DKS Co. Ltd.

ESG Data Book 2024

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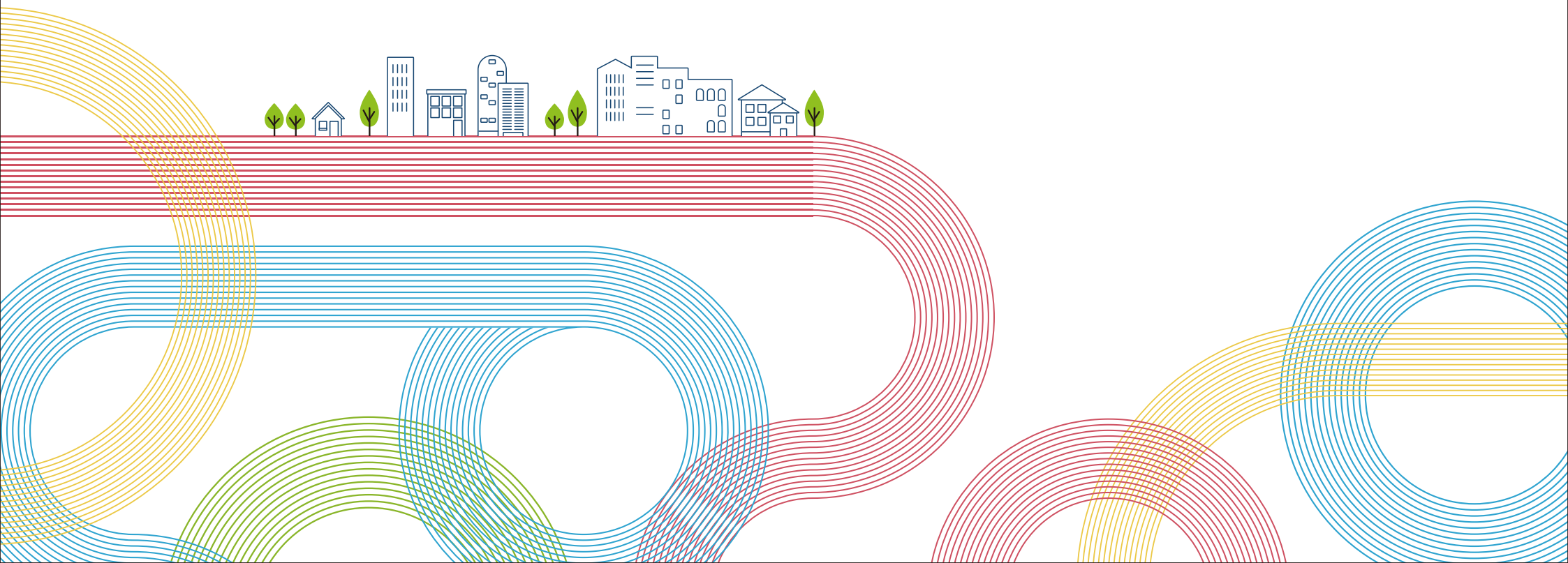

1. Governance

① Board of Directors (as of June 25, 2024)

(persons)	Male	Female	Total
Directors (excluding outside directors)	3	0	3
Auditors (excluding outside auditors)	2	0	2
Outside directors	2	1	3
Outside auditors	2	0	2

② Executive Officers (as of June 25, 2024)

(persons)	Male	Female	Total
Executive Officers	9	1	10

③ Number of Board of Directors meetings, length of deliberations, number of proposals

	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Number of times held	Number of times	12	12	12	12	14
Length of deliberations	Minutes	101	122	108	87	95
Number of proposals	Number of cases	91	104	89	89	89

④ Board of Directors (as of June 25, 2024)

Position	Name	Number of the Company's shares held	Career summary
Chairman CEO	SAKAMOTO Takashi	46,049 shares	Apr. 1970 Joined The Fuji Bank, Limited (current Mizuho Bank, Ltd.) Feb. 1991 Manager of Madrid Branch of The Fuji Bank, Limited May 1994 Manager of Nihonbashi Branch of The Fuji Bank, Limited Dec. 1999 Managing Director of Fuji Asset Management Co., Ltd. Jun. 2001 Joined the Company Jun. 2001 Director Apr. 2004 Executive General Manager in charge of Corporate Planning Headquarters Jun. 2004 Managing Director Jun. 2007 Senior Managing Director Jun. 2011 Representative Vice President Jun. 2013 Chairman and Executive Director Jun. 2015 Concurrently President Apr. 2022 Chairman CEO (current)
President COO	YAMAJI Naoki	17,123 shares	Apr. 1991 Joined the Company Apr. 2013 General Manager in charge of Planning Department, Yokkaichi Reorganization Division, Production Control Headquarters Apr. 2014 General Manager of COO Office Apr. 2015 Executive General Manager of Plastic Materials Business Division, Business Headquarters Apr. 2016 Concurrently in charge of Tokyo Headquarters Apr. 2017 Executive General Manager in charge of Corporate Planning Headquarters Jun. 2017 Director and in charge of Personnel & General Affairs Headquarters Apr. 2018 Concurrently in charge of Production Control Headquarters Apr. 2020 Managing Director Administrative Supervisor Apr. 2021 R&D Supervisor Apr. 2022 President COO (current)

