

2024

**Report
Corporate
Social
Responsibility**



**MIYOSHI KASEI
Group**



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About this report

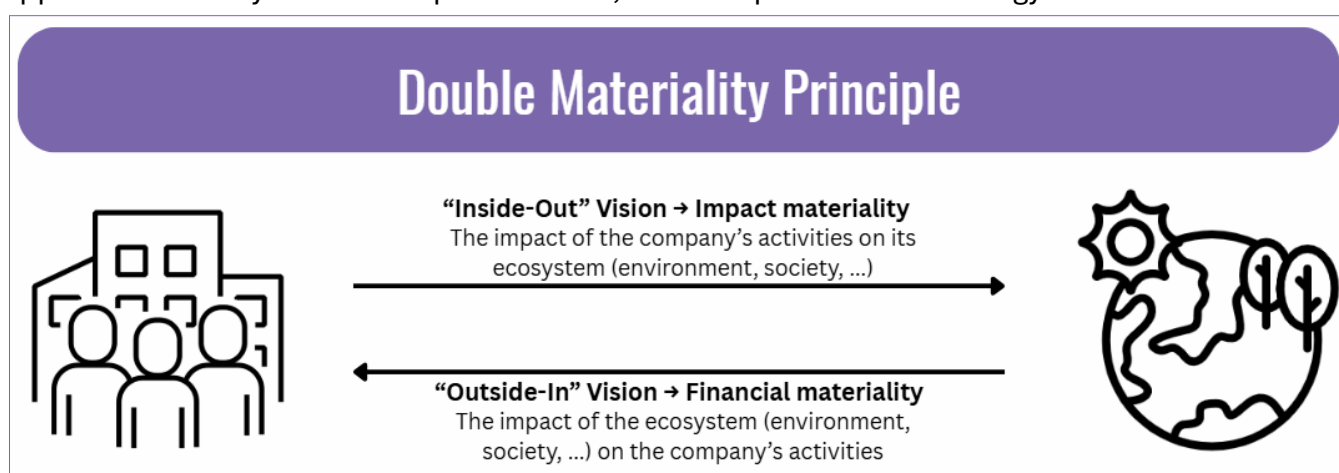
GRI – Disclosure 2-2, 2-4, 3-1

ESRS 2 - BP-1 + BP2

This CSR report is published voluntary each year for the period from 1 January to 31 December. As for the 2023 CSR report, the entities included in **the scope of consolidation** are: **MIYOSHI Kasei (MKI), MIYOSHI America (MAI), MIYOSHI Europe (MEU) and MIYOSHI Suzhou (MSZ).**

This CSR report has been prepared based on the disclosure requirements of GRI 1: Foundation 2021 and begins to incorporate part of the ESRS (European Sustainability Reporting Standards) of the European CSRD (Corporate Sustainability Reporting Directive).

It is based on the principle of a double materiality assessment, integrating both the significant impacts of the company on environmental, social and governance issues, as well as the risks and opportunities likely to affect its performance, financial position and strategy.



The information presented has been collected from the various entities concerned, using a structured reporting methodology that guarantees consistency, comparability and reliability.

The validation of this CSR report is based on an internal process involving the management of the different MIYOSHI Kasei Group’s entities.

This CSR report also includes both our upstream value chain (suppliers, service providers, production partners) and our downstream value chain (customers, distributors, end-users) as part of the risk assessment and actions implemented to remediate identified risks.

Throughout this report, we will refer to timeframes concerning the implementation of actions in the coming years. These timeframes are defined as follows:

Short term	<1 year	Implementation within the current fiscal year
Medium term	> 1 - <= 5 years	Implementation within the current strategic plan
Long term	> 5 years	Implementation beyond the current strategic plan

For more information, please reach:

ematsuo@miyoshikasei.com or mmain@miyoshieurope.com.



MIYOSHI Kasei Group: Strategy & Governance

Message from the President

CSR, sustainability, and ESG... in today's world, not a day goes by without seeing or hearing these words. It has been a long time since the serious impact of global warming has come to the fore, but in recent years in particular, extreme weather conditions resulting from climate change have brought serious damage to various parts of the globe. Also in human societies, the problems of poverty, inequality and disparities have caused painful conflicts and misfortunes around the world. It goes without saying that solving these problems is an urgent task for the earth and mankind.

And I strongly feel that a company like us, which is a public entity of society, also has a mission to build a long-term management strategy with a view to contributing to the environment and society based on the concept of sustainability management*.

Since the mid-2010s, the MIYOSHI Kasei Group has been participating in CDP, Ecovadis, UNGC and other platforms and promoting sustainability activities. At the early years, we asked ourselves what and how much we should do, and how our sustainability management should be as a group, while responding to customer requests and the trends in the world.

And now, coming back to the MIYOSHI Kasei Group's management philosophy, the words "Good Faith & Dignity" that our founder cherished and the corporate message "Treating You Right", remind me that we have been behaving as a socially responsible company from the start.

I feel that our sustainable management is not something that started just recently but has been continuing for nearly half a century since our founding. We have inherited the founder's spirit, which can be said to be the basis of sustainability and have cultivated it to our corporate culture in conducting business activities.

I believe that CSR and sustainability do not exist separately from a company's economic activities, but rather are "environmental, social, and human-friendly thoughts" that should be at the root of economic activities.

We believe that our products and activities created under the spirit of "Treating You Right" will contribute to the development and happiness of our stakeholders and society. This is why we do exist, this is what we work for, and this is why the MIYOSHI Kasei Group will continue to be sustainable as a whole.

I promise we will continue to always refine, implement and promote the MIYOSHI Kasei Group's sustainability activities.

MIYOSHI Kasei, Inc.

President

Hitoshi Usui



*The concept that "corporations must work to resolve various environmental and social issues and maintain and improve the environment and society, and with this as a business foundation, corporations can grow sustainably."

Our values



Treating you right with **SAFETY AND RELIABLE QUALITY SOLUTIONS**

Quality is a key cornerstone in driving all our business initiatives. We provide safe and highly reliable products supported by technical verification and our years of experience and extensive track record.

Treating the **ENVIRONMENT** right

The environment is at the heart of the MIYOSHI Kasei Group CSR strategy. In addition to conducting business in full compliance with the environmental laws of the countries and regions of interest, we aim at reducing the impact of our activities on the planet.



Treating **PEOPLE** right

We truly believe the success and future development of our company relies on the involvement, commitment and enthusiasm of our talented people. We comply with all regulations applicable to our activities and ensure to conduct our business with respect for human rights.

Treating **STAKEHOLDERS** right

The interactions with partners, governments, professional associations, territorial agencies and other stakeholders, are cultivated to facilitate long-term and beneficial relationships, as it strives to create a sustainable society.

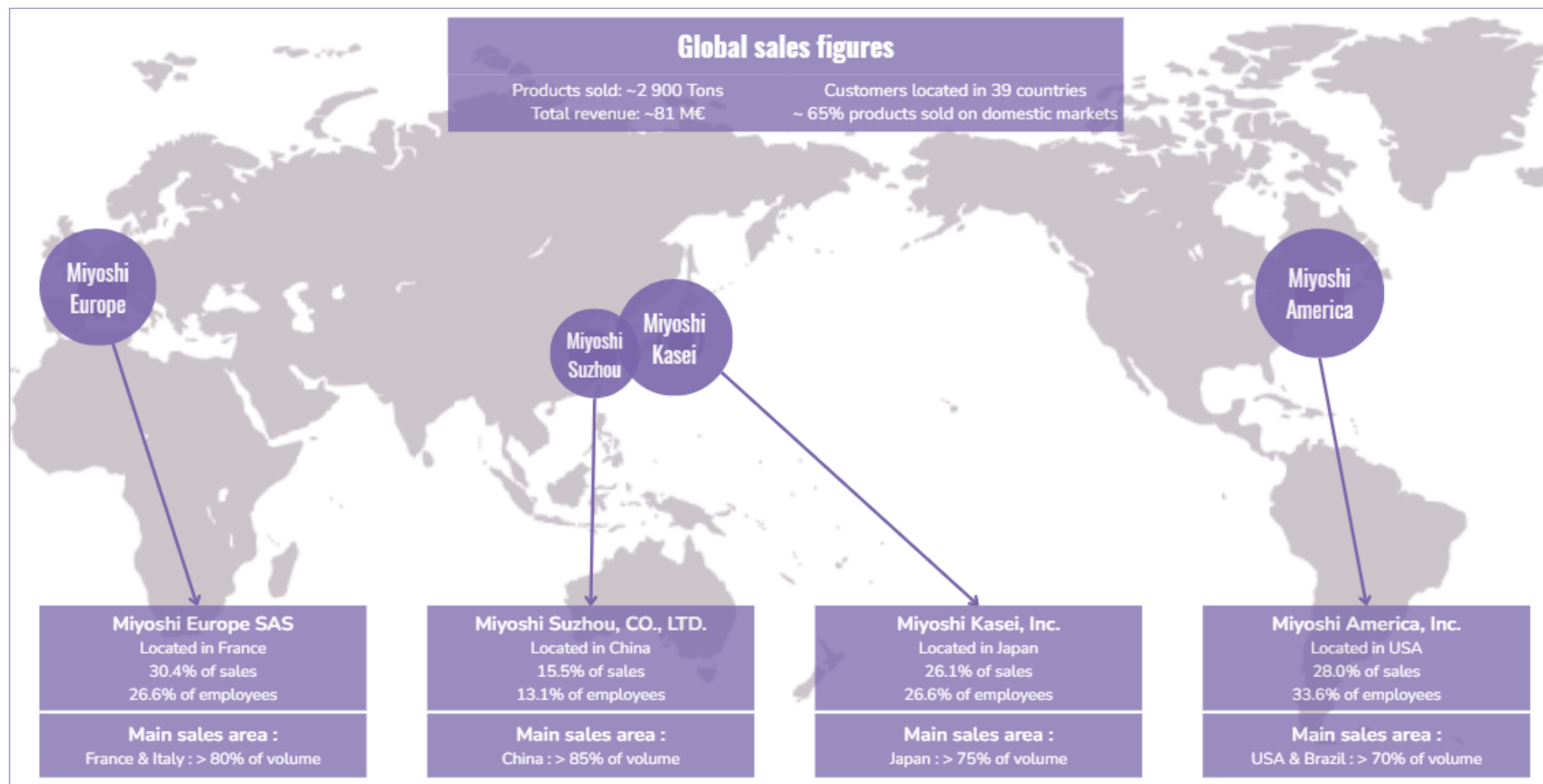


About us

GRI – Disclosure 2-6, 2-7, 201-1

ESRS 2 – SBM-1

MIYOSHI Kasei Group operates through four entities worldwide and provides high-quality products to customers across the globe. All of its activities are classified under the business sector: Manufacture of dyes and pigments (NACE code 20.12Z).



About our products

GRI – Disclosure 2-6

ESRS 2 – SBM-1

We are the first company that created and launched silicone treated cosmetic pigments to the market, which led to the development of the epoch-making two-way cake powders which can be applied to the face by either a wet or dry sponge.

From then, we continuously developed, with our original know-how and technology, various surface treatment processes, such as Amino Acid treatment, Lecithin treatment, and Ester treatment.

The combination of the said technologies and high-quality fillers (sericite, mica, etc.), which are essential for cosmetic formulation, or functional powders (ultrafine powders, silica beads, pearls, etc.) enabled us to develop a broad range of unique products and to contribute to the development of innovative cosmetics.

As of 2024, the products brought to market by MIYOSHI Kasei Group are segmented and categorized into the following ranges:

- Treated pigments, fillers, or pearls
- Functional materials
- Dispersions
- Untreated pigments, fillers, or pearls

These products enable us to position ourselves in key markets:



Beyond offering high-quality products and guided by our core values, we also provide our clients with:

- Cosmetic product formulations incorporating MIYOSHI Kasei Group's ingredients, designed to highlight their benefits and guide clients in their optimal use.
- A co-development service offered by MIYOSHI Europe.

Our Sustainability journey

GRI – Disclosure 2-9, 2-12, 2-13, 2-16, 2-17

ESRS 2 – GOV-1, GOV-2

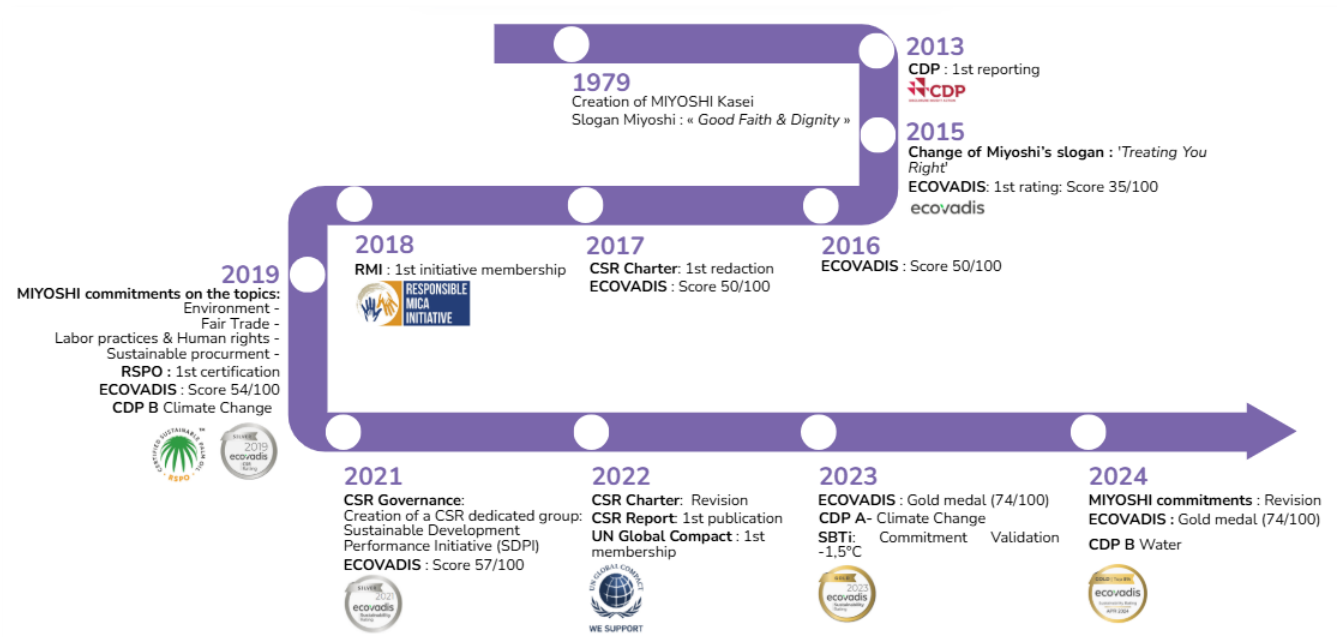
Since its creation in 1979, MIYOSHI Kasei's core principle has been "Good faith and dignity", underlining the importance of treating its partners ethically and with respect.

The tagline evolved in 2015, becoming 'Treating You Right', still in force today, which involves not only partners, but also the environment and the company's entire ecosystem.

Although the Group participated very early on in the CDP for environmental issues, and then in Ecovadis for overall CSR, it was only at the end of 2021 that the need to actively involve each site, to have structured reporting for managers and employees alike, and to make a real commitment to the major areas of CSR, led to the creation of a dedicated organization within the Group: **Sustainable Development Performance Initiative (SDPI)**.

In 2017, we have written our first CSR charter, updated twice since then. In 2019, we have adjoined 4 policies, to describe our engagement towards the Environment, Fair Business, Labor practices & Human rights, and Sustainable Procurement.

In 2022, we reviewed the CSR charter and these four policies, to include tangible objectives. We plan to review the policies every three years. Each policy is reviewed and endorsed by the President of MIYOSHI Kasei, Inc., parent company. Our CSR charter and associated policies are available on our website: <https://www.MIYOSHIkaseigroup.com/en/csr/>

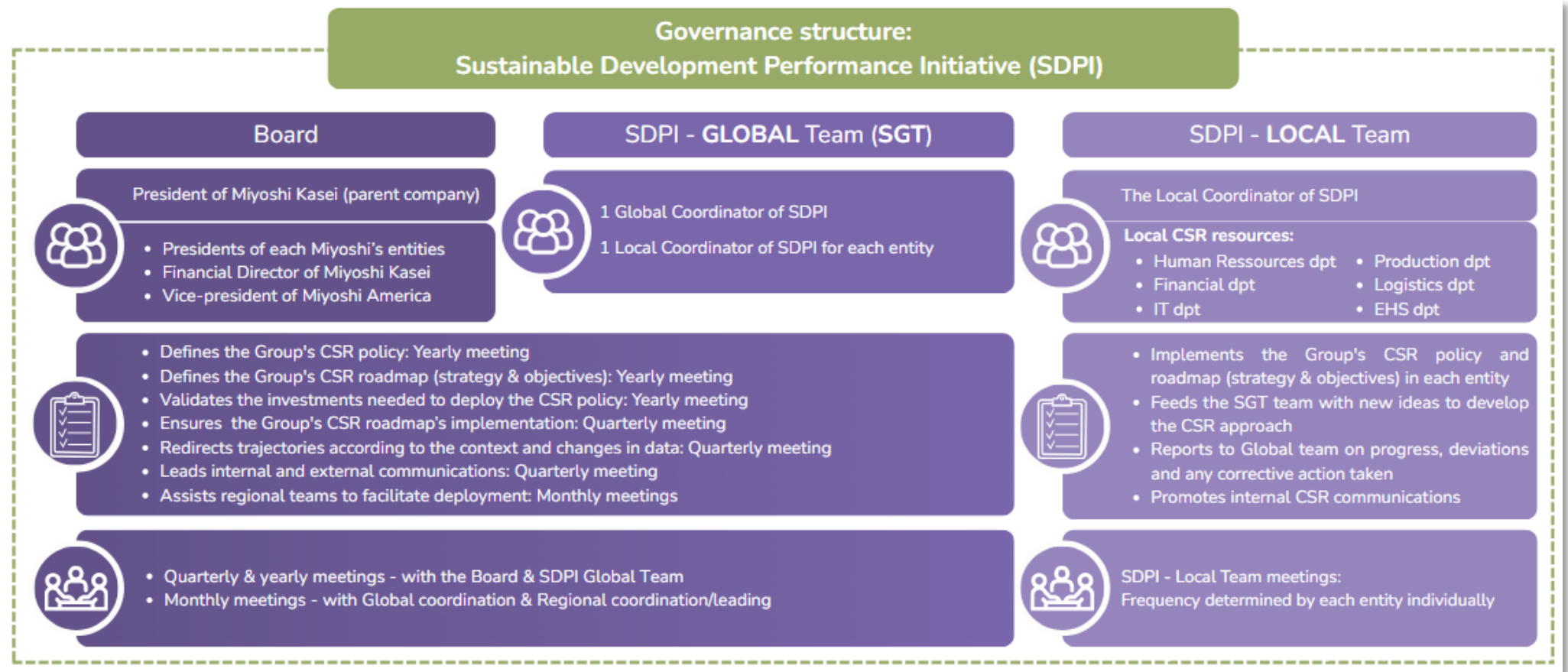


To reinforce our commitment, we engage with the following organizations:



A Governance Structure at the Core of Our CSR Approach

Our governance structure is composed of several organizations operating at different levels:



- **The Board** is the highest strategic management body within the MIYOSHI Kasei Group. Its members are responsible for building a high-performing and ethical company, in alignment with the founder's vision. A sound management system, supported by our CSR Charter and related policies, forms a solid foundation for this committee.
- **The Global SDPI Team** oversees the CSR approach across all MIYOSHI Kasei Group's entities. It includes the Global CSR Coordinator — a role currently based at MIYOSHI Europe — and the Regional CSR Coordinators.
- **The Regional SDPI Teams** are established within each MIYOSHI Kasei Group entity. Their role is to implement, at the local level, the roadmap defined by the Global SDPI Team. These teams are led by the Regional CSR Coordinators.

The Board defines the CSR strategy for MIYOSHI Kasei Group entities, ensures that operational and financial performance is aligned, and oversees overall governance matters. In this capacity, it reviews sustainability issues and validates the roadmap to better integrate these topics into our corporate strategy. It examines the key objectives and targets for each of the ESG pillars: Environment, Social, and Governance.

The roadmap is developed and revised by the members of the Global SDPI Team and blessed by the Board once a year. Progress and overall monitoring of action plans and initiatives are reported on a quarterly basis.

Impacts, Risks, and Opportunities: Our Strategic issues

Methodology for Evaluating Strategic Issues

GRI – Disclosure 2-14, 2-23, 3-1, 3-2, 3-3

ESRS 2 – BP-2, GOV-5, IRO-1, SBM-3

Since the founding of our parent company, we have been fully aware that our business activities generate impacts that extend beyond financial profitability. We are convinced that the long-term success and sustainability of our company depend directly on our ability to align economic performance with the expectations of our ecosystem in terms of social responsibility.

In keeping with MIYOSHI Kasei's founding principle, it was essential to gain a clear understanding of the most relevant issues to consider in conducting our activities — both for our partners and stakeholders (see page 17). Based on this, we carried out our materiality assessment.

Our starting point was a thorough review of current international standards, recent and upcoming regulatory changes, and best practices observed among our peers (including GRI standards, CSRD regulation, CSR reports from key partners, etc.).

In 2024, we conducted our first double materiality assessment.

To do so, we relied on a sectoral double materiality analysis prepared by FEBEA (Fédération des Entreprises de la Beauté), the French trade association for the cosmetics industry. This analysis was then adapted to reflect the specific context and challenges faced by MIYOSHI Kasei Group.

This process involved evaluating:

- The actual or potential impacts of our activities on the environment, society at large, and corporate governance — this is referred to as **impact materiality**.
- The risks and opportunities these issues may represent for our short-, medium-, or long-term economic performance — this is known as **financial materiality**.

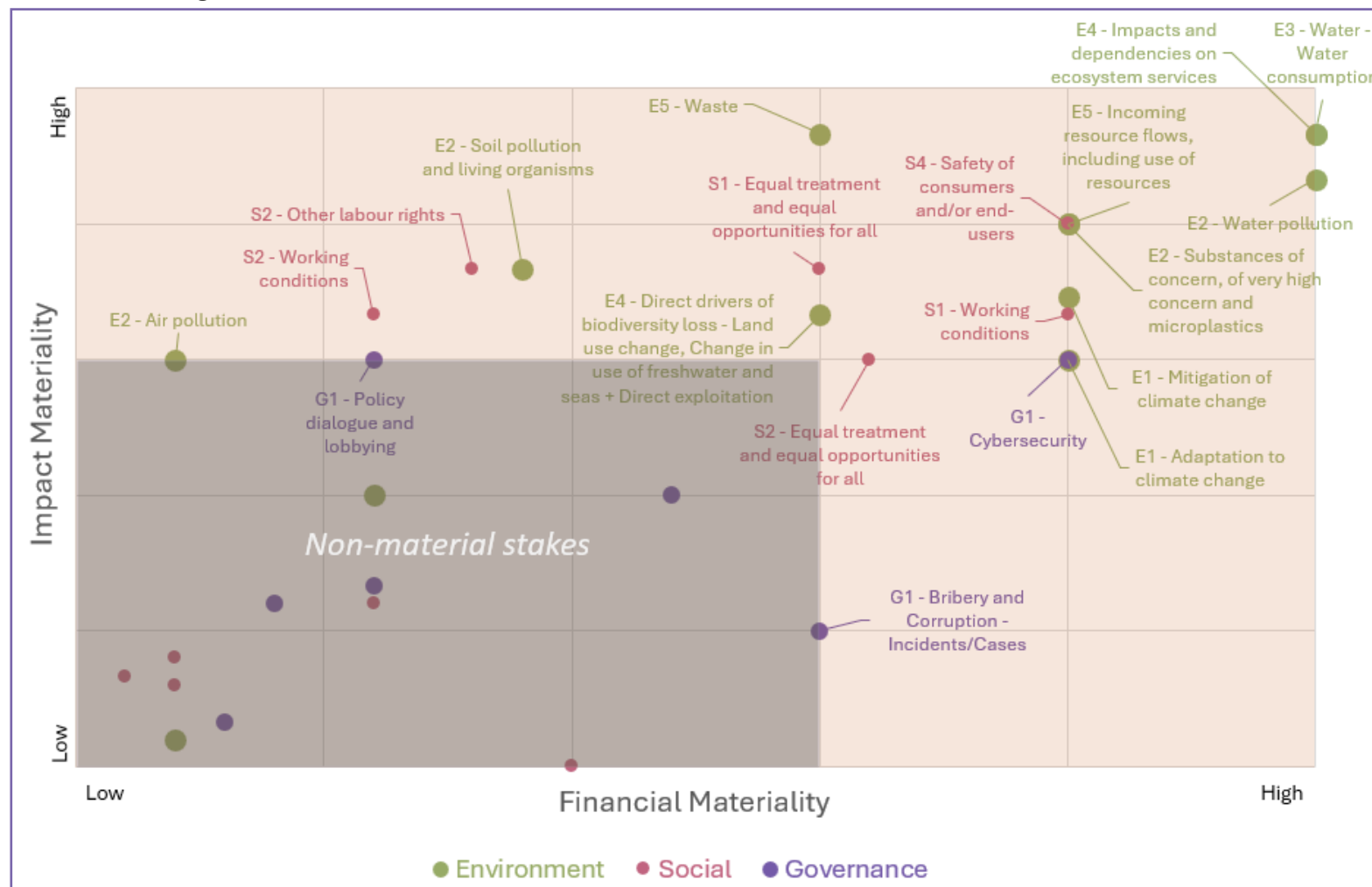
Each issue was assessed based on criteria such as severity, scope, remediability, and likelihood (for impact materiality), and on its potential effect on company performance or resilience (for financial materiality).

