



Respect for Human Rights

Respect for human rights and ensuring psychological safety are the foundation for the workforce to take on challenges autonomously and creatively, and are fundamental to the sustainability that the Dexerials Group strives to achieve. We are fostering a corporate culture that values and embraces diverse individual backgrounds and perspectives, while continuing to build relationships of trust with a wide range of stakeholders.

ESG Key Issues Compliance with international human rights principles Diversity and Respect for Human Rights

■ Issues and Initiatives: Promote human rights awareness and due diligence based on our human rights policy

FY2024 Results	KPIs / Targets through FY2028
Drafted Human Rights Policy	Promote human rights awareness and due diligence based on our Human Rights Policy

Human Rights Policy

As a global enterprise, the Dexerials Group recognizes respect for human rights as a vital responsibility. We have updated our Human Rights Policy to comply with international guidelines, including the United Nations Guiding Principles on Business and Human Rights (UNGPs), while also taking into account societal and customer expectations, the nature of our business, and our entire supply chain. Going forward, in accordance with this policy, we will progressively identify, assess, and address human rights risks, enhancing the effectiveness of our efforts to respect human rights across all corporate activities.

Initiatives to Respect Human Rights in the Supply Chain

The Dexerials Group considers respect for human rights to be an important issue not only within the Group but throughout its supply chain. As a basic framework, we have established the Dexerials CSR Procurement Guidelines and are working to promote responsible procurement and a sustainable society through collaboration with our suppliers.

☎ P. 74 Supply Chain Management (CSR Procurement)

Human Rights Policy
For more details, please refer to our website.

Dexerials CSR Procurement Guidelines
(Japanese only)
For more details, please refer to our website.

Human Rights Education

FY2024 Initiatives

Human Rights Awareness Education

To prevent human rights violations and minimize their impact, the Dexerials Group provides human rights awareness education for the entire workforce under the theme of “business and human rights.” This program explains the basic concept of human rights due diligence and human rights issues that should be considered in corporate activities, encouraging employees to incorporate respect for human rights into their daily work. Through ongoing education and awareness initiatives, we aim to cultivate a corporate culture in which the workforce takes ownership of respecting human rights.

Harassment Prevention Initiatives

To create a workplace environment where everyone can work with peace of mind, we actively promote harassment prevention measures. In fiscal 2024, harassment prevention training was expanded to include not only managers but also general employees in leadership positions. The training included sharing real-life cases and deepened participants’ understanding of the impact of harassment on individuals and organizations, as well as the difference between harassment and appropriate guidance. Going forward, the Dexerials Group will continue to foster dialogue and mutual understanding in the workplace, and will provide ongoing training and environmental improvements to ensure a workplace with a high level of psychological safety.

Human Rights Due Diligence

The Dexerials Group launched its human rights due diligence initiatives in fiscal 2024, beginning with an update to its Human Rights Policy. In fiscal 2025, we are advancing to the next steps of analyzing the current situation and assessing risks in line with the updated policy. We also held briefings for managers and other persons in charge to deepen understanding of the UN Guiding Principles on Business and Human Rights (UNGPs) and the importance of companies’ efforts to address human rights issues.

Human Rights Due Diligence Process (FY2025)

▼ First half of FY2025	▼ Second half of FY2025	
1. Current situation analysis Analyze the company’s current human rights situation and provide input to managers and persons in charge. Foster awareness throughout the company and share the direction of initiatives.	2. Risk assessment (desktop) Conduct a desktop-based human rights risk assessment to identify potential human rights risks at each site and business activity. Clarify priority areas for further review.	3. Risk assessment (on-site) Grasp and evaluate the actual state of risks through on-site interviews, and gain a more precise understanding of both actual and potential human rights risks. Link to the creation of remedial measures, education programs, and redress mechanisms.

