

2022 CSR REPORT

*Giving greater happiness
to a greater number
through beauty & health*





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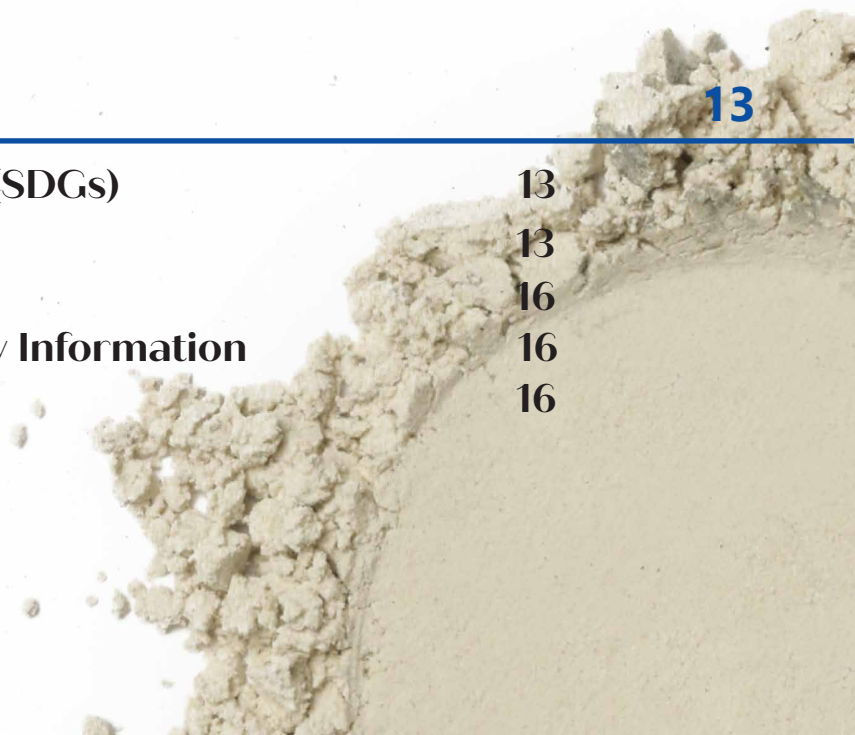
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TOP COMMITMENT

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

IWASE COSFA Corporation was founded in 1931 by Kenjiro IWASE, who adhered to the traditional philosophy of the Omi merchants, the "Sanpo Yoshi". During its 90 years of existence, the company have been striving to contribute to society through the development of its corporate business, by respecting its corporate philosophy of "Harmony and Progress", and its corporate ethics of "Giving greater happiness to a greater number through beauty and health".

During the 21st century, various values and questions have emerged concerning the importance for companies to contribute to society.

To this date, IWASE COSFA has been working on several responsible projects, such as developing a comfortable work environment, promoting ISO 14001's environmental conservation activities as well as enhancing ISO 9001's customer satisfaction and corporate governance, contributing to local communities and providing honest information about its products.

In the future, we conducted a materiality analysis to further pursue the sustainability that corporations should shoulder and to clarify our corporate social responsibilities and set the 14 priority issues to be addressed for the four materiality items.

As we continue to promote our CSR activities, we will strengthen corporate governance, respect the human rights of all stakeholders who are directly and indirectly affected through our business activities, and promote CSR activities to fulfill our expected social responsibilities.

In addition, as a trading company that handles raw materials for cosmetics and health foods, we will contribute to the beauty and health of people, consider the global environment, which generates raw materials, and contribute to the realization of a sustainable society through the concerted efforts of the supply chain.



To that end, we will implement considerations to social responsibility in our management policy and communicate openly about it. The CSR Promotion Office has been established to ensure this implementation. Based on our corporate philosophy, we will work together to promote CSR activities.

EDITORIAL POLICY

This report consists of IWASE COSFA Group's 3rd corporate social responsibility report. It symbolizes its engagement toward a greater accountability and communication with its stakeholders.



[Period Covered by the Report]

The report covers fiscal 2021 (January 1, 2021 – December 31, 2021)

[Guidelines Consulted]

The Global Reporting Initiative's Standards, ISO26000, EcoVadis, Global Compact Ten Principles and other guidelines were consulted during the preparation of the reported information.

[Organizations Covered by the Report]

In this report, "IWASE COSFA" means the IWASE COSFA Group.

The report covers IWASE COSFA Corporation (Japan), its 7 foreign subsidiaries and its affiliated company (Dainihon Kasei Co., Ltd.).

Exceptions to this have been clearly stated in the report.

[Issuing Period]

Issued: April 30, 2022

Next issue scheduled for: April 2023

[Iwase Cosfa References in This Report]

IWASE COSFA Co., Ltd.: Information on or initiatives of IWASE COSFA Co., Ltd.

IWASE COSFA Group: Information on or initiatives of all Group companies in and outside Japan.

Membership

Keidanren (Japan Business Federation)
Global Compact Network Japan
RSPO (Roundtable on Sustainable Palm Oil)
CDP (Carbon Disclosure Project) Worldwide Japan

Corporate Social Responsibility (CSR) Platforms

SEDEX (Supplier Ethical Data Exchange): Sedex is used to manage our performance on labour rights, health & safety, the environment and business ethics.

ECOVADIS: EcoVadis operates a collaborative platform providing sustainability ratings for global supply chains.

COMPANY INFORMATION

Company Profile (as of April 30, 2022)

Company Name

IWASE COSFA CO., LTD.

Date of Establishment

July 29, 1948

Date of Foundation

September 15, 1931

Head office location

1-7-11 Dosho-machi, Chuo-ku Osaka
541-0045

Tel. 06-6231-3456 / Fax. 06-6231-5767

Representatives

Chairperson Kenji Iwase
President Yoshinori Iwase

Capital

JPY 100,000,000

Number of Employees

200 (with temporary workers)

Consolidated 319 (minus Toyo Beauty)

Revenue 28,847 millions JPY

Profit for the year 844 millions of JPY



Major Business Areas



Cosmetics Materials
Pharmaceutical Materials
Household Item Materials



Functional Foods & Nutritional
Supplement Materials
Food Product Preservatives



Pre-Clinical Trial



Affiliated Companies for Consolidation

Overseas subsidiaries

COSFA INTERNATIONAL TRADING
(SHANGHAI) CO., LTD.

COSFA INTERNATIONAL TRADING
(GUANGZHOU) CO., LTD.

IWASE COSFA (THAILAND) CO., LTD.

IWASE COSFA VIETNAM COMPANY LIMITED

IWASE COSFA KOREA COMPANY LIMITED

IWASE COSFA EUROPE S.A.S.

IWASE COSFA USA INC.

International office

INDONESIA REPRESENTATIVE OFFICE

Domestic affiliated company



Other affiliated company



Beauty Health Nutrition



IWASE COSFA'S SUSTAINABILITY

Approach to sustainability

Based on the philosophy of "Giving greater happiness to a greater number through beauty and health", IWASE COSFA aims to realize a sustainable society through the development of its businesses. In our medium-term management plan, we have developed a mid- to long-term vision that can be described as follows: "As the most trusted professional trading company in the field of beauty and health, we aim to continue to contribute to the enrichment of people's lives around the world". Along with its business development, IWASE COSFA will strive to develop local communities and will work to resolve social issues through business. In addition, by working on our corporate social responsibility together with our supply-chain and providing high-quality services, we strive to embody the Japanese "Sanpo-Yoshi" spirit (three-way satisfaction): good for the seller, good for the buyer, and good for society, and will promote management that creates beauty and health.



The impacts of the business activities of IWASE COSFA on the interests of its stakeholders -shareholders, customers, employees, suppliers, business partners, local communities, and other organizations- and the global environment are taken well into consideration by the company. IWASE COSFA will keep striving to increase corporate value by generating economic and social value and contributing to the development of a sustainable society.

“Sanpo-Yoshi” : good for the seller, good for the buyer, and good for society



Our CSR policy

Through social contributions based on the philosophy of “Giving greater happiness to a greater number through beauty and health”, we aim to realize a sustainable society and respect human rights, as well as endeavor to respond to issues in and the expectations of society by way of operational transparency, dialogue and cooperation with stakeholders with a view toward promoting corporate management which makes for people’s beauty and health.



1. To customers

We firmly comply with all laws and regulations.

We fully protect customer and personal information.

We provide accurate product information.

We work to improve our knowledge and technology to respond to our customers and partners’ needs.

2. To our partners

We conduct business in an honest, fair and equitable manner with a sense of integrity.

We comply with international standards and treaties advocated by the United Nations and the International Labor Organization (ILO), as well as the Japanese Labor Standards Act of 1947. All forms of forced labor and child labor being harmful, dangerous, and hindering the sound development of children, we and our business partners are not allowed to engage in such practices. We do not purchase raw materials and products produced by such labor.

3. To employees

We will prioritize workplace safety and create a comfortable working environment that provides a sense of fulfillment.

We will emphasize communication and aim to build a transparent organization.

We will support women’s advancement in the workplace.

4. Caring for the environment

We will promote environmental conservation measures.

We will emphasize products that have smaller ecological footprints.

5. Social and community contribution activities

As a member of the community, we value interaction with the community and society.

We proactively take part in social and community contribution activities.

6. Reporting

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

Materiality analysis

Methodology of Iwase Cosfa's materiality analysis

1. Identification of key issues

In order to determine materiality issues, we identified key social issues to be considered. We selected 30 social issues based on our Group CSR policy, the GRI Standards, ISO 26000 and common issues addressed by CSR evaluation bodies.

2. Conduct of hearing and internal discussions about important issues

Interviews and free discussions with executives and stakeholders (employees, clients, suppliers, local communities, NPO/NGOs) on key issues.

3. Redaction of materiality analysis

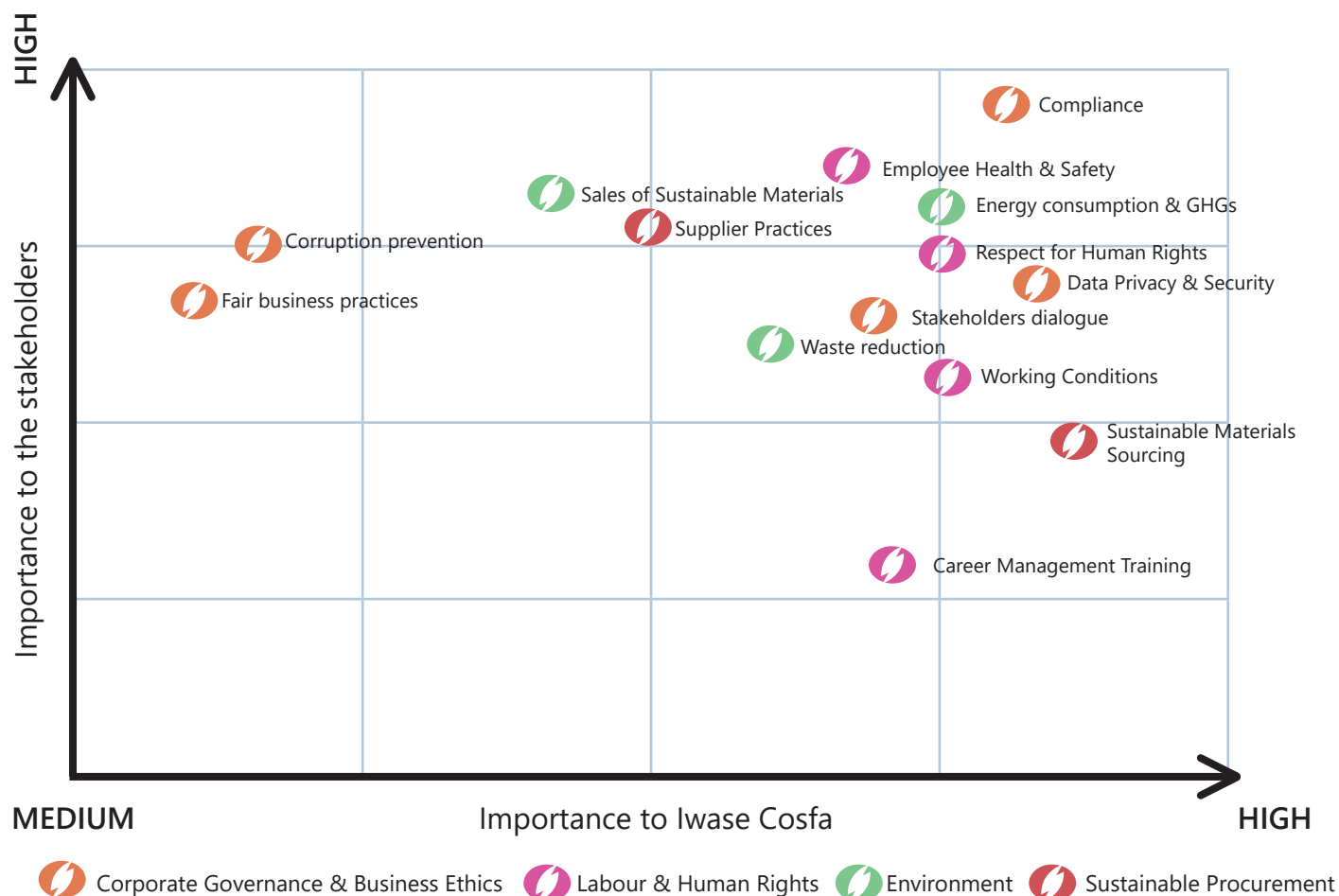
Based on the expectations of our stakeholders, we rated each of the 30 social issues on a scale of 1 to 5 on two axes: importance to stakeholders and importance to IWASE COSFA.

