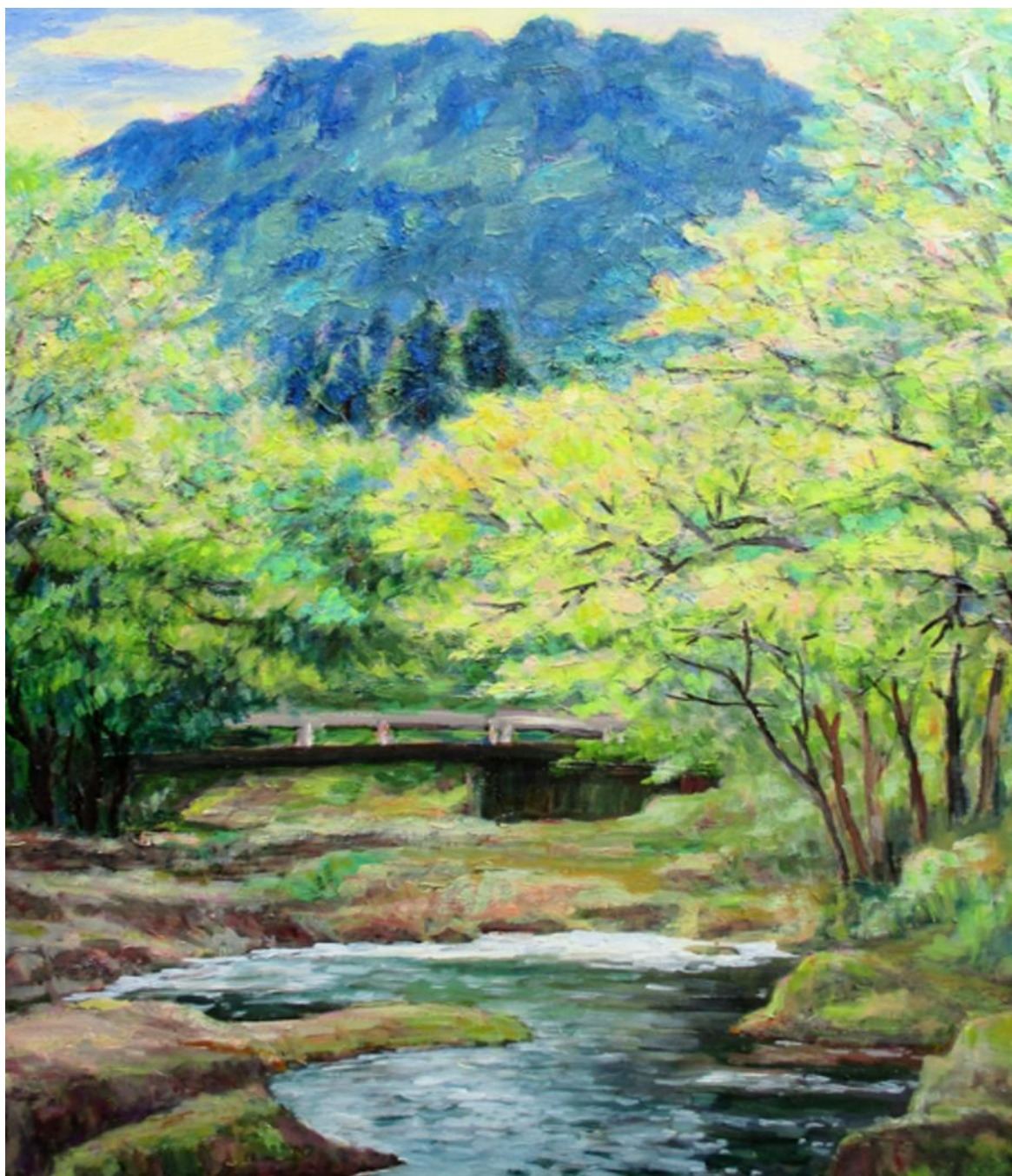




CORPORATE SOCIAL RESPONSIBILITY REPORT 2025-2026

 **DAITO KASEI**  **DAITO KASEI**

About CSR report publication

At DAITO KASEI GROUP, we believe CSR is at the core of our activities. This is why, for the past 10 years, we have set a standard of conduct, followed by UN Global Compact and ISO26000 as well as pursuing our CSR activities. We have published our annual CSR reports on our website since 2015. The value of our existence as a company lies in our CSR activities, which meet the expectations of our stakeholders and contribute to a sustainable society.

For our company, CSR activities started as a demand from society to comply with industrial moral and ethical codes but now it has become an objective to make society more sustainable where both economic and social value coexist.

For this reason, last year we reviewed the key medium- to long-term challenges essential for business continuity and added "human resource development".

In addition, for each issue, we introduce medium- to long-term goals, specific measures for the past 1-year period. We have also clarified each issue which is related to which SDGs and have introduced them in this report.

By continuing to address these issues, we believe that we can meet the expectations of our stakeholders, increase the value of our company, and lead to ethical growth. We believe that this will help us remain a "company of choice in the future," which is the number one goal of sustainability for us.

In addition to addressing important issues, our company has also been carrying out various CSR activities. By introducing these activities in the report, we hope that our stakeholders will be able to get to know our company better.

We respect CSR activities and continue to work on them as the basis of our business operations, using our wisdom to make effective use of limited resources. In addition, we will regularly disclose the contents of our efforts in a transparent manner in the form of this CSR report.

The cover art is an oil painting titled "Yamanakakei(Hannan city, Osaka Prefecture, Japan)" by our company's former president, Mikio Waki. As we approach our 80th anniversary, and as part of our efforts to pass on the values cherished by successive leaders to the next generation, we have adopted a work by our former president—who loved people, nature, and art—for the cover.

21st July 2026

DAITO KASEI KOGYO Co., Ltd

CSR bureau

INDEX

1. Company profile
2. Employee information
3. Management system for the 80th anniversary
4. Appropriate business conduct
5. Identification of most important issues
6. Product Development and Market expansion for a sustainable society
7. Quality policy and Environmental policy
8. Environmental conservation efforts – for a better future
9. Customer satisfaction
10. Big topics during the period
11. Eiming for a happy workplace
12. Employee's growth through learning
13. Partnership
14. DAITO KASEI original actions

1. Company Profile

Our activity

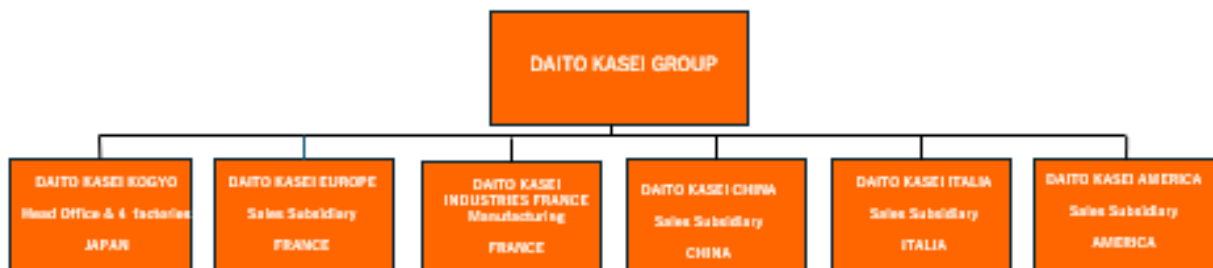
DAITO KASEI is a private manufacturer of cosmetic ingredients that was established in 1950 in Osaka, Japan. We manufacture and sell cosmetic raw materials, inks, and process plastic compounds. However, we discontinued our plastic business as of the end of December 2025.

In the cosmetic raw material division, our main range of products consists of surface-treated powders and pigments and differentiated raw materials with special functions as cosmetic ingredients. Cosmetic raw material represent 90% of our products.

Our customers range from small businesses to multinational corporations.

Organization

The Daito Kasei Group is made up of six companies: the head office in Japan, two French subsidiary companies, one Italian subsidiary, one Chinese subsidiary and one American subsidiary.



Manufacturing sites of group

Japan: Okayama Factory, Fukui Factory, Niigata Factory, Higashi Osaka Factory
Overseas: DAITO KASEI INDUSTRIES FRANCE



Group sales channels

Our business is spread in more than 50 countries.



Application Development

We have four formulation rooms in Japan, France, China and Thailand (Cooperation with Chemico) that conduct research and development of cosmetic formulations using our raw materials.



Research and Development

R&D is mainly conducted in Japan and France, and joint research is also conducted with universities and other institutions.

Sales ratio by region

The sales ratio by region in 2025 was as follows.

