# **Our customers** (quality / service)

# Basic policy / goals regarding quality

## Quality policy

### Quality activities that exceed customer expectations

We provide excellent products and sincere services that continue to leave an impression on our customers.

We propose "monozukuri" that accurately grasps the needs and changes of customers and society, and considers everything from receiving orders to production, service, and disposal. We create a corporate culture that can continuously improve, develop, and execute business processes.

## Quality goals

## ■ Improving customer reliability

We aim to improve reliability by building a corporate culture that prioritizes promises with customers and supporting all employees to acquire the skill sets to achieve the best quality in the best possible way.

### ■ Product development

We propose to our customers new products with unique technology and strive to create products that are useful to the world. We also develop environmentally friendly products that contribute to society.

#### ■ Monozukuri

This Japanese term encompassing manufacturing with a broader meaning that implies skill and passion drives us to develop equipment with exclusive production technology to improve the level of quality. In addition, we improve the skills and technical capabilities of our employees, manage the production workplace environment, and work consistently to ensure top quality that complies with international standards.

### ■ Quality management

Implementing a company-wide "Quality First declaration" campaign, we make improvements and reforms across all production activities, create mechanisms and systems to manage complaints and prevent recurrence, while aiming for customer-first quality with pre-sales service management.

### **Quality management**

The Group has established a quality management system based on ISO 9001, and each company manages a quality system in accordance with its business content. The quality control department of each company reports directly to the president of the company, thus ensuring independence. Furthermore, regarding cross-group issues, all departments across the Group continuously work on quality improvement and preventive measures for quality issues together with the Quality Assurance Department.

### ■ Quality management education

We are working to raise quality awareness through quality management education in which employees can acquire knowledge useful for daily work, such as the concept and various methods of quality control as well as the problem-solving process. Related departments are promoting the acquisition of QC KENTEI (Quality Management and Quality Control Examination) grades\*.

\* A system sponsored by the Japanese Standards Association and the Union of Japanese Scientists and Engineers to objectively judge how much quality control knowledge you have and give certification.

## Responding to opinions and managing complaints

Customers' opinions and complaints regarding products and services are received by the sales department, maintenance service department, online, and call center. When handling complaints, the sales, manufacturing, development, maintenance service, and quality assurance

departments work together to investigate the root cause and take appropriate measures to prevent recurrence and quality issues horizontally.



### **Quality management system**

With "Quality First" as one of our management policies, we have obtained the international standard ISO9001 certification for quality management systems and ISO13485 for medical devices, striving company-wide for comprehensive quality management to provide customers with the world's highest level of quality and services.



All employees wear a badge to share awareness in the company

### ISO9001 certification acquisition status

	<u> </u>	
Acquisition date	Registration number	Registered entities
September 8, 1995	JQA-0971	DKK-TOA (Head Office, Sayama Technical Center, Tokyo Engineering Center), DKK-TOA Iwate
December 13, 1996	JQA-1491	DKK-TOA Yamagata
November 21, 2003	JQA-QMA10678	DKK-TOA Service Corporation

#### ISO13485 certification acquisition status

Acquisition date	Registration number	Registered entities
April 28, 2022	JQA-MD0180	DKK-TOA (Sayama Technical Center, Head Office, Tokyo Engineering Center)

We also have a full range of test equipment to verify safety and reliability for quality improvement.





EMC test equipment

Large environmental test room

## Providing services and information to our customers

## ■ Exhibitions, seminars, websites

We participate in various exhibitions in Japan and abroad to introduce the latest measurement technology. We also hold webinars and distribute product handling instruction videos (in English and Japanese) on YouTube so that our customers can make effective use of measuring instruments. In addition, we are continuously enhancing our website, especially for overseas markets, reinforcing the multilingual tools. In addition to English and Chinese, we have added a function to automatically translate into Korean, Vietnamese, Thai, Indonesian, and Hindi.





India-Japan Environment Week

JASIS 2022 (Japan)

### ■ Domestic and overseas service network

We have sales offices and technical service centers nationwide to provide high-quality products and prompt and multi-layer services so that our customers can use our products for a long time with peace of mind. There are 31 distributors in 17 countries to serve the local markets. The DKK-TOA Online Library serves as a valuable resource exclusively available to our international distributors. It offers a wealth of information on productions and sales examples, fostering collaboration to deliver the best possible solutions to end-users.