④ Board of Directors (as of June 25, 2024)

Position	Name	Number of the Company's shares held	Career summary
Director	SHIMIZU Shinji	6,456 shares	Apr. 1992 Joined the Company Apr. 2014 General Manager of Personnel & General Affairs Department, Personnel & General Affairs Division Apr. 2016 General Manager of Shuang Yi Li (Tianjin) New Energy Co., Ltd. Apr. 2018 Board Director of Shuang Yi Li (Tianjin) New Energy Co., Ltd. Jun. 2019 General Manager of Financial Division, Financial Headquarters Apr. 2020 Executive Officer, Executive General Manager in charge of Production Headquarters Apr. 2022 Administrative Supervisor Jun. 2022 Director (current)
Director (Outside Independent)	OKUYAMA Kikuo	500 shares	Oct. 1990 Professor of Department of Chemical Engineering, Cluster 3, Faculty of Engineering of Hiroshima University Apr. 2001 Professor of Department of Chemical Engineering, Graduate School of Engineering of Hiroshima University Apr. 2013 Professor Emeritus of Chemical Engineering of Hiroshima University (current) Special Appointment Professor of Hiroshima University Jun. 2017 Managing Director of Hosokawa Powder Technology Foundation Jun. 2021 Director of the Company (current) Jun. 2022 Auditor of Hosokawa Powder Technology Foundation (current) Jun. 2022 Vice President, The Information Center of Particle Technology, Japan (current)
Director (Outside Independent)	HASHIMOTO Katsumi	571 shares	Apr. 1981 Joined the Osaka Regional Taxation Bureau Oct. 1984 Joined Asahi & Co. (current KPMG AZSA LLC) Mar. 1987 Registered as a Certified Public Accountant May 2007 Representative Partner of Asahi & Co. (current KPMG AZSA LLC) Jul. 2010 Director of Kyoto Office, KPMG AZSA LLC Jun. 2019 Left position at KPMG AZSA LLC Jul. 2019 Established Hashimoto Accounting Office as a Representative (current) Jun. 2020 Audit & Supervisory Board Member of the Company Jun. 2022 Director of the Company (current)

④ Board of Directors (as of June 25, 2024)

Position	Name	Number of the Company's shares held	Career summary
Director (Outside Independent)	NAKANO Hideyo	389 shares	Nov. 1991 Vice President of Cititrust and Banking Corporation Oct. 1993 Senior Portfolio Manager and Head of Private Investment of Cititrust and Banking Corporation Jan. 2000 Director and Head of Investment Division of FuNNeX Asset Management Inc. Mar. 2004 Established Trias Corporation; took up position as CEO (current) Mar. 2020 Outside Director of OUTSOURCING Inc. Jun. 2021 Outside Director of HOCHIKI CORPORATION (current) Jun. 2022 Director of the Company (current) Jun. 2023 Outside Director (Audit & Supervisory Committee Member) of NS TOOL CO., LTD. (current)
Audit & Supervisory Board Member	ONISHI Hideaki	15,731 shares	Apr. 1982 Joined DKS Co. Ltd. Apr. 2001 General Manager of Plastic Materials R&D Department, Plastic Materials Business Division Oct. 2005 General Manager of Synthesis R&D Supervision Department, Technological Development Headquarters Mar. 2006 General Manager of Plastic Additive Materials R&D Department, Technological Development Headquarters Apr. 2008 Deputy General Manager of Plastic Materials R&D Department, Plastic Materials Business Division Apr. 2009 General Manager of Plastic Materials Laboratory, Plastic Materials Business Division Jun. 2011 Executive General Manager in charge of R&D Headquarters Jun. 2014 Director Apr. 2017 Managing Director Jun. 2020 Advisor Jun. 2021 Audit & Supervisory Board Member (current)
Audit & Supervisory Board Member	FURUSAWA Yoshiyuki	806 shares	Apr. 1993 Joined the Company Apr. 2010 General Manager of Internal Audit Department Apr. 2013 General Manager of Financial Division, Financial Headquarters Apr. 2015 General Manager of Secretarial Department Apr. 2020 General Manager of Financial Administration Department, Administrative Headquarters Apr. 2021 General Manager of Life Science Business Headquarters Apr. 2022 General Manager of Internal Audit Department Jun. 2024 Senior Specialist, Internal Audit Department (current)

