



CSR REPORT 2025

Giving greater happiness to a greater number
through beauty & health

Corporate Philosophy

Giving greater happiness to a greater number through beauty & health

As a creator of new values, we will continue to help enrich the lives of people around the world.

Iwase Cosfa has been dealing with raw materials for cosmetics and health foods for about 90 years since first opening for business, and has developed and proposed original raw materials in cooperation with our business partners.

We will continue to contribute to the global chemical industry by leveraging the technology and experience we have accumulated to date.

Responding to new trends focused on sustainability and the SDGs, we will embody the spirit of *Sanpo-Yoshi* (good for the seller, buyer, and society) and promote management that creates beauty and health for people.

Corporate Social Responsibility Policy

1. To our customers

- We firmly comply with all laws and regulations.
- We fully protect customer and personal information.
- We provide accurate product information.
- We work to improve our knowledge and technology to meet the needs of our customers and partners.

2. To our partners

- We conduct business in an honest, fair, and equitable manner with a sense of integrity.
- We comply with international standards and treaties advocated by the United Nations and the International Labor Organization (ILO), as well as the Japanese Labor Standards Act of 1947.
- We do not engage in any form of forced labor or harmful and dangerous child labor, nor do we allow our business partners to do so. We do not purchase raw materials and products produced by such labor.

3. To employees

- We will prioritize workplace safety and create a comfortable working environment that provides a sense of fulfillment.
- We will emphasize communication and aim to build a transparent organization.
- We will support women's advancement in the workplace.

4. Caring for the environment

- We will promote environmental conservation measures.
- We will emphasize products that have smaller ecological footprints.

5. Social and community contribution activities

- As a member of the community, we value interaction with the community and society.
- We proactively take part in social and community contribution activities.

6. Reporting

- In light of our aspirations above, we publish an annual CSR report to publicize our efforts both inside and outside the Company.



Company Information

Company Profile

Company name	Iwase Cosfa Co., Ltd.
Date of foundation	September 15, 1931
Date of establishment	July 29, 1948
Head office location	1-7-11 Dosho-machi, Chuo-ku Osaka 541-0045 Tel. 06-6231-3456 Fax. 06-6231-8109
Representative	President Yoshinori Iwase
Capital	JPY 100,000,000
Number of employees*	Non-consolidated: 211 (including temporary workers) Consolidated: 363
Sales*	JPY 49,911 million (consolidated)
Operating profit*	JPY 3,102 million (consolidated)

*Number of employees, sales, and operating profit are as of December 31, 2024.

For more information please visit our official website :
<https://www.cosfa.co.jp/company/overview/>

Business Overview

- Sales and import/export of cosmetic raw materials, pharmaceutical raw materials, household goods raw materials, industrial raw materials and electronic materials
- Sales, import, export, and contract manufacturing of foods with functional claims, foods with nutrient function claims, and food additives

- Contract non-clinical and clinical trials

Affiliated Companies

Overseas subsidiaries

- Cosfa International Trading (Shanghai) Co., Ltd.
- Cosfa International Trading (Guangzhou) Co., Ltd.
- Iwase Cosfa Europe S.A.S.
- Iwase Cosfa Vietnam Co., Ltd.
- Iwase Cosfa Korea Co., Ltd.
- Iwase Cosfa USA Inc.
- Iwase Cosfa (Thailand) Co., Ltd.
- PT. Iwase Cosfa Indonesia
- Iwase Cosfa Morocco SARL

Domestic affiliated company

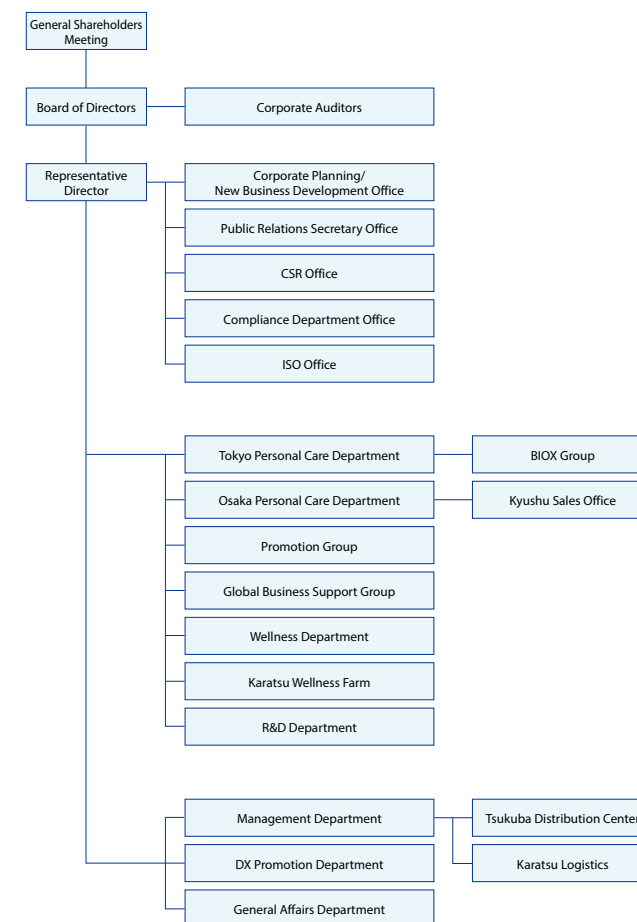
- Dainihonkasei Co., Ltd.

Other affiliated companies*

- Toyo Beauty Co., Ltd.
- BHN Co., Ltd.
- Digital Revolution Inc.

*Not subject to reporting in this CSR Report

Organizational Chart



Company Information

Global Network



※ For more details, please visit our website: <https://www.cosfa.co.jp/company/location/>

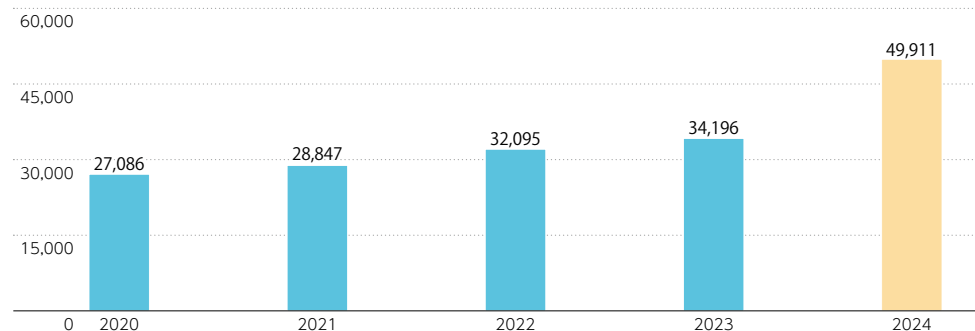
As of December 31, 2024

Highlights

Financial Indicators

Sales

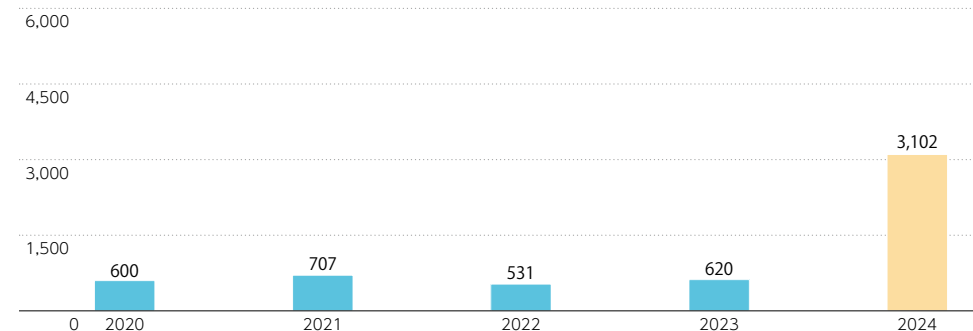
(JPY 1 million)



■ Standalone Results (Japan) ■ Combined Results of Subsidiaries (We apply the MUFG telegraphic transfer middle rate as of the fiscal year-end)

Operating Profit

(JPY 1 million)

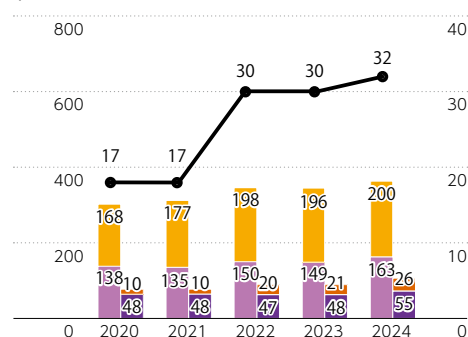


■ Standalone Results (Japan) ■ Combined Results of Subsidiaries (We apply the MUFG telegraphic transfer middle rate as of the fiscal year-end)

Non-Financial Indicators

Number of employees (by gender) and ratio of female managers

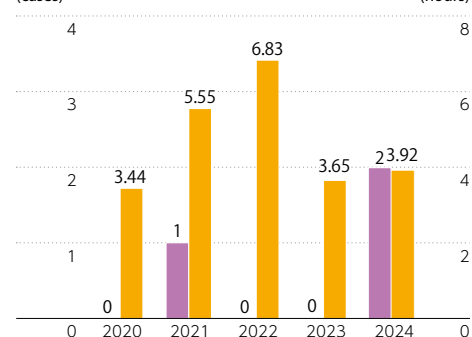
(persons) (%)



Number of employees (left axis) ■ Male ■ Female
Number of managers (right axis) ■ Male ■ Female
● Ratio of female managers (line)

Number of industrial accidents and average monthly overtime

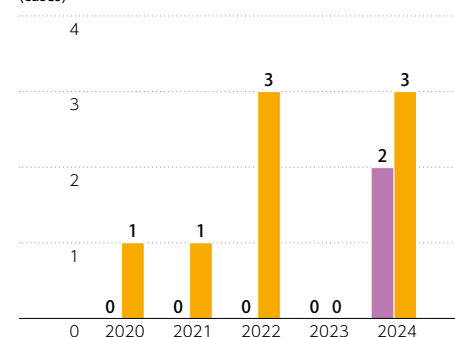
(cases) (hours)



■ Number of industrial accidents (left axis)
■ Average monthly overtime (right axis)

Number of compliance violations*1 and information security breaches

(cases)

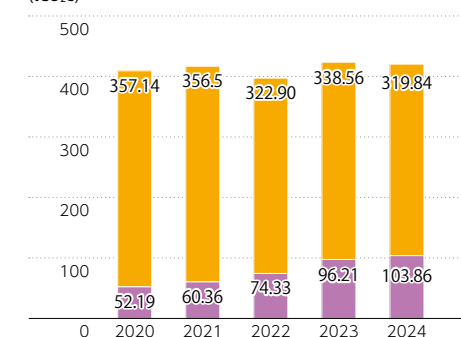


■ Number of compliance violations ■ Number of information security breaches
*1: Misconduct based on Article 14 of the Compliance Promotion Regulations: Level 1 and Level 2

*2: The data covers Iwase Cosfa on a non-consolidated basis; expanded to include the group companies in fiscal 2021.

GHG emissions (Scope 1+2)

(tCO₂e)



■ Scope 1 ■ Scope 2 (location-based)

Editorial Policy

This report describes the initiatives that Iwase Cosfa is implementing to create new value and contribute to greater happiness. We will continue to fulfill our accountability to our stakeholders through this report.

Reporting Period

Fiscal 2024 (January 1, 2024 to December 31, 2024)

*Some activities and achievements beyond the above reporting period are also described.

Organizations Covered by the Report

In this report, "Iwase Cosfa" means ten companies in the Iwase Cosfa Group and one affiliated company. If it is necessary to specify the coverage, the name of the relevant organization will be stated individually.

Iwase Cosfa Co., Ltd. and its group companies

Iwase Cosfa Co., Ltd.

Nine overseas subsidiaries

Cosfa International Trading (Shanghai) Co., Ltd.

Cosfa International Trading (Guangzhou) Co., Ltd.

Iwase Cosfa Europe S.A.S.

Iwase Cosfa Vietnam Co., Ltd.

Iwase Cosfa Korea Co., Ltd.

Iwase Cosfa USA Inc.

Iwase Cosfa (Thailand) Co., Ltd.

PT. Iwase Cosfa Indonesia

Iwase Cosfa Morocco SARL

One domestic affiliated company

Dainihonkasei Co., Ltd.

Guidelines Consulted

The Global Reporting Initiative's Sustainability Reporting Standards (GRI), ISO 26000 and other guidelines were consulted while preparing the reported information.

Date of Issue

Issued: July 31, 2025 (Next issue scheduled for: July 2026)

Previously issued: July 28, 2024

Contact

CSR Promotion Office, Iwase Cosfa Co., Ltd.

cosfa-csr@cosfa.co.jp



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Message from the President

Daring opportunities for all employees
With altruism, gratitude, sincerity, a challenging spirit, and humbleness,
we will help enrich the lives of our employees and make society better

Crafting a Future of Beauty, Health, and Prosperity with All Our Stakeholders

For more than 90 years, IWASE COSFA has been committed to enriching people's lives through Beauty and Health. Our story began in 1931, when my grandfather, Kenjiro Iwase, founded the company in Osaka.

Our guiding philosophy from day one has been the principle of "Sanpo Yoshi"—the belief that business should be good for the seller, the buyer, and society. This is intertwined with my grandfather's personal creed of "On-okuri," or passing on kindness, which he defined as "repaying any favor tenfold." These values were passed from my grandfather to my father, and now to me. They are the bedrock of our company, fueling the relationships of trust that are our greatest asset.

Championing Our People's Growth and Aspirations

Beyond growing the business, I see my primary responsibility as creating an environment where every member of our team can lead a rich, rewarding life and feel a sense of purpose each day. When our employees are driven to take on new challenges, my role is to provide the stage and the support they need—a commitment rooted in the "Yatte-minahare" (Go on and try it) spirit of our founders.

We bring this commitment to life in several ways. Our "Ichigo Project" gives employees the freedom to explore personal interests, even if they're unrelated to their jobs. I have personally met with every one of our 300+ employees to foster open dialogue and drive meaningful improvements. We've opened our "Early Morning Study Group," once exclusive to managers, to all employees, empowering anyone with the drive to learn. And our annual "Idea Basket" program turns employee creativity into real business ventures, like our recent project to supply restaurants with our own farm-grown "white cloud ear mushrooms."

To prepare for our 100th anniversary in 2031, we are streamlining our operations using the Japanese principle of "Shu-Ha-Ri" (Master, Break, Transcend). This framework helps us critically evaluate what to keep, what to change, and what

Yoshinori Iwase
President and
Representative Director
Iwase Cosfa Co., Ltd.



Message from the President

to let go of. At the same time, we are creating a new company Credo to anchor our philosophy in the daily actions of our team, building a strong foundation for our next century.

I encourage our team to embrace a "can-do" spirit—to ask "How can we?" instead of saying "We can't." I believe that when our people embody our five core values—Altruism, Gratitude, Integrity, Ambition, and Humility—they become the kind of individuals who attract good fortune. A company built by such people is destined for great things.

Our Commitment to a Sustainable Future

The cosmetics industry is facing urgent calls to reduce its environmental footprint, uphold human rights, and ensure sustainable sourcing. We see it as our duty to be part of the solution. A key initiative is our support for the "Cosme Bank Project," which tackles product waste by distributing unsold cosmetics to families in need. Our social contributions also extend to disaster relief and youth sports programs in the Philippines. By reinvesting in society, we empower our employees with the pride that comes from knowing their work makes a difference. These efforts have earned us international recognition, including a Gold medal from EcoVadis for four consecutive years.

We are also looking beyond our traditional field. We support the Kyoto University iPS Cell Research Foundation, foreseeing the potential of regenerative medicine in beauty. We launched Digital Revolution Inc. to harness AI and digital trends, enhancing customer experiences. As a company born in Osaka, we are especially proud to contribute to the Osaka-Kansai Expo 2025 as a partner in the "Future of Life" pavilion, where we will showcase our vision for a vibrant future.

2024 Performance and Our Path to the Centennial

Fiscal 2024 was a year of strong performance despite market headwinds. The IWASE COSFA Group achieved total sales exceeding ¥49.9 billion, while our domestic entity alone grew 9% year-on-year to over ¥37.2 billion.

This growth was fueled by our ability to quickly meet evolving market demands—from the rebound in inbound tourism to the growing appetite for natural, multi-use, and personalized products. Internally, our long-term investments in digitalization paid off, enabling sharper market analysis, smarter inventory management, and effective pricing strategies.

As we navigate ongoing challenges like high material costs and the weak yen, our focus remains on ensuring a stable supply chain and healthy profitability. For fiscal 2025, we aim for domestic sales of ¥40 billion (a 7.5% increase), driven by our core businesses and a deep commitment to ESG principles.

Our 100th anniversary in 2031 is on the horizon. My vision is for IWASE COSFA to reach this milestone full of momentum, with a team inspired and ready to build our next century of success. By staying true to our "Sanpo Yoshi" philosophy and our mission to create Beauty and Health, we will continue to grow alongside our stakeholders and contribute to the advancement of our entire industry.

CSR Management

Approaches to Sustainability

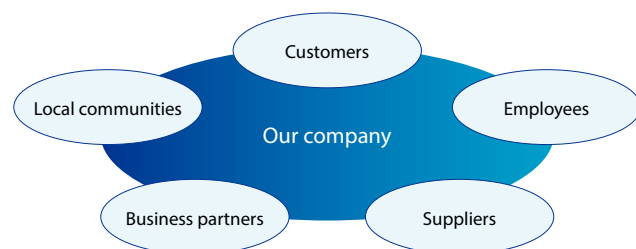
Iwase Cosfa aims to contribute to society through business activities based on our corporate philosophy, "Giving greater happiness to a greater number through beauty & health."

In our medium-term management plan, we have set forth our medium- to long-term vision, "As the most trusted professional trading company in the field of beauty and health, we aim to keep helping to enrich people's lives around the world." We will proactively conduct activities that contribute to local communities and help solve social issues, and based on our CSR Policy.

In addition, by working on our corporate social responsibility throughout the entire supply chain and providing high-quality services, we strive to embody the spirit of Sanpo-Yoshi (good for the seller, buyer, and society) and promote management that generates beauty and health.

Collaboration with Stakeholders

Iwase Cosfa conducts business in consideration of our stakeholders (customers, employees, suppliers, business partners, local communities, and other organizations) and the global environment. We strive to enhance our corporate value by creating economic and social value and contributing to the development of a sustainable society.



Dialogue with Stakeholders

Iwase Cosfa will promote social responsibility initiatives and provide new value through active communication with our stakeholders.

Stakeholders	Our responsibilities	Approach and results achieved in FY2024
Customers	<ul style="list-style-type: none"> • Provide safe, reliable, high-quality products • Build relationships of trust 	<ul style="list-style-type: none"> • Brochures for each product • Safety Data Sheets (SDS) • Web seminars (41 times) • Newsletter distribution (12 newsletters) • Communication through sales activities • Exhibiting at trade shows (1 case) • Seminars (5 cases) • CSR questionnaire survey from partners (32 cases)
Employees	<ul style="list-style-type: none"> • Provide a pleasant and rewarding work environment • Enhance employee training to maximize individual abilities 	<ul style="list-style-type: none"> • Internal reporting system • Distribution of internal newsletters (140 newsletters) • East-West Conference (once) • Employee representative roundtable meetings (twice) • Labor-management agreements • Health and Safety Committee (12 times) • Various interviews and training programs • In-house events
Suppliers, business partners	<ul style="list-style-type: none"> • Ensure fair and impartial transactions • Build relationships of trust 	<ul style="list-style-type: none"> • Communication through purchasing activities • Cosfa meeting (supplier report meeting) (held once)
Local communities	<ul style="list-style-type: none"> • Contribute to regional development 	<ul style="list-style-type: none"> • Active relationships with local governments • Active participation in industry associations (9 organizations)

CSR Management

Endorsing and participating in third-party initiatives

◆United Nations, Sustainable Development Goals (SDGs)

Iwase Cosfa, as an entire group, supports the Sustainable Development Goals (SDGs) and matches its priority themes with the SDGs. We always promote our business with an awareness of our contribution to the SDGs and strive to disseminate them throughout the Group.



* SDGs: <https://sdgs.un.org/goals>

◆United Nations Global Compact

We joined the United Nations Global Compact in November 2019, and express our commitment to it in this CSR report.



*The United Nations Global Compact and Global Compact Network Japan: <https://www.ungcn.org/gcnj/about.html>

◆Charter of Corporate Behavior and Biodiversity Declaration Initiative, Keidanren (Japan Business Federation)

Iwase Cosfa supports the Charter of Corporate Behavior and Biodiversity Declaration Initiative promoted by Keidanren (Japan Business Federation). We will continue to fulfill our social and environmental responsibilities through it.



*Keidanren (Japan Business Federation) Charter of Corporate Behavior: <http://www.keidanren.or.jp/policy/cgcb/charter2022.html>
Keidanren (Japan Business Federation) Biodiversity Declaration Initiative: <https://www.keidanren.or.jp/policy/2023/082.html>

◆Sedex (Supplier Ethical Data Exchange) and SMETA Audit (Sedex Members Ethical Trade Audit)

We received a four-area audit on November 14, 2023 and report the audit results on Sedex.

