

We held a roundtable discussion with young employees in their 20s. They spoke openly about the challenges they are taking on for their own growth and for value creation at Daiei Kankyo.

Strengthening Human Capital

Q: What motivated you to join the Company and what do you find rewarding about your work?

In university, I majored in environmental Wada engineering, and when I was job hunting, I was looking for companies related to the environment. At a company information session, I heard Daiei Kankyo describe itself as a "vein" (waste management) company, and I was able to envision making a contribution to building a recyclingoriented society by working there. That's why I chose Daiei Kankyo. After joining the Company, I was put in charge of obtaining administrative permits related to waste disposal for constructing final disposal sites and other facilities, as well as providing explanations to local residents.

I studied water quality at a college of technology, so I wanted to find work at a water treatment facility. At our Gobo Recycle Center in Wakayama Prefecture, I am in charge of monitoring the water quality and purifying the wastewater that seeps out from the final disposal site. When the effects of operational adjustments become apparent and the water quality values stabilize, I feel a sense of accomplishment.

Kojima I am in charge of operational management, including acceptance of raw materials, production, and quality control, at the RPF production facility at the Mie



Recycle Center. I decided to join the Company because I was intrigued by the resource recycling initiatives being undertaken by Mie Chuo Kaihatsu Co., Ltd. I am currently working on converting waste into a valuable resource

known as solid fuel, and I find this work rewarding.

As someone who was looking for a job in sales, what attracted me to this job was that, rather than just selling products, I could sell solutions; that is, I could propose optimal methods for disposing of industrial waste to customers. Selling such intangible products and services requires building relationships of trust. I feel rewarded when we receive contracts from customers who say, "We're entrusting this to Daiei Kankyo because we trust you."

When I was job hunting, my focus was on the Sustainable Development Goals. When I was searching for companies using "environment" as a keyword, I came across Daiei Kankyo. I decided to join the Company because I studied industrial waste in university and developed an interest in the business. Currently, I am responsible for legal-related tasks such as conducting legal checks on industrial waste disposal contract documents and establishing a compliance system. I find the interesting part of my job is not just pointing out risks on-site, but also the process of reaching an understanding with the site about how to reduce those risks.

Data Section

Q. In your career, what are your goals and what kind of growth are you aiming for?

Wada One of the important issues for us as a "vein" company is the construction of final disposal sites. I want to build facilities that not only meet the requirements demanded by the government, but also reflect the opinions of frontline workers and earn trust from the local community.

Otani From my perspective as a frontline worker, water treatment is also important for earning community trust. At the Gobo Recycle Center, we have staff who are skilled in facility management, as well as staff like myself who are skilled in maintaining water quality. Odors cause inconvenience to neighboring residents, so my goal is to further improve our ability to quickly detect and respond to abnormalities.

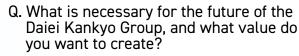
Kimura Indeed, water quality and odor are points of concern for our waste generator customers. They are more likely to accept the solutions I offer them when I show them inspection records, which I am able to do thanks to the efforts of the on-site staff at the water treatment facilities.

Kojima At our RPF production facility, the shift from thermal recycling to material recycling is making it more difficult to secure raw materials. However, because I want to continue increasing our production volume in the future, I would like to deepen my knowledge of waste sorting and make it more fine-grained so that we can recycle the waste plastic that is currently being discarded.

Wada When the frontline workers have knowledge and do reliable work, it is easier to gain understanding from the government and local residents. I recognize the importance of on-site response.

Risk management is also essential, not just on paper, but also in coordination with the frontline workers. If you try to eliminate risk excessively, you will lose flexibility on the front lines. I would like to improve my skills by visiting frontline workers and communicating with them directly, helping align their intentions with those of headquarters. By combining these skills with legal knowledge to build a solid framework, the level of trust will surely increase even further.

Kimura Sales work, too, would not be possible without cooperation with departments responsible for on-site support, legal management, and so on. I feel that the efforts of everyone who supports the business will help increase



corporate value.

Wada To further increase our corporate value, I feel it is important to create an environment where individuals feel comfortable expressing their opinions and can work with a sense of security. It is also particularly important to ensure that know-how is passed down to the next generation of employees. How do you share your know-how in a

workplace where safety is the top priority?

Kojima To carry out work more efficiently and safely, we have compiled work procedure manuals that incorporate the opinions of all on-site staff. We are also focusing on human resources development. Ideally, everyone will increase their knowledge about RPF so that they can carry out all processes from quality checks to shipping with the same level of quality.

Otani I am the first female frontline worker at the Gobo Recycle Center. I recently heard that another female frontline worker has joined the Company. There are some jobs that women are legally restricted from engaging in, such as handling organic solvents, so I would like to understand these restrictions correctly and set a good example.

As the Company continues to grow, it is essential to prevent the loss of talent, to train the next generation, and to develop the ability to handle business expansion. In legal work, the ability to speak logically is required, so when my subordinates ask me questions, I consciously provide feedback aimed at helping them improve this skill. My goal is to create an organization that runs smoothly no matter who is responsible for the work.

