

Connect Through Life

SARAYA

SUSTAINABILITY REPORT 2024



**We are committed
to the SDGs!**

About Sustainability

SARAYA's Basic Approach to Sustainability

The existing TQM Promotion Division Policy, TQM Activity Policy, and Environmental Policy will be re-established as SARAYA's Sustainability Promotion Policy, taking into account the Sustainable Development Goals (SDGs) and our Environmental, Social, and Governance-based investing framework (ESG), stating how we will promote sustainability based on SARAYA's basic philosophy. Based on it, we will work to make sustainable contributions to society and enhance our corporate value by resolving social issues through our business activities.

Sustainability Promotion Policy

SARAYA's business objective is to improve the sanitation, the environment, and health of the world. Nowadays, there are concerns about sustainability in the world, and through SARAYA's actions, we would like to contribute to finding solutions. We will develop our business by building a global network to achieve our objectives and providing unique products and services both domestically and internationally. Through our business activities, SARAYA will address global environmental and social issues, one of the key points in our management policy, to contribute to the realization of a sustainable society through our environmental value proposition to our customers.

Action Guidelines

SARAYA Group's Action Guidelines for Promoting Sustainability are set Forth Below.

1. Identifying materiality and resolving social issues through our business activities

We will identify materialities that lead to sustainable growth for the SARAYA Group and society, aiming to enhance corporate value through our business activities. We will also discover new market needs, propose and implement solutions to meet them, and thereby resolve social issues and revitalize our organization.

2. Building a relationship of trust with society

Through communication with all stakeholders, we will engage in responsible dialogues, accept the needs and expectations of society, and build strong relationships of trust through our practices.

3. Achieving a truly global and sustainable company by strengthening governance

We will establish a global production and sales structure in niche fields while strengthening global governance through a variety of means of communication. We will achieve sustainable management with fairness and transparency.

4. Developing new products and businesses while enhancing value chains and business management, aiming for global environmental conservation and sustainable use of resources

We will conduct business activities to conserve the global environment, including measures against global warming and protecting biodiversity and ecosystems. To achieve this, we are developing new products and businesses in conjunction with the promotion of the SDGs, aiming for sustainable development and the realization of a prosperous society. We also intend to build a sustainable value chain by monitoring the use of resources in the supply chain of our products. We will strengthen our business management and disclose detailed governance by effectively utilizing our management system, our framework for managing these operations.

5. Educating employees on sustainability promotion

Each and every employee who is a member of the group puts sustainability promotion into practice, being educated to understand the SDGs and foster awareness of the need to solve social issues. Based on our Sustainability Promotion Policy, each division achieves its own goals within the TQM framework.

May 1, 2019

President and CEO
Saraya Co., Ltd.

Yusuke Saraya



Top Message

President and CEO
Saraya Co., Ltd.

Yusuke Saraya



SARAYA's corporate mission is to contribute to the hygiene, environment, and health of the world. To achieve it, not only Saraya Co., Ltd., and Tokyo Saraya Co., Ltd., but as many as 20 domestic companies and 35 overseas affiliates are working tirelessly to realize this mission.

Throughout the world, conflicts and wars, including wars in Ukraine and between Israel and Hamas, are breaking and dividing countries. Energy costs are rising, and food supplies are a growing concern. The Earth's population has grown to 10 billion people, with some resources becoming depleted. Global warming and other environmental problems occur more frequently, leading to the widening of wealth disparities and political and societal destabilization in many countries. Without solutions to these problems, humankind cannot be sustained, and we are now seeing a yellow light on this very issue. To become a sustainable society, it is now necessary for corporations to act, solve problems through business, and contribute while delivering even better products and services to their customers. To this end, we continue to make efforts, however small, toward the realization of a sustainable society and environment.

1 Blue Ocean Projects

As detailed in pages 5-6, SARAYA has started the Blue Ocean Projects. We will support the Blue Ocean Dome, which will be exhibited by the NPO ZERI JAPAN at the 2025 Osaka-Kansai Expo, to be held in Osaka, Japan from April 13, 2025, to October 13, 2025. With the Blue Ocean Dome as a cross-point and nodal point, it is expected that many people and corporate groups involved in the conservation and utilization of the oceans will visit and interact with the dome. This project is just one side of our activities that will continue through 2030, the target year of the SDGs, in collaboration with the Blue Ocean Forum sponsored by the Nikkei Shimbun and the Blue Ocean Initiative. We will also sponsor Blue Ocean Projects in Tsushima, the city that collects the most marine debris in Japan. To achieve this, in February of this year the company Blue Ocean Tsushima Co., Ltd., was launched, which will undertake the collection and recycling of drifting trash and plastic. We will then develop a revitalization project and take on the challenge of establishing a circular economy on the island. If successful, we will use the "Tsushima Model" as proof of concept and spread it to other islands and areas worldwide with the same challenges. We are also implementing Blue Ocean Projects in Mauritania, where we will focus on the sustainable fishing of anchovies and aim to create jobs and create added value locally. The fishing and fish processing will start by the end of this year, and we intend to present the results at the Expo. Also, we are supporting the sailing ship "Mirai-e" and cooperating with local municipalities to revitalize local communities and marine towns throughout Japan, using the sea as the starting point. Using SARAYA's new freezing technology to develop and sell marine products, we aim to regenerate and commercialize seaweed with a focus on

blue carbon. On land, our affiliate POEMA will begin a demonstration project for complete onshore shrimp aquaculture this autumn. In this way, with the Blue Ocean Dome at the Expo as a starting point, we will preside over various Blue Ocean Projects and contribute to the sustainability of the seas through our business.



Osaka/Kansai Expo. Blue Ocean Dome and Sailing Ship Mirai-e

2 Borneo Forest and Biodiversity Conservation Project

While the ocean projects will be carried out as Blue Ocean Projects, the Borneo Forest and Biodiversity Conservation Project, which has been in operation since 2004, will continue to be implemented and addressed. SARAYA donates 1% of the sales of eligible products (based on the manufacturer's shipping sales) to the Borneo Conservation Trust Japan, contributing to the protection of the environment and wildlife of the Borneo forests through the Sabah Wildlife Department (SWD) and the Borneo Conservation Trust (BCT).



Endangered wildlife
(from left to right: orangutan, Borneo elephant, proboscis monkey)

For our customers to understand the situation in Borneo, we transmit and receive information through various media channels. For example, the gentle to the earth and skin Happy Elephant brand, made with the natural biosurfactant SOFORO, introduces Borneo's current biodiversity situation and our response in wildlife protection while maintaining the 1% donation mentioned before.



Happy Elephant series

► Details on P13-14

In addition, a new "Elephant Food Corridor" project will be launched in the second half of 2024, to which we plan to contribute. Thank you in advance for your continuous support.

3 Hygiene Development in Africa

Since 2010, we have been engaged in hygiene development in Uganda and Kenya. Through the promotion of hand washing and the encouragement of hand sanitation in hospitals and maternity centers, we work to reduce diarrhea, septicemia and other infectious diseases in children, newborns, and delivering mothers. During the COVID-19 outbreak, we coop-

erated with various organizations so that our product supply would not be interrupted at the most critical time.



In-hospital rounds by Professor Didier Pittet (University of Geneva)

In 2024, we received approval to market a drug for the treatment of tungiasis, or jigger disease, a long-standing issue in places like Kenya, which it is now possible to produce in Uganda. Jigger is a type of parasitic sickness designated as a neglected tropical disease, caused by fleas' penetration of the skin, usually bare feet, and laying eggs, which leads to skin inflammation, itching, and peeling. Traditional remedies involve removing the parasites with safety pins, a painful process.



Foot infested with Tunga penetrans

► Details on P9-10

4 Digital Healthcare and SARAYA

Nakanoshima Qross, completed in Nakanoshima, Osaka, on June 29, 2024, is a medical hub that aims to introduce Japan's cutting-edge medical care, especially regenerative medicine, to the rest of the world, fostering the development of Japanese medical and healthcare industry both domestically and abroad. At Nakanoshima Qross, SARAYA has established a biomedical laboratory and a dental clinic. In the laboratory, we will research the development of preservative solutions for regenerative medicine, transportation equipment, skin regeneration and treatment, and other applications. In the dental field, we began three regenerative dentistry clinics under the new Saraya Kenikukai organization. In July of 2024, we established the Digital Healthcare Business Division to create a digital healthcare program, which we will spread overseas. Lastly, we will exhibit a "Health Time Machine" that predicts your future health with AI during the Expo, with plans to introduce it later in developing countries with weak healthcare systems, contributing to their medical development.



Illustration of the "Health Time Machine"

5 Creating a New World

With the advent of AI, the world is about to drastically change, and we would like to take on the challenge of combining it with sustainable businesses and services, achieving a world largely unattainable until now. We would like to thank our customers, suppliers, employees and their families, and other stakeholders for their continued support and cooperation.

SUSTAINABLE DEVELOPMENT GOALS

At SARAYA, we work towards creating a prosperous and fruitful global society based on our three pillars, **Sanitation**, **Environment** and **Health**

As a company that contributes to improving hygiene, the environment, and health worldwide, we provide products and services that meet the diverse needs of our customers, and as global citizens, we are committed to the conservation of the global environment, including measures against global warming and the protection of biodiversity and ecosystems. We will conduct our business activities by offering environmental value propositions to our customers through the promotion of the SDGs.

