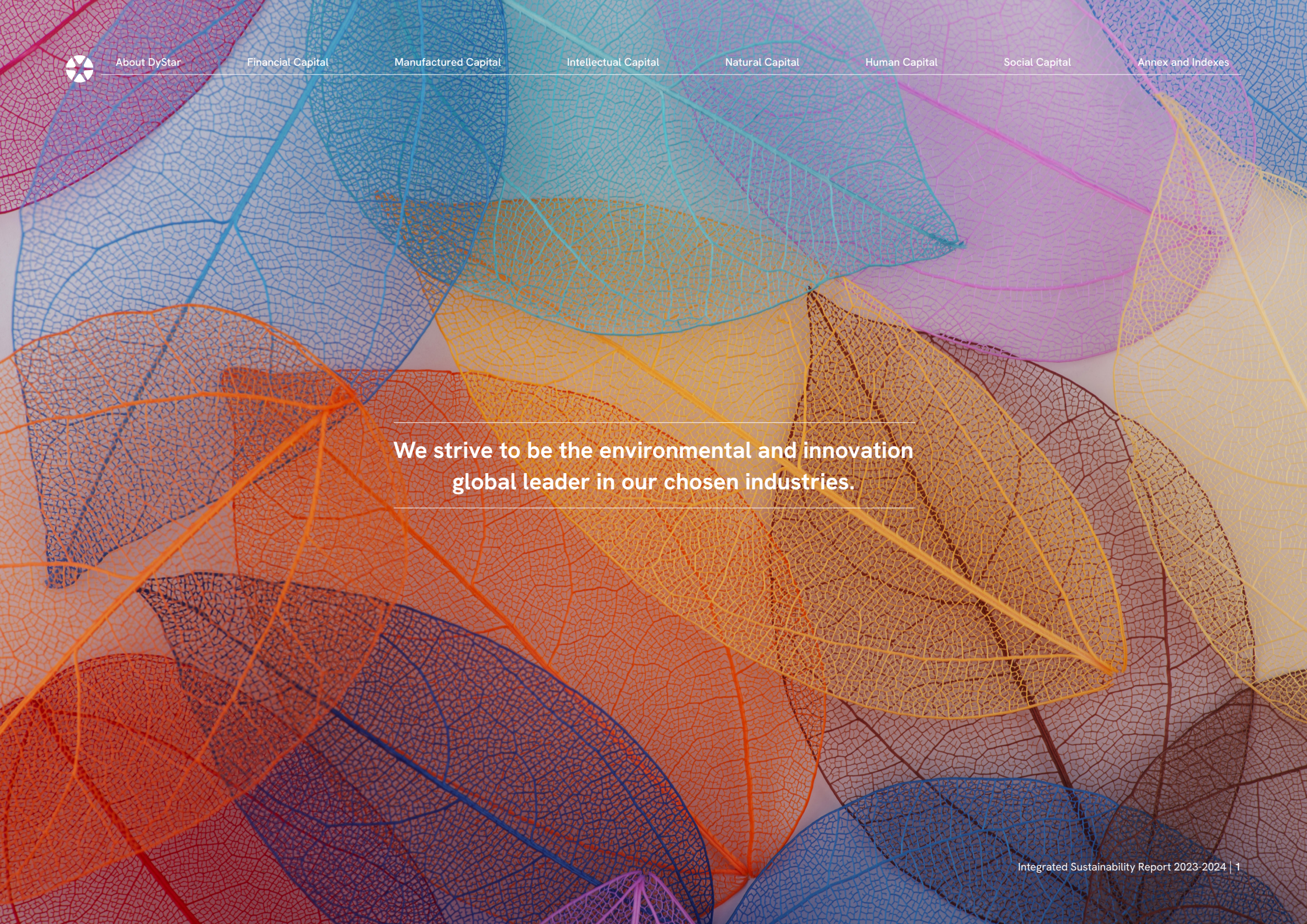
INTEGRATED SUSTAINABILITY REPORT

2023-2024



We strive to be the environmental and innovation global leader in our chosen industries.

Table of Contents

Key Highlights of The Year

RESILIENT ECONOMIC PERFORMANCE

USD 735.29 million
in revenue

USD 83.82 million
economic value retained

USD 94.56 million
paid in global employee wages and benefits

SUSTAINABLE PRODUCTION AND SUPPLY CHAIN

100%
of new suppliers underwent ESG screening according to DyStar's supply chain policy

100%
suppliers assessed for environmental impacts

54
textile dyes awarded the Cradle to Cradle Product Innovation Institute® Platinum Level Material Health Certificate™

SUPPORTING AND DEVELOPING OUR PEOPLE

30%
management roles held by women

13,218.36
staff training hours

0
discrimination reported

0
workplace fatalities and work-related ill health

100%
employees at manufacturing sites attended safety trainings

80%
operations assessed for risks relating to corruption

0
corruption

Key Highlights of The Year

INNOVATIVE PORTFOLIO

Member of 21
industry organizations and business associations

500
regulated or restricted substances monitored through econfidence®

15%
of the Coloration portfolio realized with dyes launched between 2020 to 2023

1,769
DyStar products listed on bluesign® FINDER

23
"Positive Lists" on eliot®

450
substances registered according to EU REACH®

1,750
substances pre-registered according to KKDIK

2,091
DyStar products listed on ZDHC Gateway, conformant with ZDHC MRSL v3.1

ENVIRONMENTAL RESOURCE MANAGEMENT

↓41%
emissions intensity 2023 vs. 2011

↑4%
energy intensity 2023 vs. 2011

↓43%
water intensity 2023 vs. 2011

↓56%
wastewater intensity 2023 vs. 2011

↑15%
waste production intensity 2023 vs. 2011

54.9 thousand m³
water reused

Our Business & Purpose

Our Business and Services

The DyStar Group (referred to as "DyStar" or the "Group") is a leading dyestuff and chemical manufacturer and solution provider, anchored by its core purpose to create sustainable value for stakeholders across the value chain – from communities, employees, retailers, and industry partners. DyStar offers customers across the globe a broad portfolio of colorants, specialty chemicals, and services. With a heritage of more than a century in product development and innovation in the textile industry, the Group has also expanded its portfolio to the food & beverages and personal care sectors, further strengthening its position as a specialty chemical manufacturer.

DyStar is involved in the following key industries:

Textile & Leather

Personal Care, Pharma, & Household

Food & Beverage

Paints, Coatings, Industrial & Construction

Printing, Paper, & Packaging

Water Treatment & Agriculture

Our Business & Purpose

Our Purpose to Create Sustainable Value

DyStar Group is driven by its core values – "Responsibility", "Innovation" and "Excellence" in its effort to create economic, societal, and environmental value for stakeholders along our value chain.

OUR VALUES

Responsibility

We are committed to conducting our business activities with the highest levels of integrity and ethical standards. We also ensure a safe and healthy environment for our employees and provide them with equal opportunities.

Innovation

We are committed to continuous innovation not only in products and services, but also in manufacturing techniques and business processes in order to deliver environmentally compatible products and minimize the impact on the environment of our operations, and those of our customers in the industry sectors we supply.

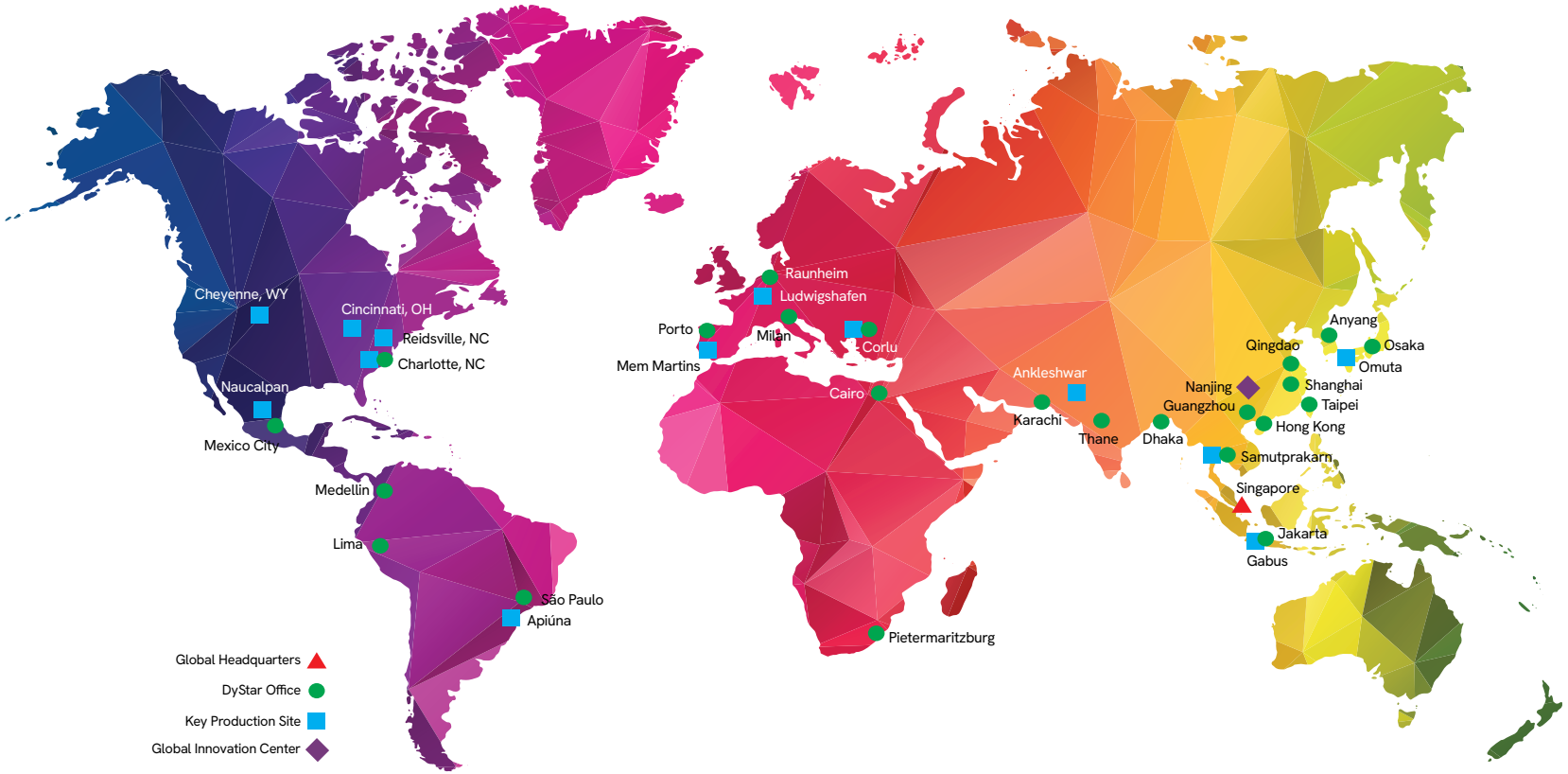
Excellence

The quality of our products and services is a key factor in our company's success and underpins the fulfilment of our corporate goals. We continue to create an open and creative work environment to attract talented and service-oriented employees.

About This Report

DyStar reaffirms its commitment towards global sustainability efforts[1] with the publication of its 14th annual Sustainability Performance Report.

This report communicates how DyStar is creating value for stakeholders by integrating sustainability into its policies, operations, and value chain. The Group also discloses its economic, environmental, social, and governance ("EESG") performance that are material to its customers and stakeholders.



[1] *The Group takes reference from the United Nation's Sustainable Development Goals (UN SDGs) and relies on the science-based assessments of the Intergovernmental Panel on Climate Change (IPCC) to inform its sustainability commitments and efforts.*

About This Report

Reporting Scope

This report covers DyStar's global portfolio, including all production sites, warehouses, offices, and laboratories that are either owned or operated by DyStar in over 50 countries for the financial year (FY) from 1 January 2023 to 31 December 2023. In this reporting period, DyStar's production site in South Africa – DyStar Pietermaritzburg was moved to toll manufacturing from June 2023 onwards and DyStar Ludwigshafen in Germany underwent restructuring of its production in 2023[2].

Where relevant and available, this report provides comparative historical data. At DyStar, Sustainability Reporting (inclusive of financial performance) is performed on an annual basis, with its last report, 2022 – 2023 Integrated Sustainability Report, published in August 2023. There are no restatements of information in DyStar Group's FY2023 Sustainability Report.

Reporting Framework

This report has been prepared in accordance with the Global Reporting Initiative ("GRI") Standards 2021, which provides a comparable and credible way to disclose the Group's ESG performance. The reporting principles of comparability, accuracy, timeliness, clarity, and reliability, as set out by the GRI Standards, were also adhered to in the development of this report. The GRI Content Index, along with the applicable disclosures, is detailed on pages 87 to 92 of this Report.

This report also takes reference from the International Integrated Reporting Council's ("IIRC") Integrated Reporting Framework. The Group believes the IIRC framework provides stakeholders with a holistic view of how the interrelation between ESG and financial performance can unlock value for stakeholders.

Lastly, this report is in line with the United Nations' Sustainable Development Goals ("UN SDGs") and highlights DyStar's efforts to contribute to the UN SDGs that are most relevant to its business. The report demonstrates DyStar's commitment to addressing global sustainability challenges and striving towards a more sustainable future.

Data and External Assurance

DyStar has engaged an external consultant to ensure consistent collection of sustainability performance data across its worldwide operations. A third-party data management system is utilized to gather and evaluate this data. Collaborating with a global consulting partner, DyStar utilizes this external system to collect, analyse, and evaluate sustainability performance data from all its business units in a standardised approach. Although the data in this report has not undergone external verification, DyStar is exploring the possibility of having crucial portions externally verified in future sustainability reports.

Feedback

DyStar welcomes feedback from all stakeholders as it strives to continuously enhance all aspects of its Sustainability journey. Please address any feedback or questions at www.DyStar.com/contact-DyStar/.

[2] This report only includes data from the operational months of each DyStar production site. Data from DyStar Pietermaritzburg production site is included in this report until May 2023 as the site was moved to toll manufacturing from June 2023 onwards.

Message from the Management

Managing Director and President

The year 2023 was characterized by dynamic change. The global economy faced persistent uncertainties and complex challenges, leading many organizations to strive to formulate strategies to capitalize on resilient growth momentum.

At DyStar, we actively embraced change. We restructured our leadership to prioritize sales and marketing, strategically navigating through a new sustainability landscape to harness potential growth opportunities.

We were also determined to ensure that DyStar continues to improve cost efficiency and drive sustainable productivity in the wake of higher energy costs and inflation. The restructuring of our Germany facility and sale of our Africa site illustrates our shift in focus towards developing key emerging markets while continuing to deliver the highest quality of innovative products that support the global supply chain.

Despite all these changes, DyStar remains committed to operate sustainably, balancing economic growth with environmental stewardship and social progress. Our board of management is dedicated to integrating sustainability principles across all aspects of our business operations. This includes minimizing our environmental footprint by implementing efficient resource management practices, reducing energy consumption, and minimizing waste generation throughout our operations and supply chain. We are proud to report that DyStar remains on track towards meeting our 2025 targets.

We will continue to enhance our environmental performance and seek innovative solutions to address environmental challenges. By embracing sustainability as a core value, we aim to create long-term value for our stakeholders and contribute to a more sustainable and prosperous future for all.

Xu Yalin
Managing Director and President

Message from the Management

Chief Commercial Officer

I am very pleased to present you the updated performance of DyStar's sustainability journey for FY2023/24 in my new role as the Chief Commercial Officer, focusing on Global Sales and Marketing.

The year 2023 continued to be a year of change and realignment as we navigated a tumultuous operating environment. The changes initiated by DyStar management aimed to ensure we could effectively tap on forthcoming opportunities, and accelerate growth even in times of uncertainty.

Observations

The market remains volatile with numerous factors impacting operating conditions. Higher energy costs, geographical disruptive logistics schedules, and high interest rates and inflation have continued to erode market confidence and demand. Climate impact topics have also added to the challenges. Consequently, the growth path for our textile dyes business remains conservative.

Financially, our revenue decreased by 18.2% compared to FY2022. DyStar delivered USD 735.29M for the year and closed with a smaller economic value retained of USD 83.82M. Multiple factors, from economic conditions, and market demand to strategic reorganization have contributed to this decrease generally.

Our Sustainability Progress

Despite these challenges, DyStar's sustainability efforts are making significant progress. Compared to baseline year of 2011, DyStar's GHG Emission intensity was lowered by 41% or 0.59 tCO_2e, exceeding the 2025 target. We consumed less water for FY 2023 due to lower production, and achieved a decreased water consumption intensity of 32.9% from the previous year and a 43% reduction compared with 2011. Our water efficiency programs, and improved operational procedures are taking effect at our manufacturing sites in Gabus, Indonesia, and Ankleshwar, India.

Chief Commercial Officer Statement

To safeguard local communities and water resources, our wastewater management is also progressing well. In FY2023, we discharged 37% less wastewater, improving our intensity value to 8.01m^3 per ton. This improvement is partially due to some of our sites operating under a "Zero Liquid Discharge Scheme" mandated by local authorities. DyStar sets its minimum wastewater discharge standards by considering the site's existing discharge permits and discharge limits defined by bluesign® for chemical suppliers.