Kimura I'm also looking forward to new colleagues joining the Company. The Group's main business is the transportation and processing of industrial waste. In addition, it operates in a wide range of areas, including resource recycling and the operation of INAC KOBE LEONESSA, so there are many opportunities to play an active role even if you haven't yet settled on a single interest or concern. I want to work together with individuals with a strong can-do spirit to create value.



About the Daiei Kankyo Group **Growth Strategies**

Corporate Governance Data Section

Respect for human rights

Our approach

Respect for human rights is the foundation for business activities. The Daiei Kankyo Group formulated its Human Rights Policy in June 2024 to clearly express the Group's stance on respecting the human rights, both internally and externally.

Guided by our management philosophy, "With our strong commitment to creation, innovation, and meeting challenges, we shall contribute to society while striving for the coexistence of human life, industry, and nature," the Group is dedicated to respecting human rights and addressing social issues in collaboration with all stakeholders, including business partners, shareholders, local communities, and employees, as an integral part of the social infrastructure that supports the future.

Human rights due diligence

The Daiei Kankyo Group is working to establish a human rights due diligence framework in accordance with

international human rights standards, including the United Nations Guiding Principles on Business and Human Rights.

To detect potential negative human rights impacts of our business activities, we identified candidate issues to be resolved between December 2024 and March 2025, and prioritized the most critical through a scoring-based evaluation. Following discussions with Outside Directors and deliberations by the Sustainability Promotion Committee and the Board of Directors, we established our key human rights issues in June 2025.

We began implementing human rights due diligence for these key issues starting in July 2025. By applying the plan-do-check-act (PDCA) cycle, we will ensure that preventive and mitigation measures are implemented effectively and sustained. Moreover, if we become aware that a stakeholder has been affected by a human rights violation or the potential for one in our business activities, through the human rights hotline on our corporate website, we will urge that corrective action be taken to minimize the impact.

Human Rights Policy

https://www.dinsgr.co.jp/english/csr/pdf/society/ Human_Rights_Policy_Eng_Final.pdf

Material human rights issues

Human rights issues	Potential human rights violation risks
Local community	Human rights violations that threaten the lives and health of local residents, resulting from the negative environmental impact of corporate activities
Occupational safety and health	Human rights violations that threaten the health of employees, resulting from the negative environmental impact of corporate activities
	Human rights violations suffered by employees due to work-related accidents and occupational diseases
Working conditions and related matters	Human rights violations suffered by employees due to working conditions
	Human rights violations historically associated with acquired companies
Harassment	Human rights violations involving harassment

Overview of human rights initiatives

June 2024

Formulation of Human Rights Policy

August 2024

Establishment of human rights hotline

Human rights due diligence process

Identification of human rights issues First session: June 2025 (to be reviewed Preventive and mitigation measures

From July onward every year Implementation

Conducted by the human rights working group

Monitoring (results verification)

Reevaluation

Disclosure

Annual review

Human resources strategy

Promoting human capital management

By focusing on human resources development, promoting diversity, and improving workplace environments, we aim to enhance employee engagement and foster a mutually supportive relationship between employees and the Company.



Develop a win-win relationship of mutual contribution between employees and the Company



Human resources development

The Daiei Kankyo Group is committed to nurturing human resources capable of embodying our management philosophy, to support ongoing growth investments within our business strategy. Since 2014, we have been conducting selective training as a mechanism to develop future executive candidates. The selective training programs include sessions for the executive officer in charge of human resources development, the next generation of leaders, and selected employees.

The advanced selective training program for the next generation of leaders has been a key focus, with a total of 59 participants completing the course by March 31, 2025. Employees who have completed this training program are actively contributing as key talent at the core of the Group's business operations.

In addition, we offer a variety of training programs, including stratified training, skill enhancement for on-site staff, and programs aimed at improving organizational strength, all designed to raise the overall capabilities of our employees.

Investing in employees who are motivated to grow

For employees who are highly motivated to learn and take on challenges, we believe that it is our responsibility to support them in building diverse careers.

Although we are providing employees with opportunities for growth by inter-Group transfers through open recruitment, secondment outside the Group, and other such opportunities, we still feel the need for more opportunities that will generate diverse experiences.

We will also enhance our training programs, provide opportunities to gain broad experience in different departments, and provide spaces for interaction with people outside of the Company. Through these measures, we will continue to encourage employees to take on challenges.

Diversity (Diversity promotion)

The Daiei Kankyo Group believes that women are indispensable to the Company's sustainable growth, and actively recruits women who are new university graduates or previous graduates. Women accounted for 33.3% of new graduate hires (graduates from a four-year university or

graduate program) in the fiscal year ended March 31, 2025. We aim to maintain a female new graduate hiring rate of at least 30% beyond the fiscal year ended March 31, 2025. As of the end of that fiscal year, women accounted for 4.3% of management positions. Our target for the fiscal year ending March 31, 2026 is to increase this ratio to at least 4.5%. To support this goal, we are implementing measures to increase the number of female employees aspiring to leadership roles, renovating workplace facilities, and enhancing support during maternity leave, such as providing internal information during leave and assistance upon return. These efforts aim to create a work environment where women can thrive over the medium to long term. In addition, we will continue to offer training for female employees and create opportunities for female role models to engage in dialogue with younger employees.