The rating scale used to build the double materiality analysis is available at the end of this document: [here](#).

Strategic Issues for MIYOSHI Kasei Group

The results of this double materiality analysis — based on the methodology developed by FEBEA (Fédération des Entreprises de la Beauté) and tailored to the specific context and challenges of MIYOSHI Kasei Group — are presented opposite.

This analysis has enabled us to prioritize the most significant issues for the activities of MIYOSHI Kasei Group entities and their CSR strategy; issues indicated in the orange area.

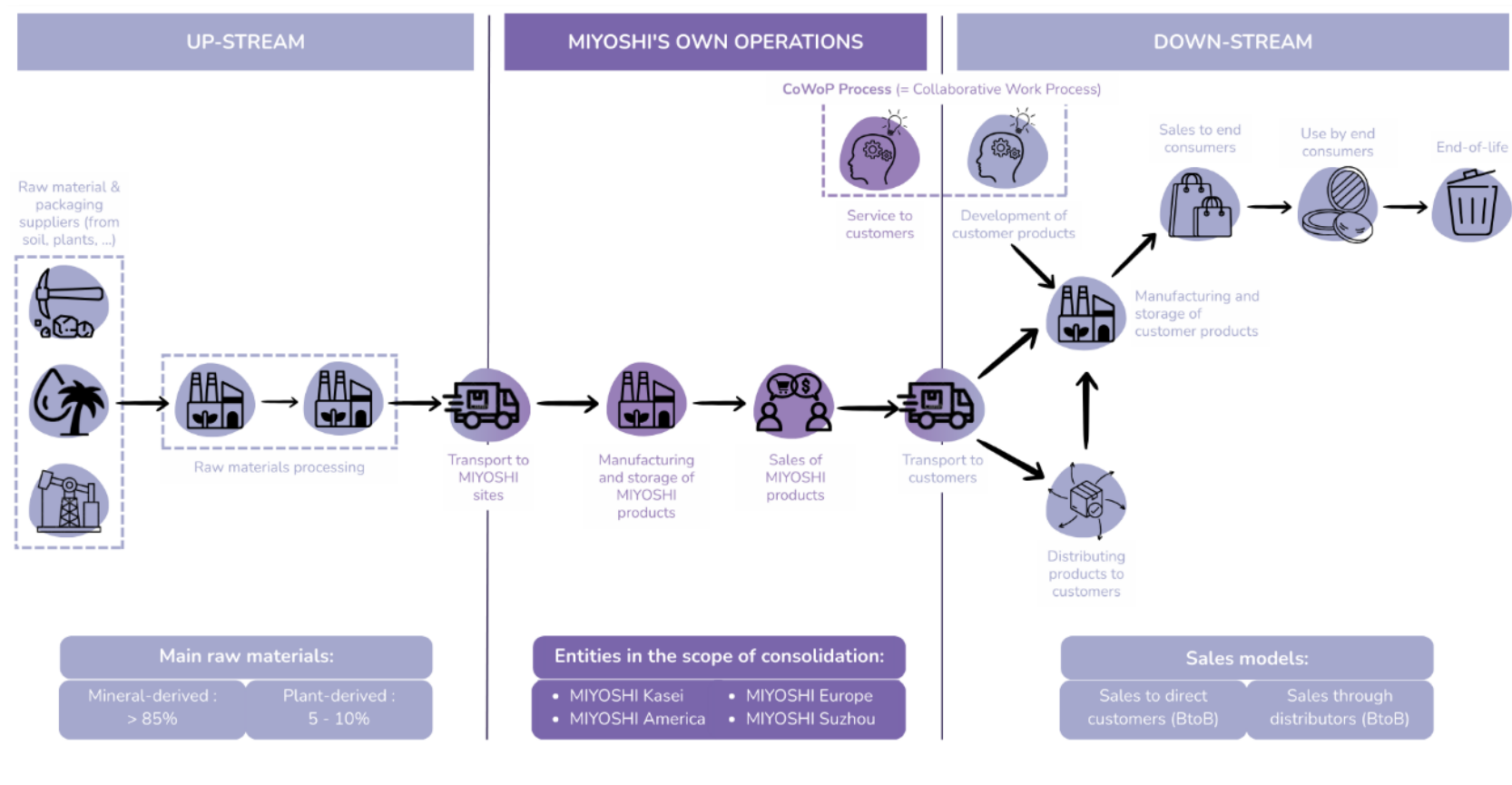


Our Value Chain at the Heart of our Strategy

GRI – Disclosure 2-6

ESRS 2 - SBM-1, SBM-3

The entire MIYOSHI Kasei Group value chain represents a key lever for value creation and sustainable performance across all MIYOSHI Kasei Group entities. Each link — from the sourcing of raw materials to the distribution of our products — directly contributes to the quality of our operations, our competitiveness, and the trust of our clients and partners.

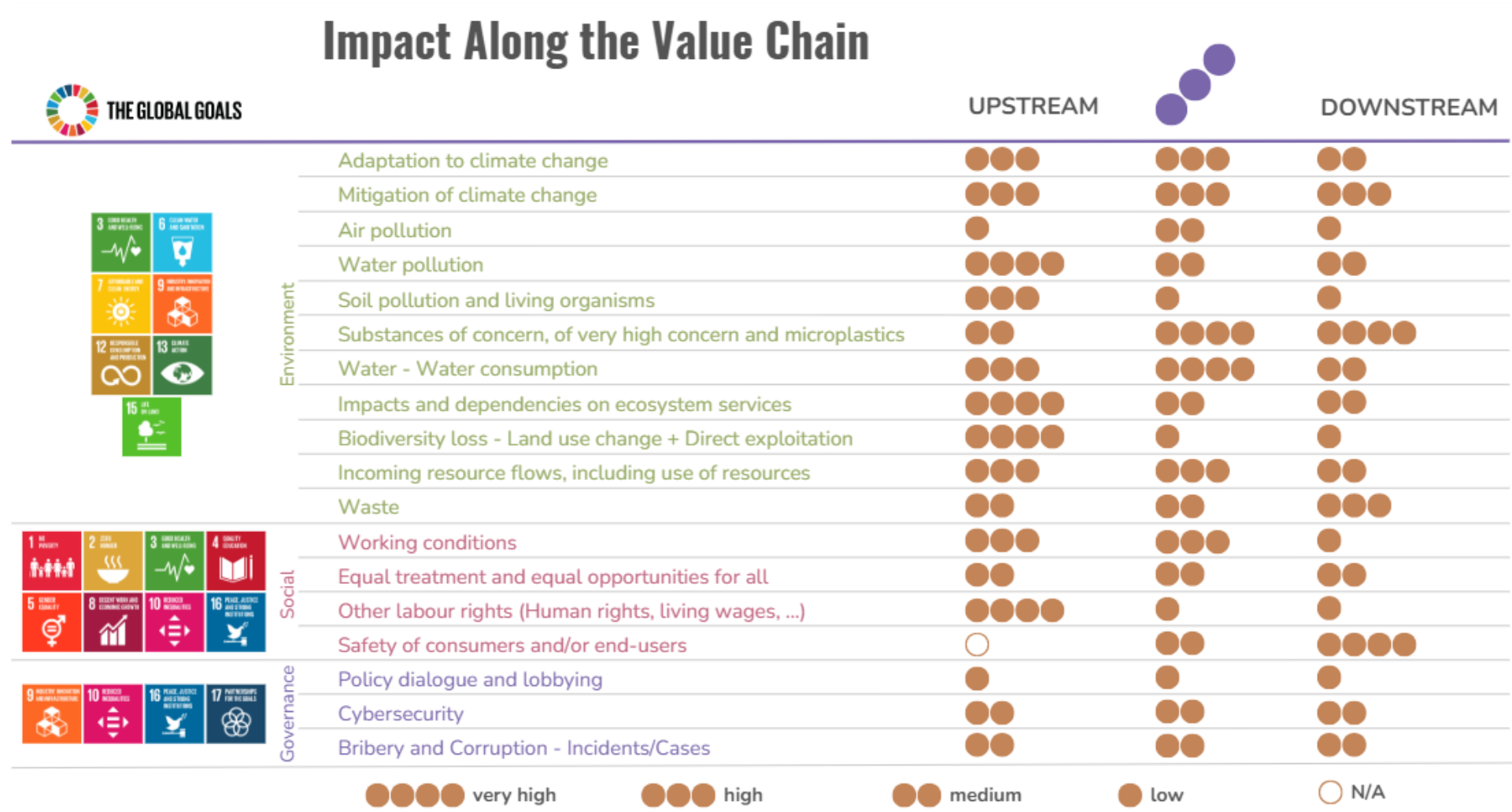


MIYOSHI Kasei Group's Value Chain

It is therefore essential to have a comprehensive and coherent view of our value chain to accurately identify the impacts, risks, and opportunities that each segment may present, both in terms of our financial performance and our CSR strategy.

This integrated approach enables us to align our strategic priorities with real-world challenges, while strengthening the resilience and accountability of MIYOSHI Kasei Group.

The strategic issues highlighted by the materiality matrix are summarized in the table below, along with the estimated level of impact across the value chain:



The strategic issues identified for MIYOSHI Kasei Group entities show that our activities have consequences not only on our own operations but also downstream along the value chain (from B2B clients to end consumers) — and especially upstream.

Over 90% (by volume) of our raw materials are of mineral or plant origin, which aligns with a market trend toward natural ingredients. However, this reality also brings significant environmental and societal implications.

In the case of minerals, the negative environmental impacts are numerous: soil contamination, water pollution, and land-use changes. The social impacts are equally concerning, as the extraction and processing of these materials are often linked to human rights issues and poor working conditions — including illegal labor, unregulated mining sites, insufficient wages, and serious health and safety risks for workers.

In the case of plant-based ingredients, the impacts are also diverse and complex. Poor agricultural practices can lead to widespread ecosystem pollution (water, soil, air) due to excessive use of fertilizers and pesticides. Broader consequences may also arise from deforestation, such as biodiversity loss and the reduction of natural carbon sinks. Beyond these unacceptable ecological effects, the social conditions of local workers must also be taken seriously, as certain sectors remain associated with forced labor, gender inequality, and health hazards related to chemical exposure.

Within our direct operations, we carefully monitor environmental and social practices across all our sites to ensure at minimum compliance with local regulations. Our CSR Charter and associated policies reaffirm our commitment to considering that our responsibility goes beyond our own operations. For this reason, we strive to engage our suppliers in the same CSR process we adhere to.

When selecting suppliers and partners, the strategic issues we have identified are a key focus. These are embedded in our Code of Conduct, which is an integral part of our contractual agreements with partners.

The CSR risk assessment we launched in early 2023 serves as the foundation for our communications with suppliers in supply chains identified as carrying social, environmental, or governance-related risks.

Stakeholders to Engage in 2025

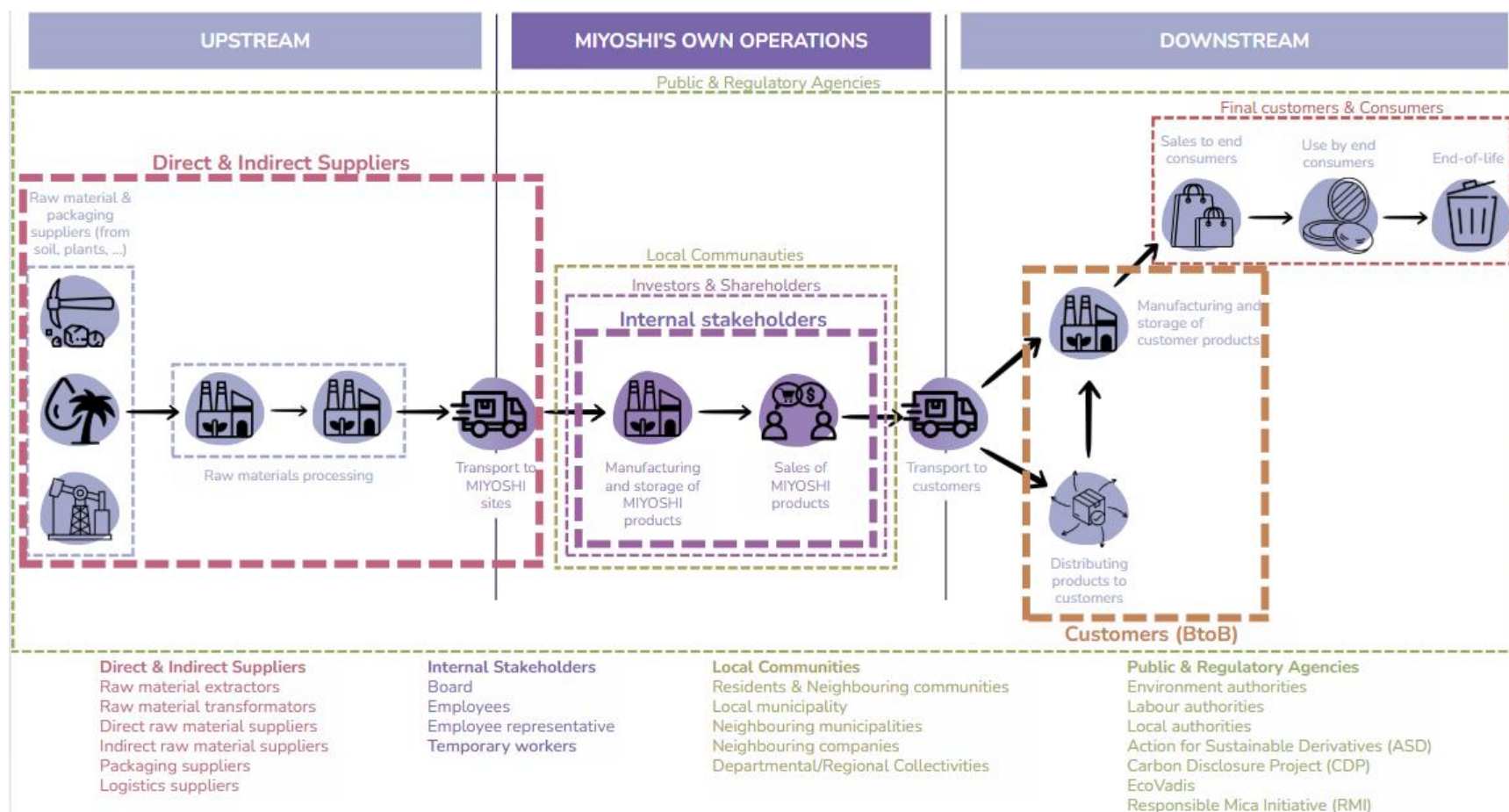
GRI – Disclosure 2-29, 3-1, 3-3

ESRS 2 – IRO-1, SBM-1, SBM-2

In 2025, we plan to engage our stakeholders to better understand their interests and perspectives regarding the issues identified as strategic for MIYOSHI Kasei Group entities. It is essential to confirm that these issues are also of concern to them, to ensure alignment with our stakeholder expectations.

Our stakeholder analysis has enabled us to establish the adjacent stakeholder mapping.

We will prioritize consultations with our **internal stakeholders, suppliers, and clients**. Other stakeholders will be consulted at a later stage.



Key Indicators to Monitor our CSR Strategy

In order to ensure the effectiveness and transparency of our Corporate Social Responsibility (CSR) strategy, it is essential to track specific indicators that measure our environmental, social, and economic impact. These indicators not only allow us to monitor our progress, but also enable us to adjust our actions in real time to address emerging challenges. In this section, we will present the key indicators we use to drive our CSR initiatives, while ensuring their alignment with our sustainability goals and overall performance.

		KPI	2022	2023	2024	Target
      		% waste in recycling streams	43,1%	23,4%	18,1%	80% by 2024
		Volume of hazardous wastes	-	-	155.8t	
		Volume of non-hazardous wastes	-	-	122.5t	
		% of recycled material in packaging	29,1%	33,0%	53,7%	25% by 2025
		Total energy consumption (MWh)	8649	8992	7116	
		Energy consumption / ton produced (MWh/ton)	2,8	3	2,9	
		Total water withdrawal	13285	17593	14597	
		Water withdrawal reduction compared to 2023	-	-	-17%	-30% by 2030
		Water withdrawal / ton produced (m3/ton)	4,31	5,8	5,8	
		CO2 emissions (Scope 1&2) / revenue unit (TCO2/€)	1.99x10 ⁻⁵	2.04x10 ⁻⁵	1.1x10 ⁻⁵	
		CO2 emissions (Scope 1&2) / volume unit (TCO2/ton)	0,57	0,62	0,37	
		CO2 emissions (Scope 1&2) reduction compared to 2018	-28,20%	-23,30%	-63,10%	-50% by 2030
		CO2 emissions (Scope 3) reduction compared to 2023	-	-	-10,6%	-30% by 2035
		Scope 3 assessment	100%	100%	100%	100% by 2023
		CDP score (Climate Change)	B-	A-	C	
		% of workers having performance review	99,1%	99,1%	100,0%	100% each year
		% of working hours allocated to training	0,71%	0,89%	1,06%	1% each year
		Average length of employment (years)	7,46	8,40	8,40	
		% of women in management positions	34,9%	32,3%	40,1%	
		% of women	36,4%	38,3%	36,7%	
       		% of sites having social dialogue bodies	100%	100%	100%	100% each year
		% of managers trained on diversity and inclusion	25,4%	33,9%	60,5%	100% by 2025
		% workers trained on harassment & discrimination	100,0%	100,0%	64,8%	100% each year
		Number of treated cases after whistleblowing	0	0	0	100%
		Ratio between entry salaries of men and women	1:1	1:1	1:1	1:1
		% of sites having a risk assessment on health and safety program	100%	100%	100%	100% each year
		% of corrective actions following risk assessment, implemented in the year y+1	59%	89%	98,5%	75% each year
		Number of working accident involving leave of absence	5	2	4	0
		Frequency rate	12,8	4,4	8,6	
		Severity rate	0,77	0,01	0,36	
		Number of safety trainings	60	62	72	

 THE GLOBAL GOALS		KPI	2022	2023	2024	Target
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE  10 REDUCED INEQUALITIES  16 PEACE, JUSTICE AND STRONG INSTITUTIONS  17 PARTNERSHIPS FOR THE GOALS 	Frequency rate	12,8	4,4	8,6		
	Severity rate	0,77	0,01	0,36		
	Number of safety trainings	60,00	62,00	72,00		
	% donated to charities	0,00	0,00	0,00		
	% of code of conducts signed by suppliers of Ingredients, Packaging and Logistic	60%	58%	56%	100% by 2025	
	% of suppliers assessed on CSR topics (for Ingredients, Packaging and Logistics)	65%	65%	57%	100% by 2025 (key suppliers) 80% by 2025 (all)	
	% of employees trained on anti-corruption practices	100,00%	98,72%	93,40%	100% each year	
	% of specific employees Specific trained in-depth training on corruption	9,00%	33,19%	82,30%	100% each year	
	% of employees trained on whistleblowing procedure	65,0%	89,8%	94,6%	100% each year	
	% of reporting investigated after whistleblowing	NA	NA	NA	100%	
	% of key supply chain having due diligence programs	0	0	5%	100% by 2025	
	% of employees trained on general information security & data disclosure management	100%	100%	75%	100% each year	
	% of code of conducts signed by all suppliers	5,2%	10,0%	10,0%	80% by 2024	
	Number of awards	2	0	0		
Intellectual properties (patents + trademarks registered)	20	19	33			
Number of innovative projects	5	18	7			
Number of training for customers	16	15	31			
Number of collaboration with customers	70	15	21			
Number of media appearances	113	164	183			
Collaboration with expert partners	4	6	18			

Business Ethics

GRI – Disclosure 2-9, 2-24, 2-25, 2-26, 2-27, 3-3,
205-1, 205-2, 205-3, 403-2; 415-1

ESRS – G1-1, G1-2, G1-4, G1-5, S1-3, S2-3, S4-3

Impacts, Risks and Opportunities

The ethical dimension of business is at the core of our strategy and daily practices at MIYOSHI Kasei Group. We firmly believe that the long-term success of a company relies not only on economic performance, but also on upholding ethical principles and the highest standards of transparency, integrity, and accountability.

MIYOSHI Kasei Group is committed to maintaining business practices that meet stakeholder expectations and contribute to the company's long-term sustainability, while complying with both local and international laws and regulations.



Major Risks

Financial and legal risk associated with deteriorated relationships with partners, which could lead to payment delays and/or termination of commercial relationships.

Financial and reputational risk linked to the leakage of sensitive data due to a cyberattack, potentially compromising the security of formulations or customer data.

Reputational and legal risk related to corrupt practices that could affect and compromise the integrity of the value chain.

Potential Opportunities

Reputational opportunity stemming from the implementation of whistleblowing procedures and whistleblower protection, allowing anyone to report unlawful business practices within the value chain without fear of retaliation.

Reputational and human opportunity linked to embedding business ethics within the company culture, thereby increasing trust among internal and external stakeholders.

Current Status and Actions Taken

Business Conduct – Corporate Culture and Policy

MIYOSHI Kasei Group's Fair Business Policy, initially drafted in 2019 and regularly updated (latest version in 2024), is a core policy that guides our business practices and ensures that all our activities comply with the highest ethical standards. The main objective of this policy is to guarantee that all MIYOSHI Kasei Group entities conduct their business in a transparent, fair, and lawful manner, in accordance with the regulations applicable in the countries and regions where we operate.

