

FY2025 Sustainability Action Plan and Achievements

Nagase Viita established its Sustainability Action Plan based on the materiality identified in FY2019. The plan defines the value we aim to deliver by 2030 and sets FY2025 targets to guide our progress. We are steadily advancing company-wide initiatives under the plan toward our 2030 goals.



People: Enjoy the Change and Take Action

Value Delivery by 2030	Leadership development to drive business growth and promote diversity
Materiality	Improvement in employee engagement
FY2025 Achievements	- Advanced succession planning, internal training, and career development - Began reviewing talent management systems to support implementation of the succession plan - Revised the Career Plan Sheet based on the operational review to encourage greater employee ownership of career development - Expanded internal training by introducing new role-based programs for general managers and section managers - Strengthened women's empowerment - Women in management: 18 (13.2%); FY2024: 19 (13.1%) - Training participation rate for female employees: 31.0% (target: 25% or higher) - Expanded opportunities for people with disabilities, international talent, and senior employees - Completed a roadmap for increasing employment of people with disabilities - Facilitated exchanges with international students as prospective international talent - Revised the post-retirement contract reemployment program
Value Delivery by 2030	Employees demonstrating their capabilities through proactive contribution
Materiality	Improvement in employee engagement
FY2025 Achievements	- Promoted understanding of our Purpose and Values and enhanced employee engagement - Continued dialogue within each department to deepen understanding of our Purpose and Values - Created opportunities for cross-functional dialogue - Conducted cross-functional dialogue to deepen understanding of the new Materiality

Value Delivery by 2030	Pursuit of integrity through stronger corporate governance: a shift from "doing no wrong" to "doing good"
Materiality	Improvement in employee engagement
FY2025 Achievements	- Promoted understanding of integrity, including greater awareness of ownership and initiative - Conducted integrity training through various programs, including harassment prevention and section manager training - Ethics and compliance KPIs - Number of significant violations of laws and regulations: 0 - Completion rate for compliance training for new employees: 100% - Disclosed the number of internal reports and conducted a web-based compliance survey - Established a framework for implementing and managing the Human Rights Policy - Began implementing the PDCA cycle for human rights initiatives under the Sustainability Action Plan - Conducted human rights training, including e-learning and expert lectures - Reviewed corporate governance bodies and revised their operations - Reported to the parent company's senior management through the Board of Directors - Revised the operating rules of the Management Committee, including advance review of meeting materials - Revised meeting frequency to quarterly and conducted an overall operational review

Value Delivery by 2030	Promotion of health and productivity management
Materiality	Improvement in employee engagement
FY2025 Achievements	- Advanced health and productivity management - Standardized score in the KENKO Investment for Health survey (FY2025): 55.4 (FY2024: 53.5) - Earned new recognitions, including Sports Yell Company 2026 and an award for outstanding cancer prevention initiatives - Participation rate in the Health Challenge program: 78.8% (up from 68.4%) - Conducted health promotion initiatives, including training sessions and seminars on sleep, caregiving, and other health-related topics - Reduced at-fault accidents - Number of at-fault accidents: 13 (down 2 from the previous fiscal year) - Reduced work-related accidents - Frequency rate: 0.62; occupational accident frequency: 0.74 (both below the target of 1.0) - Drew up a response procedure following the revision of heat illness prevention regulations, and held training sessions for all employees

Business: Pursue Market-Leading Technology to Improve People's QOL in the World

Value Delivery by 2030 (Food Ingredient business)	Contribution to the future of food and the vitality of life worldwide *Our commitment to the UN Food Systems Summit 2021
Materiality	Contribution to increasing healthy life expectancy; Stable securement of food

FY2025 Achievements	- Adoption of our ingredients in foods that contribute to healthy life expectancy and a stable food supply: 500 cases - Achieved: more than 500 cases - Introduced sustainability initiatives through seminars and webinars - Conducted presentations at exhibitions and lectures at educational institutions, reaching more than 1,000 participants - Engaged in sustainability dialogue with client executives and pursued collaboration with partner companies - Held 1,000 sustainability dialogues with client executives and built collaborative relationships with partner companies
---------------------	--

