

DMC Sustainability Report 2025



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Editorial Policy

The 2025 Sustainability Report has been published in PDF format to summarize DMC's sustainability activities in FY2024. We publish DMC Sustainability Report to explain business activities performed to respond to the expectations of our stakeholders, to build trusting relationships with them, and to deepen their understanding about our business.

Target Organizations (coverage rate)

Company names used in this report are abbreviated as follows:

- DMC Co., Ltd. or DMC: DMC Co., Ltd. only
- "DMC" or "DMC Group": DMC Co., Ltd., DMC Iwaki Co., Ltd., and PT. DMC TEKNOLOGI INDONESIA
- Japan : DMC Co., Ltd. and DMC Iwaki Co., Ltd.
- Overseas / PT.DMC TEKNOLOGI INDONESIA : PT.DMC TEKNOLOGI INDONESIA only

Scope of Reporting by Category		Net sales-based coverage ratio		
Japan	DMC Co., Ltd.	78.0%	80.8%	100%
	DMC Iwaki Co., Ltd.	2.8%		
Overseas	PT.DMC TEKNOLOGI INDONESIA	19.2%		

Reporting Period

January 1, 2024 - December 31, 2024
(Some activities in this report include content before and after the reporting period.)

Date of Issue

August 2025
(The next issue is scheduled for publication in August 2026.)

Guidelines used as reference

- Global Sustainability Reporting Standards (GRI Standards) 2016/2018/2019/2020/2021
- ISO 26000

Issuing Department & Contact Information

DMC Co., Ltd. Planning and Administration Office (Former Management Section)
3F Shinanobashi-Toyo Building, 1-12-4 Utsubohonmachi, Nishi-ku, Osaka 550-0004 JAPAN

Corporate Profile (As of December 31, 2024)

Company Name:	DMC Co., Ltd.
Head Office:	11F Takanawa Sengakuji Ekimae Building, 2-18-10 Takanawa, Minato-ku, Tokyo 108-0074 JAPAN
Date of Establishment:	1973
Business Description:	Design, manufacture, and sale of touchscreens and related products
Capital:	75.6 million JPY
Net Sales:	5,152 million JPY (Consolidated)
Subsidiary:	DMC Iwaki Co., Ltd. PT.DMC TEKNOLOGI INDONESIA
Parent Company:	USCO Corporation
Number of Employees:	735 (Consolidated)* ¹ 266 (Non-consolidated)* ¹ * Including full-time employees, dispatched employees (only in Indonesia), and part-time employees
Client Companies:	147 companies* ²

*1: As of December 31, 2024 *2: As of March 31, 2025

Top Message

Fostering Employee Awareness of Sustainability to Remain a Trusted 101-Year-Old Company

President, DMC Co., Ltd.



About 10 Years of Progress in Sustainability Promotion Initiatives

At DMC, we are driving sustainability forward as one unified organization, guided by the shared philosophy of “Creating an Exciting, Sustainable Tomorrow” that is common to USCO Group, the group we belong to.

Looking back, we formally launched our initiatives to promote sustainability in 2017. A European customer requested that we undergo an evaluation by a third-party assessment body to review our sustainability practices. This provided an opportunity to address and reevaluate the sustainability challenges we were confronting. Among these, the most pressing was the need to reduce CO₂ emissions in our manufacturing processes. In the early days, our sustainability team worked tirelessly, often in isolation. Now, nearly ten years later, many employees recognize the importance of reducing CO₂ emissions and bring this awareness into their daily work. I personally sense a real shift in awareness throughout the organization.

Top Message

New Goals and Our Path to Carbon Neutrality

In recent years, one of our key initiatives to reduce CO₂ emissions has been the fundamental transition from wet etching—used for circuit formation on touch sensor substrates, which consumes large amounts of energy through heating and drying—to laser etching, which requires no heating or drying. The benefits extend beyond merely reducing CO₂ emissions. The chemicals used in wet etching are highly toxic, posing risks to employee safety and health, and there are wastewater treatment issues when handling chemicals, which must be managed with strict controls. By transitioning to laser etching, we eliminate the need for these hazardous chemicals, simultaneously solving both environmental and safety challenges. In the industrial equipment field, where our customers prioritize long-term, stable supply, there is often caution regarding changes in manufacturing methods to



ensure quality. However, through extensive discussions and collaboration, we successfully transitioned part of our product lineup to laser etching in FY2023. For the remaining products, we aim to complete the transition by FY2026 after receiving customer approval. We take pride in this as the result of a steady, ongoing dialogue with customers.

Our FY2023 merger with Seedsware (a group company manufacturing touchscreen application products like displays, embedded panel PCs, and monitors) presented challenges in integrating differing materials, processes, and corporate cultures, initially hindering a unified environmental approach. However, by leveraging the merger, we've integrated both companies' excellent management methods and established an improved internal structure. As a renewed DMC, we believe we've prepared a unified system for higher-level environmental measures and that sustainability improvements are steadily progressing.

Building on these efforts, we will establish a new environmental policy and set Scope 3 CO₂ reduction targets by FY2025, thereby clarifying the path DMC should take in its sustainability journey. In addition, to respond to the increasingly stringent demands from our customers, we recognize the need to implement effective measures across the entire supply chain. We will link our current efforts to future environmental initiatives, striving to achieve carbon neutrality by 2050.

Striving to be a Trusted “101-Year-Old Company” for the Next 50 Years and Beyond

DMC’s products are used worldwide, and although small, we are also a global enterprise. Thus, we must continually earn the trust of our global customers to ensure business continuity.

We have production sites in Indonesia, and we welcome motivated employees from these sites to Japan as technical intern trainees, where they learn Japanese manufacturing practices at our domestic plants. After returning to their home country, we hope they will help spread Japanese quality standards throughout our Indonesian operations.

In 2023, DMC celebrated its 50th anniversary. Going forward, we will continue working hand in hand with employees, global customers, and partners, adapting to societal changes while maintaining our position as a trusted company. We aim to realize our vision of a “101-year-old company consistently growing and adapting to change.” This reflects our strong commitment to pass on this aspiration to the next generation who will shape the future and to be a company perpetually essential to society.

To become a company essential to society, sustainability initiatives are indispensable. The driving force behind these initiatives is the "excitement" each employee feels from contributing to society. Together with our employees, we aim to become an ever more exciting company, contributing to the realization of a sustainable society.

Corporate Profile

Global Business Structure (As of June 31, 2025)

DMC synergetic effects among USCO Group companies and manufactures attractive products.

USCO Group

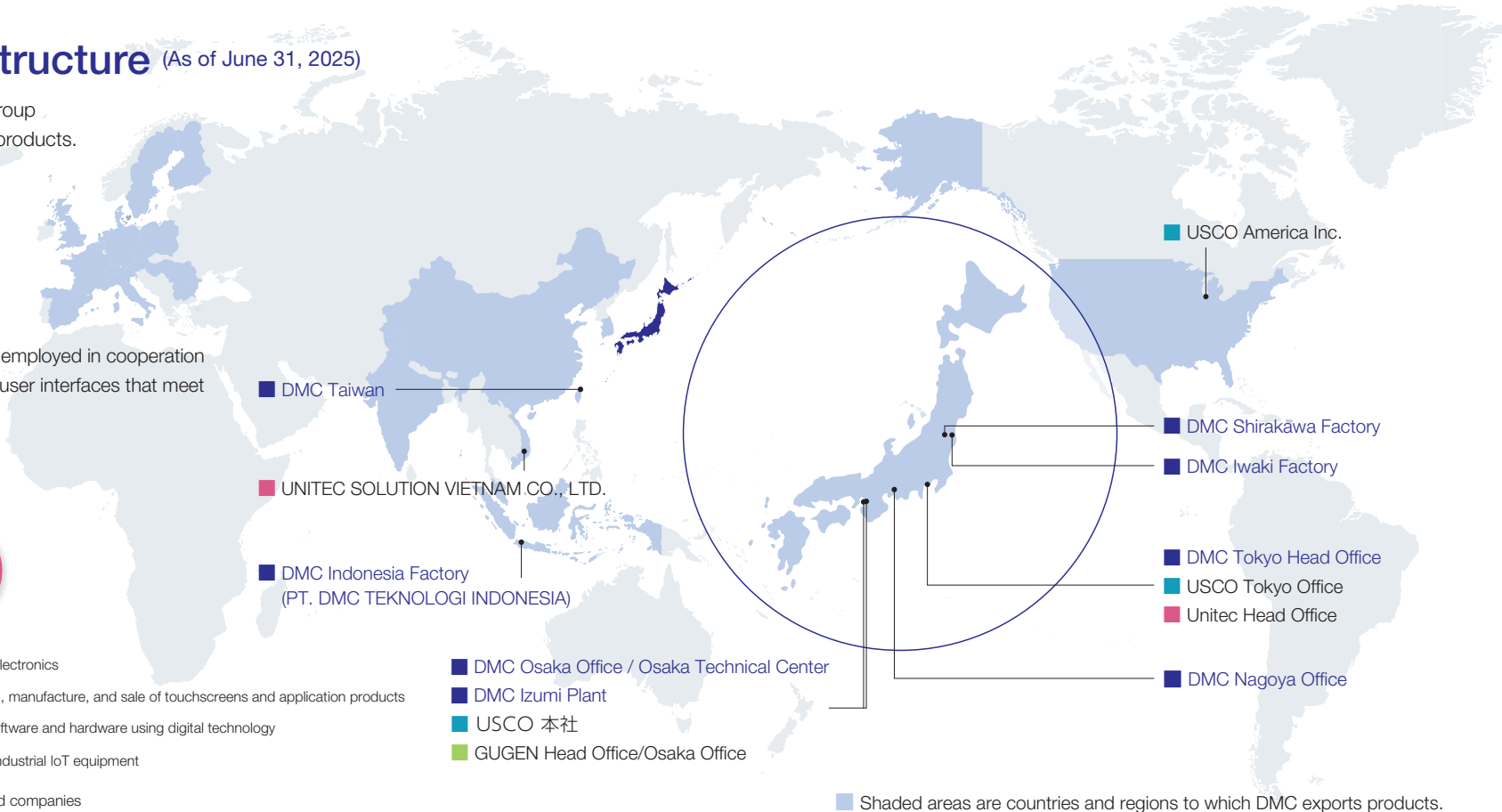
Through a consistent development system employed in cooperation with USCO Group companies, we provide user interfaces that meet customer needs.

ICT & Interface Business Structure



- USCO** Business support specializing in trucks and electronics
- DMC** Manufacturer specializing in the development, manufacture, and sale of touchscreens and application products
- UNITEC** Design, development, and manufacture of software and hardware using digital technology
- GUGEN** Planning, development, design, and sale of industrial IoT equipment

*The USCO Group also includes five other truck-related companies



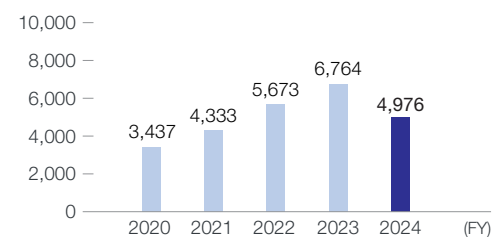
Financial Information

(DMC Co., Ltd.)

Net sales in FY2024 decreased significantly to 73.6% over the previous year, primarily due to the Device Business (touchscreen-related products) for the industrial equipment sector, which was impacted by continued inventory reduction from the previous year. This decline in net sales also had a substantial impact on profits.

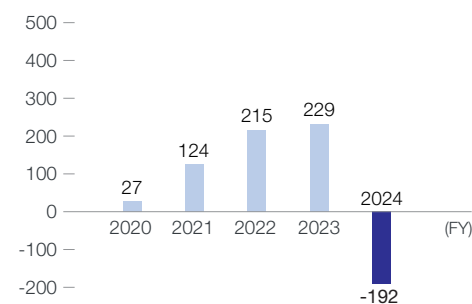
Net Sales (non-consolidated)

(Unit: million JPY)



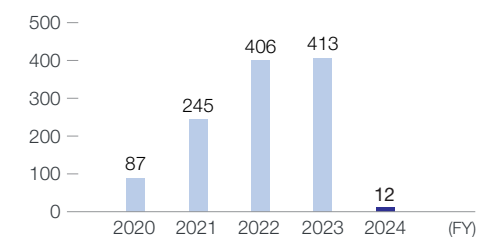
Operating Income (non-consolidated)

(Unit: million JPY)



Ordinary Income (non-consolidated)

(Unit: million JPY)



Corporate Profile

DMC 50 Years of History

Established in 1973 as a manufacturer and distributor of artwork materials for printed circuit board production. We started manufacturing and selling touchscreen devices in 1991, and now we are expanding our business globally as a specialized manufacturer of touchscreens.

1973

Established as a company that manufactures and sells artwork materials for printed circuit boards with capital of eight million yen



1996

Established PT. DMC TEKNOLOGI INDONESIA as a joint venture in Indonesia



1999

Opened Shirakawa Factory in Natsunashi, Shirakawa City, Fukushima Prefecture

2011

Headquarters factory (now closed) and Shirakawa Factory were damaged by the Great East Japan Earthquake

2019

- Expanded Shirakawa Factory the second and opened Factory the third (Shirakawa Factory)



- Opened Italy Office in Milan, Italy

2021

- Established DMC Iwaki Co., Ltd. as a production subsidiary



- Transferred the touchscreen manufacturing department from NKK SWITCHES CO., LTD. and opened the new Iwaki Factory in Iwaki City, Fukushima Prefecture

2022

Established DMC Taiwan in Taipei City



2023

DUSH

Merged with Seedware Corporation and launched sales under the unified DUSH brand

Business Activities

2001

Acquired ISO 9001 certification

2005

Acquired ISO 14001 certification

2017

- Formulated quality and environmental policies
- Published the first CSR report along with a review of management policy



- Introduced recycling system for water-intensive processes at the Indonesia Factory

2018

- Formulated the CSR Mid- and Long-term Policies through FY2020
- Formulated the DMC Human Rights Policy, policy for work environment safety, and DMC Supply Chain CSR Procurement Guidelines
- Delivered relief supplies to and conducted site inspections in areas affected by the earthquake and tsunami in Sulawesi, Indonesia

2019

- Formulated the BCP response manual
- Completed the New Shirakawa Factory, featuring more energy-efficient equipment than ever before
- Appointed first female manager
- Cooperated in the collection of empty contact lens cases as part of the "eyecity eco project" (still ongoing)

2022

Established mid-term environmental targets

Sustainability Activities

Corporate Profile

Products that make everyday life better

Sustainable Human-Machine Interface

DMC develops its products based on the philosophy of Fueki-Ryuko*—continuity and change—preserving enduring essentials while incorporating constant innovation.

Continuity: Protecting the enduring traditions and essence of the industrial sector, such as legacy systems and retrofitting.

Change: Flexibly adapting to evolving trends and future needs, offering advanced technologies, refined design, and intuitive solutions that resonate with users.