# Partners (procurement and logistics)





## Procurement initiatives based on the Basic Procurement Policy

At DKK-TOA Group, we place great importance on CSR (Corporate Social Responsibility) in line with our Basic Procurement Policy. Our aim is to establish fair and ethical purchasing transactions with both domestic and international suppliers. Our Corporate Code of Conduct emphasizes the importance of fair and equitable procurement activities, and we actively foster communication and collaboration with our suppliers.

# Selection policy for suppliers

Our supplier selection policy focuses on prioritizing suppliers who meet the following four conditions, both when initiating transactions and when renewing business relationships.

- (1) Compliance: Suppliers must demonstrate a strong commitment to adhering to all applicable laws, regulations, and social norms, while placing a significant emphasis on upholding human rights and environmental standards.
- (2) Sound business practice
- (3) Reliability: Suppliers must be able to consistently provide the required quantities of goods or services within the specified timelines to meet the delivery deadlines and adapt to demand fluctuations while maintaining reasonable prices and quality.
- (4) Supply chain agility: Suppliers must have the ability to ensure a stable supply chain and promptly adapt to changes in supply and demand dynamics.

## Establishment of Basic Procurement Policy

We work on sustainable procurement activities with the understanding and cooperation of our business partners regarding the following elements.

### (1) Compliance with laws and social norms

- Thorough compliance with related laws and regulations (antitrust law, commercial law, subcontracting law, foreign exchange law, personal information protection law, etc.)
- Elimination of relationship with companies linked to antisocial forces
- Avoiding the use of conflict minerals

### (2) Environmental consideration

 Promoting green procurement in consideration of the global environment and reducing environmental impact throughout the product life cycle

## (3) Ensuring excellent quality

• Striving to maintain and improve quality, meet our requirements, and provide safe, secure, and reliable products and services to fulfill our customers' needs

### (4) Securing delivery time and establishing stable supply system

- Establishing a stable and flexible supply system of materials and services to continuously supply
  products to customers and respond to supply and demand fluctuations
- (5) Maintaining and improving employees' health by creating a work environment where employees feel safe



## Supplier evaluation and monitoring

We conduct annual evaluations to assess our suppliers' management performance in terms of QCD (Quality, Cost, and Delivery). These evaluations consider factors such as company size, financial status, management practices, QCD management, BCP compliance, and environmental management. For significant changes, we visit suppliers and conduct interviews to promptly identify any shifts in their business. This enables us to efficiently address risks and provide support in resolving issues.

# **Employee education**

To foster transparent, equitable, and ethical procurement practices with our suppliers, we provide annual training to all employees, with a particular focus on those working in procurement-related divisions and at group companies. The training covers essential topics such as the Anti-Monopoly Act, Act against Delay in Payment of Subcontract Proceeds, etc. to Subcontractors (Subcontracting Charges Law), and other relevant laws and regulations applicable to their roles. The comprehensive education ensures that our employees have a thorough understanding of their responsibilities and promotes strict compliance with legal requirements.

## Registration in "Declaration of Partnership Building"

Supporting the initiative of the "Council on Promoting Partnership Building for Cultivating the Future" promoted by the Cabinet Office, the Small and Medium Enterprise Agency, and others, we have announced the "Declaration of Partnership Building." With the aim of building new partnerships by promoting cooperation, coexistence, and co-prosperity with suppliers, we provide support such as introducing telework for suppliers to promote work style reforms and offering advice on business continuity plan (BCP) formulation to continue operation even in the event of a disaster. We will improve the productivity of the entire supply chain by sharing

information and digitizing using IT, complying with fair trading practices, and correcting trading and/or business practices that hinder partnership building.



### Participation in the "White Logistics" movement

In support of the "White Logistics" initiative promoted by the Ministry of Land, Infrastructure, Transport and Tourism, the Ministry of Economy, Trade and Industry, and the Ministry of

Agriculture, Forestry and Fisheries, we have submitted a declaration of voluntary action. Through the following eight action items, we will promote work style reforms such as reducing truck drivers' workload and improving efficiency in collaboration with the industry.



- 1. Logistics improvement proposals and cooperation
- 2. Advance provision of receipt/shipment information from the shipper
- 3. Separation of work responsibilities other than driving
- 4. Extension of lead time
- 5. Use of the highway
- 6. Promotion of documented transportation contracts
- 7. Consideration of legal compliance situations when selecting a contractor
- 8. Cancellation/interruption of operation due to abnormal weather, etc.