It emphasizes the following principles:

1. **Bribery:** The Miyoshi Kasei group strictly prohibits bribery and corruption in conducting business with our partners. Our workers will neither provide nor accept gifts or entertainment that may cause suspicion regarding fairness or are in violation of the law..
2. **Anti-competitive practices and anti-trust issues:** The Miyoshi Kasei group prohibits any practice that has, or could have the effect of restricting, distorting or preventing competition. We operate in total autonomy with respect to competitors, preventing any agreed practices or exchanges of confidential information.
3. **Conflicts of interest:** All employees must avoid engaging in activities, using their position with the company or acting in ways that may place the Miyoshi Kasei Group to disadvantage, compromise its legality or profit a competitor.
4. **Money laundering:** We strongly prohibit money laundering, funding of criminal activities, and any activity designed to conceal or disguise the true origins of criminally derived proceeds to make them appear as legitimate.
5. **Whistleblowing:** In 2023, our companies generalized a common whistleblowing procedure. The aim is to create an effective channel, communicate on it to our employees and stakeholders, train our employees, and ultimately, create a company culture around this matter.
6. **Information security and confidentiality:** We ensure that the confidential and personal information we hold or are responsible for is safeguarded where necessary against inappropriate disclosure. We are committed to preserve the confidentiality and integrity of documents and data supplied by our employees, suppliers and customers. We have a policy on information disclosure in place, for all sites to refer to, in case the need arises in communicating with stakeholders.

In addition to these commitments, we are dedicated to instilling these values across all our employees so that the core principles of this policy become an integral part of our corporate culture. All employees receive training on ethical practices, with specific sessions provided for the Sales, Purchasing, and Finance departments, along with regular follow-up training.

In 2023, all our employees were trained on the Fair Business Policy, and refresher courses are scheduled for 2025. Finally, this policy is reviewed regularly—every two years or whenever a specific need arises—to ensure its continued relevance and effectiveness. These commitments strengthen transparency, trust, and integrity within our group, ensuring that our operations uphold the highest ethical standards.

Whistleblower protection regulation in place

Our employees are also encouraged to report any behaviour they believe contradicts the business conduct described in MIYOSHI Kasei Group’s Fair Business Policy.

In such cases, our whistleblowing procedure applies.
No cases of corruption or conflict of interest were reported during the reference period.

Each of our sites has a local whistleblowing procedure in place.

In the event of a report, an investigation is conducted to clearly identify the facts and determine whether the alert is justified. The individuals involved in the reported incident may be part of MIYOSHI Kasei Group’s entities or belong to its value chain.

If the alert is substantiated and there has been a breach of the law, the code of conduct, or the employee handbook, the necessary and appropriate actions will be promptly taken to resolve the situation and eliminate any resulting negative impact.

This whistleblowing mechanism was designed by the management and/or CSR contacts of each entity, in consultation with employee representatives where applicable.
Today, these procedures are known and applicable to all our employees.

We aim to make them accessible to our entire value chain in the coming years.

Incidents were reported at MIYOSHI America in the United States several years ago, and the effectiveness of the process was confirmed.



In 2024, no whistleblowing reports were made through this channel within the MIYOSHI Kasei Group entities.

No incidents or public legal cases related to corruption were reported or confirmed during the reference period.

We have not been identified as being involved in any anti-competitive behavior or in any breach of antitrust or monopoly laws. Consequently, no legal proceedings are ongoing or have been carried out during the period under review regarding these matters.

Fight against corruption and bribery

As stated in the "Fair Business Policy," the MIYOSHI Kasei Group condemns all forms of corruption and is committed to actively preventing and detecting any related incidents.

In addition to the local whistleblowing procedures described above, a specific risk assessment related to corruption was carried out within the MIYOSHI Kasei Group in 2024.

During this assessment, the company’s activities were divided into several processes based on their interactions with various stakeholders: sales, purchasing, finance, human resources, etc.

Each process was then broken down into sub-processes and individual actions considered to be at risk, which were analyzed according to the following criteria:

- Likelihood of occurrence: rated from very likely to rare
- Severity of impact: rated from catastrophic to minor
- Effectiveness of control measures in place: rated from ineffective to highly effective

This assessment helped identify the MIYOSHI Kasei Group activities most sensitive to corruption risks, despite the controls already in place (such as digitalization of financial operations, pricing controls, etc.), and allowed the definition of additional actions to be implemented for employees involved in those activities.

In 2024, 93.4% of employees and executive committee members across MIYOSHI Kasei Group’s entities received training on anti-corruption practices and on the whistleblowing procedure enabling them to report suspicious behavior. A refresher session is planned for 2025 for new hires and those who were absent during the 2024 training sessions.



To further strengthen our anti-corruption efforts, we also engage our suppliers by asking them to sign our Code of Conduct, in which this topic is clearly addressed.



Our Impacts on the Environment

Objective

Beyond legal compliance, we are committed to implementing initiatives that preserve the environment in harmony with local communities.

Climate action became a priority several years ago, which is why we concentrated on implementing our action plan in this area first. However, the year 2024 was marked by MIYOSHI Kasei Group’s strong commitment to water resources, with the main objective being to reduce its water withdrawals and consumption.



To better manage our environmental impact, it is absolutely essential to identify and assess the strategic issues that MIYOSHI Kasei Group entities’ activities may have, directly or indirectly, on the natural ecosystems within our value chain:

THE GLOBAL GOALS	UPSTREAM		DOWNSTREAM
	Climate action	Climate action	Eco-conception
	Water	Water	Waste
	Biodiversity	Air	
	Soils	Eco-conception	
		Waste	

The impacts, risks, and opportunities will be described in each of the sections addressed below.

Climate Change

GRI – Disclosure 3-3, 201-1, 305-1, 305-2, 305-3

ESRS E1 – E1-1, E1-2, E1-3, E1-4,

E1-5, E1-6, E1-7, E1-8

Impacts, Risks, and Opportunities

MIYOSHI Kasei Group is fully aware of the challenges related to climate change, which affect not only its own operations but also its entire value chain. This is why MIYOSHI Kasei Group's Environmental Policy includes a specific section on greenhouse gas emissions.



These challenges translate into:

- The need to reduce our carbon footprint (mitigation), particularly through optimized energy and resource management,
- The anticipation of the physical and economic impacts of climate disruption (adaptation).

Whether it concerns our manufacturing processes, logistics, supplier relationships, or the use of our products, we are gradually integrating these aspects into our decision-making processes and action plans. This dual approach—combining mitigation and adaptation—aims to strengthen the resilience of our business model while actively contributing to low-carbon transition goals.

Major Risks	Potential Opportunities
Financial and strategic risk related to rising energy costs and/or business continuity due to energy supply shortages	Financial opportunity through energy-efficient technologies
Strategic and reputational risk linked to business interruption caused by extreme weather events (floods, hurricanes)	Opportunity for public funding for adaptation or mitigation projects
Supply chain risks due to decreased availability of agricultural raw materials caused by chronic temperature increases and water stress	Opportunity to access bank financing dedicated to committed companies

Climate Change Mitigation and Adaptation

GRI – Disclosure 3-3, 201-2, 305-1, 305-2, 305-3, 305-4, 305-5

ESRS E1 – E1-1, E1-3, E1-4, E1-6



Since 2022, MIYOSHI Kasei Group entities have been committed to the environment by setting clear and measurable greenhouse gas (GHG) reduction targets, in line with the Science Based Targets initiative (SBTi).

Following the validation of our commitment by this organization, we have implemented a decarbonization plan to monitor the actions taken at each site and their contribution to reducing our emissions. As with our target, the baseline year for energy consumption is 2018. Thanks to the results of our carbon footprint assessment carried out by an accredited third party, we can evaluate our annual energy consumption reduction.

Since 2018, we have conducted our internal carbon footprint annually across all MIYOSHI Kasei Group entities for scopes 1 & 2. Since 2022, we have been conducting an annual carbon footprint assessment in accordance with the GHG Protocol standard, with the help of a third-party. Third-party verification is scheduled for 2025, covering the 2024 carbon footprint.

Scopes 1 & 2 have been covered since 2018.

Scope 3 was calculated for the first time in 2022, based on the GHG Protocol, with no exclusions.

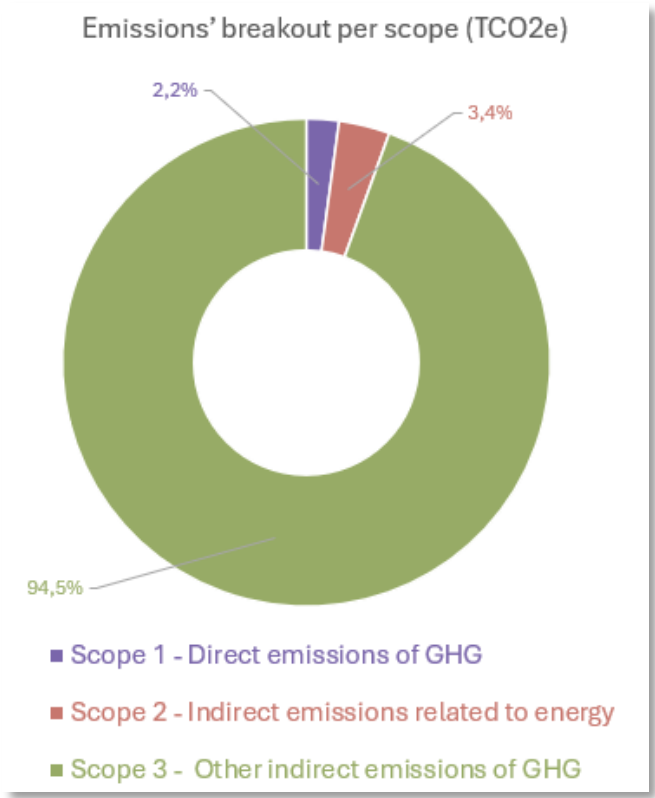
Emission factors were primarily sourced from the Ecoinvent, Ademe, and EPA databases by our service provider. In 2024, Scope 2 emissions are also calculated using the market-based approach.

All greenhouse gases were considered, with emissions expressed in CO₂ equivalent.

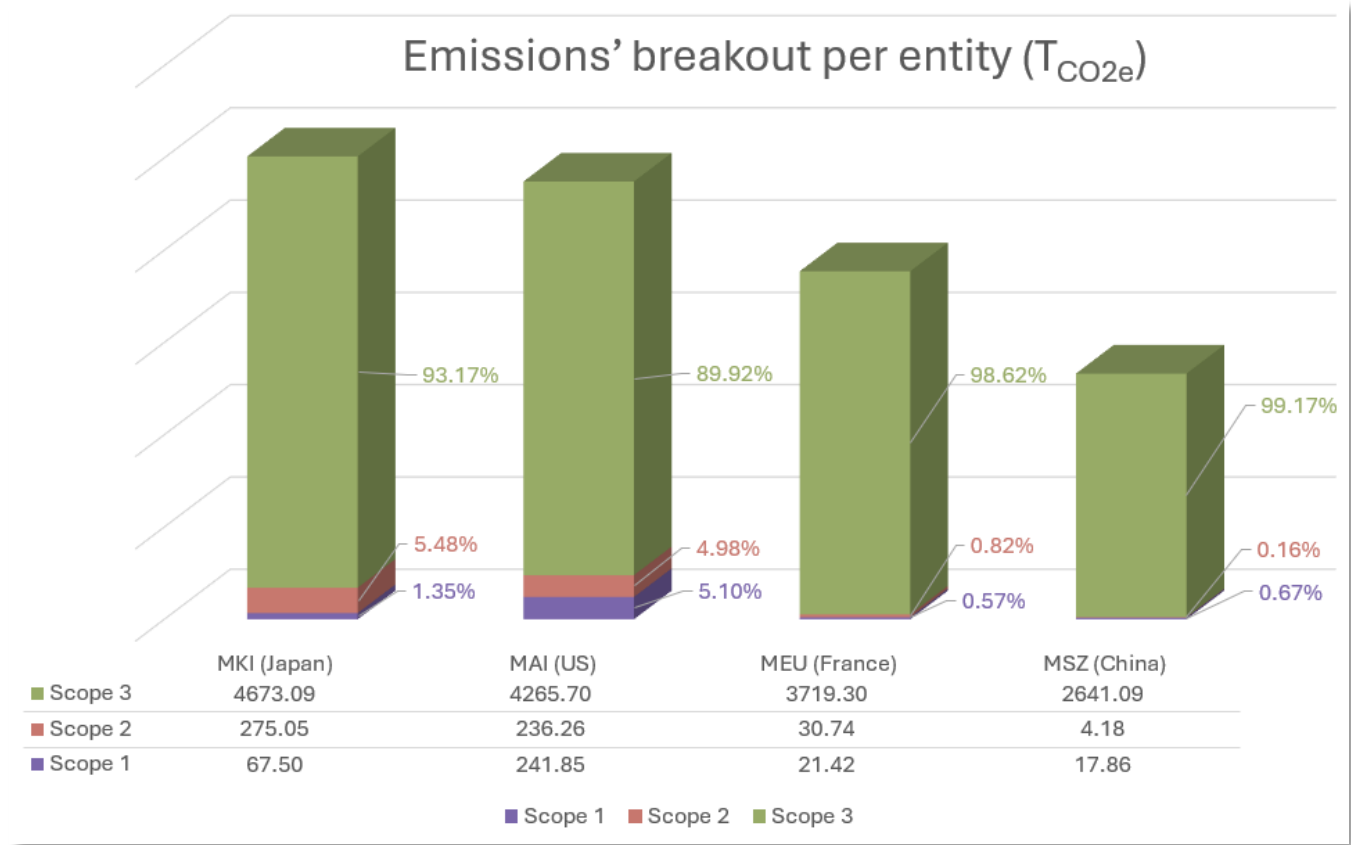
None of the MIYOSHI Kasei Group entities are currently subject to a regulatory or internal carbon pricing mechanism.

2024 Results

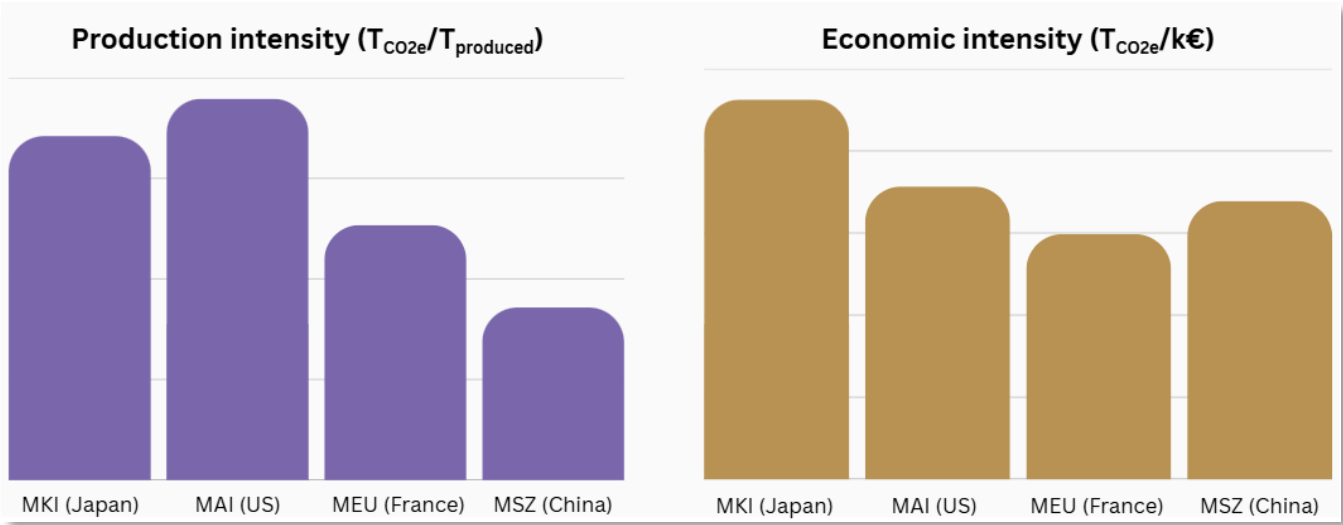
Here is the breakdown of total emissions measured in 2024 by scope:



As well as the breakdown of emissions by MIYOSHI Kasei Group entity:

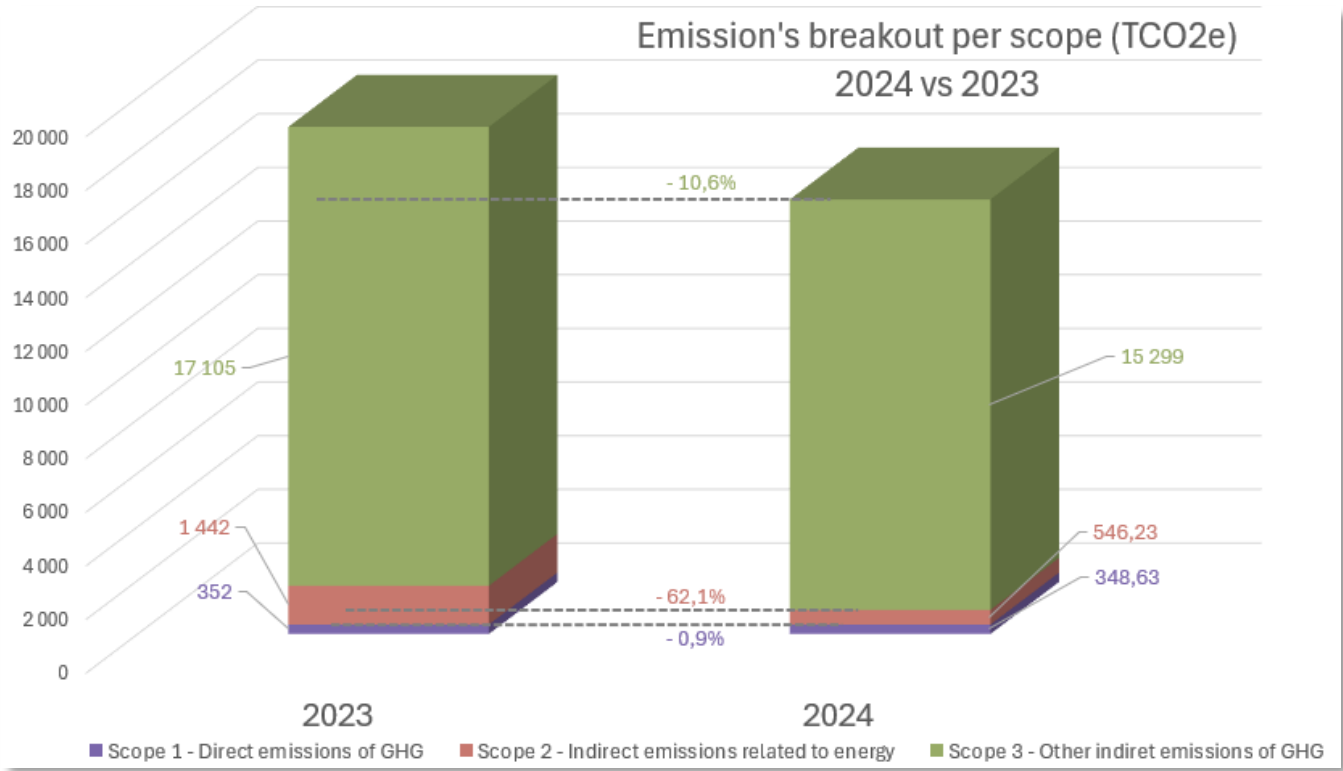


If we look at our GHG emissions in terms of intensity values, here are the results:



Trend compared to 2023 and decarbonization plans

Overall, our total emissions decreased by 14.3% between 2023 and 2024:

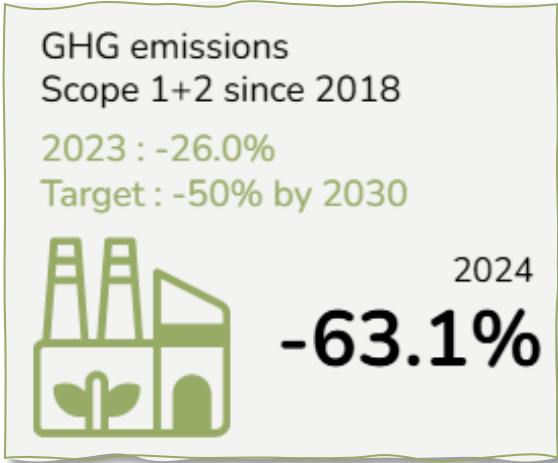


Scope 1&2

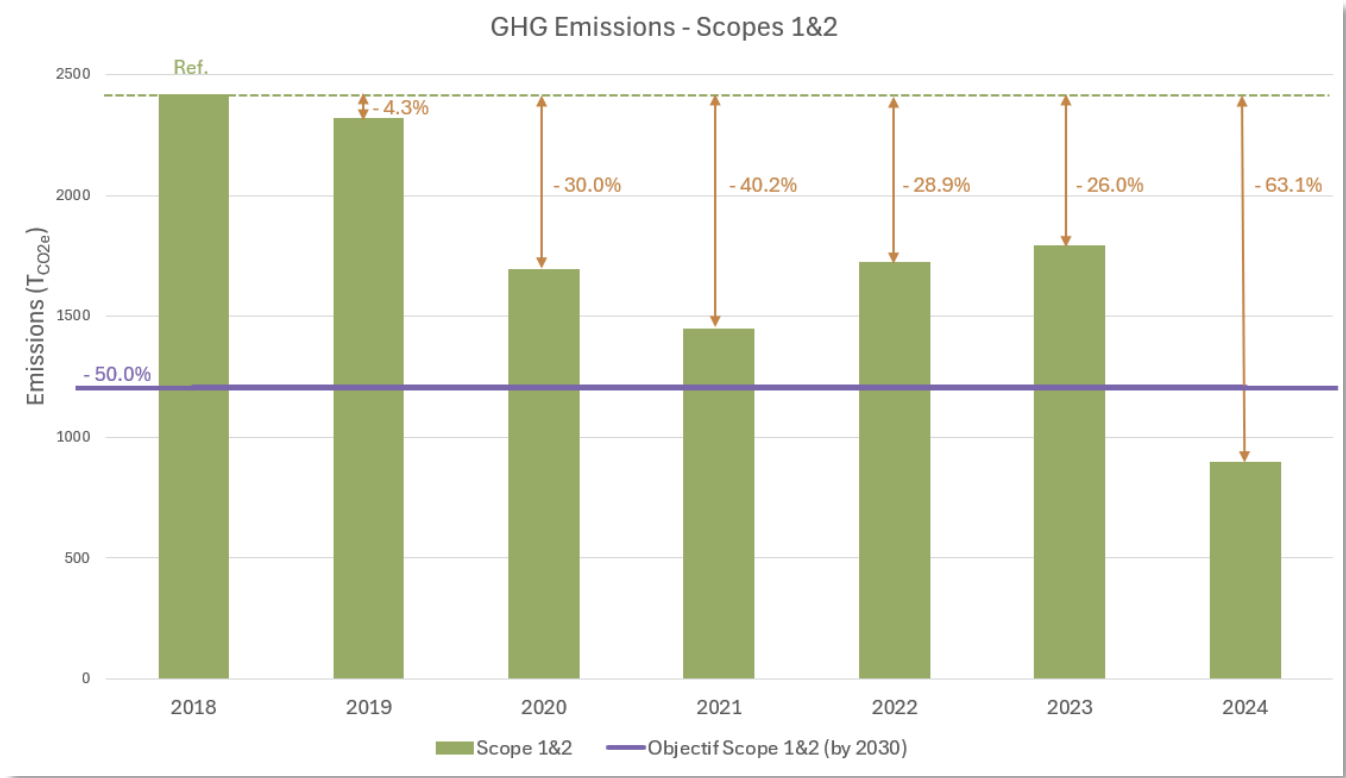
Our **target for scopes 1 & 2** is based on the year 2018, as this is the reference year aligned with the SBTi target for SMEs: **a 50% reduction by 2030** compared to 2018, i.e., a maximum of 1211 tCO₂e emitted across scopes 1 & 2. This target has been validated by the SBTi and is aligned with the Paris Agreement.

In 2024, GHG emissions were reduced by 63.1% compared to 2018 levels.