*Sedex: <https://www.sedex.com/>
*SMETA audit: <https://www.sedex.com/solutions/smeta-audit/>



◆EcoVadis

Our activities have been evaluated by EcoVadis every year since 2017. In the 2024 Sustainability Survey we were awarded a Gold Medal for the fourth consecutive year.

*EcoVadis: <https://ecovadis.com/>



◆Carbon Disclosure Project (CDP)

We received a C rating in CDP's Climate Change and Water Security categories in fiscal 2024, and will continue to make improvements.

*CDP: <https://www.cdp.net/en>



◆Parenthood charter

Based on the corporate parenthood observatory established in 2008, Iwase Cosfa Europe has established the Iwase Cosfa Europe Childcare Policy together with its employees. We are committed to creating a working environment in which employees raising children can work while maintaining a good work-life balance without being treated unfavorably, and to supporting equal participation in parenting by both male and female employees.

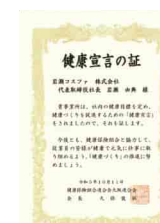
*Iwase Cosfa Europe's Childcare Commitment: https://www.observatoire-qvt.com/charte-de-la-parentalite/les-signataires/?search=COSFA&select_region=0&select_secteur=0&select_taille=0#no

Third-party certifications

◆Health Declaration and Certification as an Excellent Corporation for Health Management 2024 (SMEs category)

At Iwase Cosfa, we are committed to creating an environment where our employees can work in good health and with peace of mind. To promote employee well-being, we are continuously improving work styles, covering the costs of optional examinations during health checkups, and have introduced the "N-NOSE" cancer prevention support service.

In October 2022, we issued a "Health Declaration" to announce our commitment to health and productivity management, both internally and externally. Following our initial certification in 2023, we are proud to be recognized for the second consecutive year as a 2024 Health and Productivity Management Outstanding Organization (SME Category).



Our Health Declaration



CSR Management

◆Support for raising children

Based on the Act on Advancement of Measures to Support Raising the Next Generation of Children stipulated by the Ministry of Health, Labour and Welfare, Iwase Cosfa has formulated an action plan as a general business operator. In May 2021, we were awarded the Kurumin Mark as proof that we have met these standards and have been certified as a company that supports child-raising. We will continue to provide a work environment in which employees can achieve and maintain a good work-life balance, and in which they can work comfortably both physically and mentally.



◆Eruboshi certification

On October 7, 2022, we received the third level of the Eruboshi certification, the highest level, from the Minister of Health, Labour and Welfare based on the Act on the Promotion of Women's Active Engagement in Professional Life, in recognition of our outstanding efforts to promote women's activities.

By creating an environment where women can play an active role, we support all female employees in balancing their work with life events unique to women and ensure their career continuity on a long-term basis. Aiming to be a company where each and every employee shines, we strive to create a more comfortable working environment and by developing a workplace where all employees, not just women, feel safe and secure and respect each other.



Contribution to society

◆Sponsorship of Osaka Kansai Expo 2025

At the 2025 Japan International Expo (Osaka Kansai Expo 2025), we will be supporting "Future of Life," one of the signature pavilions produced by Hiroshi Ishiguro, as a partner. We will work with all co-sponsors to help create a better life 50 years from now through aiming to contribute to the enriched lives and greater joy of people all over the world.

*Osaka Kansai Expo 2025: <https://www.expo2025.or.jp/>

◆About the Noufuku JAS Certification

Our company promotes "Noufuku Renkei," an initiative aimed at creating opportunities for people with disabilities to thrive in the agricultural sector. As part of this commitment, we have obtained the Noufuku JAS certification for our mushroom cultivation business. This certification signifies that our high-quality wood ear mushrooms are produced in a process that adheres to official JAS (Japanese Agricultural Standard) specifications, and that people with disabilities are demonstrating their skills and capabilities within that process. Through this initiative, we will continue to contribute to our local community and the development of sustainable agriculture.



◆Sponsorship of the Cosme Bank Project

We are participating in the Cosme Bank Project run by Bank for Smiles, a general incorporated association. We collect products that have no quality problems but are difficult to resell, such as products that have become obsolete due to updates or unopened products that have been returned from stores. Then, we distribute them free of

charge to those who need cosmetics but cannot afford them due to financial hardship or other reasons. We aim to solve societal problems from the perspective of women, companies, and the global environment by delivering cosmetics that would otherwise go to waste to those who need them.

*Cosme Bank Project: <https://cosmebank.jp/>



◆Donation and Disaster Relief Activities

We made donations through Ishikawa Prefecture after the Noto Peninsula Earthquake, that occurred on New Year's Day, 2024, to contribute to the region's recovery and help those affected by the disaster.

◆Fostering the next generation

We believe that nurturing the next generation of talent is one of our most vital missions. We are actively engaged in educational initiatives, sharing our expertise through university lectures and seminars for local high school students.

- Serving as a guest lecturer for the Cosmetic Science course at Mukogawa Women's University.
- Presenting on the topic of Health and Productivity Management as part of the "Business Solutions for Careers" course at Kyoto Sangyo University.
- Participating as a speaker in the "Cosmetics Industry Insight Seminar" organized by Saga Prefecture.

Furthermore, we are proud to sponsor "THE ROYAL JUNIOR," an event by Kabaya Ohayo Holdings Inc., to champion the ambitions of Japanese high school students who are ready to take on the world.

※ The Royal Junior: <https://the-royal-golf-club.com/the-royal-junior/>

CSR Management

Iwase Cosfa Materiality

Based on our corporate philosophy and medium-term management plan, we have selected material topics that we should focus on to create new value, such as solving social, environmental, and supply-chain issues.

Material topics identification process

1. Identification of social issues

We identified 30 social issues to consider and investigate when identifying material topics, taking into account not only the Group's CSR policy, but also the GRI Standard, ISO 26000, and items surveyed by CSR evaluation organizations.

2. Interviews on our key initiatives

We conducted interviews and free discussions with our executives and stakeholders (customers, suppliers, employees, local communities, NPOs, NGOs, etc.) on our key initiatives.

3. Preparing a draft on material items

Based on each stakeholder's expectations, we rated each of the selected 30 social issues on a five-point scale, with two axes: importance to stakeholders and importance to our business. Based on the importance rating of each, we selected 14 priority issues (total score of 7 or higher) for the group as a whole, taking into account the importance of each issue from an overall perspective.

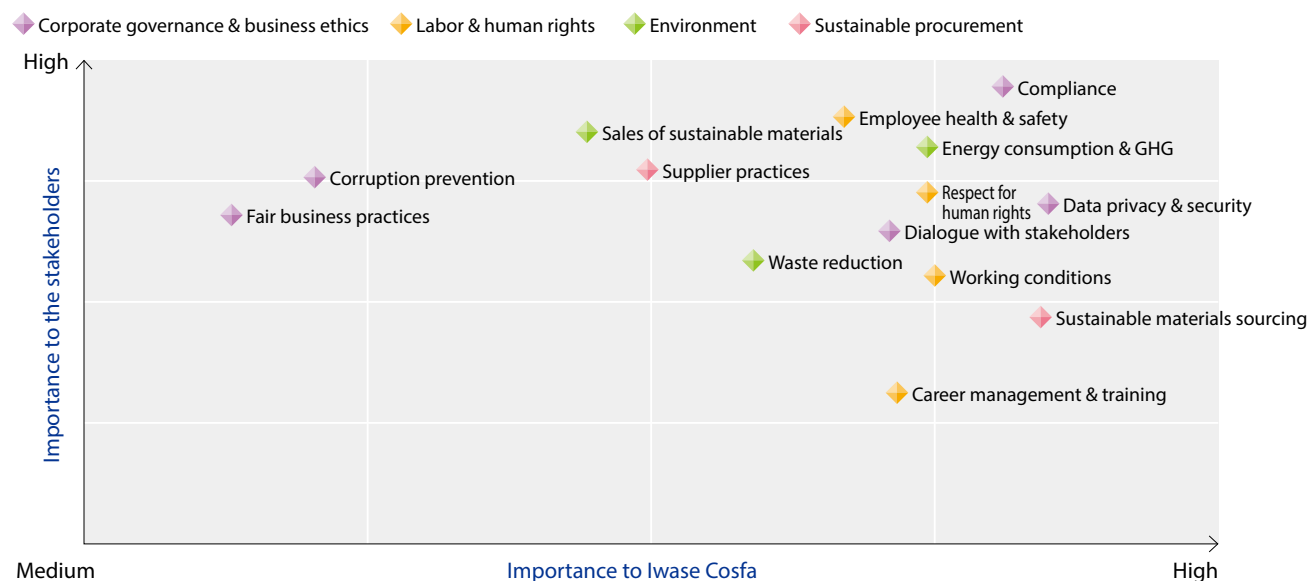
4. Approval of materiality

The materiality was reported to the Board of Directors and approved.

Identified material topics

Categories	Sustainability key issues
Corporate governance and ethics	Dialogue with stakeholders / Data privacy & security / Compliance / Corruption prevention / Fair business practices
Labor and human rights	Respect for human rights / Working conditions / Employee health & safety / Career management & training
Environment	Reduction of energy consumption & GHG / Sales of sustainable materials / Waste reduction
Sustainable procurement	Supplier practices / Sustainable materials sourcing

Iwase Cosfa's materiality matrix



CSR Management

Iwase Cosfa Medium- to long-term goals

In 2024, we continued to prioritize communication with our suppliers by holding dialogue sessions, promoting awareness of our Supplier Code of Conduct, and conducting sustainability surveys. We will continue these activities to strengthen initiatives throughout our entire supply chain.

For 2025, as we prepare to formulate our next medium-term management plan, we are working to develop a plan that integrates our business activities and corporate strategy with our sustainability initiatives from a more practical and long-term perspective.

Material Topics, KPIs, and Operational control list

Material topics	Commitment	Sustainability key issues	Medium- to long-term targets (2021–2025)	KPI	Items implemented in FY2024 and resulting targets	Items to be implemented in FY2025	Responsible department
Corporate governance and ethics	CSR policy, Crisis management policy	Dialogue with stakeholders	<ul style="list-style-type: none"> Gain a high level of trust from our stakeholders 	—	<ul style="list-style-type: none"> Provide explanations to stakeholders through the General Meeting of Shareholders, East-West Conference, Cosfa meetings, etc. 	<ul style="list-style-type: none"> Prepare the CSR report, provide explanations to stakeholders through the General Meeting of Shareholders, East-West Conference, Cosfa meetings, etc. 	CSR Promotion Office
				—	<ul style="list-style-type: none"> Use external CSR platforms (EcoVadis, Sedex) 	<ul style="list-style-type: none"> Use external CSR platforms (EcoVadis, Sedex) 	CSR Promotion Office
		Data privacy & security	<ul style="list-style-type: none"> Aim for zero information leakage incidents (incident level 3) 	<ul style="list-style-type: none"> Number of information security breaches 	<ul style="list-style-type: none"> Implement information security training 	<ul style="list-style-type: none"> Implement information security training 	DX Promotion Department
	Compliance Code	Compliance	<ul style="list-style-type: none"> Aim for zero compliance violations (level 1) 	<ul style="list-style-type: none"> Number of compliance violations 	<ul style="list-style-type: none"> Appropriately manage and protect personal information 	<ul style="list-style-type: none"> Appropriately manage and protect personal information 	General Affairs Department
		Corruption prevention	<ul style="list-style-type: none"> Enhance the soundness of corporate activities through legal compliance and ethical behavior 		<ul style="list-style-type: none"> Conduct yearly compliance education for employees 	<ul style="list-style-type: none"> Conduct yearly compliance education for employees 	Compliance Promotion Office
		Fair business practices			<ul style="list-style-type: none"> Conduct yearly anti-bribery education 	<ul style="list-style-type: none"> Conduct yearly anti-bribery education 	Compliance Promotion Office
					<ul style="list-style-type: none"> Report gifts yearly 	<ul style="list-style-type: none"> Report gifts yearly 	Compliance Promotion Office
Labor and human rights	Basic concept of human resources	Respect for human rights	<ul style="list-style-type: none"> Create new value and promote innovation through diverse human resources 	<ul style="list-style-type: none"> Status of human rights education Employment rate of people with disabilities Increase in the ratio of women in management positions 	<ul style="list-style-type: none"> Provide education on workers' basic human rights 	<ul style="list-style-type: none"> Provide education on workers' basic human rights 	CSR Promotion Office, General Affairs Department
					<ul style="list-style-type: none"> Advocate for the Act on the Promotion of Women's Active Engagement in Professional Life (acquired Eruboshi certification) and employment of people with disabilities 	<ul style="list-style-type: none"> Actively promote women's participation in professional life, and continue to promote of the employment of people with disabilities 	CSR Promotion Office, General Affairs Department

CSR Management

Material items	Commitment	Sustainability key issues	Medium- to long-term targets (2021–2025 ^{*1})	KPI	Items implemented in FY2024 and resulting targets	Items to be implemented in FY2025	Responsible department
Labor and human rights	Basic concept of human resources	Working conditions	<ul style="list-style-type: none"> Improve employee engagement and the retention rate 	<ul style="list-style-type: none"> Overtime work Absenteeism rate 	<ul style="list-style-type: none"> Efforts to reform work styles 	<ul style="list-style-type: none"> Efforts to reform workstyles 	CSR Promotion Office, General Affairs Department
					<ul style="list-style-type: none"> Increase the number of female managers 	<ul style="list-style-type: none"> Increase the number of female managers 	Management
		Employee health & safety	<ul style="list-style-type: none"> Aim to reduce the number of occupational accidents to zero Aim to reduce work-related stress in employees 	<ul style="list-style-type: none"> Number of occupational accidents 	<ul style="list-style-type: none"> Conduct PDCA operation of crisis management projects, training on how to contact in case of a disaster, and round-table meetings with employees and Directors 	<ul style="list-style-type: none"> Conduct PDCA operation of crisis management projects, training on how to contact in case of a disaster, and round-table meetings with employees and Directors 	Crisis Management Committee, CSR Promotion Office
					<ul style="list-style-type: none"> Conduct annual stress checks for employees and provide high-risk employees with the opportunity to see an occupational physician 	<ul style="list-style-type: none"> Conduct annual stress checks for employees and provide high-risk employees with the opportunity to see an occupational physician 	General Affairs Department
		Career management & training	<ul style="list-style-type: none"> Design an organizational plan and employment in line with the new medium-term management plan strategy Establish human resource development plans by position and job type 	<ul style="list-style-type: none"> Ratio of male to female employees Wage monitoring Training hours 	<ul style="list-style-type: none"> Establish training plans by position and job type Secure an average of 6 hours of training per person per year 	<ul style="list-style-type: none"> Establish training plans by position and job type Revise average hours of training per person per year target 	General Affairs Department
Environment	Environment policy	Reduction of energy consumption & GHG	<ul style="list-style-type: none"> Reduce CO₂ emissions by 70% by 2030 (Scopes 1 & 2)^{*2} Procure 50% of electricity from renewable energy sources 	<ul style="list-style-type: none"> Electricity consumption CO₂ emissions GHG emissions 	<ul style="list-style-type: none"> Review the environmental policy and continue to participate in the Carbon Disclosure Project (CDP) 	<ul style="list-style-type: none"> Continue to participate in the Carbon Disclosure Project (CDP), scrutinize the basis for calculating Scope 3 	ISO Promotion Office, CSR Promotion Office
		Sales of sustainable materials	<ul style="list-style-type: none"> Set an annual target for sales of eco-friendly products, with an objective of 30% or more of total sales 	<ul style="list-style-type: none"> Sales of eco-friendly products 	<ul style="list-style-type: none"> Make at least 30% of the sales volume of priority sales items eco-friendly products 	<ul style="list-style-type: none"> Make at least 30% of the sales volume of priority sales items eco-friendly products 	Sales Department
		Waste reduction	<ul style="list-style-type: none"> Maintain the amount of generated waste at 1% or less of the sales volume toward 2030^{*1} 	<ul style="list-style-type: none"> Amount of waste generated 	<ul style="list-style-type: none"> Reduce defective inventory 	<ul style="list-style-type: none"> Reduce defective inventory 	Administrative Department
Sustainable procurement	Sustainable procurement policy	Supplier practices	<ul style="list-style-type: none"> Obtain signatures on the Code of Ethics from 70% of major suppliers by 2025 Conduct a questionnaire survey on CSR awareness among major suppliers by 2025 to enhance their CSR awareness 	<ul style="list-style-type: none"> Ratio of suppliers that have signed the Code of Ethics 	<ul style="list-style-type: none"> Continue to request endorsement of the Supplier Code of Ethics and signatures on it 	<ul style="list-style-type: none"> Request all suppliers to agree to the Supplier Code of Ethics, conduct a questionnaire survey of suppliers and hold discussions with them on improvement where risks are identified 	Sales Department, CSR Promotion Office
		Sustainable materials sourcing	<ul style="list-style-type: none"> Use raw materials derived from RSPO-certified palm oil and palm kernel oil at a ratio of 100% by 2030 	<ul style="list-style-type: none"> Ratio of procurement of RSPO-certified raw materials 	<ul style="list-style-type: none"> Provide support for RSPO-certified raw materials 	<ul style="list-style-type: none"> Provide support for RSPO-certified raw materials 	Sales Department, CSR Promotion Office

*1: Environmental issues should be addressed by 2030. *2: Base year is 2019.

Corporate Governance and Ethics

Iwase Cosfa considers the establishment of a fair and transparent corporate governance system to be a key issue. As a global company, we not only comply with laws and regulations, but also ensure that every employee has high ethical standards in order to meet the expectations of our stakeholders.



Basic Approach

Iwase Cosfa considers communication with all stakeholders and maintaining corporate transparency to be important issues for the Company. We have established and are operating a governance system that is fair, impartial, and well prepared for risks by balancing a system that promptly makes appropriate management decisions with a system that supervises and audits management and execution.

In addition, our CSR policy clarifies our responsibilities to each stakeholder, and our Compliance Code defines the basic rules for all officers and employees of the Company to follow. We provide our employees with training opportunities so that they can maintain a high level of corporate and social ethics and act responsibly, and carry out our business operations with the highest priority on compliance and respect for human rights. We have defined basic matters in our Crisis Management Policy to ensure the safety of our employees, continuity of our business activities, and fulfillment of our social responsibilities when a crisis arises at our Company. Furthermore, we strive to reduce risks through security training and compliance training, as well as analyze risks and opportunities from a medium- to long-term perspective to maintain and protect the interests of our employees and our Company, thereby ensuring appropriate risk management. Moreover, we strive to achieve sustainable growth and enhance our corporate value so we can earn the full trust of all of our stakeholders.

CSR Policy

Through our business activities, Iwase Cosfa will develop activities that can address social issues and meet social expectations, and promote management that can contribute to the beauty and health of the people.

* CSR Policy:
<https://www.cosfa.co.jp/sustainability/governance/corporate-governance/>

Crisis Management Policy

We have established a crisis management policy to fulfill our social responsibilities and protect the interests of our employees and the Company, and have declared that we will respond effectively to risks as they arise.

1. We will establish a crisis management system that includes crisis prevention as well as response and communication when a crisis occurs.
2. When a crisis occurs, we will not respond in a manner that conflicts with our social responsibility.
3. When a crisis occurs, we will give top priority to the safety of our employees and take prompt and effective action.
4. When a crisis occurs, we will strive to continue or resume business operations as soon as possible.
5. We will conduct education and training to raise employees' awareness of crisis management.
6. We will evaluate the results of crisis management activities annually and improve the effectiveness of such activities continuously.

Compliance Code

Iwase Cosfa has defined in the Compliance Code the important matters to abide by in the execution of our business operations, and distributed a handbook on it to all employees.

*Compliance Code:
<https://www.cosfa.co.jp/wp-corporate/wp-content/themes/cosfa-corporate/assets/pdf/compliance-charter-en-2024.pdf>

Corporate Governance and Ethics

Basic Policy on Information Security

Iwase Cosfa recognizes the importance of ensuring information security to earn the trust of customers. To guard against cyber risks that have been increasing in recent years, we are committed to maintaining zero information security breaches through annual employee training, review and dissemination of security policies, and information sharing on security risks and cyber-attack cases both internally and externally.

Basic Policy on Information Security

We have been responding to the needs of our customers under the management philosophy of “Giving greater happiness to a greater number through beauty & health.” The Company’s basic policy on information security has been established so we can continuously provide better products and services to our customers, protect information assets in our advanced information society from threats such as accidents, disasters, and crimes, and satisfy the trust of our customers and society. The basic policy on information security serves as a guideline in our initiatives for information security.

1. Development of the internal system and Information Security Policy

We have established the management system necessary to maintain and improve security, and have defined the necessary information security measures as our formal rules.

2. Leadership responsibility and continuous improvement

Our management is responsible for ensuring that information assets of the Company and its customers are properly managed by adhering to the Information Security Policy.