After integrating the importance of each issue and assessing its overall importance, we identified 14 priority issues (issues with a minimum score of 7) for the Group.

4. Approval of materiality list

Submission and approval of materiality list to Board of directors.

Materiality matrix of Iwase Cosfa



Materiality items and CSR issue

MATERIALITY TOPICS	KEY SUSTAINABILITY ISSUES
Corporate Governance & Ethics	Stakeholders Dialogue Data Privacy & Security Compliance Corruption Prevention Fair Business Practices
Labor & Human Rights	Employee Health & Safety Working Conditions Career Management & Training Respect for Human Rights
Environment	Energy Consumption & GHGs Sales of Sustainable Materials Materials, Chemicals & Waste
Sustainable Procurement	Supplier Practices Sustainable Materials Sourcing

Materiality Items, KPIs, Operational Control List

Starting in fiscal 2022, we integrated our medium-and long-term targets in conjunction with materiality analysis and the formulation of our medium-term management plan with the operation management table, which sets single-year targets, and set the following sustainability targets.

CSR Operation Management List : 2022/1/1 to 2022/12/31

作成日：2022年3月25日





























マテリアリティ項目	コミットメント	CSR重要課題	中長期目標（2021-2025 ※2）	KPI	2022年度 実施項目及び結果目標	責任部門	SDGsとの関連
コーポレートガバナンスと倫理	CSR方針 危機管理方針	ステークホルダーとのコミュニケーション	ステークホルダーから高い信頼を得る	—	株主総会、東証会議、コスファ会等を通じてステークホルダーに説明もしていく	CSR推進室	
		情報セキュリティ・プライバシー	情報漏洩事故（事故レベル3）ゼロを目指す	情報セキュリティ侵害数	CSRの外部プラットフォーム（EcoVadis、SEDEX）対応 情報セキュリティ研修の実施 個人情報適切な管理、保護	CSR推進室 情報システム部 総務部	
		コンプライアンス	コンプライアンス違反（レベル1）ゼロを目指す	コンプライアンス違反数	従業員へのコンプライアンス教育1回/年	コンプライアンス推進室	
	コンプライアンス規範	汚職防止	法令遵守、倫理的な行動による企業活動の健全性の向上	コンプライアンス違反数	収賄防止の教育の実施1回/年	コンプライアンス推進室	
		公正な取引			贈答品に関する報告の実施1回/年	コンプライアンス推進室	
		労働者	多様な人材による新たな価値の創造、イノベーションの推進	人権教育の実施状況 障がい者雇用率 管理職女性比率向上	労働者の基本的人権についての教育 女性活躍推進法（EILS取得）、障がい者雇用促進	CSR推進室・総務部 CSR推進室・総務部	
労働及び人権	人事基本方針	労働慣行	従業員エンゲージメントの向上及び定着率の向上	時間外労働 欠勤率	働き方改革への取組	CSR推進室・総務部	
		従業員の労働安全衛生と健康	労働災害件数ゼロを目指す 従業員のメンタルダメージの低減を目指す	労働災害件数	危機管理プロジェクトのPDCA運用、災害時連絡方法の訓練、従業員・役員懇談会 年に1回の従業員へのストレスチェックの実施、及び障がい者への就業面相談の実施を行う。	危機管理委員会・CSR推進室 総務部	
		キャリアマネジメント・人材育成	新中計戦略に合わせた組織計画、人材の採用 離職率、異動率の育成計画の構築	男女採用比率 離職率 研修時間一人当たり年間平均6時間の確保	障がい者・異動率の育成計画の構築 研修時間一人当たり年間平均6時間の確保	総務部 総務部	
		環境	エネルギー消費・温室効果ガスの削減 サステナブル原料の販売 廃棄物の削減	2030年までにCO2排出量の70%減少。（スコープ12）※1 削減する電力のうち、50%を再生可能エネルギーで調達する エコ商品の販売について、年間目標を定め、全体売上の30%以上を達成する 2030年に向けて、廃棄物排出量を売上数量の1%以下に抑える ※1	電力消費量 CO2排出量 GHG排出量 エコ商品販売実績 売上量と品数の30%以上をエコ商品販売量とする 不良在庫の削減	ISO推進室・CSR推進室 営業部門 管理部	
持続可能な調達	持続可能な調達方針	サプライヤープラクティス	2025年までに主要なサプライヤーの70%から行動規範の署名を得る 2025年までに主要なサプライヤーのCSRの暴露アンケートを行い、サプライヤーのCSR暴露向上に努める	サプライヤー行動規範署名率	サプライヤー倫理要綱の賛同・署名依頼の継続	営業部門・CSR推進室	
		持続可能な原料調達	2030年までにパーム油・パーム核油由来原料の100%をRSPO認証原料にする	RSPO認証原料調達率	RSPO対応	営業部門・CSR推進室	

※1 ベースイヤー2019年

※2 環境課題については2030年まで

※2022/4/1-2022/12/31

CSR Operation Management List : 2021/1/1 to 2021/12/31

CSR issues	Initiatives (CSR objectives)	Implementation Items	Supervisor	Relation to SDGs				
Corporate Governance	Compliance training	1 Ongoing employee training	Compliance Promotion Office					
		2 Top management training	Compliance Promotion Office					
Human Rights	Creating an environment for the advancement of women Employment of people with disabilities	1 Promotion of Women's Advancement in the Workplace Act (Eruboshi: L Star mark acquisition) Achieving the legally mandated employment rate for persons with disabilities	Management (General Affairs Department)					
	Respect for workers' fundamental human rights	2 Establishment of anti-harassment rules	Management (crisis management PJ)					
Labor	Reforming the work environment	1 Proactive response to the Workplace Reform Bill (e.g. considering the introduction of intervals between working hours)	General Affairs Department					
		2 Implementation of an office casual dress code (Men = company-wide development, Women = establishment of a dress code. Distribution of polo shirts.)	General Affairs Department					
	Occupational health and safety	3 Promotion of crisis management projects, establishment of relevant manuals, regulations and systems	Management (crisis management PJ/ General Affairs)					
Environment	Energy saving and carbon neutrality	1 Maintain RSPO membership and CDP participation Set consumption targets for energy, water, etc. and emission targets for greenhouse gases	CSR Promotion Office ISO Promotion Office					
Fair Business Activities	Promoting social responsibility towards our suppliers	1 Commitment to sustainable procurement Requesting suppliers to sign and endorse our Supplier Code of Ethics.	Cosmetic Department					
Contribution to local communities	Contribute to the development of local communities and join community organisations when possible	1 Introduction of a support system for employees' volunteer activities Cleaning activities in the 90th anniversary project Sponsorship of the Karatsu 3x3 basketball team	General Affairs Department					

CORPORATE INITIATIVES

Sustainable Development Goals (SDGs)



To promote its CSR initiatives, IWASE COSFA has set out CSR related issues, objectives, and targets as follows. The Group's priority themes are set out to conform with the sustainable development goals (SDGs), which it supports.

The SDGs are a clear statement of global priorities and visions that need to be realized by 2030. It

aims to eliminate poverty and ensure that all people can live in peace and prosperity, with consideration given to balancing sustainable growth and respect of the limits of the Earth.

As a corporate member of Global Compact Network Japan, we will continue to raise awareness of the SDGs in our business organizations, to reflect them in our business strategies, and to ensure that our business activities are always guided by a determination to contribute to the achievements of the SDGs.

In 2020, we distributed SDG badges to all employees and encouraged them to wear them in order to further promote understanding of the SDGs.

United Nations Global Compact

WE SUPPORT



The United Nations Global Compact is a set of voluntary action principles for corporations proposed by former UN Secretary-General Kofi Annan at the World Economic Forum held in Davos, Switzerland in January 1999.

Participating corporations are asked to support and put into practice ten universally accepted principles in the areas of human rights, labour, environment and anti-

corruption. As of November 2019, over 3,900

corporations, labour unions, and civil society organizations from around the world are participating in the UN Global Compact.

In November 2019, IWASE COSFA signed and pledged its support for the UN Global Compact. The Group will respect its commitment by sharing its Communication On Progress (COP) through this report.



Ten Principles of the UN Global Compact

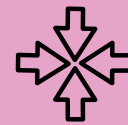
HUMAN RIGHTS



Principle 1. Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2. make sure that they are not complicit in human rights abuses.

LABOR



Principle 3. Businesses should uphold the freedom of association and effective recognition of the right to collective bargaining;

Principle 4. the elimination of all forms of forced and compulsory labor;

Principle 5. the effective abolition of child labor; and

Principle 6. the elimination of discrimination in respect of employment and occupation.

ENVIRONMENT

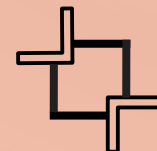


Principle 7. Businesses should support a precautionary approach to environmental challenges;

Principle 8. undertake initiatives to promote greater environmental responsibility; and

Principle 9. encourage the development and diffusion of environmentally friendly technologies.

ANTI-CORRUPTION



Principle 10. Businesses should work against corruption in all its forms, including extortion and bribery

TOP COMMITMENT FOR GLOBAL COMPACT

Global Compact Network Japan
Representative Director: Toshio Arima

Based on the philosophy of “Giving greater happiness to a greater number through beauty and health”, IWASE COSFA aims to realize a sustainable society through the development of its businesses.

In our medium-term management plan, we have developed a vision that can be described as follows: “As a creator offering new value in the field of beauty and health, we aim to continue to contribute to the enrichment of people’s lives around the world”. We will strive to develop local communities along with our development as a company and work to resolve social issues through business.

In our corporate operations, we put into practice the ten universally accepted principles defined by the United Nations Global Compact in the areas of human rights, labor, environment and anti-corruption, by ensuring employee diversity, promoting female managers and improving the work environment.

In addition, by working on our corporate social responsibility along with our supply-chain and providing high-quality services, we strive to embody the Japanese “Sanpo-Yoshi” spirit (three-way satisfaction): good for the seller, good for the buyer, and good for society, and will promote management that creates beauty and health.

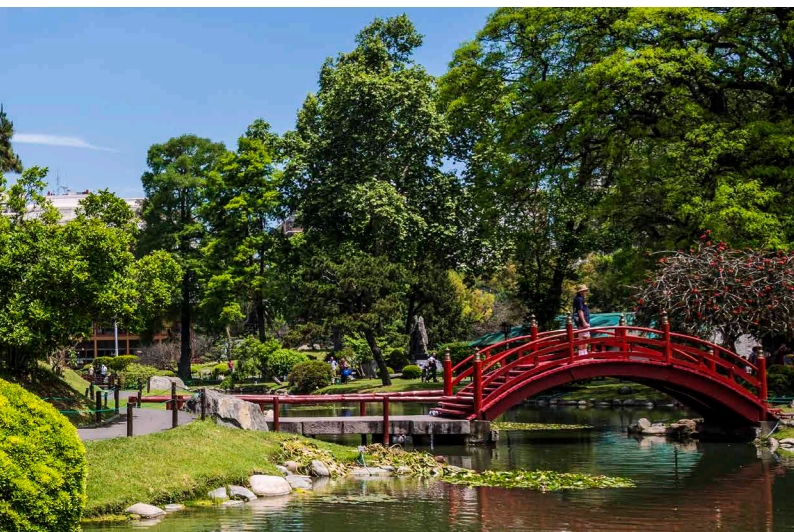


January 1st, 2022

Yoshinori Iwase
President and Representative Director, IWASE COSFA Co., Ltd.



Keidanren. Policy & Action



Keidanren
Policy & Action

IWASE COSFA Co. adheres to the Charter of Corporate Behavior of the Keidanren (Japan Business Federation), a code of conduct that dictates rules that Japanese corporations must respect, acting with a high sense of ethics and responsibility in order to gain society's trust. The Charter aims to ensure the respect of human rights, compliance with laws and regulations, ethical corporate behavior, and contribution toward sustainable development.

Participation in the Sustainability Information

Proud to be a
Sedex
Member

SEDEX (Supplier Ethical Data Exchange) : We use our British corporate Sedex to manage performances related to workers' rights, health and safety, environmental, and corporate ethics.

ECOVADIS: We participate in a joint platform that provides sustainability assessments of global supply chains.

In the 2021 Sustainability Survey, we were highly evaluated among the top 5% of target companies worldwide and were awarded the Gold Medal.



SMETA Audit

IWASE COSFA Corporation (Japan) took part to the SMETA 4 Pillar Audit (Sedex Members Ethical Trade Audit) in 2021, March 26th and December 17th(Follow Up).

The audit was performed by Bureau Veritas Japan and the results were shared on SEDEX collaborative platform, making them available to companies all around the world.



