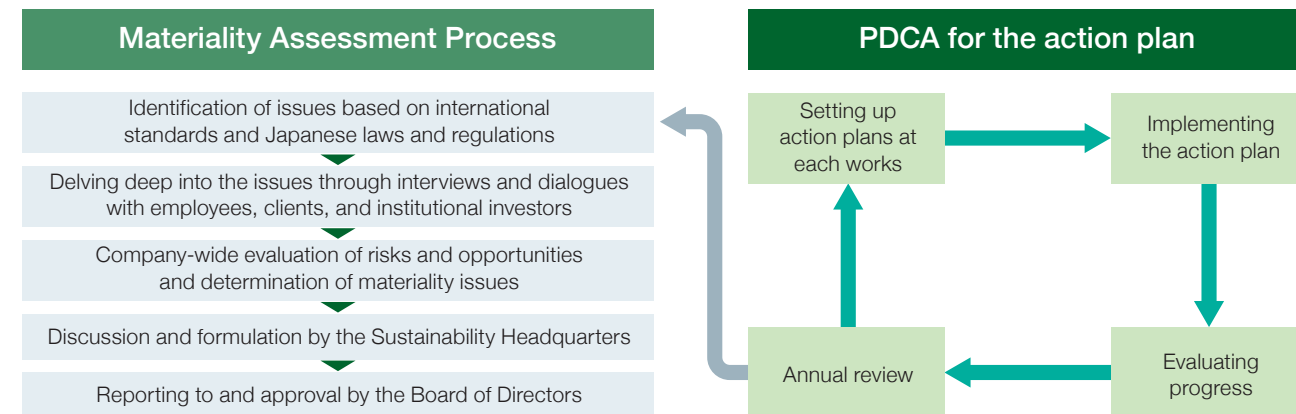


Materiality

We have identified five material issues (materiality)*¹ to guide our efforts in building a business model that contributes to both environmental conservation and environmental value-creation—while ensuring sustainable growth and supporting society. To further enhance our medium- to long-term corporate value, we are also formulating specific KPIs*² for each material issue. These materialities are reviewed on an ongoing basis to reflect changes in the external environment and stakeholder expectations.

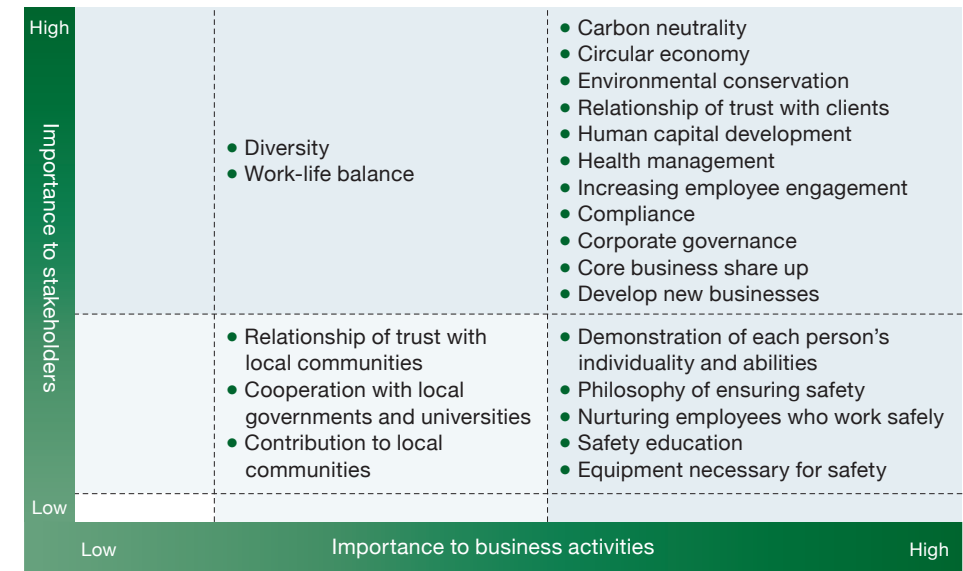
Assessment Process

At Daiseki, we begin by broadly identifying relevant issues, then deepen our understanding through internal and external interviews and dialogue. We incorporate insights from TCFD scenario analyses and risk and opportunity assessments based on ISO 14001. The identified materialities are formulated by the Sustainability Headquarters and finalized upon approval by the Board of Directors.