3. Compliance with laws, regulations, and contractual requirements

Our employees comply with all applicable laws, regulations, norms, and security requirements stipulated by agreements with our customers, related to the information assets we use in our business activities.

4. Employees’ initiatives

Our employees acquire the knowledge and skills necessary to maintain and improve information security to ensure our commitment to information security.

5. Response to violations and incidents

We have developed a system for responding to violations of laws, regulations, norms, contracts with our customers, and information security incidents so we can reduce the impact of any violations and incidents.

Information security education

Iwase Cosfa provides annual information security training to all officers and employees using an external training system, and conducts a test to verify their knowledge of information security. In fiscal year 2024, we educated 211 employees.

Targets, KPIs, and Achievements

Iwase Cosfa has established the following KPIs and is promoting them in order to build a strong governance system and maintain high ethical standards.

Compliance, anti-corruption, and fair trade

In order to earn the trust of society, all employees are required to abide by the Compliance Code. We have continuously achieved our goal by conducting education and raising awareness to keep the number of violations at zero.

KPI	FY2030 Target	FY2024 Target	FY2024 Results
Number of compliance violations (cases)	0	0	2

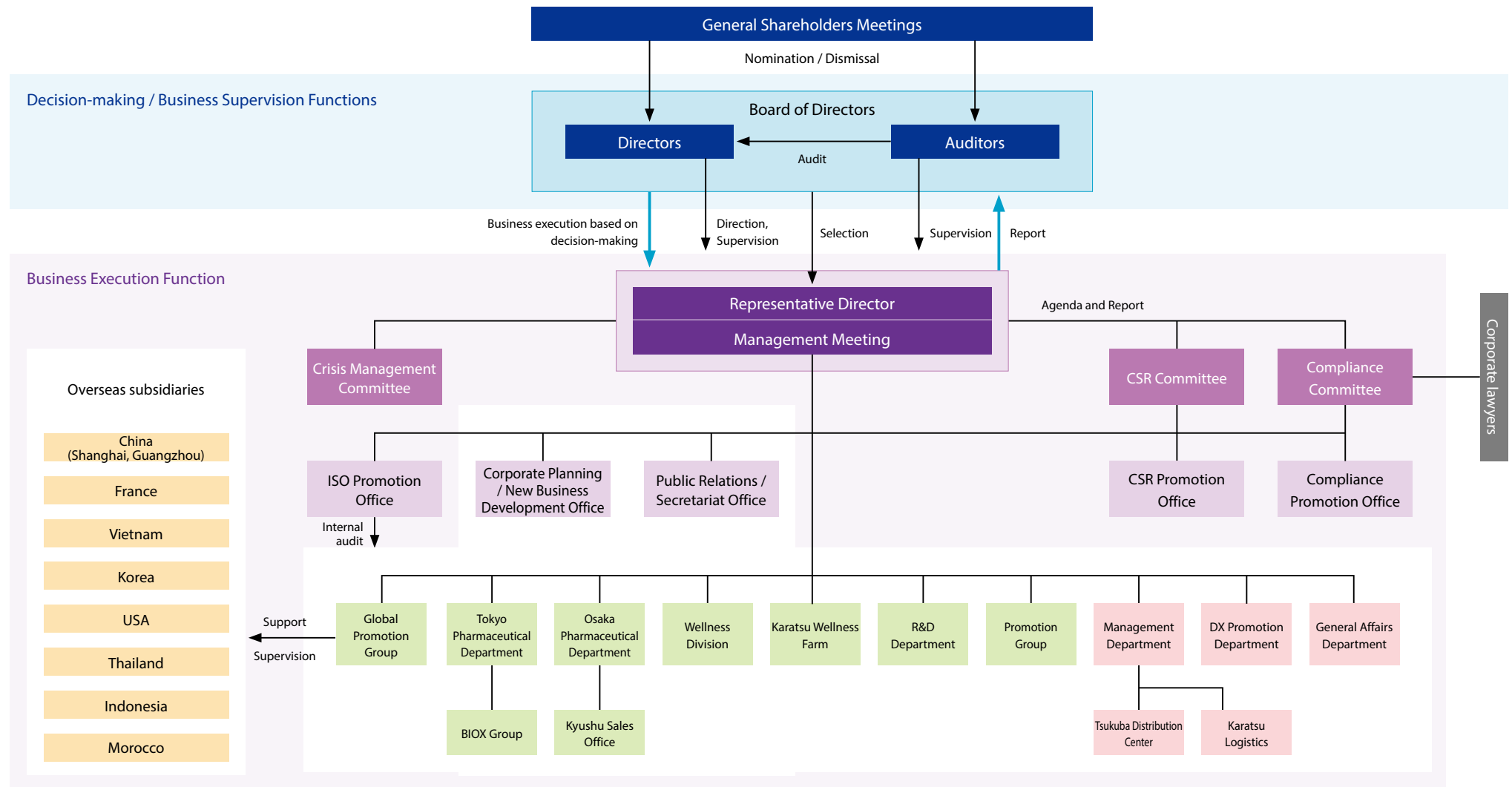
Information security and privacy

We aim for zero information security breaches to prevent fraud and serious information leaks.

KPI	FY2030 Target	FY2024 Target	FY2024 Results
Number of information security breaches (cases)	0	0	3

Corporate Governance and Ethics

Corporate Governance System Chart



*Representative office

As of December 31, 2024

Corporate Governance and Ethics

Corporate Governance System

To ensure the soundness and appropriateness of its operations and to maintain and improve its corporate value, Iwase Cosfa has established committees and regulations for the following items to define its internal control system.

- Establishment of compliance codes and compliance committees
- Formulation of a basic policy on information security and of rules for responding to information security incidents
- Establishment of Crisis Management Policies, implementation of risk analysis, and establishment of a Crisis Management Committee

As a general rule, we hold a Board of Directors meeting and a management meeting once a month to develop a system for making prompt decisions on important management issues based on relevant laws and regulations and the Articles of Incorporation.

◆ Board of Directors

Board of Directors meetings are attended by all Directors. The Board of Directors meets once a month, in principle, to make management decisions. Extraordinary Board of Directors meetings are held as necessary. The Corporate Auditors fulfill the function of monitoring and auditing management. Management meetings are held prior to Board of Directors meetings to improve their executive functions, thereby strengthening the functions of each meeting and ensuring that operations are carried out appropriately.

◆ Compliance Committee

The Compliance Committee is organized by members appointed by the Board of Directors, and meets twice a year. The Committee is responsible for formulating and promoting compliance measures, employee education, revising or abolishing rules and regulations, and responding immediately if misconduct occurs. The committee reports its activities to Directors.

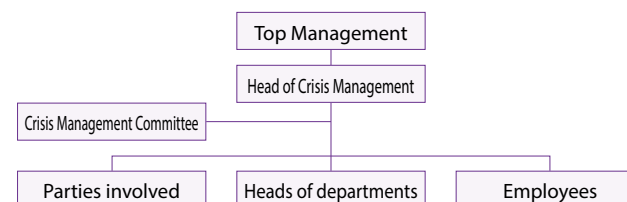
◆ CSR Committee

The Committee is chaired by the Representative Director and composed of other members, including Directors, in a cross-departmental manner. Committee meetings take place once a year. The Committee manages the progress of the Company's CSR activities, determines prioritized issues, and promotes awareness of the Company's CSR activities.

◆ Crisis Management Committee

The Committee identifies crises or formulates and implements initiatives to respond to major crises. In the event of an emergency, the Committee gathers information, examines response measures, and implements the measures.

Crisis management system



◆ Risk management system

In accordance with our Crisis Management Policy, we have defined risk factors that could affect the safety of our customers, business partners, employees, and the continuity of our business operations in the event of an emergency. Based on the assumed risks, we set targets and measures to be implemented for a single fiscal year, and check the progress quarterly.

[Major risks]

- Bankruptcy of an important business partner
- Compliance violations
- Serious crimes committed by officers and employees
- Information leakage, system failure
- Injury or death of executives or employees due to accidents
- Environmental pollution
- Losses due to natural disasters including earthquakes, windstorms, floods, etc.
- Fires
- Bad management reputation
- Executives or employees visited by disaster or abduction
- Important damage due to accidents/robbery
- Third party-related vandalism/business disruption

◆ Internal and external audits

Iwase Cosfa conducts internal audits and management reviews once a year, and undergoes external audits by third-party organizations (JQA). The ISO Promotion Office is the auditing department, and qualified internal auditors perform audits of other divisions. Internal audits are conducted and reported in the Internal Audit Report to determine whether in-house operations are being executed correctly, with the aim of ensuring the appropriateness of business operations and internal controls and eliminating risks including corruption and bribery. The results are conveyed to management in management reviews.

Corporate Governance and Ethics

Compliance, Anti-Corruption, and Fair Trade

We have established a Compliance Code in order to be a company that society trusts in conducting our business. We provide a compliance handbook to all employees and require them to comply with the codes. To prevent fraud, we hold study sessions for all officers and employees and conduct periodic surveys on their awareness of compliance.

◆Anti-bribery training and survey on awareness on corruption and bribery

We run anti-corruption and bribery workshops for all employees and conduct periodic surveys to assess their understanding and awareness. The Company has defined approval procedures for gifts, and we centrally manage and monitor all information to ensure that inappropriate gifts are not offered.

◆Whistleblower desks and internal notification system

In accordance with the Whistleblower Protection Act, Iwase Cosfa has a whistleblower desk and internal rules for protecting whistleblowers under the Act.

Based on the internal rules for whistleblower protection, we accept consultations from employees regarding legal violations and other matters. The aim of establishing this system is to act on early detection and correction of misconduct etc., thereby reinforcing compliance. Employees are allowed to consult by telephone, e-mail, fax, interview, or in writing, and are not subject to any adverse treatment on the basis of a report or consultation.

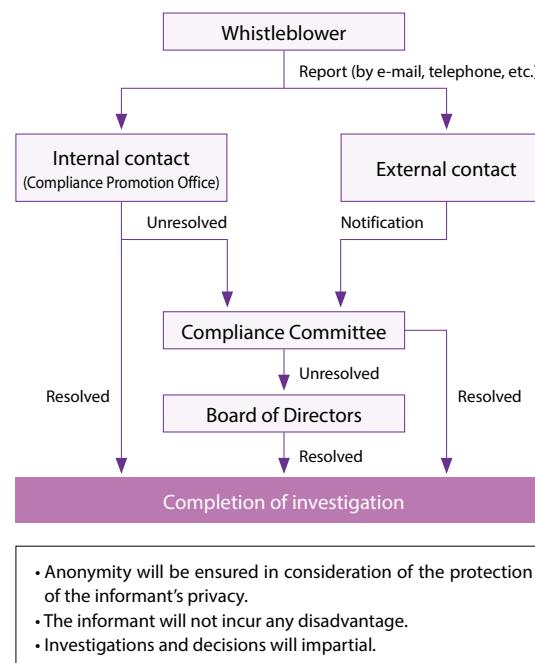
In addition, we will maintain the anonymity and confidentiality of the reports received, conduct necessary investigations, and take appropriate measures in accordance with the Rules of Employment of Employees in the event that the Company determines there are facts subject to reporting.

The whistleblower desk is open to the public through our website and is available to external stakeholders, enabling them to provide information and report wrongdoing, possible wrongdoing, complaints, etc. on an anonymous basis.

*Whistleblower desk:

<https://www.cosfa.co.jp/info/whistle-blowing.html>

Notification and consultation process



Details of reporting/consultation and ratios

Details of reporting/consultation	FY2024 Ratio (%)
Various acts of harassment (including customer harassment)	80
Other reporting and consultation <ul style="list-style-type: none"> • Violation of laws and regulations (insider trading, violation of the anti-monopoly law, involvement in bid rigging, etc.) • Illegal approach through gifts and business reception • Leakage of personal information • Infringement of intellectual property rights 	20



Mitsuyuki Yoshimura

General Manager, Information System, DX Promotion Department

We have established our information security policy to provide better products and services to our customers as well as to protect the information assets we manage from accidents, disasters, crimes, and other threats, thereby helping us earn trust from our customers and society in general. In accordance with this policy, we are working to strengthen information security by responding to information security incidents, monitoring the security status of each department, and providing employees with regular training. These efforts are reported at the Management Meeting for further enhancements.

Labor and Human Rights

Iwase Cosfa believes that we can contribute to society by enabling all of our employees to demonstrate their individual abilities. To this end, one of our primary missions is to respect the human rights of all people and provide a safe and secure working environment for all employees.

Basic Concept

Based on our Basic Concept of Human Resources, we aim to be a company where everyone can shine by providing opportunities for growth that enable all employees to demonstrate their individual abilities.

Under the corporate philosophy of “Giving greater happiness to a greater number through beauty & health,” Iwase Cosfa aims to become One Team throughout the organization and help to create healthy and rich lifestyles for our people. To this end, we believe that personal growth is essential and aim to be a company in which every employee shines, based on the following concepts.

- Recruitment and personnel systems that do not discriminate on the basis of race, creed, gender, sexual orientation, social status, religion, nationality, age, or mental or physical disability based in accordance with the “My Human Rights Declaration”
- Optimal personnel allocation to maximize individual and organizational strengths by taking a close look at each individual’s abilities and characteristics
- Compensation based on merit that can reward individual performance based on clear identification of the results and actions required of each employee

We value each other’s individuality, care for each other, and mobilize our individual strengths to create a corporate culture that will enable us to continue taking on new challenges without fear, even in the midst of ever-changing times.

*Basic Concept of Human Resources:
<https://www.cosfa.co.jp/wp-content/themes/cosfa-corporate/assets/pdf/recruit-policy.pdf>

◆ Recruiting for overseas subsidiaries

To continue to grow sustainably together with our business partners and local communities, Iwase Cosfa employs local staff at our overseas subsidiaries (currently 9 subsidiaries). While we have 211 employees in Japan, we have as many as 147 employees, mostly locally hired, at our overseas subsidiaries (as of December 31, 2024). We will continue to actively recruit locally for employees at overseas subsidiaries.

◆ Conducting an employee satisfaction survey and applying the results to modify the human resource management system

We conduct an employee satisfaction survey once a year, and apply the results to resolve each issue. In addition, we have specified the items requested frequently by employees to revise the personnel system, resulting in a system that is simple, clear, and more rewarding to individual efforts. As for fiscal 2024, we conducted a survey in February and have provide feedback on the results to each employee.

◆ Toward realizing a rewarding and pleasant work environment

As part of our efforts to reform the way we work, we hold a meeting once a year between employee representatives and our executives, including the President. People from the CSR Promotion Office also attend the meeting as observers. They discuss problems and solutions to improve the workplace environment. We start with the problems that can be solved and reflect the improvements in the working environment.



Labor and Human Rights

Targets, KPIs, and Achievements

Iwase Cosfa recognizes that creating a safe working environment and respecting human rights are crucial for being a company where every employee can shine. We will continue to monitor every indicator for maintenance and improvement.

◆Respect for human rights

Iwase Cosfa promotes fair hiring and gender-free promotion, where the ratio of female managers has been increasing. We also focus on human rights education to create a work environment where employees respect each other.

KPI	FY2025 Target	FY2024 Target	FY2024 Results
Number of conducted human rights training sessions for the entire company (times)	1	1	1
Ratio of employees with disabilities (%)	2.3	1.80	1.63
Ratio of female managers (%)	45	32	32

◆Working conditions

Iwase Cosfa considers work-life balance important, and has established a work environment that respects the wishes of our employees. As a result, we have achieved our targets for five consecutive years.

KPI	FY2030 Target	FY2024 Target	FY2024 Results
Average overtime work (hours/month)	Less than 10 hours	10	3.92
Absenteeism rate (%)	Less than 1%	0.50	0.05

◆Employee health & safety

Iwase Cosfa aims to provide a safe and pleasant work environment to maintain the health of our employees.

KPI	FY2030 Target	FY2024 Target	FY2024 Results
Number of work-related accidents (cases)	0	0	2

◆Career management & training

Iwase Cosfa provides growth opportunities based on the aptitudes and career plans of employees regardless of gender. We have confirmed that there is no disparity in gender in terms of hiring and wage between men and women, and provide training programs in accordance with plans.

KPI	FY2025 Target	FY2024 Target	FY2024 Results
Ratio of male to female employees (male:female)	1:1	1:1	1:1.23
Ratio of the average wage of male employees to that of female employees	1.00	0.95	0.93
Average training hours per employee (hours/year, person)	6	6	34.93

◆Respect for Human Rights

Iwase Cosfa actively recruits a variety of human resources with the aim of contributing to the development of the Company. We value innovation and creation of new value that comes from mutual respect among employees with diverse backgrounds.

To foster this environment, we strive to respect the human rights of all people, including those in the entire supply chain, and work

to create a more comfortable working environment by focusing on human rights education, employment of people with disabilities, and promotion of women to management positions.

◆Endorsement of the My Human Rights Declaration

In 2021, we endorsed and declared the My Human Rights Declaration proposed by Keidanren (Japan Business Federation).

*My Human Rights Declaration:

https://www.jinken-library.jp/my-jinken/company_detail.php?p=MDAwMDAwMDA2NA==



Iwase Cosfa's My Human Rights Declaration

◆Employment of people with disabilities

Iwase Cosfa endeavors to create a workplace environment that is pleasant to work in regardless of whether an employee has a disability or not. These efforts have resulted in an employment rate of people with disabilities in fiscal 2024 reaching 1.63%. We utilize the Job Coach Support Service provided by the Ministry of Health, Labour and Welfare and, as their employer, receive professional advice for employees who need help in their work. This has led to better understanding and promotion of stable employment.

◆Gender equality

Iwase Cosfa promotes gender equality in order to deepen mutual understanding among employees and to create an organization that continues to produce results. Due to these efforts, the ratio of female managers reached 32.09% in 2024

Labor and Human Rights

◆ Prohibition of discrimination and harassment

Iwase Cosfa's Compliance Code clearly states the importance of protecting employees from sexual harassment and workplace bullying. Our employees must adhere and follow principles written on the Compliance Code below.

*Compliance Code:

<https://www.cosfa.co.jp/wp-content/themes/cosfa-corporate/assets/pdf/compliance-charter-en-2024.pdf>

Iwase Cosfa conducts annual training on harassment for managers. We have employees of various nationalities, and are fostering human resources who support global business development and promote mutual understanding of diverse cultures.

◆ Compliance with the UK Modern Slavery Act

Iwase Cosfa has published a statement on the UK Modern Slavery Act. We have not been involved in any cases of child labor or forced labor to date, and will continue to comply with the Modern Slavery Act, ensure compliance with laws and regulations in each country, and conduct regular monitoring.

*FY2024 Iwase Cosfa's Group Statement on Slavery Labor and Human Trafficking:
https://iwasecosfa.com/wp-content/uploads/sites/6/2025/07/Modern-Slavery-Statement-FY2024_201501.pdf

Working Conditions

All Iwase Cosfa executives and employees will comply with all domestic and international laws and regulations as well as internal regulations, strive to ensure the appropriateness of corporate management, and carry out their duties with compliance as a top priority. In addition, we will promote decent work in accordance

with the ETI Base Code based on the convention of the International Labour Organization (ILO) and the four principles of the United Nations Global Compact, aiming to attain a good work-life balance for employees and improve their engagement.

◆ Toward improving employee engagement

Iwase Cosfa believes that the growth of each employee leads to the growth of the organization and strives to improve employee engagement. Specifically, to reflect the voices of our employees in management, we run an annual employee satisfaction survey among all employees. A third-party organization conducts survey, and the results are reported to management on an anonymous basis. Through this survey, we aim to develop a more pleasant work environment and increase employee engagement.

We are also implementing other measures aimed at creating a more employee-friendly work environment. These include a system that directly reflects employees' voices, initiatives that emphasize work-life balance, and work-style reforms that align with current trends.

◆ System for reflecting the voice of employees

Iwase Cosfa's Code of Conduct clearly states that all employees are guaranteed the right to organise (freedom of association) and collective bargaining. Through a formal process in accordance with the Labor Standards Act, employee representatives are elected by majority support for each business unit and they conclude a labor management agreement.

To reflect employees' opinions, executives and employee representatives hold regular meetings. Employee representatives

notify all employees of the holding of meetings in advance and hear a wide range of proposals for improvement to realize a better work environment. These proposals can include topics related to working conditions and the working environment but also career development, education systems, and diversity initiatives. After each meeting, the Company discusses the proposals raised in it, examines the feasibility of the proposals, and actually works toward improvement.

◆ Managing working hours and reducing overtime

Based on the labor-management agreement, Iwase Cosfa monitors overtime hours to avoid overwork. The average overtime work per employee in fiscal 2024 was 3.92 hours per month, which is below the target of 10 hours per month. This is due to establishing no-overtime days and thorough awareness on preventing long working hours. Nevertheless, the correction of uneven working hours among employees is still a problem that remains to be solved.