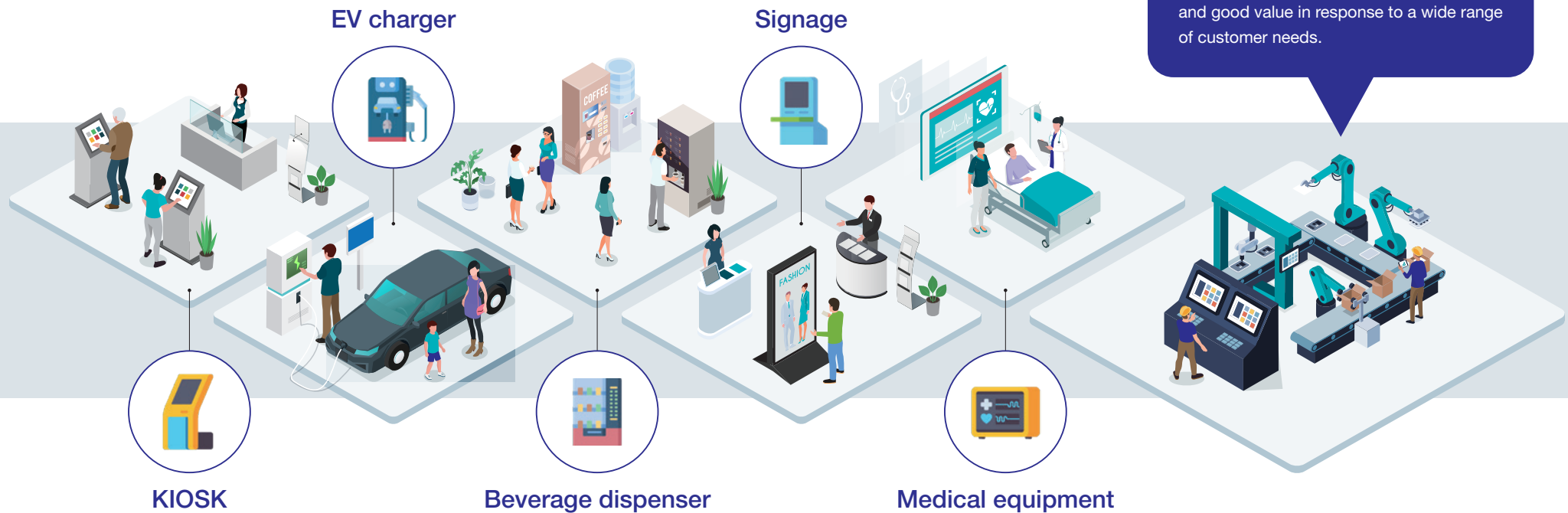
By staying close to our customers, we deliver innovative and reliable user interface design solutions that connect people and machines, and systems and services. We offer a comprehensive approach from component and device supply to functionality implementation and consulting.

*Fueki-Ryuko: A concept from the haikai theory of Matsuo Basho



Industrial Equipment / Systems

DMC Group's experience, knowhow and long history of producing touchscreens for industrial equipment has earned strong customer trust. DMC touchscreens feature stable long-term supply, long service life, and good value in response to a wide range of customer needs.



Japanese Industrial Quality: Trust and Performance

Our touchscreens and panel controllers have been adopted under harsh environments in machinery, equipment, and industrial systems through our B2B model, and their proven track record has been highly regarded. Adoption is expanding not only for industrial applications but also for a wide range of applications requiring touch operation.

Corporate Profile

DMC Products & Services

DMC Products

In addition to more than 200 types of standard touchscreens, DMC has provided more than 2,000 customized products to customers.

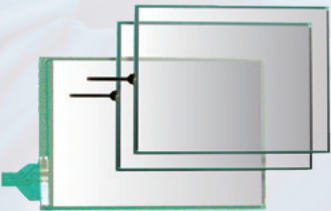
We maintain close communication with customers from the design and development stage to ensure that products are suitable for the target environment and conditions.

The manufacture and sale of durable touchscreens and the provision of outstanding support has enabled us to enjoy steady growth with our many associates.

Our Unique Technologies

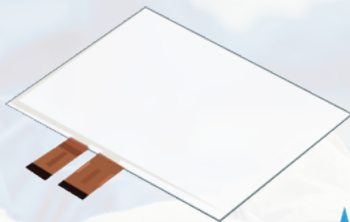
Resistive touchscreens

Resistive touchscreens identify touch position based on the pressure of a finger or pen, etc. They can be operated even while wearing gloves and feature excellent and reliable operability. In addition, light-touch type resistive touchscreen, which require less input load than conventional resistive films, achieve light, smartphone-like gesture operation. We also offer multi-touch types which offer a wide range of operation as well as high noise tolerance.



Capacitive touchscreens

Capacitive touchscreens detect points touched by fingers utilizing capacitance-couplings generated between the fingers and panel. DMC offers tough and weather-resistant glass and glass construction type for industrial use.



Touchless gesture units

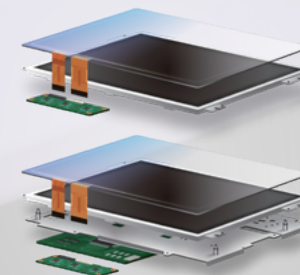
The main unit is equipped with a gesture sensor that detects hand movements away from the screen. Detecting the direction of the movement of a hand held over the unit allows a screen to be operated through gesture alone without touching the screen. Our first touch-free product, touchless gesture units are used in environments where gloves are worn, such as with food and beverage equipment and medical devices.



Reliable Products & Services

Touchscreen modules

We offer simple module products consisting of various touchscreen sensors, controllers, and LCDs (liquid crystal displays), as well as products that combine these with HDMI inputs and video boards, etc. We also provide cover glass and various functional films (such as anti-viral, anti-bacterial, and anti-reflective).



Touchscreen application products

We develop, design, and manufacture unit products such as touch monitors, touchscreen displays, and embedded panel controllers. We also provide a variety of application tools to support the development and deployment of touchscreen products.



Corporate Profile

Value Chain

The DMC Group aims to identify risks and opportunities in the value chain and minimize those risks while maximizing opportunities.

Upstream		Company		Downstream	
Raw materials / Material procurement		R&D / Design	Manufacturing	Logistics	Product use / Disposal / Recycling
Risks	- Human rights violations caused by conflict minerals - Issues with human rights violations and labor practices at suppliers - Damage and environmental pollution caused by hazardous substance leaks - Supply disruptions to raw materials and materials due to conflicts or large-scale disasters - Higher procurement costs due to rising raw material prices	- Weaker competitive advantage (originality, price, etc.) - Delay in addressing need for environmentally friendly products	- Increase in CO₂ emissions during manufacturing - Environmental pollution from wastewater - Depletion of water resources - Environmental pollution from hazardous chemicals - Production disruption from large-scale natural disasters - Occupational accidents - Drop in customer trust due to quality issues (illegalities, etc.) - Falling yields due to more defective products	- Human rights violations due to long working hours, etc. - CO₂ emissions during transportation - Disruption to transportation routes due to conflicts or large-scale disasters	- CO₂ emissions during product use - Hazardous chemical leaks during product disposal - Increase in waste - Complaints/recalls due to product defects - Accidents caused by products
	Greater awareness around stable supplier procurement	- Greater demand for innovative technology - Larger market for environmentally friendly products	- Greater expertise with more sophisticated production equipment - Securing trust from society through rigorous occupational health and safety	- Response of logistics companies to diverse transportation needs - BCP services for logistics companies - Secure competitive advantage through stable logistics	- Larger market for environmentally friendly products - Raising customer awareness of environmental considerations and conservation
	- Gathering information on conflict minerals from all suppliers - Creating CSR procurement guidelines and understanding initiatives through surveys - Considering ways to safely handle raw materials containing specified chemical substances with Safety Data Sheet (SDS) - Building a procurement system in Japan	- Cultivating markets through active overseas expansion - Training for research and technology development personnel - Reduction of component usage and energy-saving design - Selection of appropriate chemical materials	- Establishing CO₂ emissions reduction targets - Environmental training for employees - Appropriate management of wastewater - Reducing water usage through water recycling - Appropriate Management of chemical substances during manufacturing - Prohibition of forced labor and child labor	- Sharing near misses and unsafe incidents in the workplace and providing risk assessment training - Safety patrols around manufacturing sites by the president and managers - Communication with customers - Reducing waste by lowering defective rate in the manufacturing process - Quality training and improvement activities - BCP measures to replace damaged production lines both in Indonesia and Japan in the event of a disaster	- Improving efficiency in product transportation - Environmentally friendly design - Product safety design - Appropriate management of chemical substances during disposal and recycling
	 	 	 		

Corporate Management & Sustainability

Management Vision



Corporate Management & Sustainability

DMC's Management Philosophy Structure



Corporate Philosophy

Growing together with our customers by taking on challenges with passion and pride, and pursuing an “exciting tomorrow” with happiness and sustainability both physically and spiritually

Mission

- Creation of more user-friendly interfaces for industrial equipment
- To be a company consistently trusted and needed by customers through creating optimal solutions with the spirit of continuity and change

Vision

- Leading interface solutions company
- 101-year-old company consistently growing and adapting to change

Management Policy

1. We promote fair, transparent, and free competition and strive to ensure appropriate transactions in accordance with rules and principles.
2. We work on procurement, production, and sales in a socially and environmentally friendly fashion and contribute to the realization of a sustainable society.
3. We aim to grow together with our customers by providing them with the highest value.
4. We respect the individuality of all employees under a safe and secure working environment and aim to achieve the personal growth and company development through our business.
5. We respect the culture and customs of our customers around the world and contribute to the development of local communities through business activities.

Medium-Term Management Plan (Priority Measures)

1. To be a company that can be relied upon
2. To be a company that grows together with its partners (customers and suppliers = partners)
3. To deepen (evolve) the relationship with customers through DUSH's unique proposals and product development
4. Creation of an environment where employees are happy to work
5. To build a system that can meet the quality, cost, and delivery requirements overseas

Priority Measures for the Current Fiscal Year

Priority measures to be implemented during the current fiscal year based on the Medium-Term Management Plan

Action Plan (Departmental)

A PDCA cycle through monthly progress reports for each department

Challenge Sheet (Individual)

Confirm PDCA and personal growth through individual semiannual debriefing meetings (interviews)

Corporate Management & Sustainability

DMC Sustainability

Sustainability Concept

DMC products are used in equipment, machinery, and systems within the factory automation industry. Recently, expanded use in public services includes medical devices, showing the important social responsibility that DMC has accepted. We recognize that providing products, solutions and other services, returning our business achievements to society, and sincerely performing business activities while assuring product safety and security, environmental conservation, compliance with laws and regulations, respect for human rights, and fair and equitable transactions lead to the fulfillment of our social responsibility. We also recognize that participating in regional activities is an extremely important social responsibility, and we are always on the lookout for more ways to be involved.

Sustainability Promotion System

In order to promote the sustainability efforts of various departments in a unified manner, we have established a Standards Management Office within the General Administration Department under the direct control of the President as a system in which top management is involved in and manages sustainability activities. And, DMC leverages multidisciplinary cooperation with departments and divisions in charge of sustainability to ensure effective product safety and security, respect for human rights, labor practices, supply chain management, environmental conservation, and regional contribution. The Planning and Administration Office provides full support for these activities.

Approaches to Sustainable Development Goals (SDGs)

We are working to meet the demands and expectations of various stakeholders in relation to the SDGs.

Relationship between SDGs and DMC Business

Related Goals		DMC Approaches with SDGs
	Ensure healthy lives and promote well-being for all at all ages	- Developing and manufacturing medical-use touchscreens - Developing touch-free functionality - Promoting employee health (mental health) - Installing and training on AEDs
	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	Developing human resources (support for acquiring specialized knowledge, training by level in the Group, inhouse training, global human resource development)
	Achieve gender equality and empower all women and girls	Promoting diversity (promotion of women's activities, etc.)
	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	- Promoting a good work-life balance (ensuring appropriate working hours, support for childcare and nursing care) - Promotion of diversity (continuation system / promotion of employment of individuals with disabilities) - Preventing occupational accidents through the 5S methodology
	Reduce inequality within and among countries	- Respecting human rights (making human rights policy known throughout the Group, compliance with human rights policy) - Developing and manufacturing multi-language compatible touchscreens
	Realize the development of comprehensive, safe, resilient and sustainable cities and living environments	Effective use of valuable materials generated in the process of proper waste disposal for welfare activities and contributing to the community
	Ensure sustainable consumption and production patterns	- Publication of Sustainability Report - Reducing waste - Chemical substance management - Developing and manufacturing durable, weather-resistant touchscreens - CSR procurement (implementing procurement policy and guidelines, conducting surveys) - Afforestation (mangrove saplings, etc.)
	Take urgent action to combat climate change and its impact	- Reducing CO₂ emissions (reducing electricity usage, etc.) - Introducing CO₂-free electricity - Environmental education (seminars on quality control and environmental management systems) - Water resource conservation - Preparing for natural disasters caused by climate change through BCP
	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all, and build effective, accountable, and inclusive institutions at all levels	- Compliance with domestic and foreign laws and customs - Adherence to compliance - Building an information security management system

Corporate Management & Sustainability

Stakeholder Engagement

Stakeholder Engagement

DMC strives to communicate with stakeholders through a wide range of systems to ensure that it remains a company capable of contributing fully to the society we serve. We report opinions of our stakeholders to the top management and reflect them to management activities with stakeholder engagement as the top priority.

Stakeholder engagement is overseen by the departments that have close relationships with stakeholders. The feedback we receive from stakeholders through engagement is also reported to management to be reflected in, and determine the direction of, our business activities.

Stakeholders	Means of Communication	Major Responsibilities and Issues
Customers DMC sells touchscreens to distributors and manufacturers around the world.	• Communication from product development to supply (as needed) • Providing solutions (as needed) • Inquiry desk (as needed) • Customer satisfaction survey (once a year) • Direct visits by the President (as needed)	• Manufacturing high-quality and safe products • Disclosing product information appropriately • Designing environmentally friendly products • Stable supply of products and support
Shareholders & Financial Institutions DMC's sole shareholder is its parent company, USCO Corporation.	• Shareholders meeting / Financial results briefings (once a year) • Shareholder reports (twice a year)	• Improvement of corporate value • Appropriate return of profits • Timely and appropriate information disclosure
Suppliers DMC strives to realize a sustainable society with suppliers manufacturing ingredients and parts that DMC procures for touchscreen production.	• Factory audit (once a year) • Periodical discussions • CSR procurement questionnaires (once every 3 years) • Inquiry desk (as needed)	• Continued stable ordering • CSR promotion throughout the supply chain • Respect for human rights
Employees DMC has 900 employees in Japan and Indonesia.	• Hotline (as needed) • Personnel affairs division (as needed) • Health and Safety Committee (once a month) • Regular meetings between employee representative (Indonesia factory only) and company (once a year) • Events such as joint exchange meetings between Japan and Indonesia	• Ensuring a safe and secure working environment • Respect for human rights • Respect for diversity • Development and utilization of human resources
Regional Society DMC business activities vitalize the areas we serve while respecting regional cultures and customs around the world.	• Local volunteer activities (at least once a year, at least 10 participating employees) • Interactions with local businesses (as needed) • Factory visits (as needed) • Support for restoration from disasters • Inquiry desk (as needed) • Internship system and school visits in local communities (once a year) • Community cleaning (at least 5 times a year in each area)	• Social contribution through business • Regional vitalization through cooperation with local businesses • Respect for local cultures and customs • Protection of the local environment • Employment creation
Supervisory authorities & Local governments DMC understands the laws and regulations of each country where we conduct business. We also interact with regional governments to vitalize local areas.	• Making proposals to solve social issues (as needed) • Information exchange with local governments (as needed)	• Compliance with laws and regulations • Cooperation to solve social issues • Regional vitalization through cooperation with local governments

Corporate Management & Sustainability

DMC Group Mid- and Long-term Sustainability Policies

Although we worked to achieve our goals, we did not achieve satisfactory results for half of the items, leaving issues still to be addressed.