# **Employees** (creating a motivating workplace)

# Human resource development and workplace improvement

Our company values individuals who embody our corporate philosophy of "Good Faith, Creativity, and Challenge." We are committed to recruiting, developing, and nurturing individuals with human integrity, fresh ideas and innovation, and determination and drive while continually improving our internal environment to create a motivating workplace.

### ■ Recruitment and training policies

We aim to attract and train highly skilled and ethically minded individuals who possess creative thinking and autonomy.

### [Three key actions]

- Actively recruit and promote capable and motivated personnel, new graduates and experienced
- Training by expertise, skillset and ranks, as well as passing down knowledge and skills
- Support for self-development (including new skills acquisition) and career development

#### ■ Policy for creating a comfortable work environment

We will promote an internal environment in which human resources with diverse values can fully demonstrate their abilities.

### [Three key actions]

- · Respect human rights and create a workplace free of discrimination
- Maintain good labor-management relations and create a work environment in which each employee plays an active role
- Further promotion of employee safety and health management

## Efforts for human resource development

### ■ Support for self-development and autonomous career development

At our company, we strongly believe in the power of self-development. To support this, we offer our employees a comprehensive range of training programs, correspondence courses, and incentives for acquiring professional qualifications. Our training opportunities are diverse, covering areas such as onboarding for new hires, specialized training for those who have been promoted, job-specific training, and leadership development for supervisors. Furthermore, we support active learning opportunities by providing incentives for obtaining professional qualifications and waiving course fees for successful completion of correspondence courses. These initiatives ensure that every employee has the means to enhance their skills and knowledge independently.

### ■ Main training / systems

## Training / seminar

- · New employee training
- Young employee follow-up training
- Promotional training, job-specific training, leadership development
- Technology: Risk assessment education, production technology education
- · Production: Special process skill training, inspector training, quality management education
- · Sales: Sales education, product education
- · Compliance, risk management training, etc.
- System
- Correspondence education support system (150 courses)
- Qualification acquisition incentive system (approximately 100 qualifications)
- Employee invention system, etc.

### ■ In-house award system

In recognition of the achievements and efforts of employees, we have an annual in-house award system to reward outstanding achievements in various categories, including business excellence, qualification acquisition, long-term service, and improvement proposals. This recognition program is closely tied to employee job satisfaction. As an R&D-focused manufacturer, we actively promote patent acquisition among our employees. On a special in-house event called Invention Day, we host a lecture by an intellectual property manager and hold an award ceremony to honor those who have contributed to intellectual property activities.





The 18th Invention Day

## Respect for human rights

Our Code of Conduct ensures non-discrimination based on race, origin, creed, gender, religion, nationality, or educational background. We respect the personality, human rights, and individuality of all individuals in our business operations.

### ■ Promoting human rights education

To foster respect for basic human rights, we provide regular group and e-learning training on compliance and harassment prevention to our directors and employees. Our in-house newsletter introduces compliance case studies in cartoons to make it easier to understand.



Compliance bulletin in the in-house magazin

### Training history for the past three years

For all Group employees		
Sexual harassment and power harassment prevention e-learning training (Implemented in 2019)		
Sexual minority training (conducted in February 2023)	66% participated	
For general managers, department heads, and presidents of group companies		
Training on anti-harassment measures (implemented in 2020)	77% participated	
For line managers		
Harassment prevention training (implemented in 2021)	90% participated	



Human rights training (hybrid event)



Training materials

### ■ Anti-harassment measures (corrective action)

To resolve discrimination and harassment concerns, we have established both internal and external reporting contact points in accordance with our "Internal Reporting Procedure." Additionally, we provide dedicated counseling to address human rights-related issues. These resources are regularly communicated to all managers and employees through our company newsletter and intranet.

In the event a compliance violation is found, with limiting to the employees related, carefully handling and confirming the facts, we will promptly take corrective actions under the supervision of the compliance manager, including disciplinary measures against the offender, to remedy the situation and prevent recurrence. Creating a safe and respectful work environment is of utmost importance to us.