◆ Minimum wages and living wages

Iwase Cosfa complies with the minimum wage system stipulated under the Minimum Wage Act and pays wages above the legal minimum. Using the living wage database provided by the WageIndicator Foundation. We strive to meet the living wage standards in every country where we do business. We also manage minimum wages and working hours, pay living wages, and monitor them regularly in accordance with local labor laws and regulations. In addition to the various allowances, we have established retirement regulations and a definite contribution pension system to support employees' post-retirement lives.

Labor and Human Rights

◆Introduction of home-officing

Home-officing and telecommuting rapidly spread around the world due to the recent coronavirus pandemic. Founded on the government's basic response policy, as a member of Keidanren (Japan Business Federation), Iwase Cosfa also recommended telecommuting and introduced a telework system. The rate of home-officing in fiscal 2024 was 20.5%*. This has helped to improve the work-life balance of employees, and we will continue to proactively utilize home-officing.

*Rate of home-officing: Annual average of (number of people working at home/all employees) by month × 100

◆Reemployment system: Integrating senior employees

In light of our commitment to an employment system that takes into account the increasing longevity, we have raised the retirement age to 62 years old. Iwase Cosfa has Re-employment Regulations in place to ensure employment opportunities even after retirement at age 62 and to broaden the range of options available to each employee. The system has been changed to allow employees to continue working for the us after retirement until they reach 67 years of age if they request it, and to allow them to enter into individual contracts after that age upon consultation.

*Re-employment of prospective employees in fiscal 2024: 100%

◆Leave systems

In addition to paid holidays, Iwase Cosfa has a variety of other leave systems.

Leave system	Details
Menstrual leave	Upon request, female employees can be granted a day of leave if they suffer from menstrual pain.
Childcare leave	Upon request, employees who have an infant under the age of one can be granted leave for a certain period of time when needed and can apply for restriction of overtime work. Those raising a child who has not yet entered elementary school can choose to not do overtime hours or late night work, and can shorten their working hours.
Additional rest for child care (shortening of work hours)	Upon request, employees who have an infant under the age of one can be granted 30 minutes of additional rest twice a day.
Child nursing leave	Employees who have a child who has not yet entered elementary school can be granted leave for a certain number of days in order to receive medical check-ups or vaccinations.
Nursing care leave	Employees who need to take care of a family member in need of nursing care may request leave for family care, reduction of working hours, restriction of overtime work and exemption from late night work.
Volunteer leave	Employees can use special holidays for volunteer activities to participate in social contribution activities on a paid basis.

◆Support for raising children

We revised our Child Care Leave Regulations and Nursing Care Leave Regulations in accordance with the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members, which was implemented step by step in April and October 2022 and held in-house explanatory meetings for all employees. To achieve a balance between childcare, nursing care, and work, we revised the requirements for taking childcare and nursing care leave to create a

workplace environment that makes it easier for employees to take such leave. We also provided a seminar on taking childcare leave and parental leave after childbirth, and established a consultation desk.

◆In-house circle activities

Iwase Cosfa established rules for the management of circle activities, and has been promoting in-house circle activities designed to foster workplace friendships. At present, there are eight different clubs established by volunteers, including golf, futsal, health mahjong, tennis, and more.

Employee Health & Safety

As a company that deals in health and beauty, Iwase Cosfa considers the health of our employees to be paramount. In accordance with the Labor Standards Act, the Industrial Safety and Health Act, and the Working Regulations, we have established the Safety and Health Management Regulations to enhance the Company's safety and health activities. We have clarified the basic items necessary to prevent occupational accidents with the goal of zero occupational accidents, and will continue to ensure the safety and physical health of our employees and improve their mental health, which leads to the development of a pleasant work environment.

◆ISO45001 Certification

With the objective of ensuring the occupational health and safety of our employees, we acquired ISO45001 certification in April 2025.



ISO45001 Certificate

Labor and Human Rights

◆ Safety and Health Management Regulations

Iwase Cosfa's Safety and Health Management Regulations stipulate the appointment of a safety manager and a health manager, the formation of a health and safety management system, including the appointment of an industrial physician, and the establishment of a Health Committee in accordance with laws and regulations. The regulations also provide for health and safety education on the job, improvement of the work environment, medical examinations, measures to maintain and promote health, and the like.

◆ Health Committee

Iwase Cosfa has established a Health Committee in accordance with the Industrial Safety and Health Act. We hold regular monthly meetings and provide information to employees.

◆ Safe and secure storage and management of raw materials

Iwase Cosfa's biggest safety risk lays in its warehouse, where raw materials are stocked. The warehouse is divided into different storage spaces based on the chemical characteristics of raw materials, thus reducing fire risks and product degradation. Annual safety training is provided to those in charge of administrative operations. In March 2024, 14 employees participated the training.

Safety Data Sheets (SDSs) are information documents produced in accordance with international standards that detail physical restrictions, health and environmental hazards, protective measures, and safety precautions for handling, storing, and transporting chemical substances. Iwase Cosfa requires its suppliers to prepare SDSs for all products we purchase, and checks whether their employees thoroughly implement these measures and adhere to the safety precautions.

◆ SMETA 4 Pillars Audit

The SMETA Audit consists of 4 areas: "Labor Standards", "Health and Safety", "Environment" and "Business Ethics", based on the International Labor Organization (ILO) International Labor Standards and the Ethical Trading Initiative (ETI) Base Code, and designed to protect workers.

Iwase Cosfa conducts this external audit on a regular basis in order to identify issues within the company and to provide a safer and fairer working environment for our employees.

◆ Employee medical examination and industrial physician system

In addition to mandatory annual medical checkups for all employees, we subsidize the cost of inspections for employees who have undergone a required re-examination. Our employees are covered by medical insurance at a rate of 100%. In fiscal 2024, the rate of medical checkups received was 100%. An industrial physician visits the Company once a month, and employees can freely use the health consultation service to speak with this physician.

In addition, the company supports for the maintenance and promotion of the health of employees and their families by offering subsidies for flu vaccinations for staff and their family members, and by providing financial assistance for "N-NOSE[®]" nematode cancer screening tests.

◆ Stress checks

In accordance with the Industrial Safety and Health Act, Iwase Cosfa conducts an annual stress check for the purpose of managing employees' health. In checking the results of the check, we aim to further improve our employees' self-care and help to form a pleasant working environment by identifying stress factors in the workplace.

◆ Health and safety of customers

At Iwase Cosfa, we are just as concerned about the health and safety of all stakeholders as we are about that of our employees. Our efforts toward this comprise compliance with laws, regulations, codes and standards, and provision of stable, high-quality products. Furthermore, we have established a response procedure to promptly address any safety issues that may arise and built an information collection system, which was reported to the Consumer Affairs Agency. There were no reports of any safety issues in fiscal year 2024.

◆ Partnership with employment support facilities

At our Karatsu Wellness farm, located in Karatsu City, Saga Prefecture, we cultivate mushrooms in partnership with local employment support facilities and special needs schools. Through these activities, we provide places and opportunities for people with disabilities and difficulties to work and play a role in creating employment in the region. We also support the lives of local people by providing harvested mushrooms to a local children's cafeteria. We will continue our efforts to create employment opportunities, aiming for a society where everyone can live and shine.

Labor and Human Rights

Career Management & Training

Aiming to be a company in which all employees shine, Iwase Cosfa has established a Basic Concept of Human Resources.

We disclose the recruitment process on our website and undertake recruitment activities that ensure transparency. In addition, based on the My Human Rights Declaration, we have introduced a recruitment and personnel system that does not discriminate against anyone for any reason, an optimal personnel allocation system that respects individuals and maximizes the power of individuals and organizations, and a merit-based evaluation system that clarifies actions and results required of individuals and rewards individual performance. We aim to create a corporate culture that values each other's individuality while continuing to take on new challenges without fear even in these changing times.

*Basic Concept of Human Resources:

<https://www.cosfa.co.jp/wp-corporate/wp-content/themes/cosfa-corporate/assets/pdf/recruit-policy.pdf>

◆ Human resources needed at Iwase Cosfa

Iwase Cosfa has formulated a recruitment plan in the medium-term management plan. We believe this will enable us to foster human resources and manage job rotation from a long-term perspective, which will lead to the maximum utilization of individual aptitudes and abilities. We also focus on overseas business, which is one of our key business pillars, and have introduced various training programs to develop global human resources who will play an active role in the world. We prioritize diversity in our hiring, and the hiring ratio of males to females in fiscal year 2024 was 1 to 1.23. We encourage our employees to think and act on their own and take on challenges with the spirit of "Give it a try" that has been with us since our foundation.

◆ Introduction of the Idea Basket System

In April 2022, Iwase Cosfa introduced the Idea Basket System to encourage employees to tackle on new challenges. The Idea Basket System is used since then every year and is one through which we collect new business ideas, introduce innovative business improvements, etc. from our employees that lead to new business opportunities, and award them for their good ideas after conducting votes by our employees and various reviews.

◆ Recruitment and development of global human resource

Iwase Cosfa is hiring various personnel domestically and internationally regardless of their nationality with the aim of achieving sustainable growth in our overseas business and contributing to the development and stability of the Group. Our overseas subsidiaries also contribute to the creation of jobs by hiring most of the employees locally. In addition, we have introduced an online English conversation system, a language certification system, and an overseas training system through in-house recruitment to foster global human resources who can play an active role in the world.

◆ Providing opportunities for skill development and growth

Iwase Cosfa has introduced a variety of external training programs to provide employees with opportunities for further growth. We are also conducting internal training programs. In fiscal 2024, we held training sessions on Labor Management and Leadership and Management for employees in management positions. In addition, training for new employees includes not only the details of each department's operations, but also the basics of being a working member of society, computer skills, as well as education on CSR. With the aim of increasing awareness on CSR among our employees, since 2020 we have been providing

training for all Group employees on the reasons why we fulfill our corporate social responsibilities. All training and growth opportunities are provided regardless of gender. In fiscal 2024, the training hours averaged 34.93 hours per person. We confirmed that there is no gender disparity in evaluations and wages due to the introduction of a fair and equitable personnel system. The wage gap between male and female employees in fiscal year 2024 was 1 to 0.93. We will continue to provide appropriate opportunities for skill development and growth, encourage each employee to take on new challenges, which leads to enhancement of our corporate value.



Noriyuki Sasakura
General Manager,
General Affairs Department

We are implementing a variety of measures and initiatives to achieve a workplace that offers both a sense of purpose ("hatarakigai") and a comfortable working environment ("hatarakiyasusa"). To enable each and every employee, regardless of gender, to realize their ideal future selves, we have established job categories according to specific roles. We explain the available career paths and the qualities we look for in our talent, while also providing skill development opportunities to support their growth.

Furthermore, to ensure employees can perform to their full potential, we emphasize and are committed to not only occupational safety but also psychological safety. We will continuously improve these initiatives and strive for further evolution.

Environment

As an enterprise that trades in cosmetics and health food ingredients, Iwase Cosfa considers that conserving the global environment in connection with producing raw materials is of utmost importance. We recognize the impact of our activities on the environment and strive to conserve it.



Basic Concept

Iwase Cosfa recognizes the impact it has on the environment and strives to reduce it by regularly monitoring environmental data based on the following environmental policy.

Environmental Policy

Recognizing that global environmental issues are one of the most important concerns common to all humans, Iwase Cosfa establishes sustainable goals in consideration of global environmental conservation and works to realize such goals. We will contribute to society by fulfilling our responsibility as a global corporate citizen through promoting the sustainable use of resources that are a blessing from the Earth and reducing our environmental impact in terms of raw material procurement and sales. In all aspects of its business activities, Iwase Cosfa complies with environmental laws and regulations and fulfils our commitments. We are also aware of the environmental effects of our business activities and continuously strive to be environmentally friendly and prevent pollution.

We will strive to achieve the following goals by 2030.

◆ Global warming

On October 26, 2020, then Prime Minister Suga declared in his policy speech that Japan would reduce its overall greenhouse gas emissions to net-zero by the year 2050, drawing increased attention to the carbon neutrality in Japan. Iwase Cosfa will cooperate in contributing to carbon neutrality.

- We aim to reduce CO₂ emissions by 70% (Scopes 1 and 2). *

*Base year: 2019

- Of the electricity we procure, 50% of it will be from renewable energy sources.

◆ Waste management

We are committed to the effective use of resources and reduction of waste in consideration of the environment.

- We will keep waste emissions below 1% of sales volume toward 2030.

◆ Reduction of water consumption

We continuously manage water consumption and wastewater discharge to minimize our environmental impact, reducing water consumption through circulative use. To use limited water resources sustainably, we will continue to make further efforts to conserve water resources.

- We aim to achieve reduction of 1% of total water consumption per year as a single-year target. The director of Iwase Cosfa's CSR

◆ Biodiversity

We recognize that the production of ingredients for cosmetics and health foods depends on the benefits of biodiversity, and that our business activities can have a wide range of impacts on ecosystems. To help realize a sustainable society, we will continue to emphasize the importance of biodiversity, minimize our impact on it, and contribute to activities that lead to conserving and restoring biodiversity related to our business in cooperation with our stakeholders. We are also making preparations to be able to provide nature-related financial disclosures in the future.

Environment

◆ Local environment

As a member of the local community, we will comply with all laws and ordinances in order to protect the surrounding environment from air, water, and soil pollution, as well as from noise pollution, etc. We will strive to collaborate and coexist with the surrounding community to conserve the natural environment and help create a recycling-oriented society.

The above targets apply to Iwase Cosfa Co., Ltd. and its nine subsidiaries. Promotion Office reviews this environmental policy every year, and discloses the results to our stakeholders through our CSR report and website.

Promotion System

Iwase Cosfa operates a unified environmental management system (EMS) throughout the Company. In 2003, we obtained ISO 14001 certification for three domestic sites (Osaka Head Office, Tokyo Head Office, Kyushu Sales Office and Karatsu Logistics).

We have also established an ISO Promotion Office to confirm the implementation status and progress of each department through internal audits, external inspections, and quarterly PDCA meetings. In addition, we regularly conduct trainings, and ensure employees' understanding of the EMS.

Targets, KPIs, and Achievements

Iwase Cosfa regards environmental conservation as an important issue and monitors its own environmental activities. The environmental impact brought by our Company increased in fiscal 2022 due to our new business, Karatsu Wellness Farm. We are continuing to monitor the situation and to work on reducing energy consumption.

◆ Reduction of energy consumption & GHG

Iwase Cosfa strives to reduce energy consumption and greenhouse gas emissions. In fiscal 2024, even though it increased overall, we were able to reduce the electric consumption of our new business, Karatsu Wellness Farm.

KPI	FY2030 Target	FY2023 Results	FY2024 Results
Electricity consumption (kWh)	Under investigation	706,532	723,123
From renewable sources (kWh)	50%	0	33 % (242,879)

*See Medium- and Long-term Targets on page 12.

◆ Sales of sustainable materials

Iwase Cosfa is dedicated to sales of sustainable raw materials and has set annual sales targets. In 2024, our sales target was met with 112.% of the target value.

KPI	FY2030 Target	FY2023 Results	FY2024 Results
Sales of eco-friendly products (kg)	*	1,192,613	1,870,391

*See Medium- and Long-term Targets on page 12.

◆ Waste reduction

To reduce waste materials, we have reviewed our warehouse inventory management system and strive to reduce emissions through proper management.

KPI	FY2030 Target	FY2023 Results	FY2024 Results
Waste emissions (t)	*	34 (0.10%)	23 (0.07%)

*See Medium- and Long-term Targets on page 12.

Reduction of Energy Consumption & GHG

In FY2024, by introducing renewable energy, we successfully reduced our Scope 2 and our operational emissions per employee.

Greenhouse gas (GHG) emissions

KPI	FY2022 Results	FY2023 Results	FY2024 Results
Total emissions/employee (tCO ₂ e)	118	138	150
Operational emissions/employee (tCO ₂ e)	1.15	1.26	1.17
Emissions intensity/revenue (tCO ₂ e/million JPY)	1.28	1.39	1.46
Scope 1 (tCO ₂ e)	74	96	104
Scope 2 (tCO ₂ e) Location-based	325	339	320
Scope 2 (tCO ₂ e) Market-based	296	301	218
Scope 3 (tCO ₂ e)	40,967	47,639	54,593
Purchased goods and services	38,816	45,523	52,564
Capital goods	156	62	48
Fuel- and energy-related activities (not included in scopes 1 or scope 2)	68	70	56
Upstream transportation and distribution	984	976	893.75
Waste generated in operations	87	27	48
Business travel	37	127	46
Employee commuting	76	89	61
Downstream transportation and distribution	742	765	877

*See Medium- and Long-term Targets on page 12.

Environment

Greenhouse Gas (GHG) Accounting and Disclosure

Iwase Cosfa deeply recognizes the importance of understanding and managing its Greenhouse Gas (GHG) emissions as a core component of responsible corporate management. Through monitoring our GHG emissions, we assess our environmental impact and aim to build a business model aligned with the global transition to a low-carbon economy.

◆ Information Disclosure

Our company is taking progressive steps to fully align its GHG emissions reporting with the GHG Protocol Corporate Accounting and Reporting Standard. In this report, we have further expanded the scope of our disclosure, building upon the calculation methods from the previous fiscal year.

In the future, once we have improved the accuracy of data collection and refined the calculation logic for all our subsidiaries to ensure sufficient data completeness and quality, we plan to recalculate our base year emissions. This recalculation will provide a solid foundation for setting Science Based Targets (SBTs).

◆ Reporting and Calculation Boundary (Coverage)

Our GHG inventory is calculated based on the operational control consolidation approach and covers all sites of Iwase Cosfa and its overseas subsidiaries. Our affiliated companies are outside the organizational boundary and are not included in this inventory.

◆ Scope 1 Calculation Methodology

Scope 1 emissions are calculated based on the consumption of gasoline, city gas, and LPG (activity data) at all Iwase Cosfa sites. For this calculation, we apply emission factors from the Japanese Ministry of the Environment's "Emission Factor Database for Calculating GHG Emissions of Organizations Throughout the Supply Chain."

※ Emission Factor Database for Calculating GHG Emissions of Organizations Throughout the Supply Chain:
https://www.env.go.jp/earth/ondanka/supply_chain/gvc/estimate_05.html

◆ Scope 2 Calculation Methodology

In Japan:

Emissions from electricity consumption are calculated based on the "List of Emission Factors by Electric Utility."

Starting this fiscal year, to more accurately reflect our procurement of renewable energy, we are also reporting figures calculated using the market-based method. In line with GHG Protocol guidance, when supplier-specific data is unavailable, we use a residual mix factor. If a residual mix factor is also unavailable, we use the average grid mix factor.

Please note that for electricity consumption in Japan, only CO2 emissions are calculated due to the specifications of the available emission factors.

※ List of Emission Factors by Electric Utility:
<https://policies.env.go.jp/earth/ghg-santeikohyo/calc.html>

Overseas:

As supplier-specific emission factors are generally unavailable for our overseas sites, emissions from electricity consumption are calculated using emission factors from LCI databases based on the average grid mix of each country.

Unlike in Japan, these emissions include GHGs other than CO2. Furthermore, our total market-based emissions figure includes calculations from both our Japanese and overseas operations. We will continue to strive to improve the completeness and accuracy of our data collection.