In 2025, we will make improvements and work toward eliminating these issues.

○ ... Achieved △ ... Partially achieved × ... Not achieved

Fields	Mid- and Long-term Policies	FY2024 Targets	Assess- ment	FY2024 Achievements	FY2025 Targets	Contribution to SDGs
Sustainability Management						
Stakeholder engagement (P.12)	DMC promotes Sustainability management responding to the needs of and requests from stakeholders and society	Conduct awareness tests of sustainability activities • Awareness tests: 90% or higher test rate in Japan • CSR training: At least 30 people (purchasing and sales divisions)	×	• Awareness tests: 67% or higher test participation rate in Japan • CSR Training: Izumi Factory, 30 new graduate employees	• Awareness tests: 85% or higher test participation rate in Japan • CSR Training: 100 or more employees (Sales, Purchasing, and other divisions)	—
Product Safety & Security						
Product Safety & Security (P.16~P.18)	Continual operation of quality management system	Reduce losses due to complaints for touchscreens by 45% compared to the previous year	○	62% reduction YoY	Determine integration policy by July 2025 and look into setting integration targets from FY2026	
		Launch new manufacturing method for touchscreens (laser etching, etc.); reduce solvents, power consumption, etc.	△	• Indonesia Factory: Proportion of production volume using the new manufacturing method (35%) • Solvents (12% reduction), electricity consumption (slight decrease)	Proportion of production volume using the new manufacturing method (50%)	
Respect for Human Rights						
Human Rights Protection (P.19~P.20)	Establishment and operation of the system that develops human rights awareness	All newly hired employees subject to human rights and compliance training	△	All new graduate employees completed; partial coverage for mid-career hires	All newly hired employees subject to human rights and compliance training	
		Conduct harassment training for at least 70 managers and supervisors (assistant managers to department managers) (9 times)	○	Held 15 times/year (98% attendance rate)	Conduct harassment training for all managers and supervisors (assistant managers to division managers)	
		Revise Human Rights Policy (code of conduct)	○	Revised January 2024	—	
Labor Practices						
Promotion of Diversity (P.21~P.22)	DMC develops and utilizes a wide variety of human resources to reinforce diversity management	Identify issues for review of the overall personnel system, including female employees: Consider development of system for promotions, etc.	△	Reviewed post-integration systems	Continue reviewing and finalizing systems to leverage the strengths of each employee	
		Increase opportunities for women to participate in training for higher level positions to promote opportunities for women's active participation and advancement in the workplace: Conduct training for managers and supervisors at the assistant manager level and above	△	• Held human rights training for managers and supervisors including women • Held team-play training for general and non-regular employees, including women (female attendance rate 87%)	Improve communication skills and labor-related skills (for managers and supervisors)	
Work-life Balance (P.22~P.23)	DMC strives to maintain a working environment that allows employees to maintain a good work-family balance	Continue reducing total overtime working hours: Japan average of 8 hours or less, overseas average of 8 hours or less per month	○	Average overtime: Japan (5.34 hours), Overseas (0.3 hours)	Continue reducing overtime: Japan average of 8 hours or less, overseas average of 5 hours or less per month	
		Continue to promote paid-holiday use—Ratio of paid-holiday use: Japan 90% or higher, overseas 90% or higher	△	Ratio of paid-holiday use: Japan 89.3% or higher, overseas 86.3% or higher	Ratio of paid-holiday use: Japan 90% or higher, overseas 90% or higher	

Corporate Management & Sustainability

Fields	Mid- and Long-term Policies	FY2024 Targets	Assessment	FY2024 Achievements	FY2025 Targets	Contribution to SDGs
Labor Practices						
Human Resource Cultivation (P.23~P.24)	DMC develops the abilities of employees to develop human resources that support business activities	Conduct training to strengthen team skills through improved communication for all employees	○	Attendance rate 98%	Conduct training to strengthen team skills through improved communication for all employees: 90% or more attendance rate	
Work Environment Safety (P.24~P.25)	DMC promotes the health and safety of employees and conducts vigorous business management	Health check rate: Japan 100%, overseas 100%	○	Japan 100%, overseas 100%	Health check rate: Japan 100%, overseas 100%	 
Sustainable supply chain management						
CSR Procurement (P.26~P.27)	DMC promotes supplier compliance with CSR procurement guidelines and expands application to new customers	Expand consent to CSR Guidelines among suppliers	×	Rollout of consent confirmation form not implemented	Expand consent to CSR Guidelines among suppliers	
		• Review management of CSR Procurement Guidelines • Review evaluation of new and continuing transactions	△	• Investigated revising CSR Procurement Guidelines • Revision of rules for new transactions not complete	Review management of CSR Procurement Guidelines	
Environmental Conservation						
Environmental Conservation (P.28~P.32)	Achieve carbon neutrality by 2050, reduce CO ₂ emissions by 40.0% by 2025 (compared to 2018 levels)	Reduce CO ₂ emissions Reduce electricity consumption • Japan (Improve air conditioning operation methods) • Overseas (Improve production facilities) Scope 1 (60% decrease from base year) Scope 2 (36% decrease from base year)	○	Scope 1 (65% decrease from base year) Scope 2 (55% decrease from base year)	Scope 1 (61% decrease from base year) Scope 2 (40% decrease from base year)	
		Consider continued use and expansion of CO ₂ -free electricity	△	Continued use at the Shirakawa and Iwaki factories, not yet expanded to other factories	Continue using CO2-free electricity	
		• Set Scope 3 target • Consider reduction of Category 1, which has a high Scope 3 component ratio; promote reduction of Category 1 (mainly parts procurement)	△	Partially reviewed calculation method for Category 1 (mainly parts procurement)	• Set targets for FY2030 • Investigate reduction of Category 1, which has a high Scope 3 component ratio Promote reduction of Category 1 (mainly parts procurement)	
	Contribute to environmental conservation through efficient energy use, effective resource utilization, and the reduction and recycling of waste	Reduce waste amount by improving loss rate (Loss rate: 2 point improvement compared with the previous year, domestic and overseas combined)	×	1.3 point improvement YoY	Reduce waste amount by improving loss rate	

Corporate Management & Sustainability

Fields	Mid- and Long-term Policies	FY2024 Targets	Assess- ment	FY2024 Achievements	FY2025 Targets	Contribution to SDGs
Regional Contribution						
Contribution to Regional Society (P.33)	DMC contributes to the realization of a better society through social contribution activities as a company that continuously strives to maintain the trust of stakeholders	• Collect contact lens cases • Collect pull tabs and plastic bottle caps Continue to promote as a company-wide activity	○	Continue to promote as a company-wide activity	Continue to promote as a company-wide activity	
		Continue to accept students on internship program in Fukushima Prefecture (at least 2 schools and 2 students)	○	At least 2 schools and 2 students	Continue to accept students on internship program in Fukushima Prefecture (at least 2 schools and 2 students)	
		Continue to promote local community cleanups	○	Continue to promote local community cleanups	Continue to promote local community cleanups	
		Continue to provide support regarding natural disasters	○	Provided support through donations	Provided support through donations	
Governance						
Corporate Governance (P.34)	DMC ensures transparency and fairness in its business activities, continues sustainable growth and increases corporate value	Continue to promote transparent management through the provision of opportunities to communicate with stakeholders more than the previous year • Shareholders: Continue to hold twice a year reporting sessions by the President • Financial institutions: Continue to hold report visits by the President at least once a year	○	Shareholders: Continue to hold twice a year reporting sessions by the President Financial institutions: Continue to hold report visits by the President at least once a year	Shareholders: Continue to hold twice a year reporting sessions by the President Financial institutions: Continue to hold report visits by the President at least once a year	
		Employees: Continue to provide monthly reports through monthly Group-wide morning meetings by the President, etc.	○	Continue to provide monthly reports through monthly Group-wide morning meetings by the President, etc.	Continue to provide monthly reports through monthly Group-wide morning meetings by the President, etc.	
Compliance (P.34~P.36)	DMC understands and follows both domestic and overseas laws, regulations, and customs, and it take action with a spirit of high corporate ethics	• CSR procurement training • CSR procurement: 20 or more employees (Purchasing Division: 45% coverage or more; Sales Division 88% coverage or more)	△	Web/division learning: 23 participants Purchasing Division (attendance rate 100%), Sales Division (attendance rate 60%)	CSR procurement: 30 or more	—
		• BCP Manual revision • Anti-Bribery Regulations establishment	△	• Created a draft revision of the BCP manual • Formulated in August 2024	Verify BCP manual at operational level	
Information Security (P.35-36)	DMC establishes an information management system and promotes appropriate management of information assets based on its basic policy	• Web-based security training • Establish an environment suitable for ISO 27001 certification • Training participants: 200 employees or more • Complete environmental improvements in the first half of the year	○	• Web training: Held test on 2024 content, and study session and test for 2025 (over 200 participants each) • Organized documentation, such as the Information Security Policy	• Hold web training (once a year or more) • Formulate the Information Security Policy • Formulate the Information Security Manual • Create and revise information security-related documentation	

*For permanent employees in Japan

Product Safety & Security

DMC strives to create high-quality, safe and secure products that we can provide to our customers and end users.

Product Safety & Security

With “Customer Satisfaction,” “Quality and Environment First,” and “Trust and Reassurance” as mottos, leading touchscreen manufacturer DMC established and operates an ISO 9001 certified quality management system that provides products in accordance with its quality and environmental policies.

Quality Policy

1. Aim for “safe and reliable quality” our customers can depend on.
2. Strive to raise awareness of quality, standardize internal processes, and pursue efficient work. (people, organization, systems, and work)
3. Promote environmental impact reduction with consideration for climate change across all business processes, including development, design, procurement, production, logistics, sales, services, and management.
4. Ensure products meet legal standards to improve customer satisfaction and social trust.
5. Build a quality management system and continuously improve the business process by setting goals, implementing actions, and evaluating outcomes.

*Approved on July 22, 2025; scheduled to be applied from FY2026

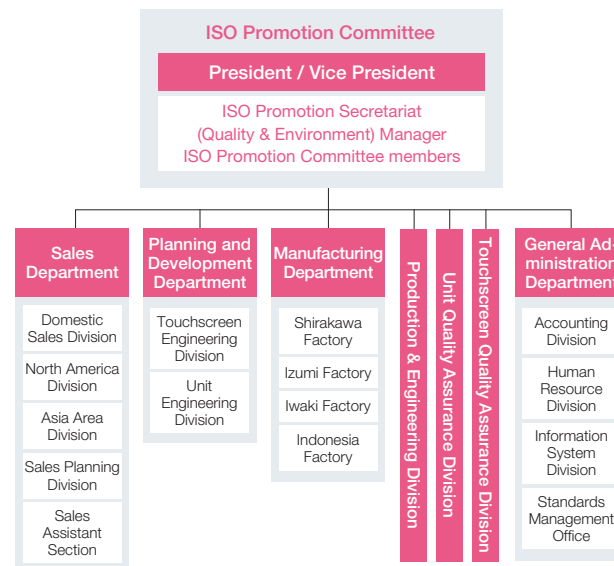
Quality Management System

DMC has built a robust quality assurance system to deliver high-quality products and services that meet customer expectations. We conduct yearly management reviews to examine and evaluate the state of our quality management system in line with our quality policy as well as quality targets to implement actions for improvement. And yearly audits are conducted by certified internal auditors. DMC shares progress in target achievement and product quality issues at Production quality meetings (Unit Business*) held once per month, and promotes the PDCA cycle to ensure that

all employees understand quality policy and achieve ISO targets established by each division. In addition, ISO certification has been obtained for both the Device Business and Unit Business, and the Iwaki Factory obtained ISO 9001 certification in August 2023, maintaining our 100% certification coverage rate at our production sites.

* Unit Business: Plans, develops, manufactures, and repairs embedded devices for industrial equipment

Quality & Environmental Management System Diagram



QMS/EMS Application Range

Device Business: Shirakawa Factory, Iwaki Factory, Tokyo Office, Osaka Office, Nagoya Office
Unit Business: Izumi Factory, Unit Engineering Division, Domestic Sales Division, Indonesia Factory

Approaches to Product Quality Improvement

Our group leverages its technology, knowhow, and systems that can precisely respond to the sophisticated and diverse quality requirements of our customers and provide even higher-quality products.

New Product Strategy Meeting

Product strategy meetings are held monthly with the President, Vice President and representatives from the Planning and Development, Sales, and Manufacturing departments, in a system that allows us to analyze customer needs and reflect them in our products. In FY2024, we discussed new manufacturing methods for touchscreens and next-generation unit products (touchscreen application), and advanced the production of environmentally conscious touchscreens and the development of new unit products tailored to current trends and customer demands.

Quality Improvement Activities

With the aim of improving production technology and productivity, we work to ensure productivity improvement and stable quality by conducting initiatives at the manufacturing site, and by promoting quality activities and the standardization of production processes through complaint handling.

Regarding these, related departments implement initiatives by topic and report to the next meeting with important topics communicated down as instructions from the higher-level meeting.

Product Safety & Security

Domestic Device Business

Quality Improvement Framework



Unit Business

Quality Improvement Framework



Communication between Engineering Staff and Customers

It is important for us to accurately understand customer requests and consider detailed specifications for products. Therefore, personnel in charge of engineering visit customers with the personnel in charge of sales to have direct communication with customers.

Quality Assurance Patrols

In FY2024, we achieved a 62% year-over-year reduction in loss due to complaints (with a 35% decrease in targeted sales compared to the previous year). Many of these complaints stemmed from legacy production issues, which we addressed individually to meet targets. To prevent recurrence, we address root causes through design-stage reviews and improvements across production processes. All customer complaints are documented internally via claim reports, and a final corrective action report is submitted to the customer for closure. High-priority issues are continuously identified as critical themes at Quality and Environment Meetings (Device Business) and at Quality Meetings (Unit Business).

In FY2024, there were no serious product accidents, such as major injury or equipment damage, involving customers or within the company.