For the first time, **the target set for 2030 has been met and exceeded.**



The results of our carbon footprint since the beginning of our calculations are summarized in the figure below:



In 2024, our emissions for Scopes 1 and 2 were as follows:

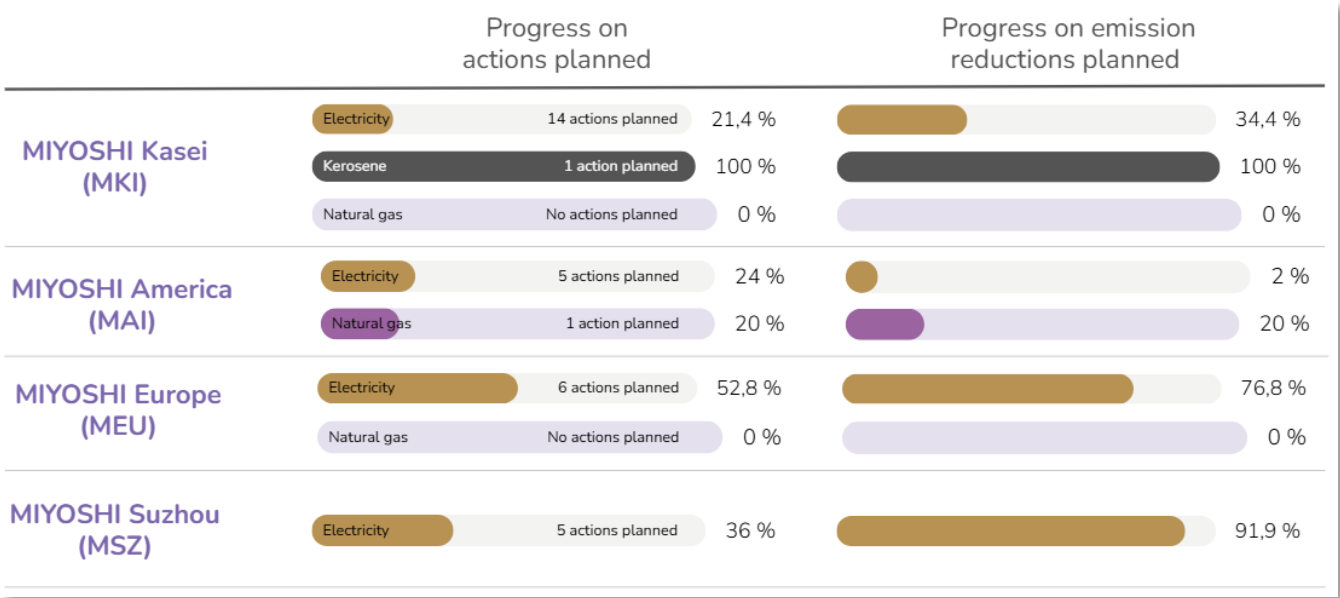
	Scope 1	Scope 2
GHG Emissions (T_{CO2e})	348.63	546.23

Our Scope 1 & 2 decarbonization plan was developed based on an energy audit conducted in 2022 across all MIYOSHI Kasei Group entities. This plan aims to track the actions implemented at each site and their contribution to emission reductions.

To establish our Scope 1 & 2 decarbonization plan, we made the following decisions:

- Emissions are consolidated across all entities by equally summing each site's contribution.
- Scopes 1 and 2 are treated together. We intend to address all emissions related to MIYOSHI Kasei Group's own operations as a whole.

Progress of actions outlined in our decarbonization plan (focused on Scopes 1 & 2):



It is worth noting that indirect emissions related to energy (Scope 2) decreased by 62.1% between 2023 and 2024.

Our Scope 1 & 2 decarbonization plan enabled an estimated reduction of 45 T_{CO2e} since 2022, including nearly 30 T_{CO2e} in 2024 alone. By the end of 2024, over 25% of the CO₂e reductions planned in our decarbonization strategy had been achieved.

This reduction corresponds to a 4.8% decrease in total Scope 1 & 2 emissions in 2024.



To go further and faster in decarbonizing our operations, the MIYOSHI Suzhou (China) entity, since early 2024, and MIYOSHI Kasei, since July 2024, have changed their electricity suppliers to providers that guarantee electricity from renewable energy sources. These contract changes have resulted in a respective 95% and 50% reduction in their Scope 2 emissions.

The downward trend for MIYOSHI Kasei is expected to continue in 2025, as the full-year effect will be reflected then.

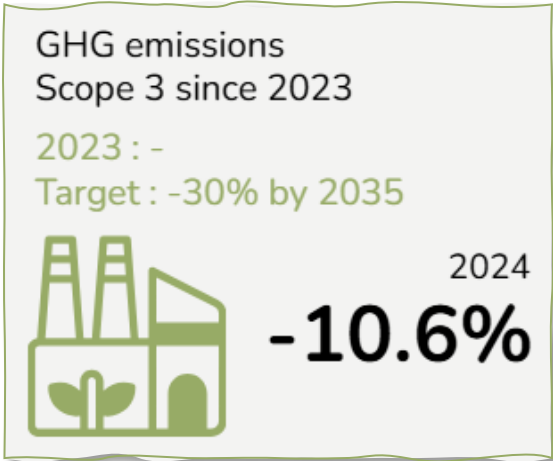
Our efforts to reduce energy consumption under Scopes 1 and 2 will continue in the coming years, as we believe it is important to lower our overall energy usage, beyond simply decarbonizing it.

Scope 3

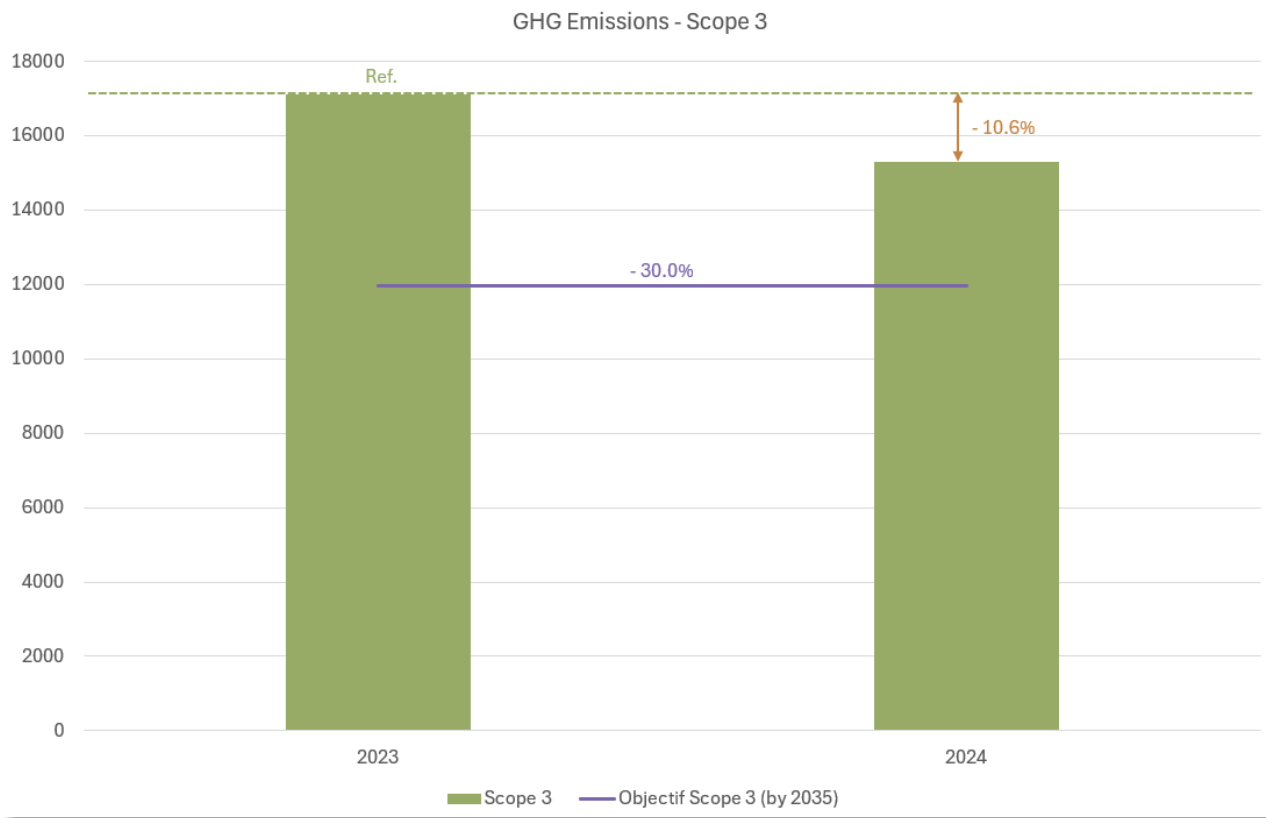
Scope 3 emissions include all indirect emissions from our value chain (business travel, purchase of inputs, waste, etc.). Scope 3 accounts for the vast majority of MIYOSHI Kasei Group’s total GHG emissions, representing 94% of the total.

At MIYOSHI Kasei Group, we have been calculating these emissions since 2022, based on the GHG Protocol, without any exclusions.

Our Scope 3 emissions reduction target is based on our 2023 carbon footprint. We are committed to reducing Scope 3 emissions by 30% by 2035. This means that by then, our Scope 3 emissions must not exceed 11,975 TCO2e.

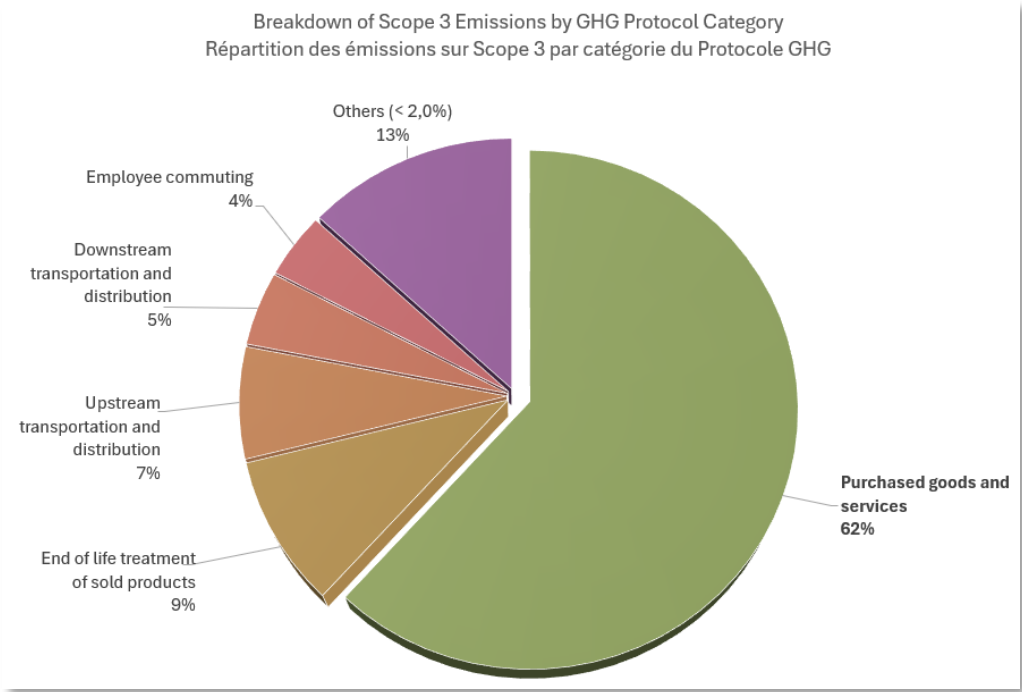


In 2024, our indirect GHG emissions covered under Scope 3 significantly decreased compared to 2023, with a reduction of -10.6%:



This overall decrease is attributable both to a reduction in the volume of incoming raw materials and to a decrease in the carbon intensity of inputs (TCO2e / T input) of -5.5%, meaning that for every ton of raw material purchased by MIYOSHI Kasei Group, 5.5 TCO2e of emissions were avoided.

A study was carried out based on the 2024 carbon footprint to identify the main sources of Scope 3 GHG emissions. Below are the main emission sources identified, according to the categories of the GHG Protocol:



The implementation of a Scope 3 decarbonization plan is scheduled for 2025.



Ahead of defining this plan, work was also initiated in 2024 to improve the accuracy of input-related data. Until now, the emission factors used in the carbon footprint assessment were generic values from various databases (ADEME, EcolInvent, etc.), accounting for the manufacturing regions.

Titanium dioxide, MIYOSHI Kasei Group’s main input, was prioritized in this work, as it accounted for nearly 40.0% of total emissions (Scopes 1, 2, and 3) in 2023. This effort made it possible to use more accurate emission factors provided by our suppliers for over 60% of the volume of titanium dioxide, resulting in an 11% reduction in the carbon intensity of this mineral.

This work will be continued in 2025.

Focus on Energy

GRI – Disclosure 302-1, 302-3, 302-4, 305-3

ESRS E1 – E1-5, E1-6



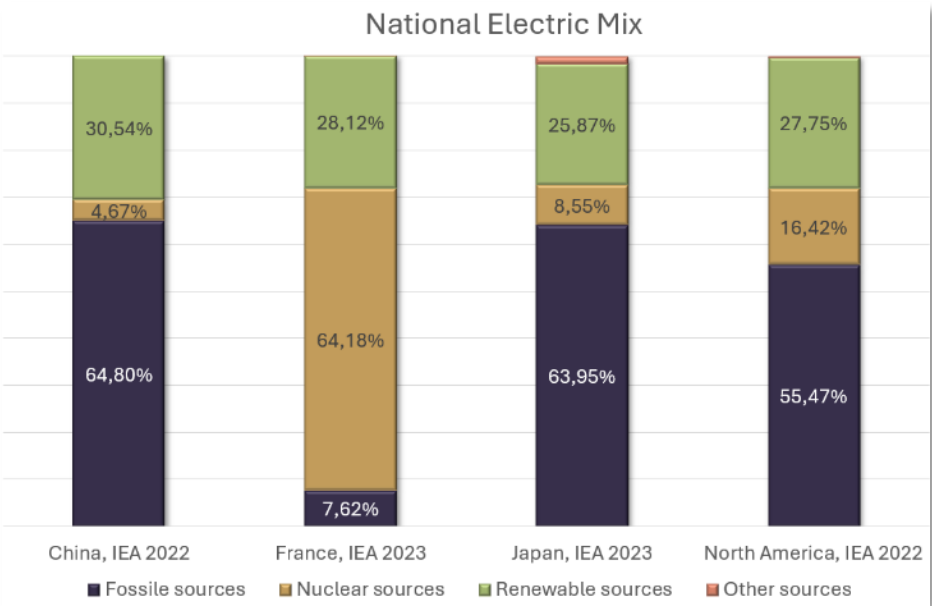
Within our group, we have been monitoring our energy consumption since 2015 and are continuously working to improve our energy efficiency and reduce consumption.

Our Scope 1 & 2 decarbonization plan primarily aims to reduce the energy consumption of our facilities (production sites and administrative buildings).

However, to calculate our total energy consumption, we take into account all forms of energy—those considered in our decarbonization plan as well as fuels: electricity, fuel oil, gasoline, and gas.

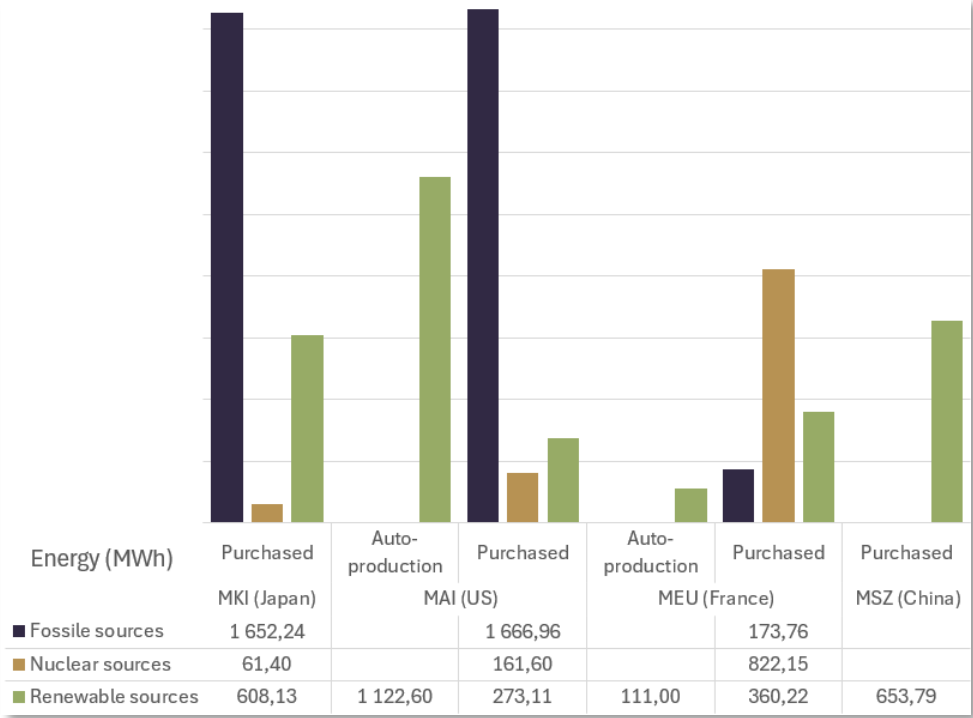
Currently, the distribution of our energy mix varies significantly from one entity to another. Several actions can be taken to improve this mix.

The energy consumed at our sites is mainly electrical. As a result, the energy mix heavily depends on the national electricity mix, and therefore on the actions and ambitions of public authorities to decarbonize their country or region (see adjacent chart):



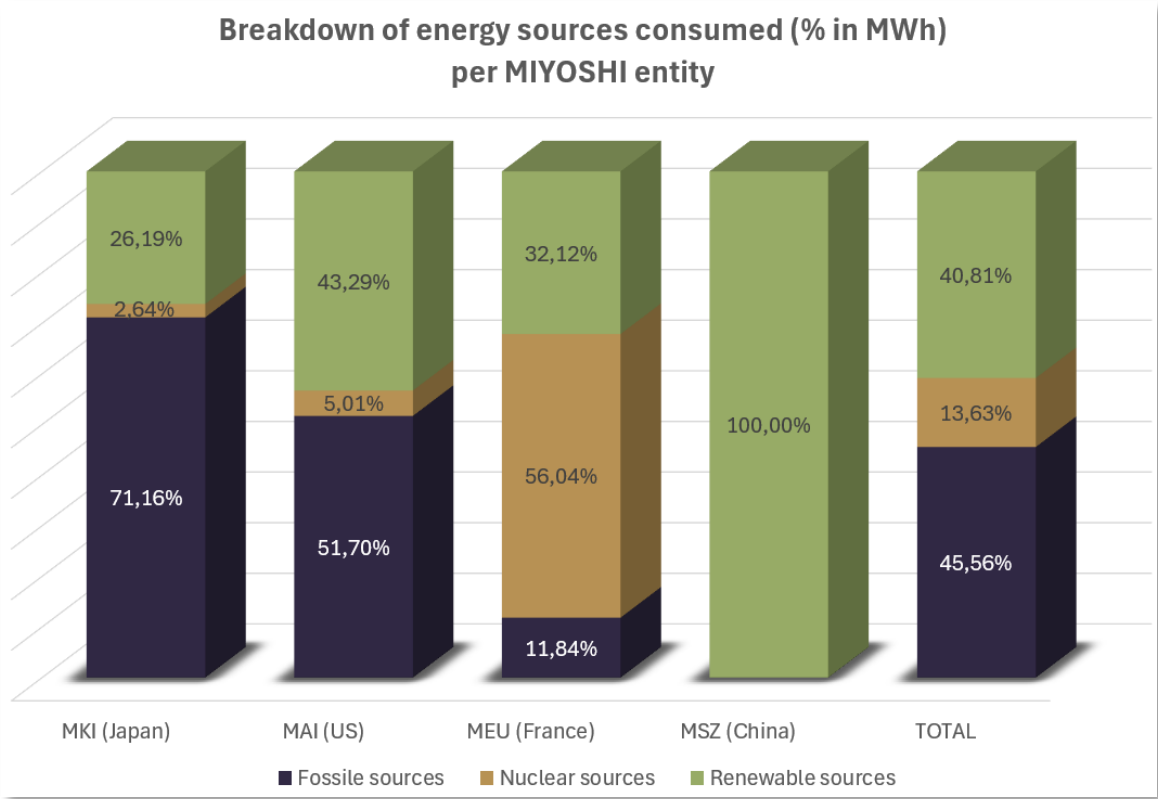
In countries where the energy mix is highly carbon-intensive (such as China, Japan, and the USA), it is possible to improve the site's energy profile by either installing on-site renewable energy generation systems (self-production) or by contracting with electricity suppliers who guarantee electricity from renewable sources (procurement).

For 2024, our total energy consumption is distributed as shown opposite:



Which results in the following breakdown of energy sources for the entire group:

Energy source	%Energy / Total
Fossile sources	45,56
Nuclear sources	13,63
Renewable sources	40,81

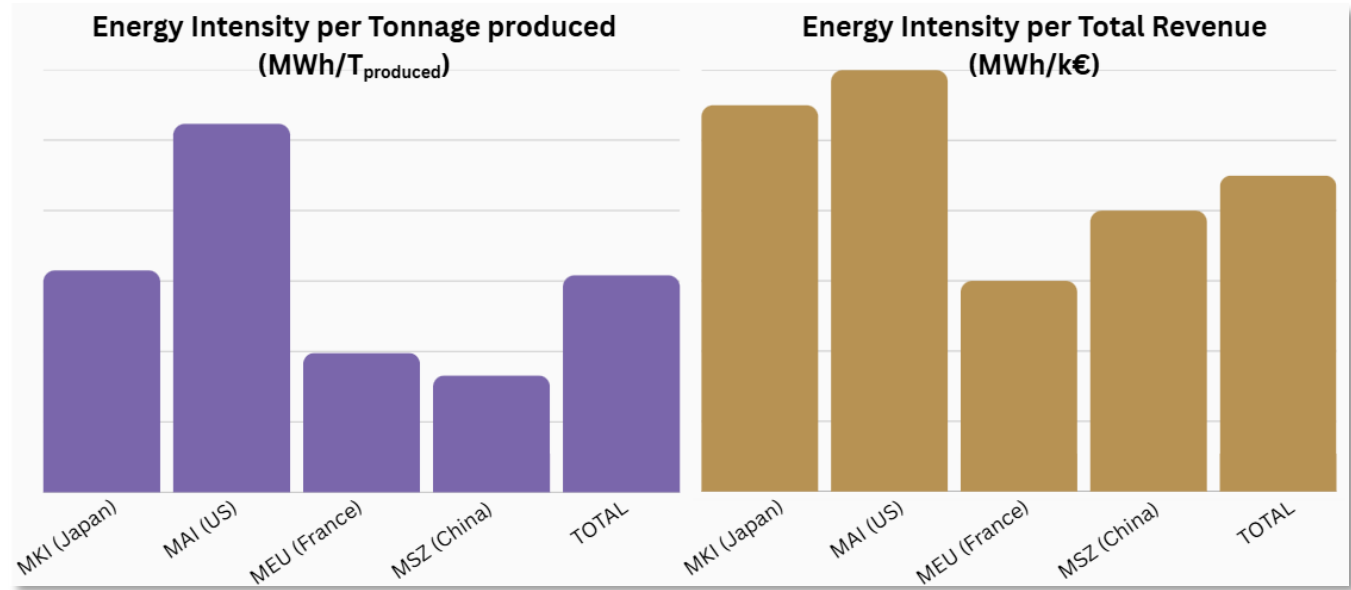


Currently, no fuel from renewable sources such as biomass, biofuels, or hydrogen from renewable sources is used by MIYOSHI Kasei Group entities.