◆ Scope 3 Calculation Methodology

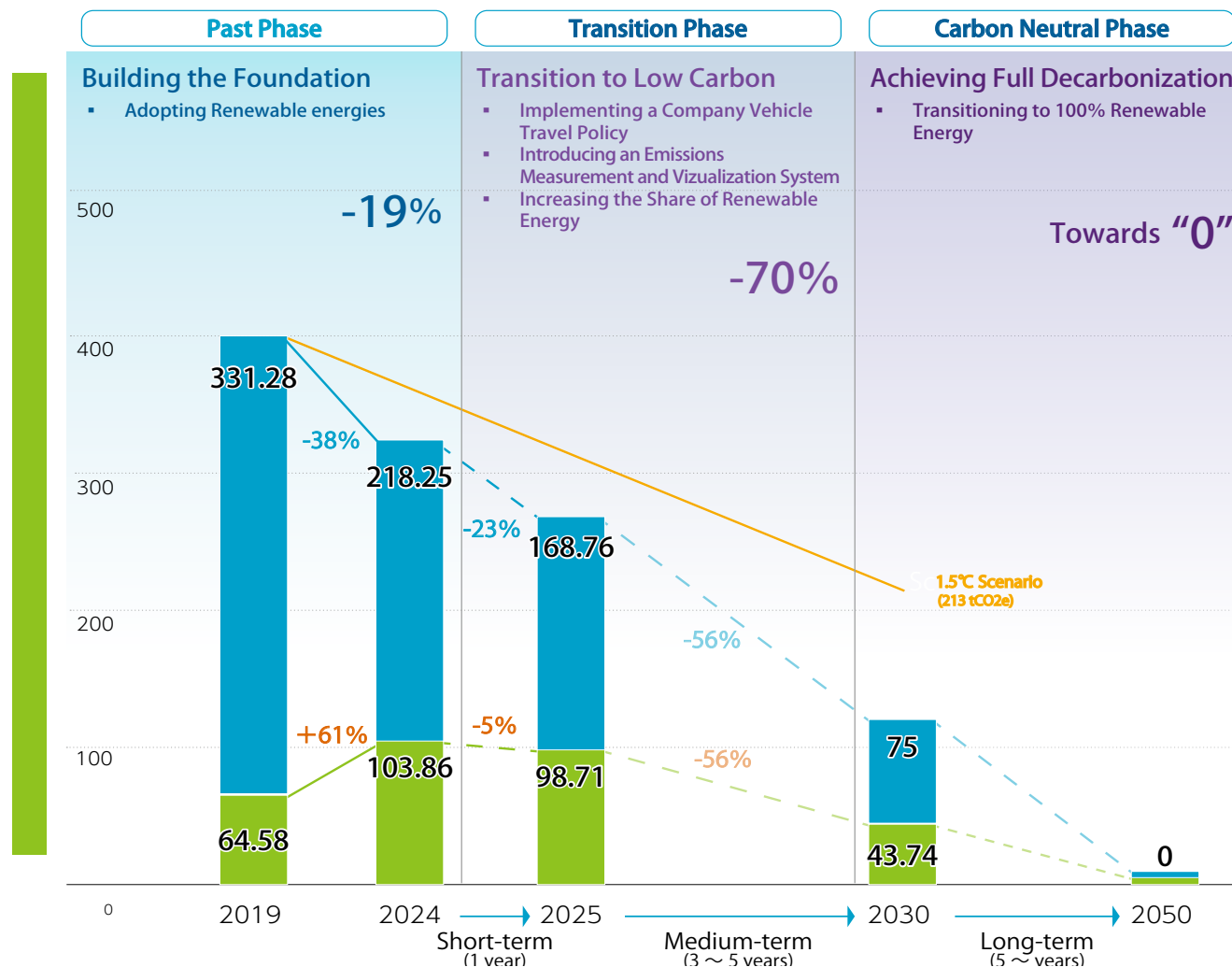
Our Scope 3 emissions are calculated using supplier-specific data whenever possible, supplemented by industry-average emission factors from recognized Life Cycle Inventory (LCI) databases to fill any data gaps. This calculation applies the 100-year Global Warming Potential (GWP) factors from the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (AR6), reflecting the latest scientific findings. This approach ensures the accuracy and international comparability of our reporting.

We currently report on Scope 3 Categories 1 through 7, and Category 9. Exclusions from our Scope 3 reporting and the justifications for these exclusions are detailed in "GHG Calculation Methodology - Scope 3" (p.47).

Environment

GHG Emissions Reduction (Scope 1 & 2) - Roadmap to Zero Emissions

(tCO₂e) — Base year 2019



*1.5°C Scenario Data Source: IEA (International Energy Agency)

Reduction of Greenhouse Gas (GHG) Emissions and Energy Consumption

◆ Emission Reduction Roadmap

Our Scope 1 and Scope 2 reduction roadmap illustrates the scale of reductions from our base year emissions. Alignment with the 1.5°C scenario requires a 46.2% reduction by 2030 compared to our base year (a reduction to 213 tCO₂e). In contrast, our current target is a 70% reduction, surpassing the trajectory of the 1.5°C scenario and driving deeper decarbonization.

◆ Scope 1

In fiscal year 2024, our Scope 1 emissions increased significantly due to a rise in fuel consumption. This was primarily attributable to emissions from business travel using company vehicles. To reduce these emissions, we are exploring measures such as utilizing online meetings whenever possible and transitioning our company fleet to electric vehicles (EVs) and hybrid cars.

◆ Scope 2

In August 2024, we introduced electricity from renewable sources (hydropower) at our "Karatsu Wellness Farm," a facility that accounts for approximately 40% of Iwase Cosfa's total electricity consumption. This has enabled us to significantly reduce our Scope 2 (market-based) emissions. By the end of 2025, we expect to meet our established target by raising our renewable electricity ratio to over 50%.

Environment

◆ Scope 3

Scope 3, which accounts for approximately 99.8% of our total GHG emissions, is essential for building a sustainable supply chain and requires a robust and collaborative approach. Through engagement with our suppliers, we will promote initiatives to improve data quality and reduce GHG emissions.

To decrease indirect emissions associated with our distribution and logistics activities, we are striving to improve our transportation practices. Specifically, we are working to reduce emissions by shifting to transportation methods with lower GHG profiles and by shortening transport distances through the consolidation of our shipping and inventory storage warehouses. These activities contribute not only to the reduction of greenhouse gases but also to the reduction of volatile organic compounds (VOCs), sulfur oxides (SOx), nitrogen oxides (NOx), and other particulate matter that cause air pollution.

Greenhouse Gas (GHG) Scope 3 Emissions for Fiscal Year 2024: Breakdown by Gas Type

(Based on IPCC 2021 (AR6) - 100-Year GWP^{※1})※1

Category	kg CO2	kg CH4	kg N2O	kg HFCs	kg PFCs	kg SF6	kg NF3	kg Other ※3	tCO2e
Purchased goods and services	48,123,672.00	3,391,001.82	270,229.76	410,173.80	1,014.46	18,073.11	2.59	508,474.34	52,563.92
Capital goods	45,466.71	1,415.69	221.35	143.15	132.02	75.05	68.03	418.16	47.94
Fuel- and energy-related activities (not included in scopes 1 or scope 2)	18,687.75	4105.24	18.02	0.008	0.01	0.03	0.001	0.002	55.57.
Upstream transportation and distribution	856,227.98	30,355.58	7,161.84	0.03	0.06	0.58	>0.001	0.008	893.75
Waste generated in operations	46,590.61	167.25	938.19	0.03	0.09	3.60	>0.001	76.92	47.70
Business travel	-	-	-	-	-	-	-	-	46.15
Employee commuting	58,885.50	1,842.91	279.24	0.008	0.33	22.01	>0.001	35.82	61.03
Upstream transportation and distribution	840,219.56	29,650.15	6,980.78	0.03	0.08	1.73	>0.001	407.56	876.85
Scope3 (tCO2e)									54,592.90.

※1:Excludes emissions from Land Use, Land Use Change, and Foresry (LULUCF)

※2:Scope 3 Category 6 (Business travel) is not available as it was calculated using a different method

※3:Other greenhouse gases outside of the reporting scope of the GHG Protocol (e.g., CFCs, NH3)

◆ Short- to Mid-Term Strategy

To strengthen our climate governance and disclosure, we are preparing to align with major international frameworks.

Specifically, we plan to formally commit to the Science Based Targets initiative (SBTi) by April 2026 and set our short- and long-term targets by 2028. In addition, we aim to obtain third-party assurance for our Scope 1 and 2 emissions.

Furthermore, we will strive to enhance transparency regarding our climate-related risks and opportunities by incorporating the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the Sustainability Accounting Standards Board (SASB).

To further strengthen these initiatives, we will consider introducing tools for data collection automation and visualization in our next mid-term management plan. We aim to reinforce the foundation for achieving our Science Based Targets (SBTs) by creating an accurate and detailed inventory across all our sites, including those overseas.

Environment

Waste and GHG emissions Reduction

Recognizing that the easiest way to reduce waste is to not generate it in the first place, we have implemented a comprehensive waste management strategy based on the "5R Principles" to minimize our environmental impact.



◆ Initiatives for Avoidable Waste

A swift and stable supply is essential to earning our customers' trust. For this reason, our company places great importance on maintaining its own inventory. However, a key challenge has been the large amount of usable raw material inventory that we are forced to dispose of for various reasons. In particular, a significant portion of our waste inventory was due to expired quality assurance periods, and we are focused on solving this issue.

Specifically, we are preventing products from expiring by reviewing our warehouse inventory management system and ensuring proper control. For products nearing their expiration date, we confirm their safety and then sell them at a discount to reduce waste. Furthermore, we are recycling damaged and torn plastic transportation pallets—which previously had to be discarded—thereby reusing resources and contributing to CO2 reduction.

To reduce our CO2 emissions, we are consolidating our external warehouses. This will decrease emissions associated

with transportation between warehouses. Additionally, we are implementing joint deliveries in some areas, striving to reduce transportation energy wherever possible.

◆ Reducing Packaging Materials with Dunnage

Dunnage refers to molded sheets designed to fit the shape of the cargo being transported. It allows products to be stacked, packaged, and transported safely as is. This system leads to a significant reduction in the use of conventional packaging materials. At Iwase Cosfa, we have introduced dunnage for packaging 18-liter cans and are working to reduce packaging materials by repeatedly reusing it.

◆ Leading Tenant Action Policy

Our company endorses the "Leading Tenant Action Policy," an initiative promoted by the Ministry of the Environment to encourage the decarbonization of tenant buildings. By participating in opinion exchanges and discussions with other endorsing companies, we will continue our efforts to reduce the environmental impact and energy consumption within our own tenant building.

※ List of companies endorsing the Leading Tenant policy (Japanese):
https://www.env.go.jp/earth/zeb/tenant/04_industry.html

◆ About TDM Partners

As a sponsoring company of the Expo 2025 Osaka, Kansai, Japan, we are active as a "TDM Partner." TDM (Transportation Demand Management) is an initiative aimed at alleviating traffic congestion and reducing environmental impact. Our company contributes to easing traffic congestion during the Expo by promoting the use of public transportation, encouraging bicycle commuting, and utilizing telework.

◆ Internal Eco-Activities

To protect the environment and reuse resources, we promote eco-activities internally. By continuing these small initiatives, we aim to raise the environmental awareness of our employees and strive to recycle resources and reduce waste.

- Discontinued the use of paper cups
- Switched to recycled polypropylene (PP) for our clear files
- Recycled the acrylic partitions that were introduced during the COVID-19 pandemic
- Donated unneeded office tableware



Yoshitaka Ishino

Director; General Manager,
Administration Department, Compliance
Promotion Office

By optimizing order timing with our automated ordering system "Ala-Hatchu" and selling damaged or near-expiry items at a discount, we have reduced the value of our waste inventory by 46.2%. Furthermore, we have reused 68 plastic pallets, advancing the recycling of plastic waste.

In fiscal year 2025, we plan to further promote the optimization of our inventory levels. At our new warehouse, we plan to utilize solar energy, introduce equipment to reduce the operational burden on staff, and advance the effective use of waste raw materials.

MESSAGE

Environment

Supplier Engagement

Iwase Cosfa recognizes the importance of collaborating with our suppliers and partners to reduce greenhouse gas (GHG) emissions in order to address the global challenge of climate change.

We encourage our suppliers to set ambitious reduction targets, including those validated by the Science Based Targets initiative (SBTi). Since 2024, we have intensified our engagement with suppliers on the issues of global warming and climate change. Through this initiative, we have confirmed that as of the end of 2024, over one-third of our tier 1 suppliers have already set Science Based Targets.

KPI	FY2030 Target	FY2024 Results
Suppliers with independent targets	Under investigation	58.17%
Suppliers committed to setting SBT	Under investigation	3.46%
Suppliers with validated SBT	Under investigation	36.20%

※ Based on purchases value

As part of the development of Iwase Cosfa's next mid-term management plan (2026-2028), we will begin to establish specific goals and targets for our supplier engagement starting in 2025.

Sales of Sustainable Materials

Iwase Cosfa recognizes the issue of global warming resulting from CO₂ and other greenhouse gas emissions as one of the most important issues we face. The Group has been implementing various measures to respond to issues caused by climate change. Iwase Cosfa sets sales targets regarding raw materials that can directly or indirectly reduce environmental impacts or risks every year, which contributes to expanding sales of sustainable materials. In fiscal 2024, we worked hard to increase sales of sustainable raw materials, and

Sales results of eco-friendly products

Eco-friendly products	FY2022	FY2023	FY2024	Comparison with the FY2024 target
Plant-based raw materials (kg)	1,187,909	1,188,108	1,700,894	110%
Raw materials that do not include a heating process at the time of use (kg)	100	1,247	3,080	194%
Raw materials that can shorten the production process (kg)	1,960	1,600	10	17%
Raw materials that can potentially reduce and prevent environmental risks (kg)	219	1,648	166,407	143%
Total	1,190,188	1,192,613	1,870,391	112%

*See Targets on page 45

[Definition of Sustainable materials (eco-friendly products)]

① Materials (or raw materials) that can directly or indirectly participate to reducing environmental impacts or risks, such as the following:

- ①-1 Materials of plant origin
- ②-2 Materials whose manufacturing or transformation does not involve any heating process
- ③-3 Materials whose use allows for a shorter manufacturing process

② Raw materials whose use is likely to prevent or reduce environmental risks, such as the following:

- Materials manufactured according to the principles of Green Chemistry
- Materials that
- Materials of 100% natural origin and/or materials that, by definition, have a low environmental impact

In the future, we intend to make use of LCA (life cycle assessment) and other approaches to provide materials that can contribute to further reduction of environmental impacts at all stages of the product life cycle, from raw material procurement to disposal and recycling after use.

Environment

Other Environmental Activities

◆ Efforts to reduce water consumption and wastewater volume

Iwase Cosfa continuously conducts monitoring and strives for appropriate management and reduction of water consumption and wastewater discharge to conserve limited water resources. In 2022, water consumption drastically increased due to the expansion of our Karatsu Wellness Farm business. In 2024, we were able to reduce water consumption by more than 9.4%.

◆ Utilization of fungus beds

As part of the beauty and health business, we operate our own farm, Karatsu Wellness Farm, in Karatsu City, Saga Prefecture, where we grow and sell kikurage (cloud ear mushroom). We are making effective use of resources and contribute to the local community by providing fungus beds usually discarded after cultivation to local agricultural cooperatives to be turned into compost, which are then used as fuel at bio-power plant. We also offer to nearby kindergartens beetles raised on waste fungus beds free of charge.



White kikurage we cultivate

◆ Environmental Protection Activities

Through the "Keidanren Nature Conservation Fund", we donate to conservation activities for the preservation of nature in developing regions, mainly in the Asia-Pacific region, and for the conservation of Japan's outstanding natural environments, as well as to grant projects that make sustainable use of the environment. Please check our official website to learn more about our other environmental and social contributions.



Cosfa International Trading (Guangzhou) employees

◆ Tree planting activities

In celebration of the "National Tree Planting Day" in China, employees of Cosfa International Trading (Guangzhou) planted saplings on March 18, 2024 (participants: 28 employees) to contribute to environmental protection. In addition to supporting the achievement of the SDGs, this initiative also helps raising awareness of CSR within the company and improving employee communication. We will continue to conduct this initiative at least once a year. In 2024, Cosfa International Trading (Shanghai) also started tree-planting activities.

Iwase Cosfa works hard to further raise awareness of the importance of preserving the local environment throughout the entire Iwase Cosfa Group and strives to provide opportunities for each and every employee to get involved in such local initiatives.

Sustainable Procurement

Iwase Cosfa recognizes that promoting sustainable procurement activities throughout the entire supply chain is crucial. We strive not to procure or purchase materials that may lead to human rights violations and environmental destruction.



Basic Approach

Iwase Cosfa recognizes the importance of addressing issues such as human rights violations, environmental destruction, and proper working conditions, throughout the supply chain. Under our sustainable procurement policy, we promote the procurement of certified materials and engage in education and awareness-raising on CSR for our employees, suppliers, and business partners.

Sustainable Procurement Policy

Iwase Cosfa is committed to complying with laws, regulations, and rules as well as promoting sustainable procurement to realize a better society, protect the environment, and develop local communities. To realize these commitments, we endeavor to achieve the following goals.

- Raising the CSR awareness of our suppliers

We are committed to raising the CSR awareness of our suppliers because we want to do business with companies that are committed to CSR. To this end, we strive to raise our suppliers' awareness of our Supplier Code of Conduct. We will focus on reducing the likelihood of suppliers breaching local environmental and social laws and consequently disrupting the supply chain.

- By 2025, we aim to obtain signatures on our Supplier Code of Ethics from 70% of our major suppliers*.
- By 2025, we will assess the level of CSR awareness of our major suppliers* and work to improve their CSR awareness through training and one-on-one advice.

*Definition of major suppliers: suppliers accounting for more than 50% of purchases amount

- Sustainable raw material procurement

Iwase Cosfa strives to procure sustainable raw materials. As part of efforts to protect the environment in areas that produce palm oil and to consider the human rights of plantation workers, Iwase Cosfa joined the Roundtable on Sustainable Palm Oil (RSPO), an international NPO, in 2017.

- Iwase Cosfa aims to switch 100% of palm oil and palm kernel oil-derived raw materials to RSPO-certified raw materials by 2030.

- Raising CSR awareness of employees involved in purchasing activities

Iwase Cosfa complies with its own purchasing management rules and promotes fair trade. As for forming fair and sound relationships with our business partners and compliance with laws and regulations, we provide employees involved in purchasing activities with training opportunities to learn about social and environmental issues in the supply chain, which leads to enhancement of awareness on our CSR activities.

- We will strive to ensure that employees involved in purchasing activities receive annual training on fair trade.

This sustainable procurement policy is reviewed annually by Iwase Cosfa's CSR Promotion Office Director and is made available to all stakeholders through this CSR Report.

Sustainable Procurement

Targets, KPIs, and Achievements

Iwase Cosfa recognizes the most important factor in our sustainable procurement activities is to strengthen cooperation with our suppliers. We are advocating for CSR procurement by having our suppliers agree to our Supplier Code of Ethics and by conducting questionnaire surveys among our suppliers.

◆ Supplier practices

We obtained agreement on the Supplier Code of Conduct from 68% of our suppliers. The ratio of suppliers that have signed the Code decreased in FY2024. In order to further encourage agreement, we will continue to provide explanations to our suppliers regarding our Code of Ethics and fulfill our responsibilities.

KPI	FY2025 Target	FY2024 Target	FY2024 Results
Ratio of suppliers that have signed the Code of Conduct (%)	70	70	68

◆ Sustainable raw material procurement

We strive to sell certified raw materials that respect human rights and the environment. In fiscal 2024, we strived to procure and sell certified raw materials that respect human rights and the environment, and the procurement rate of RSPO-certified raw materials was approximately 61%. We will continue our efforts to expand sales of certified raw materials.

KPI	FY2030 Target	FY2024 Target	FY2024 Results
Procurement rate of RSPO-certified raw materials (%)	100	60	60.86

Supplier Practices

Iwase Cosfa conducted a questionnaire survey on CSR activities for all suppliers as the next step to deepen CSR activities throughout the entire supply chain. Based on the results of this survey, we will upgrade education for suppliers and further strengthen collaboration, including initiatives to sell sustainable raw materials beyond the companies' own borders.

◆ Supplier Code of Ethics

Iwase Cosfa established the Supplier Code of Ethics in 2019 to specify the approach to raw material procurement, and revised it again in fiscal 2023. In addition to asking the consent of all our suppliers to this Code of Ethics, we have made it available to our stakeholders through our website. In 2025, we will update this Code of Ethics once again.

Overview of the Iwase Cosfa Group Code of Ethics

1. CSR Promotion / Social Contribution / Organizational Governance
2. Legal Compliance / Fair Trade / Corporate Ethics
3. Respect for Human Rights / Safety and Health
4. Environmental Protection
5. Quality and Safety Assurance
6. Confidentiality and Information Security Measures / Intellectual Property Protection
7. Information Disclosure / Communication / Local Communities

*For the full text of the Supplier Code of Ethics, please see below.

<https://www.cosfa.co.jp/wp-corporate/wp-content/themes/cosfa-corporate/assets/pdf/Iwase-Cosfa-Supplier-Code-of-Ethics-2023.pdf>

◆ Supplier Evaluation Process

To identify and mitigate supply chain risks, Iwase Cosfa regularly evaluates its tier 1 (direct) suppliers through CSR questionnaires. In addition to quality and management, we conduct detailed assessments of their activities and initiatives from the perspectives of sustainability and ESG (Environment, Social, and Governance).

Overview of the Evaluation Process

For New Suppliers

0. Initial Assessment

• Company & Raw Material Information

For existing suppliers

1. Iwase Cosfa CSR Self-Assessment Questionnaire (SAQ)

For Suppliers with an existing EcoVadis assessment:

• Supplier Code of Ethics

For suppliers without an EcoVadis assessment:

• Supplier Code of Ethics

• GCNJ Common SAQ※

2. Corrective Actions

• We request corrective and improvement action from suppliers identified as "high-risk"

※ A self-assessment questionnaire for CSR procurement developed and distributed by the Global Compact Network Japan (GCNJ): <https://www.ungcnj.org/activities/help/index.html>

Sustainable Procurement

◆Iwase Cosfa CSR Self-Assessment Questionnaire

We conduct an annual CSR self-assessment questionnaire for all our tier 1 suppliers. The purpose of this questionnaire is to identify potential risks in our supply chain, assess the continuous improvement progress of each supplier over the past year, and confirm their compliance with our Supplier Code of Conduct. The survey includes topics of particular importance to our business, such as the procurement of high-risk commodities, measurement of greenhouse gas (GHG) emissions, initiatives for biodiversity conservation, and risk management systems. We also inquire about each supplier's certifications and their participation in initiatives such as Sedex and CDP. This CSR questionnaire is utilized to complement our EcoVadis assessments.