*QA: Conveyed as instructions by the Quality Assurance (QA) body. It is important for us to accurately understand customer requests and consider detailed specifications for products. Therefore, personnel in charge of engineering visit customers with the personnel in charge of sales to have direct communication with customers

Product Safety & Security

Improvement of Customer Satisfaction

Once a year, our Sales Division conducts a customer satisfaction survey for each of our device and unit businesses. We distribute surveys to major sales agents and others to gauge customer satisfaction. The customer satisfaction surveys consist of 30 items for the Device Business in 7 categories (sales, sales promotion, delivery, quality, technical capability, competitiveness, and other), and 30 items for the Unit Business in 8 categories (quality, complaints, repairs, delivery dates, original products, proposals, sales/operations, and order/discipline).

The aggregate results are shared with relevant divisions within the company as customer feedback. This allows us to identify issues and improve products with the goal of maintaining customer trust.

In FY2024 we surveyed 11 major sales agents for the Device Business (10 domestic and 1 overseas) and 9 major customers for the Unit Business (domestic only).

In the Device Business, customer evaluations regarding cost and quality were particularly strict. We will continue refining standards and improving processes. While the Unit Business generally maintained satisfaction levels, some customer requests were not fully met and will be addressed moving forward.

Ensuring Product Safety

Proper Chemical Substances Management

DMC performs proper chemical substances management from design to disposal to ensure the safety of our products. Our Initiatives are as follows.

● Compliance with Global Laws and Regulations

We use chemical substances for our products in accordance with the laws and regulations specified by each country and promote the development of products that do not use hazardous substances that may affect people and the environment.

● RoHS Compliance

We assess the safety of all our products to ensure that hazardous chemical substances restricted by the RoHS Directive, including lead, mercury, cadmium, and hexavalent chromium are not contained in or attached to our products, or to ensure that the amount of those substances contained in or attached to our products is less than what is stipulated by laws and regulations.

● Response to Safety Risks

For substances judged to pose a safety risk, we reduce or cease use to ensure product safety.

● SDS Acquisition and Utilization

We obtain a Safety Data Sheet (SDS) that describes the danger and toxicity, and precautions of chemical substances and raw ingredients containing specific chemical substances to ensure safe handling until disposal.

The division in charge of chemical substance management keeps up-to-date with the latest information on revisions to various laws and regulations regarding chemical substances and focuses on appropriate responses.

With regard to chemical substance management and inquiries from customers, the Quality Assurance Division is in charge of touchscreen products, and the Standards Management Office is in charge of unit products. External specialist companies are also utilized as necessary for investigation and response regarding hazardous materials.

Product Safety Design

In each process of development, design, and manufacturing, we take measures to ensure the safety of our products during their use. In the touch panel business, we have introduced the use of scribing machines in the development, design, and manufacturing processes, which results in the prevention of glass plate edge breakage and thus injury, ensuring safety in the use of our products.

 **Hazardous Substances in Standard Products**
<https://www.dush.co.jp/english/support/chemicals/>

Training on Quality

In order to continue to create products with quality and safety that satisfy our customers, training and workshops take place in each division throughout the year. In FY2024, to address the increased amount of claim losses, we focused on investigating and addressing the root causes of defects, reviewing process operations, and providing training on defect resolution.

Respect for Human Rights

We believe that respecting the human rights of all stakeholders is our responsibility as a company, and we are working towards this throughout the entire Group.

Human Rights Protection

Human rights issues related to global business activities have come more to the forefront in recent years, and this has accelerated the promotion of protections in international frameworks. In light of this global situation, we established a Human Rights Policy in FY2018 in accordance with the UN Guiding Principles on Business and Human Rights, revising it in FY2024 in response to the growing importance of human rights issues. The Group appropriately responds to the potential impact of our business activities on human rights by eliminating behaviors that violate human rights, including forced labor and child labor, and by encouraging our suppliers to respect human rights as well.

DMC Group Human Rights Policy

We understand the significance of our corporate responsibility to promote the protection of human rights, to protect stakeholders' rights and individuality, and to provide a safe, secure and comfortable working environment.

The DMC Human Rights Policy conforms to international norms, including the International Bill of Human Rights and the Declaration on Fundamental Principles and Rights at Work by the International Labor Organization (ILO).

Responsibility for human rights protection applies to all executives and employees at DMC and its affiliated companies. We also require all our suppliers and business partners to protect human rights. If human rights are violated, we take prompt and appropriate action.

Fulfillment of our responsibility to protect human rights

- DMC promotes human rights protections in accordance with the Guiding Principles on Business and Human Rights specified by the United Nations. Specifically, we will thoroughly implement measures to prohibit discrimination, harassment, and violence based on race, nationality, gender, religion, beliefs, etc. We will prohibit forced labor (including human trafficking) and prohibit child labor. We will provide employees with wages and benefits that exceed the legal wage, prevent overwork, provide appropriate holidays, and ensure a safe and healthy work environment. And we will respect freedom of association and the right to collective bargaining, promote diversity, data security, and responsible mineral procurement.
- DMC has established human rights due diligence processes to identify DMC business that negatively impacts human rights, and strives to reduce or prevent human rights violations. DMC continues to examine these processes to respond efficiently to potential and actual human rights risks and impacts.
- In the event that DMC business activities cause a negative impact on human rights, either directly or indirectly, it shall strive to immediately remedy and rectify the issue through appropriate action.
- DMC follows the laws and regulations of the regions where it conducts business activities. In the event that there is a contradiction among internationally adopted human rights conventions and laws and regulations in individual countries and regions, DMC strives to follow international principles of human rights protection.
- DMC provides appropriate education and enlightenment to implement this basic policy into its corporate and business activities.

- In terms of addressing potential or actual impacts on human rights, DMC engages in dialogue and consultation with stakeholders, including employees and suppliers, who may be affected through our business activities.
- DMC discloses the progress and results of its approaches to human rights protection on its website and in its reports.

Code of conduct for respecting human rights

1. Prohibition of discrimination, harassment, and violence

DMC shall respect the human rights and personality of individuals, and create a fair and unprejudiced workplace environment by eliminating all forms of discrimination, harassment, and violence on the basis of race, religion, gender, sexual orientation, age, nationality, language, disability, social origin, wealth or ancestry.

2. Prohibition of forced labor

- DMC shall prohibit labor gained, either directly or indirectly, through human trafficking or slavery, and forced labor.
- All labor must be voluntary, and DMC guarantees that no unreasonable restrictions will be placed on the movement, separation, or retirement of employees in the facilities provided by DMC.
- Furthermore, DMC shall not retain or confiscate workers' identification cards, passports, or work permits, etc., and neither shall it deny workers their use (unless legally required to do so).
- In the unlikely event that so-called modern slavery, forced labor, or human trafficking is discovered, the involved worker will be removed from the work. In addition, DMC shall contact agencies that assist in the rehabilitation of workers and maintain contact with agencies to assist in monitoring the health status of the individual.

3. Prohibition of child labor

- DMC shall respect the rights of children and prohibit the employment, either directly or indirectly, of persons younger than the minimum working age (15 years old) stipulated in international norms, or the age of completion of compulsory education stipulated by the countries and regions where we operate, or the legal minimum working age in the relevant countries and regions. Moreover, under no circumstances shall young workers under the age of 18 engage in night work, overtime work, or dangerous work that threatens the health or safety of workers.
- In order to ensure the above, DMC shall verify the person's age using documents

issued by a public institution when an employment contract is signed.

- If the worker is under 18 years of age despite conducting proper age verification, as the employer, DMC shall explain the situation to the worker's parents or guardians (including with regard to supporting the worker's return home). Further, DMC shall report the matter to the Labor Standards Inspection Office, accept guidance on how to correct the situation, and take appropriate measures.
- DMC shall comply with all laws and regulations in the implementation of internships and other workplace learning programs.

4. Preventing overwork and providing appropriate holidays

- DMC shall strictly adhere to work hour regulations, not exceeding the customary working hours stipulated in the countries and regions in which we operate, providing at least one day off per week.
- In addition, annual paid leave will be granted appropriately based on local laws and regulations.

5. Wages and benefits

- DMC shall comply with laws regarding benefits, etc. stipulated in the countries and regions in which we operate, including minimum wages, overtime wages, equal pay for equal work, etc., striving to pay a living wage and providing welfare benefits required by law.
- DMC shall provide timely and easy-to-understand payslip statements with sufficient information to confirm accurate compensation for work performed during the pay period.

6. Health and safety

DMC shall comply with laws and regulations related to health and safety stipulated in the countries and regions where we operate, striving to create a safe, secure, and healthy working environment. This includes providing personal protective equipment needed for work and implementing health and safety management systems to maintain continuous improvement. DMC shall also integrate safety in all processes, continually provide training, and promote a strong safety culture.

7. Respect for freedom of association and the right to collective bargaining

- DMC shall respect employee's freedom of association, freedom to join or not join a union, and the right to collective bargaining and peaceful assembly, in accordance with local laws and regulations.
- Moreover, DMS shall not unlawfully dismiss any employee.

(established in January 2018, revised in January 2024)

Respect for Human Rights

Prohibition of Forced Labor and Child Labor

The DMC Group has a factory in Indonesia where human rights risks are high and where many local employees work. As such, we prohibit forced labor and child labor.

As well as prohibiting forced labor, both domestically and internationally, DMC secures appropriate working hours and develops a work environment based on respect for the culture in each location. In addition, we are thoroughly working to prevent child labor by requiring employees to submit an official certificate when joining the company, by always verifying their age, and by not hiring applicants under the age of 18.

Prevention of Discrimination and Harassment

DMC respects the human rights of individual employees and strives to prevent discrimination or harassment. We are focusing on education, such as conducting self-checks and training on harassment, for managers and those in higher positions who especially need the right knowledge of human rights and skills to respond appropriately. In addition to the above, education on harassment and human rights is provided as part of new employee training, mid-career entry training, and skills training to ensure a thorough understanding of the issues across the organization.

Along with raising awareness through training and other means, we are strengthening communication with employees by holding individual interviews with all domestic employees (four times a year) and by implementing a whistleblowing system.

And at the Shirakawa Factory, a considerate work environment has been created that respects religious customs, for example, a prayer hall with small washroom for Muslims, and a time for worship, has been arranged.

Installation of a Human Rights Reporting & Consultation Desk

DMC has established a whistleblowing desk to provide appropriate and prompt responses to reports and consultations regarding human rights to prevent the risk of violations. In Japan, we also established an external consultation desk, which received two consultations during FY2024. When receiving a report or consultation at the whistleblowing desk, we interview related persons, check the facts, and establish a disciplinary committee if necessary to decide how to proceed.

Information about whistleblowers and their reports is strictly managed based on confidentiality obligations to ensure that whistleblowers do not suffer any disadvantage.

Number of Human Rights Reports and Consultations (Facilities)

	Scope	FY2022	FY2023	FY2024
No. of reports or consultations		2	2	2
(Of which) human rights related		0	0	0
(Of which) harassment related	Group	2	1	1
(Of which) others		0	1	1
No. of disciplinary actions due to violations		2	0	0

Training on Human Rights

In addition to human rights and compliance training for new employees, we conduct study sessions for management, including division managers, on our human rights policy, as well as social issues related to human rights and domestic and international trends.

In FY2024, we held a training session for approximately 50 managers and supervisors on the theme of harassment awareness and prevention and disseminated information about our reporting system.

Training Sessions on Human Rights

	Scope	Unit	FY2022	FY2023	FY2024
No. of sessions held	Japan	Times	9	6	15
Attendance rate		%	74	62	98

Fair and Equitable Recruitment

Our policy is to recruit individuals based on their aptitude and abilities without regard to nationality, ethnicity, thinking or beliefs, religion, physical disability, gender, gender identity, or sexual preference, to provide job opportunities for a wide variety of people. In order to ensure that this policy is thoroughly implemented, the Human Resources Division has personnel who are thoroughly familiar with the rules. Furthermore, a process is in place to reconfirm key points using a booklet that summarizes important considerations before interviewing any candidate. In addition, the recruitment process is published on our website and can be accessed by candidates at any time, ensuring transparency in the recruitment process.

We also have systems in place to provide fair wages and benefits in consideration of human rights for employees who have joined the company.

Labor Practices

DMC strives to maintain appropriate labor practices and provide a safe, secure and comfortable working environment to enable all employees to adequately exert their abilities through work.

Human Resource Data (As of December 2024)

	Scope	Unit	FY2022			FY2023			FY2024			Coverage rate
			Male	Female	Total	Male	Female	Total	Male	Female	Total	
Number of employees	Japan	Persons	105	109	214	165	159	324	161	150	311	—
	Overseas		450	219	669	373	203	576	244	180	424	—
	Group		555	328	883	538	362	900	405	330	735	100%
Ratio of female employees	Japan	%			50.9			49.0			48.2	—
	Overseas				32.7			35.2			42.5	—
	Group				37.1			40.1			44.9	100%
Average number of years of service	Japan	Years	9.2	5.8	7.4	10.6	7.7	9.3	11.7	8.7	10.5	—
	Overseas		7.3	9.4	8.3	7.3	10.8	8.7	10.1	12.5	11.2	—
	Group		7.7	8.2	8.1	8.3	9.4	8.9	10.7	11.1	10.9	100%
Average age	Japan	Age	40.9	41.9	41.4	41.0	45.5	45.1	46.3	46.4	46.5	—
	Overseas		28.1	31.1	29.2	32.4	32.6	32.5	35.1	34.2	34.7	—
	Group		30.5	34.7	32.2	36.3	38.0	37.0	39.5	39.9	39.7	100%
Number of individuals in managerial positions	Japan	Persons	24	1	25	34	2	36	37	3	40	—
	Overseas		30	8	38	29	5	34	28	8	36	—
	Group		54	9	63	63	7	70	65	11	76	100%
Ratio of females in managerial positions	Japan	%			4.0			5.6			7.5	—
	Overseas				21.1			14.7			22.2	—
	Group				14.3			10.0			14.5	100%
Number of new graduates hired	Japan	Persons	2	0	2	1	4	5	4	2	6	42%
Number of mid-career hires	Japan	Persons	11	3	14	10	8	18	0	1	1	42%
Turnover rates	Japan	%	1.9	5.5	3.7	9.7	10.1	9.9	7.5	9.3	8.4	42%

*The Iwaki factory, which took over the touchscreen manufacturing department from NKK Switches Co., Ltd., has been added to the scope of calculation from 2021.

In addition, the number of employees increased in 2023 due to a merger with Seedware

*Coverage rate is calculated based on the number of people and reflects data from FY2024

*Figures for the number of new graduates hired, the number of mid-career hires, and the turnover rates are as of FY2024. All other figures are as of December 31, 2024

Promotion of Diversity

Basic Concept

DMC aims to promote diversity by developing a corporate climate that respects and accepts the individuality of each employee. We place importance on mutual understanding in order to be a company where all employees can play an active role, regardless of age, gender, nationality, disability, religion, or culture. We also believe that such a corporate climate allows us to produce new and flexible ideas that meet diverse customer needs and secure excellent human resources.

Promotion of Women's Empowerment

DMC promotes women's empowerment and proactively recruits female employees. We recruit based on gender-neutral, common standards and provide support for career formation through our human resource development programs, regardless of gender, through the assignment of the right person to the right place.