## ■ Supply chain efforts

We have developed a "Basic Procurement Policy" (see page 12) that emphasizes respect for human rights, ensuring health and safety, and compliance with laws and regulations. We are committed to ensure its widespread implementation across our supply chain.





### **Fair treatment**

### ■ Recruitment selection

We fairly judge the abilities and aptitudes of applicants and hire them without discrimination or prejudice. We have also established a fair recruitment selection system by appointing/registering a fair recruitment and human rights awareness promoter. At recruitment, we confirm that the applicant has reached the legal minimum working age to prevent child labor.

#### ■ Performance evaluation system

Our company has implemented a target management system, conducting personnel evaluations twice a year. At the start of each fiscal year, employees and their supervisors agree on performance targets, fostering self-motivation and enhancing employee engagement. Evaluation

results are communicated at performance reviews, providing valuable feedback. To ensure fairness and transparency, we provide assessment training to managers and supervisors, enabling them to conduct objective and comprehensive personnel evaluations.



### ■ Compensation system

Our company strictly adheres to the legal minimum wage requirements and guarantees equal  $pay for equal work \, regardless \, of \, gender. \, Our \, compensation \, system \, provides \, clear \, stipulations \, in \, compensation \, system \, provides \, clear \, stipulations \, in \, compensation \, system \, provides \, clear \, stipulations \, in \, compensation \, system \, provides \, clear \, stipulations \, in \, compensation \, system \, provides \, clear \, stipulations \, in \, compensation \, system \, provides \, clear \, stipulations \, in \, compensation \, system \, provides \, clear \, stipulations \, in \, compensation \, system \, provides \, clear \, stipulations \, in \, compensation \, system \, provides \, clear \, stipulations \, in \, compensation \, system \, provides \, clear \, stipulations \, in \, compensation \, system \, compensation \,$ terms of salary, bonuses, evaluations, and pay raises, ensuring transparency by disclosing this information to all employees.

#### ■ Employee stock ownership plan

As part of our benefits program, we offer the DKK-TOA Employee Stock Ownership Plan to all employees within our group company. This plan allows employees to contribute to the purchase of shares, with additional incentive funds added to their contributions.

## **Promoting diversity**

### ■ Active female employees

Within our entire group, we have 166 female employees, accounting for 29.2% of our workforce. Since 2018, we have been recognized as an excellent company under the "Act on Promotion of Women's Participation and Advancement in the Workplace" and have received the highest 3-star "Eruboshi (L-Star)" certification.

In line with this law, we have developed a voluntary action plan to foster gender diversity. Our goals include increasing the percentage of female employees to over 30% (both new graduates and mid-career hires) and raising the annual paid leave utilization rate to 70% or higher to prevent valuable employees from leaving their jobs due to life events. To encourage diversity in

work styles, we have implemented measures to increase the number of managers and candidates for management positions, regardless of gender. Our objective is to create an inclusive environment that attracts, retains, and develops talent. We firmly believe that, by embracing diverse perspectives and supporting work-life balance, we can foster a stronger, more innovative workforce and drive the success of our organization.



# ■ Employment of retirees

Retirees bring valuable expertise, knowledge, and skills that they have cultivated over the years, making them valuable resources for passing down knowledge to the next generation. Our commitment to promoting the active participation of seniors at Sayama Technical Center has earned us the certification from Saitama Prefecture as a company dedicated to this cause.



Certification from Saitama Prefecture

# **Labor-management cooperation**

In our Corporate Code of Conduct, we emphasize the recognition of workers' rights and the importance of effective communication between labor and management. Through collective bargaining with labor representatives and regular consultation opportunities, we foster dialogue and collaboration at the administrative level.

Furthermore, we have established a union shop agreement with the DKK-TOA labor union, enabling us to share information on corporate activities and engage in discussions regarding work style reforms, safety and health initiatives, and welfare programs. Additionally, we have a labor agreement in place that outlines working

conditions and accident compensation. ensuring a unified approach to addressing labor-related matters.



## Promoting work-life balance

We prioritize work-life balance by actively reducing overtime and encouraging employees to take their paid leave. In fiscal year 2021, we introduced a flexible paid leave system, allowing employees to take leave in hourly increments. Our commitment to accommodating diverse work styles and fostering work-life balance has been recognized, as see in the platinum rank certification awarded to Sayama Technical Center by Saitama Prefecture.