In February 2025, we received cooperation from 580 of our tier 1 suppliers. This serves as an opportunity for our suppliers to deepen their understanding of our CSR activities and provides an important indicator for our future supply chain management.

KPI	FY2025 Target	FY2024 Results
Number of companies surveyed	580	580
Of which, "Key Suppliers"	15	15
Response rate	71%	68%
"Key Suppliers" response rate	100%	81.25%

*:Suppliers accounting for the top 50% of total purchase value

◆Risk Identification

We assess supplier risk by combining multiple factors. The main evaluation criteria are as follows:

- Responses to the Iwase Cosfa CSR Self-Assessment Questionnaire
- The nature of the products or services supplied
- The maturity of their development and implementation of sustainable policies and activities
- Their level of importance within our supply chain (scale of impact)

Going forward, we will continue to review our risk identification process and strive to report more detailed information.

◆Corrective Actions

For suppliers where risks have been identified, we request their cooperation in making improvements and regularly monitor their progress. If improvements are not forthcoming, or in cases of non-compliance with laws and regulations related to human rights, labor, or the environment, we may discontinue our business relationship with them.

◆CSR Opinion Exchange Meetings

Iwase Cosfa believes that the active participation and cooperation of all stakeholders are essential to achieving a sustainable supply chain, and we continuously strive to deepen mutual understanding with our suppliers.

Since the second half of 2023, we have been holding "CSR Dialogue Sessions," creating a forum to discuss sustainability initiatives and other topics with our suppliers. This initiative has the following three objectives:

- To grasp and understand the challenges faced by suppliers
- To share best practices
- To collaborate on resolving CSR challenges

※ Percentage of suppliers with whom dialogue sessions were held: Approximately 30% on a purchase value basis (as of December 2024).

To achieve sustainable raw material procurement, we will continue to promote this initiative and strive to provide ever more appropriate and effective support to our suppliers.

Sustainable Procurement

◆ External Supplier Assessments

At Iwase Cosfa, we continuously monitor our suppliers' performance and responses to external assessments. Looking ahead, we are considering setting specific targets related to these external assessments to further mitigate risks within our supply chain.

KPI	FY2030 Target	FY2024 Results
Supplier assessed by EcoVadis	Under Investigation	59%
Suppliers reporting to the CDP	Under Investigation	43%

※ Based on purchase value

◆ Supplier Support

We recognize that supplier engagement and support are essential for promoting sustainability throughout the entire supply chain. Therefore, we plan to significantly strengthen our initiatives to provide CSR-related support, education, and capacity building for our suppliers.

As a first step, we will hold a CSR webinar for our Tier 1 suppliers in 2025. Through this, we aim to raise supplier awareness, share best practices, and provide the knowledge and tools needed to manage their environmental and social impacts.

Responsible Sourcing

Iwase Cosfa is dedicated to promoting sustainable sourcing activities throughout our supply chain, contributing to the realization of a sustainable society. To avoid sourcing raw materials linked to human rights abuses or environmental destruction, all of our overseas locations have obtained RSPO distributor licenses. We also strive to source and sell sustainable and certified raw materials, aiming for a supply chain free from deforestation.

◆ High-Risk Commodities

In consultation with our stakeholders and based on the latest regulatory requirements and market expectations, Iwase Cosfa is in the process of identifying "high-risk commodities." These are materials that are more likely to be associated with human rights abuses or environmental destruction during their cultivation or extraction, and mitigating their risks is a top priority.

We will identify the higher-risk items among the products we source and work to manage them appropriately and reduce their associated risks.

◆ Raw Material Traceability

To mitigate risks in our supply chain, Iwase Cosfa collaborates with all our partners to improve the traceability of the products we provide to customers and to increase the transparency of their origins.

As part of this effort, we have registered on "Transparency-One," a platform that enables the exchange of traceability information between buyers and suppliers, and we respond to information requests from our partners through it.



◆ Sourcing and Sales of Certified Products

Iwase Cosfa strives to build a more sustainable supply chain by obtaining and maintaining certifications for sustainable raw material sourcing. We actively handle raw materials that have acquired the following certifications:

- RSPO certification
- Ecocert/Cosmos Certification
- Halal/Vegan certification

Sustainable Procurement

Deforestation-free procurement

Iwase Cosfa recognizes that palm cultivation is a leading cause of deforestation in the world.

It has becoming increasingly clear that forests and natural ecosystems play an important role in mitigating climate change and conserving biodiversity, and that urgent action must be taken to address the situation.

We are also aware that palm cultivation is associated with various Human Rights issues, particularly the exploitation of Indigenous Peoples and Child and Forced Labor. Therefore, we regard the procurement of palm-based and palm-derived raw materials as having the potential to seriously affect our business activities, and we are committed to mitigating the risks associated with such procurement.

◆ RSPO (Roundtable on Sustainable Palm Oil)

Iwase Cosfa has been a member of the RSPO since 2017 and is committed to procuring certified raw materials that respect environmental conservation and human rights in palm oil-producing regions. As of 2024, we have obtained RSPO certification at all of our overseas bases, support the NDPE (No Deforestation, No Peat, No Exploitation) principle with the aim of procuring based on it. We share the vision and values promoted by the RSPO and strive to source raw materials in accordance with the RSPO Principles & Criteria (2018).



We aim to switch 100% of our palm oil- and palm kernel oil-derived raw materials to RSPO-certified raw materials by 2030. In 2024, 60.86% of the palm-based materials supplied by Iwase Cosfa were RSPO-certified.

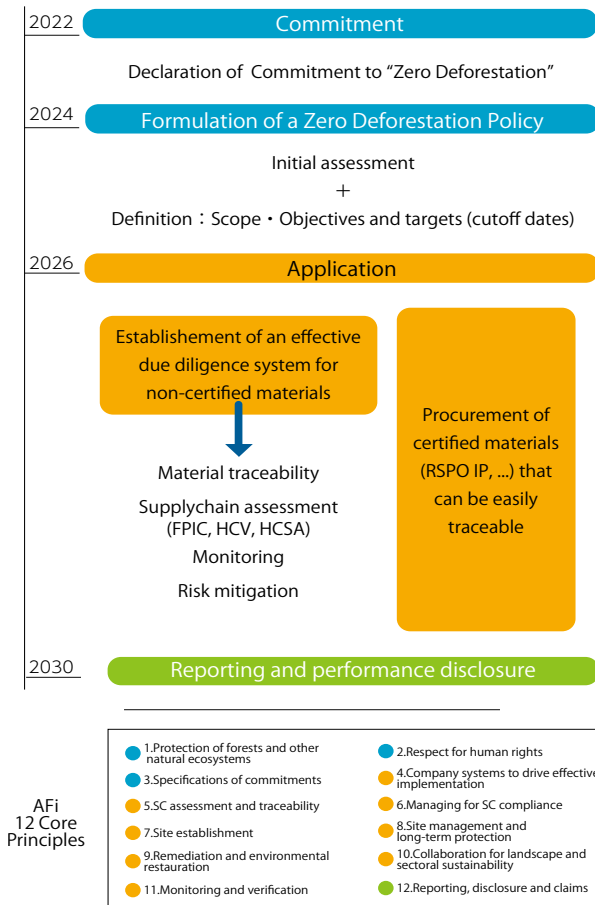
◆ Deforestation-free procurement

With the aim of achieving raw material procurement free of deforestation, Iwase Cosfa has established a roadmap, and aims to achieve zero deforestation in line with the 12 principles of the Accountability Framework Initiative (AFi).

As the first step of this roadmap, we announced publicly our commitment to support the NDPE (No Deforestation, No peat, No Exploitation) principles and to achieve procurement based on these principles, in our 2022. CSR Report We have also have included these principles in our Supplier Code of Ethics.

In 2024, we conducted an initial assessment of our supply chain and we are working to develop a strong Zero-Deforestation Policy in 2025.

"Toward Zero Deforestation" Roadmap



*Iwase Cosfa complies with the law and strives to be EUDR (European Union Deforestation Regulation) compliant for products sold in the EU market.

Sustainable Procurement

◆ Conflict minerals

Iwase Cosfa is not involved in inhumane acts in conflict zones or transactions that could fund anti-government organizations. To avoid purchasing conflict minerals in violation of the regulations, we obtain conflict-free certificates for raw materials from all applicable suppliers and advocate for responsible mineral procurement. We may not continue to do business with uncertified suppliers.

- Letter on conflict minerals (to attest that a product does not come from the use of conflict minerals) (Number of target companies: 4 companies / 4) = 100%

Throughout 2024, we enhanced our mineral sourcing management framework and worked with all stakeholders to prepare for further risk mitigation across our supply chain.

By the end of 2025, we will redefine our sustainable sourcing policy in alignment with the "OECD Due Diligence Guidance for Responsible Business Conduct" and the "OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas." Furthermore, we are committed to implementing a risk-based approach—identifying, addressing, and mitigating risks—in all our business activities.

Other Sustainable Procurement Activities

◆ Our "Partnership Building Declaration"

We have formulated a "Partnership Building Declaration" to foster co-existence and mutual prosperity throughout our supply chain. This declaration affirms our commitment as a responsible corporation to conduct fair trade and build lasting, sustainable relationships with our material suppliers and partners. Through mutual understanding and trust, we will co-create value and contribute to resolving key societal issues.



※Iwase Cosfa Declaration:

<https://www.biz-partnership.jp/declaration/69731-09-00-osaka.pdf>

◆ White Logistics

Iwase Cosfa endorses the White Logistics promotion initiative* proposed by the Ministry of Land, Infrastructure, Transport and Tourism, the Ministry of Economy, Trade and Industry, and the Ministry of Agriculture, Forestry and Fisheries in 2022, and has submitted a declaration of voluntary action regarding six items to be implemented.



Declaration of voluntary action on the White Logistics promotion initiative

The White Logistics promotion initiative is one to improve productivity and logistics efficiency in truck transportation and to create a "white" working environment that is friendly to female drivers, drivers in their 60s, and others, thereby ensuring a stable logistics supply chain. We aim to help solve logistics problems through using pallet transportation and enhancing collaboration among suppliers, including promotion joint deliveries, as well as helping to reduce the environmental impacts of logistics.

*White Logistics promotion initiative: <https://white-logistics-movement.jp/list/>



Yoko Serizawa

General Manager, CSR Promotion Office

We recognize that sustainable raw material procurement is essential for us to fulfil our responsibility to the environment and society, and we view this initiative as a part of our commitment to the efficient use of resources, environmental protection, and corporate social responsibility. In a rapidly evolving regulatory environment, we are aware of our responsibility toward all stakeholders to identify and mitigate risks in our supply chain, as well as increasing its transparency. This also helps us earn stronger trust from our customers and suppliers.

We look at the entire supply chain and place emphasis on social and environmental perspectives in the procurement of raw materials. We will continue to actively engage in these efforts.

MESSAGE



Appendix

Number of employees and gender ratio (as of December 31st,2024)

Company Name	2018			2019			2020			2021			2022			2023			2024		
	Total	M	F	Total	M	F	Total	M	F	Total	M	F	Total	M	F	Total	M	F	Total	M	F
Total*	248	121	127	280	127	153	306	138	168	313	135	177	348	150	198	345	149	196	363	163	200
	100%	49.0%	51.0%	100.0%	45.0%	55.0%	100%	45.0%	55.0%	100%	43.0%	57.0%	100%	43.1%	56.9%	100%	43.1%	56.9%	100%	43.1%	56.9%
IWASE COSFA CO., LTD.	160	80	80	184	86	98	197	91	106	200	89	111	214	95	119	205	85	120	211	85	120
	65.0%	50.0%	50.0%	66.0%	47.0%	53.0%	64.0%	46.0%	54.0%	64.0%	45.0%	56.0%	61.5%	44.4%	55.6%	59.4%	41.5%	58.5%	58.1%	40.3%	56.9%
COSFA INTERNATIONAL TRADING (SHANGHAI) CO., LTD.	25	12	13	26	12	14	23	9	14	30	12	18	30	12	18	30	14	16	39	14	25
	10.0%	48.0%	52.0%	9.0%	46.0%	54.0%	8.0%	39.0%	61.0%	10.0%	40.0%	60.0%	8.6%	40.0%	60.0%	8.7%	46.7%	53.3%	10.2%	32.4%	67.6%
COSFA INTERNATIONAL TRADING (GUANGZHOU) CO., LTD.	23	10	13	24	11	13	24	11	13	27	12	15	28	13	15	36	15	21	34	16	18
	9.0%	43.0%	57.0%	9.0%	46.0%	54.0%	8.0%	46.0%	54.0%	9.0%	44.0%	56.0%	8.0%	46.4%	53.6%	10.6%	41.7%	58.3%	9.4%	47.1%	52.9%
IWASE COSFA EUROPE S.A.S	9	6	3	11	4	7	17	6	11	18	6	12	22	10	12	26	12	14	28	12	16
	4.0%	67.0%	33.0%	4.0%	36.0%	64.0%	6.0%	35.0%	65.0%	6.0%	33.0%	67.0%	6.3%	45.5%	54.5%	7.5%	46.2%	53.8%	7.4%	40.7%	59.3%
IWASE COSFA VIETNAM CO., LTD.	15	5	10	17	6	11	18	6	12	19	7	12	22	6	16	20	10	10	21	15	6
	6.0%	33.0%	67.0%	6.0%	35.0%	65.0%	6.0%	33.0%	67.0%	6.0%	37.0%	63.0%	6.3%	27.3%	72.7%	5.8%	50.0%	50.0%	5.5%	70.0%	30.0%
IWASE COSFA KOREA CO., LTD.	5	3	2	4	2	2	3	2	1	4	2	2	7	3	4	5	2	3	7	4	3
	2.0%	60.0%	40.0%	1.0%	50.0%	50.0%	1.0%	67.0%	33.0%	1.0%	50.0%	50.0%	2.0%	42.9%	57.1%	1.4%	40.0%	60.0%	1.9%	57.1%	42.9%
IWASE COSFA USA INC.	2	1	1	3	2	1	3	2	1	4	3	1	4	2	2	5	2	3	6	4	2
	1.0%	50.0%	50.0%	1.0%	67.0%	33.0%	1.0%	67.0%	33.0%	1.0%	75.0%	25.0%	1.1%	50.0%	50.0%	1.4%	40.0%	60.0%	1.1%	50.0%	50.0%
IWASE COSFA (THAILAND) CO., LTD.	9	4	5	9	4	5	11	4	7	10	4	6	11	4	7	9	4	5	8	7	1
	4.0%	44.0%	56.0%	3.0%	44.0%	56.0%	4.0%	36.0%	64.0%	3.0%	40.0%	60.0%	3.2%	36.4%	63.6%	2.6%	44.4%	55.6%	1.7%	83.3%	16.7%
PT. IWASE COSFA INDONESIA	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	4	0	4
	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1.1%	0%	100%
IWASE COSFA MOROCCO SARL**	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	0	0	0
	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	0%	0%	0%
DAINIHONKASEI CO., LTD.	—	—	—	—	—	—	4	1	4	6	1	5	10	5	5	9	5	4	9	5	4
	—	—	—	—	—	—	1.0%	25.0%	100.0%	2.0%	17.0%	83.0%	2.9%	50.0%	50.0%	2.6%	55.6%	44.4%	2.6%	55.6%	44.4%

*including temporary workers / **dispatched workers only / — : No available data

Work accident

Indicator	2018	2019	2020	2021	2022	2023	2024
Work accident number*	0	0	0	1	0	0	2
Frequency rate of work accidents**	0	0	0	0	0	0	0
Intensity rate of work accidents***	0	0	0	0	0	0	0

*Work Accident: injuries, illnesses, disabilities or deaths of worker in the course of work.

**Frequency rate of Work Accident of directly hired employees=Work accident number / total number of working hours×1,000,000

***Intensity rate of Work Accident of directly hired employees=total number of working hours lost/total number of working hours×1,000

Employment of disabled people (Japan)

Indicator	2018	2019	2020	2021	2022	2023	2024
% of employees with disabilities	0.63%	0.54%	1.03%	1.76%	1.70%	1.63%	1.63%

Appendix

Gender equality: Number of male and female leaders (as of December 31st,2024)

Company Name	2018			2019			2020			2021			2022			2023			2024		
	Total	M	F	Total	M	F	Total	M	F	Total	M	F	Total	M	F	Total	M	F	Total	M	F
Total*	47	41	6	49	41	8	58	48	10	58	48	10	67	47	20	69	49	21	81	55	26
	100%	87%	13%	100%	84%	16%	100%	83%	17%	100%	83%	17%	100%	70%	30%	100%	69.6%	30.4%	100%	64.9%	32.09%
IWASE COSFA CO., LTD.	36	33	3	39	33	6	35	30	5	35	29	6	37	30	7	35	26	9	40	30	10
	77%	92%	8%	80%	85%	15%	60%	86%	14%	60%	83%	17%	60%	81%	19%	50.7%	74.3%	25.7%	49.4%	75%	25%
COSFA INTERNATIONAL TRADING (SHANGHAI) CO., LTD.	1	1	0	1	1	0	1	1	0	4	2	2	5	2	3	5	2	3	9	6	3
	2%	100%	0%	2%	100%	0%	2%	100%	0%	7%	50%	50%	7%	40.0%	60.0%	7.2%	40.0%	60.0%	11.1%	66.6%	33.3%
COSFA INTERNATIONAL TRADING (GUANGZHOU) CO., LTD.	1	1	0	1	1	0	1	1	0	4	2	2	6	3	3	6	3	3	7	3	4
	2%	100%	0%	2%	100%	0%	2%	100%	0%	7%	50%	50%	7%	50%	50%	8.7%	50.0	50.0%	8.6%	42.9%	57.1%
IWASE COSFA EUROPE S.A.S	2	2	0	4	2	2	6	3	3	2	2	0	1	1	0	3	2	1	3	2	1
	4%	100%	0%	8%	50%	50%	10%	50%	50%	3%	100%	0%	3%	100%	0%	4.3%	66.6%	33.3%	3.7%	66.6%	33.3%
IWASE COSFA VIETNAM CO., LTD.	1	1	0	1	1	0	1	1	0	4	2	2	3	0	3	2	1	1	2	1	1
	2%	100%	0%	2%	100%	0%	2%	100%	0%	7%	50%	50%	7%	0%	100%	2.9%	50.0%	50.0%	2.5%	50.0%	50.0%
IWASE COSFA KOREA CO., LTD.	1	1	0	1	1	0	1	1	0	3	2	1	4	2	2	4	2	2	5	3	2
	2%	100%	0%	2%	100%	0%	2%	100%	0%	5%	67%	33%	5%	50%	50%	5.8%	50.0%	50.0%	6.2%	60	40
IWASE COSFA USA INC.	1	1	0	2	2	0	2	2	0	2	2	0	1	1	0	3	3	0	2	2	0
	2%	100%	0%	4%	100%	0%	3%	100%	0%	3%	100%	0%	3%	100%	0%	4.3%	100%	0%	2.5%	100%	0%
IWASE COSFA (THAILAND) CO., LTD.	4	3	1	4	3	1	4	3	1	4	3	1	5	3	2	5	3	2	5	3	2
	9%	75%	25%	8%	75%	25%	7%	75%	25%	7%	75%	25%	7%	60%	40%	7.2%	60%	40%	6.2%	60	40
PT. IWASE COSFA INDONESIA	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	3	0	3
	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	3.7%	0%	100%
IWASE COSFA MOROCCO SARL**	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	0	0	0
	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	0%	0%	0%
DAINIHKONKASEI CO., LTD.	—	—	—	—	—	—	5	5	0	6	6	0	5	5	0	5	5	0	5	5	0
	—	—	—	—	—	—	9%	100%	0%	10%	100%	0%	10%	100%	0%	7.2%	100%	0%	6.2%	100%	0%

*including company executives / **dispatched workers only / — : No available data

Job separation rate (Japan)

Indicator	2021		2022		2023		2024	
	M	F	M	F	M	F	M	F
Job separation rate	6.98	8.57	4.71	17.12	10.23	13.79	6.82	2.13