Human Rights Consultation and Response

To address human rights issues such as harassment, discrimination, and inappropriate working conditions, the Dexerials Group has established an internal consultation desk (EEO Office) that ensures anonymity and privacy. In addition to this internal consultation office, we have also implemented a whistleblowing system for reporting human rights concerns. This system includes not only internal contact points but also an external contact point managed by an outside attorney, and supports anonymous reporting and multiple languages. Through these channels, all consultations and reports are appropriately investigated and addressed, with corrective and preventive measures taken as necessary to enable the early detection and resolution of human rights risks across the Group.

☎ P. 73 Compliance Hotline



Diversity / Diverse Work Styles

Based on our Human Capital Management Policy, the Dexcelers Group respects diversity from a global perspective—gender, nationality, disability, sexual orientation, gender identity, age, religion, cultural background, and lifestyle—and promotes the creation of a workplace where everyone can thrive. We seek to boost the vitality of every employee and expand opportunities for their endeavors, aiming to become the Company of choice for diverse talents. Furthermore, being mindful of employees' work-life balance, we are committed to fostering a safe, secure, and empowering workplace where employees can perform at their full potential with creativity and productivity.

Integrating Diverse Human Capital to Strengthen Our Business Model

Evolving Diversity through Tradition and Independence

The Dexcelers Group originated in 1962 as part of the Sony Group and became independent as Dexcelers Corporation in 2012. Since becoming independent, we have continued to uphold open-minded culture that was a hallmark of the Sony Group, while also actively recruiting mid-career talents. In line with changes in our business portfolio, we are accelerating the recruitment of external talents with high expertise for our company growth. By integrating new external insights, we are working to further strengthen and evolve our unique business model.

Cultural Diversity Supporting Global Business

With global sales accounting for 67% of total net sales, it is essential for the Dexcelers Group to have talents who have deep insight into local customer markets and needs when engaging in global communication. In addition to hiring at our global subsidiaries, we are actively recruiting global talents from outside Japan, through both new graduate and mid-career recruitment, thereby increasing the proportion of non-Japanese talents.

Scope: Non-consolidated	FY2022	FY2023	FY2024
Percentage of mid-career hires among all employees (%)	46.9	47.5	48.7
Percentage of global talents from outside Japan (%)	1.2	1.5	1.8

Promotion of Female Active Participation and Career Advancement

ESG Key Issues Promoting active involvement of diverse human resources Diversity and Respect for Human Rights

■ Issues and initiatives: Improve ratio of female managers

FY2024 Results	KPIs / Targets through FY2028
Ratio of female managers: 7.9% (non-consolidated)	Ratio of female managers: 10% or higher (non-consolidated)

● FY2024 results: Ratio of female managers: 11.6% (consolidated)

As part of our diversity initiatives, we are promoting female participation and career advancement. In Japan, we formulated and implemented the General Business Owner Action Plan based on the Act on Promotion of Women's Active Engagement in Professional Life for a two-year period starting from fiscal 2024. In order to foster a workplace environment where women can fully demonstrate their capabilities, we have set three goals: 1) to raise the proportion of women among new graduate hires to at least 27%; 2) to increase the number of female managers by 1.2 times* by the end of March 2026, and 3) to achieve a 100% utilization rate for childcare leave or paid time off by the end of March 2026.

In fiscal 2024, two women were promoted, and as of the end of March 2025, 20 female employees held management positions (ratio of female managers: 7.9%).

We will continue to strengthen diversity management for management positions and create opportunities for women to demonstrate leadership, thereby expanding opportunities for women to perform to their maximum capability.

* 1.2 times the number of female managers as of March 31, 2024

Employment of People with Disabilities

In 2015, the Group established Dexcelers Kibou Corporation, a certified special subsidiary that promotes the employment of people with disabilities. We are proactively fulfilling our social responsibility by promoting the employment of diverse talents to engage in roles that match their aptitudes. We have assigned qualified Employment Counselors for People with Disabilities to each workplace, creating a work environment for them with safety and peace of mind. Currently, 14 employees with disabilities are engaged in activities such as cleaning and garden management at Dexcelers business sites. (Percentage of employees with disabilities on a domestic consolidated basis: 2.7%)

Meanwhile, we are creating a workplace environment in business unit and manufacturing divisions in Dexcelers Corporation to enable employees with disabilities to perform a wide range of roles. For example, in workplaces where employees with hearing impairments work, their supervisors and colleagues learn sign language and fingerspelling to enhance communication. Consideration is given to the working environment as well, including the installation of indicator lights (rotating and flashing lights that visually convey warnings and alerts) for safety and accident prevention purposes.