Our Innovations

As part of our global strategy, DyStar participated in ITMA Milan in 2023, which took nearly two years of preparation. We showcased new innovations, including a new range of bio-based DyStar products, dyes and auxiliaries containing renewable feedstock, and the Eco-Advanced Indigo Dyeing process, which aims to reduce water usage by up to 90% and energy consumption by up to 30% during the production.

The international event garnered strong interest, leading several conversations with our direct customers, manufacturers, distributors, brands, and retailers. This exemplifies how DyStar consistently invests in innovations, adopting cutting-edge technologies and operational enhancements to reduce environmental impact.

Step Change for the Future

The global supply chain and textile industry are affected by regulatory changes, such as the adoption of **International Sustainability Standards Board (ISSB)** standards and the repurposing of **TCFD** with inclusion of **IFRS S1** and **IFRS S2**. As we embrace these changes, we are exploring how to leverage on automation to meet these upcoming requirements without compromising data integrity and compliance. With customers, suppliers, and other stakeholders increasingly demanding ESG data, DyStar will continue to collaborate with interested parties to ensure we remain your preferred partner of choice for sustainability products and competitive solutions.

Thank you for your continued trust in DyStar.

Eric Hopmann
Chief Commercial Officer

Governance Structure

Since DyStar's establishment in 1995, the Group has been dedicated to maintaining the highest standards of corporate governance, performance, and ethical practices throughout all operations. The Board and Senior Management leaders are accountable for upholding DyStar's objective of generating sustainable value for stakeholders along the entire value chain, as well as safeguarding the long-term business viability of the company.

Board of Directors

DyStar is constantly reviewing its governance structure to ensure that it meets the business and relevant stakeholders' needs. At DyStar, there is a clear delineation of responsibilities between the Chairman and the Group's Managing Director and President, to ensure a balance of authority and enable independent decisions. In line with this, DyStar's Board of Directors is helmed by a non-executive Chairman.

The members of the Board contribute core competencies to the Group's decisions with their combined experience and expertise in various industry fields. The Board members are accountable for providing oversight over the company and setting the direction for DyStar's long-term business objectives, organizational strategy, risk management and global dealings. Together, the Board members review and approve business plans, and ensure that sufficient resources are available for DyStar to realize its objectives. As industry leaders, it is also the Board's priority to ensure environmental, social and governance (**ESG**) as well as economic responsibility are woven into the fabric of DyStar's operations.

DyStar's daily operations are overseen by Xu Yalin, who is appointed as Managing Director and President for the Group and is based in Singapore Headquarters. He also serves as the representative of the Board, acting as the primary liaison between the Board and the Senior Management. He coordinates with members of the Senior Management to ensure the Board's decisions and strategies are successfully realized.

BOARD OF DIRECTORS
Ruan Weixiang *Chairman*
Xu Yalin *Managing Director and President*
Yao Jianfang *Director*
Manish Kiri *Director*
Nesal Hasmukh Shah *Director*

Board Committees

The Board is supported by the Audit Committee and the Remuneration Committee, which meet periodically to discuss the latest developments, business performance, opportunities, and assessments of new projects and policies, to guide business planning.

The Audit Committee plays a crucial role in overseeing DyStar's internal control procedures and internal audit function, assessing the objectivity and independence of external auditors, verifies the Group's financial statements and all financial performance announcements.

The Remuneration Committee oversees DyStar's policies and practices on human resources and advises the Board on remuneration practices, appointments, and compensation matters, in alignment with the Group's long-term business objectives.

Governance Structure

Senior Management Team

Led by the Group's Managing Director and President, the Senior Management team is responsible for implementing the strategies and objectives set forth by the Board, and places a strong emphasis on efficacy, transparency, and sustainability while carrying out their duties.

The Senior Management team is also responsible for fostering a culture of ethical business conduct that is consistent with DyStar's mission and purpose. To do so, it has formed a Sustainability Committee, which consists of ten members – each from a key function in the Group.

Group Sustainability Committee

The Sustainability Committee, which is accountable to the Chief Commercial Officer (CCO), is responsible for implementing the Board's Sustainability strategy in line with the Group's purpose. The committee convenes each quarter to assess DyStar's Sustainability performance and progress as well as industry developments which may affect the Group's risks and opportunities.

The committee conducts stakeholder engagement to raise awareness and promote sustainability practices in the industry, strengthen sustainable product development within DyStar, and monitor the Group's ESG performance. The committee also periodically reviews and recommends key ESG risks and opportunities to the Board.

An internal sustainability-themed newsletter is circulated to major stakeholders within DyStar to keep them abreast of the latest industry developments, as well as relevant global news surrounding legislation, innovation, and climate change.

A sustainability-related enquiry page is also available on DyStar's website for stakeholders to submit queries or feedback.

DYSTAR SUSTAINABILITY COMMITTEE

Eric Hopmann
Chief Commercial Officer

Fanny Vermandel
Vice President, Global Marketing Coloration

Hartmut Behnke
Director, Global Marketing Auxiliaries

Thorsten Huels
Director, Global Marketing Denim

Markus Dorer
Director, Global Marketing Printing

Ng Siew Boon
Vice President, Global Finance

Vera Huang
Vice President, Global Procurement

Clement Yang
Vice President, Global Manufacturing

David Tan
Senior Director, Global Supply Chain Management

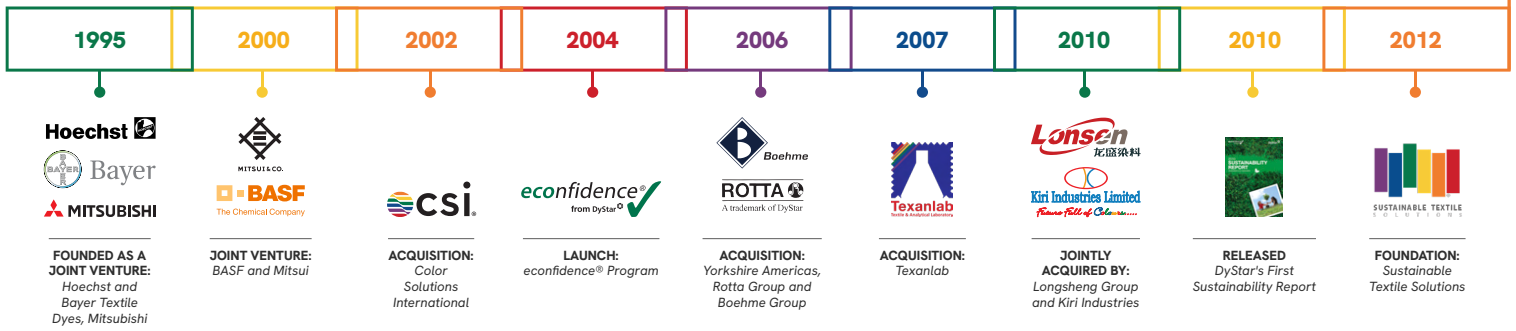
Adrian Ho
Senior Manager, Global Communications

Our Approach to Sustainability

Our Sustainability Journey

DyStar draws on the pioneering research of its parent companies in the synthetic dyes chemistry sector, such as Hoechst AG, Bayer AG Textile Dyes, Mitsubishi, BASF AG Textiles Dyes, and Mitsui, which spans over a century. DyStar has since been developing innovative products and services that meet the most stringent quality, safety, and environmental standards. In this manner, the company can leverage its capabilities and role in the value chain to enhance social and environmental performance throughout the industry.

Building upon its rich history, DyStar's business continues to expand steadily, branching out into new markets and sectors such as plastics and paper.



Our Approach to Sustainability

Creating Sustainable Value

DyStar's two-fold sustainability strategy underpins its core values, by addressing how the Group can reduce our own environmental impact and concurrently support our stakeholders to reduce theirs.

The Group's vision is to be the environmental and innovation global leader in its chosen industries. This is guided by its core values – Responsibility, Innovation, and Excellence. The Group has identified four focus areas to translate these values into practical measures that strengthen its ESG endeavours.

To create meaningful impact, sustainability must be implemented throughout all aspects of a company's operations and value chain. At DyStar, sustainability is prioritized by incorporating sustainable practices into daily operations and throughout the entire value chain. The Group believes that reducing energy consumption, water use, waste and other environmental resources will improve cost-effectiveness and competitiveness of its products. The Group also actively markets and supplies a diverse range of responsible products, tools, and services to meet the evolving needs of customers, brands, and retailers[3].

[3] *For more information, please see the Sustainable Production and Supply Chain and Innovative Portfolio chapters.*

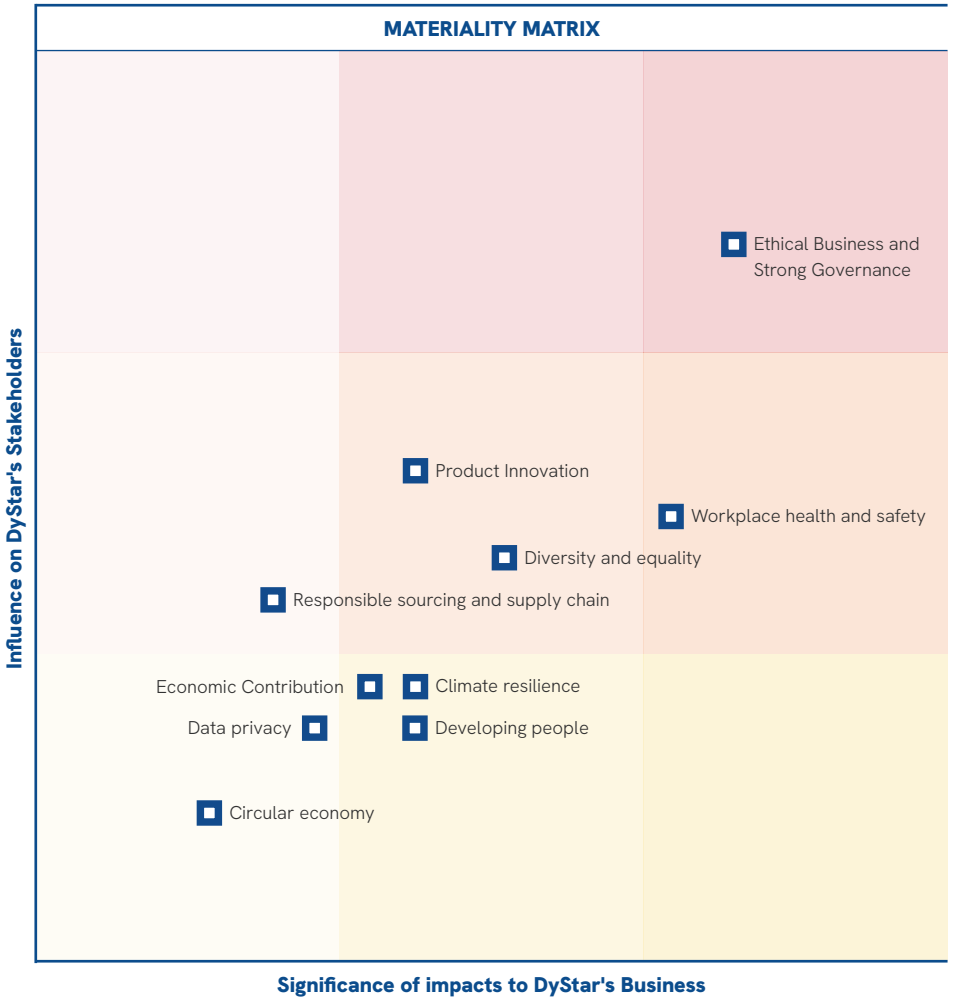
DYSTAR'S SUSTAINABILITY STRATEGY	
 Creating safer and better products	**DyStar continuously innovates its products to ensure it is better, safer, and environmentally preferable to create value for its stakeholders and the community.**
 Conserving the environment	**DyStar adopts a two-fold Sustainability approach – reducing its own environmental impact and helping customers reduce theirs. To that end, DyStar has set a 2025 target to reduce its environmental impact across the main focus areas of energy, greenhouse gas emissions, water, and waste. Additionally, DyStar also established its organizational sustainability structure to optimize its operational impacts.**
 Caring for our people	**Recognizing that employees are its most valuable asset, DyStar takes tangible steps to create a diverse workplace and invests in continuous learning for all employees to build a resilient organization.**
 Communicating our value creation	**DyStar communicates a summary of its Sustainability strategy and progress in managing ESG issues through its annual Integrated Sustainability Report. DyStar also advances sustainable development by aligning with the UN SDGs.**

Our Approach to Sustainability

Our Material Matters

The materiality review aims to identify significant economic, environmental, social and governance (EESG) factors that could significantly impact DyStar's overall enterprise value. This process involves evaluating how EESG factors shape stakeholders' views of DyStar's relationships and engagements. By conducting this analysis, DyStar can prioritize key resources in its business and financial strategies, ensuring alignment with its core purpose and overarching sustainability strategy.

DyStar conducts an annual materiality review. In FY2023, the Group reviewed its materiality topics identified in FY2022. The Group centred its review around ensuring that material topics were those which significantly impacted the chemical manufacturing industry, in line with emerging global climate and ESG trends. DyStar's Senior Management validated that these topics are still aligned with the Group's purpose and sustainability strategy.



Our Approach to Sustainability

ESG Peer Benchmarking

The chemical industries have a sizeable impact on the environment due to their energy-intensive nature of operations, natural resource dependencies and waste generated during production processes. Consequently, the industry's stakeholders, customers and suppliers are increasingly considering ESG factors in their decision-making. DyStar acknowledges its responsibility in addressing these issues and recognises that product innovation, including novel chemistry and bio-based products, holds immense potential in meeting these environmental challenges. DyStar also has an overall environmental target, which is to reduce its environmental footprint by 30% for every ton of product by 2025 against the baseline year of 2011.

Considering the industry's risk and growth drivers, it is critical for DyStar to refresh its environmental targets and realign with the current regulatory landscape. DyStar also believes it is important to re-evaluate and align its Sustainability efforts standing in the market, with an increased focus on decarbonization.

Hence, in FY2023, DyStar conducted a peer benchmarking exercise focusing on ESG policies, metrics, and practices. DyStar views this peer benchmarking exercise as a strategic tool to improve its performance, identify areas of improvement, foster innovation, and meet stakeholders' expectations on Sustainability. Analysing the Sustainability strategies of peers in the chemical sector has enabled DyStar to gain valuable insights on industry best practices. These insights will guide the development of more robust strategies and initiatives to bridge existing gaps, as DyStar strives to be a sustainability leader in the chemical sector.

For this exercise, three key peers were selected and their disclosures around several key ESG metrics were assessed. The observations and corresponding recommendations arising from the peer benchmarking exercise are outlined in the table below. DyStar will consider implementing the action plan in a phased approach and aims to disclose our progress in future reports.

Our Approach to Sustainability

KEY OBSERVATIONS	DYSTAR'S ACTION PLAN
Peer benchmarking highlights DyStar's limited Scope 3 disclosure and absence of SBTi commitment. Aligning Scope 1 and 2 targets with SBTi would enhance credibility, while expanding Scope 3 emission measurement aids supply chain ESG assessment. Establishing interim targets, especially for 2030, signals commitment to decarbonisation and regulatory compliance.	**Refresh and disclose GHG emissions targets** ▪ Refresh Scope 1 and 2 targets to align with SBTi for comparability and credibility. ▪ Measure and disclose Scope 3 emission categories.
Peers have disclosed their water and waste performance, underscoring the significance of DyStar's focus on these areas. Cost emerges as a primary motivator, prompting a need for strategic action.	**Review and disclose current efforts in water and waste management** ▪ Focus efforts in high water stress areas and review waste disposal methods, especially for non-hazardous waste. Disclose efforts made in assessing water stress and diverting waste from disposal.
Peers acknowledged product innovation as a crucial factor for business growth. Despite the topic's importance, quantitative disclosures are still nascent.	**Transition towards SASB Chemical Industry Standards in line with ISSB** ▪ Set internal metrics based on SASB's Chemical Industry Standards (aligned to ISSB) such as: Revenue generated from products that reduce production and/or end-user environmental footprint (emissions, waste, water, raw material, etc.).

Our Approach to Sustainability

Communicating Sustainability Performance

DyStar holds the view that Sustainability and business are interconnected and should be treated to create value for stakeholders. In alignment with the IIRC framework, the Group takes into account six key forms of capital - Financial, Manufactured, Intellectual, Natural, Human, and Social - in all of its business and financial processes. DyStar demonstrates the creation of value through the application and production of these various forms of capital. Furthermore, the company employs these six capitals to provide a more comprehensive understanding of its financial, business, and ESG performance when communicating with stakeholders[4].

