

Place the Utmost Priority on Safety

1 | Fiscal 2025 Activities

Basic Policy

We have recently established the "Denka Group Occupational Health and Safety Policy" and revised the company-wide basic policy (April 2025). We have also set out behavioral guidelines that all Denka Group officers and employees must follow to ensure occupational health and safety, and published them on our sustainability website.

[Basic Policy]

At Denka Group, all officers and employees* understands and practices that workplace safety, health, and facility security and disaster prevention are the top priorities in all production-related activities.

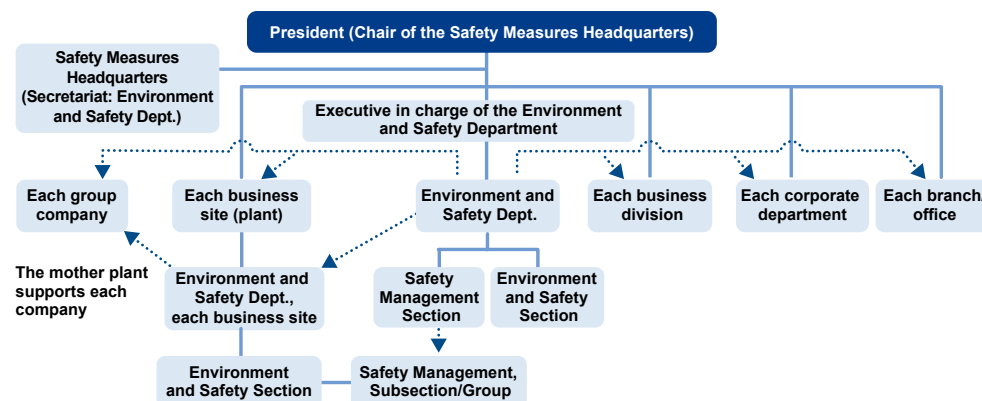
* All officers and employees: All officers, employees, and temporary staff of the Denka Group, and contractors and their employees

2 | Strategies to Achieve Objectives of Management Plan "Mission 2030"

In order to achieve an occupational accident frequency rate of 0.2 or less and 0 serious accidents by 2030, we are systematically working on the following strategies.

(1) Safety Management System

A Safety Measures Headquarters, headed by the President as Chair of the Safety Measures Headquarters, has been established, with safety management specialists assigned to the Environment and Safety Department (the secretariat) to audit, confirm, and support safety management throughout the Group. In addition, to provide detailed support to domestic and overseas group companies, we have introduced a mother plant system, in which the Environment and Safety Department of the mother plant visits each company to address safety management issues.



(2) Annual Safety Management Plan

As the overall plan for the Denka Group this fiscal year, we have set individual initiatives aimed at achieving a KPI of occupational accident frequency rate of 0.2 or less and zero serious accidents, as well as initiatives aimed at the "ideal state" that forms the foundation for these, and have developed a concrete schedule.

FY2025 Denka Group Occupational Health and Safety Management Plan

1. Initiatives to Achieve an Occupational Accident Frequency Rate of 0.2 or Less

- 1-1. Initiatives to improve non-technical skills company-wide to prevent behavioral accidents, and promotion of measures tailored to the issues of each business site
- 1-2. Focus on activities at each business site that are effective in reducing/preventing lost-time injuries
- 1-3. Systematic workplace patrols and continuous improvement based on corporate audit findings

2. Initiatives to Achieve Zero Serious Accidents

- 2-1. Confirm compliance with risk assessment guidelines and implement accident prevention measures focused on high-energy hazards
- 2-2. Formulate and implement process risk assessments and education plans to reduce safety risks

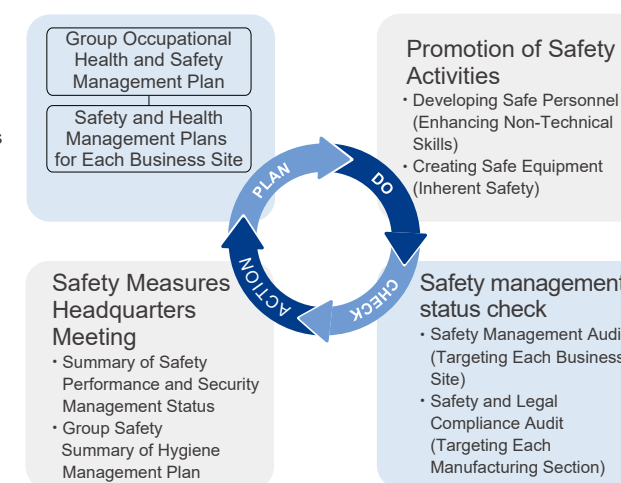
3. Initiatives to Establish and Realize Denka's Vision

- 3-1. Eliminate ineffective activities and thoroughly implement activities that should be undertaken
- 3-2. Establish group-wide common rules and promote initiatives
- 3-3. Formulate digital/DX policies related to safety management and promote their implementation at business sites

(3) Safety Management PDCA

Based on the group-wide annual occupational health and safety management plan, each business site prepares its own annual plan in line with this and promotes various safety activities.