Additionally, when new employees with disabilities are assigned to a workplace, training is conducted to enhance mutual understanding and communication at the workplace, including learning key considerations and emergency signals.

Expanding Remote Work

As part of our efforts to strengthen the management foundation, we are promoting varieties in work styles and digital transformation, aiming to ensure business continuity in a rapidly changing environment while fostering more creative and productive work styles. Accordingly, we have established a remote work system permanently.

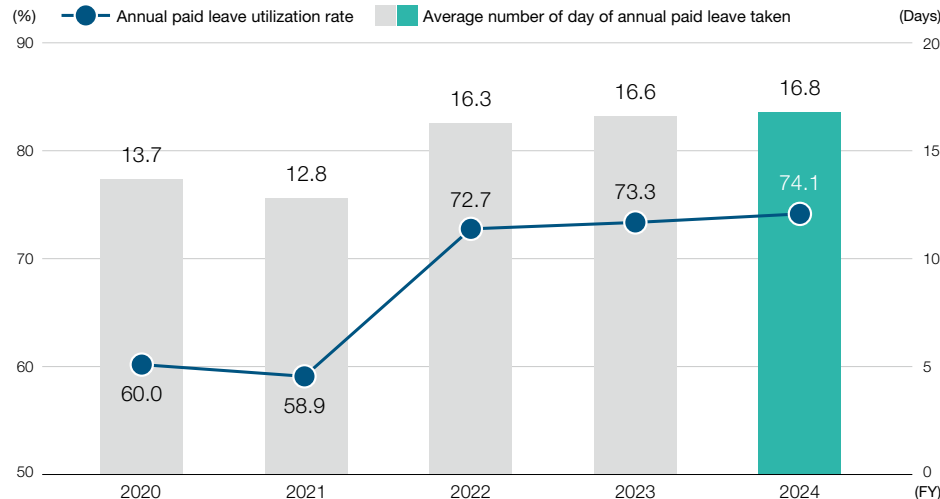
We are working to create an environment where employees can work flexibly with autonomy, thus supporting the maintenance of their physical and mental health and improving their work-life balance.

Encouraging Utilization of Paid Leave

Utilizing the working time management application system, Dexerials properly manages working hours. We have also created an environment where employees can flexibly take leave in accordance with work and life events, including a scheme that encourages planned use of annual paid leave and allows paid leave to be taken in hourly increments.

In addition, we established an accrual system that allows employees to accumulate up to 20 days of expired annual paid leave. This accumulated leave can be used for injury, illness, nursing care, volunteer activities, childcare, infertility treatments, or other life events.

Average Number of Days of Annual Paid Leave Taken and Utilization Rate (5-Year Trend)



Supporting Childcare and Nursing Care

Expansion of Supporting Systems Balancing between Work and Family Care Needs

To enable all employees to pursue work styles that suit their lifestyles, we have established systems and schemes, including support that exceeds legal requirements, promotes remote work, and facilitates an hourly paid leave system. In addition, we are expanding schemes enabling employees to work flexibly, as needed, while respecting their family and personal time.