Japan: 30 % Europe: 41 % Other overseas: 29 %

2. Employee information

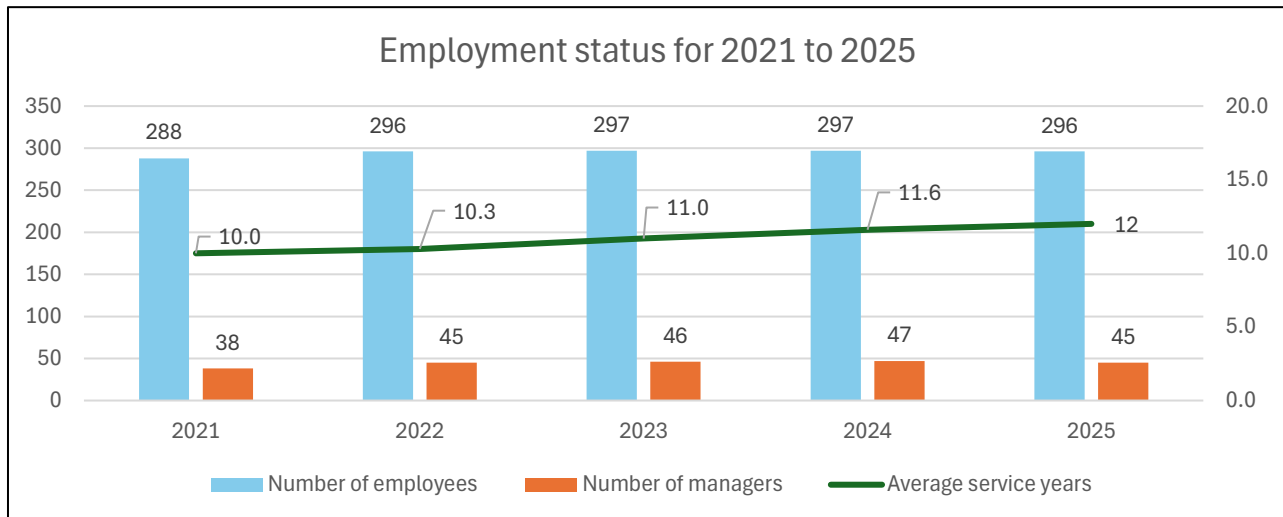
Number of employees

Group Total : 2 96 (including 100 women)

Breakdown : DAITO KASEI KOGYO	: 2 3 0	DAITO KASEI EUROPE	: 30
DAITO KASEI INDUSTRIES FRANCE	: 18	DAITO KASEI CHINA	: 7
DAITO KASEI ITALIA	: 7	DAITO KASEI AMERICA	: 4

Employment status

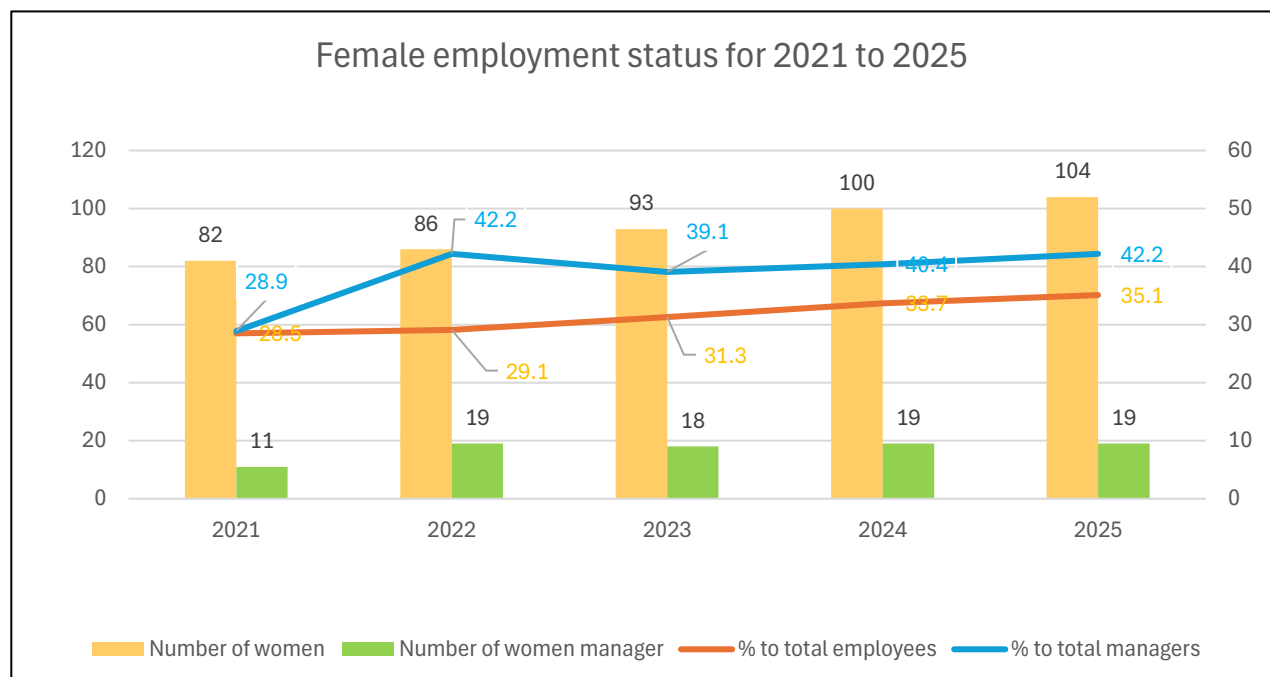
The number of employees has remained the same over the past few years, the average service years has increased 2.0 years for last 5 years.



Women employment status

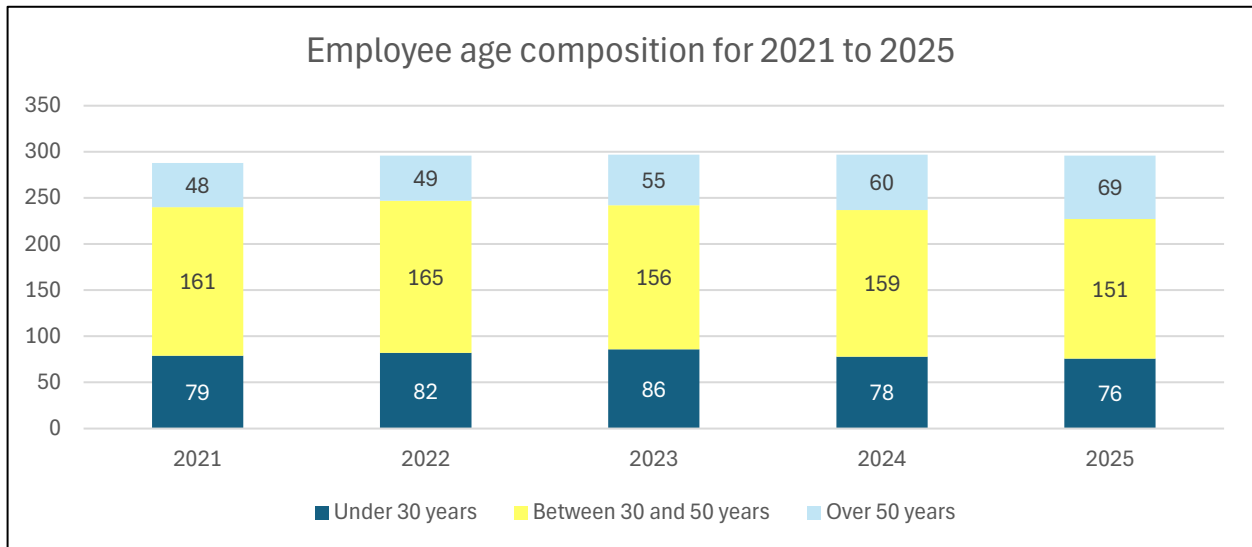
The proportion of women among all employees is expected to exceed 30% by 2023. In recent years the ratio has increased significantly to a high level of about 42% in 2025.

Incidentally, the ratio of female managers to female employees is 18.3%, significantly higher than the ratio of male managers to male employees, which is 13.5%.



Employee age composition

There has been no significant change in the composition of employees under 30, between 30 and 50, and over 50.



Maternity leave and parental leave

Number of employees took maternity leave and parental leave : 11 (7 women and 4 men)

Number of employees returning to work after above leaves : 5 (2 women and 3 men)

In recent years, the number of male employees taking parental leave has increased.

Regardless of gender, they return to their previous jobs after taking parental leave.