## ■ Support for childcare and nursing care

System	Main contents
Childcare leave	Until the child becomes 1 year old (maximum 2 years old)
Shorter working hours for childcare	Until the child enrolls in elementary school
Family medical leave for childbirth	3 days as special leave
Child nursing care leave	5 days for one child before elementary school, 10 days for two or more children before elemen- tary school*
Nursing care leave	Up to a total of 124 days
Shortened working hours for nursing care	Up to 3 years per person
Nursing care leave	5 days* per family member in need of nursing care

 $<sup>^</sup>st$  Lapsed annual paid leave can also be used. However, priority shall be given to childcare leave regulations and nursing care leave regulations.

## Personnel-related data: FY2022 results (non-consolidated)

<del>-</del>	·
Item	Results
Percentage of women in management positions	16.0%
Percentage of mid-career hires	50%
Percentage of annual paid leave taken	81.2%
Average overtime hours	8.5 hours/person/month
Percentage of employees taking childcare leave	Female: 100%, Male: 50%
Percentage of employees returning to work after taking childcare leave	100%
Length of service	Male: 16.6 years Female: 18.0 years

# **Employees** (occupational health and safety)





# **Occupational safety and hygiene**

We prioritize the well-being of our employees by implementing "Safety and Health Management Regulations" and establishing Safety and Health Committee at each business site in compliance with the Industrial Safety and Health Act. Our goal is to provide a workplace environment that supports both the mental and physical health of our employees.

### ■ Safety and Health Committee

The Safety and Health Committee collaborates with both labor and management to develop an annual plan encompassing safety patrols, risk assessments, and safety and health education. Monthly meetings are held to assess plan implementation, address employee feedback, and proactively resolve issues. This ongoing process ensures a continuous enhancement of safety and health practices. Meeting minutes are shared on the company intranet to keep employees informed

Additionally, industrial physicians participate in committee meetings, delivering lectures on health management and workplace health, with relevant materials shared on the intranet for employee reference. Together, these efforts promote a safe and healthy working environment for all.

### ■ Preventing occupational accidents

To prevent occupational accidents, we conduct regular inspections of machinery and equipment and enforce the use of appropriate protective gear (such as protective glasses, masks, clothing, and gloves) based on the nature of the work and chemicals involved. Furthermore, we conduct periodic risk assessments of tools, machinery, work methods, and workplaces that involve handling chemical substances. These measures are implemented to minimize risks and ensure a safe working environment for our employees.



### ■ Safety and health education

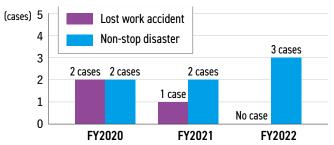
To maintain and improve employee safety awareness and knowledge, we have prepared a "Safety Guide" and distributed one handbook to every employee of the Group. The content is periodically revised as needed. The Guide describes the basics of safety, such as how to wear protective equipment, how to handle hazardous substances, and how to respond in the event of an accident or disaster.



## ■ Preventing traffic accidents

We often use a car when visiting a site such as a customer's factory. In addition to holding regular safety driving seminars, we strive to ensure safety by reviewing past driving records using Telematics (drive recorder with a built-in communication system).

# ■ Number of occupational accidents (for the entire Group)



(Reference) In FY2022, the frequency rate of occupational accidents was 0 and the severity rate

Frequency rate: Number of casualties / total number of working hours  $\times$  1,000,000 Intensity rate: Number of lost workdays  $\div$  total number of working hours  $\times$  1,000

# **Promotion of health management**

We have established the "Declaration of Health" to promote sound corporate management focused on the physical and mental health of employees and their families. We implement various initiatives and provide support to promote the health and awareness of employees based on the health management promotion plan.

### ■ Acquiring "Silver Certification" for excellence in health management

In 2018, we announced the "Health Company Declaration" and were awarded the "Silver Certification" (Kengin No. 907) in the following year by the Tokyo Federation of Health Insurance Associations for achieving excellence in health management. Major group companies have also obtained this certification.



### **DKK-TOA Health Declaration**

We hold the Corporate Behavior Charter "respecting the personality and individuality of employees and ensure a comfortable working environment with consideration for health and safety." Following the Charter, we will endeavor to create such environment where every employee's physical and mental health is protected and each can work with passion and enthusiasm.