Editorial Policy

Reporting Period

Data is compiled for the period from November 2022 to October 2023, our fiscal year. The activities reported are based on the same period but include content and photographs from earlier and later periods.

Referenced Guidelines

- The Japanese Ministry of the Environment's Environmental Reporting Guidelines 2018
- GRI (Global Reporting Initiative) Sustainably Reporting Standards

Website

Web | ▶ <https://saraya.world/images/sections/sustainability/SustainabilityReport2023.pdf>

CONTENTS

Contents



Sanitation

- 9 Hygiene Improvement Projects in East Africa

Environment

- 13 For a Sustainable Use of Palm Oil
- 17 Our Efforts to Reduce Plastic Containers
- 18 Renewable Energy 100 RE Action Declaration
- 19 Initiatives in Egypt and Tunisia
- 20 Future Products Created with SOFORO



Health

- 23 Farm to Table
- 25 Development of the Food Value Chain in East Africa
- 26 Expansion of Health Businesses in the United States



Society

- 29 Optimizing Human Resources to Harness Diverse Talents and Skills
- 30 SARAYA's Health Management
- 31 Social Contribution Activities



- 33 Basic Approach to Customer Communications
- 34 Governance
- 35 SARAYA Company Information

01 Sanitation

Contributing to the reduction of infection risks to ensure safe, clean living.

SARAYA aims to become the world's No. 1 handwashing company by providing products and services that meet the hygiene needs of countries around the world.

Handwashing has been the starting point of SARAYA's business since its establishment. We have been involved in activities that contribute to the improvement of sanitation situation in developing countries, expanding our African businesses from Uganda to Kenya, Egypt, and Tunisia.

Going forward, we will expand our activities to West Africa and South Africa, continuing our efforts to achieve Universal Health Coverage (UHC*) worldwide, incorporating advanced technologies into our know-how cultivated in the field of infection prevention.

*UHC means that everyone can receive health, prevention, treatment, and functional recovery services at an affordable cost.



01 Hygiene Improvement Projects in East Africa

▶ Developing human resources to become key players in hand hygiene promotion

We are committed to promoting infection prevention, infection control, and patient safety measures at medical facilities in Uganda.



The First TTT (Train the Trainers) in Uganda

~WHO Hand Hygiene Multilateral Strategy-Based Hand Hygiene Leadership Development Program~

In the 2000s, WHO recognized patient safety and health-care-associated infections as major issues, promoting the implementation of international measures to address them. Nowadays, hand hygiene is recognized as a central and first-to-take step for infection prevention in healthcare facilities, vital for patient safety. One of the pioneers in the field of infection control and hand hygiene is the Infection Prevention and Control Division at the University of Geneva, a collaborating

site that has contributed to the WHO hand hygiene promotion campaign. In addition to awareness-raising activities, the team has also been involved in the development of Train the Trainers (TTT) project, a leadership training program, to put hand hygiene improvements into practice. Program participants are awarded qualifications as leaders after three days of practical training and are then expected to play a central role in the promotion of hand hygiene at their facility and region.

In December 2023, Saraya Uganda invited the University of Geneva Infection Control (HUG-IPC) team to Uganda, and together with the Ministry of Health and the JICA Uganda office, a training session on hand hygiene was conducted. This is just the second time, with the first being in South Africa, that such an event is held in Africa, a sign of confidence and hope for the Ugandan public-private partnership of WHO and HUG-IPC teams. The training program included classroom lectures, role-playing, and information exchange at each site. A total of 52 people participated, mainly from regional hospitals, relevant departments of the Ministry of Health, and the Institute for Infectious Diseases at the University of Makerere. An Instructor later commented that "participants were very active and training was very interactive", while participants mentioned that "receiving a world-class training and certificate motivated me to go back to my facility and work confidently on hand hygiene and infection prevention and control" and that "the training also provided a good opportunity for networking with other facilities in Uganda." We look forward to continuing to work with participants to further contribute to the development of infection prevention and control, and patient safety in Uganda's healthcare facilities.



Prof. Didier Pittet (University of Geneva)



Scene of training



▶ Kenya: Jigger Disease Control Project

SARAYA has developed a simple and effective treatment for jigger disease (tungiasis) by making full use of its formulation technology.

Responding to a Neglected Tropical Disease, Tungiasis

What is Tungiasis?

Tungiasis, most commonly known as jigger disease, is a parasitic skin infection caused by the flea *Tunga* penetrans. It is a serious problem in more than 20 countries around the world, including Africa, Latin America, and India, with an estimated 2 million cases in Kenya alone. Once infected, the disease can progress without symptoms, over time leading to systemic necrosis, lymphangitis, and secondary infections such as sepsis, tetanus, and HIV/AIDS due to unsanitary conditions and inadequate treatment. The Kenyan Ministry of Health is the only governmental department in the world that has established guidelines to combat jigger infection and has designated March 3rd as National Jigger Awareness Day in an effort to eradicate it. However, because of the limited area and scale of the disease, like many other neglected tropical diseases, no effective treatment had been developed to that date. The cure rate for treatment with manganese dioxide solution and coconut oil, as recommended by the Kenyan Ministry of Health guidelines, is only around 40%.



Leg infected by *Tunga* (top left) and jigger group treatments in Kenya (top right and bottom)

Development of a Jigger Treatment

In response to this situation, SARAYA has identified an effective insecticidal ingredient that, combined with our skincare technology cultivated through the years in the development of hand hygiene products, has allowed us to develop a simpler and more effective treatment—a lotion that can be spread over the entire affected area with a small amount, to be applied twice a week for two weeks. This lotion received regulatory approval as a medical device by the Kenyan Pharmacy and Poisons Boards in 2021, while the Saraya Uganda plant received ISO 13485 certification in January 2024, paving the way for its production in Africa.



ISO 13485 certificate

Case of treatment with Jigger Lotion



Introduction of Jigger Lotion to staff at group treatment event



Children awaiting treatment (left) and collective treatment with Jigger Lotion (right)

Kenya's National Jigger Awareness Day

On March 3, 2024, SARAYA's Jigger Lotion, made in Uganda, was used on-site for the first time at a National Jigger Awareness Day group treatment event organized by the Kenyan Ministry of Health. The treatment method, which is much simpler than conventional treatment methods, was highly appreciated by the Minister of Health of the Trans-Nzoia County Government, who was present at the event, as well as by the local health officers who treated the patients. In the future, we intend to collaborate with NGOs and aid organizations that are focusing on the control of the jigger disease and promote the treatment and dissemination using African-made products.

02

Environment

Creating Sustainable products at all stages, from development to disposal.



For a sustainable planet, SARAYA is doing its utmost as a global citizen.

Since its founding in 1952, SARAYA has solidified its business foundation by introducing products that contribute to solving the social problems of each generation, focusing in particular on addressing the environmental degradation of water and air.

This approach to global environmental issues continues to be our approach even today, with our commitment to tackling the problems of global warming, biodiversity loss, and marine pollution caused by environmental destruction.



01 For a Sustainable Use of Palm Oil

► Borneo's Biodiversity Conservation Activities and Dissemination of RSPO Certifications

To make the use of palm oil sustainable, SARAYA is engaged in the conservation of local biodiversity and the dissemination of RSPO certifications.



Background to our Biodiversity Conservation Activities in Borneo

The Tears of a Baby Elephant

SARAYA's initiative to conserve biodiversity on Borneo Island began with a TV program on nature and the environment aired in August 2004. The topic for that day's broadcast was animals in the Borneo rainforest. However, what was introduced was not wild animals living happily in the forests, but creatures whose habitats had disappeared and were on the verge of extinction. Among them, the Borneo elephant, an endemic species, was a particularly tragic case. The elephants, whose habitats had shrunk, had no choice but to enter villages, where they suffered from injuries caused by nylon rope snare traps set by humans. The tropical rainforests in Borneo have been rapidly deforested over the past 50 years due to the expansion of oil palm plantations. With the fruits of the oil palm tree yielding palm oil, and the seeds yielding palm kernel oil, they have become an indispensable part of our lives, being used mainly for food. The producers of the show asked food companies that use palm oil for interviews to see what they thought about the current situation. While these food companies refused the request for interviews, SARAYA, due to the connections the TV producers had, was the only company that participated. At that time, palm kernel oil was used, albeit in very small quantities, in our signature product Yashinomi.



Foot of an elephant in a nylon rope trap



Oil palm

Palm kernel oil

Palm oil



Borneo island and surrounding countries map



Mr. Saraya's Field Trip to Borneo (2006)

The Interview and its Afterward

When President Saraya was interviewed, he frankly stated that he had not known of such problems in the procurement of the raw material. At the same time, we took action. First, we hired personnel with expertise in international cooperation, dispatched them to the site, and began researching how to deal with the situation. Then, with the help of information from the program production company, we joined the Roundtable on Sustainable Palm Oil (RSPO), which was just being established at the time, to help reform the industry and support ongoing activities to conserve biodiversity.