Safety

Total working hours : 502,634 hours Number of accidents at work with injury leave : 0

At each site, we regularly inspect the workplace for safety and health. When an accident occurs, we investigate the cause and plan and implement appropriate countermeasures.

3. Management policy toward the 80th anniversary of the company's founding

On January 5, 2025, we held a New Year's Party at a hotel in Shin-Osaka, attended by all employees. During the event, the president explained the company's management policy to the entire workforce, looking ahead to our 80th anniversary in 2030.

We outlined our preparations to advance to **the "Growth" phase—the third stage of SME development**—through initiatives spanning business planning, quality and environmental management, production management, and HTM (Hito Taisetsu Management) for the 2020–2025 period. To achieve this, we emphasized the necessity of executing a three-year business plan, enhancing quality (addressing challenges and meeting expectations), boosting productivity, and creating new value; the message called for uniting the "collective strength" of all employees and the entire group to elevate "corporate value" and continue "investing in the future."

(Four Stages of SME Growth)

Step 1: Survival

Step 2: Expansion

- Company size is growing, but profits are stagnant due to insufficient systematization.

Step 3: Growth

- **Scale and profits expand alongside improved productivity; efforts toward systematization are underway; new businesses, products, and innovations are being created.**

Step 4: Evolution (The next target stage)

- Rules and systems are fully systematized; talent develops automatically; growth continues even after leadership changes; contribution to society expands.



4. Appropriate business conduct

ETHICAL CODE OF CONDUCT OF DAITO KASEI GROUP

Revised on July 15, 2026

Daito Kasei Group established the Group Ethical Code of conduct on September 5, 2023, and implemented the first revision on July 24, 2025; subsequently, a second revision was made on July 15, 2026.

Six group companies (Daito Kasei Co., Ltd. (Japan), Daito Kasei Europe SAS (France), Daito Kasei Industries France SAS (France), Daito Kasei (Shanghai) Cosmetics Science and Technology Co., Ltd. (China), Daito Kasei Italia SRL (Italy), and Daito Kasei America Inc. (United States), hereinafter referred to as we) position this Code as the basis of a sustainable system, comply with relevant laws and international rules, and conduct their daily work with a high sense of ethics. In addition, to contribute to the realization of a sustainable society, we respect international standards such as the United Nations Global Compact and ISO26000.

We aim to be a company that will continue to be chosen by stakeholders in the future, and the Group Code of Ethics sets out guidelines to clarify the basic attitude for this purpose.

HUMAN RIGHTS AND DIVERSITY

We do not discriminate in employment or in the workplace based on race, sex, age, language, religion, nationality, country/region of origin, illness, disability, sexual orientation, or any other irrational reason.

We comply with relevant laws and regulations, respect basic human rights, and do not engage in discrimination, abuse, child labor, or forced labor.

LABOR CONDITION

We comply with employment laws and regulations, pay at least the living wage for each region, and provide fair working hours, breaks, and paid holidays.

We provide employees with equal opportunities for human resource development and career advancement.

We respect employees' freedom of association and the right to collective bargaining.

We also respect the religious traditions and customs of the countries and regions in which we operate.

WORK ENVIRONMENT

We will create a safe, clean, healthy and comfortable work environment and make continuous improvements.

We will strictly deal with harassment such as sexual harassment and power harassment in the workplace and create a work environment with high psychological safety.

We give top priority to the safety of our employees and their families in the event of a disaster.

We continuously conduct self-assessment to improve safety and work environment at each site.

RESPECT FOR SUSTAINABLE SOCIETY

We formulate an environmental policy based on the following and continuously work to reduce environmental impact.

- ▶ Compliance with laws and regulations
- ▶ Reduction of environmental load
- ▶ Environmental conservation and pollution prevention
- ▶ Operation of environmental management system
- ▶ Stakeholder expectations
- ▶ Increased environmental awareness among employees

We comply with regulations and develop and supply environmentally friendly products.

We will continue to monitor and reduce emissions of carbon dioxide, which accounts for most of GHS gases.

FAIR BUSINESS PRACTICES

We respect our business partners and conduct fair and mutually acceptable transactions in good faith.

We comply with contracts with business partners and protect confidentiality between companies.

We will respond sincerely to complaints and inquiries from outside the company, including from business partners.

We prohibit all forms of bribery, embezzlement and conflicts of interest.

We comply with the tax systems of each country and pay taxes appropriately.

We comply with applicable laws and regulations to prevent money laundering.

QUALITY AND SAFETY OF PRODUCTS AND SERVICES

We conduct business activities that ensure the quality and safety of our products and services.

We take appropriate action in the event of an accident involving a product or service, or in the event of the distribution of a defective product.

INFORMATION MANAGEMENT

We will protect privacy by managing confidential information and personal information appropriately to prevent damage, leakage, loss, etc.

We will manage information properly when using the Internet and social media.

We regularly work with IT experts to check security risks and ensure safety.

We will appropriately protect and manage intellectual property rights such as patents owned by our company and will not engage in business activities that infringe copyrights or intellectual property rights owned by third parties.

ELIMINATION OF ANTI-SOCIAL FORCES

We do not have relationships with anti-social forces, which are individuals or groups that commit illegal acts such as threatening social order and safety.

If we receive unreasonable demands from anti-social forces, we will take a resolute attitude.

We will not use anti-social forces for our own gain.

BUSINESS CONTINUITY SYSTEM

We prepare a business continuity system by creating a BCP for business continuity risks due to natural disasters and infectious diseases.

DISCLOSURE OF INFORMATION

We disclose information to all stakeholders by CSR reports on our website.

SOCIAL CONTRIBUTION · CORPORATION WITH LOCAL COMMUNITIES

We will cooperate with local communities and other companies to contribute to environmental conservation and the creation of employment in local communities.

We will interact with local communities and local governments where our offices are located and participate in activities that contribute to the local community.

LEGAL COMPLIANCE

We comply with all laws regarding our business activities.

In addition, in order to respond quickly to changes in laws and regulations, we will respond appropriately by obtaining the cooperation of third parties in addition to our own efforts.

ACCOUNTING

We conduct audits by certified public accountants and confirmation guidance by tax accountant carry out appropriate accounting and accounting procedures.

COEXISTENCE AND MUTUAL PROSPERITY WITH BUSINESS PARTNERS A

All of our domestic and international business partners are our good partners, and we aim for mutual prosperity and survival based on long-term relationships of trust.

In addition, we will comply with domestic and foreign laws and international guidelines with our business partners and conduct fair transactions on an equal footing.

We will comply with confidentiality obligations regarding confidential information and personal information obtained from business partners.

CONSIDERTION FOR THE ENVIRONMENT

We will conduct activities in our supply chain to provide environmentally friendly products and services by eliminating wasted resources and energy and will conduct procurement with consideration for the global environment.

CONSIDERATION FOR HUMAN RIGHTS AND WORKING ENVIRONMENT

We will respect the human rights of our business partners and cooperate in improving the working environment and ensuring safety.

Suppliers are required to make improvements if violations of human rights, unfair discrimination, child labor or forced labor are confirmed.

NO USE OF CONFLICT MINERALS

We do not procure conflict minerals that promote human rights violations (tin, tantalum, tungsten, gold, cobalt, etc.) or raw materials containing them.

In the event that conflict minerals are included in the raw materials we purchased, we will take appropriate measures to eliminate them.

5. Identification of most important issues

In order to conduct sustainable business management, we evaluated the importance of mid- to long-term issues based on the level of stakeholder interest and the impact on our business strategy, reviewed our top priorities (materiality) as a group, and identified six issues.

We position the six top priorities as our ESG initiatives.

Furthermore, we defined KPIs (key performance indicators) for each issue, drew up medium- to long-term goals, specific measures and plans, and identified which SDGs each issue relates to. We have formulated medium- to long-term action policies for the most important issues we have identified (see ACTION PLANS).

EVALUATION OF THE IMPORTANCE OF THE ISSUES		
Level of stakeholder's interest ↑	Conflict Minerals	Compliance Quality Health & Safety Social Contribution Resource Circulation
	Water risk	Risk Management Ciber Security BCP
	Social Equality	Aging of Equipments Energy Cost Labor Cost

ACTION PLANS BASED ON MATERIALITY

DAITO KASEI KOGYO CO., LTD.

