	Promoting diverse employees' career pursuits	Ratio of female managers: 10% (*1)	2027	Ratio of female managers: 9.2% (As of March 31, 2026)	・ Conducted diversity training. ・ Developed and implemented initiatives to increase the proportion of women appointed as managers. ・ As a result of the above initiatives, the ratio was 8.8% as of April 1, 2026.	○	—	—
		Eruboshi Certification (Level 1)	2027	Confirmation of our current status regarding the acquisition of the certification and establishment of actions to be taken	・ Confirmed our current status regarding the acquisition of the certification and subsequently determined the key initiatives to be implemented.	○	—	—
		Ratio of employees with disabilities in compliance with the legal requirement (*2)	Continuous target	Ratio of employees with disabilities: 2.57% (DKK only)	・ Conducted training to promote understanding of employees with disabilities in the workplace (diversity training). ・ Considered the introduction of support services to facilitate the hiring of people with disabilities.	○	○	—
	Enhancing work efficiency through working practice reforms	Reduction in overtime hours: 5% reduction compared to FY2024	2027	Overtime: 12.5% reduction compared to FY2024	・ Conducted awareness-raising activities to encourage employees to take special leaves (such as birthday leave and volunteer leave). ・ Implemented measures to reduce overtime hours by utilizing systems such as automatic computer shutdown system.	○	○	—
		Paid annual leave taken: 85%	2027	Paid annual leave taken: 64.7%	・ Conducted awareness-raising activities to encourage employees to take paid annual leave through various initiatives, such as promoting the scheduled paid leave, monitoring usage rates at each office/plant, and publishing articles in the company newsletter.	○	—	—
		Male employees who take parental leave: 30% maintained	2027	Male employees who take parental leave: 60%	・ Conducted training for male employees on taking parental leave.	○	—	—
Strengthening of Corporate Governance	Compliance-focused management	Compliance training seminar attendance rate: 100%	Continuous target	Compliance training seminar attendance rate: 100%	・ Held compliance training seminar delivered by external instructors for all executives at DKK and group companies in Japan, with attendance rate of 100%. ・ Provided two training sessions on the DKK Group Standards that cover compliance, internal controls, and legal compliance for all employees across the Group, with attendance rate of 100%.	○	○	○ *3
		Human rights training attendance rate: 100%	Continuous target	Human rights training attendance rate: 100%	・ Conducted training on respect for human rights for all employees across the Group, with attendance rate of 100%.	○	○	○ *4
		Antiharassment training attendance rate: 100%	Continuous target	Antiharassment training attendance rate: 100%	・ Conducted comprehensive training on harassment for all employees across the Group, with attendance rate of 100%.	○	○	○ *4
	Promoting supply chain management	Rate of attendance at internal educational sessions on supply chains: 100%	Continuous target	Rate of attendance at internal educational sessions on supply chains: 100%	・ Provided internal educational sessions on sustainability in supply chains for all employees across the Group, with attendance rate of 100%.	○	○	○ *4
		Checking on suppliers to see if they follow the DKK policy (Sustainability Guidelines for Supply Chains): Once a year	Continuous target	Survey of major suppliers: Once Dialogues with major suppliers: 5 suppliers	・ Conducted a questionnaire survey of our major suppliers and provided them with feedback on the survey results. ・ Conducted dialogues with five major suppliers.	○	○	—
	Ensuring transparency of management	Dialogue between directors and investors: 5 times a year	Continuous target	Dialogue between directors and investors: 11	・ Held SR meetings, primarily led by outside directors, from December 2025 to February 2026, in order to facilitate communication with investors.	○	—	—
		Directors' board meeting attendance rate: 100%	Continuous target	DKK: 100% Group-wide: 98.77%	・ The attendance rate of directors at Board of Directors meetings at DKK and all group companies was 98.77% for FY2025. It was 100% for DKK.	○	○	○
		Board effectiveness assessment: Once a year	Continuous target	Board effectiveness assessment: Once	・ The Board of Directors deliberated on the details of the effectiveness evaluation conducted in FY2025 to set goals for FY2026. ・ We will strengthen discussions toward the achievement of management targets and consider initiatives to improve the operation of the Board as measures to enhance the effectiveness of the Board of Directors.	○	—	—
	Enhancing information security	Information security training attendance rate: 100%	Continuous target	Information security training attendance rate: 100%	・ Held two training sessions on information security for all employees at DKK and across the Group, with attendance rate of 100%.	○	○	○
		Cybersecurity training and exercise: At least once a year	Continuous target	Training sessions on targeted cyberattack emails: 4 times System (data) restoration drill : Once	・ Held four training sessions on targeted cyberattack emails and provided education to individuals who opened the emails, with attendance rate of 100%. ・ Conducted a system (data) restoration drill led by the Information Systems Department (once).	○	○	—

*1: 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.

*2: The ratio of employees with disabilities in compliance with the legal requirement will be raised from 2.5% to 2.7% in July 2026.