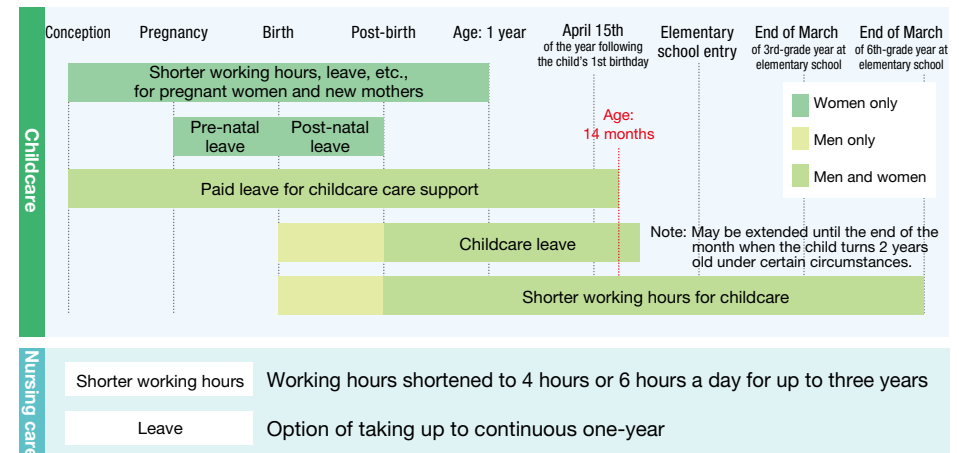
To achieve sustainable growth and enhance corporate value, a work environment where each employee can take on challenges in a positive manner is essential. We have a working system in place that enables all employees to work energetically, with diverse talents creating value in various fields.

Childcare Support

We encourage employees who are expecting a baby or whose spouse is expecting a baby to submit a "notification of expected birth" at least six months prior to expected date of delivery. Regardless of gender, employees who submit the notification are provided with detailed individual briefings on pre-natal and post-natal leave, childcare leave, and other related systems, and are encouraged to make use of these systems.

Additionally, as part of our unique initiatives, employees can also take up to 20 days of childcare support paid leave for childbirth or childcare, encouraging both male and female employees to actively participate in childcare.

Supporting Systems Balancing Work and Childcare / Nursing Care



Health and Productivity Management

Dexerials strives to create a vibrant workplace where employees can take on challenges with positivity and enthusiasm. We promote health and productivity management to ensure the well-being of every employee, corporate growth, and a happier future for society.

Guided by Declaration of Health and Productivity Management, Dexerials promotes initiatives for employees through close collaboration among management, Human Resources Division, Dexerials Health Insurance Association, and the employee representative group.

ESG Key Issues Health and Productivity Management

Employee Health and Safety

■ Issues and Initiatives: Create an environment where employees can continue to work safely, maintaining sound mental and physical health

FY2024 Results

Introduction of data-driven health management and a complete smoking ban covering domestic sites

KPIs / Targets through FY2028

Steady improvement based on the FY2030 roadmap

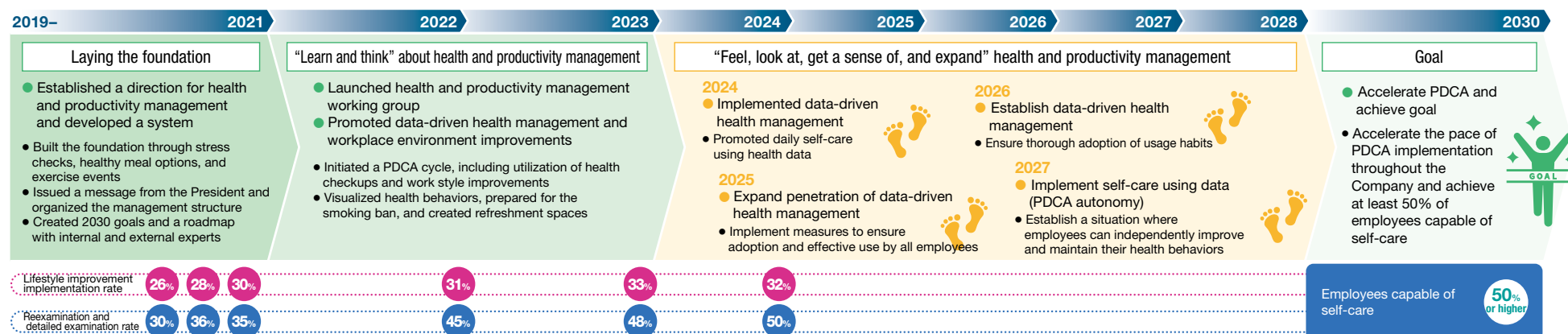
Progress on the Roadmap toward FY2030

To be a company where every employee is able to practice physical and mental self-care and work with vitality: our goal for fiscal 2030 is to increase the percentage of employees who are capable of self-care to at least 50%.