KEY ISSUE 1: CORPORATE GOVERNANCE & ETHICS

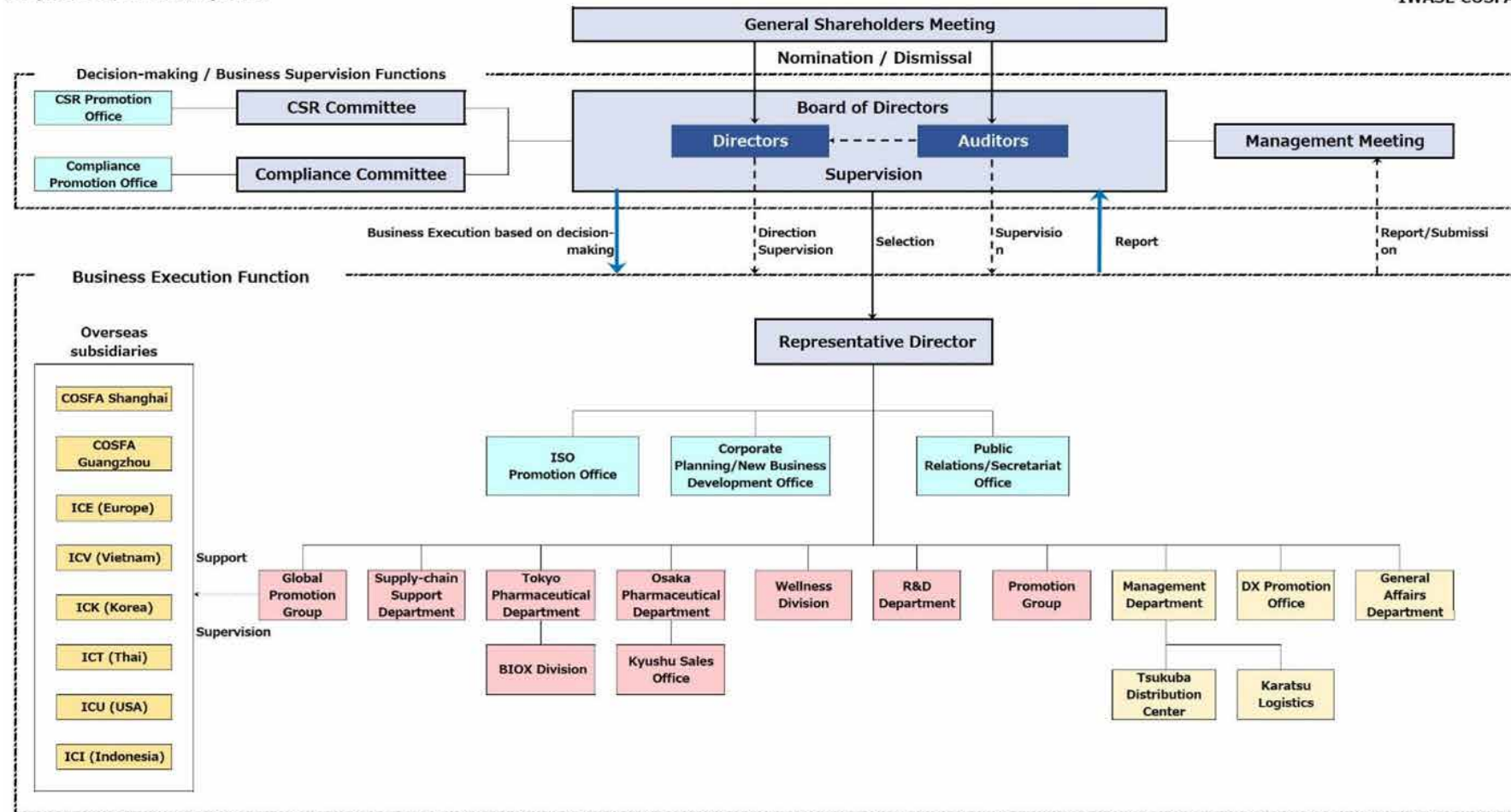
Iwase
Cosfa considers
communication with all
stakeholders and maintenance of
corporate transparency to be important
issues for us. We are working to
strengthen corporate governance so that
we can earn the high level of trust of all
stakeholders, while striving to achieve
sustainable growth of the Company
and increase corporate value
over the medium to long term
by building a governance
system that promptly
makes appropriate
management
decisions.



Corporate Governance System (Organizational Chart)

[Corporate Governance System]

IWASE COSFA



As of January 1st, 2022

Internal Control

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

- Establishment of compliance codes and the establishment of compliance committees.
- Formulation of basic policy on information security and establishment of rules for responding to information security incidents.
- Establishment of crisis management policies, implementation of risk analysis, and establishment of a crisis management committee.

As a general rule, the Board of Directors meets once a month and the Management Council meets to develop a system for making decisions on important management issues based on relevant laws and regulations and the Articles of Incorporation, and for managing meetings in a timely manner.

Internal and external audits

At IWASE COSFA, internal audits and management reviews are conducted once a year and are subjected to external audits by third-party organizations.

The ISO Promotion Office is the auditing department, and qualified internal auditors conduct audits of other divisions.

Internal audits are conducted once a year and reported in the Internal Audit Report to determine whether internal operations are being conducted correctly, with the aim of ensuring the appropriateness of business operations and internal controls and eliminating risks including corruption and bribery. The results are conveyed to management in the management review.

We will strive to prevent corruption, bribery, and information security risks through audits.



Risk Management

The top management of IWASE COSFA has established a crisis management policy and declared that it will respond effectively to crises that cause serious damage to the lives or bodies of the people working for the company or to the company's property, reputation, or continuity of operations. The crisis management policy has been communicated to all people working in the company.



Risk Management Policy

1. Establish a crisis management system that includes crisis prevention, response to crises that occur and communication.
2. In the event of a crisis, we must not respond to the crisis in a manner that is contrary to our social responsibility.
3. In the event of a crisis, the highest priority shall be given to ensuring the safety of the lives and bodies of employees, and an effective and prompt response shall be taken.
4. In the event of a crisis, efforts shall be made to continue or quickly resume business operations.
5. Provide education and training to raise employees' awareness of crisis management.
6. Evaluate the results of the activities described in the above every year and continuously improve their effectiveness.

Risk analysis

IWASE COSFA has determined potential emergencies that could disturb the Group's regular management operations and have negative impacts on its stakeholders.

Based on the risks discovered, annual targets and implementation measures are set for each item, and quarterly progress is confirmed at PDCA meetings.

Those emergencies are as follows:



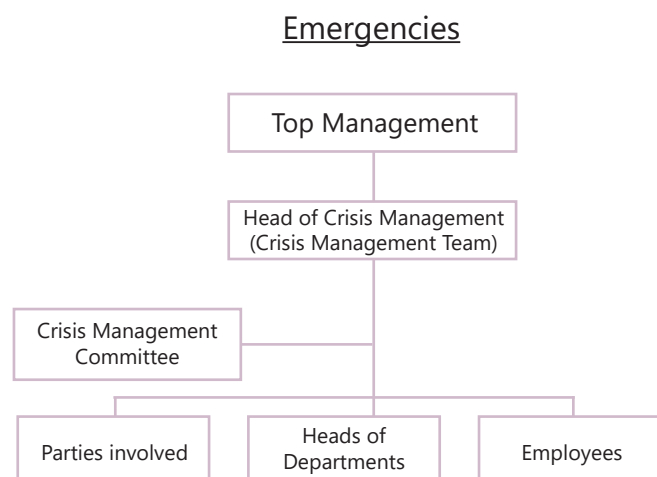
- Bankruptcy of an important business partner
- Compliance violations (unfair benefits, insider trading)
- Leakage of personal information
- Significant leakage of sales information
- Information system disaster
- Employee's injury/death due to serious accident
- Important industrial accident
- Environmental pollution

- Loss due to natural disasters such as earthquakes and typhoons
- Outbreak of fire
- Bad management reputation
- Abduction of employees/executives
- Important damages due to accidents/robbery
- Third party related vandalism/business Disruption

To minimize risks in times of emergency, we will establish a "Crisis Management Manual" to stabilize our business and minimize the loss of our stakeholders.

If such emergencies occur, IWASE COSFA commits to put the lives of its customers, business partners and employees first and disclose information quickly and accurately inside and outside the company. Emergencies measures have been taken and communicated to relevant departments. An emergency policy is available for all IWASE COSFA employees.

Crisis Management Organization Chart



Compliance Charter

The Compliance Charter established by IWASE COSFA stipulates matters that all executives and employees of the company (including contract employees, commissioned employees, seconded employees, temporary workers, and other individuals engaged in the company's operations) must observe with the aim of earning the trust of society. IWASE COSFA Japan employees are systematically trained on IWASE COSFA's Compliance and receive on their first day a Compliance Handbook which contains the Compliance Charter and three helplines (a regular one, a woman only line, and a lawyer line) that allow them to report any action of non-conformity. The Compliance Charter deals with topics such as:



Corruption (paragraph 6)

- "Do not provide public officials or their equivalents with money, gifts entertainment, or other economic benefits.
- Do not make payments to agents, advisors, consultants, etc. if such payments are expected to be used for illegal approaches to public officials or their equivalents.
- Do not exchange with executives or employees of business partners money, gifts, entertainment, or other economic benefits that exceed socially accepted standards. The amount should not exceed 1000 USD."

Protection of Information (paragraph 7)

- "Keep the company's confidential information and customer information under strict control and do not divulge it to third parties. Do not use such information for purposes other than IWASE COSFA's business.
- Strive to protect personal information and do not divulge it or use it for purposes other than the ones it was meant for.
- Handle confidential information disclosed by third parties in the same way as IWASE COSFA's confidential information."

Reporting Obligation (paragraph 15)

"If you discover that an executive or employee performed or is suspected of performing an act that violated any of the Compliance Standards, you must report to or consult the Secretariat of the Compliance Committee (Compliance Promotion Office) or the internal or external section of the Compliance Counter. Executives and employees must fully cooperate in investigations into such violations."



Table 1.1 Business Ethics Indicators

Target: Iwase Cosfa Group

Indicators	2018	2019	2020	2021
Number of gift procedure violations	0	0	0	0
Number of Ethics Politics Breaches	1	0	0	0
Number of Regulatory Penalties, Settlements, Voluntary Disclosures	0	0	0	5
Number of Information Security Breaches	0	0	1	1

Figures for FY2018 to FY2020 are for IWASE COSFA (Japan only).
Expanded the scope to include IWASE COSFA Group from fiscal 2021

Table 1.2 Trainings on information security

Target: Iwase Cosfa Co., Ltd.

Indicator	2019		2020		2021		
Training Name	Basics of information security	Let's learn about information security through examples	Let's practice! Continuing our education in information security	Case study : the latest threats to information security (2020-2021)	Threats and counter-measures against PC takeover by targeted attacks	Internal improprieties and information leakage counter-measures	"A certain "security accident and counter-measures in the workplace preamble, "countermeasures against human errors"
Number of Times Held	1	1	1	1	1	1	1
Duration (hours)	1	2	2	0.5	0.3	0.3	0.5
Participants (persons)	172	172	187	187	194	194	194

Objective

We will keep preventing corruption as well as significant information leakage during transactions with customers.

Achievements

Since 2020, IWASE COSFA has provided training on anti-corruption and anti-bribery to new employees. Since 2021, regular surveys on corruption and bribery awareness have been carried out.

Targets

- Do our best to keep to zero the number of ethics politics breaches, regulatory penalties, settlements, and information security breaches for the years to come.
- Conduct regular annual surveys on corruption and bribery awareness.
- The Group will continue the implementation of the confirmation process for new employees to make sure they have read and understood the content of the Compliance Charter. The same shall apply if the Compliance Charter is to be modified

Public Interest Notice Window and Internal Notification System

In accordance with the Law for the Protection of Information of Public Interest, IWASE COSFA has a public interest notification desk and an "Internal Notification System Operational Regulation."

The Internal Notification System Operational Regulations aim to help strengthen compliance by promptly detecting and correcting fraudulent practices by providing consultation and reporting mechanisms related to violations of laws and regulations by employees.

Employees are allowed to consult by telephone, e-mail, fax, written, or interview and are not subject to any adverse treatment on the basis of a report or consultation.

«Regulations aim to help strengthen compliance by promptly detecting and correcting fraudulent practices»

«Public interest notification desks are open to the public on our website»

In addition, the Company shall maintain the confidentiality of the reports received, conduct necessary investigations, and take necessary measures in accordance with the Rules of Employment of Employees in the event that the Company determines that there is a fact subject to reporting. Public interest notification desks are open to the public on our website and are available to external stakeholders, allowing consultations to be widely conducted, such as anonymous and fraudulent practices or actions that could be threatened, complaints, and information provision.

Contribution to local communities



The Michinoku Future Fund

IWASE COSFA endorses and aids the MICHINOKU Future Fund, a scholarship supporting the educational advancement of children who lost one or both parents in the Great East Japan Earthquake.

Blue Clover Campaign

We contribute to the "Blue Clover Campaign" through the support of "BLUE CLOVER JOYX OPEN", which conveys the correct knowledge of prostate cancer and the importance of "early detection and appropriate treatment".