Fossil-based energy sources, which predominantly come from natural gas, are distributed as follows:

Combustibles	MKI (Japan)	MAI (US)	MEU (France)	MSZ (China)	Total
Fuel oil	19,11%	Not used	Not used	Not used	9,48%
LPG	80,85%	Not used	Not used	Not used	40,11%
Natural gas	0,05%	100,00%	100,00%	Not used	50,41%

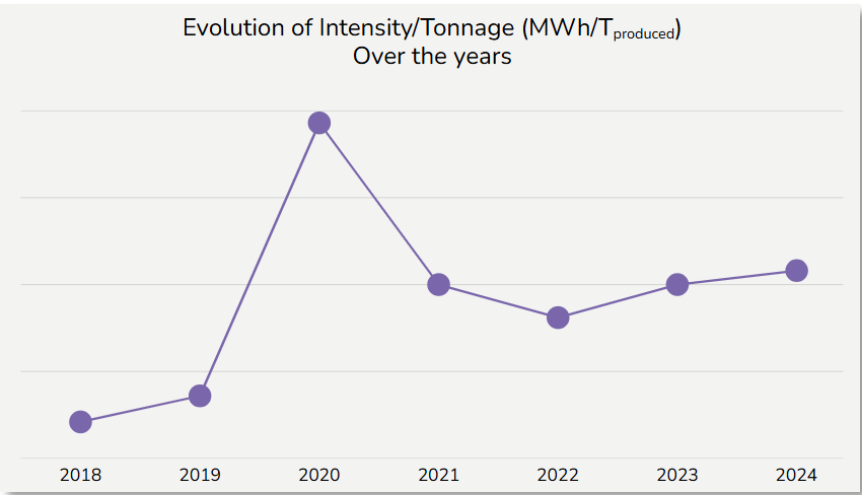
When examining this total energy consumption in terms of intensity, it is evident that the energy intensities of MIYOSHI America and MIYOSHI Kasei are higher than the group's average intensity.



This difference is primarily due to a greater number of ovens and furnaces—installations that consume significant amounts of energy. Specific actions have been planned in the Scope 1&2 decarbonization plan. For instance, at MIYOSHI America, planned actions should yield energy savings of 20–30% for the “oven” category, which accounts for around 10% of their total energy consumption.

The trend curve of energy intensity relative to the tonnage of products manufactured shows a slight increase despite the measures implemented.

This is explained by a decline in activity (tons produced) in 2024, while the share of energy used for manufacturing operations remains largely invariable. The results of the efforts will become more apparent once activity levels return to normal.



Impacts, Risks, and Opportunities

As part of our commitment to environmental preservation, we have placed particular focus on pollution related to our activities—an engagement reaffirmed through MIYOSHI Kasei Group Environmental Policy, in effect since 2019.

Air and water pollution resulting from our direct operations is currently well controlled thanks to rigorous internal monitoring and regular external inspections.

Substances of concern, substances of very high concern (SVHC), and microplastics are also closely monitored through our in-house expertise on the raw materials we use.



Major Risks	Potential Opportunities
Strategic and reputational risk linked to the presence of substances banned by regulations or customer specifications.	Opportunity to access public funding for projects aimed at improving air and/or water quality.
Legal, financial, and reputational risk due to fines for exceeding air and/or water quality thresholds.	Reputational opportunity through participation in civic actions benefiting the environment.
Legal, financial, and reputational risk linked to inadequate environmental protection systems.	Reputational opportunity through financial participation in collective environmental initiatives.

Despite this, our impact assessment has revealed that significant challenges remain, particularly upstream in our value chain. Indeed, the extraction and processing of natural raw materials are activities that can result in considerable pollution of water resources and soil.

These issues call for increased vigilance to better understand and mitigate their long-term consequences. As of now, we have not implemented specific actions related to upstream pollution. However, as part of our 2025 sustainability initiatives, questionnaires will be sent to our suppliers to identify value chains particularly vulnerable to these concerns and to explore possible avenues for improvement.

Water Resources

GRI – Disclosure 3-3, 303-1, 303-3, 303-4, 303-5

ESRS E3 – E3-1, E3-2, E3-3, E3-4

Impacts, Risks, and Opportunities

Water is essential to life and the prosperity of our societies, yet it remains a fragile and limited resource. Globally, pressure on water resources continues to increase due to climate change, growing industrialization, and the overexploitation of groundwater. In this context, it is crucial to recognize that water is a precious commodity—especially in regions where it is scarce.



Within MIYOSHI Kasei Group, we recognize the importance of preserving this vital resource both in our internal operations and throughout our value chain. We are committed to implementing water management practices that minimize usage and promote more responsible and sustainable consumption, keeping in mind its indispensable role for present and future generations.

As part of our environmental preservation efforts, we have placed particular focus on water resources related to our activities—an engagement reaffirmed in MIYOSHI Kasei Group’s Environmental Policy, in effect since 2019.

Major risks	Potential Opportunities
Strategic, financial, and reputational risk in the event of supply disruption due to water use restrictions.	Financial opportunity through water-saving technologies in manufacturing processes.
Legal and financial risk due to fines for exceeding water usage limits during restriction periods.	Opportunity to obtain public funding for projects aimed at reducing water consumption.
Reputational and strategic risk related to excessive or inappropriate water use in regions where water is scarce.	Reputational opportunity through financial participation in collective actions or initiatives.

Water Stress Assessment and Associated Risks

Here, we present an overview of water availability levels in the geographic areas where our entities operate. The maps below highlight local challenges related to water management and their impact on our operations:

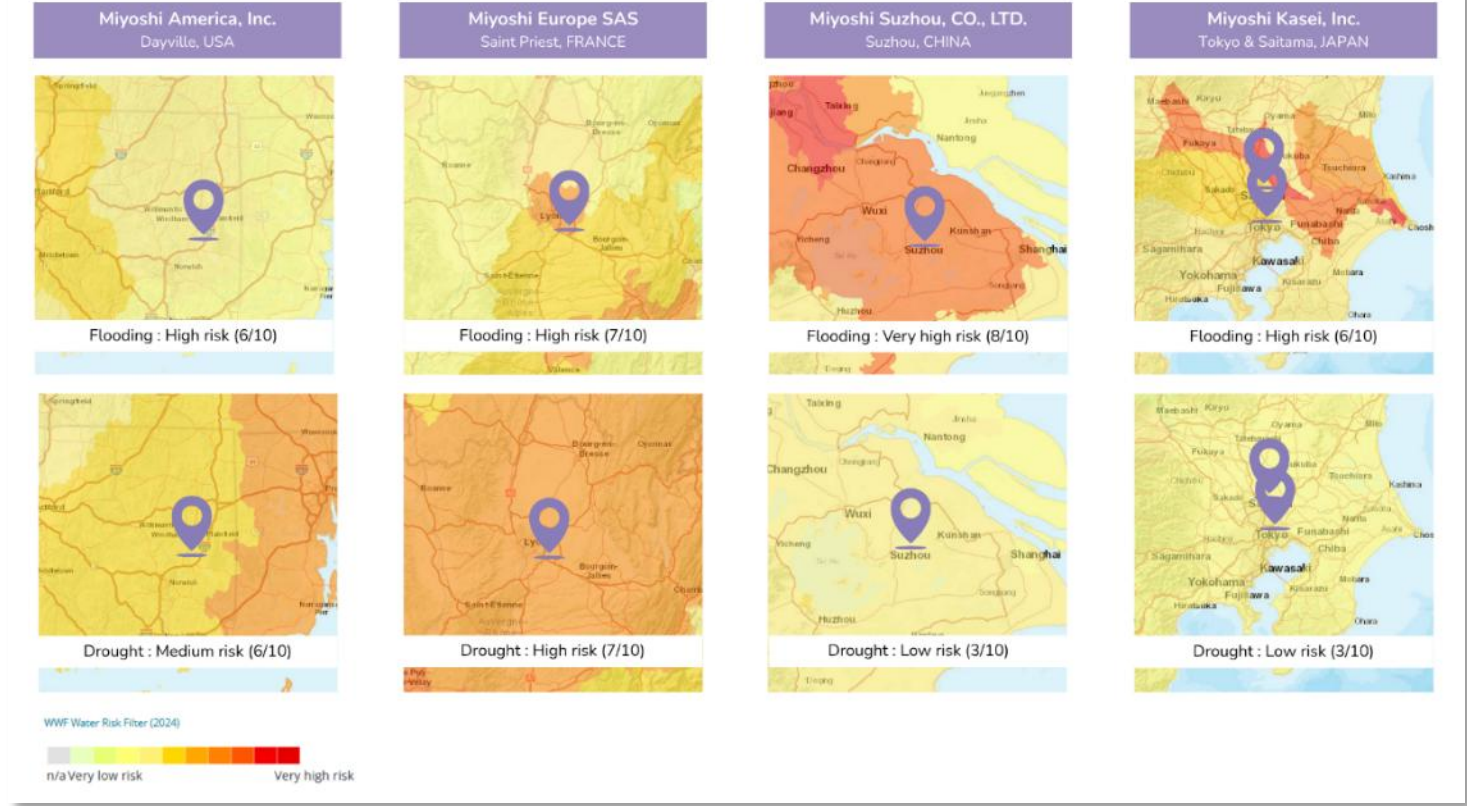


Source : WWF Risk Filter – Water availability

The entities MIYOSHI Kasei and MIYOSHI Suzhou are in areas where water availability poses a risk level that requires particular attention: medium to high risk. Moreover, the MIYOSHI Kasei area also presents a very high-risk regarding groundwater resources, highlighting the need for careful and responsible management of this resource.

Although the other MIYOSHI Kasei Group entities are not situated in regions where water availability presents such significant risks, preserving this resource remains a priority across all our operations, as part of our commitment to sustainability and environmental responsibility.

As shown in the maps below, MIYOSHI Kasei Group entities are in geographic zones exposed to climate-related risks, such as droughts and floods. All entities are exposed to flood risk, with levels ranging from high (for MIYOSHI America, MIYOSHI Europe, and MIYOSHI Kasei) to very high (for MIYOSHI Suzhou). As



for droughts, the risks vary from low to high depending on the entity. It is essential to take these risks into account to anticipate and manage potential impacts on our operations and supply chain.

Source : WWF Risk Filter - Flooding & Drought

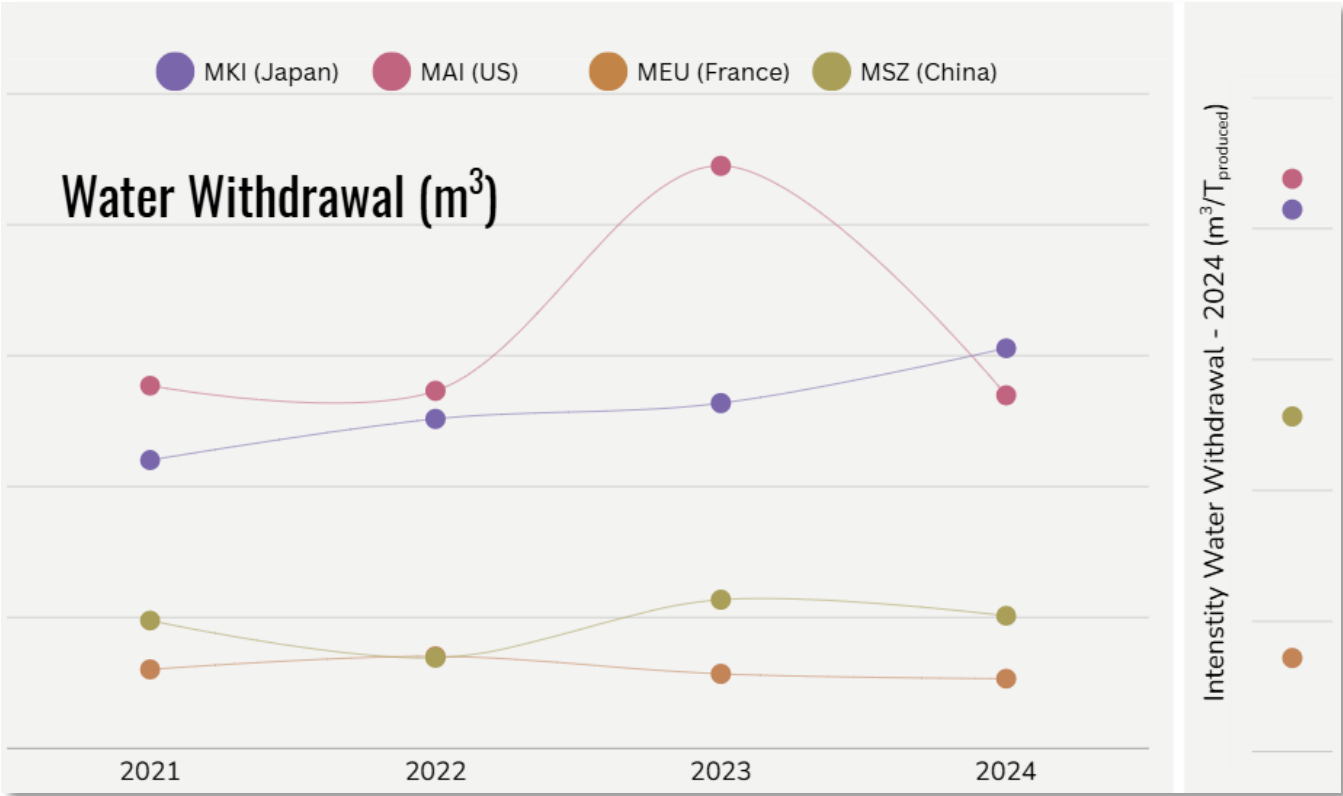
Our upstream value chain is also sensitive to water-related risks, particularly regarding the extraction and/or cultivation of strategic raw materials. These activities often take place in critical geographic areas that face water availability risks. For instance, in India—where some of our minerals originate—the region exhibits high risks related to both surface and groundwater availability. Additionally, very high drought risks are observed in the south and northeast of the country, while the northern borders face a very high flood risk. These factors must be considered to better understand their impact on our supply chain and to implement appropriate risk management measures.

As with pollution-related concerns, water resource issues require heightened vigilance. At this stage, we have not implemented specific actions regarding these upstream risks. However, as part of our sustainability initiatives for 2025, questionnaires will be sent to our suppliers to identify value chains that are particularly vulnerable to these issues and to explore possible improvement measures.

Water Monitoring and Action Plan

For several years, we have been regularly monitoring water consumption across all MIYOSHI Kasei Group entities, although a detailed study identifying the most water-intensive processes has not yet been conducted.

The chart below illustrates the evolution of water withdrawals—whether from municipal networks or groundwater sources—and also shows the intensity of these withdrawals relative to the volume of products manufactured by each entity (m^3/ton produced) for the year 2024 only. This analysis provides an overview of our water use while highlighting the efficiency of its use in relation to our production.



Water is primarily sourced from local municipal networks. Groundwater is used exclusively by MIYOSHI Kasei in cooling processes.

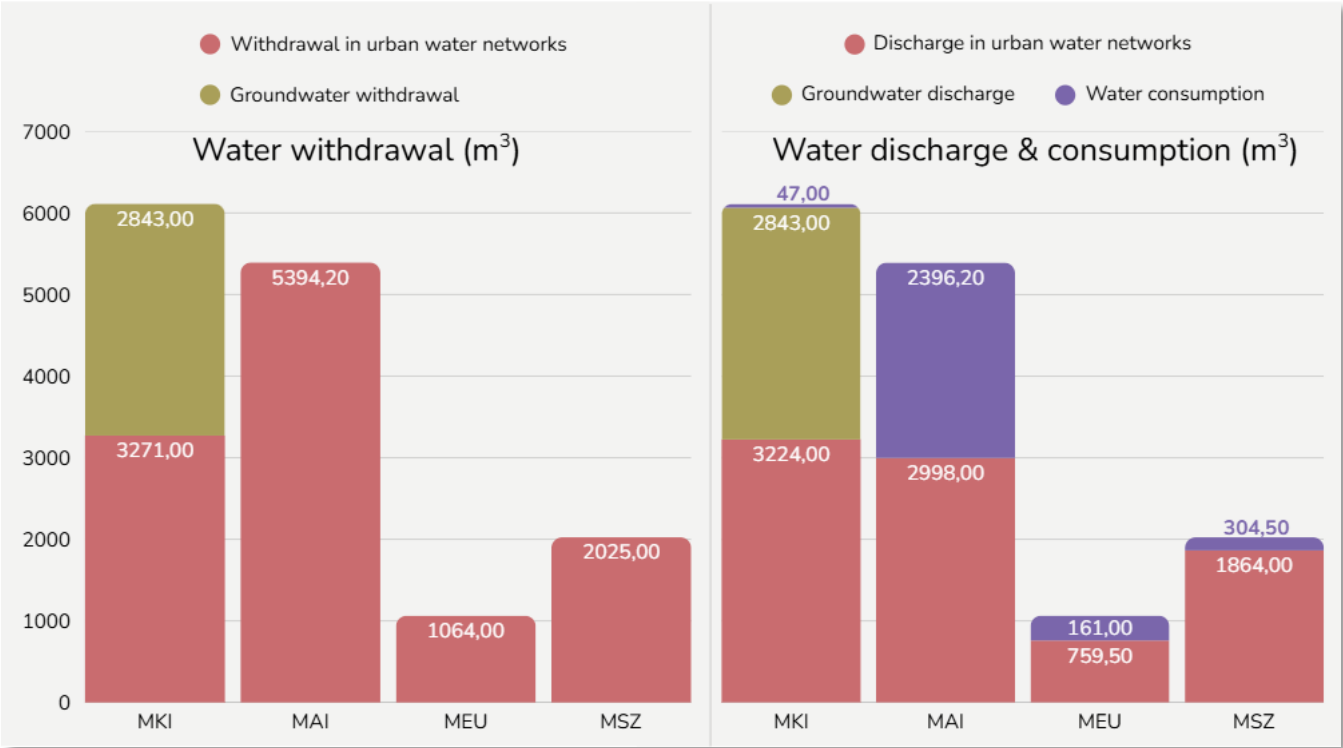
Our manufacturing processes require water at various stages and, overall, remain the main areas of consumption.

It is worth noting that MIYOSHI Europe has significantly lower water withdrawal levels than the other entities, despite similar production volumes. This difference is mainly due to the adoption of a more efficient production method in the early 2010s, which is significantly less water-intensive and allows for more efficient production in terms of water use.

At each site, non-consumed water is either evaporated or discharged into local municipal systems after on-site treatment.

Regarding the quality of effluents discharged into local networks, each of our sites operates under a specific discharge agreement with local authorities, which sets the parameters to monitor and the limits to be respected. Depending on the site, these parameters include pH, temperature, suspended solids, BOD5, COD, nitrogen content, and heavy metals content, among others.

In 2024, we conducted a more in-depth study of our water withdrawals, uses, and discharges. Below is the result, broken down by MIYOSHI Kasei Group entity:



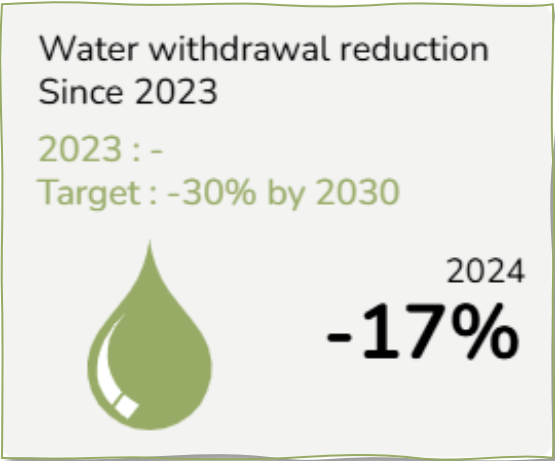
Water consumption is calculated as the difference between withdrawals and discharges.

The main objectives of this study were to:

- Identify the areas of improvement based on each entity's results.
- Determine the manufacturing processes with the greatest water requirements.
- Define improvements to be implemented for better analysis and tracking of water use.

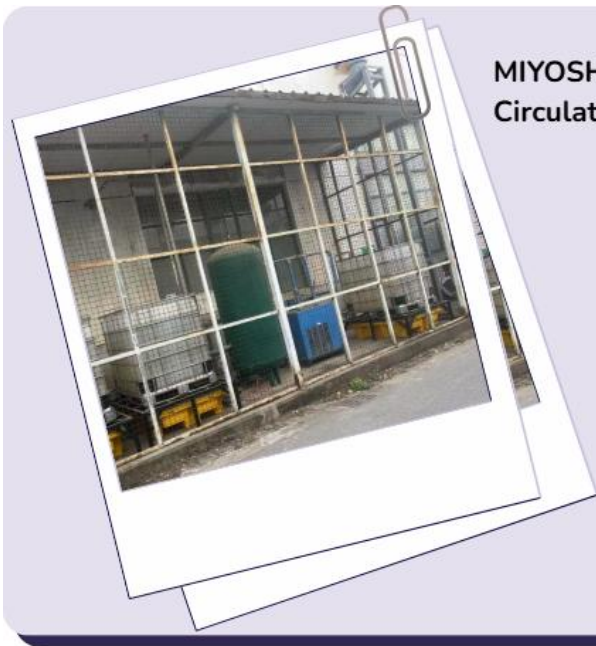
It allowed us to set goals that are both ambitious and tailored to the specific situation of each site. These objectives should enable us to reach the target set for 2030: a 30% reduction in water withdrawals by 2030 compared to 2023.

In 2024, we already achieved a 17% reduction in water withdrawals.



Here is an overview and the main actions defined in this Water Plan:

		Understanding Water Use	Water Consumption (%potential benefit vs total entity consumption)	Carried out in 2024
MKI (Japan)	Installation of additional water meters to differentiate uses	✓		
	Installation of "Cooling Water Circulation System"		✓ 40-50 %	
MAI (US)	Installation of additional water meters to differentiate uses	✓		
MEU (France)	Substitution of raw materials to be diluted with ready-to-use alternatives		✓ < 1.0 %	✓
MSZ (China)	Installation of additional water meters to differentiate uses	✓		
	Installation of "Cooling Water Circulation System"		✓ 40-50 %	✓
	Use of process water condensates for equipment cleaning		✓ < 1.0 %	✓



MIYOSHI Suzhou: New Closed-Loop Cooling Water Circulation System

As part of our efforts to reduce water consumption in our industrial processes, MIYOSHI Suzhou (MSZ) installed a closed-loop cooling water circulation system in the fall of 2024. This system recycles the water used for cooling, significantly reducing the amount of water consumed by the entire plant. Although the efficiency gains and water savings will only be fully visible starting in 2025, this initiative marks an important step toward sustainability and resource optimization at our production site.

Biodiversity & Ecosystems

GRI – Disclosure 304-1, 304-2, 304-4

ESRS 2 – IRO-1, SBM-3

ESRS E4 – E4-5

Impacts, Risks, and Opportunities

Global biodiversity is currently threatened on an unprecedented scale, with dramatic species losses and ecosystem degradation, exacerbated by factors such as deforestation, pollution, and climate change. This phenomenon represents one of the most urgent environmental challenges we face today, as it affects not only ecosystem health but also the resilience of human societies.

In fact, the latest edition of the IUCN (International Union for Conservation of Nature) Red List (version 2025.1) indicates that over 25% of assessed species are classified as threatened: 41% of amphibians, 12% of birds, 27% of mammals, and 38% of tree species are globally at risk of extinction.

At MIYOSHI Kasei Group, we are deeply concerned about these issues. This is why we take part in responsible initiatives such as the RSPO (Roundtable on Sustainable Palm Oil), which aims to ensure a sustainable and biodiversity-friendly palm oil supply chain.

Furthermore, the upstream value chain—particularly through raw material extraction and the exploitation of natural resources—represents a major challenge for ecosystem preservation. We are fully aware of these challenges, and for this reason, these raw materials will be subject to closer scrutiny following the supplier assessment planned for 2025. Once this evaluation is completed and analyzed, it will enable us to prioritize the most critical issues and define possible actions at our level.



