

Notice of Formulation of a Human Rights Policy of the Denka Group

Denka Company Limited (headquarters: Chuo-ku, Tokyo; President: Toshio Imai; hereinafter, “Denka”) announces that it has formulated the Denka Group Human Rights Policy.

The Group has adopted the “Denka Group ESG Basic Policy” as a basic policy for dealing with sustainability-related challenges, while also advancing three growth strategies, namely business value creation, human resource value creation, and management value creation, in its management plan Mission 2030. Through this plan, Denka is pursuing sustainability in its business activities while strengthening its management base.

The purpose of the formulation of the Denka Group Human Rights Policy is to ensure respect for human rights, an important policy for management value creation, one of the Group’s growth strategies. Under the entire Group’s management plan, Denka will conduct human rights due diligence and work to establish a process where risks are identified and mitigated and human rights are protected based on the human rights policy, aiming to fulfill its responsibility for respecting human rights and contribute to solving human rights issues through its business activities. The human rights policy is in line with the UN Guiding Principles on Business and Human Rights, international standards of behavior related to human rights. Denka became a signatory of the UN Global Compact in June this year. Denka will follow the Ten Principles advocated by the initiative in its business activities.

Denka continues to contribute to people’s lives and the society through its world-renowned chemistry for the purpose of “Make the world a better place as specialists in chemistry.”

◆ Attachment: Denka Group Human Rights Policy (page 2 and 3)

◆ The Management Plan “Mission 2030” on Denka’s Official Website

<https://www.denka.co.jp/eng/vision/>

For Reference:

July 11, 2023 Notice Concerning Signing of UN Global Compact

https://www.denka.co.jp/eng/storage/news/pdf/462/20230711_denka_ungc_en.pdf

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Denka Group Human Rights Policy

Denka aims to contribute to society by providing innovations and solutions under its Vision, consisting of Core value, Purpose and Mission, as the basis of business activities of all executives and employees of the Denka group. Denka understands that human rights are important matters in all our business activities. Denka has established this policy to fulfill its responsibility to respect human rights and to contribute to help to overcome human rights issues in accordance with the "Denka Group ESG Basic Policy" and the "Denka Group Ethics Policy" and will seek to take actions set forth below. This policy was adopted by the Board of Directors on September 11, 2023.

1. Scope

This policy applies to all executives and employees, including non-regular employees, of the Denka Group. Furthermore, Denka will make efforts to encourage all our business partners, including suppliers, to understand this policy.

2. Support for International Norms and Standards

Denka will respect international standards of human rights set forth in (i) the International Bill of Human Rights, consisting of Universal Declaration of Human Rights, International Covenant on Civil and Political Rights, International Covenant on Economic, Social and Cultural Rights, (ii) the International Labor Organization's (ILO) Declaration on Fundamental Principles and Rights at Work and the fundamental principles established therein regarding "Freedom of Association and the Right to Collective Bargaining", "Elimination of all forms of Forced or Compulsory Labor", "Effective Abolition of Child Labor", "Elimination of Discrimination in Respect of Employment and Occupation", and "Safe and Healthy Working Environment," and (iii) the OECD's "Guidelines for Multinational Enterprises."

Also, Denka will exert efforts to act in accordance with the United Nations Guiding Principles on Business and Human Rights and will support the Ten Principles of the United Nations Global Compact as a company that has signed the United Nations Global Compact. Denka will comply with the laws and regulations applicable in each country and region where we conduct business activities. However, should the laws and regulations of the country or region conflict with international human rights norms, Denka will exert efforts to pursue the methods that maximize respect for internationally recognized human rights principles.

3. Responsibility to Respect Human Rights

Denka will strive to avoid a situation where its corporate activities harm the human rights of any people related to our business activities, and if our business activities negatively impact their human rights, we will strive to take appropriate measures to remedy such negative impacts. Denka will not tolerate harassment and discrimination that hurt the dignity of individuals, and any form of child labor and forced labor. Denka will respect workers' freedom of association and the right to collective bargaining and strive to create a safe and healthy working environment where fair wages are guaranteed. In addition, Denka will strive to provide our customers with safe products and services and to disclose appropriate information.

4. Governance

We will clarify a person who is responsible for overseeing compliance with this policy and efforts based on this policy.

5. Human Rights Due Diligence

Denka will seek to conduct human rights due diligence to identify and assess potential or actual human rights impacts by its business activities, and to take measures to prevent or mitigate risks to human rights.

6. Remedial Measures

If it becomes clear that Denka has caused adverse human rights impact, we will make efforts to correct and remedy such impacts through appropriate measures. Regarding negative impacts on human rights that are directly linked to Denka's business through business relationships, Denka will also make efforts to find a solution to human rights issues in supply chain by encouraging our business partners to make efforts to correct and remedy such negative impacts.

7. Stakeholder Engagement

Regarding measures to address potential and actual adverse human rights impacts, Denka will exert efforts to take such measures through continuous consultation and engagement with relevant internal and external stakeholders.

8. Grievance Mechanism

Denka will strive to take measures to improve the effectiveness of the correction and remedy of any concerns about human rights by setting a system to report any concerns about human rights for all executives and employees of the Denka Group, all business partners including suppliers and other stakeholders.

9. Education and Training

For the effective implementation of this policy, Denka will offer training to all officers and employees of the Denka Group, including non-regular employees, to enhance their understandings as to respect for human rights.

September 11, 2023

Toshio Imai

President and CEO

Denka Company Limited