Supporting the Activities of the Borneo Conservation Trust

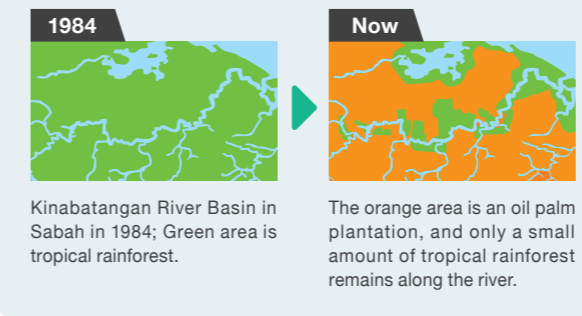
At the end of 2004, we began our research in biodiversity conservation in Borneo; our first response was to rescue injured elephants. However, this alone would not solve the fundamental problem. So, with the cooperation of biodiversity conservation experts and the Wildlife Department of the state of Sabah,

Malaysia, we began the Green Corridor Project. Borneo's rainforests are rapidly shrinking, and oil palm plantations are spreading as far as the eye can see. The only forests that remain are small, fragmented islands, leaving animals no choice but to pass through plantations and human settlements when migrating to other places. This is where conflicts with humans occur.



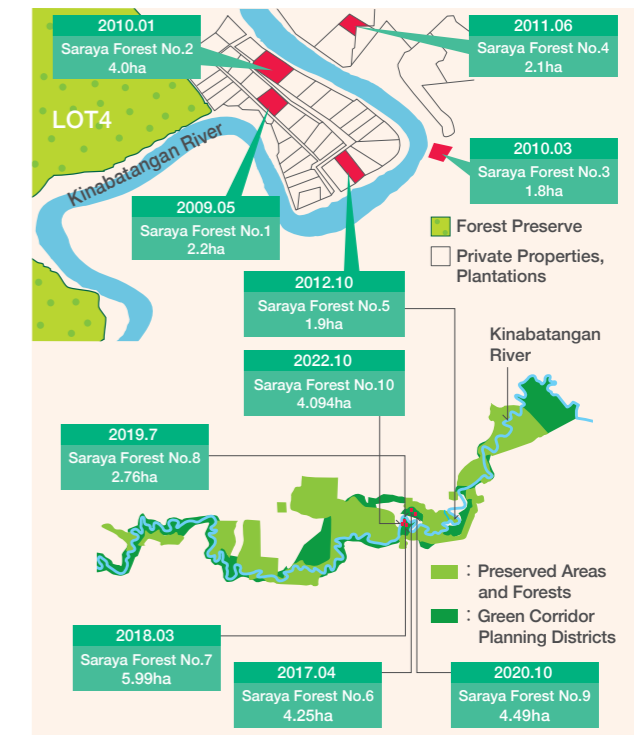
Elephants entering an oil palm plantation

► Oil Palm Plantation Expansion



Oil Palm Plantations Expanding Along the Kinabatangan River, the Largest River in Borneo

The Green Corridor Project aims to recover the land between these forests as a single, large ecosystem by buying it from farms and other entities. For this purpose, a non-profit organization called the Borneo Conservation Trust was created in Sabah, Malaysia. Borneo Conservation Trust Japan was established to support these activities from Japan. Through the collaboration of these two organizations, approximately 100 hectares of land have been acquired between 2008 and October 2022. Although it will be difficult to achieve the goal through the purchase of land through this campaign alone, we expect that these efforts will influence local government policies and the hearts and minds of local residents, leading to a significant change in the way Borneo's forests are protected. SARAYA donates 1% of sales of the Yashinomi series and other eligible products (based on the manufacturer's shipping sales), while "SARAYA Forests" acquired with these funds has expanded to 10 locations, totaling 33.31 hectares (as of April 2024).

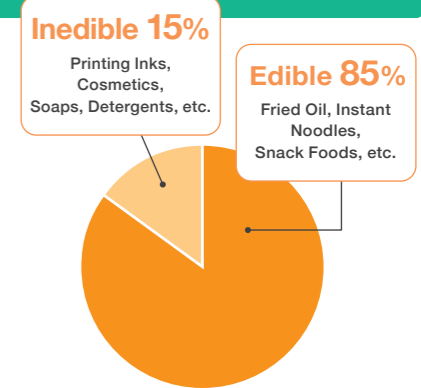


"Green Corridor Project" to save wild animals

Sustainable Procurement of Palm Oil

Palm Oil that Supports People's Lives

Japan also imports large volumes of palm oil. Approximately 85% is used for edible purposes such as fried foods, instant noodles, and snacks, while the remaining 15% is used for non-edible purposes, such as soap and detergent, making it a widespread part of our lives. The reason why demand has spread so widely around the world is that it is inexpensive compared to other oils. Palm oil has a high yield per unit area, greatly outperforming other major vegetable oils, such as soybean oil. Unfortunately, inherent in the environment surrounding inexpensive palm oil are a variety of problems, such as child labor, forced labor, and illegal logging. To improve the situation as much as possible, SARAYA is committed to environmental conservation and sustainable raw material procurement.



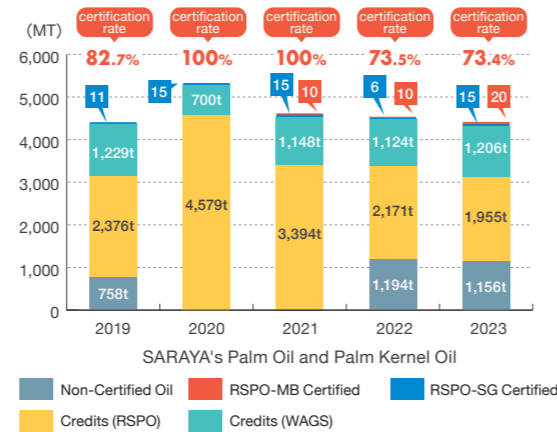
Main uses of palm oil (from "Monthly Yushi")

RSPO Certified Raw Material Procurement Status and Future Policies

RSPO Promotion Structure and Procurement Results

SARAYA became the first company registered in Japan to join the Roundtable on Sustainable Palm Oil (RSPO) in 2005. In 2010, we became the first Japanese company to obtain RSPO supply chain certification, and launched certified products (segregation mark), following standards that we have continued to operate on. We have established a cross-functional promotion system within the company that implements various measures, such as the preparation of documents, education and training, internal audits, and external certification audits. As for derivative raw materials derived from palm kernel oil, widely used as raw materials for soaps and detergents, RSPO certification has not been introduced throughout the entire supply chain, making it difficult to procure raw materials based on the physical certification models. Therefore, we support sustainable palm oil production by purchasing credits issued by producers under a certification model called Book and Claims (book-based assertion type). However, since June 2020, the price of credits has soared, forcing us to limit the number of credits purchased. Currently, we maintain a 100% certification rate for consumer products from the standpoint of raising consumer awareness, and we purchase credits for corporate products at the request of our customers. Since it is difficult for one single compa-

ny to solve this price hike alone, we will seek solutions by closely exchanging information with relevant companies and organizations. In addition, to spread RSPO certifications, their acquisition by small-scale farmers, who account for about 40% of total production, is necessary. To support this, SARAYA has been actively purchasing credits issued by small farmers since 2017, amounting to 1,206 tons of credits for 2023.



Future Procurement Policy for RSPO Certified Raw Materials

Toward 2030, we will again aim for a 100% certification rate, including the Book and Claim method, and promote the purchase of physically certified raw materials, such as segregation and mass balance, to increase the procurement ratio. We will also expand the use of RSPO-certified oils group-wide, including our branches abroad.

Segregation

It refers to palm oil that has been certified by the RSPO as having been produced with proper consideration for the environment and workers, from cultivation to processing to distribution, and managed without mixing with other non-certified oils. It is used in some of the products in the Happy Elephant series. In the case of Identity Preserved certified products, it delimits its origin to a single identifiable certified source.

Book and Claim (Credits)

These are RSPO-certified credits based on the amount of palm oil produced by sustainable growers, crushers, and independent smallholders, which can then be purchased by manufacturers to contribute to the spread of sustainable palm oil. Until 2016, this trading system was outsourced to private companies, but since January 2017, it's operated directly under the RSPO certification system.

Toward Further Dissemination of RSPO Certification in the Japanese Market

As of April 2024, Japan's membership in the RSPO now stands at more than 300 organizations, making it the fourth largest in the world. In 2019, 18 organizations, including Japanese retailers, consumer goods manufacturers, and NGOs, established the Japan Sustainable Palm Oil Network (JaSPON) to disseminate RSPO-certified oil in the Japanese market, with SARAYA participating from its establishment as a board member company, amounting now to 48 organizations as of April 2024. In the fiscal year 2024, we participated as one of the steering teams and are actively working on the project. In October 2023, eight members of the RSPO Headquarters, in Malaysia, visited Japan and held a

joint seminar with JaSPON as a forum for exchanging information about the RSPO. The two-day event was attended not only by JaSPON member companies but also by many companies interested in sustainable palm oil and was the scene of active discussions and exchange of ideas. JaSPON is also working on a variety of initiatives, such as online seminars with small-scale farmers, to understand the current situation surrounding palm oil, and how to increase procurement and consumption of RSPO-certified oil. Organizations like JaSPON need to promote RSPO-certified oil, and, as a member, we will continue to contribute to its spread in the Japanese marketplace.