Osaka University Foundation for the Future

IWASE COSFA supports the Social Robot Research Fund of the Osaka University Foundation for the Future.

iPS Cell Research Fund

In respect with our philosophy of "Beauty and health" and by promoting management that creates the beauty and health of people, we support and cooperate with the Kyoto University's Center for iPS Cell Research and Application (CiRA).

Keidanren Nature Conservation Fund



Through the Keidanren Nature Conservation Fund, we provide donations to support the conservation of the natural environment in developing regions, mainly in the Asia-Pacific region, and to support the conservation activities and sustainable use of the natural environment in Japan.

The Royal Golf Club/THE ROYAL JUNIOR

In sympathy with the Royal Golf Club's plan to develop golf players that will spread to the world,

We co-sponsored this event in the hope that Japanese high school students will play an active role as athletes who can compete in the world in the future.

The winners of THE ROYAL JUNIOR Golf Competition are eligible to participate in the British Amateur Golf Championship, and we encourage future Olympic athletes and top players to emerge from the Games.

Okayama Children's Future Musical

We sponsored the Okayama Children's Musical as part of our support for mecenat (creating an affluent society through arts and culture). We sympathize with the vision of cultivating "people" who will shoulder the future of Japan as "cultures" and support the future of shining children from Okayama to the world.



TEAM RAIDEN (M-League)

We are sponsoring Team Raiden in the M-League, which is said to be able to participate only in the top 1% of professionals in the race mahjong, which has become increasingly popular as a «brain sport» in recent years. We will encourage interchange between generations through mahjong, contribute to social development, and contribute to international exchange.



グッドカンパニー大賞

Good Company Grand Prize

In 2021, IWASE COSFA received the Excellent Enterprise Award at the 55th (fiscal 2021) Good Company Grand Prize held by the Research Center for Small and Medium Enterprises. This is the most historical and proven award in Japan, given from among SMEs nationwide to "companies that have achieved outstanding economic and social results."

Beach cleaning activities

Although it became difficult to hold the event with a large number of participants due to the Corona disaster, the event was held three times in total (with a total of 20 participants) in Tokyo and Osaka.

Donating Emergency Set to World Gifts

In September 2021, we donated a total of 162 disaster prevention kits through World Gift, a specified nonprofit organization.

Tree-planting activities in COSFA Guangzhou

At COSFA Guangzhou, all employees participated in tree-planting activities to preserve the global environment. (25 participants)

Participation in Cosme Bank PJ

We are participating in the Cosme Bank Project, which is operated by the General Incorporated Association, Bank Fourth Smiles.

The Cosme Bank Project was launched with the idea of "giving as many smiles as possible to people who need cosmetics but are unable to obtain them due to economic reasons or a variety of circumstances, through activities to deliver cosmetics that were supposed to be disposed of without determining where to go."

With the renewal, we solicit from companies good products that have no problems in quality but become difficult to resell, such as products that have become old specifications or returned unopened in-store. By distributing these products free of charge to women with economic difficulties, we aim to resolve the issues facing women, companies, and the global environment, which are issues facing society.



KEY ISSUE 2: LABOR & HUMAN RIGHTS

Human Rights

IWASE COSFA respects the human rights of all employees and endeavors to create a more comfortable working environment.

My JINKEN(Dust) Declaration

In 2021, we endorsed and declared the Japan Federation of Economic Organizations (Keidanren) My JINKEN Declaration.



Modern Slavery Statement

The UK modern slavery act states that a company must publish an annual statement if it has sales of more than £36 million and if some or all of its business is in the UK. It must confirm the steps taken to ensure slavery and human trafficking are absent from the business and supply chain or they must declare that no steps have been taken.

In January 2021, IWASE COSFA released its second statement for the year 2020, continuing its commitment in the fight against all forms of modern slavery.

<https://www.COSFA.co.jp/company/pdf/SlaveryStatementFY2020-jp.pdf>

Objective

IWASE COSFA will comply with international labor organizations (ILOs) and United Nations standards and conventions to eliminate child and forced labor.

Targets

We will continue to do our best to keep the number of reports on child labor and forced labor to zero.

Table 2.1 Number of incidents

Indicator	2021
Number of reported child labor and forced labor incidents	0



Labor

All Iwase Cosfa executives and employees shall comply with all domestic and international laws and regulations as well as internal regulations, strive to ensure the appropriateness of corporate management, and carry out their duties with compliance as a top priority. In addition, Japan will promote the realization of decent work based on the ETI base code based on the convention of the International Labor Organization (ILO) and the four principles of the United Nations Global Compact, aiming to realize a work-life balance for employees and improve their engagement.



Process for determining employee representation

At Iwase Cosfa, we clearly declare in the Compliance Code that we recognize the right of solidarity and collective bargaining rights of our employees. Through a formal process in accordance with the Labor Standards Law, employee representatives are selected for each business establishment and a labor-management agreement is concluded. To reflect the opinions of employees, executives and employee representatives also hold regular meetings. Representatives of employees notify all employees of the holding of meetings in advance and hear proposals for improvement to realize a better work environment. After the meeting, the company discusses the proposals raised in the meeting, examines the feasibility of the proposals, and actually works to improve them. These audits took place in April 2021 and April 2022.

Managing working hours and reducing overtime

Based on the labor-management agreement, Iwase Cosfa monitors overtime hours to avoid overwork. In addition, based on the Law for Measures to Support the Development of the Next Generation, we have formulated an action plan for general employers, and have submitted an action plan to the Ministry of Health, Labour and Welfare to support employees in balancing work and childcare, reduce overtime work hours, and encourage employees to take annual paid holidays.

Wage

At Iwase Cosfa, we comply with the minimum wage system stipulated under the minimum wage law and pay more wages than that. In each country, we also manage minimum wages and working hours, pay living wages, and monitor them regularly in accordance with local labor legislation. In addition to the various allowances, we have established retirement regulations and a definite contribution pension system to support employees' post-retirement lives.

Efforts toward a Comfortable Work Environment



Health declaration

IWASE COSFA made a Health Declaration to promote the health of its employees. With the aim of obtaining certification under the Ministry of Economy, Trade and Industry's Certification System for Excellent Healthy Management, we will continue to consider employee health from a managerial perspective and work to promote employee health.

Leave System

In addition to paid holidays, IWASE COSFA has a variety of other leave systems.

Employment Rules

In its "Employment Rules", IWASE COSFA Japan has adopted measures to encourage women's career development and to enable them to fully demonstrate their abilities. Those measures are as follows:

- Menstrual leave

Upon request, female employees can be granted a day of leave if they suffer from menstrual pain.

- Childcare leave

Upon request, employees who have an infant under the age of one can be granted a day of leave when needed and can apply for restrictions on overtime work. Those raising a child who has not yet entered elementary school can choose to not do overtime hours or night work and can shorten their working hours.

- Nursing time (shortening of work hours)

Upon request, employees with children who have no yet entered elementary school can choose to not do overtime hours or night work and can shorten their working hours.

- Childcare rest

Upon request, female employees who have an infant under the age of one can be granted 30 minutes of additional rest twice a day.

- Childcare leave

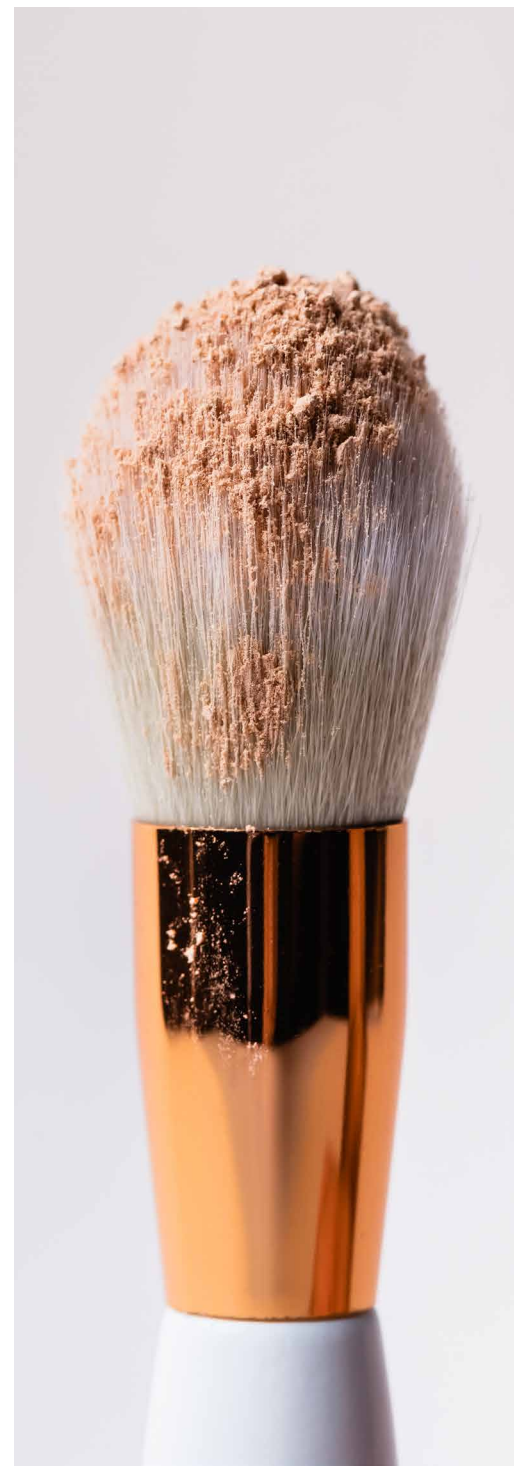
Employees who have a child who has not yet entered elementary school and who are sick or injured can be granted some days of leave in order to get medical check-ups or vaccinations.

- Nursing care leave

Employees who need to take care of a family member in need of nursing care may request a leave for family care, reduction of working hours, restriction of overtime work and exemption from late night work.

Volunteer Leave System

We have established volunteer leave regulations to help employees contribute to society through volunteer activities. Employees can use special holidays for volunteer activities to participate in social contribution activities on a paid basis.



Certified as a «support company for raising children»

Based on the Law for Measures to Support the Development of the Next Generation stipulated by the Ministry of Health, Labour and Welfare, IWASE COSFA formulates an action plan for general business owners. We were awarded the Kurumin Mark as proof that we have met these standards and have been certified. We also revised our Child Care Leave Regulations in accordance with the be implemented step by step in April explanatory meetings for all. In order to achieve a balance between we revised the requirements for taking a workplace environment that makes it easier care leave. We also provided training on taking childcare leave and parental leave after childbirth and established a consultation desk.

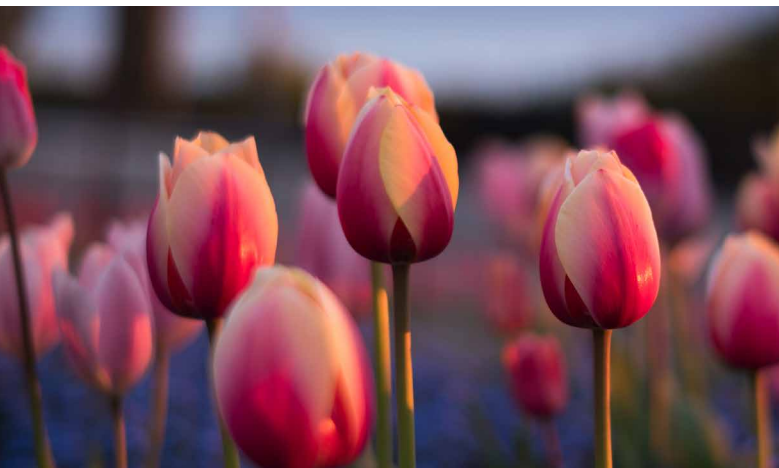


Kurumin Mark as proof that we have met as a «child-rearing support company.»