Assessing the Importance

The importance of each materiality is evaluated along two dimensions: “Importance to Stakeholders” and “Importance to Business Activities.” By aligning this assessment with sustainability perspectives, we strive to enhance corporate value from a medium- to long-term perspective.



Daiseki's Material Issues (Materiality)

At Daiseki, we have identified five key material issues based on our Purpose, Management Principles, and related policies and guidelines. For each material issue, we have designated priority items and established action plans, implementing a PDCA (Plan-Do-Check-Act) cycle to ensure continuous improvement. We are also formulating KPIs and targets to measure progress toward our medium- to long-term goals.

Materiality Issues	Initiatives to Achieve Materiality	Targets	Results
Making the best use of limited resources	Contributing to environmental conservation and carbon neutrality by appropriately recycling industrial waste. > P.15 Feature Carbon neutrality Environmental management structure Aiming to realize a circular economy society by supporting resource circulation mainly for manufacturing industry clients Circular economy Environmental management structure	Increase avoided emissions to 785,000 t-CO ₂ or more by FY2028 Increase material recycling shipment volume to 258,300 t or more by FY2031	Reduced 643,000 t-CO ₂ in FY2025 Established Daiseki Group Environmental Policy in May 2025 (revised for Daiseki alone) Shipped 149,000 t of recycled materials in FY2025 Established Daiseki Group Environmental Policy in May 2025 (revised for Daiseki alone)
Creating workplace that individuals shine	Maintaining and improving the physical and mental health of employees and their families, who are the foundation supporting our growth Health management Protection of human rights Promoting human capital strategies essential for growth based on business strategy > P.37 Human Capital Human capital development	Maintain and improve the physical and mental health of employees Revise the personnel system and formulate human capital strategy	Established Daiseki Group Human Rights Policy in May 2025 and introduced health checkup subsidies for employees' families Started revising personnel system in April 2025
Eliminating industrial and environmental accidents	Penetrating the philosophy to put safety as the top priority above all else Safety Providing training and deploying equipment necessary to ensure safety Safety	By FY2031, review the Safety and Health Management Regulation, instill the safety philosophy, and clarify responsibilities Achieve zero lost-time accidents among Daiseki employees	Established Daiseki Group Health and Safety Policy in May 2025 (revised for Daiseki alone) Established disaster and accident reporting standards at Daiseki in April 2024 Recorded 2 lost-time accidents in FY2025
A company well-liked by local communities	Contributing to the conservation of the local environment Local communities Maintaining social infrastructure through disaster recovery support Daiseki's track record	Conduct cleaning activities around business sites and environmental beautification activities in collaboration with local municipalities and residents Provide swift recovery support when clients' factories are affected by natural disasters or accidents	1,164 employees participated in cleaning and environmental beautification activities in FY2025 Supported disaster recovery for companies affected by the Noto Peninsula earthquake in Ishikawa and Toyama prefectures in January 2024
Promoting thorough understanding of compliance and observation of laws and regulations	Strengthening governance systems and implementing compliance education Governance Promoting governance that supports growth and succession planning with a focus on the next generation > P.49 Corporate governance Governance	Strengthen Group governance structure Develop a succession plan	Established Daiseki Group Corruption Prevention Policy in May 2025; Audit and Supervisory Committees from Group companies engaged in opinion exchanges, and presidents of Group companies provided business briefings to the committees. Held succession plan study session with external experts in February 2024; started revising personnel system including succession plan in April 2025

*1 Materiality Issues: Issues that a company considers particularly important or prioritizes in its business activities.

*2 KPI: Key Performance Indicator — a metric used to evaluate progress toward a specific goal.