④ Board of Directors (as of June 25, 2024)

Position	Name	Number of the Company's shares held	Career summary
Audit & Supervisory Board Member (Outside Independent)	TAKAHASHI Toshitada	571 shares	Apr. 1982 Joined The Fuji Bank, Limited (current Mizuho Bank, Ltd.) May 2004 Manager of Urawa Branch of Mizuho Bank, Ltd. Nov. 2005 Manager of Maebashi Branch of Mizuho Bank, Ltd. Apr. 2008 Manager of Shinagawa Branch of Mizuho Bank, Ltd. Apr. 2010 Chief Auditor, Business Audit Department of Mizuho Bank, Ltd. Jan. 2011 Joined UC CARD Co., Ltd. Feb. 2011 Managing Executive Officer of UC CARD Co. Ltd. Apr. 2020 Director, Managing Executive Officer of UC CARD Co. Ltd. Jun. 2020 Independent Outside Director, Standing Audit and Supervisory Committee Member of ITmedia Inc. (current) Jun. 2020 Audit & Supervisory Board Member of the Company (current)
Audit & Supervisory Board Member (Outside Independent)	MIYANAGA Masayoshi	200 shares	Apr. 1981 Joined The Nippon Credit Bank, Ltd. (currently Aozora Bank, Ltd.) Feb. 1990 Temporarily served as an Investment Advisor of The Nippon Credit Bank, Ltd. Oct. 1991 Dispatched to Nippon Credit Gartmore Ltd. (UK) Apr. 1995 Joined Schroder Investment Management (Japan) Limited Apr. 2000 Director of Schroder Investment Management (Japan) Limited Jan. 2001 Joined Prudential Asset Management Japan Co., Ltd. (currently PGIM Japan Co., Ltd.), Chief Investment Officer in charge of Stock Investment Nov. 2003 Joined IRB, Inc. (currently FALCON Research & Consulting Ltd.), Co-Representative Partner Nov. 2011 Representative Director of IRB, Inc. Apr. 2017 Director of FALCON Research & Consulting Ltd. (current) Apr. 2017 Professor of Graduate School of Innovation Studies (currently Graduate School of Management) of Tokyo University of Science Jun. 2017 Outside Director of Universal Entertainment Corporation (current) Apr. 2023 Specially Appointed Professor of Chuo Business School (current) Jun. 2023 Outside Director of S.T. CORPORATION (current) Jun. 2024 Audit & Supervisory Board Member of the Company (current)

⑤ Compliance violation

	FY2019	FY2020	FY2021	FY2022	FY2023
Number of serious violations	0	0	0	0	0

⑥ Number of internal reports

	FY2022	FY2023
Help Line	2	3
Human Resources Harassment Consultation Desk	0	4

⑦ Compliance education

	FY2019	FY2020	FY2021	FY2022	FY2023
Number of times implemented	3	3	3	3	3

⑧ Results of the compliance awareness survey

(%)	FY2019	FY2020	FY2021	FY2022	FY2023
Information management and intellectual property	18.0	14.0	15.5	21.5	26.9
Antitrust law and subcontracting law	7.0	4.0	3.4	2.1	2.2
Environmental protection	14.0	14.0	10.4	3.5	3.0
Harassment and respect for individuals	23.0	25.0	27.8	30.2	36.5
Workplace environment and telecommuting	36.0	42.0	41.6	40	28.6
Other/No answer	2.0	1.0	1.3	2.7	2.8

*The results of the survey are listed here for the areas of compliance promotion activities that respondents would like to see addressed in the future.
Target: DKS Group employees

2. Quality

① DKS Quality Policy

品　質　方　針

「我々はお客様の事業の発展のため最大限の貢献をします」

1．当社は顧客が満足する製品の設計と品質の確立を目指し、適用される法令・規制要求事項を順守し、信頼性、安全性の高い製品を、顧客が要求する納期に、適切な価格で提供する。

2．当社は常により高い品質向上を目指し、品質マネジメントシステムの有効性について継続的な改善を推進し、顧客満足の向上に努める。

2022 年 4 月 1 日

第一工業製薬株式会社
上席執行役員
生産本部長 兼 環境・安全品質保証担当
森 善幸

② Number of complaints (compared to FY2017)