In FY2024, in line with the Act on the Promotion of Women's Active Engagement in Professional Life, we formulated an action plan for April 2025 to March 2028 to promote the utilization of childcare leave and paid leave, intending to create a work environment that supports work-life balance and makes childcare easier for both men and women.

In addition, we are working to raise awareness of childcare and nursing care leave systems among all employees, encourage male employees to take childcare leave, continue "Ikuboss" training for managers, and improve our work-from-home system. To improve the annual paid leave utilization rate, we are encouraging employees to take leave by publishing the annual paid leave utilization rate and the rate of childcare leave utilization by male employees.

Labor Practices

Employment Continuation System (Reemployment System)

At DMC and DMC Iwaki, we have a reemployment system that allows employees with accumulated experience and knowledge to exert their abilities after retirement. Retiring employees who satisfy the requirements and express a desire to do so are eligible to continue working up to the age of 65. The reemployment rate in FY2024 was 100% (coverage rate 42%). Losing senior employees with accumulated knowledge and experience due to retirement is a significant loss for DMC, a company whose business requires advanced skill to maintain its competitiveness. DMC fully utilizes senior employees as important human resources capable of educating and training younger generations to improve the company's capability in the engineering business.

Reemployment Rate (%)

		FY2022	FY2023	FY2024
Japan	Male	100	100	100
	Female	100	—	100

Promoting the Employment of Individuals with Disabilities

At DMC and DMC Iwaki, we respect the right of individuals with disabilities to work, and actively recruit from this valuable pool of human resources. As of the end of December 2024, the employment rate for people with disabilities was 1.61% (coverage rate 42%). We will continue our efforts to improve this employment rate.

Employment Rate of Individuals with Disabilities (%)

	FY2022	FY2023	FY2024
Japan	0.93	0.93	1.61

*Figures for FY2023 have been retrospectively amended

Policy on Minimum Wage and Living Wage

DMC's basic policy is to comply with minimum wage regulations in each country and pay wages in excess of the minimum wage.

Work-life Balance

Basic Concept

DMC improves in-house systems to allow all employees to choose their own way of working in an environment that ensures a good work-life balance according to family situation. DMC also works to increase the productivity and satisfaction of employees through work-style reform.

Approaches to Appropriate Working Hours

DMC ensures appropriate working hours for employees and prevents overwork in accordance with the Rules of Employment specifying appropriate working hours, overtime and holiday work, and the Labor-Management Agreement.

With regard to overtime and holiday work, an online attendance management system has been used since July 2022 to enable efficient understanding of working hours and to ensure employees' monthly working hours are monitored. We notify individual employees whose actual working hours are close to exceeding the limit to prevent excessive overtime work.

And regarding overtime work, we ensure fair and proper payment in accordance with the Salary Regulations.

Japan Average monthly overtime working hours per employee in FY2024 was 5.3 hours, which achieved the FY2024 target of a domestic average of 8 hours or less per month.

Overseas In consideration of the health of employees, the Indonesia Factory has set a daily overtime limit of no more than 3

hours with data managed by division on a daily basis.

At the end of each workday, the head of each division checks to ensure that the overtime limit has not been exceeded.

The annual paid leave utilization rate in FY2024 was 86.3%, falling short of our 90% target.

Total Hours Worked

	FY2022	FY2023	FY2024
Japan	—	522,325	442,698
Overseas	—	1,275,080	880,224

Average Monthly Overtime Hours (per person)

	FY2022	FY2023	FY2024
Japan	Total	8.16	6.16
	Male	11.2	9.60
	Female	6.0	3.20
Overseas	Total	13.4	5.9
	Male	8.8	4.9
	Female	20.2	7.5

*Figures for FY2023 have been retrospectively amended

Rate of Annual Paid Holiday Use

	FY2022	FY2023	FY2024
Japan	Total	85.0	103.1
	Male	70.1	85.5
	Female	98.6	122.8
Overseas	Total	87.6	88.9
	Male	83.3	85.3
	Female	91.8	92.5

Implementation of a Remote Working System

We view remote work as a pathway to diverse working styles and have partially introduced it according to work conditions. Going forward, we will fully examine issues and points of

Labor Practices

improvement identified through the system's ongoing operation, and discuss the rules, scope, application, and approval methods, as well as the appropriateness of full-scale implementation.

Support for Child Rearing and Nursing Care

The DMC Group has childcare/nursing care leave, and hourly childcare leave systems in place at Group companies in Japan to ensure that employees caring for children and family members requiring care can continue to work during different life stages. In response to the revision of the Child and Family Care Leaves Act, we have started implementing systems within the company, including the availability to take hourly leave to care for children, paid leave, or family care leave, as well as a postpartum paternity leave (childcare leave at time of birth) system.

We believe that helping employees to continue working leads to increased corporate value through the retention of competent individuals with valuable experience. Therefore, division managers have meetings with employees who are taking care of children or family members requiring nursing care to better understand the employees' situations and promote the use of support systems. In FY2024, no male employees and three female employees took childcare leave, while one male employee took caregiving leave.

Employee Satisfaction Surveys

The Indonesia Factory conducts an annual employee satisfaction survey in an effort to improve the working environment. All employees, including temporary employees, are asked to respond to the survey in the form of a questionnaire in five categories: functions of the general affairs and human resource divisions, management policies and strategies of the company's management team, the state and operation of the company organization, leadership, and the work environment. The results are fed back to all employees, and KPIs are established for items that receive poor evaluations in order to make improvements

while implementing the PDCA cycle. We continue to implement training aimed at improving employee capabilities and ensuring fair evaluation by supervisors, to enhance employee motivation.

In addition, to enhance communication with employees at the Indonesia Factory, a monthly breakfast meeting is held (with about 120 participants per meeting) to share information with management.

Human Resource Development

Basic Concept

DMC believes in individual potential and works on the improvement of in-house education systems aiming to help employees exercise their abilities and improve themselves.

Management System & Operation

DMC fosters the mindset required to realize the USCO Group's slogan "contributing to society through the persistent growth of companies keeping in mind the hopes, dreams and happiness of our employees and their families." and establishes a wide range of systems and tools to promote skill development and career advancement, thereby fostering human resources who support our business activities.

Skill Maps as Annual Training Plans

We have created annual training plans called "Skill Maps" for each employee. Individual skill improvement goals are set and reviewed quarterly using a "Challenge Sheet" (personal evaluation sheet covering performance, competency, and skills). These goals are evaluated and reflected upon each quarter during interviews with department heads.

Skill goals set in the Challenge Sheet are integrated into the Skill Map, including general and specialized items for each department.

HR Evaluation Based on Challenge Sheets

Evaluations based on the Challenge Sheet are recorded quarterly, combining self-assessment by the employee and assessment by the department head.

Final HR evaluations for employees (permanent employees only) confirm their achievement of goals, with assessments conducted annually by department heads and HR personnel during at least one divisional and HR interview.

At the Indonesia Factory, we are also focusing on individual evaluations and human resource development through a personnel evaluation system that utilizes Balanced Scorecard.

Support to Help Employees Acquire Specialized Knowledge

The production of DMC touchscreens requires advanced knowledge and skills. To continue providing high-quality products, we ensure support that helps employees to acquire certifications specified by laws and regulations.

Training for Groups at Different Levels

The Group regularly conducts group training by level with the same content as the USCO Group, either jointly or separately. Training includes the Seminar for Executives, Seminar for Managers and Supervisors, Seminar for Evaluators, Basic Seminar for Managers, and Global Human Resource Cultivation Seminar for New Employees. In addition, by including candidates for managerial positions (assistant managers) for the next term in the Seminar for Managers and Supervisors, which was previously targeted at managers (section managers and above), we are working to develop excellent human resources by fostering awareness at an early stage. In FY2024, the following training was conducted at DMC (non-consolidated) and the Indonesia Factory.

Labor Practices

Training Hours per Person

(hours)

	FY2022	FY2023	FY2024
Japan	6.6	6.0	5.1
Overseas	2.0	6.1	6.2
Group	3.1	6.0	5.7

*Figures for FY2023 have been retrospectively amended

Breakdown of Main Training

Training Category	Name of the Training	Scope	Training Topics
Level-based	Global Human Resource Cultivation Seminar for New Employees	New employees	Training for new graduates and new employees, focusing on the mindset and manners as working members of society
	New Employee Follow-up Training	New employees	Follow-up training for new employees after joining, conducted in summer and winter
	Mentor Training	Employees in years 2–5	Basic training for development (workshop covering roles and interview skills)
	Team-play training	General employees	Training focused on smooth workplace communication and relationship building to prevent harassment and to raise awareness of the employee consultation desk
	Harassment Prevention Training	From Assistant Manager to Division Manager level	(Continued from FY2024) Training to update employees' knowledge of harassment in line with current trends and to raise awareness of the employee consultation desk
Management training	Time Management	Section Head, Unit Head, Dept Head	How to make the most of your time by prioritizing work
	Seven Habits	Section Head, Unit Head	Understanding the seven habits of highly-effective people (an approach to increasing effectiveness based on the principles of human growth from a state of dependence to independence, and finally to interdependence)
	Effective Communication	Section Head, Unit Head	Understanding effective communication
	Counseling Skills	Section Head, Unit Head, Dept Head	Training on how to conduct employee interviews
	Personnel Management for Managers	Section Head, Unit Head, Dept Head	Training to improve personnel management competency within the division

Human Resource Development for Global Business

DMC enhances human resources through a system that allows employees to experience business outside Japan, a practical skills training system at a factory in Japan for Indonesia Factory employees, and a system that dispatches Japanese engineers to

provide training to employees at the Indonesia Factory. DMC also holds events at the Indonesia Factory to promote cross-cultural communication. These approaches are designed to develop a corporate climate that allows all employees to exchange opinions about quality improvement, etc. with the goal of manufacturing

products with consistent quality based on the same standards in both Japan and Indonesia.

DMC also established a language training system that provides Japanese lessons in Indonesia to promote smooth communication between the Head Office and the Indonesia Factory. In FY2024, Japanese language training was conducted once a week by an outside instructor to further enhance communication between engineering divisions.

Language Training Overview

Location	Description
Indonesia Factory	For those planning to do technical intern training in Japan (6 trainees in FY2024), 8 months of Japanese language training is provided before the intern training, followed by a minimum of 2 hours of Japanese language training per week after arriving in Japan

Work Environment Safety

Basic Concept

Based on the idea that human resources are treasures for the company, DMC strives to ensure a work climate that prioritizes the safety and health of employees to create a work environment in which all the employees can fulfill their potential and find satisfaction.

Management System & Operation

To establish a health and safety management system at our domestic bases in accordance with the Industrial Safety and Health Act, DMC facilitates the assignment of Health and Safety Managers, improvement of the health and safety promotion system, the submission of proposals for improving health and safety, education for health and safety, and measures to improve health status. DMC holds monthly Health and Safety Committee

Labor Practices

meetings to discuss basic measures to prevent risk and health impairment. The company's industrial physician attends Health and Safety Committee meetings to provide advice and instruction on improvement of the working environment and employee health, and conducts inspections at each office. In the event that the state of operations and sanitation presents a risk to health, the industrial physician has the authority to immediately take the necessary measures to correct insufficiencies. The Indonesia Factory has established a Safety Management Committee to ensure safety and hygiene for all employees working at the plant. Operations personnel also prepare safety technical reports and report to their superiors every three months.

With the revision of the Industrial Safety and Health Act regarding the handling of chemical substances in April 2024, we are determining our response while holding study sessions, having employees attend outside seminars as necessary, and are taking appropriate measures. We have already complied with April 2025 regulatory revisions. This involves participation in standardization meetings for each business and safety and health committee, from which information is then disseminated to the respective sections.

Approaches to the Prevention of Labor Accidents

The DMC Group health and safety management system strives to prevent labor accidents through the following initiatives.

● Sharing of Past Cases

Each month, members of the Health and Safety Committee share cases of "near-misses," "close calls," or "hazardous" incidents that did not actually result in a labor accident, and conduct regular risk assessments at their workplaces to identify and eliminate or mitigate potential dangers and hazards.

● 5S Safety Patrols

As a part of 5S safety patrols, we carry out periodic inspections to check dangerous or unsafe sections, and areas where labor accidents have occurred in the past. Requests for improvement are also issued with the aim of completing improvements within a set deadline. At factories in Japan and overseas, the President, 5S members, and site managers conduct regular patrols of manufacturing sites, and all areas requiring attention are reflected in the work manuals to help raise the safety awareness of employees working on site.

As a result of these initiatives, there were no labor accidents in FY2024 (Group-wide).

In addition to daily labor accident prevention efforts, we have prepared a manual in case of external leaks of the acid and alkaline solvents used in the etching process prior to their neutralization, and conduct emergency response drills once a year.

Labor Accident Frequency & Severity Rate

	Scope	Unit	FY 2022	FY 2023	FY 2024	Coverage rate
Labor Accident Frequency Rate* ¹	Group	—	2.27	1.67	2.27	100%
Labor Accident Severity Rate* ²		—	0.01	0.00	0.01	100%
Number of Labor Accidents		Accidents	—	3	2	100%
Number of Workdays Lost		Days	—	2	13	100%

*¹ Labor Accident Frequency Rate: Number of deaths and injuries in labor accidents per 1 million actual working hours. It shows the frequency of labor accidents

*² Labor Accident Severity Rate: Number of workdays lost per 1,000 actual working hours. It shows the severity of accidents

Employee Health Promotion

DMC places a priority on creating a work environment that allows individual employees to maintain physical and psychological health to ensure the ability to continue working with vigor and satisfaction. We conduct annual health checks once a year (twice a year for factory employees) and have a consultation system for the employees diagnosed with health problems as well as the face-to-face checks and advice given by our industrial physicians. The health check rate in FY2022 was 100% throughout the DMC Group.

At the Indonesia Factory, a clinic has been established on the second floor of the factory building, and employees are encouraged to visit the clinic for health-related consultations as part of efforts to maintain their health. Furthermore, to create a comfortable working environment, a greening campaign is being carried out on the premises, planting approximately 200 flowering plants.

Health check rate

(%)

	FY2022	FY2023	FY2024
Japan	100	100	100
Overseas	100	100	100

Mental Health

In Japan, we provide employee stress checks specified by the Industrial Safety and Health Act. We assess the stress level of individual employees, a physician provides guidance, and DMC takes measures for better employment to ensure the mental health of all employees. The stress check participation rate in Japan in FY2024 was 94%. At the Indonesia Factory, an in-house clinic serves as the primary point of contact for mental health.

Sustainable Supply Chain Management

The DMC Group establishes cooperative relationships with suppliers throughout the world and pursues CSR procurement in consideration of the environment and the community to realize a sustainable society.

CSR Procurement

The DMC Group established its Procurement Policy to specify our mission to purchase materials and services in consideration of the environment and society.

Procurement Policy

DMC follows the laws and regulations specified by each country, social norms, and corporate ethics, and conducts fair procurement activities to fulfill our social responsibility taking into account human rights, the global environment, and labor safety as we establish cooperative and trusting relationships with our employees and businesses for mutual growth.

1. Compliance with Laws, Regulations and Social Norms

DMC conducts procurement activities in accordance with laws, regulations and social norms both at home and abroad.