CAPITAL	INPUTS	BUSINESS STRATEGIES	OUTPUTS	STAKEHOLDERS OF INTEREST
Financial DyStar's financial capital is made up of its balance sheet, cash flow, and investments which can grow the business and create value for stakeholders.	▪ Global operating cost: **USD 546.65 million** ▪ Global employee wages & benefits: **USD 94.56 million** ▪ Payments to Government: **USD 24.47 million**	▪ Prioritizing the hiring of local employees and relying on local suppliers ▪ Proactively invest in infrastructure and technology	▪ Global revenue: **USD 735.29 million** ▪ Economic value retained: **USD 83.82 million**	▪ Employees ▪ Customers, Brands and Retailers ▪ Suppliers
Manufactured DyStar's manufactured capital focuses on strengthening the Sustainability of its supply chain and ensuring a reliable supply of raw materials.	▪ Raw material: **72.9 thousand tons** ▪ Packaging material: **3.98 thousand tons** ▪ All new suppliers are required to sign DyStar's Letter of Commitment	▪ Strict supply chain policies to ensure responsible sourcing of materials and suppliers ▪ Continuously seek new ways to reduce supply chain disruptions and optimize material efficiency ▪ Enhance Sustainability logistics by partnering with third parties to collect, learn and re-distribute intermediate bulk containers	▪ Total production: **70.8 thousand tons** ▪ Core product range: Textile Dyes, Inks and Pigments, Colorants and Process Additives Applied in Consumer Products, Textile & Apparel Auxiliaries, Industrial Colorants and Performance Chemicals	▪ Customers, Brands and Retailers ▪ Suppliers ▪ NGOs and Industry Associations

[4] The six capitals are aligned to IIRC's framework and DyStar demonstrates its value creation through these six capitals in subsequent chapters.

Our Approach to Sustainability

CAPITAL	INPUTS	BUSINESS STRATEGIES	OUTPUTS	STAKEHOLDERS OF INTEREST
Intellectual DyStar's intellectual capital consists of its strengths to drive innovative solutions in its industry and partnerships with external associations.	▪ Number of industry organisations/ business associations: **21** ▪ Sustainability with technology: **eliot®, Cadira® & Optidye®** ▪ Textile effects and labels: **Evo® finishing products**	▪ Innovate new products to meet changing consumer's preferences and enhance product performance	▪ **500** regulated or restricted substances monitored through econfidence® ▪ Launched a new range of Bio-Based DyStar Products, Dyes and Auxiliaries containing renewable feedstock, which were promoted at the ITMA fair ▪ **10** Cadira modules ▪ **450** substances registered according to EU REACH®	▪ Customers, Brands and Retailers ▪ NGOs and Industry Associations
Natural DyStar's natural capital builds upon its commitment to conserve resources, avoid waste, and promote a circular economy.	▪ Direct energy consumed: **490.5 TJ** ▪ Indirect energy consumed: **246.85 TJ** ▪ Water withdrawal: **2982.4 thousand m^3** ▪ Water reused: **54.9 thousand m^3** ▪ Direct GHG emissions – Scope 1: **28.43 thousand tCO_2e** ▪ Direct GHG emissions – Scope 2: **13.66 thousand tCO_2e** ▪ Wastewater discharged: **569.1 thousand m^3** ▪ Hazardous Waste: **3.24 thousand tons** ▪ Non-hazardous waste: **4.05 thousand tons** ▪ Numbers of spills, total amount spilled: **14 spills; 4960 kg**	▪ Enhance energy efficiency through energy conservation initiatives ▪ Increase the proportion of renewable energy use ▪ Practice responsible waste management methods and improve waste efficiency ▪ Improve operational processes to enhance water efficiency	▪ Energy consumption intensity: **10.42 GJ per ton of production** ▪ Water withdrawal intensity: **42.15 m^3 per ton of production** ▪ GHG emissions intensity: **0.59 tCO_2e per ton of production** ▪ Wastewater intensity: **8.04 m^3 per ton production** ▪ Overall waste intensity: **102.97 kg per ton production**	▪ Employees ▪ Customers, Brands and Retailers ▪ Suppliers ▪ NGOs and Industry Associations

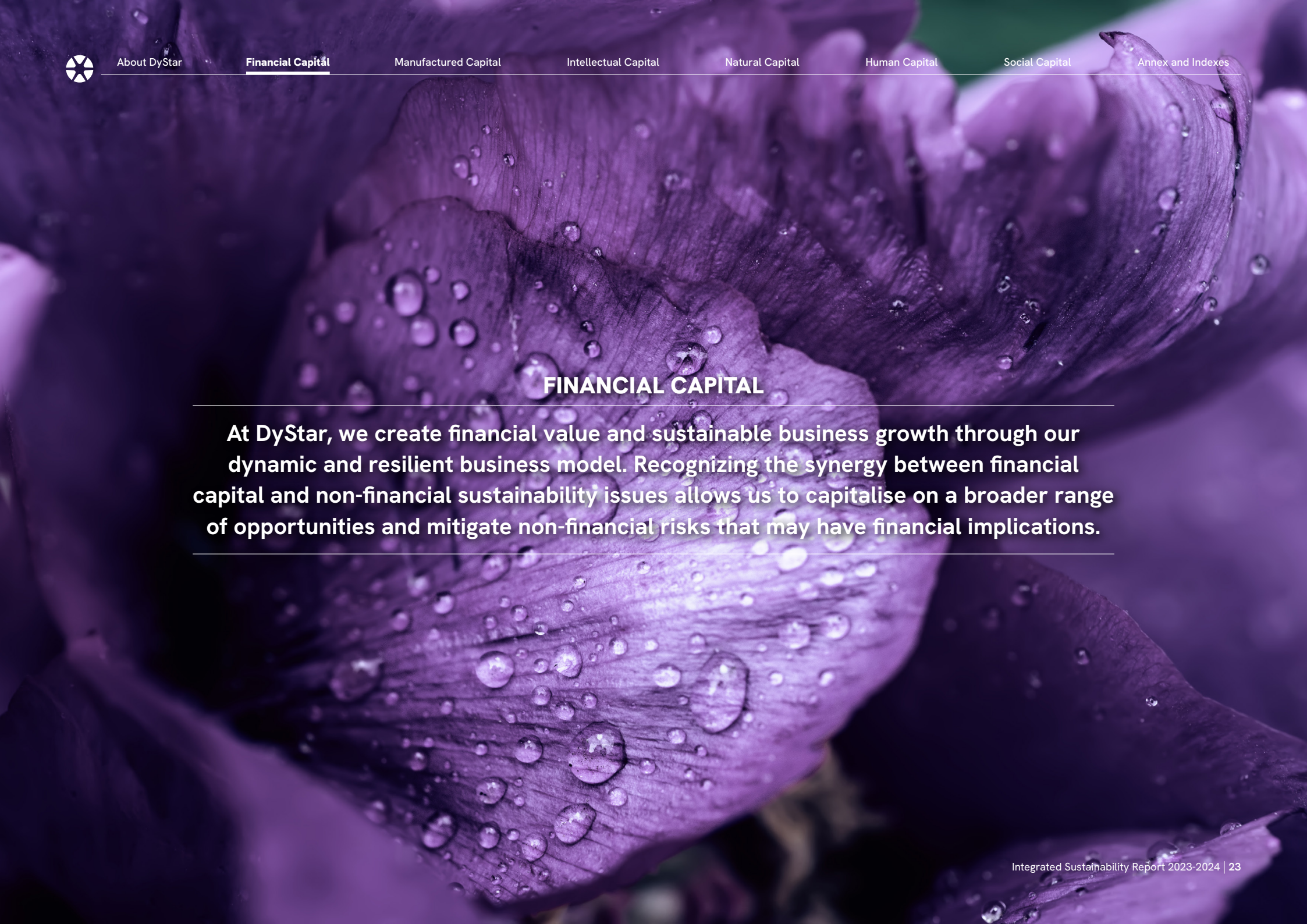
Our Approach to Sustainability

CAPITAL	INPUTS	BUSINESS STRATEGIES	OUTPUTS	STAKEHOLDERS OF INTEREST
 **Human** DyStar's human capital comprises the skills and experience of its employees as well as ensuring the business is conducted with integrity and fairness.	▪ Total number of workforce: **1,559** ▪ Total training hours: **13,218.36** ▪ **80%** of operations assessed for risks relating to corruption	▪ Create an inclusive work environment, provide fair and non-discriminatory hiring practices ▪ Place emphasis on upskilling employees' core competencies ▪ Provide training programs to attract capable managers ▪ Cultivate a strong safety-first culture	▪ **30%** of Management roles held by women ▪ **0** cases of workplace fatality ▪ **0** cases of corruption and anti-competitive behavior	▪ Employees ▪ Customers, Brands and Retailers ▪ Suppliers ▪ NGOs and Industry Associations
 **Social** DyStar's social capital is made up of its interaction with local communities to ensure its business generates positive outcomes for them.	▪ Donated **USD 250,000** to local communities ▪ Total volunteer hours contributed by employees: **120 hours**	▪ Provide opportunities for employees to be part of various community outreach initiatives ▪ Prioritise hiring from local communities where feasible		▪ Employees ▪ NGOs and Industry Associations

Our Approach to Sustainability

Risks and Opportunities

RISK LANDSCAPE	IMPACT ON DYSTAR	RISK AND OPPORTUNITY STRATEGIES
Macroeconomic and business risks	Energy and geopolitical risks can disrupt the supply chain and impact short-term to long-term business development strategies.	DyStar has consistently pursued the implementation of technical solutions to effectively reduce its emissions. This effort also encompasses the establishment of a systematic monitoring system aimed at enhancing energy efficiency.
Financial risks	Unprecedented events from geopolitical events can affect global operations and weaken global supply chains. This may lead to extensive economic impacts such as increased liquidity and credit risks.	DyStar has not taken out any external loans and possesses a substantial reserve of cash and cash equivalents. Moreover, DyStar maintains significant credit lines with banks to access additional funds if needed.
Climate change risks	Climate-related physical and transition risks such as increased environmental regulations and more frequent extreme weather events can result in supply chain disruptions, increased energy costs and water scarcity.	DyStar consistently makes investments in cutting-edge technologies and operational enhancements to reduce its environmental impact. As consumers shift towards environmentally-friendly products, DyStar's environmental leadership uses this to its advantage by ensuring transparency and addressing the needs of end consumers. To ensure DyStar is adapted and thrives in a low-carbon future, DyStar's Management continually seeks to assess and comprehend the likelihood and impact of climate threats to its operations.



FINANCIAL CAPITAL

At DyStar, we create financial value and sustainable business growth through our dynamic and resilient business model. Recognizing the synergy between financial capital and non-financial sustainability issues allows us to capitalise on a broader range of opportunities and mitigate non-financial risks that may have financial implications.

Resilient Economic Performance

As a leading manufacturer of dyes and chemicals used in the textile industry, DyStar recognizes the critical role that financial capital plays in maintaining its operations and supporting its stakeholders. The Group fosters financial prosperity and sustainable business growth through a robust and adaptable business model. Enhancing its management of financial capital is not just a strategic necessity for its continued growth and success, but also a cornerstone of DyStar's dedication to aligning its financial decisions with its overarching sustainability strategy.

Financial Results

DyStar creates financial value by leveraging on global environmental and social resources, and continuously exploring avenues to enhance resource efficiency for cost reductions, product preference, and brand enhancement. This strategy bolsters DyStar's financial adaptability and resilience, ultimately generating economic value for its stakeholders.

Resilient Economic Performance

ECONOMIC (MILLION USD)	2021	2022	2023
Global Revenue	239.05 / 477.61 / 265.48	233.6 / 409.27 / 256.01	197.17 / 323.97 / 214.15
Global Operating Costs	113.88 / 433 / 141.31	126.37 / 377.87 / 143.59	145.73 / 283.01 / 117.91
Global Employee Wages and Benefits	31.5 / 40 / 38.31	31.13 / 34.69 / 34.78	27.56 / 34.26 / 32.74
Net Payments/(Receipt) to/ from Providers of Capital	(4.62)	(4.00)	(14.21)
Payments to Government	33.40	38.66	24.47
Economic Value Retained	155.34	115.79	83.82

Asia Europe Americas

Resilient Economic Performance

In FY2023, DyStar recorded a revenue of USD 735.29 million, marking a decrease of 18.20% compared to the preceding year. Nonetheless, global operating costs were lowered by 16.55% from the previous financial year, underscoring DyStar's advancement in boosting production efficiency and streamlining manufacturing processes. DyStar is prioritising the reduction of energy consumption by implementing technical measures to curb emissions and introducing regular monitoring systems to improve energy efficiency. Global employee wages and benefits remained stable at USD 94.56 million.

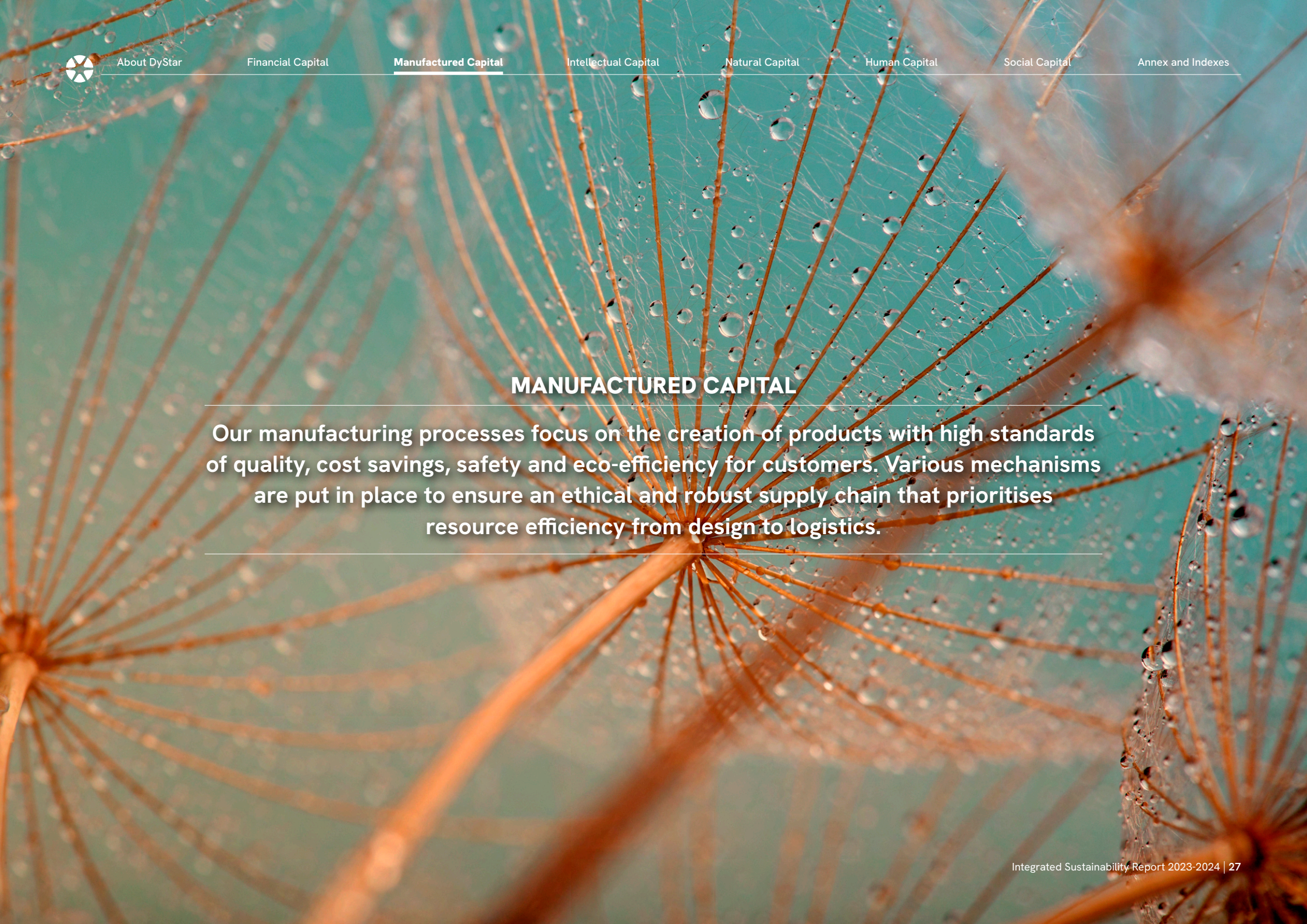
Unprecedented geopolitical occurrences have the potential to disrupt global operations and undermine supply chains worldwide, resulting in significant economic consequences such as increased liquidity and credit risks. As of the end of FY2023, DyStar has not taken any external loans and holds a substantial reserve of cash and cash equivalents. Additionally, DyStar also maintains sizeable credit lines at banks in the event where additional funds are required.

Taxes

DyStar adheres to all tax regulations in the jurisdictions where it conducts business. DyStar has established internal procedures to ensure compliance with all tax obligations and regulations across its operational countries. In FY2023, DyStar contributed a total of USD 24.47 million in tax payments to the government. DyStar collectively received USD 0.87 million in tax relief and tax credits, as well as USD 1.74 million in subsidies from the various governments in which DyStar operates in.