Major risks	Potential Opportunities
Strategic, financial, and reputational risk related to potential supply chain disruption due to new regulations aimed at preserving biodiversity and ecosystems.	Reputational opportunity through financial participation in collective initiatives such as RSPO.
Reputational risk from the use of raw materials associated with the extraction and/or use of certain natural resources known to contribute to deforestation, biodiversity loss, and ecosystem destruction.	Strategic opportunity through the implementation of an eco-design approach that takes into account and limits biodiversity and ecosystem impacts from the product development stage.
Financial risk related to lawsuits in which even indirect involvement in ecosystem destruction could be prosecuted.	Reputational opportunity through funding and/or participation in the implementation of agricultural systems aimed at regenerating ecosystems and soils while supporting long-term sustainability.

Current Situation and Actions Implemented

The various MIYOSHI Kasei Group entities are located near several protected natural areas and habitats hosting species listed on the IUCN Red List.

For example:

- The MIYOSHI America site (Dayville, USA) is located less than 5.0 km from several municipal reserves such as Chase Reservoir and Mason Hill, and from areas frequented by vulnerable species like the wood turtle (*Glyptemys insculpta*, found in riparian forests and wetlands) and the eastern pipistrelle (*Perimyotis subflavus*, present in the region's mixed forests), both listed as Vulnerable by the IUCN.
- The MIYOSHI Europe site (Saint-Priest, France) is located less than 10 km from ecologically sensitive areas such as the "Plaine aux Œdicnèmes" and the Feuilly Forest, which host protected species like the European pond turtle (*Emys orbicularis*), commonly found in the wetlands around Lyon and listed as Near Threatened by the IUCN.
- The MIYOSHI Suzhou site (Suzhou, China) is located near the wetlands of Lake Taihu (<10 km), home to critically endangered species such as the Yangtze giant softshell turtle (*Rafetus swinhoei*, endemic to the Lake Taihu region) and the Chinese alligator (*Alligator sinensis*, present in the wetlands of Jiangsu Province).

Despite this proximity to ecologically valuable areas, MIYOSHI Kasei Group's activities are conducted exclusively on sites that are already urbanized or developed for industrial or commercial purposes. The entities do not occupy or alter sensitive land areas and do not engage in any extraction, land modification, or transformation of natural ecosystems.

The MIYOSHI Kasei sites (Tokyo & Saitama, Japan) are situated in a region surrounded by national parks such as Chichibu-Tama-Kai, Fuji-Hakone-Izu, and Nikkō National Park, but they are located respectively 50 km, 100 km, and 150 km from Tokyo.

In addition, the wastewater treatment management implemented across the various entities ensures that no direct discharges into natural environments (air, water, and soil) occur without prior treatment. Regular inspections are carried out by local authorities.

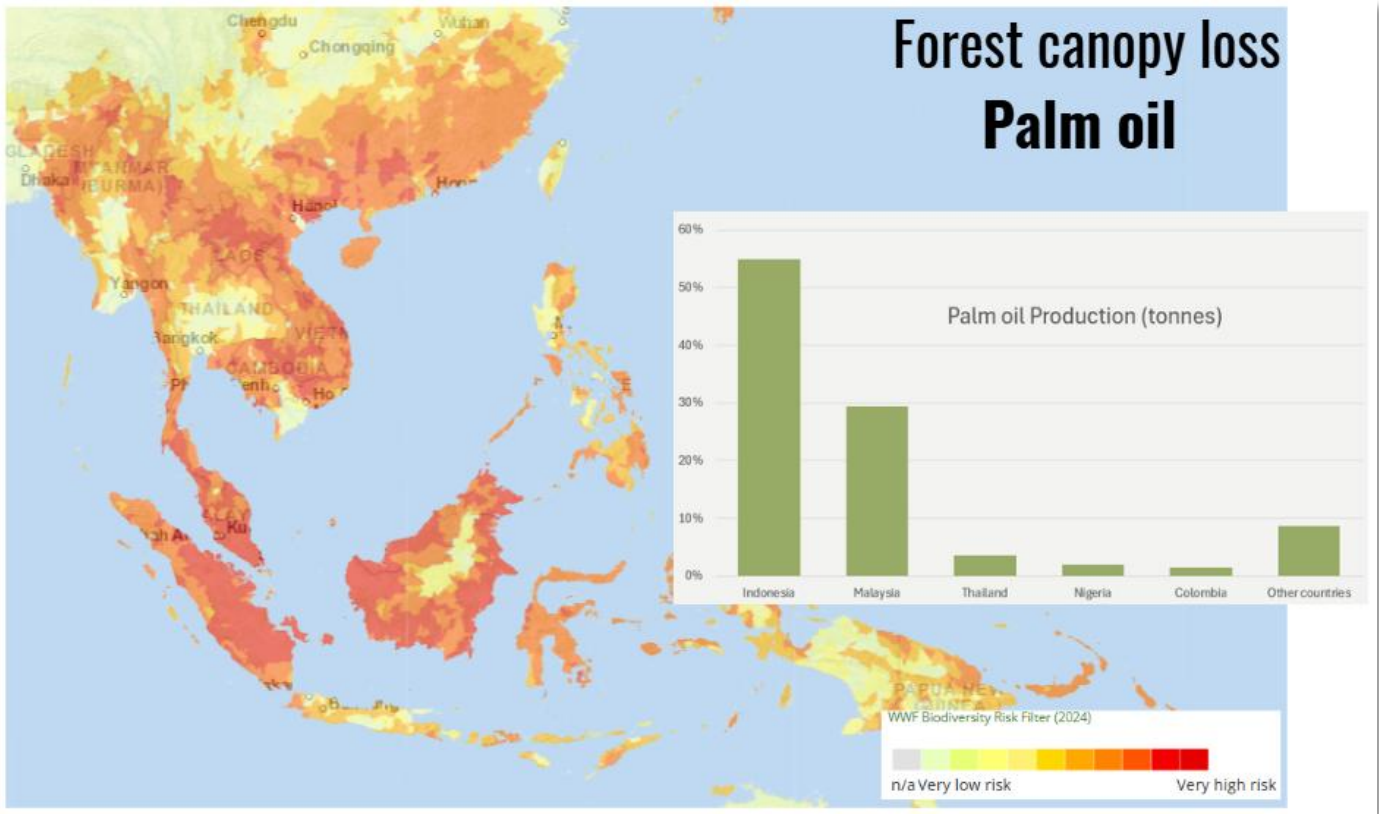
Thus, while ecosystem preservation challenges are real around our sites, the environmental risks directly related to the company's own activities are currently considered low or even non-

significant. Nevertheless, we maintain regulatory and ecological monitoring of changes in protection status and the presence of locally sensitive species.

Upstream in our value chain, however, the impact on biodiversity is significantly greater, particularly due to activities related to the extraction or production of raw materials.

Take the example of palm oil, whose production zones are mainly located in Southeast Asia: Indonesia (accounting for over 50% of global cultivation between 2010 and 2023), Malaysia, and Thailand.

The exploitation of this crop has historically been associated with massive deforestation, especially in Indonesia and Malaysia, where biodiversity-rich tropical forests have been cleared to make way for palm oil plantations. This deforestation, illustrated in the map below, has not only impacted vital ecosystems but also contributed to habitat loss for endangered species such as the orangutan, the Sumatran tiger, and the Bornean elephant.



Source: WWF Risk Filter - Forest canopy loss

In response to these challenges, sustainable certification initiatives such as the RSPO (Roundtable on Sustainable Palm Oil) have emerged, but the issue remains prevalent at a global scale.

At the European level, an “anti-deforestation” regulation was published in June 2023 to prohibit the placement on the European market or export from the European Union of products linked to deforestation after December 31, 2020. Several materials are affected, including palm oil and soy, which are commonly found in cosmetics. The regulation will come into effect on December 30, 2025, following a one-year postponement of the initial enforcement date.

The ultimate goal is to reduce deforestation and forest degradation on a global scale by involving global supply chains. Implementing due diligence by the stakeholders concerned is not an easy task, and actors outside the European Union are not always easy to convince. Nevertheless, such regulatory tools help promote better global practices on this type of high-stakes issue.

At MIYOSHI Kasei Group, we are not in a position of importing the materials covered by the regulation and will therefore not be legally subject to the due diligence obligation. However, we have questioned our suppliers of ingredients derived from commodities listed in the regulation about the origin of their materials in relation to deforestation. We aim to continue engaging in dialogue with them on this topic to ensure that these concerns are also being addressed on their end.

In parallel, mineral extraction also has a significant impact on biodiversity. Mining activities alter land use, transforming forests, grasslands, and agricultural areas into extraction sites. This change in land use leads to soil erosion, water contamination, and loss of local biodiversity. These activities particularly affect mineral-rich areas, which are often located in fragile ecosystems, and can lead to the destruction of habitats for numerous plant and animal species. The cumulative impact of these practices on biodiversity requires constant vigilance and targeted actions to limit their extent and restore affected ecosystems.

As mentioned earlier, these mineral and plant-based raw materials will be subject to closer scrutiny following the supplier evaluation planned for 2025. Once this evaluation is completed and analysed, we will be able to prioritize the key issues and define the possible actions we can take, such as encouraging our suppliers to assess their impact on natural ecosystems and to take the necessary measures where required.

Use of Resources and Circular Economy

GRI – Disclosure 3-3, 301-2, 306-1, 306-2, 306-3, 306-4, 306-5

ESRS E5 – E5-1, E5-2, E5-5

Impacts, Risks, and Opportunities

In a world where natural resources are becoming increasingly scarce, optimizing their use and transitioning towards a circular economy are essential challenges to ensure the sustainability of our activities.

At MIYOSHI Kasei Group, we are committed to reducing our ecological footprint by maximizing resource use efficiency. This includes the responsible management of raw materials, waste reduction, recycling and reuse of materials, as well as innovation to minimize environmental impacts. This approach not only helps preserve resources but also creates new opportunities for more sustainable production and a business model that is more environmentally respectful.



Major Risks	Potential Opportunities
Strategic, reputational, and financial risk linked to MIYOSHI Kasei Group's dependence on natural resources and the risk of supply disruption due to restrictions on extraction or cultivation.	Strategic and reputational opportunity linked to promoting circular resource management (e.g., iron oxide).
Strategic and financial risk related to dependence on petroleum-based materials for packaging across the entire cosmetics industry value chain.	Financial opportunity from using manufacturing by-products as raw materials initially intended for disposal.
Reputational and strategic risk related to the overexploitation of natural resources.	

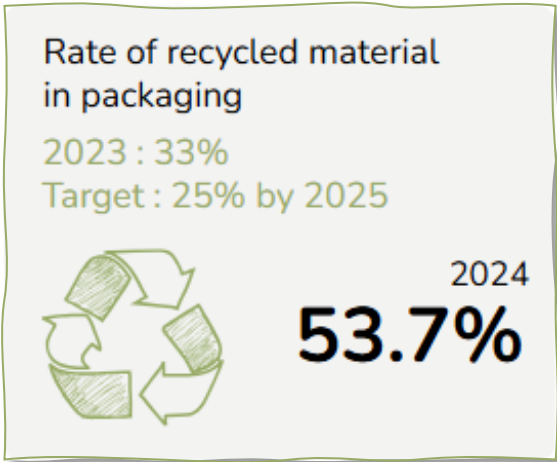
Current Situation and Actions Implemented

At the level of our own operations, the range of waste generated by our activities is relatively limited. These primarily include packaging from the raw materials we use, powdered products collected through air filtration systems, and sludge produced during manufacturing processes at some of our sites.

Hazardous waste is handled through specific management channels that ensure compliance with local regulations for safe treatment and disposal.

Specific actions have been implemented at each MIYOSHI Kasei Group entity to optimize waste management and minimize environmental impact. These actions aim to reduce as much as possible the share of waste sent for disposal by prioritizing strategies for prevention, reduction, and recovery.

For example, the target we have set for packaging encourages us to reduce our environmental impact and support a circular economy by ensuring that packaging materials contain a significant proportion of recycled content overall:



Likewise, with our target for the recycling rate, we aim to ensure that the quantity of waste sent for disposal is kept to a minimum, thereby contributing to the sustainability of our operations and the reduction of our environmental footprint. In 2024, our performance did not meet the 80% recycling target. The necessary actions to achieve this ambitious goal are currently being defined.

In 2024, the volume of waste generated per site (in tonnes) was as follows:

Entity	Waste Type	Disposal	Incineration	Recycling
MKI (Japan)	Hazardous waste	1,32	17,90	
	Non-hazardous waste		20,17	22,17
MAI (US)	Hazardous waste	80,17	38,50	
MEU (France)	Hazardous waste		4,18	
	Non-hazardous waste	59,56		8,34
MSZ (China)	Hazardous waste		44,06	
	Non-hazardous waste		12,22	
Total	All waste	141,05	137,03	30,51

Note that a significant portion of our raw materials—approximately 10%—are iron oxides, which are by-products of the steel industry.

These by-products are repurposed as raw materials within a circular economy approach instead of being discarded. As such, these materials are considered upcycled.

Aside from this upcycling initiative, most of our materials are mineral-based and therefore cannot be recycled.



In our downstream value chain, the ingredients we manufacture are primarily intended for the cosmetics industry.

Due to the very nature of the end products (mainly makeup), they are not designed to be recycled after use, as they are applied and discarded by consumers.

However, packaging in the cosmetics sector is a highly sensitive topic, as it represents a significant part of our clients' marketing strategy. Implementing eco-design practices in packaging development is therefore a key lever for reducing environmental impact.

In this regard, it is essential for our clients to commit to improved eco-design practices and to promote more sustainable packaging solutions as part of their CSR strategy.

On the other hand, in the upstream value chain, waste generation is significantly higher, particularly due to mining activities.

Upstream in the value chain, however, waste generation is significantly higher, particularly due to mineral extraction activities.

For example, aluminium extraction produces large quantities of red mud, a highly polluting by-product containing heavy metals and other chemical substances. When not properly managed, this waste can lead to soil and water contamination.

In addition, other minerals, such as titanium and mica, also generate mining waste which, if not properly treated or repurposed, can harm local ecosystems.

We plan to engage with our suppliers over the next two years to learn more about their environmental practices and to work collaboratively to assess the environmental risks associated with their operations.



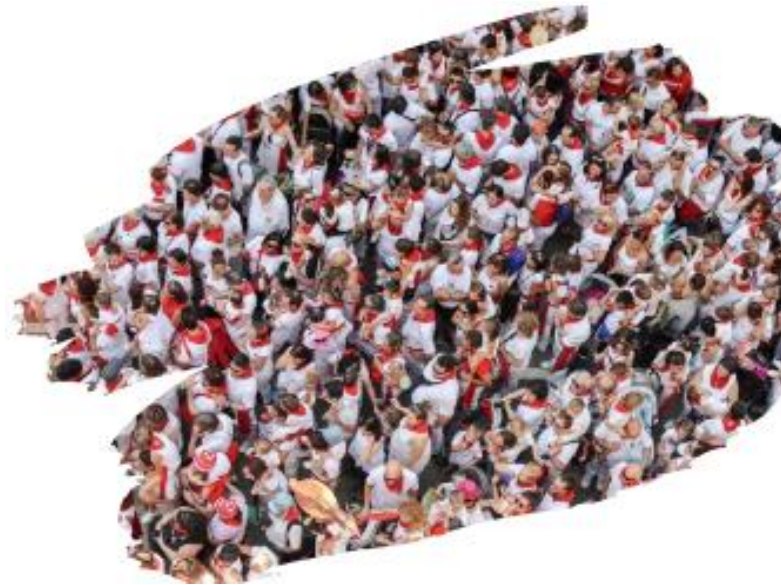
Our Impacts on People

Objective

The impacts of a company are not limited to the environment; they also extend to the people who interact with its products, services, and activities.

At MIYOSHI Kasei Group, we recognize the importance of our responsibilities toward communities, workers, and consumers. This includes social issues such as customer satisfaction, the creation of decent working conditions, and the impact of our products on the health and well-being of users.

In this section, we detail the various ways in which our actions influence people, both locally and internationally, and how we strive to continuously improve our practices to meet societal expectations while supporting sustainable development.



The impacts, risks, and opportunities will be described in each of the sections addressed below:



Our Employees

Impacts, Risks, and Opportunities

At MIYOSHI Kasei Group, we recognize that our employees are at the heart of our success and sustainable performance. Their well-being, professional development, and safety are key priorities to ensure a healthy and motivating work environment.

In this section, we will address the impacts that our activities may have on our employees, the risks related to workplace safety, as well as the opportunities we provide for their development.

We will also explore the actions implemented to minimize occupational risks, strengthen health and safety at work, and promote a culture of inclusion and diversity, while supporting the growth and personal and professional fulfillment of our teams.



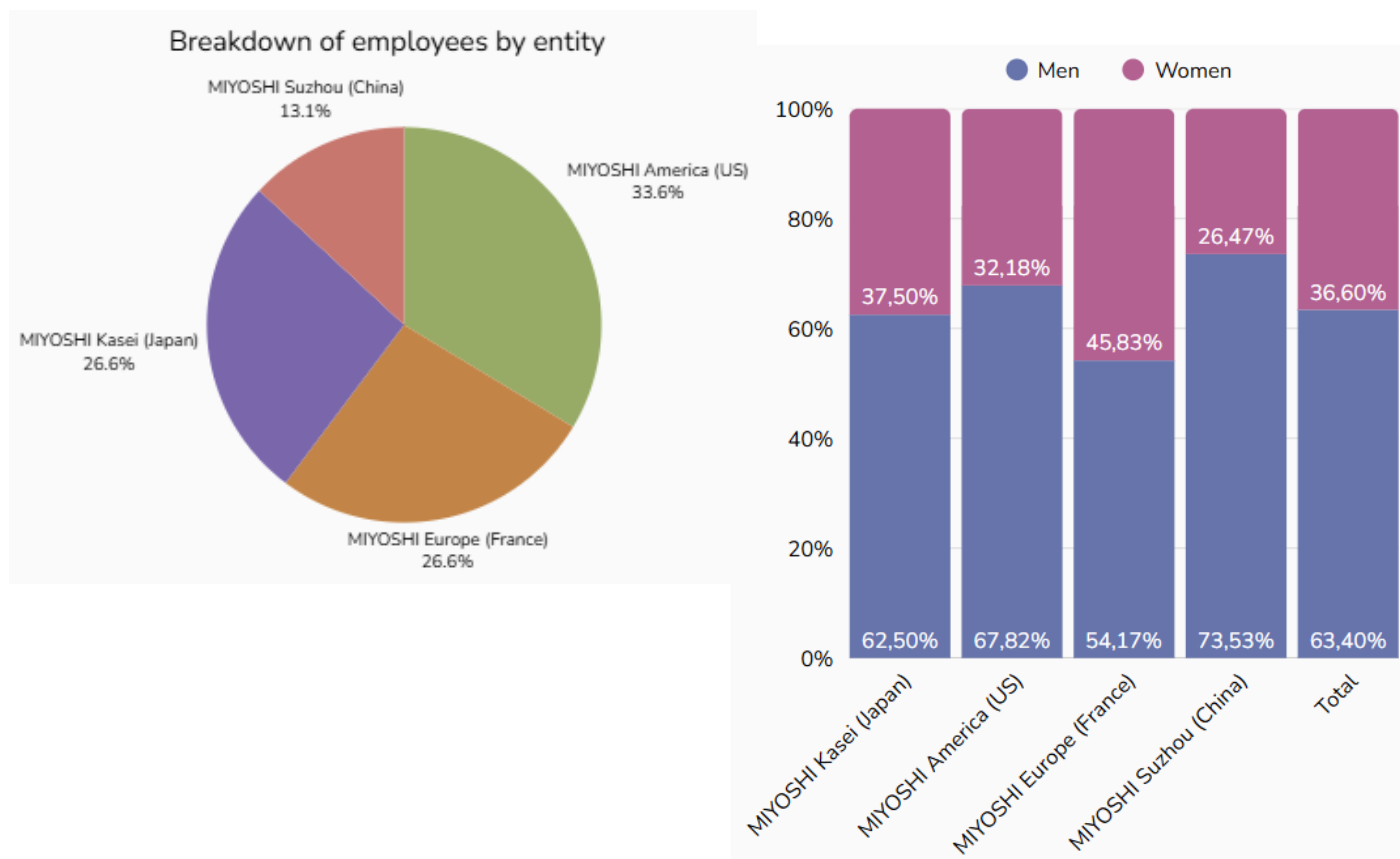
Major Risks	Potential Opportunities
Legal and financial risk related to workplace accidents or occupational illnesses occurring as part of our activities.	Strategic and reputational opportunity related to the implementation of policies and actions that ensure a professional environment where every individual benefits from fair and safe conditions.
Legal and reputational risk related to deteriorated working conditions and/or failure to comply with local labor regulations.	Strategic and reputational opportunity linked to the implementation of training programs and personal development plans that support employee growth within the company.
Strategic and financial risk linked to loss of motivation/engagement among employees, which may lead to a loss of skills for the company.	

Our Workforce in Figures

GRI – Disclosure 2-7, 2-8, 2-11, 401-1, 405-1

ESRS S1 – S1-6, S1-7, S1-9

MIYOSHI Kasei Group's workforce is distributed as follows across the different entities and by gender (see below):



In 2024, our employees were distributed as follows:

Entity	Contract type	Men	Women	Total
MIYOSHI Kasei	Full-time	42	16	58
	Part-time	1	10	11
	Temporary workers (not employed by MIYOSHI)	2	1	3
MIYOSHI America	Full-time	56	25	81
	Part-time	3	3	6
	Temporary workers (not employed by MIYOSHI)	0	0	0
MIYOSHI Europe	Full-time	36	29	65
	Part-time	1	3	4
	Temporary workers (not employed by MIYOSHI)	2	1	3
MIYOSHI Suzhou	Full-time	25	9	34
	Part-time	0	0	0
	Temporary workers (not employed by MIYOSHI)	0	0	0
Total		168	97	265

Due to occasional peaks in activity and in order to respect different working styles and maintain flexibility, we sometimes rely on temporary workers provided by agencies whose core business is temporary staffing. These workers are indicated in the table above. No freelance workers operate on any MIYOSHI Kasei Group site.

As part of our recruitment processes, we place particular emphasis on candidates' skills and expertise, while also assessing their ability to integrate smoothly into the company's culture.

We firmly believe that the added value of a new employee lies not only in their professional qualifications but also in their capacity to make a meaningful contribution to the organization as a whole.

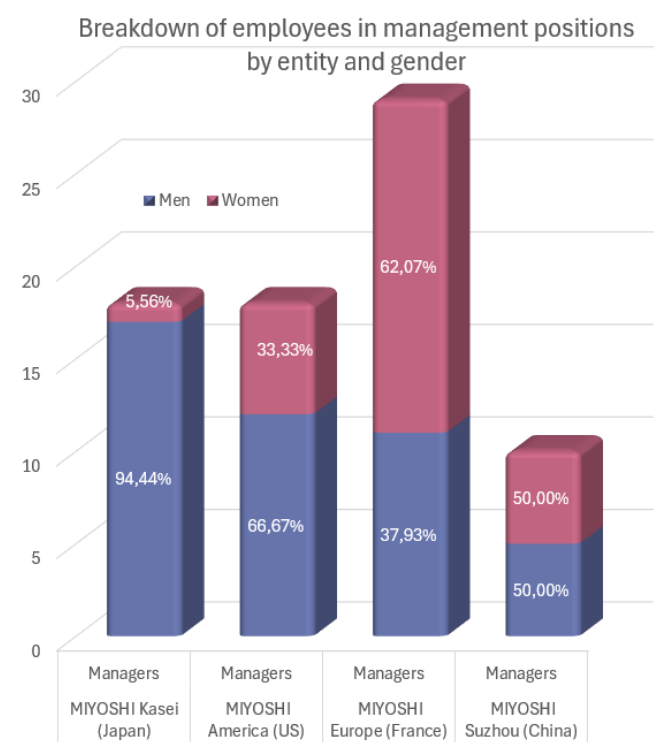
The table below presents the number of hires and departures across the different MIYOSHI Kasei Group entities, broken down by age group and gender:

Entity	Age category	New employee hire		Employee Exits	
		Men	Women	Men	Women
MIYOSHI Kasei (Japan)	< 30 years old	0	0	0	0
	30-50 years old	1	0	0	0
	> 50 years old	0	3	1	1
MIYOSHI America (US)	< 30 years old	0	0	3	1
	30-50 years old	3	1	6	1
	> 50 years old	0	0	1	0
MIYOSHI Europe (France)	< 30 years old	4	4	1	2
	30-50 years old	2	2	2	2
	> 50 years old	0	0	0	0
MIYOSHI Suzhou (China)	< 30 years old	3	0	0	0
	30-50 years old	1	0	0	0
	> 50 years old	0	0	0	0
Total général		14	10	14	7

As shown in the "Our Workforce in Figures" section above, the overall percentage of women in our group is 36.6%, with distributions ranging between 26% and 46% depending on the entity.