Supporting Wild Asia's SPIRAL Project

An agricultural model that takes biodiversity and climate change into account

Wild Asia is a social enterprise founded in 2003 and based in Malaysia that promotes the Wild Asia Group Scheme (WAGS) as a support initiative to promote rainforest conservation and RSPO certification for small farmers. Through the WAGS, SARAYA has been purchasing RSPO-certified palm oil and palm kernel oil credits from small farmers to support their activities since 2017. Wild Asia points out that RSPO certification alone is not a sufficient incentive for small-scale farmers, and that conventional farming relies on expensive chemical fertilizers that also undermine the biodiversity of the plantations. Therefore, the Small Producer Inclusivity & Resilience Alliance (SPIRAL) program, which supports farmers to improve productivity, farmland biodiversity, and climate-friendly agriculture through new farming methods, was launched in 2020. SARAYA visited the site (Sabah, Malaysia), endorsed the program in December 2022, and has been making regular visits to monitor its progress. Currently, oil palm leaves have no use and are left in the soil after being cut, where they are decomposed by microorganisms, producing greenhouse gases. In this program, unused leaves are carbonized and mixed into the soil as biochar, an effective carbon storage method attracting increasing attention worldwide, including in Japan.



Peasant farmers and Wild Asia team participating in Spiral



Carbonized oil palm leaves (left photo) and bio-charcoal mixture (right photo)



Three-stage composting facility



Comparison of soil before and after application (1 year) (Left: currently, right: before application)



Members of the SARAYA inspection team receiving an explanation on biochar

When SARAYA employees visited the plantation at the end of 2023, a new composting facility had been installed, which produces compost in a three-tiered box over three months. The compost is made from oil palm leaves from plantations and elephant feces from the Borneo Elephant Sanctuary, one of the Borneo Conservation Trust's activities mentioned previously. By mixing this compost with biochar, and applying it around the oil palm trees, fixation of carbon and improvement of soil are achieved without relying on expensive chemical fertilizers, improving the farmers' profitability. About a year after the program started, the mixed soil had improved color from ochre to black, with earthworms increasing in number (see figure on left). Although the current information on soil improvement is mainly qualitative, various analyses are underway to further verify the effectiveness of the SPIRAL program. At the current stage, we are endorsing this program and indirectly supporting it, but in the future, we would like to connect the supply chain of raw materials produced and explore their use in our products. In addition, since the program is a role model with significant benefits for producers and the environment, we hope to expand the circle of supporting companies by disseminating information about these initiatives and contributing to the sustainability of the oil palm industry.

02 Our Efforts to Reduce Plastic Containers

SARAYA has been thinking about the environment since its establishment, developing and selling products based on natural materials, and actively working on addressing the plastic problem.



Efforts to Reduce Plastics through Various Measures

Resource Conservation Since Our Founding Stage

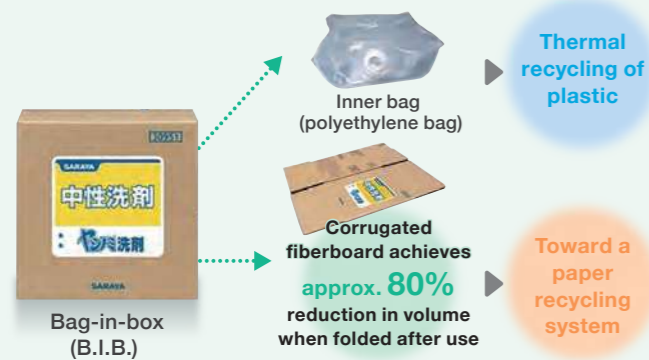
In 1952, SARAYA developed and commercialized Japan's first medicated handwashing soap solution, Pearl Palm Liquid Soap, and a soap dispenser. This resource-saving product, which is diluted 7 to 10 times with water at the time of use, was a revolutionary product made with the environment in mind.



Other Initiatives to Reduce Plastic Use

Bag-in-box (B.I.B.) system that integrates packaging and container

Instead of plastic bottles, we are shifting to a B.I.B. system, where the inner bag containing the solution is placed in a cardboard box.



Reducing the Volume of Bottles

In response to customers in the medical field who wanted to reduce the volume of waste, we improved our hand soap containers. With an innovative shape and a thinner container, our new foldable bottles reduce the volume of waste by approximately 70%, while reducing the use of plastic by approximately 50% when compared with conventional bottles.



Wash Bon Herbal Medicated Hand Soap Joins Loop

Wash Bon Herbal Medicated Hand Soap (Loop model) has joined Loop, a platform that enables the repeated use of containers and product packaging that were previously rapidly disposed by changing them to more durable ones. This product is now offered in special containers that can be used repeatedly.



Wash Bon Herbal Medicated Hand Soap Refills (Loop model)



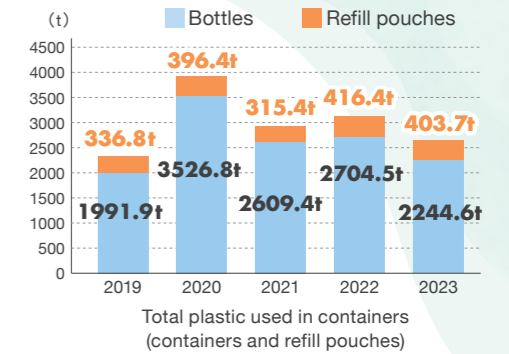
Development of Carton Refill Products

We currently use plastic pouch refill containers. In response to the increasing demand for ethical packaging in recent years, we have changed some products, such as the arau.baby Foam Body Soap 800mL Refill, to carton.



Situation and Future Targets on Container Material Flows

We are monitoring the total amount of plastic used in our bottles and refill pouches as well as the amount of plastic collected jointly, including our own refill pouches, through our participation in the Kobe Plastic Next, a plastic refill and recycle project. We have established a system that enables us to monitor material flow in even greater detail, and we are moving forward with the implementation of various measures to achieve our medium-term targets by FY2025 and our long-term ones by FY2030.



Medium-to long-term policy up to 2030

Up to fiscal 2025 Medium-term targets

Up to fiscal 2030 Long-term targets

- By using thinner containers and replacing them with refilled pouches, the company aims to reduce plastic consumption by a **cumulative total of 25% or more (on a weight basis)** compared with the previous production of bottles (2019 basis).
- More than 70% of containers** used on the production lines **(on a weight basis) shall be reusable or recyclable**. Even when it is difficult to recycle, heat recoverability is secured.

- Double the use of recycled materials** compared to 2019.
- Develop and commercialize new materials through **industry-university collaboration**.
- Establish a framework for the collection of waste plastics**, including in-house products, through collaboration within the company group.
- Participate in platforms** that transcend industry boundaries and work to recycle plastic resources in **collaboration with diverse stakeholders**.
- Consider evaluating methods in which **CO₂ emissions from the entire lifecycle is evaluated as indices** as part of a variety of measures for resource recycling.

*The base year is 2019, when the Osaka Blue Ocean Vision was presented.

*Based on the results as of fiscal year 2025, the medium-and long-term policies for 2030 and beyond will be reviewed, and new quantitative targets will be set.

03 Renewable Energy 100 RE Action Declaration

Aiming for 100% Sustainable Energy Use

SARAYA is a member of the consultative committee for the Renewable Energy 100 RE Action Declaration and has announced that we will achieve 100% renewable energy by 2050.



Renewable energy, the key to overcoming dependence on fossil fuels and achieving a decarbonized society

Initiatives to Achieve a Carbon-free Society

The Renewable Energy 100 RE Action Declaration is an initiative in which companies (with an annual electricity consumption of less than 50 GWh), local governments, educational institutions, medical institutions, and others to declare their electricity consumption to be 100% renewable energy by 2050 at the latest by working together. As the representative director of the Green Purchasing Network (GPN) and affiliated with Saraya Co., Ltd., Tokyo, SARAYA has been participating in the consultative committee for the Renewable Energy 100 RE Action Declaration since its establishment in 2019.

04 Initiatives in Egypt and Tunisia

► Sustainable Business Development Using Plant-derived Materials

We aim for a sustainable society together with our customers by creating a system in which the purchase and use of products equally contribute to environmental conservation activities.



Solving Social Issues through Jojoba Oil

The Potential of Jojoba Oil

Within the Ain Sokhna Special Economic Zone, along the Suez Canal in Egypt, Saraya Middle East Co., Ltd.'s factory, equipped with facilities capable of pressing jojoba oil, began production in 2023. Through the sale of jojoba oil as a raw material for cosmetics, SARAYA aims to link the planting of jojoba, a plant that can grow even in harsh environments, to the greening of deserts. In collaboration with Simmond Co, Ltd., an Osaka University venture company that has been leading research on jojoba since 2017, we have been improving the productivity of jojoba so we could use this raw material not only for cosmetics but also for a variety of possibilities such as insect repellents for agriculture, machine oil, or other applications that are currently not explored due to its current elevated cost. Specific research on the development of these applications began in 2021 at the Egypt-Japan University of Science and Technology, in Cairo, with the support of SARAYA, with the Ain Sokhna plant beginning to produce raw materials for jojoba oil and enzyme detergents for medical reprocessing for the Egyptian market by November 2023. In February 2024, we also began production of Lakanto, supplying products to Egypt and Dubai through our branches Saraya Egypt Co., Ltd., and Saraya Middle East Trading Co., Ltd.