In fiscal 2024, we established a PDCA cycle system that enables employees to take ownership of their health initiatives. By visualizing health-related data, we identify issues and encourage actions for improvement.

Going forward, we will further accelerate the PDCA cycle, enhance the workplace environment to promote self-care, and implement measures tailored to identified issues.

Progress to Date and Roadmap to Fiscal 2030



FY2024 Initiatives

Based on the roadmap, in fiscal 2024 we implemented measures to promote daily self-care using health data and to ensure that all employees make use of the data.

Visualization of individual health began with the in-house health management database "Kenko no Ashiato." Incentives are set based on points earned by individuals for engaging in health-promoting activities. The system is designed to make health promotion enjoyable while also encouraging regular use of the database.

From fiscal 2024, a complete smoking ban was implemented across all sites in Japan. To create a comfortable workplace for everyone, we established relaxation spaces at each site—catering to both smokers and non-smokers—that also serve as employee communication spaces. In recognition of our ongoing efforts, we were certified as a Health and Productivity Management Organization (Large Enterprise Category) for the fifth consecutive year since fiscal 2021.

Health Support Initiatives

We identify issues from data such as health checkups and medical interviews, and, in cooperation with the Dexerials Health Insurance Association, review them annually from a medium- to long-term perspective to design the necessary support measures. In health management, we aim for 100% attendance at reexaminations and detailed examinations. For lifestyle-related findings, we provide employees with an app and on-demand video content—accessible regardless of working hours—to help them understand their own health conditions and participate in seminars voluntarily. Events combine individual support with team participation to enhance communication. In addition, we promote a comfortable workplace by implementing stress management measures and establishing a consultation system.



Occupational Health and Safety

Creating an environment where employees can continue to work safely, maintaining sound mental and physical health, is the foundation for sustainable growth and enhancing corporate value, and is essential for the Dexerials Group to continue creating new value. Accordingly, we are promoting initiatives to maintain and improve workplaces and manufacturing sites that are safe, hygienic, healthy, and where people can work with peace of mind.

In fiscal 2025, we revised Occupational Health and Safety Policy and are implementing activities aimed at maintaining zero serious industrial accidents and fostering a culture of safety. These initiatives are coordinated company-wide by the Health and Safety Headquarters (HQ) under the representative director and president, while each site takes the initiative in promoting health and safety activities.

Occupational Health and Safety Policy
For more details, please refer to our website.



ESG Key Issues Strengthening Occupational Safety

Employee Health and Safety

■ Issues and Initiatives: Create an environment where employees can continue to work safely, maintaining sound mental and physical health

FY2024 Results

Serious industrial accidents, equipment-induced accidents: None

KPIs / Targets through FY2028

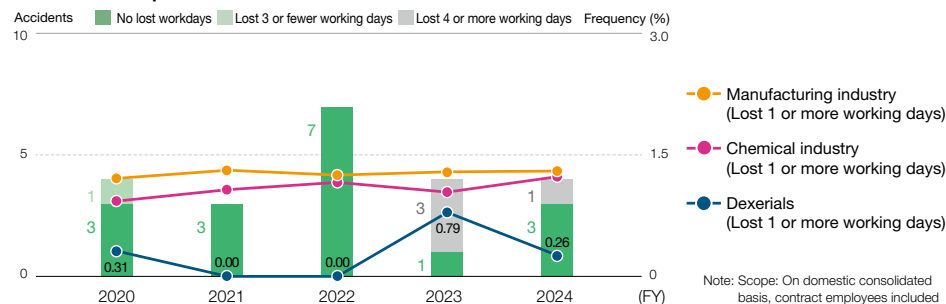
Serious industrial accidents, equipment-induced accidents: None (every fiscal year)

Occurrence of Workplace Accidents and Related Initiatives

Based on Occupational Health and Safety Policy, Dexerials is implementing initiatives to prevent serious industrial accidents by setting annual targets.