2. Fair and Equitable Business Transactions based on Economic Rationality

DMC thoroughly evaluates economic rationality such as quality, reliability, price, delivery date, and procurement period to conduct fair, equitable and transparent business transactions.

3. Ensuring Quality and Safety

DMC strives to maintain and improve quality and safety with suppliers to provide valuable products.

4. Human Rights Protection

DMC procurement activities respect human rights in accordance with our Human Rights Policy.

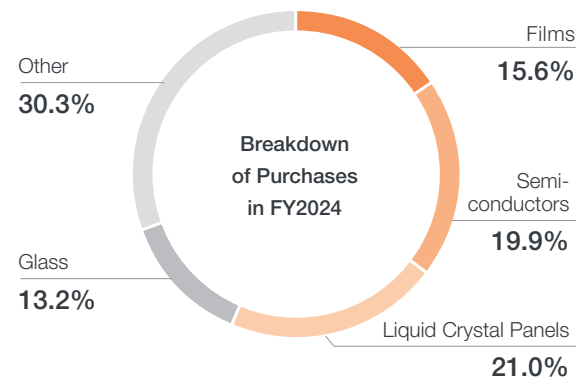
5. Environmental Conservation

DMC strives to manufacture products containing fewer hazardous substances and conducts activities considering environmental conservation.

Management System & Operation

Management System & Operation Procurement activities are overseen by the Procurement Group headed by the Production Management Division Manager, who conducts supply chain management based on a Procurement Policy that includes social aspects such as the suppliers' environment and human rights. In addition to conducting risk analysis based on procurement items and the regions from which they are sourced, the evaluation and selection criteria for suppliers are also reviewed accordingly and spread to all employees to establish a system that ensures proper judgment throughout all group companies.

Composition of Purchased Goods (Based on Purchase Price)



New Supplier Selection

1. In the primary assessment, each division assesses engineering capability, reliability, hazardous substances contained in materials and material performance in accordance with the evaluation and selection criteria specified by DMC Group.
2. In the secondary assessment, the Purchase Group conducts an assessment based on supply stability and price, and determines supplier qualifications after taking into account CSR procurement questionnaire results.

3. Concludes transaction contract.

Decision to Continue Trading

1. Decisions are made based on various aspects, including legal compliance, response to defects, and the status of CSR initiatives.

CSR Procurement Guidelines

We also established the CSR Procurement Guidelines to promote appropriate procurement throughout our supply chain with a priority on consideration for the environment and society by thoroughly familiarizing suppliers and partner companies with our commitment to realizing a sustainable society, and by distributing the guidelines to them.

In FY2021, with the aim of strengthening collaboration with suppliers to promote sustainability throughout the supply chain, the revised CSR Procurement Guidelines require that suppliers agree to comply with the Guidelines.

Request for Agreements with our CSR Procurement Guidelines

We ask our suppliers to sign a Confirmation of Consent to our CSR Procurement Guidelines to ensure compliance with the Guidelines. As of the end of FY2023, we have obtained agreements from 34 suppliers that account for 41.6% of our total procurement.



DMC Procurement Guidelines

https://www.dush.co.jp/files/sustainability/DMC-CSR-Procurement-Guidelines_2021_en.pdf

Sustainable Supply Chain Management

Questionnaire on CSR Procurement

DMC has monitored CSR approaches by its suppliers and promotes activities through its CSR Procurement questionnaire based on the items shown below, aiming for the further promotion of CSR activities throughout our supply chain.

Questionnaire Items on CSR Procurement

1. Labor

2. Health and Safety

3. Environment

4. Ethics

5. Management System

Training for Purchasing Division

To promote CSR procurement throughout the supply chain, it is vital that employees in the internal purchasing division are aware of sustainability issues in the supply chain.

In FY2024, we held CSR Procurement training for the Purchasing Division through sustainability report workshops and internal training sessions (attendance rate 100%).

As part of internal education, we also conduct study sessions on environmental regulations, and for the Procurement Divisions, we provide opportunities to learn about revisions to laws related to green procurement and the handling of hazardous substances.

Taking Responsibility in Our Response to Conflict Minerals

Procurement Policy

DMC is committed to not using conflict minerals, minerals mined under conditions in which armed conflict, human rights abuse or environmental destruction occur, to prevent funds from flowing to armed groups. We procure the tin and gold used as raw materials in the manufacture of DMC touchscreens from conflict-free smelters such as CFSI*. If we find that our product contains conflict minerals, we take prompt corrective measures.

*CFSI: International conflict-free sourcing initiative

Management System & Operation

Tin and gold are essential to the manufacture of touchscreens. DMC established a system under the supervision of the Director & Standards Management Office Manager designed to prevent the use of conflict minerals. We gather information on conflict minerals from all suppliers and require tin and gold to be procured from smelters whose products are certified conflict-free. We surveyed our 108 suppliers using the Conflict Mineral Reporting Template (CMRT) developed by the Responsible Business Alliance (RBA) and Global e-Sustainability Initiative (GeSI). The response rate was 99.1% (106 suppliers) in FY2024. Unit products are investigated on a case-by-case basis in accordance with customer requests, and no minerals have been identified as a source of funding for armed groups for both our unit and touchscreen products.

Environmental Conservation

The DMC Group recognizes environmental issues as significant and promotes environmentally friendly approaches in its business activities.

Environmental Conservation

Our environmental management system is the pillar of our environmental conservation activities, and under it, we implement environmental action plans as part of our business activities to integrate environmental conservation with business operation.

We strive to increase individual employee awareness of environmental issues and contribute to reducing environmental impact throughout the company. We actively work to reduce energy consumption in sales and production activities and commuting, and promote resource conservation.

Environmental Policy

At DMC, we recognize that environmentally conscious corporate activities are one of the most important management issues.

We are committed to considering our impact on the environment and making every effort to conserve the environment, including addressing climate change, making effective use of resources, preserving biodiversity, preventing pollution, and reducing environmental risks. We also aim to enhance communication with stakeholders and contribute to the sustainable development of society.

- 1. Reduce greenhouse gas emissions and improve energy efficiency in response to climate change.
- 2. Comply with environmental laws and regulations, agreements with local communities, and customer requirements.
- 3. Promote waste reduction, energy conservation, and recycling to use resources effectively.
- 4. Promote the development and design of environmentally friendly products.
- 5. Control and reduce the use of chemical substances that may negatively affect people and the natural environment.
- 6. Build an environment management system and continuously improve the business process by setting goals, implementing actions, and evaluating outcomes.
- 7. Promote environmental awareness among employees to improve environmental risk reduction and energy efficiency in all activities.

*Approved on July 22, 2025; scheduled to be applied from FY2026

Environmental Management System

The DMC Group strongly believes that business activities and environmental conservation should be part of the same decision-making process. We implement our environmental management system into each business activity process to promote its environmental management.

Headed by the President and Vice President, the DMC Group ISO Promotion Committee was established as the highest organ of decision making for environmental management. The ISO Promotion Secretariat handles the management of factories, divisions, and business bases under the supervision of the ISO Promotion Committee. Each division establishes Quality and Environmental Plans and reports progress and results at monthly Quality and Environment Meetings (Device Business) and Standardization Meetings (Unit Business), which are attended by the President and Vice President to ensure the effective application of the PDCA cycle.

 See page 16: Quality & Environmental Management System Diagram 

Internal Audit

The Group conducts annual audits by certified internal auditors to confirm conformance with ISO 14001 and the effective functioning of the environmental management system.

DMC holds meetings before and after audits to clarify priority items, confirm the content identified by auditors with the related divisions and departments while the ISO Promotion Secretariat shares issues to promote improvement throughout the DMC Group, and handles progress management of the issues until the next meeting aiming to improve the quality of internal audits and environmental activities performed by the DMC Group.

In FY2024, there were 21 findings in the Device Business and 24 findings in the Unit Business (including those related to ISO 9001). By reviewing and implementing the processes of the audited divisions, we are working to enhance effectiveness and drive improvements.

In-house Education

The DMC Group considers human resource development critical to the promotion of its environmental management activities. To this end we have implemented a curriculum, as shown below, to provide individual employee education based on specialization and level.

Training Curriculum Overview

Curriculum Name	Scope	Implementation Content	Participation Rate
ISO awareness training	Group	All division managers provide opportunities for employees to recognize and learn quality and environmental policies in order to maximize business results by linking division goals and individual targets. Employees themselves record these details in the prescribed format where they are then managed by the ISO Promotion Secretariat	100%
Internal and external training related to CO ₂ reduction	Procurement Divisions	Training on greenhouse gas reduction case studies is conducted as part of CSR training, and training on procurement methods for raw materials and other items that contribute to the reduction of CO ₂ emissions is conducted as part of CSR procurement training	100%

Environmental Conservation

Material Balance

The DMC Group calculates the input of energy and resources used in its business activities, as well as the amount of CO₂ emissions and waste discharged, in order to understand the volume of activities and work to reduce environmental impact.

INPUT		
Resources	Electricity	5,500 thousand Wh
	(Renewable energy)	(2,076 thousand Wh)
	Water withdrawal	28 thousand m ³
Material Procurement	Major Materials Highly functional resin, plate glasses, etc.	
Logistics	Gasoline	31 kℓ



OUTPUT	
CO ₂	2,290 t-CO ₂
Wastes	138 t
Valuable Materials	3 t
Water discharge	27 thousand m ³
Products	Touchscreens, LCD modules, unit products
CO ₂ Emissions from Logistics and Business Vehicles	71 t-CO ₂

(Figures represent the total of Japan and Indonesia)

Response to Climate Change

Basic Concept

In the face of climate change, DMC considers the reduction of CO₂ emissions that contribute to increasing temperatures as our corporate responsibility and works toward this in all phases of the production and delivery of touchscreens through the effective use of energy and other approaches.

Progress Towards CO₂ Emissions Targets

Our group is working toward achieving carbon neutrality by 2050 by setting a FY2025 Scope 1 & 2 reduction target of 40.0% (based on FY2018 levels). In addition, we are currently formulating Scope 1, 2 and 3 reduction targets to accelerate our goal.

DMC CO₂ Emissions (SCOPE 1/2)

The DMC Group calculates greenhouse gas emissions in all its corporate activities, from upstream to downstream, based on the GHG Protocol, an international standard for companies to calculate and report greenhouse gas emissions throughout their supply chains.

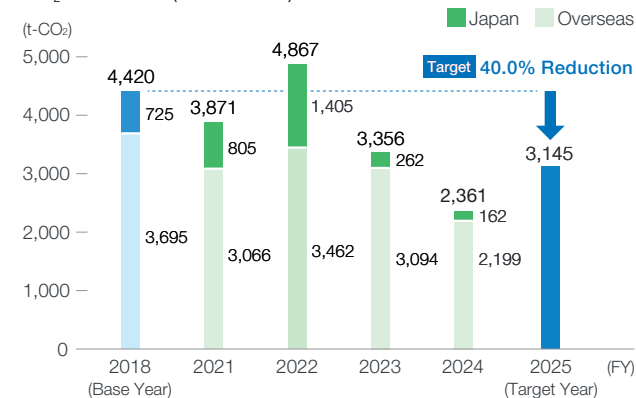
The reduction targets for FY2024 were 60% and 35% reductions compared to the base year for Scope 1 and 2 emissions, respectively. Actual reduction results were 65% for Scope 1 and 55% for Scope 2.

The factors behind the Scope 1 emissions reduction were mainly due to restrictions on unnecessary travel, while the Scope 2 emissions reduction resulted from more efficient air conditioning operations and lower production due to a decline in orders. We will continue to strengthen energy conservation measures to promote CO₂ reductions.

CO₂ Emissions Across the Entire Value Chain (Scope 3)

The reduction target for FY2024 was a 15% reduction compared to the base year for Scope 3 emissions. The actual reduction was 38%. This was due to a decrease in procurement costs resulting from a decline in orders received and inventory reduction, which also led to a reduction in shipping costs.

Clarifying emissions throughout our supply chain and identifying the potential for reducing emissions will lead to CO₂ reduction and contribute to the fight against global warming.

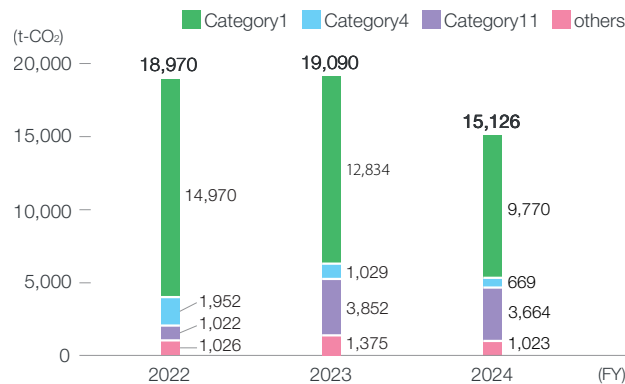
CO₂ Emissions (SCOPE 1+2)*

* Scope is production sites (100% coverage). Including results from the Iwaki Factory from FY2021 and the Izumi Factory from FY2023

* The figures for the base year have been revised in accordance with the incorporation of the Izumi Factory

Environmental Conservation

CO₂ Emissions (SCOPE3)*



* Scope is production sites (100% coverage). Including results from the Izumi Factory from FY2023

FY2024 CO₂ Emissions by Scope & Category*

Scope & Category			(t-CO ₂) Emissions
SCOPE 1			71
SCOPE 2			2,290
SCOPE 1+2			2,361
SCOPE 3			15,126
Category 1	Purchased Goods and Services		9,770
Category 2	Capital Goods		118
Category 3	Fuel- and Energy-related Activities (not included in scope 1 or 2)		396
Category 4	Transportation and Delivery (Upstream)		669
Category 5	Waste Generated in Operations		4
Category 6	Business Travel		109
Category 7	Employee Commuting		396
Category 11	Use of Sold Products		3,664
Total (SCOPE 1+2+3)			17,487

* Scope is production sites (100% coverage). Seedsware Corporation's production site in Osaka is excluded from the scope as it was merged in 2023

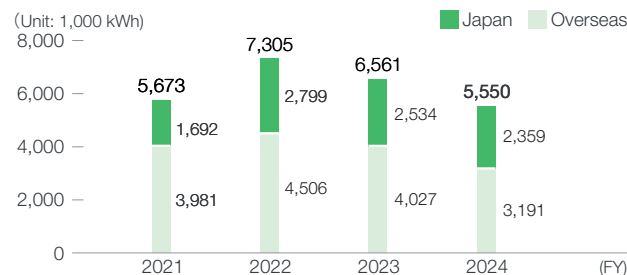
Management System & Operation

So that top management can directly involve themselves in the promotion of climate change response and ensure proper management and oversight, we have established a Planning and Administration Office within the General Administration Department under the direct supervision of the President to develop companywide improvement activities. To date, we have shifted to LED lighting, switched to highly efficient PC monitors and other devices, and changed business vehicles to eco-friendly vehicles throughout the company. In addition, at the Iwaki Factory, we have achieved a 19.6% reduction in electricity use compared to the previous year by improving the use of air conditioning equipment (leading to an approximately 25% reduction in electricity use) and lowering operating hours.