Investments

Climate-related physical and transition risks such as more frequent extreme weather events and regulatory risks including carbon pricing, can lead to supply chain disruptions, increased costs, and resource scarcity. In FY2023, DyStar has continued investing in cutting-edge technologies and operational enhancements to reduce its climate impact and proactively manage these risks.



MANUFACTURED CAPITAL

Our manufacturing processes focus on the creation of products with high standards of quality, cost savings, safety and eco-efficiency for customers. Various mechanisms are put in place to ensure an ethical and robust supply chain that prioritises resource efficiency from design to logistics.

Environmentally Sustainable Production and Supply Chain

DyStar's manufacturing processes are centred on producing products for customers that adhere to strict standards for quality, cost-effectiveness, safety, and eco-efficiency. From design to logistics, the company has implemented numerous safeguards to ensure a reliable and ethical supply chain that prioritizes resource efficiency.

DyStar adopts a comprehensive approach to integrating sustainability into its manufacturing and logistics operations. The Group enforces strict supply chain guidelines to ensure the ethical sourcing of materials and suppliers. Most production processes are optimised to maximum efficiency to minimize resource consumption and waste generated, while optimizing output. Additionally, efforts are made to mitigate the environmental impact of the logistics process by minimizing waste and unnecessary packaging. DyStar has set a target to reduce its production footprint by 30% (from 2011 baseline) for every ton of production by 2025.

Environmentally Sustainable Production and Supply Chain

Creating Value Across Our Entire Value Chain

Direct Impacts

DESIGN	MANUFACTURING	STORAGE	TRANSPORT
Research and Development for New or Improved Products and Processes	**Production of Dyes and Auxiliaries**	**Warehousing of Dyes and Auxiliaries**	**Delivery of Dyes and Auxiliaries to Customers**
Product stewardship at DyStar starts with a thorough consideration of green chemistry principles during the design phase. The development of products that are safer and more resource-efficient benefits DyStar's stakeholders across the value chain.	DyStar conducts eco-tests on raw materials to prevent the introduction of contaminated substances into the manufacturing process. To ensure that DyStar's processes and products are safe for the health of people and ecosystems while also being aimed at optimizing resource efficiency, production processes also undergo rigorous risk assessment and mitigation measures.	For warehousing and shipping, DyStar implements safety and environmental best practices, which are also thoroughly evaluated for environmental and health hazards.	To handle chemical products safely, DyStar adheres to the Globally Harmonized System (GHS) for labelling. DyStar's logistics optimization reduces space wastage, fuel consumption, and annual transportation expenses.

Environmentally Sustainable Production and Supply Chain

Indirect Impacts

PROCUREMENT	CUSTOMERS	BRAND AND RETAILERS	CONSUMERS
Sourcing of Material and Services	**Application of Dyes and Auxiliaries in Textile & Apparel Manufacturing**	**Sales of Clothing and Apparel**	**Use of Textiles and Apparels**
To protect human health and the environment, DyStar utilizes its econfidence® program to prevent more than 500 restricted substances from entering the value chain. More details can be found in the econfidence section.	DyStar passes its cost savings, resource-efficiency, and quality onto their customers through the innovative characteristics of DyStar products. Product eco-testing and design phase precautions assure Brands & Retailers that it is safe to incorporate DyStar products.		DyStar's precautions and risk mitigation measures protect consumers from exposure to carcinogenic, mutagenic, and reprotoxic substances. DyStar products extend the lifespan of clothing and apparel, which benefits the environment and the consumers simultaneously.

Environmentally Sustainable Production and Supply Chain

Responsible Sourcing and Supply Chain

The most significant contributor to DyStar's environmental footprint is its supply chain. The Group recognises its responsibility to minimise its environmental impacts throughout the entire supply chain and is committed to promoting and maintaining ethical standards in its interactions with suppliers. To ensure more responsible sourcing, DyStar has implemented a stringent supply chain policy and numerous internal processes.

In FY2023, DyStar continued ongoing efforts to mitigate the impacts of global shipping disruptions by securing more freight forwarders for all its shipping lanes and operating a redundancy system. DyStar is continuously monitoring the global logistics situation and exploring further improvements to its supply chain processes.

Supplier Evaluation and Screening

DyStar acknowledges the value of fostering long-term relationships with its suppliers to ensure a reliable supply chain and a competitive cost base, all while fulfilling its commitments to customers and society. The Group meticulously selects and cultivates suppliers who share their values and commitment to sustainability.

In its supply chain policy, DyStar specifies the environmental, social, governance, and product safety standards and requirements that suppliers must adhere to. During the initial ecological assessment, potential material suppliers are tested to ensure their products are eco-friendly and free of restricted substances, complying with industry standards. Shortlisted suppliers then undergo further examination based on DyStar's supplier evaluation guidelines.

Upon completing the quality control process, suppliers are added to DyStar's qualified supplier pool and are subject to regular performance assessments and continuous eco-monitoring processes based on product specifications and quality history. In FY2023, 100% of suppliers were assessed for environmental impacts, and all new suppliers were required to pass the environmental screening to be registered in DyStar's supplier pool.

Suppliers were evaluated based on their ability to implement environmental systems and processes such as ISO 14001, having internal processes to manage their emissions, and policies such as a Code of Conduct. During the screening procedure, no supplier was identified as violating the Group's supply chain policy or having substantial negative environmental and social impacts on nearby communities.

Environmentally Sustainable Production and Supply Chain

Supplier Letter (Eco questionnaire)

Supply chain represents the largest concentration of DyStar's Environmental footprint. The Group recognizes its responsibility to play a role in reducing environmental impacts across the supply chain. To that end, DyStar has developed a supplier letter (Eco Questionnaire) based on relevant laws, leading industry standards, and best practices. The letter lists elements that are forbidden, discouraged, or whose concentrations are not to be exceeded. DyStar's key suppliers are notified and provided with a copy of the letter. The project is essential to reduce the risk of supply chain contamination.

Letter of Commitment to Professional Integrity

DyStar is committed to a corporate culture that follows the guiding principles of professionalism, credibility, transparency, integrity, and fairness in its dealings. Likewise, DyStar holds its suppliers to the same standards.

In order to maintain fair, effective, mutually beneficial, and legal business practices with its suppliers, DyStar has a Letter of Commitment to Professional Integrity in place. Previously, suppliers were required to sign and regulate the commercial activities and performance of the contracts between DyStar and its suppliers, including any legal or regulatory infractions. This requirement applied to suppliers with yearly purchases of more than $1 million (at contract value). Since FY2021, in principle, all prospective suppliers are to sign the Letter of Commitment. In addition, direct and indirect procurement follows respective DoA to complete the sign-off of the commitment letter.

Environmentally Sustainable Production and Supply Chain

Supplier Audit-Dolphin

In FY2018, DyStar introduced a more comprehensive supplier audit program called "DOLPHIN". This software, developed by DyStar's technology experts, provides a detailed assessment of potential strengths and risks associated with core suppliers, including sustainability, occupational safety, and environmental performance. DyStar plans to expand the program to include Tier-2 dye suppliers, auxiliary category suppliers, and potential suppliers in the future. In FY2023, DyStar audited 80% of its total suppliers located in China and India under the DOLPHIN program.

Driving Sustainability & Greening the Supply Chain with IPE Tool

In order to assess the environmental performance of its key suppliers and to be aware of any environmental violations by those suppliers, DyStar has been using a tool created by the Institute of Public and Environmental Affairs (IPE) since FY2019. The tool allows DyStar to monitor its core suppliers' environmental performance and cases of non-compliance by creating a "Blue Map" of the shortlisted providers. DyStar will prompt suppliers to resolve any identified issues and take the necessary corrective action if they have been detected for any kind of non-compliance.

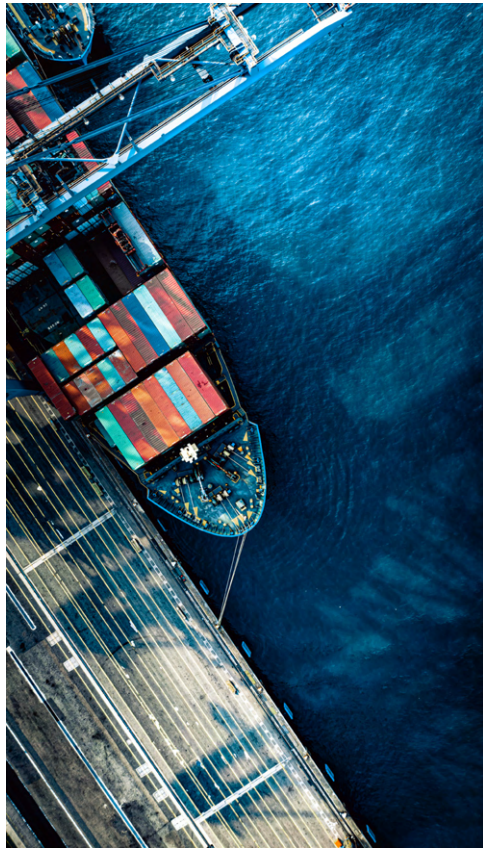
In FY2023, DyStar was ranked second in the industrial chemicals industry category on IPE's CITI Index, for the second consecutive year. The CITI Index was developed to dynamically assess brands' performance in five areas: Responsiveness and Transparency, Compliance and Corrective Actions, Extended Green Supply Chain Practices, Energy Conservation and Emissions Reduction, as well as Promote Public Green Choice DyStar seeks to continue working with IPE to improve the environmental and climate impacts of its upstream supply chain.

Environmentally Sustainable Production and Supply Chain

Mitigating Shipping Disruptions

DyStar minimizes disruptions to its supply chain by having robust strategies for mitigating shipping disruptions. These strategies have made DyStar's supply chain more resilient to shipping disruptions and ensured that its supply chain continues to operate smoothly. These strategies include:

1. Planning in advance and conducting forecasting to procure timely space and equipment availability
2. Including buffer inventory and lead times
3. Using a combination of transport modes such as air and sea to ensure supply chain is not impacted if one mode of transport is disrupted
4. Spreading risks by working with different forwarders and inland haulers
5. Identifying alternate seaports
6. Spreading shipments across different vessels over a period of time
7. Communicating frequently with carriers and haulers for the latest news and updates on transport movement
8. Keeping abreast of the latest news on port congestion and carriers' news/ announcement



Environmentally Sustainable Production and Supply Chain

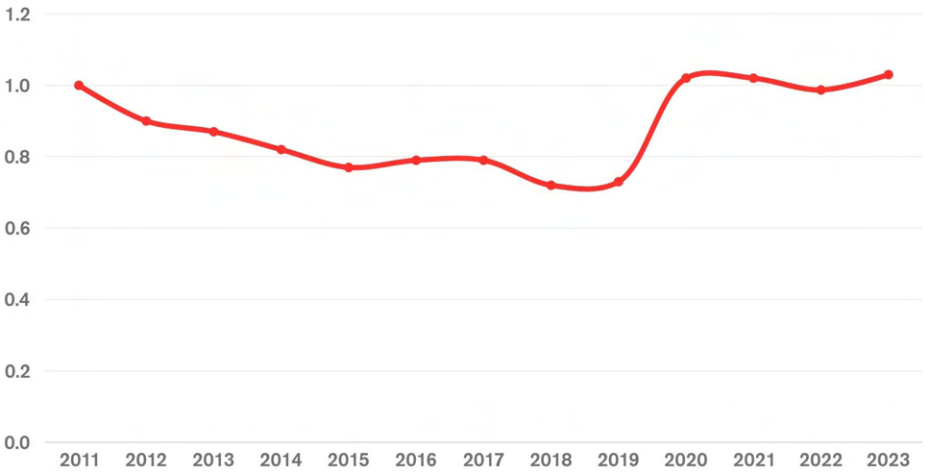
Efficient Use of Raw Materials

Every year, DyStar purchases more than 700 types of raw materials and crude/semi-finished goods to produce finished goods. DyStar is aware that raw and associated materials are non-renewable and therefore, explores innovative ways to maximize material efficiency through real-time communications between the production and procurement teams to minimize inventory waste. Where economically and practically feasible, DyStar also recovers raw materials from production processes as solvent and reuses materials during the start-up or shut-down phases of production.

In FY2023, DyStar's top purchased raw materials include Indigo granules and its intermediates – Disperse and VAT dye press cakes. These raw materials accounted for approximately 50% of DyStar's total purchases during the year.

Raw Material Usage Intensity

(tons of raw material per ton of production)



DyStar's production plants consumed a total of 72,987 tons of raw materials and intermediates in FY2023. Utilization intensity was 1.03 tons of raw material per ton of production.

Environmentally Sustainable Production and Supply Chain

Circular Economy Approach in Manufacturing

DyStar recognises that adopting circular economy principles in manufacturing will lower its environmental footprint and drive product innovation. The Group has ongoing partnerships with key stakeholders across the value chain to develop new products aligned with the circular economy principles. For example, the Group collaborated with an alliance between textile brands and biotechnology firm Spiber to evaluate how dyes and finishing chemicals affect bio-conversion of textile waste.

Since 2015, DyStar has received certification for its products from the Cradle-to-Cradle Product Innovation Institute®. As of FY2023, the Group has 54 textile dyes that have been assessed under the Material Health category and were awarded the Cradle-to-Cradle Product Innovation Institute® Platinum Level C2C Certified Material Health Certificate™.

Environmentally Sustainable Production and Supply Chain

Vat Dyes	Reactive Dyes	Reactive Dyes	Reactive Dye for Wool	Acid Dyes	Disperse Dyes	Reactive Dyes
Indanthren® Brilliant Orange GR Coll	Levafix® Amber CA-N	Remazol® Golden Yellow RGB 01	Realan® Black MF-PV	Telon® Blue AFN	Dianix® Blue XF	Dianix Red AM-SLR
Indanthren Red FBB Coll	Levafix Brilliant Yellow CA	Remazol MAP Black NN		Telon Navy AMF	Dianix Yellow AM-SLR 200%	Dianix Red XF2
Indanthren Brilliant Green FBB Coll	Levafix ECO Forest	Remazol Navy RGB 01 150%	**Acid Dyes**	Telon Orange AGT 01	Dianix Yellow S-3G	Dianix Rubine XF2
Indanthren Olive Green B Coll	Levafix ECO Black	Remazol Red RGB 02	Telon® Blue BRL micro	Telon Rubine A5B 01	Dianix Yellow Brown XF2	Dianix Turquoise S-BG
Indanthren Scarlet GG Coll	Levafix Fast Red CA	Remazol Ultra Carmine RGB	Telon Blue T-4R	Telon Yellow ARB	Dianix Yellow XF2	
	Remazol® Brilliant Blue RN	Remazol Ultra Orange RGB	Telon Brown 3G 200%	Telon Blue M-GLW	Dianix Orange AM-SLR	
Indigo Dye	Remazol Brilliant Red F3B	Remazol Ultra Orange RGBN	Telon Red T-2B	Telon Green M-6GW	Dianix Blue S-BG	
DyStar® Indigo Vat 40% Solution	Remazol Brilliant Yellow GL 150%	Remazol Ultra Rubine RGB	Telon Yellow T-3R	Telon Red M-BL	Dianix Brilliant Violet R New	
	Remazol Luminous Yellow FL	Remazol Ultra Navy Blue RGB	Telon Blue A2R	Telon Yellow M-4GL	Dianix ECO Black HF	

Environmentally Sustainable Production and Supply Chain

Meeting Global Standards

DyStar provides customers with the highest quality products by implementing management frameworks and systems which comply with international standards such as the International Organization for Standardization (ISO). Across our operations, DyStar adopts the following international standards[5]:

Energy Management System ISO 50001:2018 Certification
DyStar Colours Distribution GmbH

Environmental Management System ISO 14001:2015 Certification
DyStar Kimya Sanayi ve Ticaret Limited Sirketi

ISO 9001:2015 Certification	
DyStar Singapore Pte Ltd	DyStar (Shanghai) Management Co., Ltd
DyStar Kimya Sanayi ve Ticaret Limited Sirketi	DyStar Africa (Pty) Ltd.
Color Solutions International Shanghai Co. Ltd	Color Solutions International, Inc.
DyStar Pakistan (Pvt.) Ltd.	DyStar de Mexico S. de R.L. de C.V.
DyStar Colours Distribution GmbH	DyStar Japan Ltd.
PT DyStar Colours Indonesia	DyStar Thai Ltd.
DyStar Anilinas Texteis Unipessoal, Lda	DyStar Industria e Comercio de Produtos Quimicos Ltda
DyStar India Private Ltd.	DyStar L.P.
DyStar Foam Control Corp	DyStar Carolina Chemicals Corp

[5] *Refer to DyStar website for more information on certified entities www.DyStar.com/about-DyStar-group/*

Environmentally Sustainable Production and Supply Chain

Sustainable Logistics

Packaging

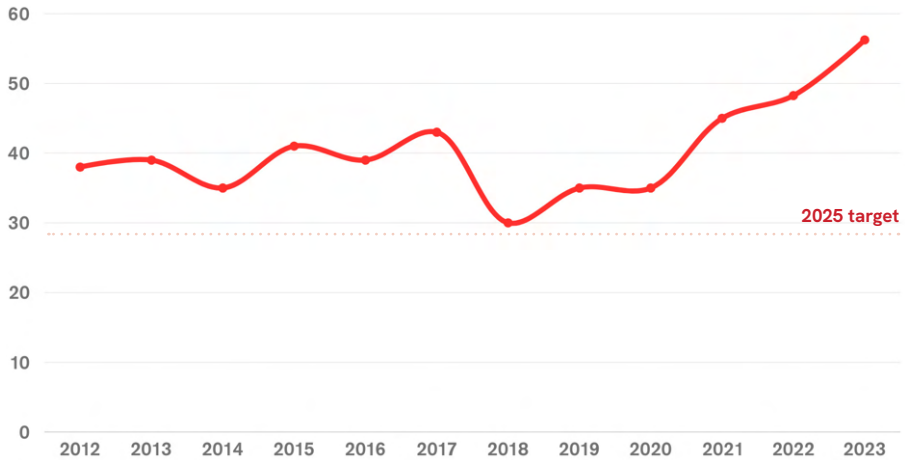
At DyStar, the packaging is utilized to safeguard products while being transported to clients and to endure weather conditions. DyStar recognizes that recycling bulk packages like Intermediate Bulk Containers (IBC) can significantly reduce the amount of waste generated from packaging. To that end, DyStar engages specialized service providers to collect, clean, and re-distribute the company's IBCs for reuse.