(%)

FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
100	109	72	64	40	22	19

*Index with 100 for FY2017

3. Occupational Safety

Occupational accident frequency rate and occupational accident severity rate

		FY2019	FY2020	FY2021	FY2022	FY2023
Occupational accident frequency rate	DKS Group	0.64	0.62	0.59	0.58	0.58
	DKS (non-consolidated)	0.86	0.81	0.77	0.00	0.00
	Chemical industry	0.94	0.93	1.07	1.16	1.04
Occupational accident severity rate	DKS Group	0.01	0.05	0.00	0.00	0.00
	DKS (non-consolidated)	0.01	0.07	0.00	0.00	0.00
	Chemical industry	0.02	0.03	0.02	0.06	0.03

*Frequency rate = number of lost-time injuries ÷ total hours worked × 1,000,000
A figure that shows the frequency of injuries per million total hours worked

*Severity rate = number of days lost due to injury ÷ total hours worked × 1,000
A figure that shows the severity of injuries per 1,000 total hours worked

4. Environment

① GHG emissions (DKS non-consolidated)

(1,000 t-CO_2e)

Scope / category			FY2022 emissions	FY2023 emissions
Scope 1			15.4	12.6
Scope 2			12.0	11.5
Scope 3			200.7	184.0
	Category 1	Purchased Goods and Services	173.3	158.2
	Category 2	Capital Goods	4.7	4.3
	Category 3	Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2	12.0	10.3
	Category 4	Upstream Transportation and Distribution	5.7	5.8
	Category 5	Waste Generated in Operations	4.8	5.1
	Category 6	Business Travel	0.1	0.1
	Category 7	Employee Commuting	0.2	0.2

② Climate change scenario analysis

Classification	Risk / opportunity	Urgency level	Impact level	Impact on business	DKS countermeasures
Transition	Increasing environmental awareness (changes in demand)	Medium Term	Medium	• Increase in demand for products with low environmental impact • Decrease in demand for petrochemical-derived products	• Development and wider sales of eco-friendly products • Move to non-petrochemical derived and renewable raw materials • Expansion of life science business centered on natural materials
Transition	Introduction of carbon pricing	Short Term	Medium	• Greater tax burden due to introduction of carbon tax • Increase in costs due to emissions trading	• Reductions based on GHG emissions plan • Securing and utilizing appropriate credit • Operation of internal carbon pricing
Transition	Development of energy saving technology	Long Term	Medium	• Less energy consumption with introduction of new technologies • Lower power generation costs with more widespread use of renewable energy	• Planned introduction of energy-saving equipment • Expanding the use of renewable energy • Conversion to new energy (hydrogen, ammonia fuel use, etc.)
Transition	Rise in raw material prices	Medium Term	Large	• Increase in procurement costs due to carbon tax passed on to raw material prices	• Switching to non-petrochemical derived raw materials • Risk diversification from multiple purchasing channels for raw materials
Transition	Rise in fuel prices	Medium Term	Small	• Increase in logistics costs due to carbon tax passed on to fuel prices	• Improving load factor in transportation • Promoting modal shift
Physical	More frequent natural disasters	Medium Term	Medium	• Higher risk of suspended operations at plants and with suppliers • Higher risk of disruption to logistics network (raw material procurement, sales)	• Strengthening measures based on business continuity plans • Multiple purchasing channels for raw materials • Wider range of locations and review of manufacturing sites and logistics bases to spread out inventory holdings
Physical	Rising temperatures, rising sea levels	Long Term	Small	• Higher risk of flood damage from rising water levels • Changes in the price and quality of plant-based raw materials • Higher risk of damage to employee health	• Strengthening measures based on business continuity plans • Exploration and development of raw material alternatives • Strengthening work environment and heat countermeasures

Urgency Level Short Term within 5 years Medium Term within 10 years Long Term within 30 years

Impact Level Large At least ¥3 bn impact on profits Medium At least ¥1 bn impact on profits Small Less than ¥1 bn impact on profits

③ Energy consumption (Yokkaichi, Ohgata, Shiga, Tanagura, administrative departments, affiliated companies)

	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Energy consumption	1,000 kL	26.574	24.590	24.627	22.862	20.742
Energy intensity index	-	100.5	100.0	91.6	94.9	81.5

*The energy intensity index is calculated for DKS Co. Ltd. on an individual basis based on periodic reports under the Act on the Rational Use of Energy. (The index is 100 for FY2020, the base year for the GX strategic target (FY2030) and the medium-term environmental target (FY2024).)