Human resources strategy and employment of diverse human resources

The Daiei Kankyo Group aims to sustainably enhance corporate value by expanding the processing capacity of incineration and other heat treatment facilities, enlarging facilities in line with building Local Circular Ecological Spheres, and promoting collaboration with local partners through our M&A strategy. Securing the right human resources is essential to the success of these initiatives, making strategic workforce planning a priority. For staffing new and expanded facilities, we focus on fostering local employment through both new graduate and mid-career recruitments. We also ensure that qualified professionals and managers are developed internally and recruited externally as needed, deploying them appropriately across our facilities.

To address labor shortages, we actively promote the engagement of women, seniors, persons with disabilities, and foreign nationals. About 80% of retirees used the rehiring

system and were actively participating in the Group. Many companies in the Group offer employment up to age 70. In terms of persons with disabilities, our consolidated subsidiary DINS Mirai Co., Ltd. leads proactive initiatives across the Group. As of June 1, 2024, the percentage of employees with disabilities stood at 3.5%, well above the legal requirement of 2.5%.

Improvement of workplace environments

The Daiei Kankyo Group believes that the well-being of employees and their families is a key driver of motivation at work. To support this, we provide health checkup subsidies, mental health support, enforce a smoking ban in the Company vehicles, and implement measures to prevent passive smoke inhalation.

Additionally, to improve work-life balance, we properly manage working hours, strive to reduce overtime, promote the use of paid leave, and have increased the number of annual holidays. To support work-life balance for parenting, we have introduced a flexible short-hours work system. As of March 31, 2025, the percentage of male employees who take childcare leave reached 90.9%.

We ensure fair evaluations are directly linked to compensation. In semi-annual interviews, we conduct multifaceted evaluations that include contributions to the organization. When assigning roles or making transfers, we respect employees' preferences and support career development based on a self-reporting system.

Initiative to address the gender wage gap

In the fiscal year ended March 31, 2025, women's wages in the Daiei Kankyo Group were 72.3%* of men's wages. Due to the nature of our business model, there is a traditional

tendency for more men to be employed, and except for office-based roles, the majority of our workforce is men. As a result, in non-office roles, supervisory and managerial positions are predominantly held by men, which significantly affects the wage gap between men and women. Securing human resources for non-office roles is an urgent challenge, making the active participation of diverse human resources essential. Supporting women's career planning and providing more opportunities for their advancement are key initiatives we believe will help close the wage gap.

* The wage gap between men and women is calculated as specified in the Act on the Promotion of Women's Active Engagement in Professional Life (Act No. 64, 2015).

Increasing engagement

At Daiei Kankyo Co., Ltd., we actively promote the creation of a fulfilling workplace by directly gathering employee feedback on job satisfaction and requests through employee surveys and a self-reporting system. In response to strong employee demand, we expanded the number of annual holidays for two consecutive years—in the fiscal years ended March 31, 2024 and March 31, 2025.

Starting in the fiscal year ended March 31, 2024, the Daiei Kankyo Group introduced an engagement survey for its employees. We are analyzing survey results and using the insights to revise our human resource initiatives and training programs.

We also encourage employees to join the employee stock ownership plan, have introduced a restricted stock compensation plan, and increased incentive rates, all to support asset building and foster a stronger sense of involvement in company management.



Occupational safety and health

The Daiei Kankyo Group is committed to preventing accidents and reducing risks at all business locations, guided by our Safety and Health Philosophy and Safety and Health Action Policy. In addition to centralized incident information management by the Enterprise Division, we promptly share case studies and countermeasures through joint labor-management occupational health and safety committees and Groupwide safety and health conferences, ensuring that lessons learned are effectively implemented on-site. At each business location, risk assessments and KY (Kiken Yochi: hazard prediction) activities are conducted to clearly communicate hazardous areas and precautions to workers in advance, fostering a strong safety awareness.

In the fiscal year ended March 31, 2025, there were 12 serious accidents resulting in four or more days of leave, one fewer than the previous fiscal year, and the total number of accidents, including property damage, was 132. For accident prevention education, we conducted classroom training for foremen and employees with less than three years of experience, as well as video-based sessions featuring reenactments of serious accidents. A total of 835 participants completed these programs.

We also communicate our Safety and Health Code of Conduct to partner companies through annual safety conferences and other events. We indirectly share safety activity information with partner companies contracted for collection and transportation services. For exclusive partner companies permanently stationed on-site, we manage their data centrally alongside Daiei Kankyo Group employees and temporary workers, providing them with the same safety training, KY activities, and safety reminders.



Occupational Safety and Health, Reduction in Vehicle Accidents, Sustainable Collection and Transportation https://www.dinsar.co.ip/enalish/csr/society/