Saraya Middle East, Egypt



Jojoba production area (top) and jojoba seeds (bottom) Jojoba orchards planted by Simmond Co., Ltd.

Developing Tunisian Industry Through Olive Oil

Expanding sales of Tunisian Products by 2024

Tunisia, one of the Maghreb countries in northwestern Africa, has long been a major producer of olive oil. Grown in a mild and favorable climate, olive oil produced in this region, which faces the Mediterranean Sea and exceeds 300 clear days per year, contains 10 to 20 times more polyphenols than European oil. However, due to its still lacking processing and bottling technology, Tunisian olive oil is exported in bulk and blended with European olive oil before being released into the market. As a result, Tunisian olive oil is generally sold at a low price, accordingly, keeping the income of Tunisian farmers low. SARAYA aims to contribute to the development of a sustainable industry, the correction of regional disparities, the human resource development of the domestic industry, and measures against unemployment through sharing techniques and know-how that optimally manages olive oil from harvesting to pressing, to bottling, to the development of high value-added products. In 2023, Saraya Natural Products Tunisian Co., Ltd., built a plant in the Industrial Park of El Fejja, located 30 km southeast of the capital Tunis, and began operations by the end of said year. In addition to the bottling of Tunisian olive oil, the plant will manufacture perfumes and cosmetics using a variety of essential oils extracted by our affiliate Saraya Beauté et Santé, with plans to accelerate supply to the international market in 2024.



Saraya Natural Products Tunisia Co., Ltd.



Oil tank

Olive grove and fruit

05 Future Products Created with SOFORO

In Saraya, we pursue the unknown possibilities hidden in SOFORO and continue to create products that are friendly to people and the environment.



Saraya's proprietary sophorolipid, SOFORO, produced through fermentation

What is SOFORO?

Biosurfactants (BSs) are amphiphilic substances produced by microorganisms, such as bacteria and yeasts, which have excellent environmental compatibility and high surfactant activity. Furthermore, since BSs are produced by fermentation, in other words, a bioprocess, they have attracted more attention from the Life Cycle Assessment (LCA) perspective than synthetic surfactants, which are produced by chemical synthesis.

Sophorolipid (SL) is a type of BS that have a structure with a carbohydrate (sophorose) in the hydrophilic part and a lipid (fatty acid) in the hydrophobic part (Figure 1). As a result of our research on the fermentation production of SL, we discovered a unique fermentation production technology and established it for the stable production of SL at the industrial level (Figure 2). This is a highly efficient production

method that enables fermentation and production under normal temperature and pressure, allowing complete consumption of the hydrophobic substrate (oil), which is the carbon source, for SL production. In addition, this method also allows separation and purification without the use of organic solvents, hence, the entire SL production process has a low environmental impact. At present, we are using RSPO-certified palm oil, which is environmentally and human rights friendly, as our main raw material, for the fermentation and production of SLs.

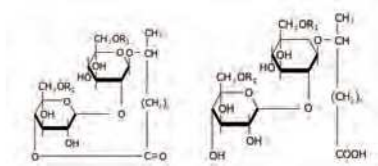


Figure 1. Structures of sophorolipids (A: lactonic type, B: acidic type)

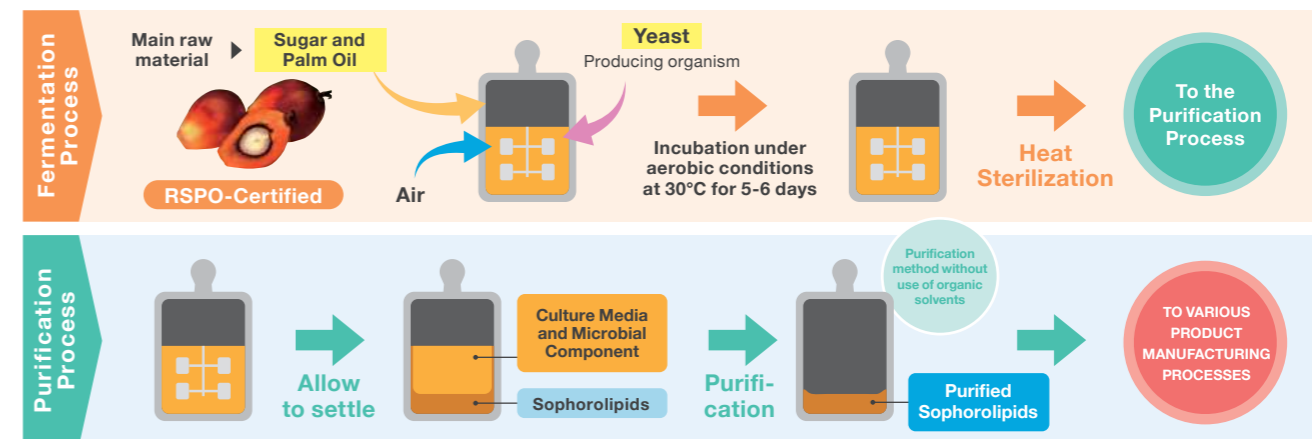


Figure 2. Fermentation and Purification Process of Sophorolipids

* The manufacturing process uses a traditional biotechnology, the fermentation technology, at room temperature, under normal pressure, without the use of organic solvents. The process is carefully considered with the environment in mind from the raw material procurement to the manufacturing process.

Product development utilizing SOFORO's properties

SLs are a mixture of the lactonic type and the acidic type of SLs, which complex structures are expected to have performance not present in synthetic surfactants. In 2001, we launched SOPHORON, the first dishwashing product utilizing SLs in Japan. This was the result of product development and research that took advantage of the low foaming, high detergency, easy biodegradability, and extremely low toxicity to aquatic organisms of SLs. Subsequently, we developed acidic SL, which improved the stability of SL in aqueous solutions, making it possible to use SL in liquid type products, such as our household detergent brand Happy Elephant product line-up and medical device reprocessing brand Power Quick detergents. Furthermore, we succeeded in developing high purity acidic SL with a higher degree of purification, achieving diversification and sophistication of SL raw materials. At the same

time, we also obtained additional evidence of the multifunctional properties of SLs, such as their adsorption and inhibition effect, high biocompatibility, and ability to promote transdermal absorption; hence, expanded to applications such as leave-on cosmetics (Lactoferrin Lab), and regenerative medicine (SOFORO Cryo).

For further expansion of its applications

Saraya found an environmentally friendly and unique SL production method and at the same time, confirmed various interfacial chemical properties of SLs and their compatibility with humans and the environment. Our unique SLs has been trademarked as "SOFORO" and is used not only in our own products but also in a wide range of other applications, such as road washing as part of decontamination work, and in bioremediation. We will continue to promote SOFORO research and formulation development to contribute to a sustainable society.

03 Health

Supporting healthy
and thriving lives
through our products
and services.

**We will contribute to
the health of the world.**

SARAYA, which started as a developer of infection-prevention products, has evolved its philosophy of prevention that had continued since its establishment into the prevention of lifestyle-related diseases, taking its first steps in healthy food with the development of natural sweeteners for the improvement of dietary habits.

We have been steadily promoting research and development of healthy foods by thoroughly using raw materials, functions, and effects that are friendly to humans and the earth.

For the next generation, as a natural company, we will continue exploring new proposals in food and health.



01 Farm to Table

SARAYA's Contribution to the Prevention of Lifestyle-Related Diseases.



The Founder's Thoughts on Monk Fruit

Encountering Monk Fruit (Luo Han Guo)

Monk fruit, the main ingredient of the Lakanto series, is a cucurbitaceous plant that grows wild near Yongfu County, Guilin City, in the Zhuang Autonomous Region of China and is mainly cultivated in Guilin City. SARAYA began researching monk fruit in the 1990s, and in 1998, the company signed a joint business agreement (memorandum of understanding signing ceremony for monk fruit sweetener development project) with Guilin City, China. Although China is now an economic powerhouse, the living conditions of farmers in Guilin at that time were much harsher than imagined. Seeing this situation, SARAYA's founder stated that, "Monk fruit is a sustainable plant grown in Guilin. A Japanese company should not enter and monopolize this. Let's launch a monk fruit project to eliminate the harsh poverty of the farmer's life and revitalize the city of Guilin." (SDGs Development Goals 3 and 8). SARAYA subsequently opened its technology, without registering it internationally, only registering the patent on the substance and manufacturing process of monk fruit extract in Japan. In recent years, the need for natural, zero-calorie sweeteners has expanded worldwide; however, this was just the beginning. Especially in the United States, where "sugar-free" is the keyword for plant-derived foods, interest in safe sweeteners is high.