*Affiliated companies include Yokkaichi Chemical Co., Ltd., Kyoto Elex Co., Ltd., and Dai-ichi Ceramo Co., Ltd.; from FY2019 onward, Ikeda Yakusou Co., Ltd.; and from FY2020 onward, Biococoon Laboratories, Inc.

*Energy consumption and energy intensity index for FY2023 are calculated based on the revised Act on the Rational Use of Energy.

④ Greenhouse gas emissions (Yokkaichi, Ohgata, Shiga, Tanagura, administrative departments, affiliated companies, derived from non-energy sources)

	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Greenhouse gas emissions	1,000 t	53.841	48.936	48.584	42.984	39.872

*Administrative Division includes fuel for company-owned vehicles.

*Affiliated companies include Yokkaichi Chemical Co., Ltd., Kyoto Elex Co., Ltd., and Dai-ichi Ceramo Co., Ltd.; from FY2019 onward, Ikeda Yakusou Co., Ltd.; and from FY2020 onward, Biococoon Laboratories, Inc.

*Greenhouse gas emissions in FY2023 are calculated based on the revised Act on the Rational Use of Energy.

⑤ Trends in waste generation and external recycling rate (Yokkaichi, Ohgata, Shiga, Tanagura, Kyoto, affiliated companies)

	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Amount of waste generated	t	19,605	18,431	16,664	15,251	14,258
External recycling rate	%	88.9	91.1	89.9	89.9	91.3

*Affiliated companies include Yokkaichi Chemical Co., Ltd., Kyoto Elex Co., Ltd., Dai-ichi Ceramo Co., Ltd., and from FY2019 onward, Ikeda Yakusou Co., Ltd.

⑥ Final disposal volume and final disposal rate (Yokkaichi, Ohgata, Shiga, Tanagura, Kyoto, affiliated companies)

	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Final disposal amount	t	972	767	741	546	305
Final disposal rate	%	5.0	4.2	4.4	3.6	2.1

*Final disposal rate: Ratio of final disposal volume to waste generation volume
*Affiliated companies include Yokkaichi Chemical Co., Ltd., Kyoto Elex Co., Ltd., Dai-ichi Ceramo Co., Ltd., and from FY2019 onward, Ikeda Yakusou Co., Ltd.

⑦ SOx emissions, NOx emissions, and dust emissions (Yokkaichi, Ohgata, Shiga)

	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
NOx emissions	t	13.9	15.4	11.7	2.3	2.2
SOx emissions	t	0.8	0.8	0.6	0.3	0.3
Dust emissions	t	0.5	0.8	0.2	0.3	0.3

*Yokkaichi Chemical Co., Ltd. has no facilities that generate SOx, NOx, or dust.

⑧ Trends in water discharge and COD emissions (Yokkaichi, Ohgata, Shiga, Yokkaichi Chemical Co., Ltd.)

	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Water discharge	1,000 m^3	3,952	3,496	3,469	3,669	3,784
COD emissions	t	19.1	20.7	34.1	44.4	37.8

⑨ Environmental impact in branches and Yokkaichi Chemical Co., Ltd.

Branch	Item	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Yokkaichi Branch	Greenhouse gas emissions	1,000 t	4.2	4.8	3.7	3.5	3.2
	Energy intensity index	-	123	100	79	69	87
	Amount of waste generated	t	7,138	6,677	3,981	2,590	3,826
	Final disposal rate	%	0.09	0.08	0.07	0.24	0.31
Ohgata Branch	Greenhouse gas emissions	1,000 t	17.8	13.3	14.0	12.6	10.8
	Energy intensity index	-	98	100	93	92	77
	Amount of waste generated	t	1,651	1,110	1,133	1,190	1,117
	Final disposal rate	%	0.31	0.13	0.08	0.02	0.03
Shiga Branch	Greenhouse gas emissions	1,000 t	13.2	12.7	11.4	10.1	8.8
	Energy intensity index	-	93	100	91	103	78
	Amount of waste generated	t	3,542	3,828	3,380	3,385	2,984
	Final disposal rate	%	0.08	0.03	0.03	0.00	0.01
Yokkaichi Chemical Co., Ltd.	Greenhouse gas emissions	1,000 t	15.0	14.6	15.5	13.3	14.4
	Energy intensity index	-	87	100	90	94	120
	Amount of waste generated	t	7,010	6,443	7,812	7,731	6,098
	Final disposal rate	%	13.27	11.46	9.05	6.50	4.66

*The energy intensity index is 100 for FY2020.

*Figures for the Yokkaichi Branch are the totals of the Chitose and Kasumi districts.