In fiscal 2024, the Dexerials Group had no work-related fatal accidents or occupational illnesses resulting in lost working days; however, one accident accompanied by lost workdays did occur. The cause was insufficient anticipation of risks in the work environment and procedures. In response, we reviewed equipment specifications, reinforced the use of protective equipment, and conducted retraining on operational procedures at all sites, thereby strengthening the preventative safety management system.

Number of Workplace Accidents



Health and Safety Management Activity Results (FY2024: Japan)

Category	Initiatives based on the Occupational Health and Safety Policy	Targets	Results
(1) Operational / equipment safety	Identify on-site work / equipment risks, implement mitigation measures	Accidents accompanied by lost workdays: 0	Accidents accompanied by lost workdays: 1 (Serious industrial accidents: 0) (Headquarters and Tochigi Technology Center)
(2) Working environment safety	Implement risk countermeasures and flow management for hazardous substances, improve and maintain working environment		
(3) Health management	Prevent health disorders caused by remote work/excessive working hours, and support the maintenance of mental health, and improvement for individuals with identified health conditions.	Reduction of the rate of individuals with identified health conditions Encouragement to quit smoking	Decrease in the rate of individuals with identified health conditions and promotion of smoking cessation
(4) Traffic safety	Reduce occurrence of traffic accidents through traffic safety education and awareness-raising initiatives	Zero traffic accidents (Assault/mutual/self-injury)	Traffic accidents: 9 (Assault/mutual/self-injury)
(5) Disaster countermeasures	Put in place Business Continuity Management (BCM) that connects initial response with Business Continuity Plan (BCP) to protect human lives, businesses, and stakeholders	Zero operational impacts	Zero operational impacts

Fostering Safety Culture and Education

- Raising awareness of accident risks through hands-on VR hazard simulation using actual equipment (for all employees); 1,321 participants
- Strengthening safety management skills through foreman training (e-learning)
- Special training for newly appointed employees (laser, forklift, etc.)
- Results: Achieved zero similar accidents related to chemical substances, after introducing VR training

Initiatives Contributing to External Evaluation

- Response to external audit: Zero findings in customer audits
- DX promotion: Completed digitalization of the health and safety management system
- Company-wide collaboration: Sharing information on workplace near misses among sites in Japan and overseas and Group companies

Workplace Accident Prevention Initiatives

- At all sites, Health and Safety Committee and workplaces collaborate to identify and analyze hazards using a risk assessment system. Evaluations are also conducted when new equipment is installed or new tasks are added, and effective measures—drawing on past cases—are systematically implemented.

We will continue striving to create a workplace environment that supports sustainable value creation by maintaining zero serious industrial accidents and fostering a robust safety culture.

Product Quality

The Dexerials Group regards “providing safe, reliable, and high-quality products and services” as part of its social responsibility. Dexerials’ products have a single source and are difficult to substitute in certain fields and play an important role in supporting our customers’ business continuity and competitiveness. Accordingly, we have positioned the maintenance and improvement of product quality as one of our ESG key issues and are striving to build a business foundation that sustainably meets society’s expectations and earns its trust.

ESG Key Issues	Maintenance and improvement of product quality	Product Quality
■ Issues and Initiatives: Provide Dexerials Group products that are high quality, safe, and reliable		
FY2024 Results		KPIs / Targets through FY2028
Occurrence of serious quality problems*1: None		Occurrence of serious quality problems: None (every fiscal year)

*1 Quality problems that may result in accidents, product recalls, or compensation payments due to quality defects.