Signing Ceremony with Guilin City



Shota Saraya, SARAYA's founder (Middle) and Yusuke Saraya, current president (Second from Right) (Picture Taken in 1998)



Monk Fruit Cultivation Site of SARAYA's Farmer Agreement (left) and Monk Fruit Flower and its Pollination (right)

Quality Control for Safe and Reliable Food



Guilin Saraya Biotech Co., Ltd. The building on the right is the production building, while on the left is the administration one



Members of the Food Safety Team at the Osaka Factory

FSSC 22000 Certification

From the process of growing monk fruit, SARAYA contracts with many farmers to grow them under strict pesticide control. The Guilin factory (Guilin Saraya Biotech Co., Ltd), which SARAYA established in 2015, produces high-quality, safe, reliable monk fruit extract and supplies raw materials for Lakanto products. The Guilin plant manufactures Lakanto under thorough traceability from monk fruit cultivation to the end product. In recent years, demand for Lakanto products has increased from the U.S. and other countries around the world, so in 2022, the Guilin plant underwent expansion, doubling its production volume. The Guilin and Osaka plants acquired FSSC22000 certification, an international standard for food safety certification, in September 2020 and June 2021, respectively. By acquiring them, we have strengthened our food safety management system, ensuring safe, secure food products for our consumers both in Japan and overseas.

Japan's First Plant-Based, Zero Calorie Sweetener

The Reason for the Development of Lakanto

SARAYA, a manufacturer of cleaning and disinfecting agents, developed its zero-calorie sweetener based on their philosophy about prevention, which has been in place since the company's founding. At that time, in order to prevent the spread of infectious diseases, SARAYA developed Shabonet, a medicated soap solution that simultaneously sterilizes and disinfects hands. Later, when diabetes and other lifestyle-related diseases started replacing infectious diseases during the Japanese high-growth period, we developed Lakanto, a plant-derived sweetener with zero calories, to meet the dietary needs of the population. Today, zero-calorie sweeteners are commonplace, but Lakanto was actually the first zero-calorie sweetener to be commercialized in the world. The development concept was based on the following points: plant-derived, zero sugar, zero calories, no need to make conversion of the amount used, and that it can be used for cooking, all for the safety and convenience of users.



Lakanto S, Plant-Derived Sweetener with Zero Calories

Healthy Food Solutions to Reduce Sugar Intake

Expanding the Development, Sales, and Community Involvement of Lakanto

According to a study by the U.S. Centers for Disease Control and Prevention (CDC), many people are considered obese or experience difficulties in maintaining a healthy diet and regular exercise, increasing their risk of developing heart disease, stroke, diabetes, cancer, and other life-threatening conditions. Therefore, meal solutions to obtain a healthy body are in demand. In the United States, where people consume more than two to three times the recommended daily intake of sugar, Saraya USA, Inc. supports people's healthy lifestyles with Lakanto sweeteners. With over 80 different products (sweeteners, syrups, snacks, granola, muffin and pancake mixes, chocolate, etc.) developed in just about 9 years since its establishment in September 2015, Lakanto has grown to become a top brand with about 31,000 retail stores carrying its products in the US. In 2023, the SARAYA Group opened its first large-scale food plant and will continue to propose solutions to reduce the sugar intake of Americans through a wide variety of products. In addition, Saraya USA, Inc., has received numerous awards, including "Business of the Month" and "Women in Manufacturing Award", and will further grow as a leading company that contributes to the local economy.

Delivering Peace of Mind, from Raw Material Procurement till your Table

Lakanto has spread to a wide range of people who care about their diet, beauty, and health, as well as those with calorie and sugar intake restrictions. Furthermore, in recent years, as chemically synthesized sweeteners have come to be shunned worldwide, the need for plant-based, zero-calorie sweeteners is expanding. In the U.S. in particular, many alternative sweeteners have been used in place of sugar, but there is growing interest in safe plant-derived sweeteners, and demand for Lakanto, made from monk fruit, which has long been popular in Chinese medicine as a sacred fruit for longevity, has grown significantly.

Against this backdrop, the SARAYA USA Lakanto factory, constructed in Utah, opened in March 2023. The plant has an area of approximately 12,000 square meters and consists of a front office, manufacturing facilities (from mixing to packaging), raw material and finished product warehouses, and a quality assurance room.



Saraya USA Lakanto factory



Employee family photo during the SARAYA USA Lakanto plant opening



Lakanto-sweetened confectionery (brownies, granola, chocolate almonds, etc.)

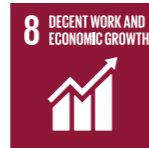


The organic supermarket Erewhon holds a large number of products using Lakanto sweeteners that are very popular.

02 Development of the Food Value Chain in East Africa

► Toward the Creation of a Food Sanitation Market in East Africa

In Africa, where the cold chain is still underdeveloped, SARAYA is establishing a value-added food processing and distributing system using sanitation technology that it has cultivated in Japan.



Food Business Development in Kenya

The Saraya Nairobi Kitchen Lab (the Shared Kitchen)

Opened in March 2021, the Shared Kitchen is a food business incubation facility that has supported many new businesses in Nairobi, Kenya. To date, three new businesses have graduated and have grown to establish their own restaurants. It also acts as

a continuous base for disseminating information on the food business, including food processing machinery exhibitions by the Ministry of Economy, Trade and Industry, food hygiene training, cooking classes, and Lakanto café bars.



Lakanto Café Bar



Saraya Nairobi Kitchen Lab in Kenya

Launch of our Food Processing Business

Taking on the Challenge of Developing Processed Foods Under the SARAYA Brand

In 2022, we obtained a food processing plant license for an expanded space next to the Shared Kitchen, with plans to also develop an incubator there. However, the production of processed foods requires compliance with a variety of regulations. Therefore, to accumulate such know-how, we are first taking on the challenge of developing our own processed foods under the SARAYA brand. The Kenyan government is promoting fisheries, including aquaculture, to create employment, and at the same time, popularize fish-based diets to improve food security and diversify protein sources. In response, Saraya Kenya obtained a fresh fish processing license, registered its products, and launched quick-frozen fillets of Nile perch, tilapia, and catfish in January 2024. One of the reasons why fish is not popular in local markets is because it is associated with bad smell. However, high-quality fillets, frozen using SARAYA's Rapid Freezer, have

been highly evaluated by hotels and chefs, with their sale even in supermarket chains having already started. Through these activities, we will contribute to the creation of a food hygiene market and food industry, that holds a diversified food culture that is *delicious, enjoyable, and healthy*.



Quick-frozen fillets of Nile perch (left), tilapia (center), and catfish (right)

03 Expansion of Health Businesses in the United States

► Strengthening Business with Health-consciousness and Sustainability as Keywords

In the United States, where health consciousness is strong, demand for health foods, including organic and natural foods, is rapidly expanding, with the keyword "health" gaining attention. To meet such growing needs, we will establish local factories and grow into a company that supports healthy lifestyles.



Establishment of ChagaRoot, Handling Everything from Manufacture to Sale of Mushrooms

The Mushroom Business in the U.S. and its Social Impact

Amid the growing concern over global warming, water shortages, and other pressing issues around the world, the market for plant-based foods in the United States is expanding and is expected to reach \$1.5 trillion by 2050. In October 2021, Saraya established Chagaroot, Inc., in Las Vegas, Nevada, to explore mushrooms as a possible solution to these issues. Mushrooms can be cultivated in limited spaces with relatively little electricity and water, are highly nutritious, and offer various functional benefits, such as memory improvement and antiviral effects, depending on the type. ChagaRoot established its own plant that takes

advantage of the benefits of mushroom cultivation, producing a wide variety of them with low environmental impact, while also operating restaurants that sell mushroom-based burgers, smoothies, and other products. Going forward, we will sell retail products such as mushroom protein powders, whose nutritional value is equal to or higher than that of beef, and develop a home delivery service of highly nutritious mushroom-based ready-to-eat meals. From sustainable farming to providing plant-based foods, ChagaRoot aims to be an Earth-friendly company that supports healthy living.



▲ ChagaRoot restaurant

Mushrooms are used as an alternative to meat. By using mushrooms in everyday burgers and smoothies, we are leading the way to a healthier lifestyle.



▲ ChagaRoot's plant

Currently producing 5 varieties of mushrooms while reducing resource consumption such as water and electricity through vertical farming. Not only selling mushrooms but also developing processed products with them.

04 Society

As a member of society, we will strive to build and deepen ties with our stakeholders and people around the company.

We will strive to solve issues through business to realize a sustainable society worldwide.

Amidst concerns about global sustainability, we will contribute to resolving these issues through our business activities.

We will develop our business by building a global network and providing unique products and services domestically and internationally.

Through our activities, SARAYA will regard global environmental and social issues as one of the key issues in our management policy and contribute to the realization of a sustainable society through our environmental value proposition to our customers.



01 Optimizing Human Resources to Harness Diverse Talents and Skills

▶ Creating value through diversity

The SARAYA Group has established a diversity promotion policy to drive initiatives that effectively leverage human resources.



Diversity and Inclusion Initiatives

From the viewpoint of sustainable growth of the company and its human resources, SARAYA promotes organizational management that respects a diverse workforce so that women, the elderly, non-Japanese, and people with disabilities can play an active role in our company. We consider human resources to be our most important management resource and hope to promote our business by actively utilizing it.