Regulations and Nursing Care Leave Parenting Care Leave Law, which will and October 2022 and held in-house employees.

childcare and nursing care and work, childcare and nursing care leave to create

for employees to take childcare and nursing care leave and parental leave after childbirth



Reemployment System: Integration of Senior Employees

IWASE COSFA has a «Re-employment Regulation» in place to ensure employment opportunities even after retirement and to broaden the range of options available to each employee. Employees can continue to work with us after retirement if they wish. (Re-employment of prospective employees in fiscal 2021: 100%)

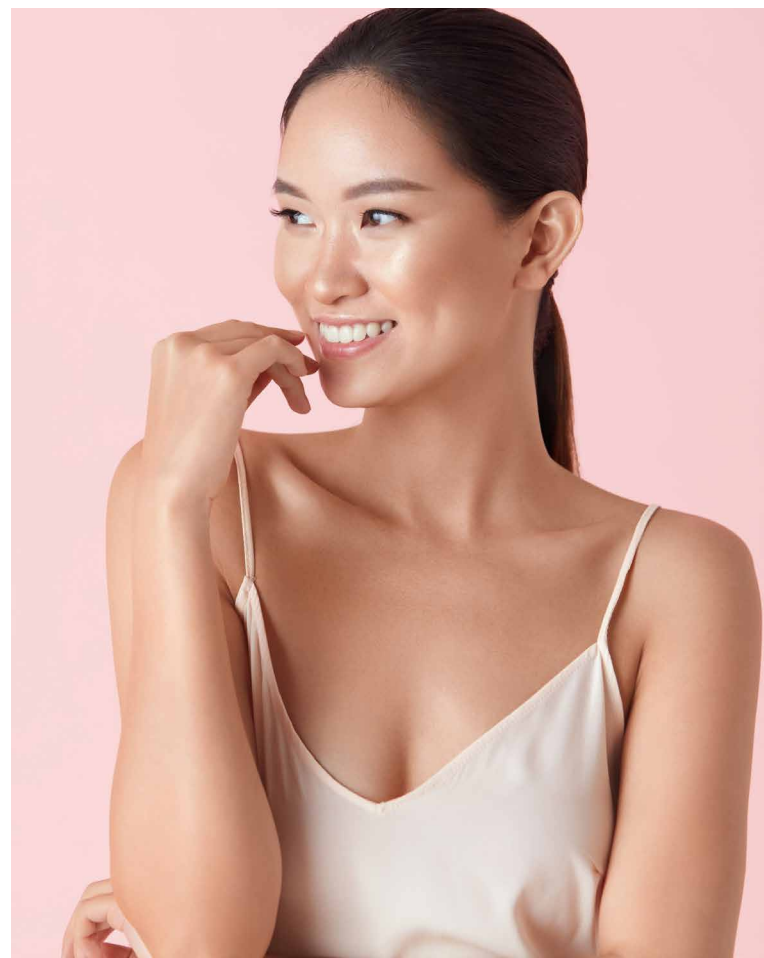
Work Conditions

IWASE COSFA is continuously working to improve its work environment.

We will strive to create a better work environment by conducting annual self-declaration reports to hear about current personal issues and requests for future career plans, 360-degree evaluations of managers, and employee satisfaction surveys.

Introduction of home-officing

Home-officing and telecommuting rapidly spread around the world due to the Corona disaster. Based on the government's basic response policy, IWASE COSFA also recommended telecommuting as a member of the Japan Federation of Economic Organizations (Keidanren) and introduced a telework system. This helps to improve the work-life balance of employees. We will continue to actively utilize home-officing.



IWASE COSFA Japan "No Overtime Work Day"

In order to protect its employees from the dangers of overtime work, IWASE COSFA decided to implement in 2017 in Japan the "No Overtime Work Day", which takes place every Wednesday and enables employees to leave the company at 17:30. Department heads are responsible for clearing the offices until the last departure.

In 2019, the Company extended its "No Overtime Work Day" policy by enabling its employees to choose two days a month during which they do not do any overtime work. IWASE COSFA will continue to respect this policy, in an effort to protect its employees' mental health.



In-house circle activities

After establishing rules for the management of circle activities, IWASE COSFA has been promoting in-house circle activities that are meant to foster workplace friendships.

At present, there are six different circles that have been established by volunteers:

- Tokyo/Osaka Golf Circle
- Tokyo/Osaka Futsal Circle
- Tanuki Golf Club
- Tokyo Tennis Circle
- Tokyo/Osaka Mahjong Circle
- Osaka Survival Game Circle

Free Address

In order to create a stimulating work environment, IWASE COSFA Japan have put into place "free addresses" for its sales department employees. Every day, employees can choose from a variety of seats as they please, which allows the creation of an environment with easier communication.

General Affairs Department Newsletter

The General Affairs Department periodically publishes an internal newsletter to promote communication within the company, including information on employee benefits, health and safety, new recruits, and club activities.

★ **Table 2.2 Working Hours / Rate of Taking Paid Holidays**

	Indicator	2018	2019	2020	2021
Average Designated Overtime Hours Worked /person/month	IWASE COSFA CORPORATION (JAPAN)	7.22	5.87	3.93	5.30
	COSFA INTERNATIONAL TRADING (SHANGHAI) CO., LTD	5	5	5	1
	COSFA INTERNATIONAL TRADING (GUANGZHOU) CO., LTD	5	5	3	0.5
	IWASE COSFA EUROPE S.A.S.	0	0	0	0
	IWASE COSFA VIETNAM CO., LTD	3	3	3	3
	IWASE COSFA KOREA CO., LTD	16	16	16	16
	IWASE COSFA USA INC.	7.96	23.42	1.04	0
	IWASE COSFA (THAILAND) CO., LTD	No data	0	0	0
	DAINIHON KASEI CO., LTD	No data	No data	0	0
	IWASE COSFA GROUP TOTAL (AVERAGE)	5.71	5.1	3.44	5.55
Acquisition Rate of Paid Leave /year	IWASE COSFA CORPORATION (JAPAN)	54.3%	55.5%	57.5%	69.80%
	COSFA INTERNATIONAL TRADING (SHANGHAI) CO., LTD	80.0%	80.0%	100.0%	100.00%
	COSFA INTERNATIONAL TRADING (GUANGZHOU) CO., LTD	95.0%	97.0%	100.0%	98.00%
	IWASE COSFA EUROPE S.A.S.	73.1%	88.2%	76.0%	79.87%
	IWASE COSFA VIETNAM CO., LTD	90.0%	90.0%	90.0%	90.00%
	IWASE COSFA KOREA CO., LTD	70.0%	82.0%	95.0%	83.00%
	IWASE COSFA USA INC.	0.0%	36.0%	44.0%	50.00%
	IWASE COSFA (THAILAND) CO., LTD	No data	100.0%	100.0%	100.00%
	DAINIHON KASEI CO., LTD	No data	No data	100.0%	100.00%
Absenteeism Rate	IWASE COSFA CORPORATION (JAPAN)	0.25%	0.08%	0.07%	0.20%
	COSFA INTERNATIONAL TRADING (SHANGHAI) CO., LTD	No data	No data	No data	0.00%
	COSFA INTERNATIONAL TRADING (GUANGZHOU) CO., LTD	0.00%	0.00%	0.00%	0.00%
	IWASE COSFA EUROPE S.A.S.	0.00%	0.00%	0.00%	1.35%
	IWASE COSFA VIETNAM CO., LTD	0.00%	0.00%	0.00%	0.00%
	IWASE COSFA KOREA CO., LTD	0.00%	0.00%	0.00%	0.00%
	IWASE COSFA USA INC.	0.00%	0.00%	0.00%	0.00%
	IWASE COSFA (THAILAND) CO., LTD	No data	0.00%	0.00%	0.00%
	DAINIHON KASEI CO., LTD	No data	No data	0.00%	0.00%

Objective

We will keep listening to our employees concerns and will promote the creation of a comfortable working environment that respects employees' work-life balance.

Achievements

By 2021, we have increased the year-on-year take up of paid annual leave in Japan.

Targets

- Keep the overtime hours worked/ person/month under 10 hours on average.
- Keep the absenteeism rate under 0.10%.
- By 2025, conduct an employee satisfaction survey across the Group.

Employees' Health and Safety

As a company that deals in «beauty and health,» IWASE COSFA considers the health of its employees to be important. In accordance with the Labor Standards Law, the Occupational Safety and Health Law, and the Working Regulations, we will establish the Safety and Health Management Regulations to enhance the safety and health activities of the Company, clarify the basic matters necessary to prevent occupational accidents, ensure the safety and health of employees, and promote the creation of a comfortable working environment.



Medical examination

In addition to mandatory annual medical checkups for all employees, we subsidize the cost of inspections for employees who have undergone a «re-examination required.»

Our employees are 100% covered by health insurance, and all employees underwent health checkups in fiscal 2021.

Establishment of a safety and health committee

Based on the Occupational Safety and Health Law, IWASE COSFA has established a health committee to hold regular meetings and provide information to employees.

Stress checks

In accordance with the Occupational Health and Safety Law, IWASE COSFA Co., Ltd conducts an annual stress check for the purpose of managing the health of its employees. By checking the results of the survey, we aim to further improve self-care and contribute to the formation of a comfortable working environment by identifying stress factors in the workplace.

Industrial medicine system

Employees are able to use the health consultation service of the company by consulting an industrial physician who visits the company once a month.

Creating a safe and secure work environment

We make sure that workers can peacefully work in a secure and safe work environment.



Raw Materials Storage:

Being a distributor, IWASE COSFA's biggest safety risk lays in its warehouse in Tsukuba, where raw materials are being stocked in big quantities. The warehouse is divided into different storage spaces based on the raw materials' nature, thus reducing fire risks and products degradation.

**«We make sure
that workers
can peacefully
work in a secure
and safe work
environment.»**

Safety Data Sheet (SDS):

The SDS is a detailed informational document describing the physical, health and environmental health hazards, protective measures and safety precautions for handling, storing and transporting the chemical. IWASE COSFA asks its suppliers to prepare SDS for every product they buy and makes sure that those measures and safety precautions are being thoroughly respected by employees.

Table 2.3 Work Accident

Target: Iwase Cosfa Group

Indicator	2018	2019	2020	2021
Work Accident* Number	0	0	0	1
Frequency rate for Work Accident**	0	0	0	0
Intensity rate for Work Accident***	0	0	0	0

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

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

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

Objective

We will promote the maintenance of good health and the creation of a safe working environment.

Targets

Keep to zero the number of work-related accidents.
We will continue to conduct stress checks to reduce employee mental damage

Career Management and Training

Aiming to be a company in which all employees shine, IWASE COSFA has established and made known the «Basic Concept of Human Resources.» We will disclose the recruitment process on our website and undertake recruitment activities that ensure transparency. In addition, based on the «My Jinken Declaration,» «recruitment activities and personnel systems that do not discriminate against anyone for any reason».

We have introduced «the optimal allocation of personnel that respects individuals and maximizes the power of individuals and organizations» and «an evaluation system that clarifies the results and actions required of individuals and responds to performance.» We aim to create a corporate culture that values each other's individuality while continuing to take on new challenges without fear even in the changing times.

URL: <https://www.COSFA.co.jp/company/pdf/recruit-policy.pdf>

External Training

Willing to give its employees more growth opportunities, IWASE COSFA Japan subscribed in 2019 to an external training agency that allows employees to attend trainings on a wide variety of subjects as much as they wish for free: business manners, positive thinking, career management, accounting, women leadership and many more. IWASE COSFA also conducts in-house trainings on specific topics, such as a CSR training session for new employees as a mean to reinforce their awareness regarding practices of corporate responsibility.



In 2020, training on CSR was provided to all Group employees. The training covered the history and current state of social responsibility in the world and provided an understanding of why fulfilling our CSR obligations are crucial. In order to raise awareness of CSR among our employees, we identified the ethical, environmental and procurement issues we face as a company and presented how we are addressing these issues.

Table 2.4 Employees Training

	Indicator	2018	2019	2020	2021
Total Training Hours	IWASE COSFA CORPORATION (JAPAN)	318.5	558.2	2448.8	3042.3
	COSFA INTERNATIONAL TRADING (SHANGHAI) CO., LTD	300	300	300	300
	COSFA INTERNATIONAL TRADING (GUANGZHOU) CO., LTD	20	20	384	513
	IWASE COSFA EUROPE S.A.S.	No data	No data	649	171
	IWASE COSFA VIETNAM CO., LTD	600	720	830	900
	IWASE COSFA KOREA CO., LTD	180	180	218	260
	IWASE COSFA USA INC.	0	0	24	56
	IWASE COSFA (THAILAND) CO., LTD	No data	No data	13	48
	DAINIHON KASEI CO., LTD	No data	No data	10	3
Number of Employees Trained	IWASE COSFA CORPORATION (JAPAN)	94	172	187	194
	COSFA INTERNATIONAL TRADING (SHANGHAI) CO., LTD	24	24	26	30
	COSFA INTERNATIONAL TRADING (GUANGZHOU) CO., LTD	20	20	24	27
	IWASE COSFA EUROPE S.A.S.	No data	No data	14	13
	IWASE COSFA VIETNAM CO., LTD	5	7	7	17
	IWASE COSFA KOREA CO., LTD	3	4	3	2
	IWASE COSFA USA INC.	0	0	3	4
	IWASE COSFA (THAILAND) CO., LTD	No data	No data	5	3
	DAINIHON KASEI CO., LTD	No data	No data	2	2
Average Training Hours per Regular Employee*	IWASE COSFA CORPORATION (JAPAN)	2	3	12.5	15.7
	COSFA INTERNATIONAL TRADING (SHANGHAI) CO., LTD	13	12	11.5	10
	COSFA INTERNATIONAL TRADING (GUANGZHOU) CO., LTD	1	1	16	19
	IWASE COSFA EUROPE S.A.S.	No data	No data	38	13.15
	IWASE COSFA VIETNAM CO., LTD	36	45	46	53
	IWASE COSFA KOREA CO., LTD	36	45	73	130
	IWASE COSFA USA INC.	0	0	8	14
	IWASE COSFA (THAILAND) CO., LTD	No data	No data	1.3	16
	DAINIHON KASEI CO., LTD	No data	No data	5	3

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

Objective

We will keep providing growth opportunities tailored to our employees' individual situations and careers.

Targets

Achieve an average training time of 6 hours by 2025.

Diversity, Discrimination and Harassment

Gender Equality

IWASE COSFA promotes gender equality in order to deepen mutual understanding among employees and to create an organization that continues to produce results. We strive to ensure that there are no gender-wage disparities and conduct regular monitoring.