ESG Classification	Materiality	Issues	KPI	Target to 2030	SDGs
Environment	Climate Change	CO2 Emission reduction	Group-wide SCOPE1+2 emission	Total of 2,250 tonnes or less by 2030 (48% reduction compared to 2013) Scope 1: 700 tonnes or less Scope 2: 1,550 tonnes or less	
			SCOPE 3 target and calculation	Decided by 2025	
			SCOPE 3 emission	Calculated sequentially from 2024	
	Sustainable Product	Environmental load	Number of initiatives and results under ISO 14001	2 or more each year	 
		Natural origin products	Sales volume of products of chemical devision	More than 50% in 2030	
Society	Work environment	Safety and health	Comfortable workplace	Continue actions every year	
		Compliance with environmental laws	Number of accidents and severity rate	Reported annually	
			Reviewed by ISO 14001 promotion committee	Reported more than 8 times every year	
	Human rights and diversity	Working environment free of discrimination of any kind	Number of legal violations	0 cases every year	
		Ethical code of conduct covering the supply chain	Employee training	Training for all employees by 2025	
			Creation and informing to employees of Ethical code of conduct	Creation in 2024 and Continue training to 2030	
Governance	Ethical behavior	Business activities in accordance with the Group Ethical Code of Conduct	Number of written audits of suppliers	More than 70 % of suppliers	
			Internal review of business activities	1 time every year	

6. Product Development and Market expansion for a sustainable society



As items related to the identified materiality, our company has been carrying out the following activities to realize a sustainable society as items related to the identical materiality since several years ago.

CELLULOBEADS : Aiming a reducing plastic pollution

Since the beginning of the 20th century, along with the development of petrochemistry, many synthetic polymers (plastics) have been produced to support people's lives. The total amount of plastics produced in the world today exceeds 300 million tons. However, this plastic waste is spreading into the world's oceans, causing environmental pollution and adverse effects on ecosystems. In particular, it is said that there are more than 5 trillion pieces of microplastics all over the world, defined as microplastics by the United Nations Environment Programme (UNED), with a diameter of 5 mm or less.



Many cases of fish and birds mistakenly swallowing them have been reported, and their impact on the ecosystem has been confirmed. In addition, microplastics absorb high concentrations of toxic substances such as pesticides and flame retardants, which can affect humans through the food chain. As a countermeasure, many countries are restricting the use of microplastics and developing alternatives that are degradable in the ocean.

The "CELLULOBEADS" introduced here are spherical particles made of marine degradable cellulose and are naturally derived products.

SACRAN : Contribute the richness of water

SACRAN is a polysaccharide extracted from suizenjinori, an alga that only grows in the pure water springs located at the foot of Mt. Aso volcano in Kumamoto prefecture. Thanks to its excellent water-retaining capacity, not only does it provide moisture to the skin, but



it also forms a protective layer.

However, suizenjinori is a delicate endangered species that requires the purest water to live.

At DAITO KASEI, we are committed with local villagers to protect and develop the habitat of suizenjinori to allow it to thrive and prosper.



RSPO certification: Aiming for sustainable resource procurement and contributing to protecting the human rights of producers

Palm oil obtained from African oil palms is used widely in consumer goods such as processed foods, medicines, cosmetics, and detergents, as well as biofuels, and about 70 million tons are produced worldwide. This is about twice the production volume 20 years ago. As a result, oil palm plantations have expanded rapidly, but improper plantation management has had a serious impact on the environment. Problems such as deforestation, loss of natural forests and peat swamps with high conservation value, loss of biodiversity, and child labor have occurred.

Some of the raw materials we use are also made from palm oil. We support environmental conservation activities and human rights protection and obtained RSPO certification (Mass Balance) in March 2019 and continue to be certified.

Binchotan powder: Commercialization of natural products, contribution to biodiversity, and job creation

Trees in the mountains do not grow well without human intervention. Human intervention in the process of tree growth keeps the mountains alive and green. Ubame oak trees and other broadleaf forests that grow in clusters in the Kinan region contribute greatly to local mountain control, flood control, and nature conservation.



The fuel was developed in many parts of the world, where trees were not burned as-is to make fuel, but instead were steamed and roasted to make charcoal, which has a long-lasting fire without smoke or flames, and can be preserved. This technology was a major fuel revolution for mankind at the time. It is said that Kukai brought back the latest charcoal-making technology from China (Tang Dynasty) in the early 9th century, and it spread throughout Japan.

Over the years, Kishu has developed charcoal-making technology while protecting and nurturing broadleaf forests, and has perfected the technology for producing binchotan, a hard charcoal unparalleled anywhere in the world. Binchotan is known for its amazing hardness, harder than aluminum or stainless steel and approaching that of diamonds.

Binchotan powder is made from Kishu binchotan. We have developed and marketed products made from binchotan powder.

Natural origin product: Contribution to sustainable society

As previously mentioned, we are pursuing the development and use of natural origin ingredients to support sustainability in our society.

For more details, please take a look at our product information on our HP (<https://www.daitokasei.com/product/chemical.php>).

We also have a range of more than 60 COSMOS certified products in response to customer requests.

7. Quality policy and Environmental policy

At the beginning of each year, we revise our quality policy and environmental policy for the current year and inform all employees. On January 6, 2025, we held a New Year's party for all employees at a hotel in Shin-Osaka. At the party, we announced the quality policy and environmental policy for the year and also informed them of the "internal and external issues, risks, and opportunities, and the needs and expectations of stakeholders" that will serve as the basis for our annual activities related to ISO9001 and ISO14001.

Each department and base determine its annual activities related to quality and the environment based on the policy, the annual management review, and the internal and external issues that are also the output of the review and determines its goals and initiatives for risks and opportunities. Our activities related to quality and the environment are carried out in the following cycle.

Company-wide dissemination of policies

➡ Formulation of annual action plans

➡ Regular activities in each department and each location ➡ Reporting in management reviews

➡ Formulation of policies for the next year

(Annual PDCA cycle)

These activities are carried out in accordance with ISO9001, EffCI GMP, and ISO14001, for which we have obtained certification, but we do not consider these activities to be solely for obtaining and maintaining certification. We consider them to be closely related to the improvement of management issues and the environment, and we consider them to be important management activities in which all employees participate, with the aim of developing the business, creating a rewarding workplace, and increasing the trust of stakeholders.

DAITO KASEI

品質方針 (2026)

1. 何事に対しても、誠実・謙虚・挑戦を基本理念として、徹底的に丁寧、かつスピード感を持って、全社員個々の役割を確実に果たし、お客様に満足します。
2. お客様の要求と期待を確実に理解し、常に創意工夫することにより、お客様の満足と信頼を得ます。加えて、当社独自の技術を開発し、それを応用して市場競争を勝ち取ることで、社会的責任を果たします。
3. 品質の維持・向上のために、2026年度品質方針に基づき品質目標を設定し、計画的に推進し、さらに達成度を把握します。
4. ISO9001:2015、EffCI GMPのみならず、すべての社会的・市場的要求に対する標準化の体制、グローバルな法的規制を確実に遵守し、品質管理のマネジメントを推進します。
5. 品質目標は、品質マネジメントシステムを通して具体的に展開し、さらにそのシステムの有効性を高めるために、目標達成に向けて具体的な行動を計画し、展開し、評価します。
6. 品質の維持・向上のため、すべてのプロセスにおいてのリスクマネジメントを行い、リスク評価による継続的な改善を継続的に進めます。
7. 品質の維持・向上のため、お客様からのクレーム情報を分析し、様々な視点からの確かな再発防止を行います。また、起こりうるリスクの抽出を行うことにより事業のリスク回避を行います。
8. お客様をはじめ、最終の消費者に対して安心と安全、ご満足をお約束できるように常に細心の注意を払い、品質の確保に努めます。

2025年12月1日
大東化成工業株式会社
代表取締役社長
脇 祥哲

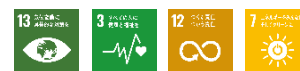
DAITO KASEI

環境方針 (2026)

1. 何事に対しても、誠実・謙虚・挑戦を基本理念として、徹底的に丁寧、かつスピード感を持って、全社員個々の役割を確実に果たし、お客様に満足します。
2. 地球環境の保全および汚染の予防は、これからの文明と人間の繁栄に不可欠である重要な課題であることと認識し、新しい技術によるモノづくりを通じて、明るく豊かな未来を創造します。
・ 自然と共生するための知識と工夫を常に心がけます
3. (法規制) 関連する環境法規制の目的・内容を理解し、それを遵守します。
4. (環境負荷) 原料・材料調達から、製造、品質保証、営業、物流、在庫における企業活動の各場面において、環境負荷を低減する努力をします。
5. (環境保全・汚染の予防) 商業活動の削減と水を含む天然資源やエネルギーを有効活用により生物多様性の保全、汚染の予防と持続可能な人間社会の持続可能性 (CSR) に努めます。
6. (環境マネジメントシステム) 環境目標を設定し、全従業員の環境保全活動により、その達成を図ります。
同時に、その結果を向上させるため環境マネジメントシステムを継続的に改善します。
7. (利害関係者・ステークホルダー) 社員を始め、仕入先、顧客、地域社会、行政機関など、当社の企業活動に関わる利害関係者が、当社の活動に与えているものを明確にし、リスクと機会に対する取り組みを決め、実行し、継続的に改善します。
8. (環境方針の周知) 環境方針は、文書化し、組織内の全社員らびに、直接に関連する関係会社や関連し、組織外からの要求に応じ周知します。

2025年12月1日
大東化成工業株式会社
代表取締役社長
脇 祥哲

8. Environmental conservation efforts – for better future



We believe that contributing to a sustainable society is a mission we must fulfill, and that our environmental initiatives in particular are fundamental to this mission.