This proportion is very similar in the category of employees in managerial positions, with an overall rate of 41.7%. However, the distribution across legal entities varies significantly.

It should be noted that comparisons between entities are difficult, as the concept of "managerial position" is not defined in the same way across all entities.



Each site, depending on the local legal classification of employees, describes its workforce differently, based on skills, experience, and responsibility.

The global categorization can be summarized as follows:

- Category 1: includes executives, engineers, and senior management
- Category 2: includes employees and administrative staff qualified by degree or experience
- Category 3: includes factory workers and operators

This explains why the concept of a "managerial position" may vary from one entity to another: it includes all of Category 1 for some, and only senior management for others.

A harmonization of definitions is planned for 2025.

As of 2024, the composition of the Management Committee (Board) is as follows:

Entity	Identity	Function	Gender	Age Category
MIYOSHI Kasei (Japan)	H. USUI	President	Men	> 50 years old
	S. NISHIMURA	Financial Director	Men	> 50 years old
MIYOSHI America (US)	T. TAKAGI	President	Men	> 50 years old
	E. HOULIHAN	Vice-president	Men	> 50 years old
MIYOSHI Europe (France)	G. BOUTSERIN	President	Men	> 50 years old
MIYOSHI Suzhou (China)	D. ISHII	President	Men	> 50 years old

Our “Labour Practices and Human Rights” Policy

GRI – Disclosure 3-3, 2-23, 2-29, 403-1, 403-3, 403-4, 403-5, 403-6, 403-7, 408-1, 409-1

ESRS S1 – S1-1

In 2019, we formalized our “Labour Practices and Human Rights” policy to ensure that all our employees benefit from an ethical, respectful, and inclusive work environment—a commitment that was reaffirmed in May 2024.

This policy commits us to promoting equal opportunity, inclusion, and diversity, with mandatory training for managers on these topics. It strictly prohibits all forms of discrimination, harassment, or abuse, and guarantees a secure and protected reporting system.

Through this policy, we also commit to excluding all forms of forced labor and child labor, in accordance with international conventions, and to implementing a due diligence approach within our supply chains.

Regarding working conditions, we ensure compliance with social regulations, the payment of a decent wage to all employees, and respect for trade union freedoms.

Finally, employee health, safety, and skills development are also at the core of our priorities, with measurable objectives in terms of training, risk prevention, and professional development.

To ensure compliance with this policy, we have implemented several concrete actions and defined specific performance indicators to monitor the progress of our commitment.

Among the actions taken, we offer regular training to our managers on inclusion, diversity, and equal opportunity. These trainings aim to strengthen their role as inclusive role models and leaders within the company.

Additionally, specific training is provided to all our employees on preventing harassment and discrimination, to ensure a respectful working environment for everyone.

Indicators have also been defined to measure the effectiveness of these actions, and we closely monitor the company’s performance on these essential issues. These initiatives reflect our ongoing commitment to improving practices and creating a safe, fair, and inclusive workplace for all our employees.



Equality and Diversity

GRI – Disclosure 3-3, 202-1, 405-1, 406-1

ESRS S1 – S1-9, S1-10, S1-17



Equality and diversity within companies are strategic priorities essential for sustainable development and organizational performance. Promoting equal opportunities and inclusion not only ensures respect for the fundamental rights of each individual, but

also helps create a dynamic, innovative, and respectful working environment.

Diversity in profiles—whether related to gender, origin, age, ability, or other dimensions—encourages creativity, enhances decision-making, and improves adaptability to market changes. By embracing a culture of inclusion, companies benefit from a more engaged workforce, better talent retention, and a stronger brand image.

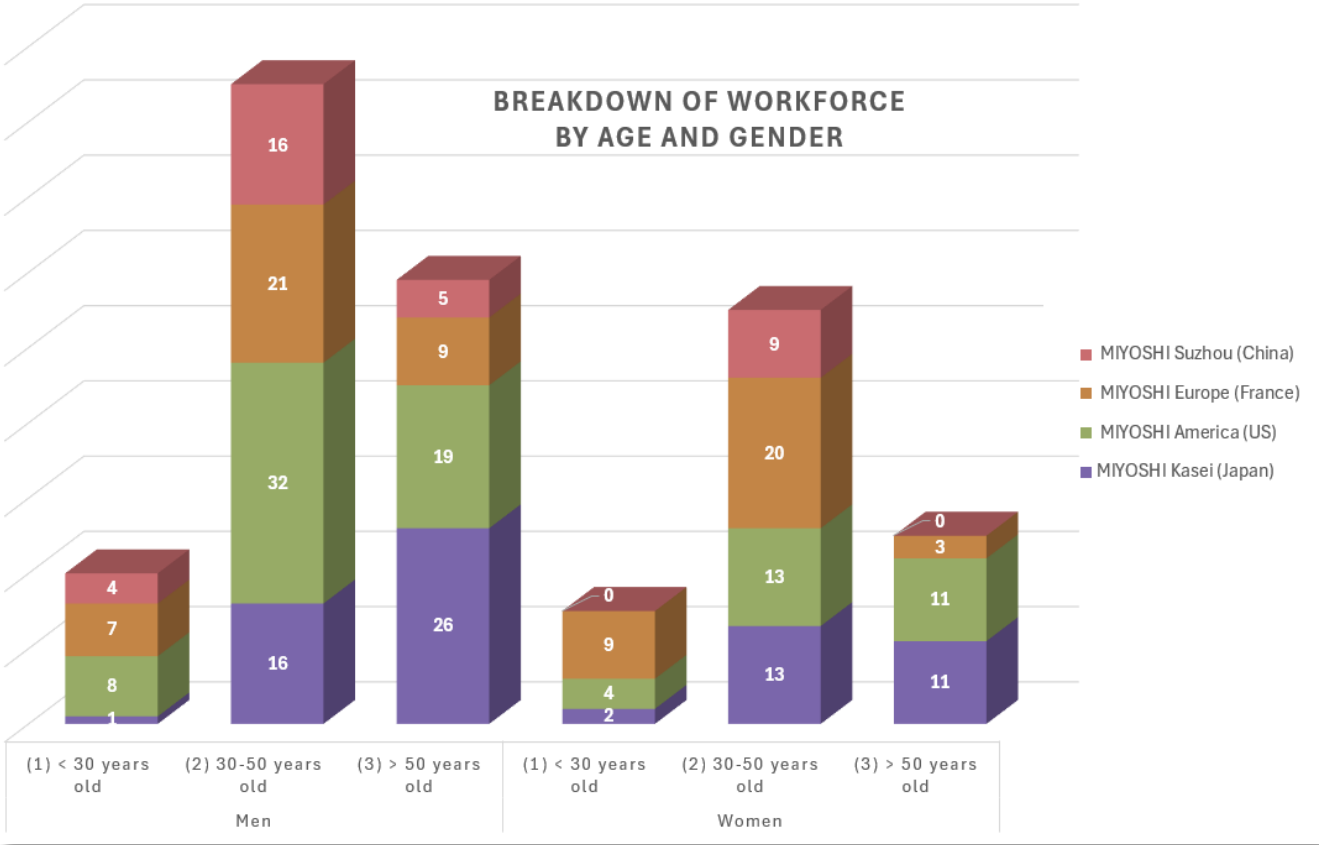
Thus, equality and diversity are not only important social values but also powerful levers for competitiveness and long-term success.

The age distribution of employees within the group is a key strategic factor. It is essential to maintain a balance between different age groups in order to benefit from both the expertise gained through experience and the fresh perspective and innovation brought by younger profiles. Indeed, older employees, with years of professional practice, bring valuable expertise, deep insight into challenges, and well-adapted solutions. At the same time, younger employees, with their energy, willingness to challenge established processes, and proficiency in new technologies, contribute a fresh outlook and essential creativity for the company's renewal and adaptability in a constantly evolving environment.

The distribution across all MIYOSHI Kasei Group entities is as follows:

Age	Men	Women	Total
< 30 years old	7,72%	5,79%	13,51%
30-50 years old	32,82%	21,24%	54,05%
> 50 years old	23,94%	8,49%	32,43%
Total	64,48%	35,52%	100,00%

And with a visualization of each entity:



It is worth noting that no incidents of discrimination, harassment, or human rights violations were reported across MIYOSHI Kasei Group entities in 2024.

Remuneration at MIYOSHI Kasei Group

GRI – Disclosure 405-2

ESRS S1 – S1-16



In line with MIYOSHI Kasei Group’s commitments, all employees across the group receive a salary that exceeds the locally defined living wage. The concept of a living wage, as defined by the International Labour Organization (ILO), refers to the remuneration received by a worker for a standard work week, sufficient to cover the essential needs of the individual and their family—such as food, housing, water, healthcare, education, transport—and includes a margin for unexpected events.

At MIYOSHI Kasei Group, we rely on the values set out in the IDH Living Wage guideline to define monthly living wage benchmarks.



For better clarity and comparability, all local values have been converted into the same currency.

Here are the figures in local currencies:

Entity / Entité	Unit	Company entry level wage	Legal minimum wage	Living wage	Ratio Company entry level wage / Legal minimum wage
MIYOSHI Kasei	¥	244 320,00	164 610,60	141 718,82	1,48
MIYOSHI America	US \$	2 822,00	2 714,10	2 031,60	1,04
MIYOSHI Europe	€	2 016,00	1 996,61	1 179,04	1,01
MIYOSHI Suzhou	CNY	5 090,00	2 490,00	2 636,75	2,04

At MIYOSHI Kasei Group, we place particular importance on pay equity, considering it essential to ensure fair remuneration based on skills, experience, and professional conduct—regardless of gender or any other personal characteristic. This is why entry-level salaries are the same for men and women across the company.

In the same spirit, base salaries for men and women are equal across all employee categories.

In addition to base salary, our employees benefit from a range of additional perks. While these vary between entities, they provide employees with higher total compensation. Examples include additional vacation days (5), health coverage, a social assistance program, profit-sharing, life insurance, and retirement savings schemes—beyond the existing local legal requirements.

Access to Training

GRI – 404-1, 404-3

ESRS S1-13



Professional training and skills development are strategic levers essential to the competitiveness and sustainability of the company. By investing in the upskilling of its employees, the company ensures not only the maintenance of its operational efficiency, but also its ability to respond to rapidly evolving markets and technologies.

Training allows employees to acquire new knowledge and enhance their competencies, thereby fostering professional growth and engagement. It also plays a key role in talent retention, by demonstrating that the company is committed to their future and personal development.

Moreover, skills development contributes to innovation within the organization, enabling teams to be more agile, creative, and equipped to solve complex challenges. Through a proactive approach to training, the company can also strengthen its organizational culture, improve overall performance, and maintain a flexible and resilient workforce capable of adapting to market changes.

At MIYOSHI Kasei Group, we are committed to listening to the personal development and training needs of our employees. Each of our sites follows a policy of meeting with employees once a year to discuss the past and upcoming year during a performance review. Career development interviews are also offered regularly.



Training requests can be made during these meetings or on an ad hoc basis through discussions with management.

We offer a wide range of training programs, including best work practices, skill development, and management improvement—alongside mandatory training sessions such as safety courses.

Depending on employees' expressed needs, we can tailor appropriate learning sessions.

On average, each employee received 19 hours of training in 2024, including both mandatory and voluntary training, distributed as follows:

Entity	Men	Women	Total Entity	Rate of total working time committed to training
MIYOSHI Kasei (Japan)	397,10	126,00	523,10	0,44%
MIYOSHI America (US)	1220,00	560,00	1780,00	1,03%
MIYOSHI Europe (France)	614,50	401,25	1015,75	0,97%
MIYOSHI Suzhou (China)	1435,00	196,50	1631,50	2,43%
Total working time committed to training	3666,60	1283,75	4950,35	1,07%
Average of hour of training per employee	22,36	13,51	19,11	

Employee Category	MIYOSHI Kasei (Japan)	MIYOSHI America (US)	MIYOSHI Europe (France)	MIYOSHI Suzhou (China)	Total per category
Category 1 - Managers and executive employees	77,80	80,00	342,00	252,00	751,80
Category 2 - Administrative employees	445,30	420,00	410,75	470,00	1746,05
Category 3 - Workers	0,00	1280,00	263,00	909,50	2452,50
Total per entity	523,10	1780,00	1015,75	1631,50	4950,35
Average of hour of training per employee	7,58	20,46	14,72	47,99	19,11

The analysis of training hours by gender and occupational category reveals several notable trends. First, it appears that men overall benefit from more training hours than women. This may be due to several factors, including a different distribution of roles across categories.

Indeed, employees in Category 3, which mainly includes operators, receive more training hours overall. This category includes roles that involve increased handling of products, frequent movement, and manual work—activities that carry higher health and safety risks. As a result, safety training, often mandatory for these positions, represents a significant share of total training hours.

It is also worth noting that Category 3 is predominantly composed of male employees, which partly explains the higher number of training hours observed for this group. Consequently, the overall higher training hours for men can be explained by this job distribution, which requires more safety-related training.

Work-Life Balance

GRI – 401-3

ESRS S1-15



Education is a fundamental right and a key driver of social progress. It plays a crucial role in personal and professional development and is essential for promoting equal opportunities across society.

In this context, parental leave proves to be a valuable tool. It allows parents to fully invest in the early stages of their children’s development, participate actively in their upbringing and well-being, and establish a healthy balance between personal and professional life.

Parental leave also provides employees with a period of rest, allowing them to focus on their family life, recharge, and return to work with a clearer mind. This helps reduce stress and facilitates smoother and more motivated reintegration into the workplace.

Moreover, parents who have taken parental leave often report improved personal well-being, a sense of appreciation from their employer, and a better quality of life—factors that strengthen their commitment and loyalty to the company.

Far from hindering career development, parental leave may enhance employees' long-term loyalty and performance.

Regarding parental leave duration, we follow national legislation in each of our operating countries, which leads to varying entitlements. For example, in France, parental leave can last up to three years, with financial support provided by the state. In Japan, each parent is entitled to up to one year of parental leave, supported by various financial aids. In Suzhou, in China’s Jiangsu province, parents are entitled to 10 days of parental leave per year, which may be paid, until the child turns three. . In the United States, there is no federal paid parental leave, but MIYOSHI America provide paid parental leave for up to one week (up to 40 hours) at the rate of 100% of base pay to the eligible parent serving as the primary caregiver following the birth or adoption of a child (MAI Employee Handbook).

These differences highlight that, regardless of the legal framework, parental leave is a crucial investment in employees' family balance and contributes to the long-term success of businesses.

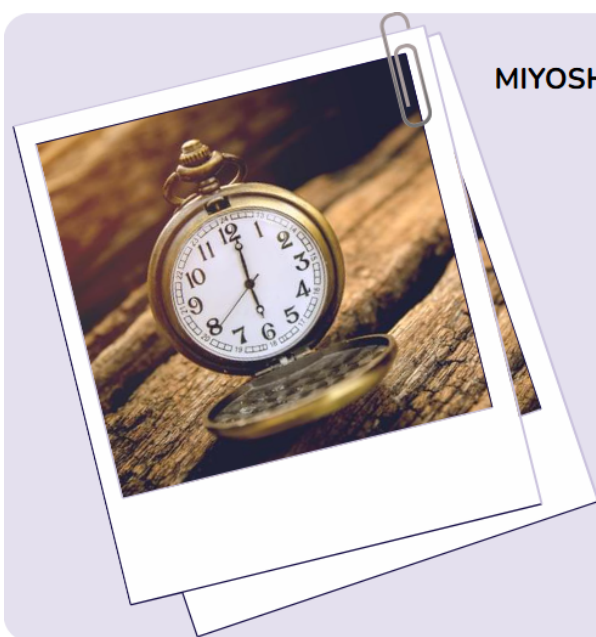
The use of parental leave by employees across the various MIYOSHI Kasei Group entities is as follows:

Entity	Gender	Employees that were entitled to parental leave (who had babies in the year)	2024-entitled employees that took family-related leave	2024-entitled employees that returned to work
MIYOSHI Kasei (Japan)	Men	0	0	0
	Women	0	0	0
MIYOSHI America (US)	Men	1 (1.7%)	1 (1.7%)	1 (1.7%)
	Women	1 (3.6%)	1 (3.6%)	1 (3.6%)
MIYOSHI Europe (France)	Men	1 (2.7%)	1 (2.7%)	1 (2.7%)
	Women	0	0	0
MIYOSHI Suzhou (China)	Men	0	0	0
	Women	0	0	0
Total	Men	2 (1.2%)	2 (1.2%)	2 (1.2%)
	Women	1 (1,1%)	1 (1,1%)	1 (1,1%)

In 2025, we aim to go further by analyzing all types of family-related leave. This includes maternity leave (also referred to as "pregnancy leave"), paternity leave, parental leave, as well as carer's leave.

Remote working also represents a real asset in improving the work-life balance within the MIYOSHI Kasei Group entities. It is now available to employees whose roles are eligible—that is, those whose tasks can be performed remotely without disrupting the proper functioning of the team or the company.

This arrangement is offered across all MIYOSHI Kasei Group entities, providing greater flexibility and autonomy to employees while enabling the company to maintain an efficient organization. Remote work thus helps meet the need to reconcile professional responsibilities with personal life, contributing to improved employee well-being.



MIYOSHI Europe: To flexible working hours

In a continued effort to improve the balance between personal and professional life, MIYOSHI Europe has chosen to implement a flexible working hours system. After a six-month trial period, an agreement was signed between the management and employee representatives to formalize this measure. This new arrangement applies to employees who have demonstrated sufficient autonomy in their roles and whose flexible hours would not compromise service continuity. The initiative aims to provide employees with more freedom and flexibility while maintaining optimal organization, enhancing their well-being and job satisfaction.

Occupational Health and Safety

GRI – 403-8, 403-9, 403-10

ESRS S1-14



At MIYOSHI Kasei Group, we are committed to providing a safe and healthy working environment for all our employees.

Each site is required to implement a risk identification, assessment, and mitigation program to minimize hazardous conditions and promote a culture of safety and risk awareness.

All our locations have implemented Occupational Health and Safety Management Systems, in compliance with local legal frameworks (Japan's Industrial Safety and Health Act, The Work Safety Law and Occupational Disease Prevention Law of the People's Republic of China, OSHA regulations in the U.S. (CFR29 parts 1900–1999), Article R4121-1 of the French Labour Code).

These systems are tailored to the specific operations of each group entity and include comprehensive risk assessments that cover all employees, categorized by workshops or work areas.

Each activity is assessed based on:

- The potential severity of harm
- The likelihood/frequency of occurrence

These ratings are then adjusted based on preventive measures already in place. All residual risks are ranked by criticality to prioritize action plans.

Annual reviews are conducted, with meetings that present the yearly risk assessment results to employee representatives, who are encouraged to provide feedback and communicate with staff on these topics.

This assessment is conducted annually but may be implemented at any time if needed. It is carried out by the EHS (Environment, Health and Safety) Manager at each site, with support from a local team of supervisors. The assessment is then reviewed by the Management of each entity.

To ensure that all employees work in the safest possible conditions, each site has procedures in place to explain how to report potentially hazardous situations. When such a situation is identified, the HSE department of the relevant site must be informed as soon as possible. In addition, HSE managers regularly conduct safety audits to proactively identify risks.

All employees are encouraged to report unsafe conditions, as part of our strong safety culture. No form of retaliation is tolerated against employees who report hazards, whether in a professional setting or in interpersonal interactions.

Each site also maintains a procedure for evaluating the root causes of work-related incidents.

Employees can also report safety concerns to employee representatives or their supervisors. Regular meetings with management are held to discuss social issues and working conditions—

monthly on most sites, or whenever necessary. A more comprehensive evaluation is carried out once a year.

These meetings are also an opportunity to present the annual risk assessment to employee representatives and collect their feedback and questions on the process and results. Employee representatives are encouraged to share this information with the broader workforce.

100% of our employees are covered by the HSE management system described above. The system and its procedures are subject to internal audits or reviews at least once per year.

At least once a year, employees receive training on general health and safety practices, which includes:

- Fire safety
- Evacuation procedures
- Use of PPE (Personal Protective Equipment) depending on the work zone
- Hand hygiene

In addition to this, all staff are given specific training related to the specific risks of their individual workstations, such as training on chemical risks.

Employees also undergo regular medical check-ups focused on the health risks specific to their roles. For example, those exposed to dust are required to undergo annual health screenings that include hearing and respiratory tests.

During these check-ups, employees are encouraged to freely express any health concerns related to their job.

Health programs are also available to all employees at each site.

In 2024, as in all previous years, we experienced zero fatalities and no serious accidents.

Work-related accidents are distributed as follows:

Type of injury	MIYOSHI Kasei (Japan)	MIYOSHI America (US)	MIYOSHI Europe (France)	MIYOSHI Suzhou (China)	Total per injury
Fatality	0	0	0	0	0
High-consequence injury	0	0	0	0	0
Others injury	1 (no days lost)	3 (18 days lost)	2 (150 days lost)	0	6
Occupational disease	0	0	0	0	0
Total per entity	1	3	2	0	6



To prevent workplace accidents, we have implemented several measures:

- Accident analysis procedures to identify root causes and eliminate them as much as possible,
- Risk assessments and updates related to ergonomic conditions,
- Training on hazardous materials and appropriate emergency response behaviours.

Our frequency rate is calculated based on 1,000,000 hours worked (i.e., number of lost-time accidents × 1,000,000 / total hours worked across the company).

For 2024, this rate was 8.6.

Social Dialogue, Collective Bargaining, and Social Risk Management

GRI – Disclosure 2-30, 3-3

ESRS S1 – S1-4, S1-5, S1-8



At MIYOSHI Kasei Group, we value our employees and their voices, and there is always an open door to be heard. Whether the subject is strictly work-related, or more personal, direct managers and human resources staff are open-minded and caring.

A healthy, caring work environment is the best way to retain talent and ensure that it develops in the best possible conditions.

At some sites, emphasis was places on the managerial collective and the best practices to develop in order to be a smart, aligned manager who listens and focuses on both employees and team performance. AT MIYOSHI Europe for example, a program involving all managers will take place in 2025, throughout the year, for all managers, including project managers who don’t necessarily have people to manage hierarchically, but who prescribe tasks relating to their project.

Three of our sites also have a dedicated body for social dialogue with the direction, composed of elected employees. Meetings between employees and the direction happen several times a year, and they involve consultations on different topics, from organisational news to health and safety measures to collective agreements. This is a dedicated time where employees can freely talk about their collective requests for improving their work environment and conditions.

We can note that at MIYOSHI Europe, all employees are covered by the Chemical Industry Collective Agreement. In accordance with French legislation, all employees are also represented by a Social and Economic Committee (CSE).

None of our sites have employees engaged in unions, so that this communication channel described above is essential for our employees. Discussions during these meetings led for example to agreements on flexible working time, home office policy, organization of events...

Workers in Our Value Chain

Impacts, Risks, and Opportunities

Our value chain includes both the upstream and downstream aspects of our business – see the section [“Our value chain at the heart of our strategy”](#).

Downstream workers, while essential to the distribution of our products, are relatively less impacted by our direct operations.