SARAYA's Diversity Promotion Policy

- 1 We aim to foster curiosity and excitement among employees by embracing diverse talents and values, enhancing expertise, broadening perspectives across industries, and cultivating teamwork to deliver innovative value to customers and elevate satisfaction levels.
- 2 We promote an understanding of diversity among employees, enhance the work environment, and develop systems that embrace and utilize diverse talents and values, fostering autonomous individuals who can fully realize their potential.
- 3 We strive to be a company where diverse employees and the organization grow, thriving together through business and our Corporate Social Responsibility (CSR), making significant contributions to the sustainable development of the planet, its nations, and their communities.

INTERVIEW

Delivering Natural Products to the world!

I joined the Overseas Business Division in 2016 as a new graduate. In my first year with the company, I oversaw Russia and was involved in the launch of a new base in Ukraine. It was my first experience working for a Japanese company, which made me worried. However, while utilizing the language skills I learned at a Ukrainian university and hard work, I was able to maintain close communication with my department and others who were involved. I am still inexperienced in some respects, but I have been able to grow and overcome challenges thanks to the supportive environment at the business headquarters, and the cooperation of the teams in overseas offices. In 2020, in addition to Russia and Ukraine, I was also put in charge of the United States, being responsible for a wide range of operations, from consumer marketplace to global IT. There was a lot of pressure, but it was also very rewarding. A major turning point for me was the 2020 global food safety audit of the Lakanto Guilin plant in China. As the U.S. base imports Lakanto from said plant, I worked closely with the quality control division and other departments to document that Lakanto met the U.S. food safety requirements. This resulted later in the establishment of our own Lakanto plant in the United States, in which I was involved in 2023 as the project manager of the

large-scale opening ceremony. Since I was mainly involved in sales activities, food safety audits and factory establishments were new fields for me, which became again great challenges that provided me with new experiences. Since 2024, we have been supporting local staff to deploy the baby line arau.baby, one of Japan's most popular brands, in the United States. In the Global Operations Division, we are expected to face diverse challenges and acquire new skills and knowledge through repeated trial and error. Going forward, our goal is to integrate the experience and knowledge gained in Japan with local customs in each country, while enhancing our skills to match the current era, contributing to the further development of SARAYA.

Global Operations Division Galyna Voievidka

She joined SARAYA in April 2016 as a new graduate. In charge of the Russian base in the first year, she was also involved in the establishment of a new base in Ukraine. Currently, as an assistant section manager of the Global Operations Division, she oversees bases in the United States and Ukraine, as well as Lakanto Marketing.



02 SARAYA's Health Management

We aim to further raise awareness of well-being by promoting the health of our valued employees and their families, contributing to the world as leaders in the fields of hygiene, environment, and health.



SARAYA's Health Management Initiatives

Realization of the well-being of every employee

SARAYA's mission is to contribute to the hygiene, environment, and health of the world, fields that we have become a leader in, supported by the confidence entrusted by our customers. Indeed, health is the root of SARAYA, the main theme in the development of our products and services. At the same time, the health of our employees and their families is an important foundation that supports the sound growth of the company. Furthermore, we believe that health is not only about not being sick but also about being able to live a healthy life even if suffering from an illness, and that everyone can aim for a healthier mind and body and ultimately realize one's own rich abilities and individuality as a human being. Through our commitment to health management, we believe that each and every employee can reach a state of well-being, and become a driving force behind SARAYA's growth, contributing to the health of the who we are involved with.

SARAYA Group Health Management Declaration

SARAYA's corporate philosophy is to contribute to the hygiene, environment, and health of the world. We hereby declare our commitment to health management by contributing to the health of our employees by utilizing our various know-how and working to further improve global health throughout our future developments as a company.



Health Management Organizational Structure

**President and Representative Director of Saraya Co., Ltd.
Chairman of the Board, Tokyo Saraya Co., Ltd.**

Positioning the promotion of the health of employees and their dependents as part of corporate management, we will systematically operate employee and other health management as management responsibilities.

**General Manager, General Administration & Human Resources Division, Saraya Co., Ltd.
General Manager, General Affairs Department, Administration Division, Tokyo Saraya Co., Ltd.**

Planning of organizational management measures for employees' health management and setting of numerical targets.

Chief Health Executive Officer

Board of Directors

Head of Health Management

Health management staff

**Person in charge in the General Affairs and Human Resources Division of Saraya Co., Ltd.
Person in charge of the Administrative Division of Tokyo Saraya Co., Ltd.**

Promote the operation of measures for employee health management

Provide medical expertise to health management personnel, etc., to effectively manage the health of workers in the workplace.

Industrial physician

External support

Provide services in line with the information entrusted by stress check business operators and make proposals to accordingly improve numerical values.

Health Insurance Association

Follow up on planning and operation of measures with health management staff to improve employee health figures.

Representatives of each business group

All Employees

Health Committee

Established in workplaces with 50 or more employees in buildings.

03 Social Contribution

Domestic and international initiatives

Amid concerns about global sustainability, SARAYA is actively advancing projects aimed at improving the hygiene, the environment, and the health of the world —the 3 pillars of our organization. These goals are only achievable through collaboration among nations, companies, communities, and experts. To address social issues and support the Sustainable Development Goals (SDGs), SARAYA partners with NGOs, NPOs, government bodies, and local governments.



Wash a Million Hands! Project

Since 2010, SARAYA has been running the Wash a Million Hands! Project, created in cooperation with the Japan Committee for UNICEF in Uganda, a country where access to proper handwashing is still limited. This initiative provides handwashing facilities alongside education and awareness programs to encourage handwashing practices. Additionally, SARAYA donates 1% of product sales (based on the manufacturer shipments) to the Japan Committee for UNICEF, supporting their handwashing promotion programs in Uganda.



SARAYA Wash A Million Hands! project



Handwashing ambassador teaching proper hygiene



Safe Motherhood Project

According to the World Health Organization (WHO), cervical cancer deaths are projected to increase from 311,000 to 400,00 between 2018 and 2030 worldwide. Cervical cancer is also the leading cause of death among women in Uganda, Africa. SARAYA has been supporting the White Ribbon Campaign to protect expectant mothers in East Africa through the Japan Organization for International Cooperation in Family Planning (JOICFP) since 2012, and since 2018, the SARAYA Safe Motherhood Project has been protecting pregnant and nursing mothers in Uganda from infection and encouraging cervical cancer testing, as well as launching a vocational training service to help them become self-reliant. With a portion of the proceeds from sales of the skincare brand Lactoferrin Lab., we are working to protect women's lives worldwide, helping them live safe and fruitful lives.



SARAYA Safe Motherhood
妊産婦と女性を感染から守る



Participation in External Organizations

English Name	Purpose and Activities	Logo
Green Purchasing Network(GPN)	In 1996, we joined the Green Purchasing Network, which was established as a loose network of companies, governments, and private organizations, that take the initiative in green purchasing.	
ECO DESIGN NETWORK	In 2001, we joined the Eco-Design Network, a nonprofit organization established to address global environmental issues from the standpoints of manufacturing, community-building, and regional environmental development.	
NPO ZERI JAPAN	In 2001, ZERI JAPAN was established and our president, Yusuke Saraya, was appointed chairman of the board of directors. This initiative, based on the Zero Emissions Initiative which, through recycling and reusing resources and energy, aims to bring waste to near zero, has the goal of raising awareness and providing environmental education in Japan, building industrial clusters (alliances), and realizing a recycling-oriented society.	
Save the Children Japan	Save the Children is an international NGO with a 100-year history in children's rights, specializing in supporting children. In Japan, Save the Children Japan was established in 1986, and we have been supporting them since 2004. A portion of the sales of the arau. and arau.baby series is donated to their activities.	
Japan IDDM network	In 2006, we joined the Japan IDDM Network, a non-profit organization that aims to create a society in which patients who need insulin replenishment and their families can live with hope. We support these activities through Lakanto.	
Borneo Conservation Trust Japan	In 2008, we joined the Borneo Conservation Trust Japan, a certified non-profit organization that conducts activities to conserve biodiversity and tropical rainforests on Borneo Island, Malaysia. We donate 1%* of the sales of palm oil-related brands, such as Yashinomi, Happy Elephant, and Cocopalms, for environmental conservation in Borneo through the Borneo Conservation Trust (BCT). (*) Manufacturer's shipment amount	
Japan Business Initiative for Biodiversity	In 2008, we became a full member of the Japan Business Initiative for Biodiversity (JBIB), a group of companies actively working to conserve biodiversity.	
Japan Committee for UNICEF	The SARAYA Wash a Million Hands Project was launched in 2010 as a joint project with UNICEF Japan, with 1%* of the sales of hygiene-related brands donated to support UNICEF's handwashing promotion activities in Uganda and Eastern Africa. (*) Manufacturer's shipment amount	
Japanese Organization for International Cooperation in Family Planning (JOICFP)	Since 2012, a portion of the sales of Lactoferrin Lab. have been used in the White Ribbon Campaign promoted by JOICFP, a Japan-born international NGO that is active in protecting the lives, health, and well-being of women.	
WHO Association of Japan	In 2012, we joined "Friends of WHO Japan", a public interest incorporated association that promotes the activities and useful information of the World Health Organization (WHO), the United Nations agency specialized in the field of health and medical care, among the population.	
Japan Sustainable Palm Oil Network	In 2019, we joined the Japan Sustainable Palm Oil Network (JaSPON), which was established to accelerate the procurement and consumption of sustainable palm oil in the Japanese marketplace, to resolve problems in palm oil production, including environmental aspects.	
World Wide Fund for Nature Japan	In 2020, we joined WWF Japan, an environmental conservation organization active in more than 100 countries that works to restore the richness of biodiversity that is being lost and prevent global warming.	
Climate Emergency Network	As a founder representative, SARAYA is a member of the Climate Emergency Network, which was established as a platform for free exchange among municipalities that have declared or are seeking to declare a climate emergency, municipalities aiming for net zero emissions by 2050, youth, citizens, experts, NGOs, companies, and governments.	
Japan Clean Ocean Material Alliance	In 2021, we joined the Japan Clean Ocean Materials Alliance (CLOMA), a platform made to accelerate innovation by strengthening cooperation among a wide range of stakeholders across industries in the public and private sectors, to solve the problem of marine plastic waste.	
Global Environmental Action	In 2022, we joined the Global Environmental Action (GEA), an NGO established to contribute to the resolution of global environmental issues and sustainable development.	
BLUE OCEAN INITIATIVE	The Blue Ocean Initiative is a collaborative platform uniting companies committed to addressing social issues related to the ocean, seeking sustainable and effective solutions to protect and enhance its health through diverse exchanges and co-creation with stakeholders. Since its founding in 2022, we have served as a secretariat company, supporting and coordinating the initiative's mission.	