In its Compliance Charter, IWASE COSFA recognizes the importance of protecting its employees from sexual harassment and workplace bullying. The Compliance Charter states that employees must: "Respect fundamental human rights and do not discriminate based on ethnicity, beliefs, gender, social status, religion, nationality, age, physical or mental disabilities, etc" (article 4 paragraph.1). "Refrain from performing acts that violate public order and morals such as sexual harassment and workplace bullying" (article 4 paragraph.2). In Japan, the Company also trains its managers on how to keep the work environment power and sexual harassment free. The Group in Japan has an international team of employees of different nationalities (America, Brazil, China, France, Greece, Korea, and Russia), creating a multi-ethnic environment that fosters human resources which support global business development, and which promotes mutual understanding of each other's cultures.

Optional Female Work Uniforms

In respond to employees demands, IWASE COSFA Japan decided to make female work uniforms optional in 2019. Female employees are now able to choose to wear their own clothes regarding the Company's dress code.

This measure allowed employees to save time as they do not need to change clothes before and after work, whilst creating an environment which enable them to better concentrate on their work.





Recruitment and Development of Global Human Resources

IWASE COSFA is actively recruiting foreign employees with the aim of achieving sustainable growth in its overseas business and contributing to the development and stability of the Group. Many employees of many nationalities are currently active. Our overseas subsidiaries also contribute to the creation of jobs by making most of their staff local employees. In addition, we will introduce an online English conversation system, a language certification system, and an overseas training system through in-house recruitment to foster global human resources who can play an active role in the world.

Job Coach Support Service: Employment of disabled people

We make use of the «Job Coach Support Service» provided by the Ministry of Health, Labor and Welfare to create a comfortable working environment for all employees. With the cooperation of the Tokyo Metropolitan Vocational Center for Persons with Disabilities, we have provided training for employees who need assistance in finding work, over a six-month period in 2020 under the «Job Coach Support System». We will continue to provide similar training in the future. In addition to providing support to the employee regarding the performance of his/ her duties and communication in the workplace, managers also receive expert advice on employment management that takes into account the personal employee characteristics.

Outsourcing of services to employment support facilities for the disabled

“Karatsu Wellness Farm”, a company farm in Karatsu City, Saga Prefecture, is cultivating white rags with the cooperation of local employment support facilities. It creates employment opportunities for people with disabilities and strengthens ties with local communities, thereby contributing to local communities.



Iwase Cosfa Europe's Parenting Policy

IWASE COSFA's European subsidiary has committed to help its employees achieve a better balance between professional and personal life. In 2019, the Company signed a Corporate Parenthood Charter, with the aim of ensuring the professional equality of men and women. Introduced in 2008 by the Corporate Parenthood Observatory in partnership with the French Ministry of Labor, Industrial Relations, Family and Solidarity, it has been signed by over 500 companies and associations.

The subsidiary took initiatives in relation to its commitment that can be described as such:

1. To bring about change in attitudes to parenthood within the company*

- Training programs for managers regarding the need to consider the parental situation of their collaborators;
- A Parenthood guide has been shared to all employees. It informs them of their rights as members of the Company.

2. To create an environment that is favourable to working parents, especially expectant mothers *

All year:

- No meetings to take place before 9am or after 5pm.

During pregnancy:

- Arrangement for expectant mothers' working conditions by the provision of flexible working hours and working days (upon consultation of the company directorate);
- Reduction of working hours by 15 minutes in the morning and 15 minutes in the evening, without any change in salary for pregnant women;
- Authorized absence for the 7 prenatal follow-up consultations (compulsory medical examinations provided by the public health service) for pregnant women and for the employee's spouse;
- Home office authorized at 100% of working time, from 4 weeks before the start of maternity leave;
- Full continuation of the employee's salary throughout the period of maternity/adoption leave, regardless of the amount and subject to deduction of the allowances paid by social security.

Post birth:

- Granting of gift vouchers for the birth/adoption of a child;
- Extension of the duration of the legal maternity/adoption leave by 4 weeks with continuation of full salary, paid by the company (must be taken directly after maternity/adoption leave and may be postponed until the end of a period of sick leave or sickness related to childbirth. The duration of the latter will then be deducted from the extension period);
- For paternity leave, full continuation of the salary regardless of the amount and subject to deduction of allowances paid by the French social security system;
- 100% home office allowed during the first 15 weeks of maternity/adoption or paternity leave;
- IWASE COSFA Europe will pay the full salary of employees who have to take time off work to care for a sick child, up to a maximum of three days per year.

3. To respect a principle of non-discrimination in the professional development of employees with children*

- Formalizing the recruitment process: pre-selection grids have to be predefined with objective criteria in order to prevent and eliminate discriminatory practices against employees with children;
- Deletion of age as a decision-making criterion of high-potential individuals;
- Organisation of one-to-one meetings with the employee before the start of maternity leave;
- Organisation of a professional meeting for the employee returning from maternity/adoption leave on her professional development prospects, particularly in terms of qualifications and employment.

Other actions will be implemented within the European subsidiary as part of a continuous improvement process, to reinforce our in-depth thinking on the subject of parenthood in the company.

*As prescribed by the Corporate Parenthood Charter

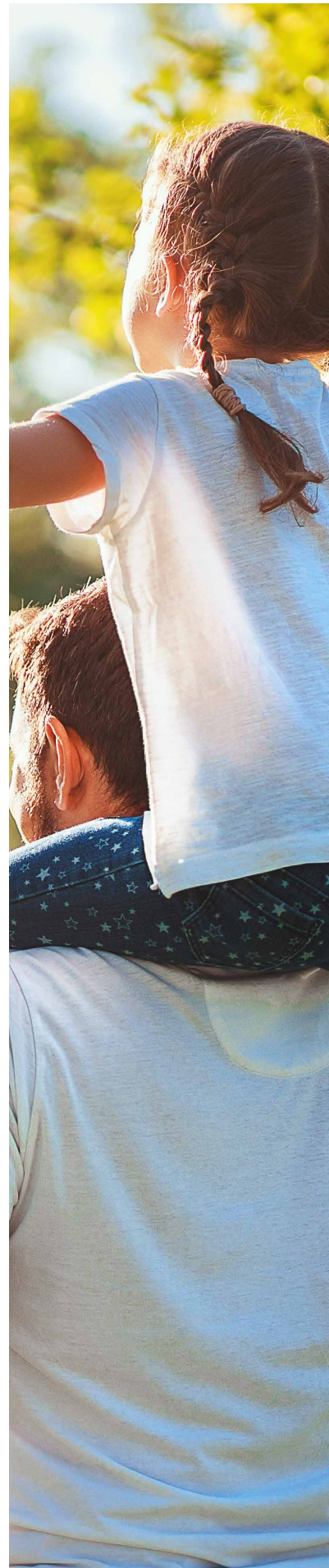


Table 2.5 Gender Ratio of IWASE COSFA's Employees*

Indicator	2018			2019			2020			2021		
	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female
Total	247 100%	120 49%	127 51%	280 100%	127 45%	153 55%	304 100%	136 45%	168 55%	313 100%	135 43%	177 57%
IWASE COSFA CORPORATION (JAPAN)**	159 64%	79 49.7%	80 50.3%	184 66%	86 47%	98 53%	195 64%	89 46%	106 54%	200 64%	89 45%	111 55%
COSFA INTERNATIONAL TRADING (SHANGHAI) CO., LTD	25 10%	12 48%	13 52%	26 9%	12 46%	14 54%	23 8%	9 39%	14 61%	30 10%	12 40%	18 60%
COSFA INTERNATIONAL TRADING (GUANGZHOU) CO., LTD	23 9%	10 43%	13 57%	24 9%	11 46%	13 54%	24 8%	11 46%	13 54%	27 9%	12 44%	15 56%
IWASE COSFA EUROPE S.A.S.	9 4%	6 66.7%	3 33.3%	11 4%	4 34%	7 64%	17 6%	6 35%	11 65%	18 6%	6 33%	12 67%
IWASE COSFA VIETNAM CO., LTD	15 6%	5 33.3%	10 66.7%	17 6%	6 35%	11 65%	18 6%	6 33%	12 67%	19 6%	7 37%	12 63%
IWASE COSFA KOREA CO., LTD	5 2%	3 60%	2 40%	4 1%	2 50%	2 50%	3 1%	2 67%	1 33%	4 1%	2 50%	2 50%
IWASE COSFA USA INC.	2 1%	1 50%	1 50%	3 1%	2 67%	1 33%	3 1%	2 67%	1 33%	4 1%	3 75%	1 25%
IWASE COSFA (THAILAND) CO., LTD	9 4%	4 44.4%	5 55.6%	11 4%	4 36%	7 64%	10 3%	4 40%	6 60%	10 3%	4 40%	6 60%
DAINIHON KASEI CO., LTD	-	-	-	-	-	-	11 4%	7 64%	4 36%	6 2%	1 17%	5 83%

*The number of employees is as of January 1 each year in Japan, and December 31 in each previous year overseas.

**Including temporary workers.

Table 2.6 Gender Equality: Iwase Cosfa's Male and Female Leader*

Indicator	2018			2019			2020			2021		
	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female
Total	47 100%	41 87%	6 13%	49 100%	41 87%	8 13%	58 100%	48 84%	10 16%	58 100%	48 84%	10 16%
IWASE COSFA CORPORATION (JAPAN)	36 77%	33 92%	3 8%	39 80%	33 85%	6 15%	35 60%	30 86%	5 14%	35 60%	29 83%	6 17%
COSFA INTERNATIONAL TRADING (SHANGHAI) CO., LTD	1 2%	1 100%	0 0%	1 2%	1 100%	0 0%	1 2%	1 100%	0 0%	4 7%	2 50%	2 50%
COSFA INTERNATIONAL TRADING (GUANGZHOU) CO., LTD	1 2%	1 100%	0 0%	1 2%	1 100%	0 0%	1 2%	1 100%	0 0%	4 7%	2 50%	2 50%
IWASE COSFA EUROPE S.A.S.	2 4%	2 100%	0 0%	4 8%	2 50%	2 50%	6 10%	3 50%	3 50%	2 3%	2 100%	0 0%
IWASE COSFA VIETNAM CO., LTD	1 2%	1 100%	0 0%	1 2%	1 100%	0 0%	1 2%	1 100%	0 0%	4 7%	2 50%	2 50%
IWASE COSFA KOREA CO., LTD	1 2%	1 100%	0 0%	1 2%	1 100%	0 0%	1 2%	1 100%	0 0%	3 5%	2 67%	1 33%
IWASE COSFA USA INC.	1 2%	1 100%	0 0%	2 4%	2 100%	0 0%	2 3%	2 100%	0 0%	2 3%	2 100%	0 0%
IWASE COSFA (THAILAND) CO., LTD	4 9%	3 75%	1 25%	4 8%	3 75%	1 25%	4 7%	3 75%	1 25%	4 7%	3 75%	1 25%
DAINIHON KASEI CO., LTD	N/A	N/A	N/A	N/A	N/A	N/A	5 9%	5 100%	0 0%	6 10%	6 100%	0 0%

*The number of employees is as of January 1 each year in Japan, and December 31 in each previous year overseas.

Table 2.7 Harassment related Training

Indicator	2019	2020	2021
Training Name	Prevention of Harassment	Promotion of Women's Activities and Prevention of Harassment	Next-generation leader training (harassment, copyright)
Number of Times Held	1 time	1 time	1 time
Duration	3 h	36 min	1.5 h
Participants	131	179	11

Table 2.8 Employment of disabled people

Indicator	2018	2019	2020	2021
% of employees with disabilities	0.63%	0.54%	1.03%	1.76%

Objective

We will continue to pursue the realization of a healthy work environment where employees are treated with respect and care. We will continue to pursue the realization of a healthy work environment where employees are treated with respect and care.

Achievements

In 2021, we conducted CSR and compliance training for all employees.

Targets

- IWASE COSFA commits to conduct annual compliance trainings.
- Maintain the Kurumin mark
- Try to obtain the "Eruboshi" (L Star) mark by 2023.

KEY ISSUE 3: ENVIRONMENT

Environmental Policy

Recognizing that global environmental issues are one of the most important concerns common to all humans, IWASE COSFA establishes continuous goals in consideration of global environmental preservation and works to realize such goals.

We will contribute to society by fulfilling our responsibility as a global corporate citizen by promoting the sustainable use of the earth's resources and the reduction of environmental impact in terms of raw material procurement and sales.

In all aspects of its business activities, IWASE COSFA complies with environmental laws and regulations and fulfils its commitments. We are also aware of the impact of our business activities on the environment and continuously strive to be environmentally friendly and to prevent pollution.

To achieve these commitments, we will strive to achieve the following targets* by 2030:

• Global Warming

On October 26, 2020, Primer Minister Yoshihide Suga declared that Japan will aim for carbon neutrality by 2050. IWASE COSFA is committed to contribute to carbon neutrality and aims to:

- Reduce its CO2 emissions by 70% (Scope 1 and 2).
- Procure 50% of its electricity from renewable resources.