Introduction of Electricity Derived from Renewable Energy Sources

We are continuing to conduct energy-saving campaigns which call on our employees to conserve electricity. In addition, we are continuously working to improve the efficiency of energy use in production processes, and in FY2023, we introduced CO₂-free electricity derived from renewable energy sources at the Shirakawa and Iwaki factories (ratio of electricity derived from renewable energy sources: 31.4%).

Power Usage*



* Scope is production sites (100% coverage). Including results from the Iwaki Factory from FY2021 and the Izumi Factory from FY2023

Approaches to Waste Reduction

Basic Concept

The DMC Group will make effective use of resources to create a sustainable, recycling-oriented society, and will set and work toward waste reduction and recycling targets.

Management System & Operation

DMC issues an industrial waste management manifest to monitor waste discharged from its factories and offices. As a result, we utilize an exclusive database to ensure uniform control over the management of disposal service providers and the issuance and collection status of the industrial waste management manifest to continuously monitor the status of waste disposal.

Because reducing the loss rate in production directly leads to waste reduction, efforts that DMC makes to prevent manufacturing defects include the establishment of structures to maintain the best quality.

Specifically, fine processing was difficult with the etching that we had previously used, making defects more likely to occur in products with the increasingly diverse and complex circuit patterns in recent years. In response, we are introducing laser etching, which is better suited to fine processing.

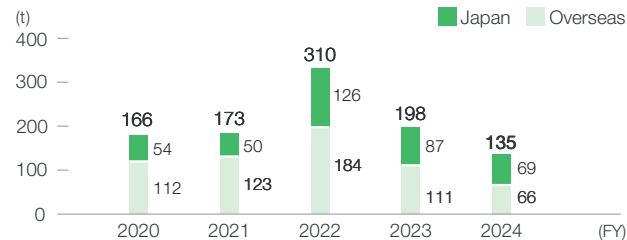
In addition, we are working to reduce operational errors and lower defect rates by increasing the number of standard products and standardizing operational procedures.

In FY2024, the loss rate for touch screen components at domestic and overseas factories improved by 1.3 percentage points compared to the previous year. As a result, the total volume of waste was reduced by 31% year on year, to 138 tons.

We also striving to reduce the amount of waste by recovering and selling waste precious metals generated in the manufacturing process as valuable resources.

Environmental Conservation

Volume of Waste Disposal



Approaches to Paper Reduction at DMC

The DMC Group digitalizes and shares documents, and manages decision-making processes, order sheets, and work hours by computer to reduce paper by eliminating unnecessary copies and promoting a work style that minimizes paper usage. Further, in 2023 we switched to electronic payments for our internal payment processing, and we now limit paper-based internal operations to the minimum necessary. We are continuing to promote paper reduction by advancing the use of electronic processing.

We will continue working on reducing paper usage as part of efforts to improve our business processes.

Water Resource Conservation

Basic Concept

Infrastructure improvement has been delayed due to an increase in population and demand for water resources that have accompanied economic growth. This has accelerated water shortages and pollution, which has had a significant impact on our lives and environment. The DMC Group considers the effective use of water in manufacturing and the conservation of water resources.

Management System & Operation

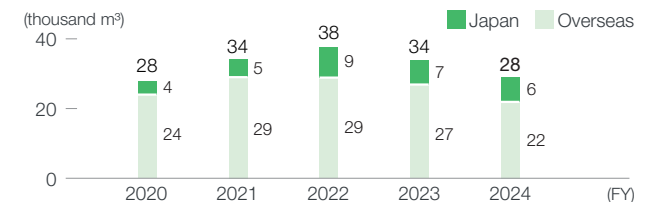
The DMC Group has established an integrated quality and environmental management system, including water management, both in Japan and overseas to promote water resource conservation. We also apply the PDCA to improve environmental management. The Indonesia Factory has introduced and is operating a recycling system for water-intensive processes to make effective use of precious water resources, and is working to continuously reduce its water usage.

We are reducing the environmental impact by having wastewater from our domestic and Indonesian factories collected by contractors who own appropriately capable treatment facilities. In addition, we carry out appropriate wastewater treatment in accordance with laws and regulations, conduct regular biochemical oxygen demand (BOD) inspections, and submit test result certificates to public institutions to confirm that there are no problems.

Efforts to Reduce Wastewater in the Production Process

Further, as part of our efforts to reduce our environmental impact, we are working to build sustainable manufacturing processes. In March 2024, we switched our etching process for all of our resistive touchscreen models to laser etching. Our intention with this change was to reduce our environmental impact and protect the environment by reducing the amount of water discharged in manufacturing. We expect to reduce wastewater volume at the Shirakawa Factory by approximately 55%, and at the Indonesia Factory by approximately 50%.

Water Intake



Reducing the Discharge of Chemical Substances

Management System & Operation

DMC works to reduce the use of chemical substances that may directly influence the environment through its production processes. No discharge or transfer of PRTR substances were detected in the fiscal year. We made the decision to change our etching process to laser etching in March 2024, and this is gradually being reflected in our products. This is expected to reduce our use of solvents, including deleterious substances. In FY2024, we achieved a reduction of approximately 12%.

See page 18: Product Safety & Security > Ensuring Product Safety > Compliance with Global Laws and Regulations

Environmental Conservation

Third-Party Assurance



Independent Assurance Statement

July 24, 2025

Mr. Tatsuya Sada
President
DMC Co., Ltd.

1. Purpose

We, Sustainability Accounting Co., Ltd., have been engaged by DMC Co., Ltd. (hereinafter "the Company") to provide limited assurance on the CO₂ emissions of the Company, DMC Iwaki Co., Ltd and PT. DMC TEKNOLOGI INDONESIA in FY2024, which are 0.07 kt-CO₂ (Scope1), 2.29 kt-CO₂ (Scope2) and 15.1 kt-CO₂ (Scope3). The purpose of this process is to express our conclusion on whether the CO₂ emissions were calculated in accordance with the Company's standards. The Company's management is responsible for calculating the CO₂ emissions. Our responsibility is to independently carry out a limited assurance engagement and to express our assurance conclusion.

2. Procedures Performed

We conducted our assurance engagement in accordance with International Standard on Assurance Engagement 3000 (ISAE 3000) and 3410 (ISAE3410).

The key procedures we carried out included:

- Interviewing the Company's responsible personnel to understand the Company's standards
- Reviewing the Company's standards
- Performing cross-checks on a sample basis and performing a recalculation to determine whether the CO₂ emissions were calculated in accordance with the Company's standards.

3. Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the CO₂ emissions have not been calculated in all material respects in accordance with the Company's standards.

We have no conflict of interest relationships with the Company.

Takashi Fukushima
Representative Director
Sustainability Accounting Co., Ltd.

Contributions to Local Communities

DMC is involved in the vitalization of regional society, the restoration of areas damaged by natural disasters, and social contribution activities centering on the cultivation of the next generation to realize a sustainable society.

Contributions to Local Communities

DMC has factories in Japan and Indonesia, a head office in Tokyo, and business bases in Osaka, and has established deep relationships with the communities in each area. In order to fulfill our responsibilities as a corporate citizen, we work with local governments and businesses, and contribute to local communities.

Activities in Japan

Support for Noto Peninsula Earthquake Victims

At the Shirakawa Factory, recyclable materials with market value are sorted and sold from internal waste, generating company profit. In response to the Noto Peninsula Earthquake in January 2024, we combined employee donations and contributed the total amount as relief funds through the Japanese Red Cross Society.

Participation in “Spring Zero Marine Litter Week” Prefecture-wide Cleanup Campaign by the Sea & Japan Project

The issue of marine waste is serious, some predict that by 2050, its volume will exceed that of fish. We supported “Spring Zero Marine Litter Week,” an initiative led by the Ministry of the Environment and The Nippon Foundation, and participated in regional cleanup activities.

Activity Date: Saturday, June 1, 2024

Location: Nakoso Beach, Iwaki City

Participants: 13 members from the Shirakawa and Iwaki factories (including 6 technical trainees)



 Zero Marine Litter Week (Only available in Japanese)
<https://uminohi.jp/umigomi/zeroweek/>

An Ongoing Annual Initiative

- Local Cleanup Activities: The Tokyo and Osaka Branches, as well as the Iwaki, Shirakawa, and Izumi Factories, continue to carry out community cleanup activities. In FY2024, a total of 146 employees participated across 32 sessions.
- PET Bottle Collection: Started from FY2022. Proceeds are donated to the Japan Committee, Vaccines for the World's Children through organizations across Japan.
- International Exchange: The Shirakawa Factory participates in the “Simple Japanese” partnership program, which promotes community participation among foreign residents. By supporting events where local residents and foreign nationals learn simple Japanese together, we contribute to enhancing regional engagement.

Activities in Indonesia

Support Activities Aligned with Local Customs and Traditions

The Indonesia Factory places importance on its relationship with the local community and continues to conduct support activities each year aligned with Islamic traditions, with particular emphasis on Ramadan.

- Distribution of food packages for 150 people to nearby orphanages
- Holding an Iftar Jama'i (communal meal to break the fast) with all employees
- Distribution of takjil (light meals to break the fast) to the public outside the factory
- Eid al-Adha (Kurban), an Islamic festival held annually in June, is observed by providing goats to employees. We contribute to the local community in the spirit of gratitude and sharing.



Many orphanages in Indonesia rely on donations. In accordance with the Islamic principle of Zakat, encouraging those with means to give to those in need, donations of food and supplies are made to orphanages each year.



A communal meal (Iftar Jama'i) to break the fast has become an annual tradition.



During Ramadan, the fast is broken with a light meal called Takjil. Streets are lined with stalls selling Takjil throughout the town.

Governance

In accordance with the Management Policy, DMC strives to establish environments and systems that enable our corporate governance to function effectively.

Corporate Governance

Based on our management policy, we are striving to create a corporate culture that respects the rights and interests of all stakeholders, including shareholders, customers, business partners, and employees, and to build a solid management system by establishing a framework for effective corporate governance to maximize corporate value over the medium to long term.

Governance System

The DMC Board of Directors has responsibility for making business management decisions through active discussions and reinforcement of supervisory functions over the Company's management activities. The Board of Directors is composed of eight Directors (As of the end of March 2025), and Board Meetings are held to address important matters regarding monthly management activities and to report the state of business execution.

DMC also holds Management Meetings with the participation of Directors, external advisors, and other appropriate individuals to reinforce prompt decision making, supervisory, and business execution functions. At Management Meetings, members thoroughly discuss basic measures regarding business, management policy, management plans and other important issues submitted by divisions and departments prior to Board Meetings, which enhances the optimization of decision making.

In addition, Group Company Meetings of USCO, the parent company of DMC, are held with the participation of the presidents of each Group company to report the state of business performance of each company, discuss, and make decisions regarding business strategy and operation as the USCO Group.

Audit System

DMC has two outside corporate auditors (part-time) qualified

as tax accountants who conduct accounting audits and verify the appropriateness of financial information (As of the end of March 2025). Regarding matters related to the status of business operations, the supervisory authority of shareholders has been strengthened to supervise compliance of the execution of business by the Board of Directors in accordance with laws and regulations. Shareholders have the right to request the convocation of a Board of Directors Meeting in the event that a director acts outside the scope of the purpose of the Board of Directors, and to express their opinions at the Board of Directors Meeting.

Compliance

With approximately 24% of its products exported overseas, compliance with not only domestic but also overseas laws, regulations, and social norms is the top DMC priority in all business activities. DMC strives to ensure compliance throughout the organization.

In FY2024, no serious violations of laws and regulations were reported.

Prevention of Bribery

Basic Concept

DMC recognizes bribery and corruption as serious risk factors that have the potential to significantly damage the reputation of the company, and is committed to preventing illegal acts as well as scandals due to a lack of awareness.

In accordance with this Basic Policy, we have established our own Anti-Bribery Regulations, which prohibit the following:

(1) Officers, directors, employees, and others are prohibited from facilitating, directly or indirectly, the offering, requesting, demanding, receiving, or giving of bribes, kickbacks, or the like for the purpose of improperly exercising authority or

conducting activities with any person. This does not apply to acts in accordance with explicitly written laws and regulations.

(2) It is prohibited to provide entertainment or gifts to public officials or persons equivalent thereto (hereinafter referred to as "public officials, etc."), whether in Japan or abroad. In the case of exceptions within the scope of common sense in light of socially accepted practices in Japan and overseas locales, the appropriate approval procedures shall be followed.

(3) The DMC Group requires its clients, suppliers and other business partners to comply with this basic policy. In addition, as a means of preventing bribery and corruption, we make all employees aware of relevant rules, such as requiring advance application for and detailed reporting after the use of customer-related entertainment expenses.

We will also conduct regular risk assessments and record keeping, and require that any suspicious events be reported through the company's internal reporting system.

Whistle-Blower System (Hotline)

For various types of reporting and consultation on problems and other issues that arise in the workplace, DMC Group has established internal and external consultation desks that are available to all employees at any time for early detection and resolution of problems. DMC confirms the content of reports and consultations, takes corrective action and provides guidance. We also provide follow-up support to confirm that employees are not treated unfairly in order to provide appropriate protections. We received 2 reports and consultations in FY2024.

To establish a framework to accept reports and provide consultations for violations of compliance and harassment policy in business activities, we have established internal and external consultation desks.

Governance

At our Indonesia Factory, we have established a communication forum* and have developed our own reporting system based on the reporting process stipulated in our company regulations. In addition to serving as a whistleblower system, it is also used as a forum for communication among employees and with management.

* Communication forum: A meeting attended by some 120 employees in which the head of the department in charge reports on the current state of the company. In addition, top management announces information that should be shared and a question and answer session is also held.

Compliance Seminars

DMC strives to increase employee awareness of compliance through seminars.

At the Indonesia Factory, compliance is promoted through monthly reporting meetings to confirm that the compliance targets set by the Corporate Management System Division are being met.