## Certified as sports promoting company for five consecutive years

We support club activities and host step count competitions to improve employee health and promote communication. In recognition of these efforts, we have been certified as one of sports cheering companies by the Japan Sports Agency for five years in a row.



## ■ Periodic health examinations and stress checks

As required by the Industrial Safety and Health Act, we conduct annual periodic health checkups for all employees. Employees handling hazardous substances undergo additional special health checkups. Furthermore, we perform annual stress checks for all employees, ensuring a high examination rate of over 95%. These measures contribute to maintaining the well-being and overall health of our workforce.



### ■ Mental health measures

As part of our stress check program, we offer employees e-learning courses on mental health and encourage their participation. We also provide various courses on mental and physical health management through correspondence training, raising awareness and supporting employee well-being. In fiscal year 2022, we conducted line care training for managers, specifically section managers.

Moreover, we have established the "Return to Work Support Program" to systematically assist employees on leave due to mental health issues or other personal injuries, ensuring a smooth transition back to work. These efforts demonstrate our continued commitment to supporting employees' mental well-being and overall health.

### ■ Infectious disease countermeasures

We have long been focusing on infectious disease control, and carry out group vaccination for influenza every year at our major sites.

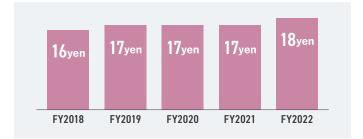
For COVID-19, we have made it our top priority to prevent the spread, taken measures such as remote work and staggered work hours, and given special leave to those who wish to get vaccinated.



# **Investor relations**

## **Dividend policy**

Our dividend policy aims to maintain stable and appropriate dividends aligned with our business performance, considering future growth and internal reserves. In fiscal year 2022, the dividend was set at 18 yen per share.



## Shareholder benefit program

As a token of gratitude to our shareholders and to enhance the appeal of our shares for long-term investors, we have introduced a special benefit program.

Shareholders listed in our shareholders' register by the end of September each year, holding 100 or more shares, are eligible to receive QUO Cards with a donation function (Green Fund\*). The donations contribute to forest maintenance, greening projects, and human resource development

related to forests both in Japan and overseas.

\*The Green Fund promoted by National Land Afforestation Promotion Organization utilizes the donations for initiatives focused on preserving forests and promoting sustainable practices domestically or overseas.



# **Promoting information transparency**

To foster trust with our stakeholders, we adhere to applicable laws and regulations, ensuring the fair, timely, and appropriate disclosure of vital information. Our Disclosure Policy, which outlines disclosure standards and methods, is readily available on our website. By prioritizing information transparency, we aim to maintain an open and reliable relationship with our stakeholders.

### ■ Early disclosure and enhanced visual presentation of general meetings

To provide ample time for shareholders to review meeting agendas, we disclose the notice of convocation at least three weeks prior to the scheduled date, both on the Tokyo Stock Exchange and our website. In addition to written voting, we are improving the voting rights process by enabling shareholders to exercise their voting rights online.

During the General Meeting of Shareholders, we not only present mandatory business reports as per the Companies Act but also offer clear and visually enhanced presentations, accompanied by narrations. These efforts aim to deepen shareholders' comprehension of our management strategies and future performance outlook.



### ■ Shareholder questionnaire

In 2021, we conducted a "Shareholder Survey" with a response rate of 38.0%, receiving feedback from 1,390 shareholders. We value this input and will incorporate it into our future management and investor relations (IR) endeavors.

### ■ Regular investor briefings

We conduct semi-annual briefings specifically for institutional investors and securities analysts. Additionally, we provide individual interviews as necessary for further discussions. To enhance engagement with individual investors, we participate in IR seminars hosted by the Security Analysts Association of Japan in Tokyo and Osaka. These seminars serve as valuable opportunities for individual investors to gain a comprehensive understanding of our business activities.



Briefing for institutional investors and securities analysts

Briefing session for individual investors



## ■ Publication of business reports

We print business reports in Japanese twice a year (June and December) to offer shareholders and investors up-to-date information about the Company's performance and operations.





Interim Business Report for the fiscal year ending March 31, 2023 (79th business period)

### ■ Information disclosure on IR website

Our IR website goes beyond providing PDF versions of printed materials and offers timely disclosure of financial results, supplementary materials, securities reports, quarterly reports, and investor meeting materials. The availability of these documents is restricted to Japanese only.