Conversely, the impacts and risks are much more significant in the upper supply chain, particularly during the extraction of minerals or the cultivation of plants, where working conditions can be more complex and exposed to greater environmental and social risks.

We recognize that the well-being, safety, and skill development of workers—especially within the upper supply chain—are critical priorities.



Major Risks	Potential Opportunities
Strategic and reputational risk related to severely degraded working conditions (inadequate wages, unhealthy or dangerous work environments, etc.) within the upper supply chain.	Reputational opportunity through the development of ingredients that minimize dust generation in the work environment of our clients.
Reputational and legal risk related to labor practices in the upper supply chain that violate human rights (e.g., child labor, forced labor).	Social and human opportunity through the improvement of working and living conditions for mica extractive workers via MIYOSHI Kasei Group’s financial participation in collective actions/initiatives such as the Responsible Mica Initiative (RMI).
Strategic and financial risk due to potential upper supply chain disruptions from emerging labor regulations in currently unregulated regions.	

Our "Labour Practices and Human Rights" Policy

GRI – Disclosure 2-23, 3-3

ESRS S2 – S2-1

As mentioned in the section related to our employees, in 2019, we formalized our "Labour Practices and Human Rights" policy. Its objective is also to ensure that all workers throughout our value chain benefit from a working environment where human rights are respected.

Human rights are of the utmost importance to all MIYOSHI Kasei Group entities. Our goal is to ensure they are respected across our global operations and throughout our value chain.

Through this policy, we also commit to taking action to exclude all forms of forced labor or child labor, in line with international conventions, and to implement a due diligence process across our key upper supply chains.

Workers in our Distribution Chain

The cosmetics sector is not commonly associated with human rights violations such as child labor or forced labor.

However, workers in our downstream value chain — particularly cosmetics formulators handling our ingredients — may be directly impacted by our products due to their composition and physical form.

Indeed, since our ingredients are mostly in powder form, they present specific challenges in terms of health and safety, as improper handling can lead to dust dispersion, affecting air quality and exposing workers to health and safety risks.

A significant amount of work is carried out by our development teams to reduce the dustiness of our ingredients and to ensure a safe working environment for our clients.

At the same time, our regulatory teams play a key role in managing these risks. They actively monitor the substances contained in our ingredients and work to anticipate regulatory developments to ensure our products remain compliant while protecting worker health.

Workers in the Supply Chain

GRI – Disclosure 3-3

ESRS S2 – S2-4

As part of our activities, we handle mineral pigments and fillers. The supply chains for certain minerals — such as mica — are known to be at risk of child labor.

Mica sourced from India, Madagascar, or Central Africa can originate from areas where families bring children into mines, mainly to collect or sort mica flakes.

We have taken the origin of our mica into account in our risk assessment and due diligence process. While Indian mica is the most exposed to the risk of child labor in our upper supply chain, we have included this risk in all our main mineral upper supply chains.

We actively support the Responsible Mica Initiative (RMI) and its comprehensive approach to eliminating child labor linked to mica through field programs, supply chain stakeholder engagement, and advocacy efforts with governments.

Only such a global approach can help establish new practices — both in villages and among supply chain actors — to achieve sustainable outcomes.

The RMI's primary mission in the field is to implement community empowerment programs that inform children of their rights, offer educational and self-development activities, and establish

sustainable daily life conditions for families, ensuring children stay permanently out of the labor force.

The programs also include specific support for girls and women to help them gain greater recognition and the freedom to choose their roles within the community.

RMI programs have been implemented in over 180 mica-dependent villages in the Indian states of Bihar and Jharkhand.

Given the complexity of mica collection and the high number of intermediaries, it is very difficult to determine the percentage of villages supported by RMI within our specific upper supply chains.

Forced labor was also assessed in our upper supply chain risk analysis, based on country and sector risks. This review did not reveal a high risk of forced labor in our upper supply chains.

As part of our ongoing CSR improvement strategy, we will launch a new initiative in 2025 by sending questionnaires to our suppliers.

The main objective of these questionnaires is to reassess the CSR practices implemented by our partners and to better understand how they address social and societal issues within their own value chains.

We aim to identify potential negative impacts linked to social, environmental, or ethical practices and to ensure that corrective actions are in place to address them.

In the absence of concrete measures, we will encourage our suppliers to define and implement action plans to mitigate such impacts and to guarantee respect for human rights and sustainability principles.

This process is a key part of our ambition to strengthen transparency and promote responsible practices throughout our upper supply chain.

Sustainable Purchasing

GRI – Disclosure 2-24

ESRS S2 – S2-1

MIYOSHI Kasei Group’s sustainable purchasing strategy is built on close collaborations with our suppliers to ensure that the raw materials used in our products comply with our strict quality standards, the regulations in force in our sales markets, and our general purchasing conditions.

As part of this collaboration, we ask all our suppliers to sign the MIYOSHI Kasei Group Code of Conduct to ensure that our environmental, social, and ethical commitments are known and respected.

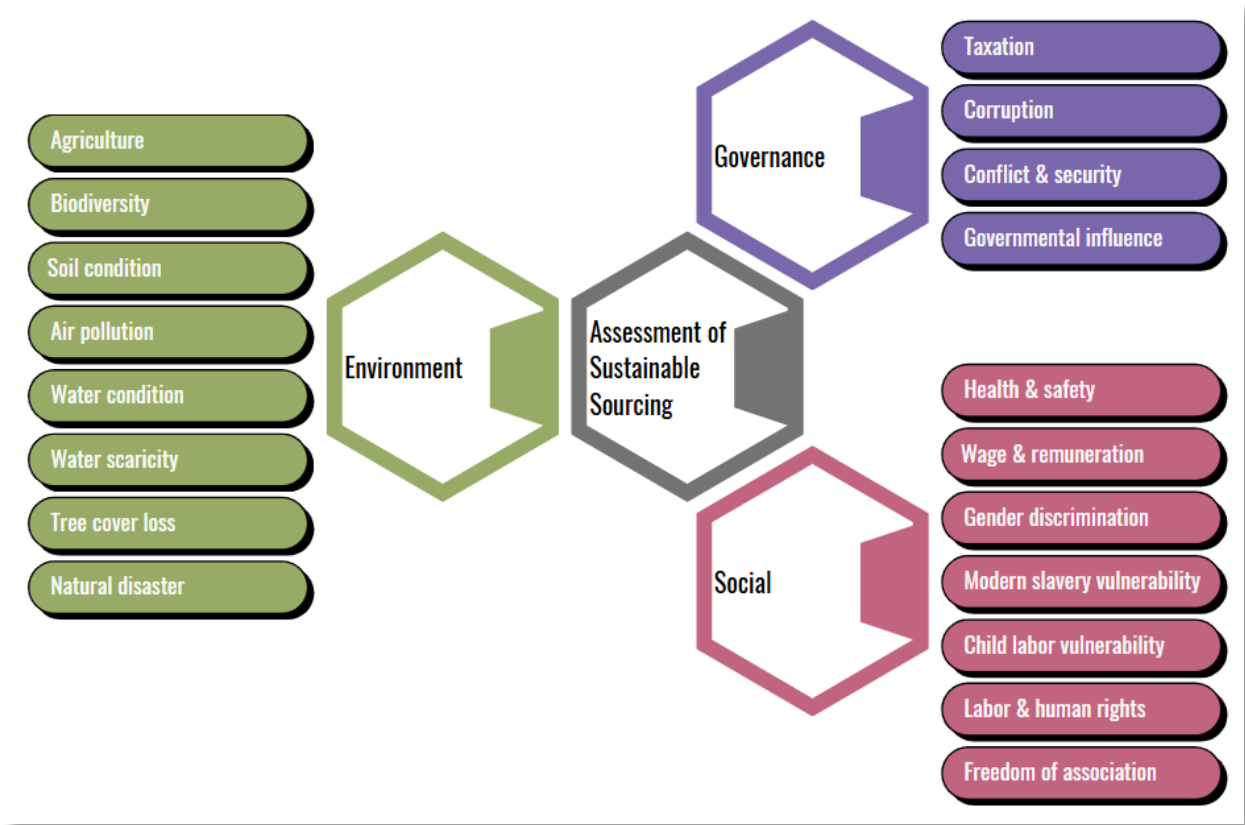


Since 2022, we have implemented a process to evaluate the CSR commitments and actions undertaken by our suppliers. This evaluation is carried out through questionnaires sent to suppliers and will be renewed at regular intervals. The next assessment is scheduled for 2025.

In parallel, in 2023, we conducted an in-depth risk analysis of our main upper supply chains. This analysis focused on raw materials selected based on their volumes and their use in MIYOSHI Kasei Group products. It considers the risks associated with countries involved in the various stages of

raw material production (such as extraction or transformation), as well as sector-specific risks, such as mining or chemical processing.

The risks we chose to assess for each sector and/or country are listed below:



The different criteria were evaluated using indicators from internationally recognized organizations, such as:

- The “Corruption” criterion is based on the Corruption Perceptions Index developed by Transparency International;
- The “Wage & remuneration” criterion is based on the Global Labor Risk Index published by the WageIndicator Foundation;
- The “Health & safety” criterion is based on the Occupational Safety and Health Indicators developed by the International Labor Organization (ILO);
- The criteria “Tree cover loss” and “Water scarcity” are based on indicators developed by the World Wide Fund for Nature (WWF).

Each upper supply chain was evaluated by combining sector-specific risks and country-related risks, based on the locations of each stage in the material’s production process.

These evaluations highlighted that the supply chains with the highest CSR-related risks are:

- The palm oil supply chain
- The natural mica supply chain

The final risk scores for each upper supply chain were then compared with the CSR commitment levels of our suppliers, as assessed through our 2022 CSR questionnaire.

From this cross-analysis, we identified a list of priority suppliers with whom we needed to engage more actively.

Discussions have been initiated with those priority suppliers, in order to better understand the potential hurdles they meet in engaging further with their own supply chain and what were their main blocking points: lack of knowledge, lack of resources, opaque supply chain...

We plan to deepen this work in the years to come, especially after our new assessment in 2025.

Affected Communities

GRI – Disclosure 2-23, 3-3

ESRS 2 – SBM-3, ESRS S3 – S3-1

Impacts, Risks, and Opportunities

According to the double materiality matrix conducted, community-related issues are not considered material for all MIYOSHI Kasei Group entities.

However, each of our entities places great importance on the surrounding communities and the actions we undertake to support them.

We recognize that our presence in these communities entails a responsibility, and we strive to strengthen our ties with them.



Major Risks

Legal and financial risk related to industrial accidents that could affect nearby businesses or populations.

Strategic and reputational risk due to degraded working conditions (e.g., water and/or air pollution) within the supply chain impacting nearby communities.

Potential Opportunities

Reputational opportunity through financial support and/or initiatives aimed at improving the living conditions of vulnerable communities, such as food donations.

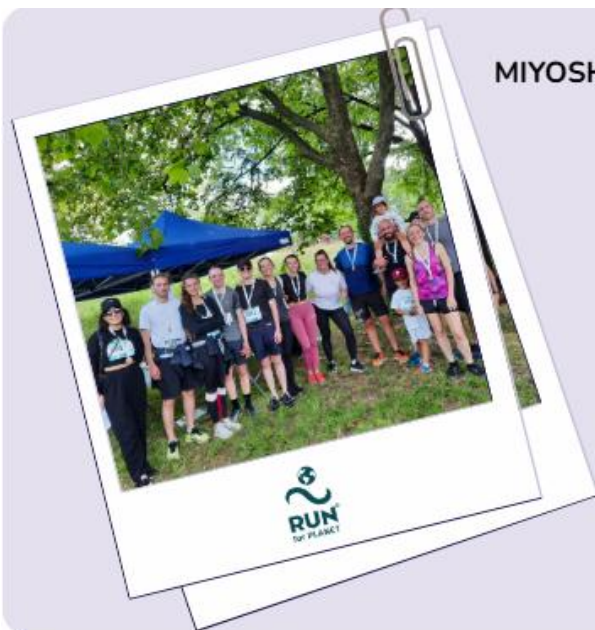
Social and human opportunity through improving community living conditions by MIYOSHI Kasei Group's financial participation in collective initiatives, such as the Responsible Mica Initiative (RMI).

Each MIYOSHI Kasei Group entity maintains a special relationship with its local communities by actively supporting charitable causes that have a direct impact on the surrounding environment. We prioritize concrete, local actions to provide tangible and lasting support to people and organizations in need.

Among the initiatives carried out are participation in charity runs, support for local families through charitable organizations, donations of clothing to an orphanage supported by one of our employees, and the organization of clean-up campaigns in nearby industrial areas.

These actions, which actively involve our employees, not only give meaning to their commitment, but also reinforce MIYOSHI Kasei Group's role as a responsible and supportive stakeholder in local communities.

They reflect our commitment to positively contributing to society while fostering meaningful human interactions.



MIYOSHI Europe “Run For the Planet”

On June 23, 2024, several employees from MIYOSHI Europe took part in the “Run For the Planet” race in Lyon — a solidarity-based, eco-designed event aimed at raising public awareness of ecological, social, and ethical issues.

This inclusive race helped support committed organizations such as LPO, Médecins du Monde, L214, Sea Shepherd France, and Planète Urgence. By participating in this event, our employees not only strengthened their personal commitment to the planet, but also embodied the social and environmental responsibility values that MIYOSHI promotes within its teams.

Customer Satisfaction & Safety

GRI – Disclosure 3-3, 416-2, 417-2, 417-3, 418-1

ESRS 2 – SBM-3, ESRS S4 – S4-1, S4-4

Impacts, Risks and Opportunities

Customer satisfaction and safety are core priorities at MIYOSHI Kasei Group, as they reflect our commitment to delivering products and services that meet the highest standards of quality and safety.

We strive not only to meet our clients' expectations in terms of performance and efficiency, but also to ensure that our products pose no risk to the health or well-being of users.



Major Risks	Potential Opportunities
Legal, reputational, and financial risk related to the use of contaminated ingredients, incorrect labeling, or improper manufacturing processes.	Strategic and reputational opportunity through the development of innovative products ahead of customer needs.
Reputational and financial risk resulting from clients using ingredients with physical or health hazards that are unsuitable for their operating conditions.	Strategic and reputational opportunity through the implementation of co-development services with clients to better meet their needs.
Strategic and financial risk due to a mismatch between the products offered and the needs of the downstream value chain.	

Current Status and Actions Implemented

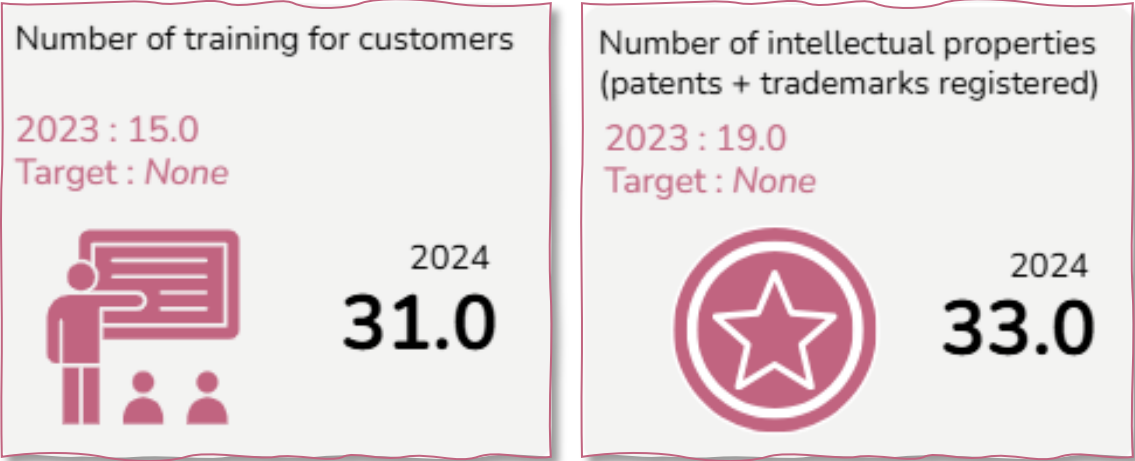
MIYOSHI Kasei Group is actively committed to working closely with its partners to develop innovative solutions that meet market and customer needs. Helping our clients make the most of our products is a core part of our service offering.

With this in mind, we place great importance on knowing the origin of every selected ingredient, both in terms of the country of origin and raw material source. We require strict specifications from our suppliers and reserve the right to review these specifications to ensure they meet our quality standards.

This process is rigorously followed in our internal procedures and is reflected in our practices, so that only compliant raw materials are selected from the research and development (R&D) phase of any new product.

In addition, we implement robust health and safety procedures for product handling, ensuring that they are used and disposed of in accordance with best practices and environmental requirements.

In 2024, we conducted 31 training sessions for our clients, demonstrating our commitment to supporting them more effectively.



Finally, in 2024, we recorded no incidents of non-compliance with regulations, standards, or norms—whether related to our products or our marketing communications.

A co-development service offered by MIYOSHI Europe was built around the company’s values and characterized by strong collaboration and agile project management. Here, customer needs are at the heart of the project, and the CoWoP team — composed of MIYOSHI Kasei Group’s experts — approaches each project with flexibility, fostering rich, regular, and above all, effective interactions throughout the development process

Currently, consumers of cosmetic products containing ingredients manufactured or distributed by MIYOSHI Kasei Group are not informed of our role in the supply chain. In case of any issues, these consumers will directly contact MIYOSHI Kasei Group's clients, who will conduct an analysis and, if necessary, get back to MIYOSHI Kasei Group.

Therefore, implementing a system allowing consumers to directly contact a MIYOSHI Kasei Group entity does not seem relevant, as interactions and follow-up actions are already handled through our clients.

What's next...

In 2025, the MIYOSHI Kasei Group will deepen the key themes of our strategy at the group level, while implementing local action plans to establish a genuine CSR culture among our employees.

All our entities will work more closely than ever to monitor, report on, and develop strategies around the key themes for 2025:



WATER RESOURCES:

Deepen the analysis of certain entities' situations to better understand their specific needs and challenges, which will allow us to adjust our strategy and broaden our action plan accordingly.

CARBON EMISSIONS REDUCTION:

Engage at Innovation level to select more sustainable raw materials, that can also decrease our Scope 3 emissions related to purchased goods.



SUPPLY CHAIN ENGAGEMENT:

Engage deeper with our upper supply chains, to advocate for transparency, living wages payment, fight against deforestation, ...

SUPPLIER ASSESSMENT:

Conduct a second round of evaluations of our suppliers' practices with tailor-made questionnaires and engaging further with the ones remaining a priority.



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Double materiality - rating scales

Impact Materiality

Scope *Describes the breadth of the impact in terms of geographic reach, affected populations, or areas of influence.*

Scale	Definition	Score
Global	The impact is extensive and affects a large part of the world or a significant portion of the organization's operations, stakeholders, or environment.	5
Wide	The impact spans a broad area or affects many people, communities, or aspects of the organization's activities.	4
Moderate	The impact is of moderate scale, affecting several regions, communities, or specific aspects of the organization's operations.	3
Concentrated	The impact is localized or limited to specific regions, communities, or facets of the organization's activities.	2
Limited	The impact is narrow in scope, affecting only a small area, a few individuals, or specific elements of the organization's operations.	1
None	No impact is observed, or the impact is negligible, indicating that the issue has no significant effect.	0

Severity *Indicates the seriousness or magnitude of the impact in terms of its effect on various factors such as the environment, society, economy, or the organization.*

Scale	Definition	Score
Critical	The impact is of the highest magnitude, indicating a critical effect on the issue being assessed.	5
High	The impact is significant and substantial, with notable consequences for the issue being assessed. High impacts may have widespread effects.	4
Moderate	The impact is of moderate magnitude, indicating a noticeable but not severe effect. These impacts are important but may be more localized or limited.	3
Low	The impact is relatively minor, suggesting a small effect on the issue assessed. Low impacts have fewer consequences and may not significantly alter conditions.	2
Minimal	The impact is negligible, indicating a very slight effect. Minimal impacts are minor, often go unnoticed, and have insignificant consequences.	1
None	No impact has been observed, indicating no effect or change to existing conditions.	0

Remediability	<i>Indicates the feasibility of implementing measures to counteract or minimize the negative effects caused by an impact.</i>
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Scale	Definition	Score
Irremediable / Irreversible	The impact cannot be mitigated or reversed. This implies permanent and irreversible change or damage, for which no practical remedy is available.	5
Very difficult to remedy / Long-term	The impact is difficult to manage and may require significant time and resources to mitigate. Remediation is possible, but very challenging and time-consuming.	4
Difficult to remedy / Medium-term	The impact is hard to mitigate but can be addressed over the medium term with substantial effort and resources.	3
Remediable with effort (time and cost)	The impact can be addressed, but mitigation requires significant effort, time, and financial investment. Remediation is feasible but resource intensive.	2
Relatively easy to remedy / Short-term	The impact can be mitigated with reasonable time, effort, and cost. Remediation is achievable in a relatively short timeframe.	1
Very easy to remedy	The impact can be mitigated with minimal effort. Required measures are simple, fast, and low-cost to implement.	0
NA	This issue represents an opportunity and is therefore not applicable to remediability.	0

Probability	<i>Refers to the likelihood or chance of a particular impact occurring.</i>
--------------------	---

Scale	Definition	Score
Current	The impact is already occurring; the likelihood of its continuation over the long term is certain.	5
Highly likely	The impact is very likely to occur across multiple sectors or industries. This indicates a strong, widespread probability.	4
Likely	The impact is likely to occur in a specific sector or industry, indicating a significant probability within that context.	3
Possible	The probability of the impact occurring is moderate — a balanced probability, neither rare nor frequent.	2
Unlikely	The probability of occurrence is low, though not extremely rare. There is a slight chance the impact may occur.	1
Negligible	The probability of occurrence is extremely low. There is minimal chance that the impact will take place.	0

Financial Materiality

Magnitude *The extent or degree to which an event or consequence affects a company's or organization's financial standing.*

Scale	Definition	Score
Critical	The financial impact is severe and potentially catastrophic, posing a significant threat to the organization's financial stability, operations, or existence. Urgent and extensive measures are required to address the situation and prevent long-term harm.	5
Significant	The financial impact is substantial, leading to disruptions, losses, or costs that require immediate action and considerable resources to mitigate the consequences and protect the organization's financial health.	4
Moderate	The financial impact is moderate, resulting in disruptions, losses, or costs that are material enough to demand attention and resources, but not threatening the organization's overall viability.	3
Low	The financial impact is relatively minor, causing manageable disruptions or losses that do not significantly affect the organization's financial stability.	2
Minimal	The financial impact is negligible or very small, with virtually no significant effect on the organization's finances.	1

Probability *Refers to the likelihood or chance of a particular financial impact occurring.*

Scale	Definition	Score
Current	The impact is already occurring; the likelihood of its continuation over the long term is certain.	5
Highly likely	The impact is very likely to occur across multiple sectors or industries. This indicates a strong, widespread probability.	4
Likely	The impact is likely to occur in a specific sector or industry, indicating a significant probability within that context.	3
Possible	The probability of the impact occurring is moderate — a balanced probability, neither rare nor frequent.	2
Unlikely	The probability of occurrence is low, though not extremely rare. There is a slight chance the impact may occur.	1
Negligible	The probability of occurrence is extremely low. There is minimal chance that the impact will take place.	0



MIYOSHI KASEI Group

Miyoshi Kasei, Inc.

4-3-14 Ichigaya Grassgate-5F, Kudankita
Chiyoda-ku, Tokyo, 102-0073, JAPAN

Miyoshi America, Inc.

110 Louisa Viens Dr. PO Box 859
Dayville, CT 06241, USA

Miyoshi Europe SAS

5, Rue Paul Rieupeyroux
69800 Saint-Priest, FRANCE

Miyoshi Suzhou, CO., LTD.

No.26 SUB-Industrial Zone, No.666 Jianlin, Road,
Suzhou New District,
Suzhou City, Jiangsu, CHINA 215151