• Waste Management

IWASE COSFA is committed to use resources efficiently and to reduce industrial waste in an environmentally friendly way.

We will keep our waste emissions below 1% of our sales volume.

• Reduction of water usage

We continuously monitor the amount of water used, the amount of wasted water, and strive to reduce the environmental load and increase the proportion of reused water.

We will continue to strive to further protect water resources.

- Our goal is to reduce our water consumption by 1% per year as a single-year target.

*Base year: 2019

This environmental policy will be reviewed annually by the IWASE COSFA's CSR Promotion Office Director and is made available to all stakeholders through this CSR Report.

The above targets apply to IWASE COSFA Co., Ltd. and its seven subsidiaries.

Table 3.1 Iwase Cosfa's environmental performance data

Target: Iwase Cosfa Group*

Indicator	Category	2018	2019	2020	2021
Petroleum consumption (L)	Gasoline	23564.06	32695.46	22,543	26,325
	Diesel	521.89	217.67	24.8	0
Gas consumption (m3)	City Gas	95	85.76	108	89
	LPG	81	52.7	85.9	109.9
Electricity Consumption (Kwh)		431529.18	577814.84	602224.08	580556.53
Water Consumption (m3)	Municipal Water	859.00	1,200.00	1,142.18	3,191.98
	Groundwater	240	272	345	345
Wastewater volume (m3)	Sewage	767	1129	1063.28	1140
	Industrial wastewater	0	0	0	0
Industrial waste volume (t)		25.12	38.99	22.97	30.0345
Specific hazardous industrial waste emissions (t)		0	0	0	0

*Please refer to the appendix for subsidiaries data

Table 3.2 Iwase Cosfa's Carbon Footprint

Indicator	2019		2020		2021	
	GHG Emissions	(tCO2e)	GHG Emissions	(tCO2e)	GHG Emissions	(tCO2e)
Scope 1	64.58	tCO2e	52.19	tCO2e	60.36	tCO2e
Gasoline (company cars)	64.12	tCO2e	51.48	tCO2e	60.02	tCO2e
Gas (heating system)	0.46	tCO2e	0.71	tCO2e	0.34	tCO2e
Scope 2	384.94	tCO2e	357.14	tCO2e	356.5	tCO2e
Electricity	384.94	tCO2e	357.14	tCO2e	356.5	tCO2e
Scope 3	33,454,863.32	tCO2e	-	tCO2e	53,658,053.99	tCO2e
Capital Goods	17.51	tCO2e	37.42	tCO2e	12.95	tCO2e
Employee commuting	192.58	tCO2e	231,27	tCO2e	294.26	tCO2e
Business travel	350.2	tCO2e	39.793	tCO2e	41.46	tCO2e
Purchased of Goods	33,394,843.2	tCO2e	53,632,825.6	tCO2e	53,632,825.60	tCO2e
Fuel and energy related activities	20.33	tCO2e	409.19	tCO2e	11,281.68	tCO2e
Upstream transportation and distribution	828.01	tCO2e	1308,8	tCO2e	1,158.18	tCO2e
Downstream transportation and distribution	828.01	tCO2e	1308,8	tCO2e	1,158.18	tCO2e
Waste generated	17,514.12	tCO2e	9324.47	tCO2e	11,281.68	tCO2e
Processing of sold products	745.15	tCO2e	-	tCO2e	-	tCO2e
Use of sold products	49,776.65	tCO2e	-	tCO2e	-	tCO2e

Sales of Sustainable Materials

IWASE COSFA recognizes the issue of global warming resulting from CO₂ and other greenhouse gas emissions as one of the most important issues we face. The Group has been implementing measures related to mitigation of and proper responses to climate change.

IWASE COSFA sets sales objectives regarding raw materials that can directly or indirectly reduce environmental impacts or risks.

Table 3.3 Iwase Cosfa's Eco-Products Sales Results

Eco-products		FY	Objectives (kg)	Results (kg)	Realization ratio
Materials that can directly reduce environmental impacts or risks	Materials from plant origin	2019	556,600	464,682	83.49%
		2020	1,306,100	837,398	64.11%
		2021	1,403,900	1,167,447	83.16%
	Materials whose use does not require heating process	2019	2,000	136	6.80%
		2020	-	-	-
		2021	800	80	10.00%
	Materials which shorten production process	2019	21,300	13,335	62.61%
		2020	4,000	760	19.00%
		2021	3,200	1,150	35.94%
Materials that might reduce or prevent of environmental risks	Materials with limited environmental impacts	2019	300	0	0.00%
		2020	10,750	6,444	59.94%
		2021	4,290	3,821	89.07%
Total		2021	580,200	478,153	82.41%
		2020	1,320,850	844,602	63.94%
		2021	1,412,190	1,172,498	83.00%

Objective

Iwase Cosfa will pursue its environmental conservation activities based on prevention of global warming.

Targets

- Realize business sales of eco-products of 1,219,320 kg for 2022:

Materials from plant origin : 1,217,340 kg

Materials whose use does not require heating process : 220 kg

Materials which shorten production process : 1,540 kg

Materials with limited environmental impacts : 220 kg

Certification

IWASE COSFA Co., Ltd. obtained the ISO 14001 certification for its environmental management system in 2003. The three sites in Japan (Tokyo Head Office, Kyushu Sales Office, Karatsu Logistics) and the three sites in China (Shanghai, Guangzhou, Beijing) acquired the certification.

This represents an 89% acquisition on a sales basis.



In 2021, IWASE COSFA has taken part for the fourth time to the CDP. Every year, the CDP analyzes several thousand companies worldwide regarding their strategic approach to the issues of climate change and rates their climate management activities based on a comprehensive list of criteria. IWASE COSFA obtained a B- rating, which ranks higher than the Asian regional average (D), assessed peer companies average (C) and the global average (C).

The B- rating lands in the "Management" band and indicates that the company is taking coordinated action on climate issues.

IWASE COSFA aims to continue to be an environmentally responsible organization, making continuous improvements in managing the impact that its operations have on the environment. The Group will further develop its energy and CO2 reporting, responding to calls from stakeholders for greater transparency and comparability in its reporting on CO2 emissions.

Other environmental activities

Utilization of fungus beds

"Karatsu Wellness Farm", a company-owned farm in Karatsu City, Saga Prefecture, provides local agricultural cooperatives free of charge with fungus beds that are originally discarded after the cultivation of kikurage. These are reused as compost and pasture rugs.

They also provide fungus beds to work support facilities, which are also reused as humus for beetle breeding for sale.

These efforts not only help reduce waste resources, but also help local communities to support and co-create.

LIMEX



水と木の
資源を守る
LIMEX

LIMEX is a composite material containing 50% or more of minerals such as calcium carbonate. It is a new material

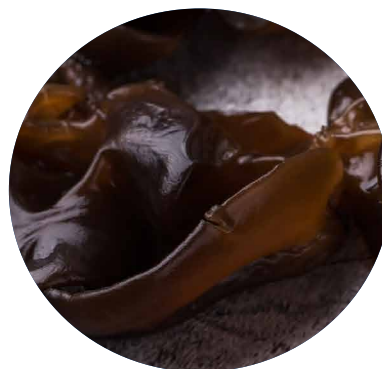
made in Japan that is a substitute for paper and plastic.

We introduced LIMEX to employees' business cards, paper bags and promotional pamphlet to reduce environmental impact.

We also provide catalogs, company guides, and materials pamphlets online to reduce paper consumption.



この袋は石灰石から生まれた環境に優しい新素材 LIMEX でつくられており、石油由来樹脂の使用を削減しています
This bag is made of LIMEX, a new material made mainly from limestone. It uses less petroleum-based resin.



Reduction of packaging materials through the use of dunnage

Dunnage is a system in which goods are stacked and packaged and transported as is, with sheets molded into the shape of the load, which leads to a reduction in the amount of packing materials and other materials used for transportation in the past.

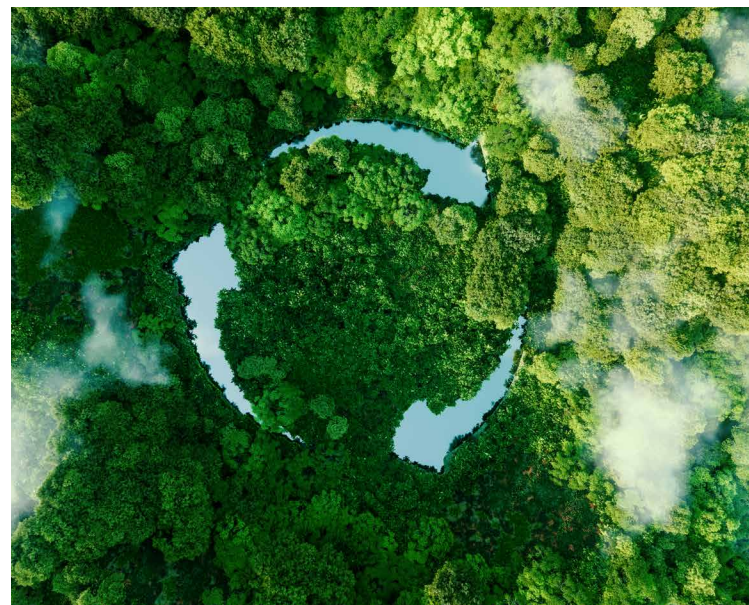
At IWASE COSFA, we are working to reduce packaging materials by incorporating dunnage into the packaging of cans.



Recycling of wooden pallets

IWASE COSFA is also working to recycle wooden pallets.

Old wooden pallets are usually disposed of as industrial waste, but we are promoting efforts to reuse them through transporters instead of disposing of them.



KEY ISSUE 4: SUSTAINABLE PROCUREMENT

Procurement Policy

IWASE COSFA is committed to promoting sustainable procurement practices with the aim of protecting the environment and contributing to the development of local communities, as a mean to nurture the thriving of our society. In order to achieve these commitments, we will strive to achieve the following objectives*.





- **Raising the CSR awareness of our suppliers**

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

- By 2025, we will obtain signatures on our Code of Conduct from 70% of our major suppliers**.

- By 2025, we will assess the level of CSR awareness of our key suppliers** and work to improve their CSR awareness through training and one-on-one advice.

- **Sustainable Raw Material Procurement**

IWASE COSFA strives to procure sustainable raw materials. As part of its efforts to protect the environment in palm oil production areas and to consider the human rights of plantation workers, IWASE COSFA joined the Roundtable on Sustainable Palm Oil (RSPO) in 2017.

- IWASE COSFA aims to have 100% of its palm oil and palm kernel oil-derived raw materials RSPO-certified by 2030.

- **Raising CSR Awareness among employees involved in purchasing activities**

IWASE COSFA will enforce its purchasing management rules and promote correct transactions in accordance with its internal rules. We will provide training opportunities for employees involved in purchasing activities on the establishment of fair and sound relationships with business partners and compliance with laws, regulations and internal rules.

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

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

This sustainable procurement policy will be reviewed annually by the IWASE COSFA's CSR Promotion Office Director and is made available to all stakeholders through this CSR Report. The above targets apply to IWASE COSFA Co., Ltd. and its seven subsidiaries.

Suppliers Code of Ethics

In 2019, IWASE COSFA formulated a Supplier Code of Ethics for its business partners in order to materialize its approach to raw material procurement.

This Code of Ethics is signed with the consent of major suppliers and is announced to stakeholders on our website.

Suppliers who do not receive a response are asked to make regular improvements and may not make continuous transactions if they do not comply with laws and social arrangements, such as human rights, labor, and the environment.

«We conduct annual questionnaires on our CSR activities for our signed suppliers, and ask them to check their compliance and make improvements»

We also conduct annual questionnaires on our CSR activities for our signed suppliers, and ask them to check their compliance and make improvements on an ongoing basis, thereby contributing to raising awareness throughout the supply chain.

In fiscal 2021, we asked 28 companies, which account for 50% of our major suppliers, to continue complying with the Ethical Principles.



Overview of the IWASE COSFA Group Code of Ethics

1. CSR Promotion / Social contribution / Organizational Governance
2. Legal Compliance / Fair trade / Corporate Ethics
3. Respect of Human rights / Safety and Health
4. Environmental Protection
5. Quality and Safety Assurance
6. Confidential and information security measures / Intellectual Property Protection
7. Information disclosure

<http://www.cosfa.co.jp/english/company/pdf/SupplierCodeofEthics-en.pdf>



Table 4.1 Procurement Data and Indicators

Target: Iwase Cosfa Co., Ltd.

Indicators	Realization as of 2021
Signing of the Supplier Code of Ethics by key suppliers*	32/40 companies
Supplier survey responses from key suppliers	39 companies

* Definition of key suppliers: suppliers accounting for more than 50% of purchases (30 suppliers)

Objective

IWASE COSFA is making concerted efforts in the supply chain with regard to sustainable procurement.

Targets

In 2022, we will expand the definition of major suppliers from «suppliers that account for 50% of the purchase amount» to 70%. We will strive to agree to the Supplier Ethics Guideline and improve the CSR awareness of suppliers.

Raw material procurement

IWASE COSFA promotes sustainable procurement activities throughout the supply chain and contributes to the realization of a sustainable society.