Value Delivery by 2030 (Personal Health Care business)	Improvement of quality of life and contribution to extending healthy life expectancy
Materiality	Contribution to increasing healthy life expectancy; Reduction of environmental impacts
FY2025 Achievements	- Strengthened dialogue with domestic and international clients to better understand global sustainability standards in the personal care industry and enhance credibility - Began winning adoption of sustainable materials as alternatives to synthetic chemical ingredients in personal care - Promoted functional saccharide products for pharmaceutical applications through product launches, research publications, exhibitions, and customer engagement - Advanced development of sustainable and functional new materials - Promoted development in priority areas

Value Delivery by 2030 (Wellness Products Business)	Broader stakeholder understanding of our commitment to sustainability
Materiality	Contribution to increasing healthy life expectancy; Stable securement of food; Improvement in employee engagement; Reduction of environmental impacts
FY2025 Achievements	Implemented the new growth strategy to deliver value to customers.
Value Delivery by 2030	Creation of new technologies through open innovation
Materiality	Contribution to increasing healthy life expectancy; Stable securement of food; Reduction of environmental impacts
FY2025 Achievements	- Continued the comprehensive industry-academia open innovation initiative and regional collaboration - Launched the industry-academia collaboration program with Okayama University in November and announced the initiative at the 14th Global RCE Conference - Strengthened drafting and review capabilities for international contracts - Built organizational knowledge through regular visits and face-to-face interviews conducted by legal department members

Environment: Contribute to Making the World More Sustainable Through Business

Value Delivery by 2030	Contribution to a sustainable society by reducing environmental impacts
Materiality	Reduction of environmental impacts
FY2025 Achievements	- CO₂ emissions (Scope 1 and 2): reduced by 49.9% from FY2013 (target: 36.9% reduction) - Tap water consumption, wastewater discharge, and industrial waste volume (target: at least 7% reduction per unit from FY2018) - Tap water consumption: reduced by 19.8% - Wastewater discharge: reduced by 13.9% - Industrial waste volume: reduced by 32.6%

Value Delivery by 2030	Increased productivity and sustainability of the manufacturing floor
Materiality	Improvement in employee engagement
FY2025 Achievements	- Continued implementation of DX initiatives - Established an AI data analytics framework - Simplified information sharing through digitization - Reviewed the roadmap on a regular basis - Conducted internal and external environmental analyses to monitor emerging technologies and support discussions for the next management plan - Managed progress of individual actions - Continued operation of an automated system for routine administrative tasks

Value Delivery by 2030	Provision of safety and reliability through world-class management system
Materiality	Contribution to increasing healthy life expectancy; Stable securement of food; Reduction of environmental impacts
FY2025 Achievements	- Strengthened on-site quality assurance capabilities - Established roles, standards, and quality assurance requirements across manufacturing, product development, and supplier QA - Launched a new organization to strengthen the quality assurance framework - Established the quality management system (QMS) - Developed the documentation framework for the Nagase Viita QMS - Established a management review process for key quality issues - Improved visibility of quality costs - Reduced customer complaints - FY2025 results: 27 cases (FY2024: 39 cases) - Reduced repeat incidents to 2 (FY2024: 7)

Value Delivery by 2030	Establishment of Quality Culture
Materiality	Contribution to increasing healthy life expectancy; Stable securement of food; Reduction of environmental impacts
FY2025 Achievements	Enhancement of Our Quality Culture - Developed a company-wide quality education framework - Conducted quality training tailored to each employee level, including new employees and section managers - Conducted Quality Culture assessment survey

Value Delivery by 2030	Reduction of environmental impacts throughout supply chain
Materiality	Reduction of environmental impacts
FY2025 Achievements	- Further strengthened relationships with suppliers (sustainable procurement) - Conducted a CSR survey with expanded assessment items and confirmed 100% adoption of the guidelines - Conducted human rights due diligence through third-party expert audits - Established a sustainable transportation system - Continued the transition to a rental pallet system - Established new logistics hubs to improve transportation efficiency - Continued quality assurance efforts - Began shipping products with more compact packaging to improve transportation efficiency