

## Message from Outside Directors

### Business Portfolio Reform and the Role of an Outside Director and Audit Committee Member

The environment surrounding our company is far from stable, and we recognize that business reorganization, including a review of our business portfolio, is necessary in our company's management. Under these circumstances, as an Outside Director and Audit Committee Member, as well as a certified public accountant with expertise in financial accounting, I intend to continue cooperating with the executive management team and carrying out the following actions.

#### 1. Review and Support of Management Strategies

I will confirm the effectiveness of the strategies for reviewing the business portfolio and business reorganization formulated by our executive management team, while providing opinions as a financial and accounting expert.

#### 2. Recognizing Risks and Challenges

The review of the business portfolio and business restructuring involves risks and challenges. I will share the executive management team's response measures to these risks and their future business outlook, providing advice as necessary.

#### 3. Commitment to Sustainable Growth

To support the company's sustainable growth, I will assist the executive management team by analyzing financial aspects and management indicators as a certified public accountant.

#### 4. Ensuring the Accuracy of Financial Information and Preventing Fraud and Illegal Actions

The enhancement of our company's internal control organization is essential for ensuring the accuracy and propriety of financial information and preventing fraud and illegal actions. As a certified public accountant, I will evaluate the internal control framework and risk management system.

By taking the above actions, I will continue to work with the executive management team to enhance the corporate value of our company, while improving its reliability and transparency, ensuring that we provide highly reliable information to shareholders and investors.



**Toshio Kinoshita**

Director, Audit Committee Member



**Nakata Rumiko**

Director

### Monitoring for Enhancing Denka's Human Resources and Management Value

My name is Rumiko Nakata, and I assumed office as an outside director on June 20, 2024.

I hope to contribute to increasing Denka's corporate value by leveraging my experience in pharmaceutical and materials manufacturing companies. Last year, Denka developed a new vision as part of the management plan "Mission 2030". It was wonderful that young members were involved in creating their own new vision. The future of Denka will be built by its young members of today. If they take this new vision as their own, using it as a guide for actions and decisions, and create new achievements on the foundation of the traditions and numerous assets that have been built so far, we will create something unbeatable here at Denka.

In today's environment of increasing job mobility, the source of a company's competitiveness lies in its people, corporate culture, and organizational climate, and their importance continues to grow.

As a material manufacturer, Denka must simultaneously pursue both quality and safety, and consequently, Denka tends to adopt a more traditional communication style. However, it is crucial to create a corporate climate where diverse people can freely express their opinions, feel respected, and maximize their potential regardless of age, experience or background, while also making use of the positive aspects of traditional communication.

From the perspectives of human capital and organizational culture, I hope to contribute as an outside director by monitoring to help Denka evolve and enhance its human resources and management value.