Appendix

Working hours / Paid leave acquisition rate / Absenteeism rate

Indicator	Company Name	2018	2019	2020	2021	2022	2023	2024
Average designated overtime hours worked / month / employee	IWASE COSFA CO., LTD.	5.71	5.31	3.43	5.3	5.49	5.50	6.12
	COSFA INTERNATIONAL TRADING (SHANGHAI) CO., LTD.	5	5	5	1	1	1	1
	COSFA INTERNATIONAL TRADING (GUANGZHOU) CO., LTD.	5	5	3	0.5	0.22	0.72	0.43
	IWASE COSFA EUROPE S.A.S	0	0	0	0	0	0	0
	IWASE COSFA VIETNAM CO., LTD.	3	3	3	3	3	0	0
	IWASE COSFA KOREA CO., LTD.	16	16	16	163	156	4	8
	IWASE COSFA USA INC.	7.96	23.42	1.04	0	2.105	3.22	0.48
	IWASE COSFA (THAILAND) CO., LTD.	—	0	0	0	0	0	0
	PT. IWASE COSFA INDONESIA	—	—	—	—	—	—	—
	IWASE COSFA MOROCCO SARL*	—	—	—	—	—	—	0
	IWASE COSFA GROUP (Average)	5.71	5.1	3.44	5.55	6.83	3.65	3.92
Paid leave acquisition rate (%)	IWASE COSFA CO., LTD.	54.3%	55.5%	57.5%	69.8%	70.5%	70.2%	70.9%
	COSFA INTERNATIONAL TRADING (SHANGHAI) CO., LTD.	80.0%	80.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	COSFA INTERNATIONAL TRADING (GUANGZHOU) CO., LTD.	95.0%	97.0%	100.0%	98.0%	97.0%	99.0%	100.0%
	IWASE COSFA EUROPE S.A.S	73.1%	88.2%	76.0%	79.9%	87.6%	96.0%	96.0%
	IWASE COSFA VIETNAM CO., LTD.	90.0%	90.0%	90.0%	90.0%	100.0%	5.0%	5.0%
	IWASE COSFA KOREA CO., LTD.	70.0%	82.0%	95.0%	83.0%	86.0%	86.0%	90.0%
	IWASE COSFA USA INC.	0.0%	36.0%	44.0%	50.0%	78.0%	69.0%	77.0%
	IWASE COSFA (THAILAND) CO., LTD.	—	100.0%	100.0%	100.0%	69.0%	97.0%	97.0%
	PT. IWASE COSFA INDONESIA	—	—	—	—	—	—	—
	IWASE COSFA MOROCCO SARL*	—	—	—	—	—	—	0.0%
	DAINIHONKASEI CO., LTD.	—	—	100.0%	100.0%	100.0%	100.0%	100.0%
Absenteeism rate (%)	IWASE COSFA CO., LTD.	0.3%	0.1%	0.1%	0.2%	0.1%	0.2%	0.05%
	COSFA INTERNATIONAL TRADING (SHANGHAI) CO., LTD.	—	—	—	0.0%	0.0%	0.0%	0.0%
	COSFA INTERNATIONAL TRADING (GUANGZHOU) CO., LTD.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	IWASE COSFA EUROPE S.A.S	0.0%	0.0%	0.0%	1.4%	0.0%	0.0%	0.0%
	IWASE COSFA VIETNAM CO., LTD.	0.0%	0.0%	0.0%	0.0%	5.0%	0.0%	0.0%
	IWASE COSFA KOREA CO., LTD.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	IWASE COSFA USA INC.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	IWASE COSFA (THAILAND) CO., LTD.	—	0.0%	0.0%	0.0%	1.0%	0.0%	0.0%
	PT. IWASE COSFA INDONESIA	—	—	—	—	—	—	0.0%
	IWASE COSFA MOROCCO SARL*	—	—	—	—	—	—	0.0%
	DAINIHONKASEI CO., LTD.	—	—	0.0%	0.0%	0.0%	0.0%	0.0%

*dispatched workers only / — : No available data

Appendix

Employees training

Indicator	Company Name	2018	2019	2020	2021	2022	2023	2024
Total training hours	IWASE COSFA CO., LTD.	318.5	558.2	2448.8	3042.3	2302	7531	16,080
	COSFA INTERNATIONAL TRADING (SHANGHAI) CO., LTD.	300	300	300	300	300	37	33
	COSFA INTERNATIONAL TRADING (GUANGZHOU) CO., LTD.	20	20	384	513	298	298	237
	IWASE COSFA EUROPE S.A.S	—	—	649	171	54	137	98
	IWASE COSFA VIETNAM CO., LTD.	600	720	830	900	1000	72	100
	IWASE COSFA KOREA CO., LTD.	180	180	218	260	274.02	230	360
	IWASE COSFA USA INC.	0	0	24	56	40	24	31
	IWASE COSFA (THAILAND) CO., LTD.	—	—	13	48	324	64	186
	PT. IWASE COSFA INDONESIA	—	—	—	—	—	—	104
	IWASE COSFA MOROCCO SARL*	—	—	—	—	—	N/A	N/A
Number of employees trained	IWASE COSFA CO., LTD.	94	172	187	194	202	205	211
	COSFA INTERNATIONAL TRADING (SHANGHAI) CO., LTD.	24	24	26	30	30	30	37
	COSFA INTERNATIONAL TRADING (GUANGZHOU) CO., LTD.	20	20	24	27	27	27	34
	IWASE COSFA EUROPE S.A.S	—	—	14	13	8	24	17
	IWASE COSFA VIETNAM CO., LTD.	5	7	7	17	16	3	6
	IWASE COSFA KOREA CO., LTD.	3	4	3	2	6	6	6
	IWASE COSFA USA INC.	0	0	3	4	4	6	6
	IWASE COSFA (THAILAND) CO., LTD.	—	—	5	3	7	4	5
	PT. IWASE COSFA INDONESIA	—	—	—	—	—	—	1
	IWASE COSFA MOROCCO SARL*	—	—	—	—	—	N/A	N/A
Average training hours per employee	IWASE COSFA CO., LTD.	2	3	12.5	15.7	11.40	36.74	76.21
	COSFA INTERNATIONAL TRADING (SHANGHAI) CO., LTD.	13	12	11.5	10	10	1	0.9
	COSFA INTERNATIONAL TRADING (GUANGZHOU) CO., LTD.	1	1	16	19	11	11	6.9
	IWASE COSFA EUROPE S.A.S	—	—	38	13.15	6.75	5.8	5.8
	IWASE COSFA VIETNAM CO., LTD.	36	45	46	53	63	24	16
	IWASE COSFA KOREA CO., LTD.	36	45	73	130	45.67	46	60
	IWASE COSFA USA INC.	0	0	8	14	10	4	31
	IWASE COSFA (THAILAND) CO., LTD.	—	—	1.3	16	29	7.1	30
	PT. IWASE COSFA INDONESIA	—	—	—	—	—	—	104
	IWASE COSFA MOROCCO SARL*	—	—	—	—	—	N/A	N/A
	DAINIHONKASEI CO., LTD.	—	—	5	3	18.5	18.5	18.5
	IWASE COSFA GROUP (Average)	14.67	17.67	23.48	30.43	22.81	17.13	34.93

*dispatched workers only / — : No available data

Calculation method: total annual training hours / employees at the end of the year

Appendix

Trainings on information security (Japan)

Indicator	2021				2022			2023		2024	
Training name	Case study : the latest threats to information Security	Threats and counter-measures against PC takeover by targeted attacks	Counter measures against internal improprieties and information leakage	Countermeasures for "Common" Security Accidents in the Workplace, Part I: Countermeasures in case of Human Mistakes	Basic Knowledge on information Security Measures	Targeted Attacks: Threats and Countermeasures	Viruses and malwares: Threats and Countermeasures	Information security regular training	Case study: Information leakage and accident cases	Generative AI and associated risks training	Information security regular training
Number of times held	1	1	1	1	1	2	1	1	1	1	1
Duration (hours)	1.5	1.5	0.5	0.5	0.5	1	2	2	2	1	2
Participants	11	159	175	175	175	218	140	140	140	211	211

Compliance-related trainings (Japan)

Indicator	2021					2022	2023				2024	
Training name	Next-generation Leader Training (harassment, copyright)	Workshop: Human Rights	Workshop: Copyrights	Workshop: About CSR	Workshop: Bribery	About Harassment in the Work place	About Harassment in the Work place	Bribery and gifts	Copyrights and image rights	Human Rights education	Harassment in the Work place, Human Rights, Bribery	Workshop: About CSR
Number of times held	1	1	1	1	1	2	1	1	1	1	2	3
Duration (hours)	1.5	1.5	0.5	0.5	0.5	1	2	2	2	2	1	2
Participants	11	159	175	175	175	218	140	140	140	140	211	363

Number of incidents

Indicator	2017	2018	2019	2020	2021	2022	2023	2024
Number of gift procedure violations	0	0	0	0	0	0	0	0
Number of compliance violations	0	1	0	0	0	0	0	2
Number of regulatory penalties	0	0	0	0	5	0	0	2
Number of security breaches	0	0	0	1	1	3	0	3
Number of whistleblowing reports	0	2	0	0	0	3	5	2
Number of reported child labor and forced labor incidents	—	—	—	—	0	0	0	0

*Data from FY2018 to FY2020 are for IWASE COSFA (Japan only). We expanded the scope to include IWASE COSFA Group from FY2021.

— : No available data

Appendix

Eco-friendly product sales and objectives

Indicator		Year	Objective(kg)	Results(kg)	Realization ratio
Materials that can directly or indirectly reduce environmental impacts or risks	Plant-based raw materials (kg)	2018	504,100	519,847	103.12%
		2019	556,600	464,682	83.49%
		2020	1,306,100	837,398	64.11%
		2021	1,403,900	1,167,447	83.16%
		2022	1,217,340	1,187,909	93.58%
		2023	1,285,800	1,188,108	92.80%
		2024	1,550,050	1,700,894	109.7%
	Raw materials that do not include a heating process at the time of use (kg)	2018	3,000	0	0.00%
		2019	2,000	136	6.80%
		2020	-	-	-
		2021	800	80	10.00%
		2022	220	100	45.45%
		2023	400	1,247	311.76%
		2024	1,590	3,080	193.7%
	Raw materials that can shorten the production process (kg)	2018	11,100	11,921	107.40%
		2019	21,300	13,335	62.61%
		2020	4,000	760	19.00%
		2021	3,200	1,150	35.94%
		2022	1,040	1,960	188.46%
		2023	2,150	1,600	74.42%
		2024	60	100	16.7%
Raw materials that can potentially reduce and prevent environmental risks (kg)	Materials with limited environmental impacts	2018	2,500	4,975	199.00%
		2019	300	0	0.00%
		2020	10,750	6,444	59.94%
		2021	4,290	3,821	89.07%
		2022	4,290	219	100%
		2023	2,750	1,648	59.93%
		2024	116,080	166,407	143.4%
Total		2018	520,700	536,743	103.08%
		2019	580,200	478,153	82.41%
		2020	1,320,850	844,602	63.94%
		2021	1,412,190	1,172,498	83.00%
		2022	1,218,820	1,190,188	97.65%
		2023	1,285,800	1,192,613	92.75%
		2024	1,667,780	1,870,391	112.1%

— : No available data

Appendix

Environmental data performance summary

Indicator	Category	2018	2019	2020	2021	2022	2023	2024
Petroleum consumption (L)	Gasoline	23,564.1	32,695.5	22,542.9	26,324.8	32,077.1	40,718.3	44,013.7
	Diesel	521.89	217.67	24.8	0	0	0	0
Gas consumption (m ³)	City Gas	95	85.76	108	89	806	702	631
	LPG	81	52.7	85.9	109.9	66.3	43.8	42.6
Electricity Consumption (Kwh)		431,529.2	577,814.8	602,224.1	580,556.5	702,773.9	706,532.7	723,123.1
From renewable sources		0	0	0	0	0	0	242,879.0
Water Consumption (m ³)	Municipal Water	92	71	73.18	3,191.98	2,779.6	2,683.9	2,429.0
	Groundwater	240	272	345	345	2,362	0	0
Wastewater volume (m ³)	Sewage	767	1129	1063.28	1140	1968	1968	1,525.0
	Industrial wastewater	0	0	0	0	0	0	0
Industrial waste volume (t)		25.12	38.99	22.97	30.0345	48.761	26.846	23.206
Specific hazardous industrial waste emissions (t)		0	0	0	0	0	0	0

GHG emissions

Indicator	2019	2020	2021	2022	2023	2024
Scope 1	64.58	52.19	60.36	74.33	96.21	103.86
Gasoline	64.12	51.48	60.02	72.33	94.52	102.20
Gas	0.46	0.71	0.34	2	1.57	1.66
Scope 2	384.94	357.14	356.5	324.65	338.56	319.84
Electricity	384.94	357.14	356.5	324.65	338.56	319.84
Scope 3	33,414,596.6	53,645,097.1	49,996,860.1	40,966.8	47,638.8	54,592.9
Purchased goods and services	33,394,843.2	53,632,825.6	49,982,890.7	38,816.7	45,523.6	52,563.92
Capital goods	17.51	37.42	12.79	155.80	61.71	47.94
Fuel-and energy-related activities (not included in scope 1 or scope 2)	20.33	21.00	22.80	67.90	70.63	55.57
Upstream transportation and distribution	828.10	1,308.80	1,158.18	984.10	976.01	893.75
Waste generated in operations	17,514.78	9,324.47	11,281.68	86.94	26.25	47.70
Business travel	350.20	39.79	41.46	37.31	127.19	46.15
Employee commuting	192.58	231.27	294.26	75.82	88.80	61.03
Downstream transportation and distribution	828.01	1,308.80	1,1158.18	742.29	764.64	876.85
Processing of sold products	—	—	—	—	—	—
Use of sold products	-	-	-	-	-	-

— : No available data

Appendix

Environmental data performance summary

Category	Boundary	Data type	Calculation Approach	Calculation Formula	Exclusions	Reason for Exclusion
1. Purchased Goods and Services	○	Secondary	Spend-based	$\Sigma (\text{Purchase amount by category}) \times (\text{Spend-based emission factor})$	Overseas Purchases (Japan only)	Uncertainty in data quality
2. Capital Goods	○	Secondary	Average-product	$\Sigma (\text{Amount of capital goods}) \times (\text{Emission factor per unit of capital goods})$	None	—
3. Fuel- and energy-related activities (not included in scopes 1 or scope 2)	○	Secondary	Average-data	$\Sigma (\text{Energy consumption}) \times (\text{Emission factor per unit of energy})$	None	—
4. Upstream transportation and distribution	○	Secondary	Distance-based	$\Sigma (\text{Weight of purchased goods}) \times (\text{Transport distance}) \times (\text{Ton-kilometer emission factor by transport mode})$	Excludes routes other than domestic Japan, intra-Europe, and Japan-Europe	Uncertainty in data quality
5. Wasted generated in operations	○	Secondary	Waste-type-specific	$\Sigma (\text{Amount by waste type}) \times (\text{Emission factor for waste treatment})$	Overseas Operations (Japan only)	Data not available
6. Business travel	○	Secondary	Other	$\Sigma (\text{Number of employees}) \times (\text{Per-employee emission factor})$	None	—
7. Employee commuting	○	Secondary	Distance-based	Japan: $\Sigma (\text{Individual commute distance}) \times (\text{Supplier-specific data}) \times 2 \times (\text{Business days})$ Overseas: $\Sigma (\text{Mode of transport}) \times (\text{Commute distance}) \times 2 \times (\text{Business days}) \times (\text{Passenger-km emission factor})$ → (Avg. emission intensity per employee by site) \times (No. of employees)	None	—
8. Upstream leased assets	—	—	—	—	—	Not applicable (No leased assets)
9. Downstream transportation and distribution	○	Secondary	Distance-based	$\Sigma (\text{Weight of goods}) \times (\text{Transport distance}) \times (\text{Ton-kilometer emission factor})$	Overseas transportation (Japan only)	Uncertainty in data quality
10. Processing of Sold Products	△	—	—	—	—	Data not available
11. Use of Sold Products	—	—	—	—	—	Not applicable (Intermediate products)
12. End-of-life of Sold Products	—	—	—	—	—	Not applicable (Intermediate products)
13. Downstream leased assets	—	—	—	—	—	Not applicable (No leased assets)
14. Franchises	—	—	—	—	—	Not applicable (No franchises)
15. Investments	○	—	—	—	—	Not applicable (No investments)

○: Included in calculation scope / △: Partially included or to be determined / —: Not applicable.

Appendix

Environmental data

Indicator	Category	Company Name	2018	2019	2020	2021	2022	2023	2024
Petroleum consumption (L)	Gasoline	IWASE COSFA CO., LTD.	11,034.0	9,730.1	6,519.5	7,557.5	7,769.3	8,449.4	9,314.6
		COSFA INTERNATIONAL TRADING (SHANGHAI) CO., LTD.	5,000	4,814.0	3,219.0	3,190.5	2,022.2	6,082.0	3,306.0
		COSFA INTERNATIONAL TRADING (GUANGZHOU) CO., LTD.	5,000.0	5,000.0	4,275.0	2,410.0	2,937.0	4,118.0	3,847.0
		IWASE COSFA EUROPE S.A.S	455.4	2,614.5	256.8	5,766.6	1,598.0	2,185.3	2,327.0
		IWASE COSFA VIETNAM CO., LTD.	3,346.0	3,420.0	4,476.0	4,476.0	4,524.0	4,742.0	5,347.0
		IWASE COSFA KOREA CO., LTD.	3,092.0	5,214.0	2,445.9	2,246.1	1,138.1	917.6	2,190.0
		IWASE COSFA USA INC.	636.6	1,902.8	1,350.8	678.0	914.6	914.6	1,482.0
		IWASE COSFA (THAILAND) CO., LTD.	—	0.0	0.0	0.0	11,174.0	10,754.8	16,200.0
		PT. IWASE COSFA INDONESIA	—	—	—	—	—	—	0
		IWASE COSFA MOROCCO SARL	—	—	—	—	—	—	0
			23,564.1	32,695.5	22,542.9	26,324.8	32,077.1	40,718.3	44,013.7
	Diesel	IWASE COSFA CO., LTD.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		COSFA INTERNATIONAL TRADING (SHANGHAI) CO., LTD.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		COSFA INTERNATIONAL TRADING (GUANGZHOU) CO., LTD.	0.0	0.0	0	0.0	0.0	0.0	0.0
		IWASE COSFA EUROPE S.A.S	521.9	217.7	24.8	0.0	0.0	0.0	0.0
		IWASE COSFA VIETNAM CO., LTD.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		IWASE COSFA KOREA CO., LTD.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		IWASE COSFA USA INC.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		IWASE COSFA (THAILAND) CO., LTD.	—	0.0	0.0	0.0	0.0	0.0	0.0
		PT. IWASE COSFA INDONESIA	—	—	—	—	—	—	0.0
		IWASE COSFA MOROCCO SARL	—	—	—	—	—	—	0.0
			521.9	217.7	24.8	0.0	0.0	0.0	0.0
Gas consumption (m3)	City gas	IWASE COSFA CO., LTD.	95.0	85.8	108.0	89.0	806.0	702.0	631.0
		COSFA INTERNATIONAL TRADING (SHANGHAI) CO., LTD.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		COSFA INTERNATIONAL TRADING (GUANGZHOU) CO., LTD.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		IWASE COSFA EUROPE S.A.S	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		IWASE COSFA VIETNAM CO., LTD.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		IWASE COSFA KOREA CO., LTD.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		IWASE COSFA USA INC.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		IWASE COSFA (THAILAND) CO., LTD.	—	0.0	0.0	0.0	0.0	0.0	0.0
		PT. IWASE COSFA INDONESIA	—	—	—	—	—	—	0.0
		IWASE COSFA MOROCCO SARL	—	—	—	—	—	—	0.0
			95.0	85.8	108.0	89.0	806.0	702.0	631.0
	LPG	IWASE COSFA CO., LTD.	81.0	52.7	85.9	109.9	66.3	43.8	42.6
		COSFA INTERNATIONAL TRADING (SHANGHAI) CO., LTD.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		COSFA INTERNATIONAL TRADING (GUANGZHOU) CO., LTD.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		IWASE COSFA EUROPE S.A.S	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		IWASE COSFA VIETNAM CO., LTD.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		IWASE COSFA KOREA CO., LTD.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		IWASE COSFA USA INC.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		IWASE COSFA (THAILAND) CO., LTD.	—	0.0	0.0	0.0	0.0	0.0	0.0
		PT. IWASE COSFA INDONESIA	—	—	—	—	—	—	0.0
		IWASE COSFA MOROCCO SARL	—	—	—	—	—	—	0.0
			81.0	52.7	85.9	109.9	66.3	43.8	42.6