In addition, the Group reviews the market development for biodegradable packaging materials regularly. Whenever bulk materials allow for the installation of storage tanks, DyStar invests in such tanks to avoid the use of small containments which result in reducing additional solid waste based on packaging materials. Pallets for site internal use are increasingly switched to plastic pallets with longer lifecycle time than wooden pallets to avoid pallet waste.

In FY2023, DyStar used 3,979 tons of packaging material including cardboard boxes, plastic drums, bulk containers, and plastic wrapping. DyStar recycled 34% of its packaging materials and the overall packaging intensity increased by 17% in FY2023 as compared to FY2022. While production was lower in FY2023, consumption of packaging materials for waste disposal and additional packaging required to repackage sourced materials in the event of damage to initial packaging materials, remains high.

Packaging Usage Intensity

(kg of packaging material per ton of production)



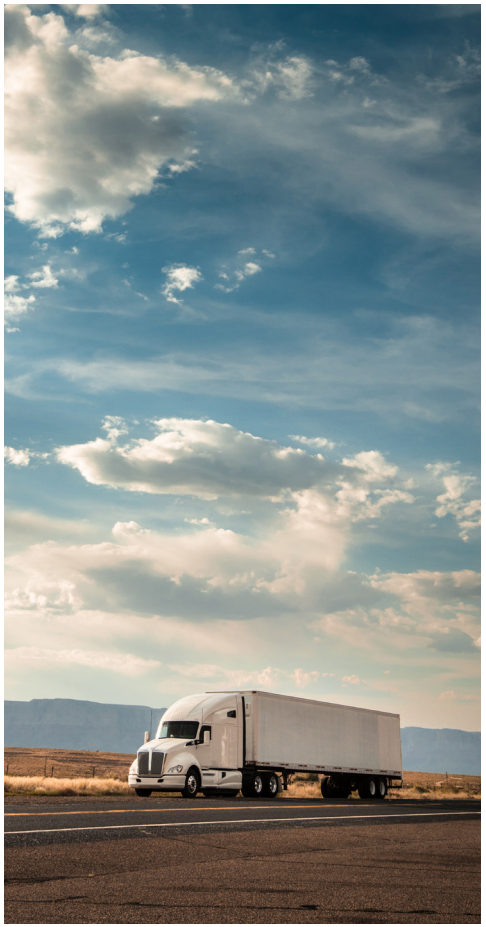
Environmentally Sustainable Production and Supply Chain

Transportation

Given the risk of spillage caused by mishandling, the safe transportation of dyes, auxiliaries, and other chemicals is crucial. Unsafe chemical transportation can have severe health, science, and environmental implications.

To mitigate these risks, DyStar has multiple precautionary measures in place to ensure that DyStar products arrive safely and intact. This begins with the careful selection of experienced and licensed transportation contractors. DyStar's in-house logistics team takes the necessary steps to minimize DyStar's indirect environmental impacts. The logistics team coordinates with numerous customers, transport companies, and warehouse operators and works with them to optimize efficiency. For example, DyStar aims to minimize unnecessary transportation to lower fuel consumption by optimizing delivery routes and consolidating shipments. The Group ensures that its containers and trailers are at Full Container Load (FCL) or Full Truck Load (FTL) before dispatching, thereby reducing the greenhouse gases emitted per unit of cargo. Additionally, DyStar seeks to decrease its reliance on airfreight shipments, which produce the highest levels of carbon dioxide emissions.

DyStar meticulously optimizes its distribution networks by shipping directly from production plants to sales regions. Regionally, the company operates a central distribution center along with a network of smaller local warehouses strategically located near clusters of textile producers. This strategic placement minimizes the number of partial truckload trips required to reach customers. In areas with consistently high purchase volumes, DyStar also provides on-site consignment stocks. These initiatives not only reduce the Group's environmental footprint but also reduce overall operating costs.



INTELLECTUAL CAPITAL

We promote a culture of innovation to continuously build on our intellectual capacity and optimise processes and products to be more sustainable, efficient, and profitable. It is crucial to constantly improve and be responsive to the changing market needs, for DyStar to stay as a leader in its industry.

Innovative Portfolio

To continuously expand DyStar's intellectual capacity and optimize processes and products to be more sustainable, effective, and profitable, the Group cultivates a culture of innovation. For DyStar to remain a leader in its industry, it is essential to continuously improve and be sensitive to the shifting needs of the market. In FY2023, 15% of the Global Marketing Coloration portfolio consisted of dyes launched in the past three years.

Production Stewardship and Innovation

As part of its commitment to ensuring that its products are safe for both humans and the environment, DyStar includes product stewardship in its Environmental Guidelines. DyStar continuously examines its products to identify potential risks to the environment, human health, and safety. By extending its Sustainability initiatives and ideals throughout its value chain, DyStar seeks to reduce each product's lifecycle impact from cradle to grave as part of product stewardship. At DyStar, product stewardship begins in the design phase, where careful attention is given to green chemistry principles to minimize its impacts on its stakeholders. The development of safer and more resource-efficient products benefits the environment and DyStar's stakeholders across the value chain.

Notable product launches in FY2023 include:

- Bio-based DyStar Products, Dyes and Auxiliaries containing renewable feedstock. These products contain at least 20% biomass content by weight, in the form of biomass-derived carbon.
- Dianix® Black XF3 300% containing new disperse dye chemistry developed and patented by DyStar. The high wet-fastness dye chemistry meets growing customer and retailer demand for longer-lasting fabric colour.

Innovative Portfolio

Collaboration and Memberships

In order to ensure that its products continue to meet the evolving needs of its customers, DyStar recognizes the criticality of using industry insights and the latest resources while innovating its products. To achieve this, DyStar joined various organizations, opening up access to industry information and seeking professional development. As of FY2023, DyStar is a member of the following 26 organizations:

Industry Organizations

- Asia Dyestuff Industry Federation (ADIF)
- China Dyestuff Industry Association (CDIA)
- German Chemicals Industry Association (VCI)
- Japan Dyestuff & Industrial Chemical Association (JDICA)
- Society of Dyers and Colourists, United Kingdom (SDC)
- South African Dyers & Finishers Association (SADFA)
- Taiwan Dyestuffs & Pigments Industrial Association
- Association of Manufacturers of Process and Performance Chemicals (TEGEWA)
- Denim Manufacture Association of India

Business Associations

- APP KIEC (Asosiasi Perusahaan2 KIEC Cilegon)
- APKB (Asosiasi Perusahaan Kawasan Berikat)
- Corlu Chamber of Commerce and Industry
- Employers' Association of Indonesia (APINDO)
- Fukui Prefecture Dyeing Association
- HIPWIS (Himpunan Perusahaan Wilayah Serang)
- Importers and Exporters Association of Taipei (IEAT)
- Seiren
- Singapore Business Federation (SBF)
- Taiwan Textile Printing Dyeing & Finishing Ind. Association
- The Society of Fiber Science and Technology, Japan
- Urase

Textile Standards and Organizations

- bluesign®
- Cradle to Cradle Product Innovation Institute®
- German Committee for Industrial Standards (DIN Normenausschuss)
- Global Organic Textile Standard (GOTS®)
- Zero Discharge of Hazardous Chemicals (ZDHC)

Innovative Portfolio

New Processes and Products

Certain new products were introduced in FY2023 to comply with the newest quality standards and some alternative products were launched to overcome supply issues. In FY2023, Global Marketing Coloration launched, amongst others, following new products:

- Dianix® Blue HLA-CE
- Dianix Red HLA-CE
- Dianix Yellow HLA-CE
- Dianix Deep Black PLUS 01
- Dianix Black XF3 300%

Eco-performance Program

econfidence®

DyStar's econfidence® program assures customers that its dyes and chemicals are safe for people and the environment. The econfidence program considers all applicable legislations and is one of the most extensive eco-testing programs for textile dyes and chemicals.

Led by a diverse team of experts, the program meticulously monitors the sourcing and production of DyStar's products to ensure that our products achieve the highest level of product quality and environmental responsibility. econfidence allows DyStar to build partnerships along the textile supply chain to foster a more sustainable textile production.

Modules Making an Impact

/ Get a Move On /

DyStar Cadira® Modules

DyStar's Cadira® Modules help to lower carbon footprints and optimize productivity through the optimal utilization of machinery.

We now offer 10 Cadira Modules which serve to: improve energy and water efficiency, significantly reduce wastewater, and reduce the quantities of chemicals used.

Essentially, the Cadira Modules are developed to reduce greenhouse gas emissions within the textile industry.

Innovative Portfolio

CADIRA® REACTIVE

Conserve valuable resources while lowering reactive dyeing costs

Cadira® Reactive Dyeing > Compared to Conventional Reactive Dyeing

- ▼ 28% Water
- ▼ 22% Electricity
- ▼ 24% Process time
- ▼ 31% Steam
- ▼ 30% Emissions
- ▼ 28% Wastewater

CADIRA® REACTIVE/DISPERSE CONTINUOUS

Optimize resource efficiency in continuous dyeing of Polyester/ Cellulosic blends

Cadira® Reactive /Disperse Continuous Dyeing > Compared to Conventional Continuous PDTPS process

- ▼ 45% Electricity
- ▼ 54% Water
- ▼ 41% Chemical

CADIRA® POLYESTER

Optimize resource-efficient exhaust processing

*Fully Optimized Cadira Polyester Dyeing > Compared to Conventional Polyester Dyeing**

- ▼ 50% Water
- ▼ 43% Electricity
- ▼ 46% Process time
- ▼ 46% Steam
- ▼ 45% Emissions
- ▼ 50% Wastewater

CADIRA® VAT

Improve the resource-efficiency of exhaust processing of cellulosic fibers

*Cadira® Vat Dyeing > Compared to Conventional Vat Dyeing**

- ▼ 30% Water
- ▼ 20% Electricity
- ▼ 30% Process time
- ▼ 25% Steam
- ▼ 24% Emissions
- ▼ 30% Wastewater

** Actual reductions may vary. Figures presented in the diagram represent the best-known performance results.*

Innovative Portfolio

CADIRA® RECYCLED POLYESTER

Minimize the impact of the rPET dyeing process with Gold Level Material Health certified Dianix Dyes by the Cradle to Cradle Products Innovation Institute

Cadira® Recycled Polyester vs Dyeing Virgin Polyester with Standard Dyes

- ▼50% Water
- ▼43% Electricity
- ▼46% Process time
- ▼46% Steam
- ▼45% Emissions
- ▼50% Wastewater

CADIRA® WOOL

Protect the environment with clean and more efficient dyes for the wool dyeing process

Cadira® Wool vs Mordant Black 9 Dyeing Process

- ▼50% Electricity
- ▼50% Process time
- ▼50% Steam
- ▼40% Wastewater

CADIRA® LAUNDRY

Innovative product range for ultra-low liquor ration machines

- ▼90% Water
- ▼40% Electricity
- ▼60% Chemical impact
- ▼45% Worker impact

CADIRA® POLYESTER/ CELLULOSIC EXHAUST

Combining Cadira Polyester and Cadira Reactive for increased productivity with even greater resource efficiency and cost savings

Combining Cadira® Polyester and Cadira® Reactive for medium shades for rapid two-bath process

- ▼49% Water
- ▼47% Electricity
- ▼52% Process time
- ▼54% Steam
- ▲72% Productivity

CADIRA® POLYAMIDE

Environmentally friendly scour-dyeing process for Nylon, Nylon blends and recycled Nylon

Savings with Cadira® Polyamide

- ▼30% Water
- ▼20% Electricity
- ▼25% Steam
- ▼30% Process time

CADIRA® PRINTING PX

Conserve resources during the wash-off process

Cadira® Printing PX vs Conventional Wash-off

- ▼50% Electricity
- ▼50% Process time
- ▼50% Steam
- ▼33% Wastewater

** Actual reductions may vary. Figures presented in the diagram represent the best-known performance results.*

Innovative Portfolio

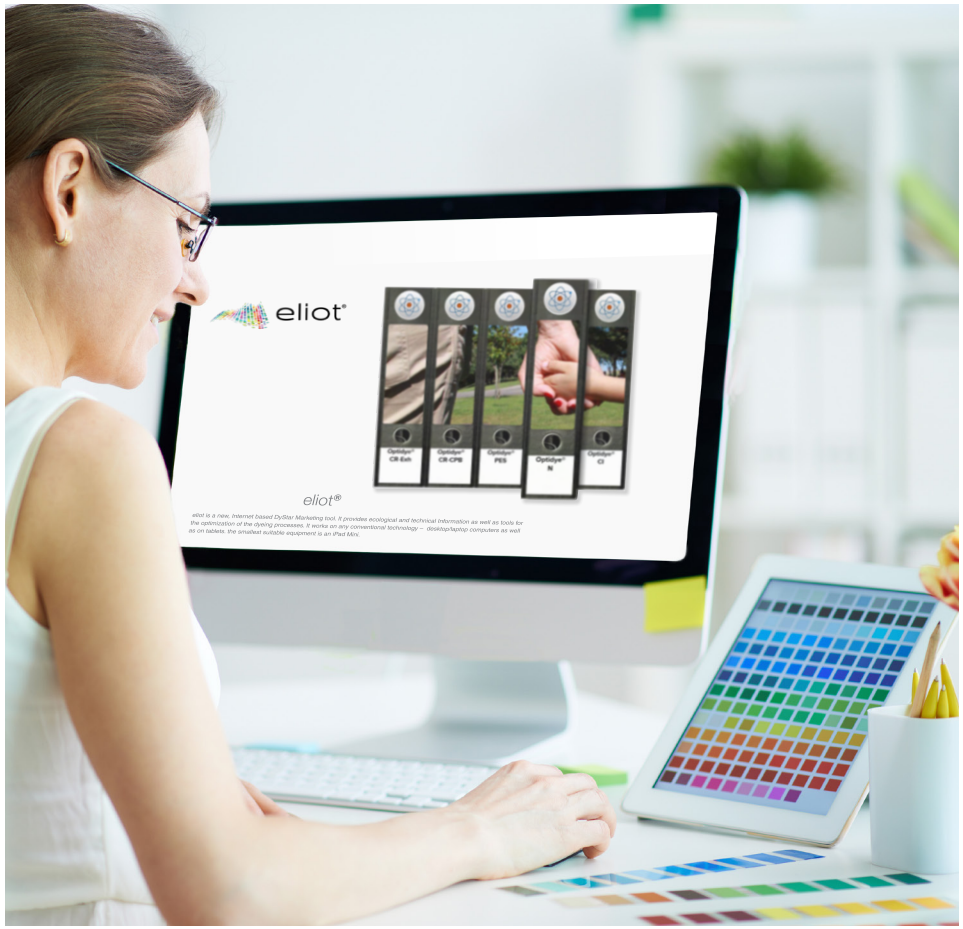
Technology and Processes

Enhancing Sustainability with eliot®

DyStar has developed and deployed eliot®, an information platform that provides straightforward guidance on sustainable product selection and process optimization. The tool helps clarify DyStar's sustainable products and processes through its user-friendly online platform. Customers have direct access to the system to get the information they need quickly and conveniently.

The eliot® tool consists of eight modules: Positive Lists, Product Finder, Information, eliot manuals, Optidye®, Cadira® modules, Color Matching and the Paper folder.

Moving forward, DyStar seeks to use product innovation as a key tool to mitigate the impacts of its products on the environment. DyStar aims to be the global leader in innovation, within its chosen industries. DyStar believes that leading other industry players in innovation is the key to achieving sustainable business growth and creating value for its stakeholders.