As we do not procure raw materials that violate human rights or lead to environmental destruction, we endeavor to procure and sell sustainable raw materials and certified raw materials.

RSPO (Roundtable on Sustainable Palm Oil)

IWASE COSFA is a member of the RSPO, a not-for-profit that has developed a set of environmental and social criteria which companies must Certified Sustainable Palm Oil (CSPO). such as tropical rainforest destruction, gas emissions due to peatland fires, of plantation workers. When properly minimize the negative impact of palm communities in palm oil-producing regions.



complies with in order to produce Palm oil production can entail problems ecosystem destruction, greenhouse and violation of the human rights applied, the RSPO criteria can help to oil cultivation on the environment and

Iwase Cosfa supports the NDPE (No Deforestation, No Peat, No Exploitation) principles and aims to realize sourcing based on these principles.

CSR Related Certificates

IWASE COSFA commits to make its supply-chain more sustainable by bringing forward several sustainable products and their related certifications.

We actively handle raw materials that have obtained the following certifications.

- REACH Certificate (if the annual amount of ingredients which might have environmental effect is more than 1 ton)
- Ecocert/Cosmos certificate
- RSPO Certificate

IWASE COSFA does not participate in transactions in conflict zones and will not purchase any materials coming from these areas as well. We require conflict-free letters from our manufacturers using minerals.

- Letter of Conflict minerals (to attest that a product does not come from the use of conflict minerals)

(Number of target companies: 4 companies / 4 = 100%)



Employee education

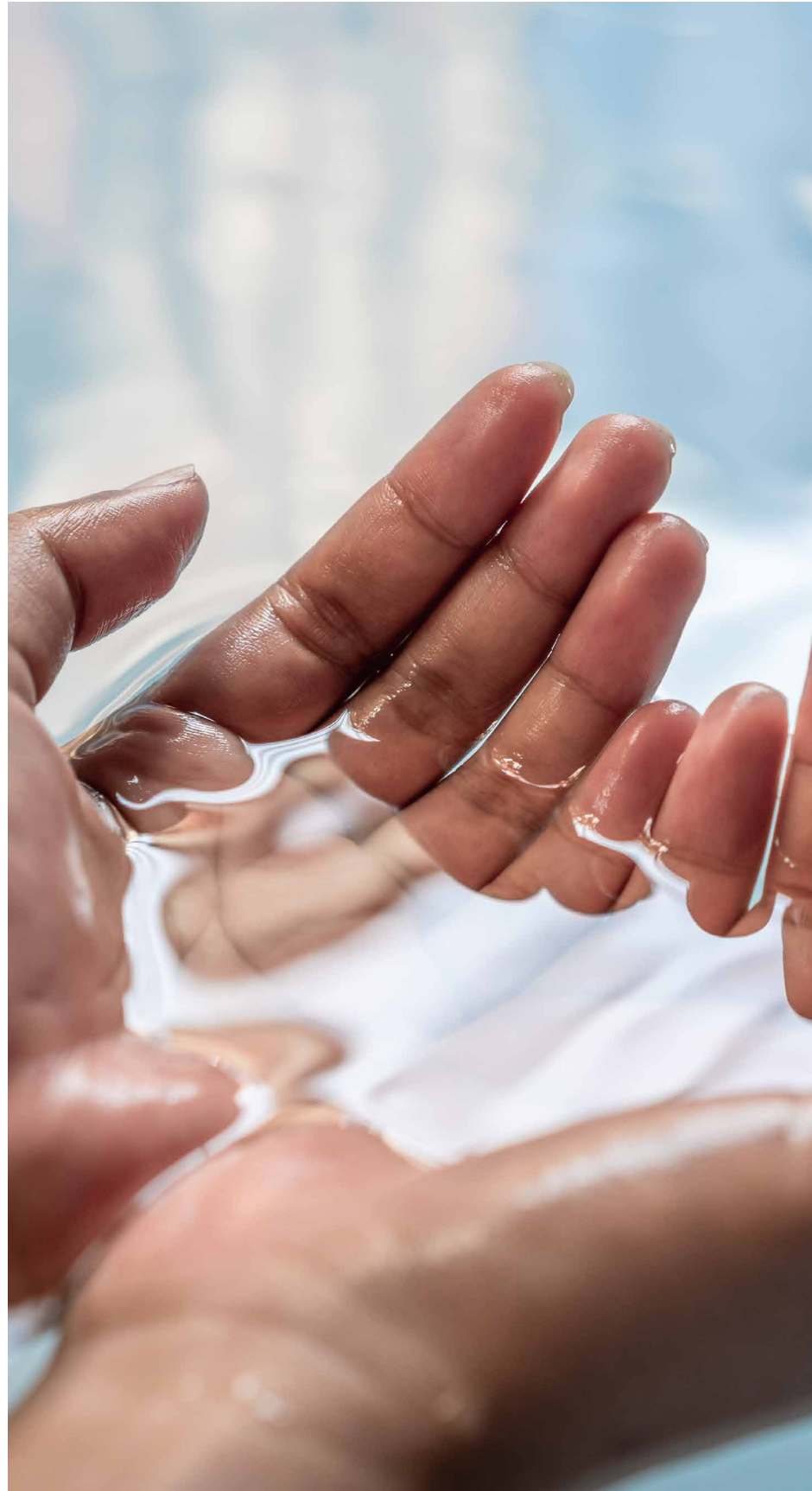
IWASE COSFA provided education to employees in departments involved in procurement on sustainable procurement, including our CSR initiatives, risks, and requests from stakeholders.

(On March 12, 2021, 42 people participated in the seminar at 100%)

«we will aim
to raise the
awareness
of each
employee»

By 2030*, we will aim to raise the awareness of each employee by incorporating initiatives related to sustainable procurement into the personnel evaluation of employees involved in procurement.

*Base year 2022



Appendix

Indicator	Category	Subsidiary Name	2018	2019	2020	2021
Petroleum Consumption (L)	Gasoline	IWASE COSFA CORPORATION (JAPAN)	11034	9730.11	6519.46	7,557.52
		COSFA INTERNATIONAL TRADING (SHANGHAI) CO., LTD	5000	4814	3219	3,190.54
		COSFA INTERNATIONAL TRADING (GUANGZHOU) CO., LTD	5000	5000	4275	2,410.00
		IWASE COSFA EUROPE S.A.S.	455.43	2614.54	256.77	5,766.60
		IWASE COSFA VIETNAM CO., LTD	3346	3420	4476	4,476.00
		IWASE COSFA KOREA CO., LTD	3092	5214	2445.88	2,246.12
		IWASE COSFA USA INC.	636.63	1902.81	1350.75	678.00
		IWASE COSFA (THAILAND) CO., LTD		N/A	N/A	0.00
			23,564.06	32,695.46	22,542.86	26,324.78
	Diesel	IWASE COSFA CORPORATION (JAPAN)	0	0	0	0.00
		COSFA INTERNATIONAL TRADING (SHANGHAI) CO., LTD	0	0	0	0.00
		COSFA INTERNATIONAL TRADING (GUANGZHOU) CO., LTD	0	0	0	0.00
		IWASE COSFA EUROPE S.A.S.	521.89	217.67	24.8	0.00
		IWASE COSFA VIETNAM CO., LTD	0	0	0	0.00
		IWASE COSFA KOREA CO., LTD	0	0	0	0.00
		IWASE COSFA USA INC.	0	0	0	0.00
		IWASE COSFA (THAILAND) CO., LTD		N/A	N/A	0.00
		521.89	217.67	24.80	0.00	
Gas consumption (m3)	City Gas	IWASE COSFA CORPORATION (JAPAN)	95	85.76	108	89.00
		COSFA INTERNATIONAL TRADING (SHANGHAI) CO., LTD	0	0	0	0.00
		COSFA INTERNATIONAL TRADING (GUANGZHOU) CO., LTD	N/A	N/A	N/A	0.00
		IWASE COSFA EUROPE S.A.S.	0	0	0	0.00
		IWASE COSFA VIETNAM CO., LTD	0	0	0	0.00
		IWASE COSFA KOREA CO., LTD	0	0	0	0.00
		IWASE COSFA USA INC.	N/A	N/A	N/A	N/A
		IWASE COSFA (THAILAND) CO., LTD		N/A	N/A	N/A
						89.00
	LPG	IWASE COSFA CORPORATION (JAPAN)	81	52.7	85.9	109.90
		COSFA INTERNATIONAL TRADING (SHANGHAI) CO., LTD	0	0	0	0.00
		COSFA INTERNATIONAL TRADING (GUANGZHOU) CO., LTD	N/A	N/A	N/A	0.00
		IWASE COSFA EUROPE S.A.S.	0	0	0	0.00
		IWASE COSFA VIETNAM CO., LTD	0	0	0	0.00
		IWASE COSFA KOREA CO., LTD	0	0	0	0.00
		IWASE COSFA USA INC.	N/A	N/A	N/A	N/A
		IWASE COSFA (THAILAND) CO., LTD		N/A	N/A	N/A
					109.90	
Electricity Consumption (Kwh)		IWASE COSFA CORPORATION (JAPAN)	392705	475228.5	495400	519,615.53
		COSFA INTERNATIONAL TRADING (SHANGHAI) CO., LTD	N/A	N/A	N/A	N/A
		COSFA INTERNATIONAL TRADING (GUANGZHOU) CO., LTD	10993	13800	4275	10,385.00
		IWASE COSFA EUROPE S.A.S.	1679.18	1971.34	8932.08	N/A
		IWASE COSFA VIETNAM CO., LTD	23063	28111	32789	32,789.00
		IWASE COSFA KOREA CO., LTD	3089	3904	7358	8,597.00
		IWASE COSFA USA INC.	N/A	N/A	N/A	N/A
		IWASE COSFA (THAILAND) CO., LTD		54800	53470	9,170.00
						580,556.53
	Municipal Water	IWASE COSFA CORPORATION (JAPAN)	767	1129	1069	1,149.00
		COSFA INTERNATIONAL TRADING (SHANGHAI) CO., LTD	N/A	N/A	N/A	N/A
		COSFA INTERNATIONAL TRADING (GUANGZHOU) CO., LTD	N/A	N/A	N/A	N/A
		IWASE COSFA EUROPE S.A.S.	N/A	N/A	8.28	2,030.48
		IWASE COSFA VIETNAM CO., LTD	N/A	N/A	N/A	N/A
		IWASE COSFA KOREA CO., LTD	92	71	64.9	12.50
		IWASE COSFA USA INC.	N/A	N/A	N/A	N/A
		IWASE COSFA (THAILAND) CO., LTD		N/A	N/A	N/A
					3,191.98	
Groundwater	IWASE COSFA CORPORATION (JAPAN)	767	1129	1055	N/A	
	COSFA INTERNATIONAL TRADING (SHANGHAI) CO., LTD	N/A	N/A	N/A	N/A	
	COSFA INTERNATIONAL TRADING (GUANGZHOU) CO., LTD	N/A	N/A	N/A	N/A	
	IWASE COSFA EUROPE S.A.S.	N/A	N/A	N/A	0.00	
	IWASE COSFA VIETNAM CO., LTD	240	272	345	345.00	
	IWASE COSFA KOREA CO., LTD	N/A	N/A	N/A	N/A	
	IWASE COSFA USA INC.	N/A	N/A	N/A	N/A	
	IWASE COSFA (THAILAND) CO., LTD		N/A	N/A	N/A	
					345.00	
Industrial Waste (t)	IWASE COSFA CORPORATION (JAPAN)	25.12	38.99	22.97	1,140.00	
	COSFA INTERNATIONAL TRADING (SHANGHAI) CO., LTD	0	0	0	N/A	
	COSFA INTERNATIONAL TRADING (GUANGZHOU) CO., LTD	0	0	0	N/A	
	IWASE COSFA EUROPE S.A.S.	0	0	0	N/A	
	IWASE COSFA VIETNAM CO., LTD	0	0	0	N/A	
	IWASE COSFA KOREA CO., LTD	0	0	0	N/A	
	IWASE COSFA USA INC.	0	0	0	N/A	
	IWASE COSFA (THAILAND) CO., LTD	0	0	0	N/A	
				1,140.00		

Appendix

Indicator	Category	Subsidiary Name	2018	2019	2020	2021
Specially controlled industrial waste - Specified hazardous industrial waste emissions (t)		IWASE COSFA CORPORATION (JAPAN)	0.00	0.00	0.00	0.00
		COSFA INTERNATIONAL TRADING (SHANGHAI) CO., LTD	0.00	0.00	0.00	0.00
		COSFA INTERNATIONAL TRADING (GUANGZHOU) CO., LTD	0.00	0.00	0.00	0.00
		IWASE COSFA EUROPE S.A.S.	0.00	0.00	0.00	0.00
		IWASE COSFA VIETNAM CO., LTD	0.00	0.00	0.00	0.00
		IWASE COSFA KOREA CO., LTD	0.00	0.00	0.00	0.00
		IWASE COSFA USA INC.	0.00	0.00	0.00	0.00
		IWASE COSFA (THAILAND) CO., LTD	0.00	0.00	0.00	0.00
			0.00	0.00	0.00	0.00



Contact Us

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