*Greenhouse gas emissions and energy intensity index for FY2023 are calculated based on the revised Act on the Rational Use of Energy.

⑩ Emissions of chemical substances subject to the PRTR system (DKS Co. Ltd, Yokkaichi Chemical Co., Ltd.)

	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Atmospheric emissions	t	60.6	74.5	34.0	48.4	64.6
Water emissions	t	0.57	0.45	0.44	0.43	0.28

*Figures are totals for DKS Co. Ltd and Yokkaichi Chemical Co., Ltd.

⑪ Emissions and transfer volumes of notification substances under the PRTR Regulation (FY2023)

(Unit: t/year)

Ordinance serial number	Name of substance	DKS			Yokkaichi Chemical Co., Ltd.		
		Emissions		Waste transfer amount	Emissions		Waste transfer amount
		Air	Water		Air	Water	
28	Allyl alcohol	0.00	0.00	0.00	0.00	0.00	8.70
29	1-Allyloxy-2,3-epoxypropane	0.00	0.00	0.00	0.00	0.00	25.00
56	Ethylene oxide	0.00	0.00	0.00	0.48	0.00	0.05
65	Epichlorohydrin	0.00	0.00	0.00	0.00	0.00	2.00
68	1,2-Epoxypropane (synonym: Propylene oxide)	0.00	0.00	0.00	0.97	0.00	0.00
257	Alkanol (limited to those C=10) (synonym: Decanol)	0.00	0.00	0.00	0.00	0.00	22.00
273	1-Dodecanol (synonym: n-Dodecyl alcohol)	0.00	0.00	0.00	0.00	0.00	0.48
300	Toluene	63.15	0.00	54.30	0.00	0.00	0.00
320	Alkylphenol (limited to those the alkyl group is C=9)	0.00	0.00	0.00	0.00	0.00	15.00
349	Phenol	0.00	0.00	0.00	0.00	0.00	18.00
389	Hexadecyltrimethylammonium chloride	0.00	0.00	0.00	0.00	0.00	1.00
407	Poly (oxyethylene) alkyl ether (limited to those the alkyl group is C=12-15 and mixture thereof)	0.00	0.26	0.53	0.00	0.00	7.90
408	Poly (oxyethylene) alkylphenyl ether (limited to those the alkyl group is C=8)	0.00	0.00	0.00	0.00	0.00	0.26
410	Poly (oxyethylene) alkylphenyl ether (limited to those the alkyl group is C=9)	0.00	0.00	0.18	0.00	0.00	2.90
566	Polycondensation products of adipic acid / (N- (2-aminoethyl) ethane-1,2-diamine or N,N'-bis (2-aminoethyl) ethane-1,2-diamine) / 2- (chloromethyl) oxirane	0.00	0.00	0.00	0.00	0.00	0.12
577	Mixture of polyaddition products of oxirane to alkan-1-amine (limited to those the alkane is linear chain and C=8,10,12,14,16 or 18 and the mixture thereof), polyaddition products of oxirane to (Z) -octadec-9-en-1-amine and polyaddition products of oxirane to (9Z,12Z) -octadeca-9,12-dien-1-amine	0.00	0.00	0.00	0.00	0.00	0.18
578	alpha-Alkyl-omega-hydroxypoly (oxyethane-1,2-diyl) (limited to those the alkyl group is C=16-18 and the mixture thereof, and the number average molecular weight is less than 1,000), alpha-alkenyl-omega-hydroxypoly (oxyethane-1,2-diyl) (limited to those the alkenyl group is C=16-18 and the mixture thereof, and the number average molecular weight is less than 1,000), and the mixture thereof	0.00	0.00	0.00	0.00	0.00	1.60
579	alpha-Alkyl-omega-hydroxypoly [oxyethane-1,2-diyl/oxy (methylethane-1,2-diyl)] (limited to mixture of those the alkyl group is branched chain and C=9-11 (limited to those the alkyl group is consists of C=10 as a major component))	0.00	0.00	0.00	0.00	0.00	0.12
580	alpha-Alkyl-omega-hydroxypoly (oxyethylene) (limited to those the alkyl group is C=9-11 and mixture thereof, and the number average molecular weight is less than 1,000)	0.00	0.00	0.00	0.00	0.00	1.20
581	Salt of alkyl (benzyl) (dimethyl) ammonium (limited to those the alkyl group is C=12-16 and mixture thereof)	0.00	0.00	0.00	0.00	0.00	0.09
595	Ethylenediaminetetraacetic acid and its potassium and sodium salts	0.00	0.01	0.00	0.00	0.00	0.00
688	Salt of trimethyl (octadecyl) ammonium	0.00	0.00	0.00	0.00	0.00	0.09
690	Salt of N,N,N-trimethyldodecan-1-aminium	0.00	0.00	0.00	0.00	0.00	0.42
-	Other (total of substances with emissions or transfers of less than 0.01 tons)	0.00	0.01	0.00	0.01	0.00	0.01
Total		63.15	0.28	55.00	1.46	0.00	107.11

*Totals for substances for which the emission or transfer amount was 0.01 tons or more.