- FY2024 Results: No major quality problems due to initiatives, such as partial automation of operations and periodic quality patrols in the manufacturing process.
- FY2025 Plan: Expand application of quality compliance risk assessment and continue to maintain zero serious quality problems.

Quality Assurance System

The foundation of the Dexerials Group’s quality maintenance and improvement is the Quality Management System (QMS), which conforms to international standards. All our manufacturing facilities are ISO 9001 certified, and certain products for the automotive industry are subject to strict quality assurance based on IATF 16949*2 and VDA standards*3. Furthermore, we have established a QMS promotion system led by top management to ensure compliance with high quality standards by continuously implementing the PDCA cycle for improvement through internal quality audits and a process responsibility system.

*2 IATF16949: sector standard for the automotive industry

*3 VDA standards: quality standard of the German Association of the Automotive Industry

Quality Philosophy and Basic Policy
For more details, please refer to our website.



Product Safety

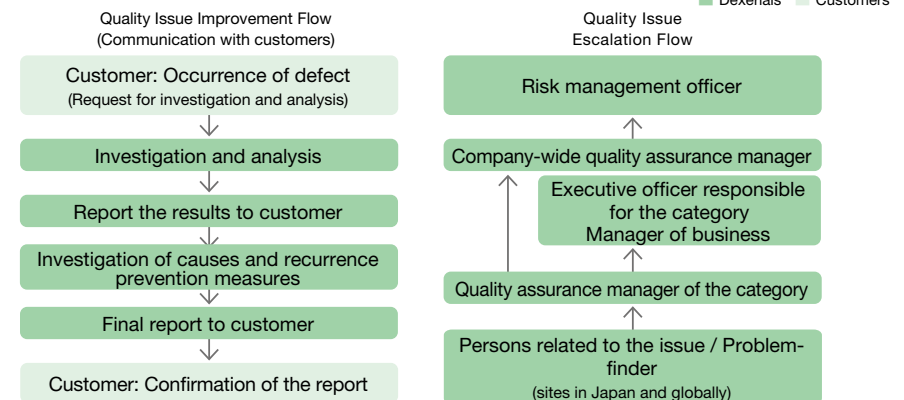
To ensure product safety, the Dexerials Group conducts conformity tests based on various product safety standards and obtains certifications. In particular, we are actively pursuing certification in accordance with UL standards*4 not only to meet customer requirements, but also from the perspective of assuring safety. We also provide Safety Data Sheets (SDS) that are compliant with laws and regulations both within and outside Japan, and have a system in place to accurately and promptly communicate product safety information. This enables us to consistently supply safe and reliable products.

*4 UL standards: Safety standards established by UL LLC, a company that enacts safety standards and conducts tests and certifications

Quality Risk and Compliance

Quality-related issues are promptly reported to management and appropriate action is taken to minimize the impact on stakeholders. Returned or recalled products are analyzed by specialist staff in Japan and overseas to identify root causes and prevent recurrence. We also conduct annual quality compliance training for all employees to raise awareness by sharing examples of quality violations and the mechanisms behind them. Furthermore, we confirm improvements based on the results of quality compliance questionnaire surveys and promote systematic improvement activities based on risk assessment.

Quality Issue-related Improvement and Escalation Contact Flow



Human Resource Development

Developing quality personnel is essential for maintaining high quality standards. In accordance with its basic human resource development policy, the Dexerials Group focuses on cultivating personnel with expertise in quality control. Based on a quality education roadmap, we have established a curriculum that combines understanding of ISO 9001 and IATF 16949 standards, mastery of quality control (QC) methods and statistical techniques, and practical exercises, thereby continuously developing the next generation of specialists.

■ P. 34 Human Capital Strategies

Quality Improvement by DX

We are promoting DX in quality control by utilizing advanced technologies such as AI, IoT, and data science.

Based on the wealth of data and knowledge we have accumulated over the years, we are promoting predictive detection and process improvements to achieve innovative quality enhancements. This enables us to deliver quality that exceeds customer expectations while also strengthening our competitiveness.

■ P. 58 Accelerating DX to Drive Growth