Innovative Portfolio

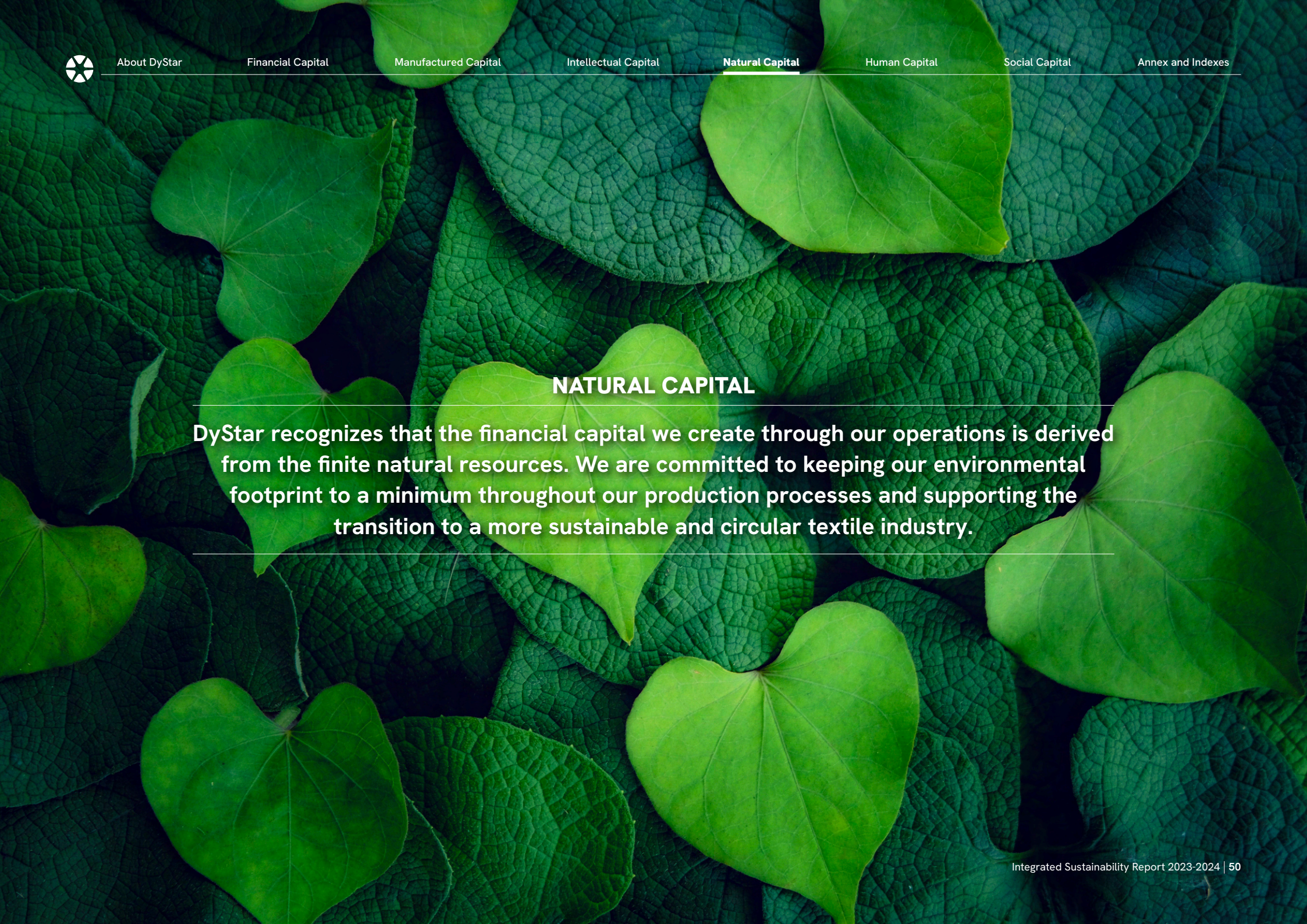
Commitment to Standards

As a leading dyestuff and chemical manufacturer, DyStar is dedicated to ensuring that its products adhere to voluntary and regulated safety standards in order to maximize reliability while safeguarding consumer safety. This demonstrates DyStar's dedication and accountability to safety and quality, as well as credibility amongst its stakeholders.

STANDARDS	DESCRIPTION
bluesign®	The bluesign® standard was established to provide a comprehensive production control system to limit the human health and environmental impacts of textile manufacturing. It is based on five principles of Sustainability – resource productivity, consumer safety, air emission, water emission, and occupational health and safety. The standard defines specific criteria applied to each phase within the production chain to ensure compliance with the given principles. DyStar has been a system partner since 2008, and in FY2023, a total of 1,769 products were listed on the bluesign® FINDER.
econfidence®	DyStar's econfidence® program considers all applicable legislations and has an extensive eco-testing program for all textile dyes and chemicals. Through this program, DyStar assures its customers that its dyes and chemicals are safe for both people and the environment. At DyStar, a total of 500 regulated or restricted substances are monitored through econfidence.
Color Solutions International	Color Solutions International, a member of the DyStar Group, provides retailers and brands with a variety of flexible colour options and services. Their expert staff creates, manages, and distributes the customers' colour standards. Additionally, the global DyStar Textile Services team offers a variety of additional services such as consultancy and training, sustainable textile solutions, textile testing, testing solutions, and ecology solutions. As of FY2023, DyStar has 4,000 ColorWall™ references available for better right-first-time performance.
eliot®	eliot® was introduced by DyStar in 2015 and is an internet-based tool for product selection and process optimization in the dyeing process. It is an information database for DyStar's customers and offers various modules for customers to select products based on various criteria. The tool has 23 "Positive Lists", which is a selection of recommended DyStar products that are compliant with the Brands and Retailers' Restricted Substances Lists or the selected eco standard.

Innovative Portfolio

STANDARDS	DESCRIPTION
EU REACH®	REACH applies to all chemical substances and is a regulation of the European Union aimed at improving the protection of human health and the environment from risks posed by chemicals. In FY2023, about 450 substances were registered under REACH.
Turkish REACH (KKDIK®)	The Turkish regulation on chemicals registration, evaluation authorization, and restriction (KKDIK) are closely aligned with the EU REACH provisions and requires companies to pre-register or register substances manufactured or imported into Turkey. DyStar has 1,750 substances pre-registered according to KKDIK.
ZDHC® Gateway	The ZDHC Manufacturing Restricted Substances List (ZDHC MRSL) is a list of chemical substances banned from intentional use in chemicals. DyStar has about 2,091 products which are published on ZDHC Gateway, compliant with ZDHC MRSL v3.1.



NATURAL CAPITAL

DyStar recognizes that the financial capital we create through our operations is derived from the finite natural resources. We are committed to keeping our environmental footprint to a minimum throughout our production processes and supporting the transition to a more sustainable and circular textile industry.

Environmental Resource Management

Climate Resilience

Reducing DyStar's vulnerability to climate change is an important goal for the Group. DyStar's bluesign® and TfS/EcoVadis memberships highlight the Group's holistic approach to climate resilience, whereby improving water efficiency, materials use, energy consumption and emissions reduction, are addressed at various stages of the supply chain.

Environmental Resource Management

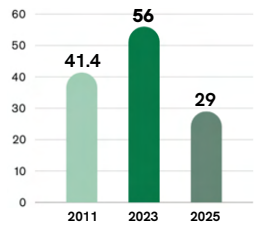
DyStar 2025 Targets

DyStar strives to reduce its environmental footprint by 30% for every ton of production by 2025 against the baseline year of 2011. The 2025 target includes reduction in energy, water, raw materials, GHG emissions, waste, and wastewater in the Group's owned or operated sites. DyStar is committed to improving these focus areas, recognising that doing so will benefit the environment and help the Group operate within planetary boundaries.

The Group is on track to meet most of our 2025 targets. In FY2023, DyStar met its GHG emission intensity, water consumption intensity and wastewater production intensity targets. The Group will continue to review and assess these targets annually and refine its approach to achieving them.

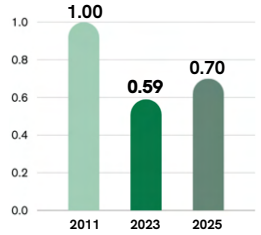
Packaging Usage Intensity

(kg of packaging material per ton of production)



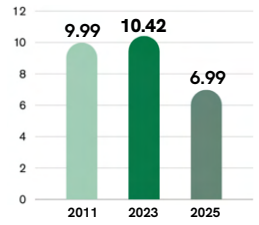
Greenhouse Gas Emissions Intensity

(tons CO_2e emitted per ton of production)



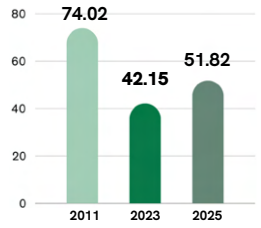
Non-Renewable Energy Intensity

(GJ used per ton of production)



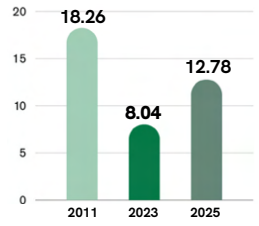
Water Consumption Intensity

(m^3 of water consumed per ton of production)



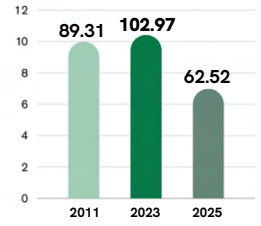
Wastewater Production Intensity

(m^3 of wastewater discharged per ton of production)



Waste Production Intensity

(kg of waste per ton of production)



Environmental Resource Management

Reporting Scope, Methodology and Period

DyStar tracks environmental impact data in all of the Group's owned and operating facilities, ensuring that all production sites, warehouses, laboratories, and office locations globally that contribute to the Group's business are recorded. The methodology used to assess, measure, and disclose emissions is based on the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (revised edition) developed by the World Resource Institute (WRI) and World Business Council for Sustainable Development (WBCSD). All environmental data presented in the Environmental Performance Table on page 53 has been measured for the annual reporting period from 1 January to 31 December 2023. DyStar implements a centralized reporting platform to measure and monitor environmental impacts across all its operations. This platform enables the Group to coordinate, consolidate and align data across all business units and track its progress towards meeting its 2025 targets.

Environmental Performance

DATA OVERVIEW	2023	2022	2021
Raw Material (thousand tons)	**72.99**	104.05	127.53
Raw Material Usage Intensity (tons per ton production)	**1.03**	1.00	1.02
Packaging Material (thousand tons)	**3.98**	5.09	5.60
Direct Energy Consumed (TJ)	**490.50**	593.17	645.00
Indirect Energy Consumed (TJ)	**246.85**	457.73	746.22
Energy Consumption Intensity (GJ per ton production)	**10.42**	10.13	11.11
Water Consumption (million m^3)	**2.98**	6.60	7.85
Water Consumption Intensity (m^3 per ton production)	**42.15**	63.56	62.68
Water Reused (million m^3)	**0.05**	0.07	2.08
Direct GHG Emissions – Scope 1 (thousand tCO_2e)	**28.43**	33.70	36.79
Indirect GHG Emissions – Scope 2 (thousand tCO_2e)	**13.66**	23.21	38.43
GHG Emissions Intensity (tCO_2e per ton production)	**0.59**	0.55	0.60
Wastewater Discharged (million m^3)	**0.57**	0.90	1.43
Wastewater Intensity (m^3 per ton production)	**8.04**	8.71	11.44
Hazardous Waste (thousand tons)	**3.24**	10.44	8.13
Non-hazardous Waste (thousand tons)	**4.05**	2.81	4.90
Overall Waste Intensity (kg per ton production)	**102.97**	127.64	104.09
Number of Spills, Total Amount Spilled (tons)	**14 spills, 4.96 tons**	20 spills, 12.02 tons	12 spills, 2.27 tons

Figure 1: DyStar's Environmental Performance

Environmental Resource Management

Greenhouse Gas ("GHG") Emissions

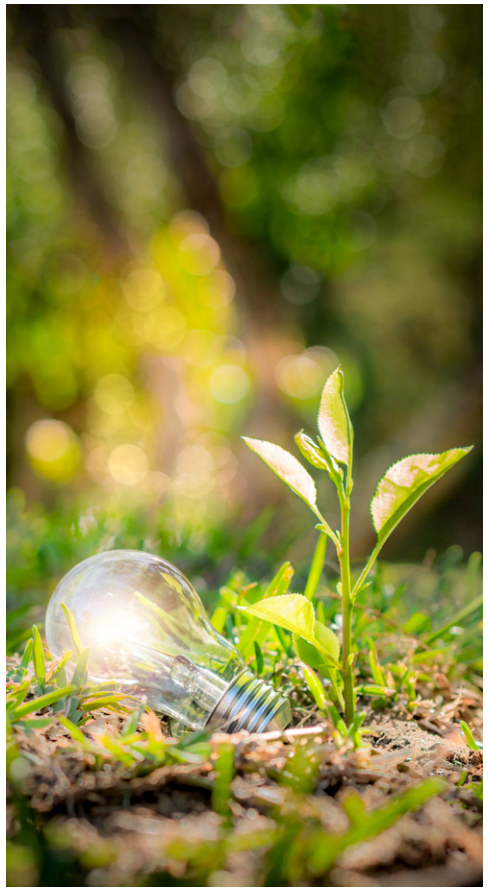
In FY2023, DyStar's Scope 1 and Scope 2 emissions totalled 42,084 tCO_2e, representing a 67% decrease from 2011's baseline year and a 26% decrease compared to FY2022. GHG emissions were significantly lowered as the Group continued implementing energy-efficient initiatives across its operations.

DyStar's GHG intensity decreased by 41% in comparison to the baseline year 2011 and increased by 10% from that in the year before. The increase in intensity is related to significantly lower production demand in 2023 compared to 2022.

Some energy conservation initiatives implemented by DyStar in FY2023 include:

- Replacing existing lights with LED lighting to reduce energy consumption at the Raunheim and Karachi production sites – *installation is ongoing at Raunheim*
- Promoting behavioural change, such as switching off fluorescent lights in the Omuta laboratory's testing room during lunchtime
- Replacing monthly paper pay-slips with digital encrypted email at North Asia Shanghai
- Integrating light dependent resistor (LDR) into building lights and clustering building lights at the Gabus production site
- Installing daylight and movement sensors to control lighting at the Karachi production site
- Installing motion sensors in washrooms at the Corlu production site led to an estimated saving of 60% in energy consumption

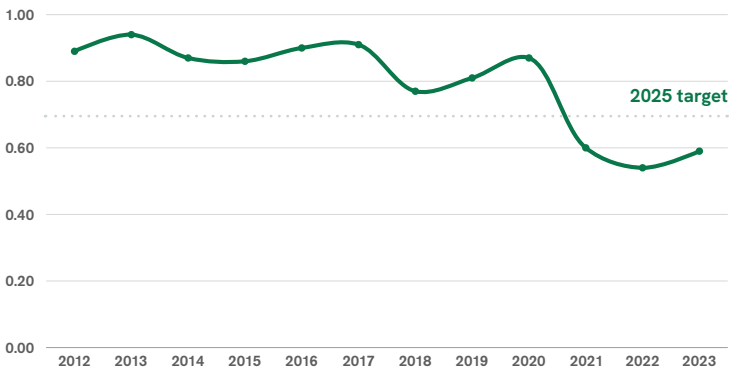
Natural gas made up 82% of Scope 1 emissions, while 74% of Scope 2 emissions came from electricity. Of DyStar's total emissions profile, Scope 3 emissions accounted for 8.2%. 82% of Scope 3 emissions came from the transportation of goods and services.