We will comply with environment-related laws and regulations, establish a company-wide environmental management system, reduce greenhouse gas emissions, and take other environmental conservation initiatives, and develop and market products that will help realize a sustainable society.

Compliance with environment-related laws and regulations

We have agreements with the local governments in which all DAITO KASEI GROUP manufacturing facilities are located regarding the environment and pollution in accordance with the laws and regulations (ordinances) set forth by each municipality in which we operate our plants. We receive regular audits from each municipality to ensure compliance with these agreements.

In addition to that, in 2019 in Japan, we conducted a company-wide compliance survey on environmental laws and regulations, including the Fire Service Law, Air Pollution Control Law, PRTR Law, Waste Disposal and Public Cleaning Law, and Energy Conservation Law. As a result, no major problems were found, but areas requiring improvement, such as record keeping, were identified, and immediately corrected.

We will continue to periodically survey the status of compliance as part of our ISO 14001 activities and continue our efforts for further improvement.

Individual efforts to reduce CO2 emissions and 2030 emissions targets

Regarding CO2 reduction targets, in order to meet national guidelines and customer expectations, at a meeting held in France in 2023, the group's target was set at 2,250 tons or less for Scope 1 and 2 combined by 2030. Emissions in 2013 were 4,367 tons, so the target for 2030 is a reduction of more than 48.5% compared to 2013. In Japan, the national policy is to reduce CO2 emissions by 46% compared to 2013 by 2030.

Regarding electricity, the Japanese government has drawn up a power source mix plan up to 2030. According to this, the proportion of fossil fuels such as coal and oil, which accounted for 90% in 2013, is to be reduced to about 40% by 2030. This is a policy to reduce CO2 emissions by increasing the proportion of non-fossil fuels such as renewable energy and nuclear power, which have zero CO2 emissions, instead of fossil fuels. Naturally, this plan will result in a decrease in the CO2 emission coefficient year by year.

Our electricity consumption in 2025 increased by approximately 8% compared to 2013 but our CO2 emissions actually decreased by 24%. We are also exploring the procurement of carbon-free electricity from power companies to help us meet our 2030 targets. Moving forward, we will continue to track our CO2 emissions using the annual CO2 emission factor data published by the Ministry of the Environment. To achieve our 2030 goals, we plan to switch to carbon-free electricity and introduce measures such as e-methane as necessary. As previously mentioned, addressing climate change and reducing environmental impact are among our top priorities. We are pursuing these goals through company-wide ISO 14001 initiatives; furthermore, we will evaluate the impact on CO2 emissions—including Scope 3 emissions—of specific measures taken throughout the year, such as reducing industrial waste, changing packaging, reusing materials in manufacturing processes, and modifying production conditions.

9. Customer satisfaction

Quality control system

Quality management to maintain satisfaction

Proper quality control makes management more harmonious and efficient and improves business transparency. It also has a positive impact on the work environment and use of resources by decreasing energy consumption and waste or reducing employee working hours for example. We are conscious that quality control goes beyond CSR activities, that it is an essential part of our work. We think it also benefits our stakeholders and customers.

Quality management system audited by big customers

We have been audited by big customers concerning our quality control system and except for minor problems, the results were satisfactory. We are working on solving the problems that were pointed out rapidly and efficiently.

Improving employees' understanding quality system to respond to global needs

In February 2019, DAITO KASEI KOGYO Co., Ltd. acquired ISO 9001:2015 certification for 世界 several business sites in addition to those that had previously acquired ISO 9001 certification. In 2020, we started activities to obtain EFfCI GMP for the production of cosmetic raw materials in Europe certification, and by 2021, we will achieve the three principles of GMP: minimizing human error, preventing contamination and quality degradation, and designing a system that guarantees high quality, so that "everyone can work with the same quality and high quality products. We have continuously implemented activities to build a system that "produces products of the same quality and high quality no matter who is doing the work. As a result, we were able to undergo audits for certification in 2022, and completed audits at the Okayama, Fukui, and Niigata plants, and obtained certification in July 2022.

Going forward, we will continue to improve our systems based on this international standard to enhance reliability and customer satisfaction.

CSR activity evaluation

We believe that our customers' evaluation of our CSR activities is essential for the future development of our business and for enabling an ongoing relationship of trust with our customers.

Respect for third-party evaluations of CSR activities

We are a member of EcoVadis and Sedex, international platforms for evaluating CSR activities, and we participate in the CDP. Our clients have access to the results of these assessments and can share them with us. We are also subject to on-site CSR audits by major clients on a site-by-site basis, and we cooperate with CSR surveys conducted by individual clients.

We respect the results of these evaluations and reflect them in our improvement activities for a better CSR system.

Evaluation result of 2025

A comprehensive corporate social responsibility assessment service, ecovadis is a platform that evaluates companies in four areas: environment, labor practices and human rights, ethics, and sustainable sourcing. We received a bronze rating in the top 18% of eligible companies in the 2025 assessment.

総合得点

→ **69/100**

パーセンタイル ⓘ

82



We also received a "B" rating—the highest score for SMEs—from CDP for our climate change efforts.

Future initiatives

In recent years, efforts regarding SCOPE 3 CO2 emissions have been required. Our company has not previously calculated its emissions, but in 2024 we plan to calculate emissions for three of the 15 SCOPE 3 emissions categories for the previous year. In addition, we plan to receive guidance from a third party and improve the level of our CSR activities toward 2025.

10. Big topics during the period from July 2025 to June 2026

July 2025

We have decided to provide support to "Golden Wolves Fukuoka."

Golden Wolves Fukuoka competes in League H—Japan's top-tier handball league—while also engaging in a wide range of activities, such as contributing to the local economy through agriculture.



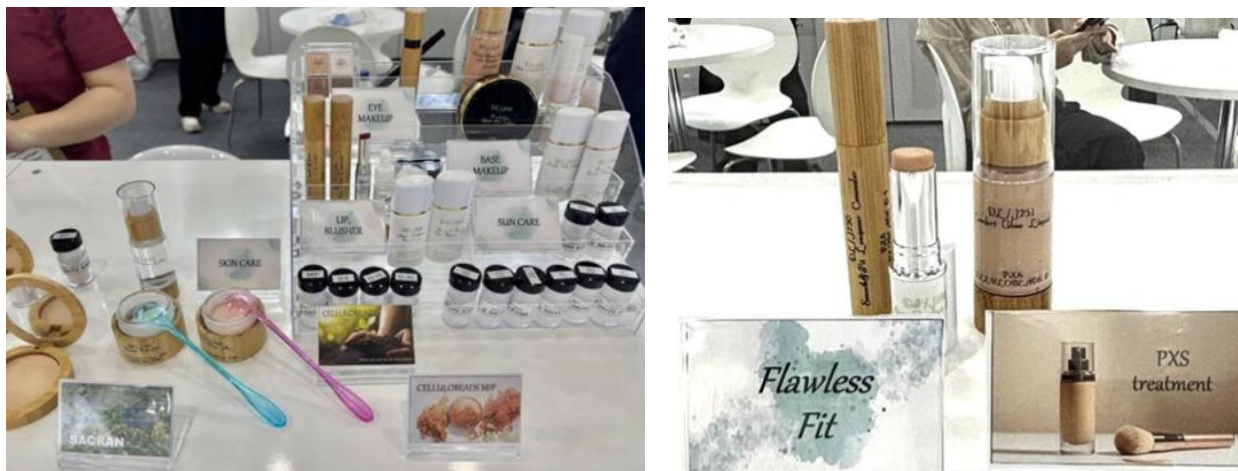
選手らは農作業終業後、夜間にハンドボールの練習をしています



July 2-4 2025

We exhibited at in-cosmetics Korea 2025, held in Seoul.

Under the concept of "Flawless Fit," we showcased new products and formulation guides.