Activity status is confirmed through safety management audits, reviewed at the Safety Measures Headquarters meeting, and reflected in the next year's occupational health and safety management plan, creating a system for continuous improvement in safety management.



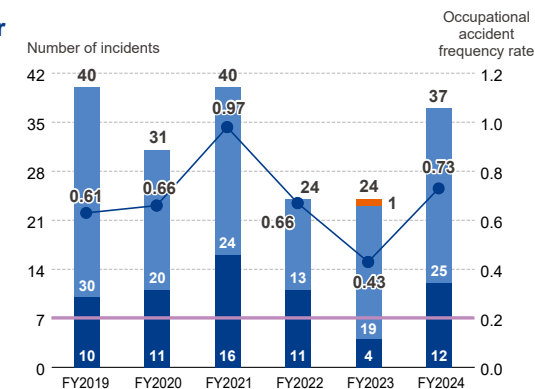
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3 | Trends in Occupational Accident Frequency Rate (Current Status)

The number of occupational accidents in FY2024 was 37, an increase of 13 from FY2023. Of these, 12 were accidents resulting in leave from work, and the occupational accident frequency rate worsened to 0.73. By type, “caught in or entangled” accidents occurred 7 times, and “falls or collisions” occurred 6 times, making these the main causes of the increase. Many “caught in or entangled” incidents occurred during periodic repairs or non-routine work, which are difficult to prevent by equipment safety measures alone. To reduce the occupational accident frequency rate, it is necessary to implement both “creating safe equipment” through inherent safety and “developing safe personnel.”

Trends in Number and Frequency Rate of Occupational Accidents

■ Non-leave or less
■ Leave of absence
■ Fatalities
● Occupational accident frequency rate
— M30 KPI (2030 Targets)

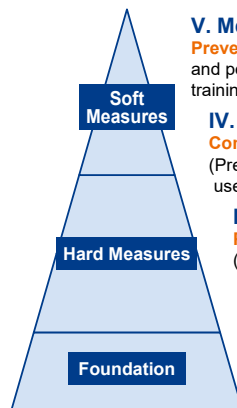


4 | Initiatives of Prioritizing Safety

(1) “Developing Safe Personnel”: Initiatives to Enhance Non-Technical Skills

Ensuring safety requires not only acquiring technical skills but also improving individual risk sensitivity. Therefore, we have started initiatives to enhance non-technical skills. Last fiscal year, we trained representatives from each business site as non-technical skill instructors. This year, we plan to develop instructors for each department based on these representatives, implement training and safety activities in each department, and promote “developing safe personnel.”

Hierarchy of Safety Measures



Utilizing Non-Technical Skills

V. Measures for Individual Sensitivity

Preventing direct contact between hazard sources and people (Learning from past accidents, repeated training in workshops, hazard prediction training, etc.)

IV. Administrative Measures

Controlling hazard sources and people (Preparation of manuals, restricted entry measures, use of protective equipment, etc.)

III. Engineering Measures

Physically isolating hazard sources and people (Guards, covers, safety devices, etc.)

II. Inherent Safety

Elimination of hazard sources (Mechanization, remote operation, etc.)

I. Legal Compliance

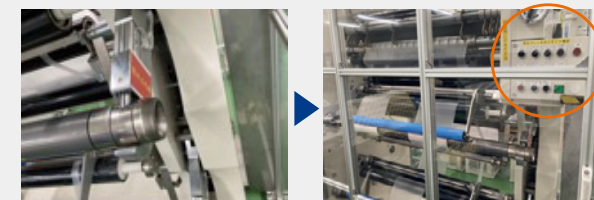
Reliable implementation of **prescribed measures**

(2) “Creating Safe Equipment”: Comprehensive Inspection for Caught-in/Entanglement Hazards

To further reduce accidents caused by equipment-related caught-in or entanglement hazards, we are focusing on inspecting risky tasks and equipment. This time, we incorporated various perspectives, including members of the newly established safety management staff/groups at new business sites, in addition to the workplace, and newly identified risks equivalent to 5% of previous cases. We are advancing both hard and soft measures to enable work in a safer environment.

Improvement Image

Since the inching button is inside the safety fence, it will be relocated outside the fence.



5 | Establishment of Systems Based on Lessons from Serious Accidents

(1) Systematic Patrols Within Business Sites

- Safety management staff/groups at all plants are conducting patrol activities aimed at reducing and preventing accidents resulting in leave from work.
- Patrol results and on-site requests are shared at the Safety and Health Committee, etc. and utilized to improve the workplace environment.



(2) Continuous Improvement Based on Audit Findings from Corporate

- We strive to ensure compliance, including at group companies, through various audits.
- In safety management audits, we check whether measures to prevent recurrence of accidents are being properly implemented, and also work on continuous improvement.

