

Quality Assurance Management

The Denka Group handles a diverse product lineup covering everything from organic chemistry, such as synthetic resin and resin processing, to inorganic chemistry using methods such as highly functional powder control technology, and bio-related fields such as bacteria/virus incubation and antibody/antigen production technology. We have established a quality policy that aligns with our management plan "Mission 2030," and we are conducting quality assurance activities for our broad range of products.

Quality Policy (FY2026)

The Denka Group's top priority is to firmly establish zero serious quality accidents and eliminate misconduct. We will strengthen quality risk management across the entire value chain, including research, manufacturing, outsourced operations, purchasing, and delivery. By transforming our organizational culture and applying scientific approaches and digital technologies, we will provide products and services that customers are able to rely on, build trust with all stakeholders, and contribute to new value creation.

To Achieve the "Mission 2030" Management Plan Targets

[FY2025]

◇ Design of Quality-related Systems

- Established and revised quality-related systems underpinning Denka's quality assurance, including the Quality Assurance Policy and guidelines for responding to quality compliance issues.
- Promoted internal activities to raise awareness of these systems and firmly embed them in our operations.

◇ Stronger Auditing and Monitoring

- Conducted quality audits of domestic plants, business divisions, and eight Group companies, verifying that their quality assurance functions were operating properly.
- Progressively improved systems requiring refinement to make quality assurance more robust.

◇ Reliable Response to Quality Issues (Product Safety and Quality Improvement Activities)

- Completed corrective action for all quality issues identified through efforts to address the quality misconduct that came to light in 2023. We will maintain and improve these measures as part of our routine quality assurance activities.

[FY2028 Plan]

1. Promoting and Improving Quality Management

- Complete the establishment and operational implementation of the quality assurance systems scheduled to be formulated by FY2027.

2. Providing Safe, Stable, High-Quality Products and Services

- Improve at least three indicators used to monitor psychological safety and the extent to which a quality-focused culture has taken root, compared with FY2025.

[FY2030 Targets]

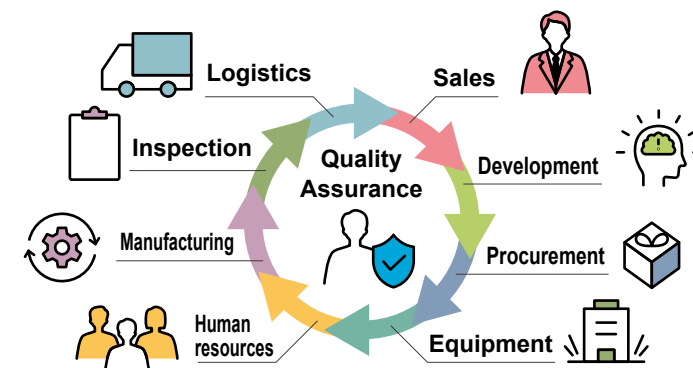
Zero Serious Quality Incidents

(Serious quality accident: A quality accident requiring a meeting of the Crisis Response Headquarters)

Quality Assurance Management

1 Initiatives for Quality Improvement and Customer Satisfaction

Market quality requirements and product-specific laws and regulations are becoming increasingly stringent. As part of our efforts to address these, we are systematically implementing quality gate management through design reviews. We are working together to address issues identified in the market environment, product design, and manufacturing processes, and to provide products that are highly evaluated by stakeholders.



2 Chemical Substance Management/Product Safety

We ensure strict compliance with domestic and international laws and regulations on chemical substances, such as Japan's Chemical Substances Control Law and the EU's REACH Regulation. We comprehensively collect information on new and amended legislation, and promptly share it internally through our intranet. To ensure that employees are fully informed and understand the requirements, we have also launched chemical substance consultation sessions focused on practical issues, further strengthening our regulatory compliance framework.



Held in February 2026
Chemical substance consultation session at the Omuta Plant

3 Promotion of Quality Roundtable Meetings by Management

To prevent a recurrence of the quality misconduct that came to light in May 2023, we are creating more opportunities for dialogue between management and workplace employees.

<Roundtable Discussions with Management>

- Town Hall Meeting
- Quality Roundtable Meetings
- Opinion Exchange Meetings

Through these initiatives, we aim to ensure that workplace perspectives are reflected in management decisions and foster a corporate culture with a high level of psychological safety.

4 Strengthen Quality Compliance Education

To strengthen compliance with quality standards, we are providing quality compliance education to employees. This fiscal year, we used SmartSkill Campus, our newly established in-house training system, to improve the rollout and adoption of this training at the head office and Group companies. We will continue to improve training content and delivery methods, and review our programs to further embed compliance throughout the Group.



5 Improvement of Quality Management System and Management Level

Requests and comments from customers regarding the quality of our products are managed company-wide through the "Quality Management System" for quality improvement and the "Chemical Substance Management System" for managing chemical information. We plan to upgrade the Chemical Substance Management System using DX in FY2026. By making management more accurate and comprehensive, we will strengthen our framework to ensure that nothing is overlooked.

We will continue to enhance our management practices, further improve quality, and ensure product safety so that we are able to provide products and services that our stakeholders can trust.