Environmental Resource Management

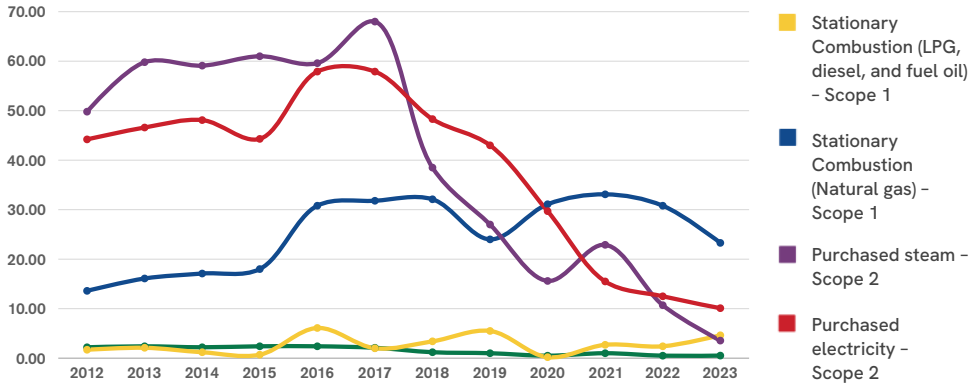
Greenhouse Gas Emissions Intensity

(tons CO_2e emitted per ton of production)

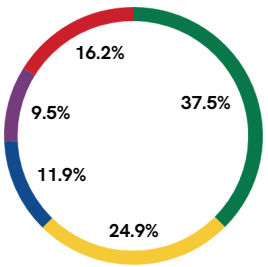


Greenhouse Gas Emissions by Source

(thousand tons CO_2e)

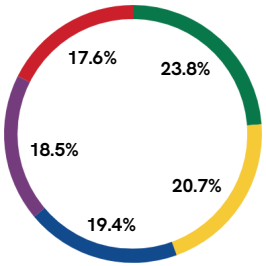


Scope 1 & 2 Emissions by Production sites



Cincinnati, USA
Gabus, Indonesia
Charlotte, USA
Reidsville, USA
Other locations (including Offices, warehouses, and labs)

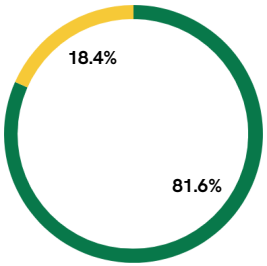
Scope 1 (Total emissions: 28.43 thousand tCO_2e)



Ludwigshafen, Germany
Cincinnati, USA
Omuta, Japan
Gabus, Indonesia
Other locations (including Offices, warehouses, and labs)

Scope 2 (Total emissions: 13.66 thousand tCO_2e)

Scope 3 Emissions by Category



Downstream transportation and distribution
Business Travel

Scope 3 (Total emissions: 3.75 thousand tCO_2e)

Environmental Resource Management

Ozone-depleting Chemicals (ODCs)

In FY2023, DyStar tracked R717 refrigerant consumption, which is a non-ODC and has a global warming potential (GWP) of 0. At selected production sites, DyStar also measures the consumption of ODCs including R22 and R134a, although these ODCs are not a direct result of DyStar's products or processes. The Group includes any ODC that is used as refrigerants on-site and the GWP for refrigerants are derived from the fifth assessment report of the Intergovernmental Panel on Climate Change (IPCC).

DyStar's total R717 refrigerant consumption in FY2023 was 2,522 kg. This was largely due to refrigerant leakages from chillers at DyStar's Gabus production site. The Group plans to install new chillers at its Gabus production site in FY2024.

Energy Management

Energy utilized at DyStar is mostly derived from natural gas, electricity, steam, and liquefied petroleum gas (LPG). Utilization of industrial machinery, IT systems, and air conditioning are the main sources of electricity consumption, while steam is either produced on-site or purchased from external providers, which is used for process and room air heating.

EMISSION SOURCE	CONSUMPTION
Refrigerant R717 - kg	2,522
Natural gas - m^3	11,425,129
Fuel oil - litres (stationary combustion)	12,713
Diesel - litres (stationary combustion)	50,790
LPG - litres (stationary combustion)	2,851,841
Diesel - litres (vehicular fuel)	64,191
Electicity - kwh	48,780,244
Steam - kwh	19,788,152

DyStar's total energy consumption in FY2023 was 737.35 TJ, which was 30% lower than 1,050.90 TJ in FY2022. Overall energy intensity marginally increased to 10.42 GJ per ton of production from 10.13 GJ per ton of production in FY2022. This improvement in total energy consumption can be attributed to a combination of factors including, lowered production output, a 20% increase in the Group's use of renewable energy from 64.3 TJ in FY2022, and DyStar's ongoing energy conservation initiatives.

Direct energy sources accounted for 67% of DyStar's total energy consumption in FY2023, a 17.9% increase as compared to FY2022. Indirect energy sourced from purchased electricity and steam, constitutes the remaining 33% of total energy, a 23.18% decrease from the year before. DyStar's purchased steam consumption was significantly lower than FY2022 as the DyStar Ludwigshafen production site was decommissioned.

DyStar is cognisant of the financial savings and emissions reductions that could result from improving energy consumption. In a continuous effort to cut its energy consumption, DyStar takes advantage of innovative technological solutions and opportunities, such as fuel-efficient combustion units. In FY2024, production heads at its production facilities will be given energy reduction targets. To ensure each production site implements appropriate measures to reduce its energy consumption, the following checks are conducted regularly:

- Check for opportunities at all sites to establish independent power supply by use of renewable sources (solar power, wind power, hydroelectric power)

Environmental Resource Management

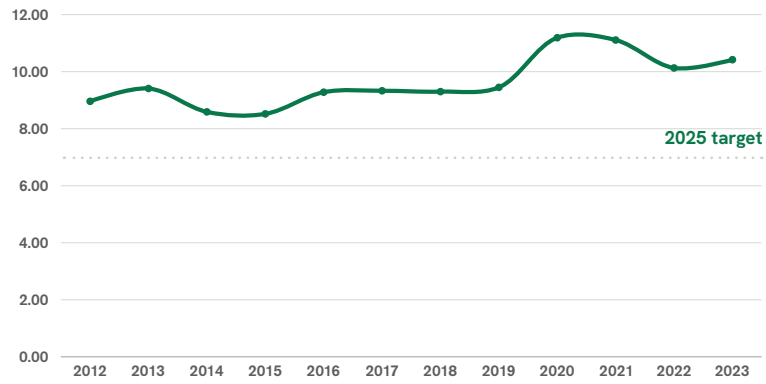
- Check that all lamps have been substituted with LED lamps
- Review large power consumers by checking the feasibility of operating them with variable frequency drives
- Ensure energy-efficient motors are used when new machines are installed
- Check leakages in compressed air and condensate systems and eliminate them to reduce power and steam consumption
- Improvement in equipment and pipeline insulation to reduce energy losses.
- Review implementation of the Energy Management System ISO50001:2018 for high energy consumption production sites such as Raunheim, Gabus and Omuta

Members of the senior management regularly review resource consumption data during the reporting period and discuss solutions to optimize energy-efficiency. In parallel, DyStar also strives to increase its renewable energy consumption. In FY2023, the group included biomass consumption in its renewable energy mix. This helps DyStar diversify its renewable energy sources and mitigate risks of supply disruption. DyStar Corlu and Mem Martins are exploring switching to 100% renewable energy sources, with their local power providers. Reducing DyStar's reliance on energy generated from fossil fuels is aligned with the Group's commitment in transitioning towards a cleaner energy future.

For FY2023 and FY2024, DyStar Turkey has committed to using 2322 MWh of electricity generated from hydroelectric sources through Renewable Energy Certificates.

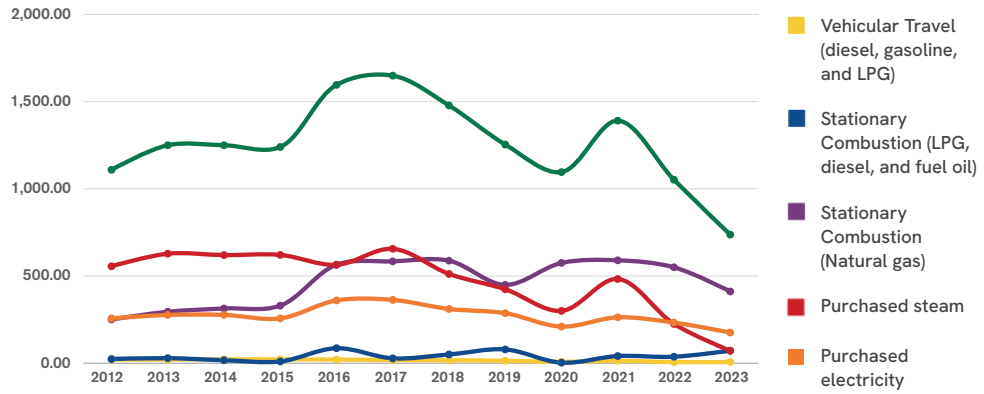
Non-Renewable Energy Intensity

(GJ used per ton of production)



Non-Renewable Energy Consumption by Source

(TJ)



Environmental Resource Management

Water

Water plays a crucial role in DyStar's operations and production processes. As water is a scarce resource, DyStar is dedicated to the conservation of the planet's water resources and keeps track of water consumption throughout its operations.

In FY2023, DyStar consumed a total of 2.98 million m^3 of water, a 55% decline compared to FY2022, mainly driven by lower production output. This resulted in a corresponding decrease in water consumption intensity of 32.7% from the previous year.

DyStar's main water sources are the municipal water supply or deep wells. Water is used as raw material, for evaporative cooling, process water, or boiler feed water. The outlet of the consumed water is as follows:

1. Part of the finished goods such as liquid dyes or auxiliaries
2. Evaporation during the generation of cooling water or drying processes with discharge to the environment as water vapor
3. Discharged to the environment after wastewater pre-treatment
4. Used for gardening
5. Feed water for steam boilers to generate steam for heating purposes
6. Make-up water for RO water and demineralized water systems

DyStar remains dedicated to mitigating the impacts of its operations on the environment and is committed to its goal of reducing its carbon footprint. Throughout FY2023, DyStar has explored methods to improve its water efficiency and made improvements to its operational procedures to boost water efficiency and reap cost-savings, including:

- Installing automatic shut-off valves at sinks to prevent water leakage at Gabus site
- Setting up a multi-effect evaporation plant to utilize condensate for RO water and boiler feed water preparation at Ankleshwar site
- Reusing condensate from steam generation to prepare boiler feedwater at Ankleshwar site
- Conceptualised a rainwater harvesting system at Ankleshwar site, to be implemented in 2024.
- Ongoing reviews of filtration processes are conducted at DyStar Gabus and DyStar Omuta production sites to identify options for reuse of washing water for the first displacement washing on filter presses

Environmental Resource Management

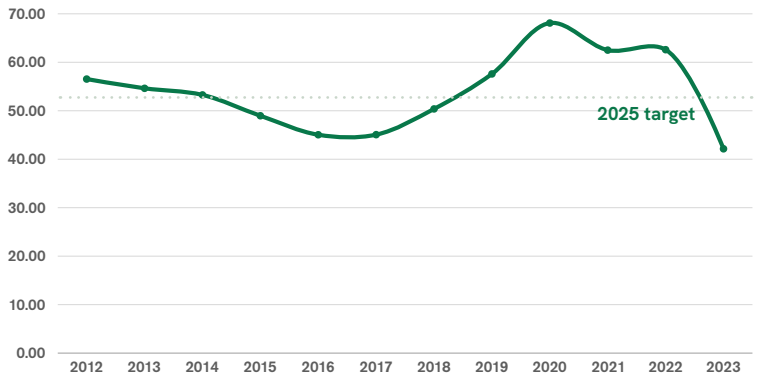
Water consumption is closely monitored and reported monthly at all DyStar sites. At DyStar's Ankleshwar site, the daily water consumption is limited by authority regulations due to general water shortage. To strengthen water resilience, DyStar has developed a rainwater harvesting system at the Ankleshwar site to recover as much water as possible for reuse in gardening, or as make-up water for cooling towers or steam boilers. An underground process water buffer basin at the Ankleshwar site is also under development. This will serve as a back-up supply of fresh water which can be replenished by water tankers, in the event of freshwater shortage. To reduce water consumption, DyStar uses high-pressure cleaners for equipment cleaning instead of boiling out of vessels. New high-pressure cleaners were purchased for DyStar Reidsville production site.

In FY2024, DyStar plans to undertake a water risk assessment at production sites with water consumption limits. Targets are also defined at these production sites to reduce water consumption and wastewater generation, where there is high treatment cost. Two additional sewage water treatment plants will be installed at DyStar Gabus production site.

In FY2023, DyStar managed to reuse 54,876 m^3 of water, which is approximately 1.8% of the Group's total water consumption.

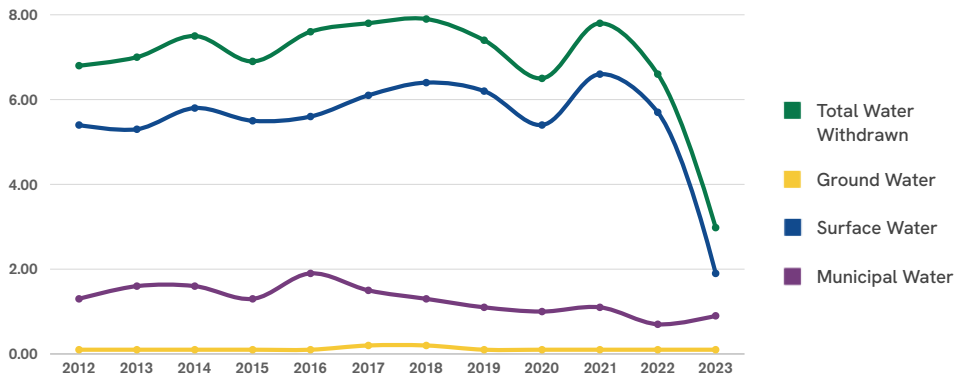
Water Consumption Intensity

(m^3 of water consumed per ton of production)



Water Withdrawal by Source

(million m^3)



Environmental Resource Management

Wastewater

To safeguard local communities and water resources, DyStar manages wastewater according to the best practices in the industry and adheres to local wastewater discharge regulations at all production and operating sites. To treat wastewater, DyStar utilizes both onsite and offsite wastewater treatment methods. DyStar is reviewing new wastewater treatment technologies such as UV radiation and ozonization, to achieve higher levels of disinfection. The typical wastewater treatment processes at DyStar's sites are:

1. Chemical treatment, including neutralization
2. Flocculation / Coagulation followed by filtration
3. Adsorption on activated carbon
4. Multi-effect Evaporation (MEE) with either drying of MEE concentrate onsite or disposing to certified 3rd party incineration plants, followed by reuse of the evaporated water as process water or make-up water for cooling tower
5. Ultrafiltration and nanofiltration
6. Biological treatment (aerobe)
7. Dissolved air flotation

The Group also keeps track of wastewater on its sites to ensure that threshold limits stated in contracts or regulations are adhered to. Wastewater is being monitored regularly before discharge using samples from the buffer tank to ensure compliance. Sites have in place spectrophotometers to analyse several discharge parameters. The same measures are taken for wastewater bound for final treatment at municipal plants and wastewater handled by external contractors. DyStar recognizes the need to ensure the prohibition of the reuse of wastewater by other organizations and hence puts in place strict precautions.

In FY2023, DyStar discharged 569,093 m^3 of wastewater, representing a decrease of approximately 37% from that in FY2022. Wastewater intensity has further improved to 8.04 m^3 per ton of production as compared to 8.71 m^3 per ton of production in the year before.

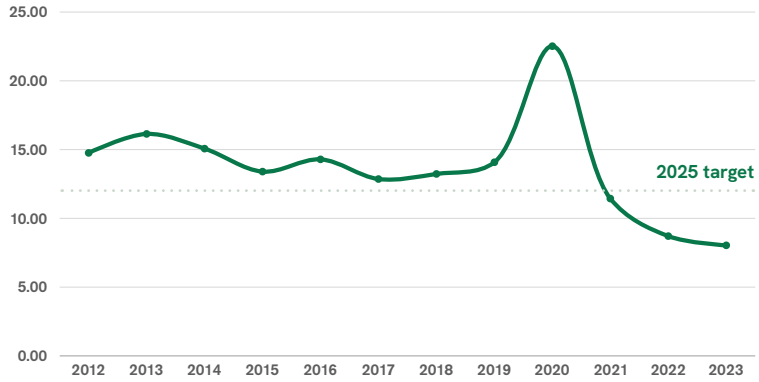
Environmental Resource Management

The Ankleshwar and Gabus sites are currently operating as part of a "Zero Liquid Discharge Scheme" under the local authorities' initiative due to environmental impact assessments conducted or the nature of production licenses. These sites are prohibited from discharging any wastewater. Instead, the wastewater goes through a treatment process to be converted to a concentrate or solid residue, for disposal via landfill or incineration. Water recovered in the process is then reused as make-up water for cooling towers or process water.

DyStar sets its minimum wastewater discharge standards by considering the site's existing discharge permits and discharge limits defined by bluesign® for chemical suppliers, before selecting the more stringent wastewater discharge limit. 79% of the Group's sites do not discharge wastewater into water bodies. These sites are either zero liquid discharge sites or discharge wastewater to a certified central effluent treatment plant. Only 3 sites (Corlu, Samutprakarn, Apiuna) discharge wastewater into water bodies within the site's respective discharge limits and after treatment onsite.

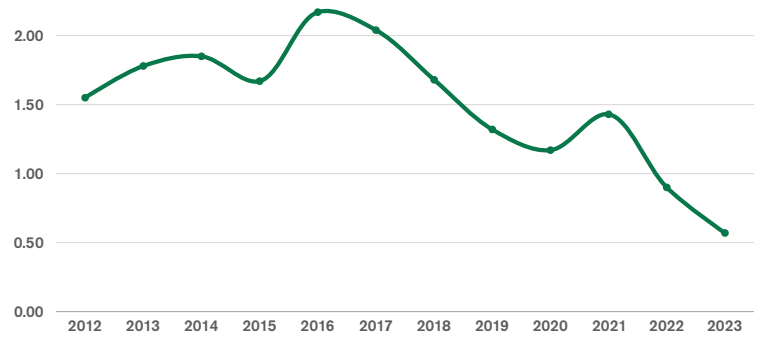
Wastewater Production Intensity

(m^3 of wastewater discharged per ton of production)



Wastewater Discharged

(million m^3)



Environmental Resource Management

Air Emissions

DyStar is committed to ensuring that the air pollutants released from its production facilities and operational activities are below permitted levels. The main air pollutants that DyStar produces include particulate matters (dust), total organic carbon (TOC), volatile organic compounds (VOC), sulfuric oxides and hydrochlorides.