See page 20: Respect for Human Rights > Training on Human Rights

Information Security

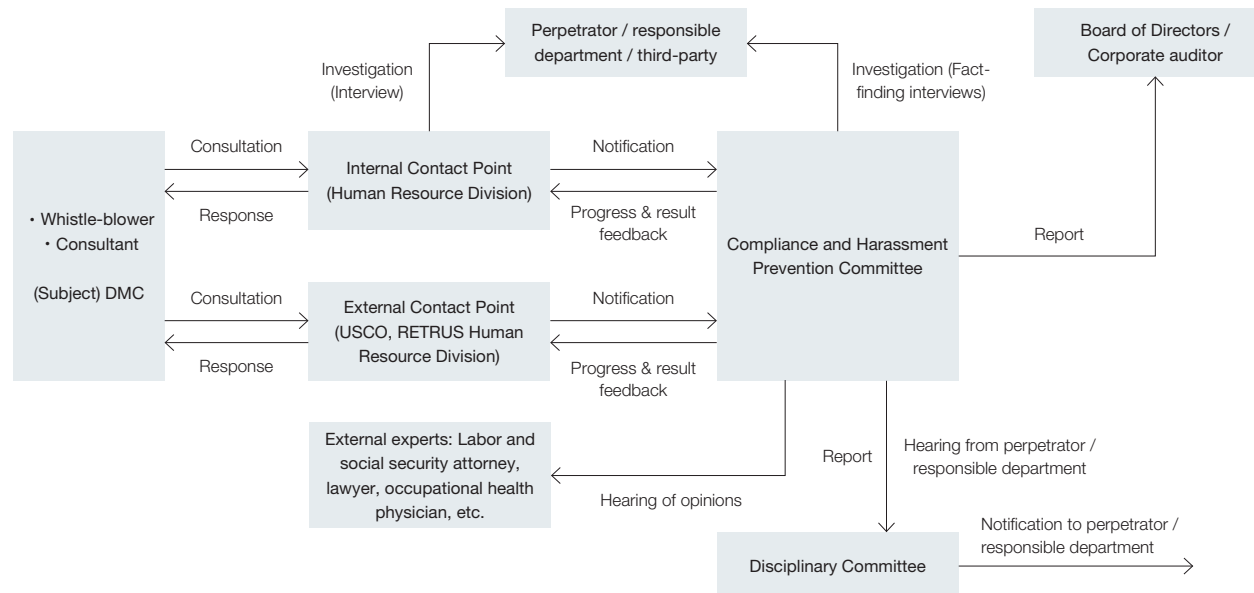
Information Security Policy

At DMC, we recognize that information security conscious corporate activities are one of the most important management issues. We fully consider the impact on information security and continuously monitor the latest cyber threats and technological developments. Based on this, we strive to implement countermeasures against cyberattacks, protect confidential information, enhance system reliability, and reduce risks related to human error and internal misconduct.

1. We establish a management framework to maintain the confidentiality, integrity, and availability of all information, including customer data, and develop the necessary processes while considering risks such as natural disasters caused by climate change.
2. We appropriately manage all information assets handled in our operations according to their level of importance and associated risk. And we strive to prevent information leaks by carefully handling confidential information obtained in the course of our work.
3. We continuously provide education and training to employees to raise company-wide awareness and knowledge.
4. We comply with laws and regulations, and in the event of a potential violation or information security incident, we respond appropriately and work to prevent recurrence.
5. We provide secure development-based product development and services aligned with customer risk management needs.
6. We establish an information security management system, set targets, implement actions, evaluate, and pursue continuous improvement of our business processes.

*Approved on July 22, 2025; scheduled to be applied from FY2026

DMC's Whistle-Blower System



Governance

DMC has established “Information Management Regulations” and “Personal Information Protection and Management Regulations” for appropriate information management. We assign an Information System Manager and Personal Information Protection Manager in accordance with the regulations described above to ensure appropriate management and initiate measures for security. By the first half of FY2024, training was conducted three times. In the second half, an online-based training session was implemented as an IT skills check, and awareness checks were conducted repeatedly until a certain level of understanding was achieved. Through these activities, we intend to increase awareness of the importance of ISO 27001 and its mechanisms among all employees. DMC is working to strengthen its network, including security and emergency response. Through a project launched in 2024, DMC promoted skill enhancement in the responsible departments, verification of internal risks, and the documentation of internal regulations. In addition, we enhanced information security by installing a fingerprint authentication system for entry to and exit from the Indonesia Factory to prevent unauthorized entry and information leakage.

Risk Management

Risk Management System

DMC places a priority on risk management to accurately recognize risks that may have a significant influence on corporate value and business continuity, and strives to minimize damage by such risks.

Every year, each division manager clarifies both internal and external issues to identify and evaluate risks associated with such issues. Measures for risk assessment and effectiveness are appropriately managed through monitoring in accordance with the management plan and targets set for each risk. Top management assesses appropriateness, validity, and effectiveness quarterly and shares its assessment with each division manager to realize effective risk management. At the Indonesia Factory, we identify potential risks and report on the progress of measures to deal with the identified risks at a meeting attended by all divisions once a month in an effort to prevent the risks from materializing.

Approaches to the Business Continuity Plan (BCP)

The DMC Group established and operates a BCP in preparation for emergencies to ensure the safety of human life and the continuation of business activities. When a large disaster occurs, we must continue to provide supplies to customers, which we believe leads to the promotion of employment and vitalization of the local economy.

For emergencies, we have established an organizational structure headed by the president and subleaders assigned to perform external response, restoration, financial management and logistics support. This structure is capable of receiving top-down instructions and securing information management.

BCP (Business Continuity Plan) Initiatives Since FY2023

Measures in response to an increase in production sites	- Measures to address the increase in production sites (three domestic locations and one overseas location). Reviewing and rebuilding management methods for production equipment data, and adding information necessary for BCP - The efficient operation of the employee communication network to ensure smooth emergency response
Natural disaster management for the Indonesia plant	- Implementation of construction work at our Indonesia factory in response to the flooding at the Indonesia Factory in 2021, including the installation of exterior walls around the factory, repair and maintenance of buildings, and height adjustments for electrical power sources - Biannual fire and flood evacuation drills

We will also continue striving to build mechanisms to maintain and update our BCP, and promote its entrenchment through BCP education and regular training for our employees as well as opinion exchange. In addition, through opinion exchange with other companies, we will heighten our attitude toward BCP engagement. Together with this, we will endeavor to formulate effective business plans and develop systems for our operation by working together with business partners, others in the industry, and local communities.

GRI Standards Content Index

Statement of use

DMC Co., Ltd. has reported the information cited in this GRI content index for the period [January 1, 2024 to December 31, 2024] with reference to the GRI Standards.

GRI 1 used GRI 1: Foundation 2021

GRI 2: General Disclosures 2021

GRI	Disclosure	Page
1. The organization and its reporting practices		
2-1	Organizational details	1, 4
2-2	Entities included in the organization's sustainability reporting	1, 4
2-3	Reporting period, frequency and contact point	1
2-4	Restatements of information	Not applicable
2-5	External assurance	32
2. Activities and workers		
2-6	Activities, value chain and other business relationships	4, 6-8, 26-27
2-7	Employees	1, 21
2-8	Workers who are not employees	—
3. Governance		
2-9	Governance structure and composition	34
2-10	Nomination and selection of the highest governance body	—
2-11	Chair of the highest governance body	—
2-12	Role of the highest governance body in overseeing the management of impacts	11
2-13	Delegation of responsibility for managing impacts	—
2-14	Role of the highest governance body in sustainability reporting	11
2-15	Conflicts of interest	—

GRI	Disclosure	Page
2-16	Communication of critical concerns	11, 34
2-17	Collective knowledge of the highest governance body	11, 34
2-18	Evaluation of the performance of the highest governance body	11, 34
2-19	Remuneration policies	—
2-20	Process to determine remuneration	—
2-21	Annual total compensation ratio	—
4. Strategy, policies and practices		
2-22	Statement on sustainable development strategy	11
2-23	Policy commitments	19
2-24	Embedding policy commitments	11-12, 16-36
2-25	Processes to remediate negative impacts	19-20, 34-35
2-26	Mechanisms for seeking advice and raising concerns	19-20, 34-35
2-27	Compliance with laws and regulations	—
2-28	Membership associations	—
5. Stakeholder engagement		
2-29	Approach to stakeholder engagement	12
2-30	Collective bargaining agreements	—

GRI 3: Material Topics 2021

2. Disclosures on material topics		
3-1	Process to determine material topics	—
3-2	List of material topics	13-15
3-3	Management of material topics	8, 13-15

GRI 200: Economic topics

GRI 201: Economic Performance 2016		
201-1	Direct economic value generated and distributed	4
201-2	Financial implications and other risks and opportunities due to climate change	—
201-3	Defined benefit plan obligations and other retirement plans	—
201-4	Financial assistance received from government	—
GRI 202: Market Presence 2016		
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	—
202-2	Proportion of senior management hired from the local community	—

GRI	Disclosure	Page
GRI 203: Indirect Economic Impacts 2016		
203-1	Infrastructure investments and services supported	33
203-2	Significant indirect economic impacts	—
GRI 204: Procurement Practices 2016		
204-1	Proportion of spending on local suppliers	—
GRI 205: Anti-corruption 2016		
205-1	Operations assessed for risks related to corruption	—
205-2	Communication and training about anti-corruption policies and procedures	34-35
205-3	Confirmed incidents of corruption and actions taken	Not applicable
GRI 206: Anti-competitive Behavior 2016		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Not applicable
GRI 207: Tax 2019		
207-1	Approach to tax	—
207-2	Tax governance, control, and risk management	—
207-3	Stakeholder engagement and management of concerns related to tax	—
207-4	Country-by-country reporting	—

GRI 300: Environmental topics

GRI 301: Materials 2016		
301-1	Materials used by weight or volume	—
301-2	Recycled input materials used	—
301-3	Reclaimed products and their packaging materials	—
GRI 302: Energy 2016		
302-1	Energy consumption within the organization	29-30
302-2	Energy consumption outside of the organization	30
302-3	Energy intensity	—
302-4	Reduction of energy consumption	—
302-5	Reductions in energy requirements of products and services	—
GRI 303: Water and Effluents 2018		
303-1	Interactions with water as a shared resource	31
303-2	Management of water discharge- related impacts	31

GRI	Disclosure	Page
303-3	Water withdrawal	29, 31
303-4	Water discharge	29, 31
303-5	Water consumption	—
GRI 304: Biodiversity 2016		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	—
304-2	Significant impacts of activities, products, and services on biodiversity	—
304-3	Habitats protected or restored	—
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	—
GRI 305: Emissions 2016		
305-1	Direct (Scope 1) GHG emissions	29, 30
305-2	Energy indirect (Scope 2) GHG emissions	29, 30
305-3	Other indirect (Scope 3) GHG emissions	29, 30
305-4	GHG emissions intensity	—
305-5	Reduction of GHG emissions	14, 29, 30
305-6	Emissions of ozone-depleting substances (ODS)	—
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	—
GRI 306: Waste 2020		
306-1	Waste generation and significant waste-related impacts	30, 31
306-2	Management of significant waste-related impacts	30, 31
306-3	Waste generated	30, 31
306-4	Waste diverted from disposal	—
306-5	Waste directed to disposal	—
GRI 308: Supplier Environmental Assessment 2016		
308-1	New suppliers that were screened using environmental criteria	—
308-2	Negative environmental impacts in the supply chain and actions taken	—

GRI 400: Social topics

GRI 401: Employment 2016 GRI 401: Employment 2016		
401-1	New employee hires and employee turnover	21

GRI	Disclosure	Page
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	—
401-3	Parental leave	23
GRI 402: Labor/Management Relations 2016		
402-1	Minimum notice periods regarding operational changes	—
GRI 403: Occupational Health and Safety 2018		
403-1	Occupational health and safety management system	24, 25
403-2	Hazard identification, risk assessment, and incident investigation	24, 25
403-3	Occupational health services	24, 25
403-4	Worker participation, consultation, and communication on occupational health and safety	24, 25
403-5	Worker training on occupational health and safety	24, 25
403-6	Promotion of worker health	25
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	24, 25
403-8	Workers covered by an occupational health and safety management system	24, 25
403-9	Work-related injuries	24, 25
403-10	Work-related ill health	—
GRI 404: Training and Education 2016		
404-1	Average hours of training per year per employee	24
404-2	Programs for upgrading employee skills and transition assistance programs	24
404-3	Percentage of employees receiving regular performance and career development reviews	—
GRI 405: Diversity and Equal Opportunity 2016		
405-1	Diversity of governance bodies and employees	21
405-2	Ratio of basic salary and remuneration of women to men	—
GRI 406: Non-discrimination 2016		
406-1	Incidents of discrimination and corrective actions taken	Not applicable
GRI 407: Freedom of Association and Collective Bargaining 2016		
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	—
GRI 408: Child Labor 2016		
408-1	Operations and suppliers at significant risk for incidents of child labor	—

GRI	Disclosure	Page
GRI 409: Forced or Compulsory Labor 2016		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	—
GRI 410: Security Practices 2016		
410-1	Security personnel trained in human rights policies or procedures	—
GRI 411: Rights of Indigenous Peoples 2016		
411-1	Incidents of violations involving rights of indigenous peoples	—
GRI 413: Local Communities 2016		
413-1	Operations with local community engagement, impact assessments, and development programs	—
413-2	Operations with significant actual and potential negative impacts on local communities	—
GRI 414: Supplier Social Assessment 2016		
414-1	New suppliers that were screened using social criteria	—
414-2	Negative social impacts in the supply chain and actions taken	—
GRI 415: Public Policy 2016		
415-1	Political contributions	—
GRI 416: Customer Health and Safety 2016		
416-1	Assessment of the health and safety impacts of product and service categories	—
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	No violation
GRI 417: Marketing and Labeling 2016		
417-1	Requirements for product and service information and labeling	16-17
417-2	Incidents of non-compliance concerning product and service information and labeling	No violation
417-3	Incidents of non-compliance concerning marketing communications	No violation
GRI 418: Customer Privacy 2016		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Not applicable

ISO26000 Content Index

In this report, DMC sustainability activities can be classified on the core subjects of ISO26000 as follows.

Core Subjects	Issues	References	Page Title
Organizational governance	Organizational governance	2-3	Message from the President
		11-12	Corporate Management & Sustainability • DMC Sustainability • Stakeholder Engagement
		34-35	Governance • Compliance
Human rights	1. Due diligence 2. Human rights risk situations 3. Avoidance of complicity 4. Resolving grievances 5. Discrimination and vulnerable groups 6. Civil and political rights 7. Economic, social and cultural rights 8. Fundamental principles and rights at work	19-20	Respect for Human Rights
		21-25	Labor Practices
		26-27	Sustainable Supply Chain Management
Labor practices	1. Employment and employment relationships 2. Conditions of work and social protection 3. Social dialogue 4. Health and safety at work 5. Human development and training in the workplace	19-20	Respect for Human Rights
		21-25	Labor Practices
The environment	1. Prevention of pollution 2. Sustainable resource use 3. Climate change mitigation and adaptation 4. Protection of the environment, biodiversity and restoration of natural habitats	2-3	Message from the President
		28-32	Environmental Conservation

Core Subjects	Issues	References	Page Title
Fair operating practices	1. Anti-corruption 2. Responsible political involvement 3. Fair competition 4. Promoting social responsibility in the value chain 5. Respect for property rights	26-27	Sustainable Supply Chain Management
		34-36	Governance
Consumer issues	1. Fair marketing, factual and unbiased information and fair contractual practices 2. Protecting consumers' health and safety 3. Sustainable consumption 4. Consumer service, support, and complaint and dispute resolution 5. Consumer data protection and privacy 6. Access to essential services 7. Education and awareness	16-18	Product Safety & Security
		26-27	Sustainable Supply Chain Management
		34-35	Governance • Compliance
Community involvement and development	1. Community involvement 2. Education and culture 3. Employment creation and skills development 4. Technology development and access 5. Wealth and income creation 6. Health 7. Social investment	11-12	Corporate Management & Sustainability • DMC Sustainability • Stakeholder Engagement
		21-25	Labor Practices
		33	Contribution to Regional Society