August & September 2025

We conducted hierarchical training sessions led by external instructors, focusing on "HTM" (a management approach prioritizing people).

Total of 72 managers and team leaders participated in these full-day and half-day sessions. It served as a valuable opportunity for them to learn the fundamentals of management and leadership. We plan to hold follow-up training and sessions for general employees, also led by external instructors, in 2026

September 15-18 2025

We presented our research at the 35th IFSCC Congress held in Cannes.

We hope that our research—ranging from studies on film-forming materials from a physicochemical perspective to the development of surface-treated cellulose particles with novel functions—will prove useful in your cosmetic product development.

- 3 Poster Presentations - Physicochemical Properties of Acrylate Copolymer Emulsions as Functional Film Formers in Cosmetics (Natsumi Yamaguchi) - Characterization of unique hybrid surface treated cellulose spherical powder – Gemini Type Surfactant and salt of Fatty Acid – (Takuya Iwasaki)
- Joint Poster Presentation by Miyoshi Kasei, Inc. and the University of Lille September 17, 2025 | POSTER SESSION 3 (ZONE C): ANALYTICAL TECHNOLOGIES - How can the dynamics of polymers at the surface of cosmetic pigments be probed using solid-state NMR spectroscopy.

October 1,2 2025

We exhibited at ICI 2025 in Surabaya, Indonesia.

We showcased ingredients suitable for a wide range of formulations, extending beyond makeup to include sun care and skin care products.

In particular, our formulations for translucent jelly-stick lip and cheek products, as well as jelly-textured skin care items, were very well received by many attendees.



October 29,30 2025

DAITO KASEI AMERICA Inc., established in New Jersey, participated in CA Suppliers Day 2025 in California—marking the company's first exhibition appearance in the region.

At the event, we had the opportunity to showcase our latest lineup of raw materials and ingredients to professionals in the local cosmetics and personal care industries



November 4-6 2025

We exhibited at in-cosmetics Asia 2025 in Bangkok, Thailand.

We showcased ingredients suitable for a wide range of formulations, extending beyond makeup to include sun care and skin care products.

In particular, our skin care formulations featuring MAKISWELL CLEAR and MAKIMOUSSE AQ—characterized by their transparency and unique textures—were very well received by many attendees



**November
19,20 2025
DAITO KASEI
ITALIA
exhibited at
Making
Cosmetics, held
in Milan, Italy.**



December 8-10 2025

We presented our research findings at the Society of Cosmetic Chemists of Japan (SCCJ)

Scientific Conference held at Pacifico Yokohama. [Oral Presentation]

Title: OB-14 Analysis of Surface Molecular Motion in Silicone-Treated Powders via Solid-State NMR ~In Light of European Microplastic Regulations~ ○Reiichiro Tsuchiya 1, Tetsuya Takahashi 2, Nadine Melhem 2, 3, Andrew Rankin 4, Olivier Lafon 3 (1 Daito Kasei Kogyo Co., Ltd., 2 Miyoshi Europe S.A.S., 3 Univ. Lille, CNRS UMR, 4 Univ. Lille, CNRS FR)

[Poster Presentations] Date/Time: Wednesday, December 10, 13:30–14:30 Title: IF2-66 Physicochemical Properties of Acrylates Copolymer Emulsions Used as Film-Forming Agents in Cosmetics Presenter: Natsumi Yamaguchi Date/Time: Wednesday, December 10, 13:30–14:30 Title: IF2-52 Development of Hybrid Surface-Treated Spherical Cellulose Powder Exhibiting Unique Properties Presenter: Takuya Iwasaki

December 2025

Considering the sustainability of the business, we have decided to discontinue our plastic business as of December 31, 2025

January 1-4 2026

DAITO KASEI EUROPE exhibited at Cosmet' Agora 2026 in Paris.

We showcased new formulations featuring the latest trends, spanning categories from makeup to skincare and sun care.

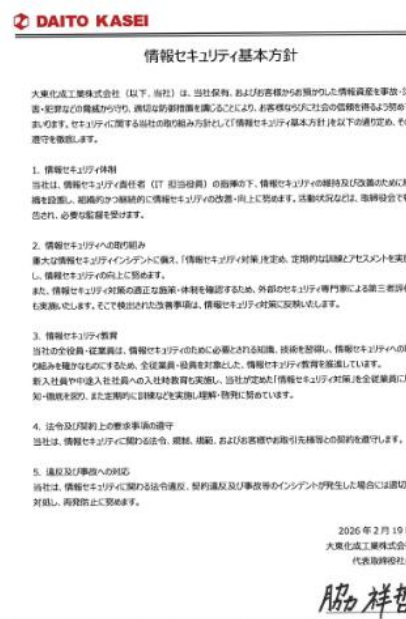


February 2026

Issuance of Basic Policy on Information Security

Recognizing that information is a corporate asset that must be protected by everyone, we have formulated and issued a detailed basic policy.

Additionally, we have established an internal Information Security Committee. With the assistance of external consultants, we are building a system aimed at achieving a 3-star rating under the Ministry of Economy, Trade and Industry's "Security Measures Assessment System for Strengthening Supply Chains."



February 2026

"Ni-ful" Gold Certification as a Company Promoting Women's Active Participation

Niigata Prefecture registers companies as "Happy Partner Companies" if they actively work to foster and promote female employees—such as by establishing workplace environments and systems that make it easier for both men and women to work and balance their professional and family lives.

We were registered as a qualified company on April 30, 2025. Additionally, we are registered as a "Happy Partner Company" in Tsubame City, Niigata Prefecture, and have received certification as a "Tsubame Child-Rearing Support Company"—a designation awarded to businesses that actively implement initiatives to support employees in raising children.

We have held "Youth Yell" certification for several years and received "Tsubame Child-Rearing Support Company Plus" certification on May 21, 2025. Furthermore, in February 2026, we were awarded "Ni-ful Gold" certification by Niigata Prefecture, recognizing us as a company that actively promotes the advancement of women.



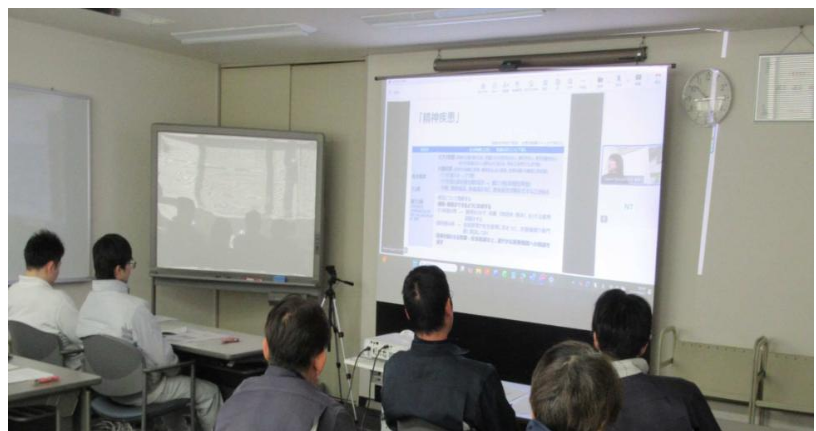
February 2026

Systematic Approach to Employing People with Disabilities: "Work Support Training Course"

We have reviewed our past practices regarding the employment of people with disabilities and decided to implement a company-wide initiative based on the following policies, effective from the end of 2024.

1. Establish an employment policy and maintain ongoing efforts to employ people with disabilities.
2. Develop the necessary infrastructure for onboarding and support.
3. Include people with disabilities in recruitment efforts to the greatest extent possible.

To ensure a systematic approach to these goals, last year we conducted training for leaders across all departments. The sessions covered topics such as creating a workplace where people with disabilities can thrive; the work environment, employment quotas, hiring



stages, benefits and concerns, subsidies, methods for selecting job roles, types of disabilities, and key points in employment management; as well as the levy system for employing people with disabilities, our internal organizational structure, and the roadmap for the recruitment process.

This year, we held a "Training Course on Workplace Support for Individuals with Mental or Developmental Disabilities" for employees at the Okayama Plant, with the cooperation of Ms. Kyoko Uno from Hello Work Okayama. The course proved highly valuable, with the vast majority of participants describing the content as clear and expressing satisfaction. It also deepened their understanding of the mindset and roles required of a supporter

We plan to hold similar seminars at other locations in the future to further deepen employee understanding. We believe that our initiatives regarding the employment of people with disabilities not only foster a diverse corporate culture and fulfill our corporate social responsibility but also lead to the establishment of a sustainable corporate culture and the review of business processes through increased operational transparency

February 2026

Launch of the internal newsletter "Bell"

We started an internal newsletter in February 2026 as a mechanism to communicate the company's direction and the initiatives of various locations and departments. This initiative aims to foster greater mutual understanding among employees regarding the company and their colleagues, revitalize communication, and build trusting relationships with people they might not otherwise interact with. Young employees take the lead in this process, visiting various locations to create content that covers company events, office profiles, and the personal hobbies of staff members



March 18-20

We exhibited at PCHi 2026 (Hangzhou, China).