⑫ Environment accounting (FY2023)

Investments and costs of environmental protection activities

Category	Main activities	Investment (millions of yen)	Costs (millions of yen)
Costs within the plant premises	Pollution prevention, air pollution control, water pollution prevention	16.4	254.3
	Global environment preservation, energy saving	8.7	54.2
	Resource recycling, resource saving, waste treatment/disposal	0.0	419.6
Upstream/downstream cost	Lowering the environmental impact in containers/packaging	0.0	2.3
Administrative cost	ISO acquisition/maintenance, greening of branch premises	0.0	42.3
R&D cost	Environmentally responsive R&D	0.0	638.9
Social activity cost	Providing support grants for environmental protection to environmental preservation groups or local communities	0.0	1.9
Environmental damage cost		0.0	0.0
Total		25.1	1,413.4

Economic effects generated by environmental protection measures

Category	Main activities	Economic effects (millions of yen)
Gain on sale of valuables	Gain on sale of metal scrap, waste oil and waste alkali, etc.	15.6
Cost savings through energy conservation	Electricity and fuel savings	133.2
Cost savings through resource conservation	Savings from the reduction of water and waste	5.8
Total		154.5

5. Employees

① Employees

		FY2019	FY2020	FY2021	FY2022	FY2023
Number of employees (full-time employees)	Non-consolidated	531 persons	560 persons	572 persons	584 persons	585 persons
	Consolidated	617 persons	640 persons	659 persons	667 persons	665 persons
Percentage of women (full-time employees)	Non-consolidated	18.8%	18.9%	20.3%	20.9%	21.7%
	Consolidated	16.9%	17.0%	18.4%	18.9%	19.7%
Percentage of women in managerial positions and above	Non-consolidated	11.8%	11.2%	11.6%	11.7%	11.6%
	Consolidated	9.1%	8.8%	9.1%	9.6%	9.4%
Percentage of male workers taking childcare leave	Non-consolidated	8.0%	16.7%	35.7%	47.4%	58.8%
	Consolidated	8.0%	18.2%	31.3%	55.0%	60.0%
Ratio of female to male wages	Non-consolidated	84.3%	84.6%	81.9%	78.7%	77.4%

② Employees (non-consolidated)

		Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Number of new employees	Male	persons	21	11	21	14	9
	Female		6	12	8	8	4
	Total		27	23	29	22	13
Number of mid-career hires	Male	persons	2	7	3	8	1
	Female		1	3	3	2	1
	Total		3	10	6	10	2
Average age	Male	years	40.2	40.3	40.4	41.0	41.4
	Female		42.9	41.9	40.8	40.6	40.1
	Average		40.7	40.6	40.5	40.9	41.1
Years of service	Male	years	14.3	14.5	14.7	15.2	16.1
	Female		18.6	17.4	15.7	15.5	15.0
	Average		15.1	15.0	14.9	15.3	15.9
Average annual salary		yen	7,326,060	7,327,378	7,315,758	7,471,804	6,951,010
Retention rate after 3 years of employment		%	93.7	100	92.5	87.0	89.7
Job turnover rate for personal reasons	Male	%	1.9	0	1.5	2.0	2.6
	Female		1.0	1.8	1.6	0.8	3.7
	Average		1.8	0.3	1.5	1.7	2.8

③ Employees (non-consolidated)

	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Employment rate of people with disabilities	%	3.14	2.87	2.57	3.15	3.12
Number of foreign employees	persons	7	9	9	11	12
Annual training cost per person	yen/person	13,604	57,210	57,169	33,775	18,390
Annual training hours	total hours	5,324	48,915	124,366	24,707	9,578
(Reference) DX training hours	hours	0	42,129	119,175	21,500	6,384
Training hours per person	hours/person	10.0	87.3	217.4	42.3	16.3
Number of labor union members	persons	390	410	418	423	423
Percentage of union members	%	73.4	73.2	73.2	72.4	72.3

④ Annual paid leave utilization and overtime hours worked

	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Average annual paid leave utilization rate	%	73.2%	66.1%	67.4%	73.8%	74.6%
Annual prescribed working hours	hours	1,830.0	1,822.5	1,822.5	1,822.5	1,822.5
Average overtime hours worked (per month)	hours	12.7	12.6	12.6	10.1	8.7