The responsive design makes it easy to view on smartphones.

### ■ Efforts to prevent insider trading

To prevent insider trading, our company follows the "Regulations Concerning Management of Internal Information and Regulation of Internal Transactions." These regulations cover the handling of undisclosed material facts (insider information) and transactions such as stock trading by officers and employees. We conduct internal training and distribute newsletters to raise awareness and prevent insider trading within our organization.

# **Community and society**



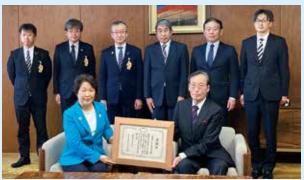




## **Community relations**

### A Letter of Appreciation from Yamagata Prefecture for Regional Revitalization Taxation

In December 2022, we donated to the Establishment Promotion Project of Tohoku Agricultural and Forestry Vocational College (tentative name) as part of the "Yamagata Prefecture Town, People, and Work Creation Promotion Plan." Our contribution was made through the "Corporate Version of Hometown Tax" system. The university aims to establish a "Department of Forestry Management (tentative name)" to train forestry managers and revive forests to ensure a sustainable supply of safe water. Yamagata Prefecture expressed their appreciation for our donation.



Front left: Governor Yoshimura

### ■ Supporting the J2 soccer club "Montedio Yamagata"

To foster friendly relations with Yamagata Prefecture and contribute to community revitalization, we support the professional soccer team "Montedio Yamagata" by becoming official members. This is part of our ongoing efforts to maintain and promote a strong connection with the local community.



©MONTEDIO YAMAGATA

### Donation of sodium hypochlorite activated water (activated water)

We regularly donate our highly effective activated water, which is used for disinfection and sterilization purposes, to elementary and junior high schools in Sayama City, Saitama Prefecture as well as the Japan Braille Library located near our head office. This activated water is produced by safely diluting and combining sodium hypochlorite and acetic acid using our sodium hypochlorite activator.





Sodium hypochlorite activator

### ■ Participation in JAIMA Summer Science School

In July 2022, the JAIMA Summer Science School took place at Miraikan after a three-year hiatus. We had the opportunity to lead practical training sessions on ion chromatography for 33 junior and senior high school students from the Tokyo metropolitan area. During the sessions, the students gained hands-on experience operating the analyzer using everyday samples such as fruit juices and soy sauce. The event was lively, with everyone attentively listening to the explanations.



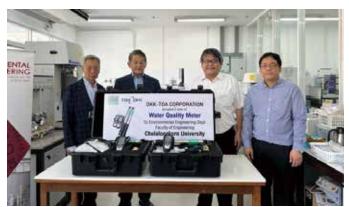


## **Overseas support**

## Donation of portable multi-parameter water quality analyzers to universities in Indonesia and Thailand

We donated two sets of our advanced portable multi-parameter water quality meter (WQC-40) to Bandung Institute of Technology in Indonesia and Chulalongkorn University in Thailand. Our aim is to support practical training for students at these esteemed universities, enhance brand recognition, and contribute to environmental conservation in both countries.

To strengthen our relationship, we will collaborate with our local distributors to provide ongoing support, including timely performance checks and the replenishment of supplementary supplies for accurate measurements.



Donation ceremony at Chulalongkorn University

### ■ Educational support for children in Asia

Capitalizing on our business presence in India, we help the Educational Support for Asia (ESA)
Association, a non-profit organization dedicated to aiding the education of children in Bangladesh and India, by facilitating the distribution of curry and chai spices. In fiscal year 2022, our company ordered a total of 336 bags. Thanks to this initiative, we were able to contribute enough funds to cover the educational expenses of 14 children for an entire year.



# ■ TABLE FOR TWO vending machine installed

The Sayama Technical Center has recently set up seven TABLE FOR TWO (TFT) vending machines through donations. These machines aim to support school lunches in developing countries. TFT is an initiative originating from Japan that addresses two pressing issues simultaneously: hunger in developing nations and the rise of obesity and lifestyle-related diseases in developed countries.



# **Regions** (group companies)



## **DKK-TOA Yamagata initiatives**

#### Company Profile

Year of establishment	1990
Capital	10 million yen
Number of employees	84 employees
Location	Shinjo City, Yamagata Prefecture, Japan

DKK-TOA Yamagata operates an integrated system for manufacturing a wide range of measuring instruments. This system includes parts assembly, processing, adjustment, final inspection, and shipping. The company places great importance on work-life balance and has garnered numerous awards and certifications. Notably, it has been recognized as an outstanding Supporting Company for Child Rearing Environment in Yamagata.