At this exhibition, we showcased ingredients suitable for a wide range of formulations, spanning base makeup, point makeup, sun care, and skincare. We received a particularly strong response to the reference skincare formulations utilizing the MAKIMOUSSE AQ series and MAKISWELL CLEAR—both water-based thickeners.



March 27 2026

Okayama Plant Obtains Halal Certification

The Okayama Plant consists of three factory buildings—No. 1, No. 2, and No. 3—and Halal certification has been obtained for the No. 1 and No. 2 buildings. Plans are in place to obtain certification for the No. 3 building as well.



November 2025 & April 2026

Workplace Environment Improvement Training (HTM (Human Resource Management))

Under the leadership of the Management Headquarters (formerly the General Affairs Department), a training session on "The Basics of Mind and Self-Control" was conducted in November 2025. The curriculum covered topics such as methods for alleviating anxiety and worry, anger management, and the philosophy of contentment (*chisoku*). Additionally, in April 2026, we held a training session on "Guidance and Peer Responses to Prevent Power Harassment," utilizing videos from the Ministry of Health, Labor and Welfare's "Akarui Shokuba Oendan" (Cheerful Workplace Support Team) initiative. Both training sessions were mandatory for all employees. We plan to continue conducting training focused on improving the workplace environment under the leadership of the Administration Division

April 14-16 2026

We exhibited at in-cosmetics global 2026 in Paris.

We primarily showcased ingredients of natural origin; among these, formulations based on a long-lasting concept utilizing PXS processing and skincare formulations incorporating MAKISWELL CLEAR garnered a particularly strong response.



May 6-8 2026

We participated in "Indonesia Cosmetic Ingredients 2026," held in Jakarta, Indonesia.

We showcased ingredients suitable for a wide range of formulations, spanning from makeup and sun care to skincare. In particular, our skincare formulation samples featuring unique textures—created using MAKIMOUSSE AQ and MAKISWELL CLEAR—were very well-received by many visitors.



May 19,20 2026

Our U.S. subsidiary, DAITO KASEI AMERICA, exhibited at NYSCC Suppliers' Day in New York.

We focused on showcasing naturally derived ingredients and received a strong response to formulations featuring CELLULOBEADS (spherical cellulose), as well as skincare formulations utilizing MAKIMOUSSE AQ and MAKISWELL CLEAR, which impart unique textures



May 21 2026

DAITO KASEI EUROPE and DAITO KASEI INDUSTRIES FRANCE were invited to a Japan-themed event organized by the Val-d'Oise Economic Development Agency (CEEVO) in France.

The event featured programs covering both cultural and economic topics, and our company participated in a roundtable discussion focused on the economic sector.

We were able to launch our overseas business operations following a visit to Japan by a delegation from Val-d'Oise in 1987. During the meeting, we presented an overview of our company and our relationship with the Val-d'Oise department, and subsequently shared anecdotes regarding cultural differences between France and Japan.

Although the venue was not large, I could sense the participants' strong interest in and affection for Japan, and I was deeply delighted by the warm atmosphere.

While this event marks CEEVO's first initiative of its kind, the organization plans to continue its efforts to grow the base of "fans of Japan" going forward. Our overseas business operations began through our connection with the Val-d'Oise department, and we have steadily grown since then. Against this backdrop, we are deeply honored to participate in this event.



11. Aiming for a happy workplace



Protecting the rights of our employees and ensuring a friendly workplace is most important to us. We are constantly working to improve our employees' workplace.

Non-discriminatory treatment

Guarantying employees' rights is indispensable to conduct business fairly. Without consideration of gender, race, age, or disability we behave equally towards every employee so that everyone can work to their full potential. Similarly, salaries are paid without consideration for gender, race, age, or disability.

Compliance with labor laws and improvement of workplace

To ensure compliance with all labor-related laws and regulations, we regularly exchange information with labor and social security attorneys and incorporate the insights gained into our working conditions and internal policies as necessary. We also have a system in place to obtain advice from legal counsel.

Preventing corruption

Since 2017, we have been briefing all employees on the prevention of bribery and conflicts of interest; we require them to sign a written pledge confirming their understanding of and agreement to these policies. We also explain the pledge and obtain signatures during the training provided to new employees upon joining the company. This practice reflects our firm commitment to preventing bribery and conflicts of interest.

Nurturing youth to create the future

Youth Yell is a national certification program for small and medium-sized companies with less than 300 employees that are proactive in recruiting and training young people and have excellent employment management. As of the end of 2022, the number of certified companies in Osaka Prefecture is approximately 68.



Women friendly work environment

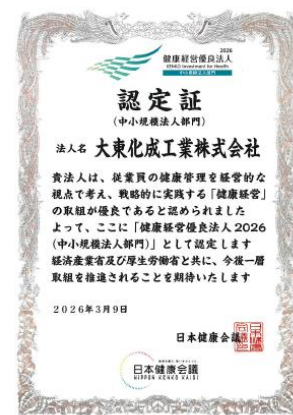
In 2025, 11 people took childcare leave, 7 women and 4 men. 5 of them returned to work in 2025. We encourage male employees to take childcare leave, and more than half of the eligible employees took it.

Consideration for employees' health

When employees undergo periodic health checkups, they can also undergo examinations other than those required by law (breast cancer, colon cancer, cervical cancer, gastroscopy, etc.). In addition, health consultation is available for all employees during the industrial physician's visit. The company pays for all flu shots for employees and subsidizes a certain amount for family members who live with the employees.

Certification as an excellent health corporation

In March 2025, we were certified as an excellent health corporation, as we have been since 2021, as a company that strategically manages the health of its employees.



Employee's safety and hygiene

A safe and healthy environment is a fundamental right for all employees and is essential to ensure stable and efficient operations.

Working hours

DAITO KASEI GROUP complies with local regulations regarding working hours, and the manufacturing department operates on two or three 7.5-hour shifts. In addition, flexible work arrangements such as telework, and staggered work hours have been introduced and have continued after the transition of COVID-19. We believe that telecommuting and staggered work hours will help to improve the working environment by reducing workloads, such as avoiding commuting congestion, and by enabling more effective use of time.

Regarding the number of annual holidays, we have set the total at 125 days for the 2025 fiscal year. As for annual paid leave, the utilization rate in 2025 was approximately 90%.

Chemical substance management

Chemical substances are handled at our factories, and we ensure the safety of the working environment through technical safety measures and the wearing of appropriate protective equipment. In addition, SDSs for raw materials used in manufacturing are kept at each location, and employees can access them at any time.

Risk management

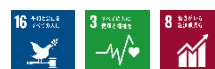
When new products are manufactured or new equipment is introduced, risk management is conducted to determine if there are any potential hazards to employees or the environment.

A list of workplace chemicals, their storage locations, and inventory quantities is maintained and properly controlled. Exposure to chemicals or situations is controlled to the lowest possible level.

Health consultation by industrial physician

While Japanese regulations mandate the appointment of an occupational physician for workplaces with 50 or more employees, we also conduct workplace inspections by an occupational physician at our Fukui and Higashiosaka plants—which have fewer than 50 employees—as part of our commitment to workplace safety and health. Additionally, on the days these inspections take place, employees have the opportunity to consult individually with the occupational physician regarding their health.

12. Employee's fulfilment through learning



Building a work environment where employees can fulfil themselves is related to the possibility for them to learn new abilities and be satisfied overall. There is absolutely no doubt that employees' fulfillment is necessary for company growth. To make this possible, we enforce the following measures:

New employees' training

All new employees are taught for four weeks about business manners, harassment, company policy and safety regulation among other things.

ISO9001 & EFfCI GMP training

Training related to ISO9001 and EFfCI GMP (understanding of regulations and procedures) and training related to improvements are mainly conducted through on-the-job training.

Training is conducted in accordance with each department's annual plan. Continuous training helps employees deepen their understanding of GMP and enables us to maintain and improve our quality management system with higher reliability.

ISO 14001 Training

In May 2026, a one-day internal auditor training session led by an external instructor was held, with 20 employees participating. Training regarding the understanding and improvement of regulations and procedure manuals is primarily conducted through on-the-job training (OJT).