— : No available data

Appendix

Indicator	Category	Company Name	2018	2019	2020	2021	2022	2023	2024
Water consumption (m ³)	Municipal Water	IWASE COSFA CO., LTD.	767.0	1,129.0	1,069.0	1,149.0	2,383.0	2,258.0	1,994.00
		COSFA INTERNATIONAL TRADING (SHANGHAI) CO., LTD.	—	—	—	—	—	—	—
		COSFA INTERNATIONAL TRADING (GUANGZHOU) CO., LTD.	—	—	—	—	—	—	24.0
		IWASE COSFA EUROPE S.A.S	—	—	—	—	—	—	—
		IWASE COSFA VIETNAM CO., LTD.	—	—	—	—	368.0	370.0	350.0
		IWASE COSFA KOREA CO., LTD.	92.0	71.0	64.9	12.5	14.6	15.9	21.0
		IWASE COSFA USA INC.	—	—	—	—	—	—	—
		IWASE COSFA (THAILAND) CO., LTD.	—	—	—	—	14.0	40.0	40.0
		PT. IWASE COSFA INDONESIA	—	—	—	—	—	—	—
		IWASE COSFA MOROCCO SARL	—	—	—	—	—	—	0.0
			859.0	1200.0	1133.9	1,161.5	2,779.6	2,683.9	2,429.0
	Groundwater	IWASE COSFA CO., LTD.	—	—	—	—	0.0	0.0	0.0
		COSFA INTERNATIONAL TRADING (SHANGHAI) CO., LTD.	—	—	—	—	—	0.0	0.0
		COSFA INTERNATIONAL TRADING (GUANGZHOU) CO., LTD.	—	—	—	—	0.0	0.0	0.0
		IWASE COSFA EUROPE S.A.S	—	—	—	0.0	2.4	0.0	0.0
		IWASE COSFA VIETNAM CO., LTD.	240.0	272.0	345.0	345.0	—	0.0	0.0
		IWASE COSFA KOREA CO., LTD.	—	—	—	—	0.0	0.0	0.0
		IWASE COSFA USA INC.	—	—	—	—	—	0.0	0.0
		IWASE COSFA (THAILAND) CO., LTD.	—	—	—	—	0.0	0.0	0.0
		PT. IWASE COSFA INDONESIA	—	—	—	—	—	—	0.0
		IWASE COSFA MOROCCO SARL	—	—	—	—	—	—	0.0
			240.0	272.0	345.0	345.0	2.4	0.0	0.0
Wastewater volume (m ³)	Sewage	IWASE COSFA CO., LTD.	767.0	1,129.0	1,055.0	1,140.0	1,968.0	1,880.0	1,525.0
		COSFA INTERNATIONAL TRADING (SHANGHAI) CO., LTD.	—	—	—	—	—	—	—
		COSFA INTERNATIONAL TRADING (GUANGZHOU) CO., LTD.	—	—	—	—	—	—	—
		IWASE COSFA EUROPE S.A.S	—	—	—	—	—	—	—
		IWASE COSFA VIETNAM CO., LTD.	—	—	—	—	—	—	—
		IWASE COSFA KOREA CO., LTD.	—	—	—	—	—	—	—
		IWASE COSFA USA INC.	—	—	—	—	—	—	—
		IWASE COSFA (THAILAND) CO., LTD.	—	—	—	—	—	—	—
		PT. IWASE COSFA INDONESIA	—	—	—	—	—	—	—
		IWASE COSFA MOROCCO SARL	—	—	—	—	—	—	0.0
			767.0	1,129.0	1,063.3	1,140.0	1,968.0	1,880.0	1,525.0
	Industrial wastewater	IWASE COSFA CO., LTD.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		COSFA INTERNATIONAL TRADING (SHANGHAI) CO., LTD.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		COSFA INTERNATIONAL TRADING (GUANGZHOU) CO., LTD.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		IWASE COSFA EUROPE S.A.S	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		IWASE COSFA VIETNAM CO., LTD.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		IWASE COSFA KOREA CO., LTD.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		IWASE COSFA USA INC.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		IWASE COSFA (THAILAND) CO., LTD.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		PT. IWASE COSFA INDONESIA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		IWASE COSFA MOROCCO SARL	0.0	0.0	0.0	0.0	0.0	0.0	0.0
			0.0	0.0	0.0	0.0	0.0	0.0	0.0

— : No available data

Appendix

Indicator		Company Name	2018	2019	2020	2021	2022	2023	2024
Electricity consumption (Kwh)		IWASE COSFA CO., LTD.	392,705.0	475,228.5	495,400.0	519,615.5	617,857.91	589,142.	604,121.37
		COSFA INTERNATIONAL TRADING (SHANGHAI) CO., LTD.	—	—	—	—	14,971.0	37,588.0	26,899.00
		COSFA INTERNATIONAL TRADING (GUANGZHOU) CO., LTD.	10,993.0	13,800.0	4,275.0	10,385.0	9,681.0	16,290.0	22,429.00
		IWASE COSFA EUROPE S.A.S	1,679.2	1,971.3	8,932.1	—	3,897.0	3,900.65	6059.74
		IWASE COSFA VIETNAM CO., LTD.	23,063.0	28,111.0	32,789.0	32,789.0	37,079.0	39,020.0	37,973.00
		IWASE COSFA KOREA CO., LTD.	3,089.0	3,904.0	7,358.0	8,597.0	7,686.0	7,770.0	9,393.00
		IWASE COSFA USA INC.	—	—	—	—	—	—	—
		IWASE COSFA (THAILAND) CO., LTD.	—	54,800.0	53,470.0	9,170.0	11,601.0	12,821.0	16,248.00
		PT. IWASE COSFA INDONESIA	—	—	—	—	—	—	—
		IWASE COSFA MOROCCO SARL	—	—	—	—	—	—	0.0
		DAINIHONKASEI CO., LTD. ※	—	—	—	—	(12,533.0)	—	(13,531.0)
			431,529.2	577,814.8	602,224.1	580,556.5	702,773.91	706,531.65	723,123.1
	From renewable sources	IWASE COSFA CO., LTD.	0.0	0.0	0.0	0.0	0.0	0.0	242,879.0
		COSFA INTERNATIONAL TRADING (SHANGHAI) CO., LTD.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		COSFA INTERNATIONAL TRADING (GUANGZHOU) CO., LTD.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		IWASE COSFA EUROPE S.A.S	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		IWASE COSFA VIETNAM CO., LTD.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		IWASE COSFA KOREA CO., LTD.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		IWASE COSFA USA INC.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		IWASE COSFA (THAILAND) CO., LTD.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		PT. IWASE COSFA INDONESIA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		IWASE COSFA MOROCCO SARL	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Industrial Waste (t)			0.0	0.0	0.0	0.0	0.0	0.0	242,879.0
		IWASE COSFA CO., LTD.	25.1	39.0	23.0	30.0	48.8	22.93	19.00
		COSFA INTERNATIONAL TRADING (SHANGHAI) CO., LTD.	0.0	0.0	0.0	0.0	—	—	—
		COSFA INTERNATIONAL TRADING (GUANGZHOU) CO., LTD.	0.0	0.0	0.0	0.0	—	—	—
		IWASE COSFA EUROPE S.A.S	0.0	0.0	0.0	0.0	—	—	2.07
		IWASE COSFA VIETNAM CO., LTD.	0.0	0.0	0.0	0.0	—	3.828	2.13
		IWASE COSFA KOREA CO., LTD.	0.0	0.0	0.0	0.0	—	—	—
		IWASE COSFA USA INC.	0.0	0.0	0.0	0.0	—	0.088	—
		IWASE COSFA (THAILAND) CO., LTD.	0.0	0.0	0.0	0.0	—	—	—
		PT. IWASE COSFA INDONESIA	—	—	—	—	—	—	—
		IWASE COSFA MOROCCO SARL	—	—	—	—	—	—	0.0
			25.1	39.0	23.0	30.0	48.8	27.05	23.21
Specially controlled industrial waste - Specified hazardous industrial waste emissions (t)		IWASE COSFA CO., LTD.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		COSFA INTERNATIONAL TRADING (SHANGHAI) CO., LTD.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		COSFA INTERNATIONAL TRADING (GUANGZHOU) CO., LTD.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		IWASE COSFA EUROPE S.A.S	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		IWASE COSFA VIETNAM CO., LTD.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		IWASE COSFA KOREA CO., LTD.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		IWASE COSFA USA INC.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		IWASE COSFA (THAILAND) CO., LTD.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		PT. IWASE COSFA INDONESIA	—	—	—	—	—	—	0.0
		IWASE COSFA MOROCCO SARL	—	—	—	—	—	—	—
			0.0	0.0	0.0	0.0	0.0	0.0	—

— : No available data / ※ For reference only (not included in total)

Appendix

GRI content index

• Universal Standards

GRI 1 : Foundation 2021

Statement of use	IWASE COSFA CO., LTD. has reported the information cited in this GRI content index for the period January 1st, 2024 - December 31st, 2024 with reference to the GRI Standards
GRI 1 used	GRI 1 Foundation 2021

GRI 2 : General Disclosures 2021

1. The organization and its reporting practices		Location
2-1	Organizational details	P2 「Company Information」
2-2	Entities included in the organization's sustainability reporting	P2 「Company Information」
2-3	Reporting period, frequency and contact point	P5 「Editorial Policy」
2-4	Restatements of information	P27 「Environment > Reduction of Energy Consumption & GHG」
2-5	External assurance	IWASE COSFA Management System (Japanese) https://www.cosfa.co.jp/en/sustainability/evaluation/
2. Activities and workers		Location
2-6	Activities, value chain and other business relationships	Business Overview https://www.cosfa.co.jp/en/business/
2-7	Employees	P37 「Number of employees and gender ratio」
2-8	Workers who are not employees	Not applicable (due to our business profile or structure)
3. Governance		Location
2-9	Governance structure and composition	P15-18 「Corporate Governance and Ethics > Promotion System」
2-10	Nomination and selection of the highest governance body	Not disclosed
2-11	Chair of the highest governance body	Not disclosed
2-12	Role of the highest governance body in overseeing the management of impacts	Not disclosed
2-13	Delegation of responsibility for managing impacts	Not disclosed
2-14	Role of the highest governance body in sustainability reporting	Not disclosed
2-15	Conflicts of interest	Not disclosed
2-16	Communication of critical concerns	Not disclosed
2-17	Collective knowledge of the highest governance body	Not disclosed
2-18	Evaluation of the performance of the highest governance body	Not disclosed
2-19	Remuneration policies	Not disclosed

Appendix

2-20	Process to determine remuneration	Not disclosed
2-21	Annual total compensation ratio	Not disclosed
4. Strategy, policies and practices		Location
2-22	Statement on sustainable development strategy	P6-7 「Message from the President」
2-23	Policy commitments	P6-7 「Message from the President」 P8 「Corporate Governance and Ethics > Dialogue with Stakeholders」 P11 「CSR Management > Materiality at Iwase Cosfa」
2-24	Embedding policy commitments	P6-7 「Message from the President」 P11 「CSR Management > Materiality at Iwase Cosfa」
2-25	Processes to remediate negative impacts	P19 「Corporate Governance and Ethics > Compliance, Anti-Corruption, and Fair Trade」
2-26	Mechanisms for seeking advice and raising concerns	P19 「Corporate Governance and Ethics > Compliance, Anti-Corruption, and Fair Trade」
2-27	Compliance with laws and regulations	P15-18 「Corporate Governance and Ethics > Corporate Governance and Ethics」 P19 「Corporate Governance and Ethics > Compliance, Anti-Corruption, and Fair Trade」
2-28	Membership associations	P8 「CSR Management > Collaboration with Stakeholders」
3. Stakeholder engagement		Location
2-29	Approach to stakeholder engagement	P8 「CSR Management > Collaboration with Stakeholders」 P8 「Corporate Governance and Ethics > Dialogue with Stakeholders」 P11 「CSR Management > Materiality Identification Process」
2-30	Collective bargaining agreements	P22 「Labor and Human Rights > Working Conditions」

GRI 3 : Material Topics 2021

Disclosure on material topics		Location
3-1	Process to determine material topics	P11 「CSR Management > Materiality Identification Process」
3-2	List of material topics	P11 「CSR Management > Materiality Identification Process」 P11 「CSR Management > Materiality at Iwase Cosfa」
3-3	Management of material topics	P11 「CSR Management > Materiality at Iwase Cosfa」 P15-19 「Corporate Governance and Ethics > Basic Approach / Targets, KPIs, and Achievements」 P20-25 「Labor and Human Rights > Basic Approach / Targets, KPIs, and Achievements」 P26-31 「Environment > Basic Approach / Targets, KPIs, and Achievements」 P32-35 「Sustainable Procurement > Basic Approach / Targets, KPIs, and Achievements」

Appendix

• Universal Standards

200 : Economic

GRI 202 : Market Presence 2016		Corresponding section
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Information not available
202-2	Proportion of senior management hired from the local community	P38 「Appendix > Gender equality: Number of male and female leaders」
GRI 203 : Indirect Economic Impacts 2016		Corresponding section
203-1	Infrastructure investments and services supported	Information not available
203-2	Significant indirect economic impacts	Information not available
GRI 204 : Procurement Practices 2016		Corresponding section
204-1	Proportion of spending on local suppliers	Information not available
GRI 205 : Anti-corruption 2016		Corresponding section
205-1	Operations assessed for risks related to corruption	Not disclosed
205-2	Communication and training about anti-corruption policies and procedures	P15-18 「Corporate Governance and Ethics > Basic Approach / Targets, KPIs, and Achievements」 P19 「Corporate Governance and Ethics > Compliance, Anti-Corruption, and Fair Trade」
205-3	Confirmed incidents of corruption and actions taken	P15-18 「Corporate Governance and Ethics > Basic Approach / Targets, KPIs, and Achievements」 P19 「Corporate Governance and Ethics > Compliance, Anti-Corruption, and Fair Trade」
GRI 206 : Anti-competitive Behavior 2016		Corresponding section
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	P15-18 「Corporate Governance and Ethics > Basic Approach / Targets, KPIs, and Achievements」 P19 「Corporate Governance and Ethics > Compliance, Anti-Corruption, and Fair Trade」
GRI 207 : Tax 2019		Corresponding section
207-1	Approach to tax	Not disclosed
207-2	Tax governance, control, and risk management	Not disclosed
207-3	Stakeholder engagement and management of concerns related to tax	Not disclosed
207-4	Country-by-country reporting	Not disclosed

300 : Environment

GRI 301 : Materials 2016		Corresponding section
301-1	Materials used by weight or volume	Not applicable (due to our business profile or structure)
301-2	Recycled input materials used	P30 「Environment > Sales of Sustainable Materials」
301-3	Reclaimed products and their packaging materials	Not applicable (due to our business profile or structure)

Appendix

GRI 302 : Energy 2016		Corresponding section
302-1	Energy consumption within the organization	P49-51 「Appendix > Environmental data」
302-2	Energy consumption outside of the organization	P49-51 「Appendix > Environmental data」
302-3	Energy consumption outside of the organization	Not disclosed
302-4	Reduction of energy consumption	P49-51 「Appendix > Environmental data」
302-5	Reductions in energy requirements of products and services	Not applicable (due to our business profile or structure)
GRI 303 : Water and Effluents 2018		Corresponding section
303-1	Interactions with water as a shared resource	P26 「Environment > Environmental Policy」
303-2	Management of water discharge related impacts	Not disclosed
303-3	Water withdrawal	P49-51 「Appendix > Environmental data」
303-4	Water discharge	P49-51 「Appendix > Environmental data」
303-5	Water consumption	P49-51 「Appendix > Environmental data」
GRI 304 : Biodiversity 2016		Corresponding section
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Information not available
304-2	Significant impacts of activities, products and services on biodiversity	Information not available
304-3	Habitats protected or restored	Information not available
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Information not available
GRI 305 : Emissions 2016		Corresponding section
305-1	Direct (Scope 1) GHG emissions	P43 「Appendix > GHG emissions」 P27 「Environment > Reduction of Energy Consumption & GHG」
305-2	Energy indirect (Scope 2) GHG emissions	P43 「Appendix > GHG emissions」 P27 「Environment > Reduction of Energy Consumption & GHG」
305-3	Other indirect (Scope 3) GHG emissions	P43 「Appendix > GHG emissions」 P27 「Environment > Reduction of Energy Consumption & GHG」
305-4	GHG emissions intensity	Not disclosed
305-5	Reduction of GHG emissions	P43 「Appendix > GHG emissions」 P27 「Environment > Reduction of Energy Consumption & GHG」
305-6	Emissions of ozone-depleting substances (ODS)	Information not available
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Information not available

Appendix

GRI 306 : Waste 2020

Corresponding section

306-1	Waste generation and significant waste-related impacts	P26 「Environment > Environmental Policy」
306-2	Management of significant wasterelated impacts	P26-27 「Environment > Environmental Policy / Targets, KPIs, and Achievements」
306-3	Waste generated	P49-51 「Appendix > Environmental data」
306-4	Waste diverted from disposal	P49-51 「Appendix > Environmental data」
306-5	Waste directed to disposal	P49-51 「Appendix > Environmental data」

400 : Social

GRI 401 : Employment 2016

Corresponding section

401-1	New employee hires and employee turnover	P38 「Appendix > Job separation rate」
401-2	Benefits provided to full-time employees that are not provided to temporary or parttime employees	No difference in benefits based on employment status
401-3	Parental leave	Not disclosed

GRI 402 : Labor/Management Relations 2016

Corresponding section

402-1	Minimum notice periods regarding operational changes	P22 「Labor and Human Rights > Working Conditions」
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GRI 403 : Occupational Health and Safety 2018

Corresponding section

403-1	Occupational health and safety management system	P22 「Labor and Human Rights > Working Conditions」 P23-24 「Labor and Human Rights > Employee Health & Safety」
403-2	Hazard identification, risk assessment, and incident investigation	PP22 「Labor and Human Rights > Working Conditions」 P23-24 「Labor and Human Rights > Employee Health & Safety」
403-3	Occupational health services	P22 「Labor and Human Rights > Working Conditions」 P23-24 「Labor and Human Rights > Employee Health & Safety」
403-4	Worker participation, consultation, and communication on occupational health and safety	P22 「Labor and Human Rights > Working Conditions」 P23-24 「Labor and Human Rights > Employee Health & Safety」
403-5	Worker training on occupational health and safety	P25 「Labor and Human Rights > Career Management and Training」
403-6	Promotion of worker health	P23-24 「Labor and Human Rights > Employee Health & Safety」
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	P22 「Labor and Human Rights > Working Conditions」 P23-24 「Labor and Human Rights > Employee Health & Safety」
403-8	Workers covered by an occupational health and safety management system	P23-24 「Labor and Human Rights > Employee Health & Safety」
403-9	Work-related injuries	P20-21 「Labor and Human Rights > Targets, KPIs, and Achievements」 P37 「Appendix > Work accident」
403-10	Work-related ill health	P20-21 「Labor and Human Rights > Targets, KPIs, and Achievements」 P37 「Appendix > Work accident」

Appendix

GRI 404 : Training and Education 2016		Corresponding section
404-1	Average hours of training per year per employee	P20-21 「Labor and Human Rights > Targets, KPIs, and Achievements」 P41 「Labor and Human Rights > Employees training」
404-2	Programs for upgrading employee skills and transition assistance programs	P23 「Labor and Human Rights > Working Conditions > Reemployment system: Integrating senior employees」 P25 「Labor and Human Rights > Career Management and Training」
404-3	Percentage of employees receiving regular performance and career development reviews	P25 「Labor and Human Rights > Career Management and Training」
GRI 405 : Diversity and Equal Opportunity 2016		Corresponding section
405-1	Diversity of governance bodies and employees	Not disclosed
405-2	Ratio of basic salary and remuneration of women to men	P25 「Labor and Human Rights > Career Management and Training」
GRI 406 : Non-discrimination 2016		Corresponding section
406-1	Incidents of discrimination and corrective actions taken	P19 「Corporate Governance and Ethics > Compliance, Anti-Corruption, and Fair Trade」
GRI 407 : Freedom of Association and Collective Bargaining 2016		Corresponding section
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Not disclosed
GRI 408 : Child Labor 2016		Corresponding section
408-1	Operations and suppliers at significant risk for incidents of child labor	P22 「Labor and Human Rights > Respect for human Rights > Compliance with the UK Modern Slavery Act」
GRI 409 : Forced or Compulsory Labor 2016		Corresponding section
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	P22 「Labor and Human Rights > Respect for human Rights > Compliance with the UK Modern Slavery Act」
GRI 410 : Security Practices 2016		Corresponding section
410-1	Security personnel trained in human rights policies or procedures	Not applicable (due to our business profile or structure)
GRI 411 : Rights of Indigenous Peoples 2016		Corresponding section
411-1	Incidents of violations involving rights of indigenous peoples	Not applicable (due to our business profile or structure)
GRI 413 : Local Communities 2016		Corresponding section
413-1	Operations with local community engagement, impact assessments, and development programs	P8 「Corporate Governance and Ethics > Dialogue with Stakeholders」
413-2	Operations with significant actual and potential negative impacts on local communities	Information not available

Appendix

GRI 414 : Supplier Social Assessment 2016		Corresponding section
414-1	New suppliers that were screened using social criteria	P33 「Sustainable Procurement > Supplier practices」
414-2	Negative social impacts in the supply chain and actions taken	P33 「Sustainable Procurement > Supplier practices」
GRI 415 : Public Policy 2016		Corresponding section
415-1	Political contributions	Not disclosed
GRI 416 : Customer Health and Safety 2016		Corresponding section
416-1	Assessment of the health and safety impacts of product and service categories	P23-24 「Labor and Human Rights > Employee Health & Safety」
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Not applicable (due to our business profile or structure)
GRI 417 : Marketing and Labeling 2016		Corresponding section
417-1	Requirements for product and service information and labeling	Not applicable (due to our business profile or structure)
417-2	Incidents of non-compliance concerning product and service information and labeling	Not applicable (due to our business profile or structure)
417-3	Incidents of non-compliance concerning marketing communications	Not applicable (due to our business profile or structure)
GRI 418 : Customer Privacy 2016		Corresponding section
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	P15-18 「Corporate Governance and Ethics > Targets, KPIs, and Achievements」



CSR REPORT 2025

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