*3: Officers and seconded employees only

*4: Seconded employees only

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Promotion of Environmental Management	Promote carbon neutral	Scope 1 & 2 greenhouse gas emissions: At least a 42.4% reduction from FY 2019 levels	2029	Obtainment of SBTi validation and management of the progress of plans to adopted renewable energy	・ Set the greenhouse gas emissions reduction targets in line with the Paris Agreement and obtain SBTi validation. ・ Transitioned the electricity purchased by our plants and group companies in Japan to electricity with a 30% renewable energy ratio in FY2025.	○	○	○
		Scope 3 greenhouse gas emissions: At least a 45% reduction from FY 2019 levels	2029	Enhancement of the sophistication and efficiency of the calculation methods for Scope 3 greenhouse gas emissions Consideration of the development of specific initiatives to reduce greenhouse gas emissions	・ Promoted initiatives to improve the efficiency and accuracy of Scope 3 emissions calculations in order to enhance the management framework for Scope 3 greenhouse gas emissions. ・ Considered specific reduction initiatives for Category 1 and Category 11, which collectively represent 90% of the greenhouse gas emissions in Scope 3.	○	○	○
	Promotion of realizing circular society	Ratio of total emissions recycled into resources: At least 96%	Continuous target	Ratio of total emissions recycled into resources: 99.1% (It represents the combined total for three plants : the Kanuma, Atsugi, and Kawagoe plants)	・ 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 rate of emissions recycled into resources through our 3R activities and the full observance of the rules about waste sorting.	○	○	—
		Establishing a structure for green procurement	2027	Rate of attendance at internal educational sessions on green procurement: 100%	・ Conducted two internal education sessions to promote understanding and raise awareness of green procurement. Both sessions achieved a 100% attendance rate. ・ Survey on customer requirements, phased development of rules concerning green procurement operations	○	—	—
Sustainable Growth & Development of Business	Ensuring productivity and reliability of products	On-site work departments' effective utilization change rate: Up 12% from FY2024 Percentage increase in production profit per employee in on-site work departments: 12% from FY2024	2030	Effective utilization change rate : Up 11.5% from FY2024	・ Analyzed the factors leading to a decline in productivity and conducted an internal survey to identify measures to improve the efficiency of meetings and other activities. Communicated information regarding effective measures throughout the company.	○	—	—
		Gross margin per employee in sales departments: Up 1.2 million yen from FY2024	2030	Gross profit per employee : Up 8.68 million yen from FY2024	・ Developed a sales manual with the aim of enhancing our sales capabilities.	○	—	—
		Incidence of compensation for products: Up to 50% of the incidence in FY2024	2030	Incidence of compensation for products : Up 4% from FY2024	・ Communicated past incidents and the corresponding countermeasures throughout the company. ・ Analyzed the underlying causes and discussed corrective measures for each product compensation claim as they arise.	○	—	—
	Expanding scales and activities of businesses in peripheral markets	Number of new products launched: 30 in total compared to FY2024	2030	Number of new products launched : 5 in total compared to FY2024	・ Developed promotional materials for new products.	○	—	—
		Number of customers acquired: 10 by each of the 4 business departments	2030	Number of customers acquired : 14 in total across the 4 business departments	・ Strengthened the sharing of information regarding our new customers by utilizing the sales support system. ・ Developed a sales expansion plan based on interviews conducted with each business department.	○	—	—
		Average score on the service enhancement and customer satisfaction form: 4.2/5.0 or higher	2030	Revision of the format of the customer satisfaction survey and commencement of a pilot implementation	・ Standardized the format of the customer satisfaction survey, which had previously varied by business department. ・ Commenced a pilot implementation using the revised format.	○	—	—
		Commercialize ideas from the Planning & Creation Project	2030	Methods for utilizing assets bundled with services: Created two ideas	・ Held discussions with relevant departments regarding the commercialization of methods for utilizing assets bundled with services and evaluated their feasibility	○	—	—
	Enhancing technological capability	Percentage of engineers with government certification related to business evaluation application: at least 70% maintained	2030	Percentage of engineers with government certification: 65.7%	・ Considered initiatives aimed at younger engineers to increase the percentage of those with government certifications. ・ Considered the revision of internal regulations regarding allowances, such as qualification allowances.	○	—	—
		Percentage of research and development cost recovered (R&D for new technologies only): Up at least 5% from FY2024	2030	Consideration of initiatives to increase opportunities for external academic presentations and internal exhibitions with the aim of converting R&D outcomes into business projects at an early stage	・ Confirmed the content of external conference presentations given over the past three years. Identified issues including the lack of presentation opportunities for young people. ・ Considered initiatives to increase opportunities for external academic presentations and internal exhibitions.	○	—	—
Promotion of Innovation	Research and development to address social issues	Technologically verified products and services designed to address social issues: 3 per year	2030	Proposals for research and development themes aimed at addressing social issues: Selected 3 themes	・ Conducted various surveys including the identification and analysis of research and development (R&D) items, to ensure that R&D plans contribute to solving social issues, and selected the R&D themes that we should pursue in the future to address social issues.	○	—	—
	Protecting and enhancing intellectual property	Number of applications for industrial property rights: 30 per year	2030	Number of applications for industrial property rights: 6 (4 patents / 2 trademarks)	・ Revised our incentive program related to the acquisition of industrial property rights, and expanded the scope of eligibility and increased the amount of the incentives. ・ Promoted the formulation of guidelines for application for intellectual property rights and the establishment of internal rules.	○	—	—