Harassment training

"Workplace with good ventilation, where everyone can freely exchange opinions and work comfortably" - we believe that creating such an ideal workplace is an indispensable mission for a company. In Japan, the Anti-Harassment Act came into effect in 2020 and applies to large companies. As part of HTM, we have introduced previously the training system and are implementing it in a planned manner.

Language training

We provide English conversation training (once a week) to employees who need it for their work.

External training

Employees participate in basic cosmetics technology seminars held by their affiliated organizations, as well as external training on skills required by each division, at the discretion of division managers.

Rewards for those who acquire qualifications

Rewards are given to employees who acquire qualifications in hazardous materials, health management, and information processing to motivate them.

Personnel evaluation interview system

Interviews with supervisors or leaders are held every six months for general employees to foster communication and employee development.

New wage system/class-based education and training

The previous wage system was a seniority-based system in which salaries increased as employees got older. However, in light of the current situation, we have introduced a wage system based on job function from April 2024. This system divides employees' job functions into nine grades regardless of age or gender, and treats them fairly. At the same time, it

clarifies what each person needs to do to grow and increases their motivation. We have also reviewed family allowances. In light of the fact that dual-income households are the norm and the problem of declining birthrates, we have reduced spouse allowances and increased child allowances.

We have also introduced a personnel evaluation interview system for managers, which we did not previously implement. We are currently developing an education and training system for employee growth, such as by rank, under the guidance of a third party.

13. Partnership



Answering stakeholders' needs

Our value for existence in society is to meet the expectations of our valued stakeholders and to conduct management that continuously contributes to a prosperous society.

Our stakeholders are customers, suppliers, financial institutions, employees, shareholders, local governments, local communities, various affiliated organizations, and others who are directly affected by our corporate activities.

Stakeholders expect management to achieve "sustainability" of the earth, nature, society, and business by passing on the modern environment and culture to future generations without destroying them. To meet these expectations, we comply with laws and regulations, respect the 10 principles of the UN Global Compact, ISO 26000, the guideline standard for CSR, and the 17 goals of the SDGs, and take various actions in our corporate activities.

We believe that through the continuous accumulation of such actions, in addition to "sustainability," we can manage our business with consideration for various stakeholders and contribute to the realization of a "happier society" that is the goal of the SDGs.

Organizations to which we belong

DAITO KASEI belongs to the following organizations. By joining these organizations, we can earn and share information about regulation and laws. It also helps us reach SDGs.

- Osaka Chamber of Commerce and Industry
- Osaka Prefectural Manufacturing & Industrial Association
- The Society of Cosmetic Chemists of Japan

- West-Japan Cosmetic Industry Association
- Japan Association of Pigment Technologies
- EFfCI – European Federation for Cosmetic Ingredients (DAITO KASEI EUROPE)
- Cosmetic Valley (DAITO KASEI INDUSTRIES)
- Tenma Association for Labor Standard
- General Incorporated Foundation - Japan Association for Safety of Hazardous Materials
- General Incorporated Foundation - Japan Traffic Safety Association
- Fukui Technoport Corporate Liaison Committee

Job creation and local partnership

We contributed to local job creation and environmental protection by cooperating with local society.

Suizenjinori aquaculture

The raw material for our marketed SACRAN - suizenjinori - is cultivated in Fukuoka and Kumamoto prefectures, and it is known that the subsoil water of Mt. Aso in Kyushu, a clear 18-20 degree C water flow with high natural mineral content, is essential for its growth.



We are focusing on expanding our aquaculture business by working with the local community to increase the environment in which the suizenjinori grows in order to use suizenjinori and produce SACRAN. This will help preserve the environment and create local jobs.

Cooperation with other company to produce environmentally friendly products

CELLULOBEADS outsourced production

CELLULOBEADS is a biodegradable alternative to microplastic developed mostly for western customers whose demand is growing. To be able to answer the demand linked to an increase in attention to the environment we outsource production to Rengo Co., Ltd. We are working on spreading the use of CELLULOBEADS to contribute to the protection of the environment.

Protection of the environment with local stakeholders

Forest protection activity: “The forest of smiles”

In 2017 we joined the “Kigyō no Mori” project which helps protecting forest in Wakayama.

This project aims at promoting and keeping ancestral knowledge and techniques as well as valorizing and protecting nature. The owner of the forest, inhabitants, and employees of more than 80 participating companies teamed up together to achieve those goals.



At DAITO KASEI, we have been taking care of a terrain of 2.53ha that we baptized “Egao no Mori”, the forest of smiles. Employees from our subsidiaries in France and China have joined our Japanese employees to plant trees with the assistance of the inhabitants and local associations. This was a profoundly astonishing experience as we learnt a lot from each other, and all enjoyed the beauty of nature.

In November 2024, several related parties visited the site under the guidance of the Nakaheji Forestry Association. Thanks to the careful efforts of the Forestry Association over the six years since the trees were planted in the spring of 2018, the trees, including *Quercus phillyraeoides*, have been growing well.

We started with 3,000 ubamegashi trees and now have more than 6,000 trees. In the future, when they are bigger, we estimate that they will absorb about 10,700kg of carbon dioxide per year.

14. DAITO KASEI original actions



At DAITO KASEI, we do not just comply with the law we go step further by enforcing a set of original measures. Some of them aim at improving employees’ well-being and concern the following matters: health and work conditions, communication, and good governance. Other measures are meant to improve stakeholders’ trust.

We firmly believe that improving employees’ well-being and stakeholders’ trust is an important objective of CSR, this is why we intend to pursue our efforts continuously. These measures are presented below.

Work condition

Continuation of staggered work Hours and telecommuting

As part of our response to Corona, we have implemented staggered working hours and telecommuting and will continue to offer both as flexible work arrangements after May 2023.

Granting annual paid Leave to new employees upon joining the company

Until now, in accordance with the law, 10 days of paid annual leave have been granted to new employees at the end of their first 6 months of employment. However, this sometimes resulted in employees being forced to go to work, which not only had a negative impact on their health, but also led to a decline in work efficiency. Therefore, we have decided to grant 5 days of annual paid leave in advance to new employees on their first day of work from April 2023.

Holiday pay

According to the law, employees who work on one legal holiday per week are entitled to holiday pay (35% increase), but we pay holiday pay for all company holidays.

Late night surcharge

The law stipulates a 25% surcharge for late-night work (10 PM to 5 AM), but we apply a 40% surcharge to shift workers.

Going out and leaving early once a month

Employees are allowed to go out and leave early for short periods of time, up to two hours each month to attend government offices, hospitals, childcare, etc. No salary deduction is made for this time.

Overtime

By law, employees are required to work at least 8 hours, but we require at least 7.5 hours.

Hospitalization assistance and additional death benefit

In the event of hospitalization due to personal injury or illness, the company provides hospitalization assistance for up to 80 days, as well as a company-paid death benefit plan (2 million yen, including work-related accidents).

Comfortable workplace

In-House Consultation service

We have established an in-house consultation service for employees to consult on various.

New Year's party and long-service awards

The New Year's party is held at January 5, 2025, where all employees gather. At the New Year's party, we give New Year's greetings and present awards (plaques, commemorative gifts, small gifts, etc.) to employees who have been with the company for many years, providing an opportunity to deepen interaction among employees.

Governance and compliance

CPA Audits

We have our accounting audited annually by a certified public accountant as a third-party audit of our accounting. This is not a legally mandated audit, but one that we conduct on our own initiative. The audit is strictly conducted to ensure that accounting procedures are appropriate in order to maintain governance. In addition, we also undergo expense-related audits to ensure that there are no improper transactions.

Superior taxpayer filing corporation

The tax office will honor corporations that continue to file appropriate tax returns and pay taxes in accordance with the purpose of the tax return system and are recognized as a model for other taxpayers. The evaluation is based on the proper storage, management, and organization of books, no confusion between public and private affairs, no unclear financial transactions by the representative, and efforts in tax awareness activities.

Establishment of a complaint consultation desk

Bribery and harassment issues can occur not only within the company, but also outside the company. Relationships with honest suppliers are indispensable for maintaining mutual trust and are an important element of corporate compliance. We have set up a complaint counseling service especially for our major suppliers in the event of inappropriate responses by our employees and have notified them of the purpose of setting up the service.

Cooperation with the social insurance labor consultant office

We exchange information with the office of the labor and social security attorney on a monthly basis regarding labor-related laws and various regulations, or personnel and labor matters within the company. We are working to create a better workplace and working environment by revising internal regulations and improving compensation.