## **New product development**

Although our primary focus is manufacturing measuring instruments, our Development Engineering Department is dedicated to designing applied products and innovating new ones. In recent years, we have successfully developed and introduced new products tailored to the livestock industry. Notably, we collaborated with Iwate University to create the novel wireless

radio transmission pH measurement system for livestock animals and partnered with the National Agriculture and Food Research Organization to bring forth the "BOD\* measurement system."

\* BOD (biochemical oxygen demand) is a parameter for assessing water quality

Our commitment to quality management led us to obtain ISO9001 certification back in 1996.



for livestock animals

BOD measurement system

# Fostering a positive work environment

## Acquiring "Silver Certification" for excellence in health management

In 2019, DKK-TOA Yamagata announced the "Healthy Company Declaration" initiated by the Tokyo Federation of Health Insurance Associations. In 2021, it was awarded the prestigious "Silver Certification" for achieving excellence in health management.



## ■ Organizing high-pressure gas safety seminars

To ensure the safety of our employees, we regularly conduct high-pressure gas safety seminars. During these sessions, experts from gas manufacturing and distribution companies go over the High-Pressure Gas Safety Act as well as essential topics such as gas classification, container and valve structures, and the potential hazards associated with high-pressure gases.



## **Internship opportunities**

At our company, we provide valuable internship opportunities for students from various educational institutions. Recently, we welcomed students from Yamagata University, Shin-

jokamuro-Industrial High School, and Mamurogawa Junior High School to offer hands-on experience in parts assembly. Additionally, we arranged a company tour for 24 students from the Department of Systems Innovation Engineering, Faculty of Engineering, Yamagata University.



## **Environmental consciousness**

To promote sustainability, we have adopted hydroelectric power generation through the "Yamagata Hydroelectric Premium"\* program. This enables us to prioritize local production and consumption of renewable energy. By utilizing this eco-friendly power source, our electricity consumption produces virtually zero CO<sub>2</sub> emissions.





\* Yamagata Hydroelectric Premium is a brand of electric power supply offered by Tohoku Electric Power Company, Inc. in collaboration with Yamagata Prefecture. It involves a contract to receive renewable energy from the hydroelectric power plant operated by the Yamagata Prefectural Enterprise Bureau.

## **DKK-TOA Iwate initiatives**

### **Company Profile**

Year of establishment	1973
Capital	10 million yen
Number of employees	36 employees
Location	Tono City, Iwate

DKK-TOA Iwate is dedicated to the comprehensive manufacturing of glass electrodes used in sensor components for water quality measuring instruments and more. Its expertise spans from glass processing to final inspection. Notably, DKK-TOA lwate takes pride in its leading-edge technology in Japan for precision manual work in the field of glass processing.



# **Prioritizing human resource development**

To excel in the intricate art of glass processing, which demands exceptional craftsmanship, we have implemented our own technical certification system and placed emphasis on training young engineers. At our head office's Sensor Technology Section within the Development Technology Division, we conduct study sessions as necessary to enhance skills and maintain quality standards. We also support skill development through outside seminars.

In 1995, we obtained ISO 9001 certification for our robust quality management system. Notably, our pH electrodes are meticulously assembled in a controlled clean room environment to ensure consistently high quality.



## Fostering a positive work environment

### Acquiring "Silver Certification" for excellence in health management

In 2019, DKK-TOA Iwate announced the "Healthy Company Declaration" initiated by the Tokyo Federation of Health Insurance Associations. In 2021, it was awarded the prestigious "Silver Certification" for achieving excellence in health management.



### **Environmental consciousness**

To promote sustainability, we have adopted hydroelectric power generation through the "Iwate Reconstruction Power Hydroelectric Premium"\* program. This enables us to prioritize local production and consumption of renewable energy. By utilizing this eco-friendly power source, our electricity consumption produces virtually zero  $\mbox{CO}_2$  emissions. \*Contract with Tohoku Electric Power Co., Inc. to receive renewable energy from the hydroelectric power plant operated by the Iwate Prefecture Enterprise Bureau



CO2 free certificate