Sanitation

Environment

Health

Society

Basic Approach to Customer Communications

Customer Communications

Our toll-free telephone line, website, and social media departments are focused on building relationships of trust with customers by quickly providing appropriate and easy-to-understand information and support. In addition, to respond to customers' requests and needs, we collect and sincerely analyze customer feedback from the customer's perspective to continuously improve our products and services. Furthermore, on our website, we provide useful information for daily life such as "Home Infection and Prevention" or "Hygiene Handwashing", while at the "School for Learning about Live" we value interactive communication with our customers by providing video materials that can be used in classes, and providing the chance to organize on-site lessons.

Initiatives Policy

1. Commitment by top management

- SARAYA is committed to raising awareness among all employees about our core business goal: contributing to the hygiene, the environment, and health of the world. Through our operations, we strive to protect the environment, sustainably use resources, promote sustainable development, and achieve a truly affluent society. To ensure effective execution, we define organizational goals and roles clearly, delegating responsibilities and authority appropriately.

2. Corporate governance

- We value the opinions of our customers by gathering and analyzing input, identifying issues, and implementing prompt solutions. We work closely with stakeholders to refine our systems to meet both expectations and regulatory requirements. We also comply with national and local laws, including those concerning quality and the environment, as well as international conventions.
- To strengthen communication, we have established a customer service center to receive and address feedback from customers and external stakeholders. Critical issues are reported and discussed at board meetings, ensuring customer insights shape our management decisions.

3. Top management leadership and internal engagement

- The weekly "President's Message" column, with messages from top management to all employees, fosters a corporate culture focused on sustainability and customers, influencing our conduct and decision-making. This commitment is reinforced through our use of internal posters and slogan panels to raise awareness of our goals among employees.

4. Providing consumers with transparent, two-way information

- SARAYA continuously strengthens its governance system, from product development to manufacturing and service provision, to ensure the safety and quality of our products. Customer feedback is delivered at every stage—planning, design, production, and sales—allowing us to create superior, reliable products. Additionally, a dedicated system is in place to handle customer inquiries about quality, ensuring timely and appropriate responses.

5. Product development guided by customer and social needs

- We are committed to developing and improving products that contribute to a sustainable society by addressing hygiene, environmental, and health concerns. SARAYA strives to meet customers' and stakeholders' expectations by creating ethical products and acting as a philanthropic company dedicated to the betterment of society.

Governance

Participation in the United Nations Global Compact

The United Nations Global Compact (UNGC) is a framework for companies and organizations to act as good members of society and achieve sustainable growth worldwide by exercising responsible and creative leadership. There are 24,625 member organizations (as of the end of April 2024) in 167 countries and regions around the world. SARAYA signed and became a member in June 2009, endorsing the 10 principles related to the protection of human rights, the elimination of unfair labor practices, environmental responsibility, and anti-corruption, working in close cooperation with our stakeholders to realize these principles.

Governance of SARAYA

SARAYA has established an internal compliance system based on the 10 principles of the Global Compact as a guideline to promote legal compliance and ethical activities. The Board of Directors meets once a month and reports to management on current situations. Customer complaints are handled promptly and appropriately following internal regulations. We also reflect the valuable opinions of our customers in our product development and other aspects of our corporate management. In addition, we also strive to strengthen our compliance system by providing education and training to our employees at least once a year on information security, legal compliance, and other issues.

Product Safety and Quality Assurance

Quality Assurance Headquarters Basic Policy

"Quality Created by People and Fostered by SARAYA's Corporate Culture"

This refers to the improvement of not only the quality of products, but also of all types of services, solutions, human resources, and management.

Quality Assurance Initiatives

We discuss and examine safety management and preventive measures for quality assurance issues in each major process across the entire company. Furthermore, by identifying quality risks, improvements are made to prevent problems from occurring. Under an ISO-based assurance system, we work to improve customer satisfaction, acquire the ability to resolve quality issues (complaints, quality problems, failure to meet quality targets, etc.), and collaborate with related departments in our quality assurance promotion system.

ISO Certification

In 1999, our Osaka Factory was the first to acquire ISO9002 certification. Subsequently, we expanded the number of departments covered, obtaining for the entire company ISO14001 in 2001 and ISO9001 in 2002. We have also been providing hygiene support with food hygiene instructors since the 1970s, and in 2008 we became the first service provider in Japan to obtain ISO22000 certification. Currently, we have acquired the certifications shown on the right, including ISO13485, essential for medical equipment, and MDD, related to the exports of Acecide products.

Valuable Customer Feedback

We collect and analyze customer feedback to identify problems and promptly resolve them. We also respond appropriately to the requirements of stakeholders, aiming to improve customer satisfaction by providing safe and secure products.

Certifications

- ISO9001 since December 2002
- ISO13485 since December 2006
- ISO22000 since December 2008
- MDD since May 2020
- FSSC22000 since June 2021
- ISO14001 Self-certification since November 2021

SARAYA Company Information

Company Information

Company Name	Saraya Co., Ltd.	Tokyo Saraya Co., Ltd.
Year of Establishment	1952	1969
Headquarters	2-2-8 Yuzato, Higashisumiyoshi-ku, Osaka Japan 546-0013	1-25-8 Higashishinagawa, Shinagawa-ku, Tokyo Japan 140-0002
Telephone	+81-6-6797-3111	+81-3-5461-8101
Capital	45 million yen	60 million yen

Access SARAYA's website



Website <https://saraya.world>

Read our company profile

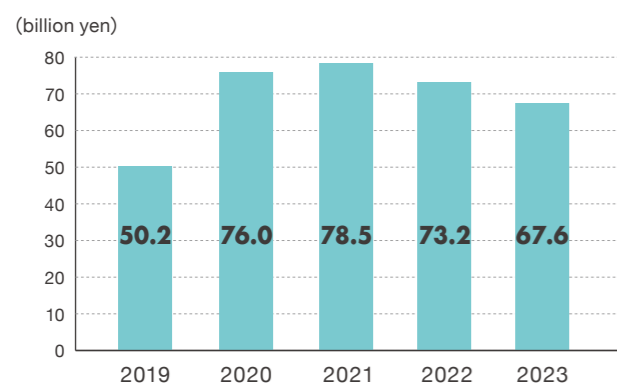


Company Profile <https://saraya.world/who-we-are>

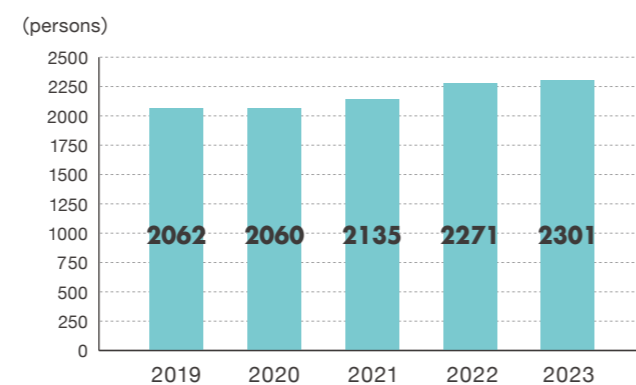
Annual Sales and Number of Employees (as of October 31, 2023)

[Saraya Co., Ltd.] •58.3 billion yen •1875 employees

[Two consolidated companies] •67.6 billion yen •2301 employees



Consolidated Net Sales for the Past Five Years



Consolidated Number of Employees in the Past Five Years