⑤ Uptake of childcare and nursing care leave

	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Employees taking childcare leave	persons	2	7	8	14	17
Job reinstatement rate	%	100	100	100	100	100
Childcare leave recipient (child nursing leave)	persons	48 (48)	38 (38)	40 (40)	49 (49)	41 (41)
Employees taking mid- to long-term nursing care leave	persons	0	0	0	0	0
Employees taking short-term nursing care leave	persons	10	8	7	9	8

6. Health and Productivity Management

Healthy Company Declaration: Regarding its employees as Company assets, DKS will strive to maintain and improve their health.

YAMAJI Naoki, President COO, DKS Co. Ltd.

Prevent disease and mental health issues by health management	Work and live in a safe and healthy environment

Plan
- Formulate measures to prevent lifestyle-related diseases
- Formulate health management targets
- Develop internal company communication
- Improve the workplace environment

Do
- Regular health checkups, special health checkups, specific health guidance
- Mental care: internal and external EAP, stress checks
- In-house education: e-learning, group training, etc.
- Improve conditions of the Company premises and housing: maintenance of amenities; implement measures to prevent passive smoking, etc.
- Look into absenteeism, presenteeism, and work engagement
- Hold events involving athletic activities

Check
- Inspect workplaces; monitor working environments, etc.
- Interview after health checkup and summarize results
- Implement workplace improvement activities after stress checks
- Request third-party assessment by external institutions: DBJ Health Management rating, White 500 (certified health and productivity management organizations)
- Conduct cross-analysis relating to productivity

Action
- Gather results of health checks, management ascertains status of mental health
- Share health checkup results data in-house
- Release both internally and externally an assessment by external institutions
- Explore routes for improvement based on an assessment by external institutions
- Explore next health management targets based on health checkup results and secondary data
- Verify the effect on productivity and corporate value

Concept of Health and Productivity Management

Health and Productivity Management (“Kenko Keiei”) Initiatives

We aim to bolster the Company’s productivity, and thus its corporate value, by maintaining and improving the health of our employees.

Health and Productivity Management (“Kenko Keiei”) is a registered trademark of the NPO Kenkokeiei.

These initiatives are reported to meetings attended by officers in charge to obtain approval for plans formulated based on these results.

Health-related figures

Classification	Item	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Medical checkups and examinations	Periodic health examination visit rate	%	100	100	100	100	100
	Secondary checkup uptake rate	%	100	100	100	100	99.2
Physical health	Prevalence rate	%	77.0	72.0	79.0	76.9	74.3
	Percentage of employees 40 and older who maintain an appropriate weight (BMI 18.5 to 25)	%	75.9	70.6	73.0	68.8	67.3
Lifestyle	Smoking rate for employees 40 and older	%	19.0	20.5	21.4	20.9	20.3
	Percentage of employees 40 and older who exercise regularly	%	20.3	22.5	24.4	24.5	24.5
	Utilization rate of specific health guidance	%	85.1	75.0	79.7	74.6	63.1
Mental health	Stress check implementation rate	%	100	100	100	100	100
	Incidence of new mental health problems	%	0.2	0	0.2	0.45	0.14
Working Hours	Total hours worked per person per year	Hours/ person	1,973.5	1,970.4	1,973.6	1,949.1	1,969.4
	Rate of leave due to injury or illness	%	0.2	0.1	0.2	0.4	0.1
	Percentage of employees taking paid leave	%	73.2	66.1	67.4	73.8	74.6
	Business efficiency (as measured by absenteeism)	%	October 98.2 March 98.7	October 99.2 March 99.3	October 99.0 March 99.2	October 98.8 March 99.4	October 98.9 March 98.5
	Business efficiency (as measured by presenteeism)	%	October 96.7 March 98.4	October 98.6 March 98.7	October 99.1 March 98.9	October 99.1 March 98.6	October 92.8*1 March 93.0
	Work engagement (deviation based on stress check)	...	50	50	50	50	50
Retention status	Average years of service of full-time employees (male)*2	years	14.8	15.0	15.4	15.9	16.5
	Average years of service of full-time employees (female)*3	years	18.8	17.5	15.7	15.5	15.0
	Permanent employee turnover rate	%	1.9	0.3	1.5	1.9	2.9
Family health measures	Percentage of dependents receiving specific health examinations	%	43.5	41.4	42.9	48.2	51.3

*1 Measurement values from September 2023 based on revised method.

*2 Including assigned employees of Group companies.

*3 Including transfers to Group companies.