The various nitrous oxides and methane are measured only at DyStar's Ludwigshafen and Gabus manufacturing facilities since these exhaust gas compounds are regulated under municipal discharge limits. From FY2024 onwards, the Group will begin measuring TOC from process emissions at all manufacturing facilities with products sold in the textile industry, in line with air emission guidelines set by bluesign®.

DyStar's approach to air emission reduction involves addressing emissions from diffused sources and concurrently enhancing current systems to lower TOC and dust emissions. In FY2023, the Group is reviewing plans to install new dust and vapor extraction systems aimed at capturing air pollutants from diffused air emissions. Captured air is purified and treated in dust collectors and exhaust gas treatment systems to further enhance the quality of air released. The Group will focus on production sites where carcinogenic, mutagenic and reprotoxic materials are handled, according to bluesign's OEL Guideline. Installations are planned to be completed by 2025.

Waste Management

Both hazardous and non-hazardous waste are produced at DyStar. DyStar is cognisant that the increased volume of waste generated could pose major risks to the environment as well as public health. As a result, the Group is dedicated to reducing the overall amount of waste produced by its activities, as well as waste generated upstream or downstream of its value chain. For instance, waste is minimised across all stages of production through process optimisation. This involves stringent quality control of raw material inputs and maintaining process parameters according to production manuals, to reduce material losses, and avoid reprocessing or disposal of product batches.

At DyStar, hazardous waste such as contaminated waste packaging, product residues, residues resulting from the distillation recovery of solvents, solutions and other liquids that cannot be disposed of as wastewater, as well as residues that may remain after wastewater evaporation, are outputs from its manufacturing activities. In FY2023, DyStar generated 3,238 tons of hazardous waste and 4,049 tons of non-hazardous waste. Non-hazardous waste mostly comprises office waste, uncontaminated packaging material and pallets.

Overall, DyStar's waste intensity for FY2023 was 102.97 kg per ton of production. There were also no major hazardous waste spillages across all DyStar locations. In FY2023, DyStar recycled 34% of its packaging materials. DyStar strives to continuously improve its waste management practices and recycle as much of its non-hazardous waste as possible.

Environmental Resource Management

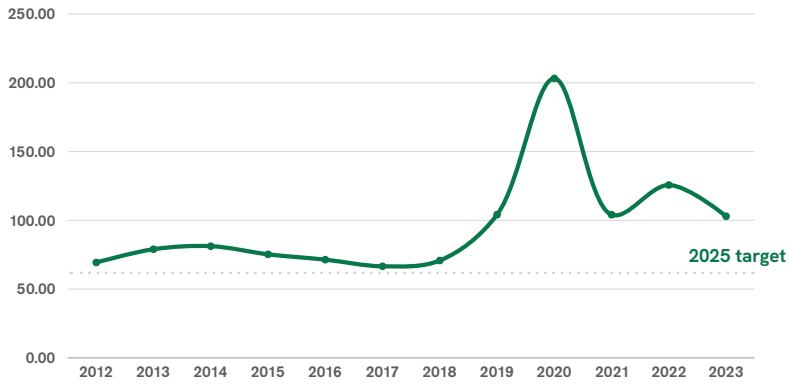
For all waste to be disposed, specifications are made available to all DyStar's operating facilities and samples are tested by certified disposal companies. The Group's manufacturing sites continuously monitor and ensure that the specification per waste class including the monthly waste amount allowed to be disposed are maintained.

In general, all waste (solid or liquid) generated by DyStar's business activities are transported by certified transportation companies and disposed by certified disposal companies. Certificates and licenses of involved transporters and disposal companies are annually reviewed including inspection of the disposal sites like landfills or incineration plants.

DyStar's total hazardous and non-hazardous waste disposed totalled 7,287 tons, with 44% categorized as hazardous.

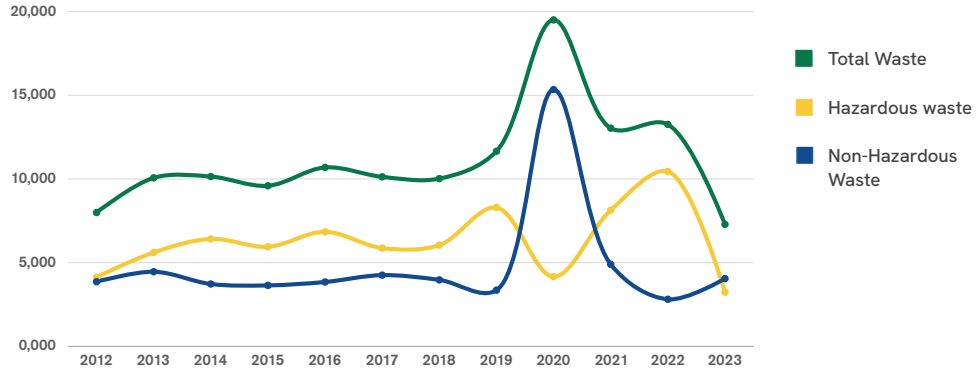
Waste Production Intensity

(kg of waste per ton of production)



Waste Production by Category

(tons)



HUMAN CAPITAL

Employee development and well-being are important priorities at DyStar. Mechanisms are in place to ensure our team's ethical behavior and to promote a fair, inclusive, and diverse workforce for all.

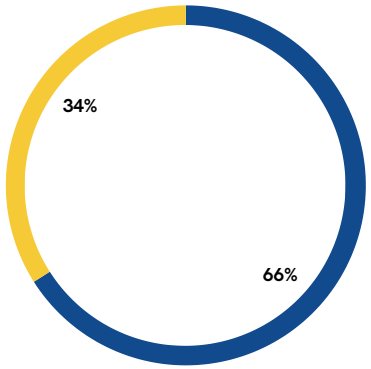
Supporting and Developing Our People

As the world's leading dyestuff & chemical manufacturer and solution provider, DyStar has established a robust international presence and takes pride in upholding its commitment to its workforce, while acknowledging diversity as an integral to its global success. As defined in its Code of Conduct, DyStar maintains high standards for its employees and extends these expectations to the organisation as a whole. The Group is committed to equitable and ethical employment practices and fostering a safe work environment for all – thereby maximising the well-being of its workforce.

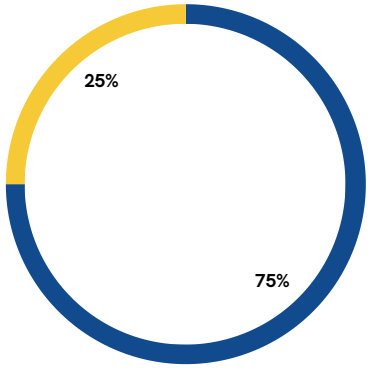
Headquartered in Singapore, DyStar currently employs a workforce of 1,559 staff members across its divisions worldwide. It operates offices and production facilities across North, South and Southeast Asia, Europe, America, Turkey, Africa, and the Middle East (TAME). As DyStar only engages a small number of non-employees to conduct work, this report will primarily focus on members who are in an employment relationship with DyStar.

Supporting and Developing Our People

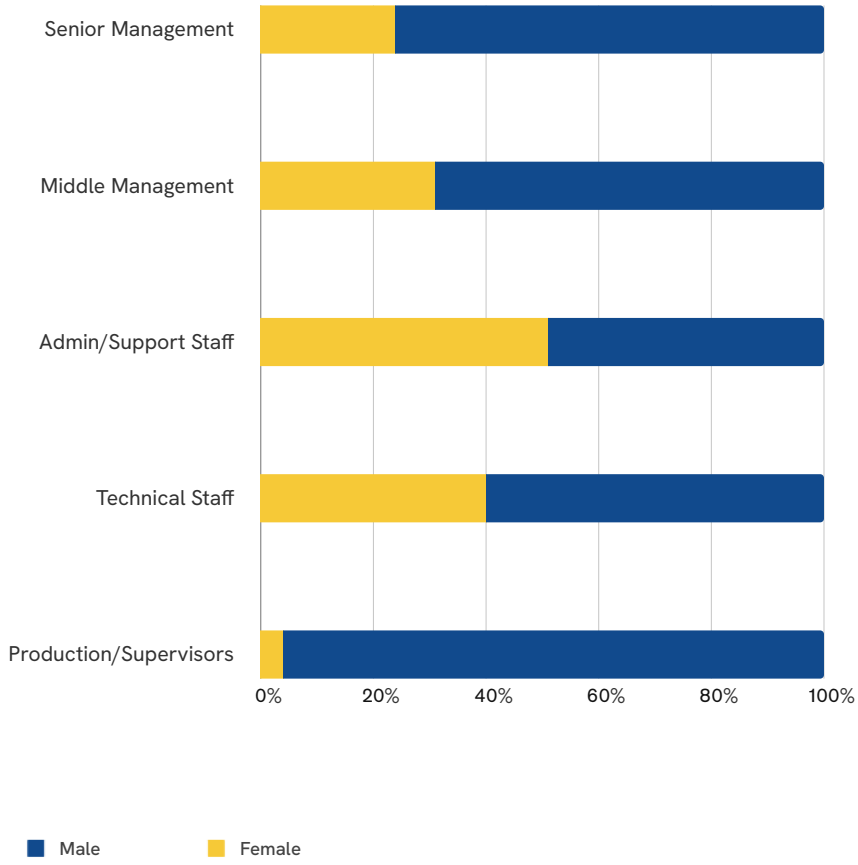
Total Workforce by Gender



Employee Turnover by Gender

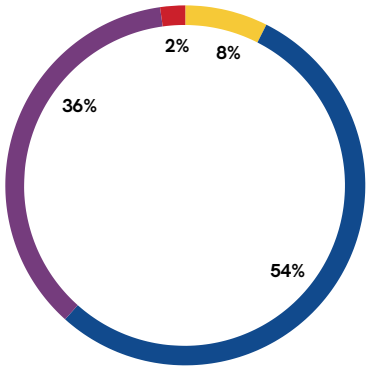


Employees by Position and Gender

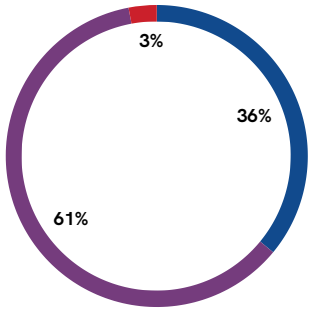


Supporting and Developing Our People

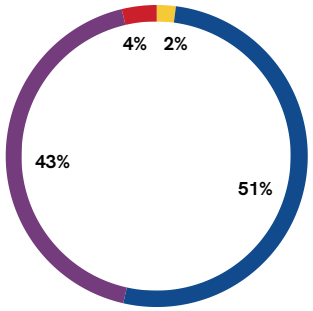
Total Workforce by Age Group



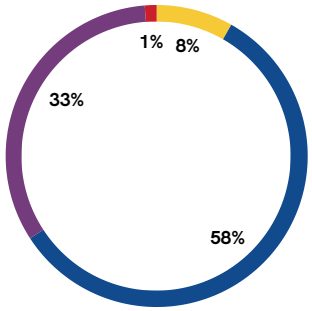
Employees by Position and Age Group



Senior Management

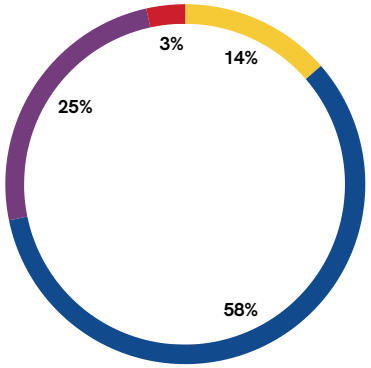


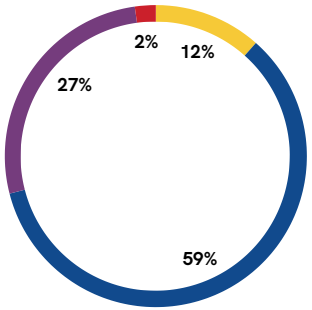
Middle Management



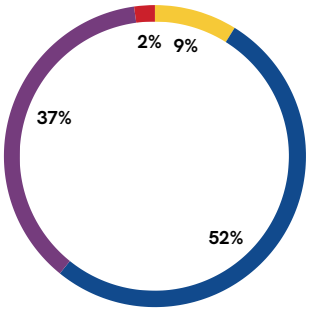
Admin/Support Staff

Employee Turnover by Age Group





Technical Staff

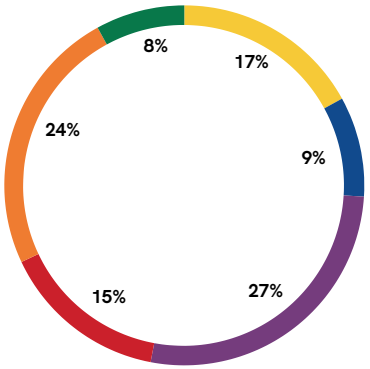


Production/Supervisors

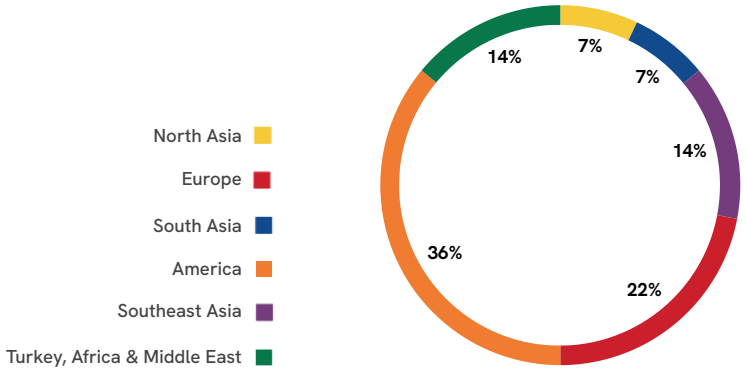
Between 18-29 years old | Between 30-49 years old | Between 50-64 years old | Age 65 & above

Supporting and Developing Our People

Total Employees by Region



Employee Turnover by Region



Diversity

DyStar regards diversity as a strength and is committed to providing equal opportunities for all. For instance, there is no differentiation in remuneration based on gender. DyStar firmly opposes all forms of discrimination and coercion and continually integrates sensitivity to a wide range of cultural circumstances at the workplace.

DyStar recognizes the influential role of female leaders in empowering women in the workplace. This is reflected in the composition of DyStar's management committee, where approximately 30% of the prestigious positions are held by women. By showcasing these role models, DyStar aims to inspire more women to pursue leadership positions and achieve their full potential in the workplace.

DyStar has implemented several events and programmes, at the global and country level, to cultivate a culture that champions diversity in the workplace. These initiatives underscore DyStar's reputation as a company that prioritises employee wellbeing and fosters good behaviour.

Supporting and Developing Our People

Occupational Health and Safety

DyStar is committed to providing a safe and healthy work environment for its employees through its 'Safety First!' approach. Recognizing the specific hazards associated with chemical industry operations, DyStar ensures occupational health and safety by identifying potential health risks, providing information, regular training (as part of employee's annual training plans), and implementing appropriate protective measures. Employees share a mutual responsibility for safety and are required to abide by the company's instructions and regulations, including reporting any work-related hazards or near-misses.

DyStar has established an Occupational Health, Safety, and Environmental Protection framework that guides its approach. The framework includes:

1. Providing employees with adequate personal protective equipment (PPE) to safeguard against direct and long-term health risks associated with handling hazardous materials or processes. A PPE matrix related to such hazards is being implemented at all sites.
2. Conducting regular and thorough site inspections by interdisciplinary teams to identify potential health and safety risks, and any gaps are remedied within a set timeframe with appropriate follow-up actions.
3. Investigating all incidents and accidents in conjunction with HSE experts to address root causes, define corrective actions, and prevent recurrences.

DyStar is developing its occupational health and safety management system in consultation with employees to enhance work organization, occupational safety management, health protection, safety technology, hazardous substances, and production processes. All employees including contract workers will be covered by DyStar's occupational health and safety system. DyStar plans to implement the new occupational health and safety management system and obtain ISO45001 certification by 2025.

DyStar's production sites are designed to prioritise safety and reduce potential hazards and process risks. Selecting contractual partners for production site operations necessitates considering criteria related to safety, health, and the environment. Contractors must comply with DyStar's regulations, and safety systems for technical installations must be systematically developed and regularly updated to reflect technological progress.

At DyStar, it is standard practice to develop accident prevention plans for all production sites in collaboration with relevant DyStar departments and local authorities.

Employees must complete safety training prior to operating equipment or handling hazardous materials, and are required to practice emergency procedures. Regular hazard and operability studies, as well as job hazard analyses are conducted, where employees (including contract workers) are engaged on their views. To mitigate identified risks, organisational or technical measures including wearing of special personal protective equipment, installation of dust extraction systems, safety interlockings etc. have been implemented.

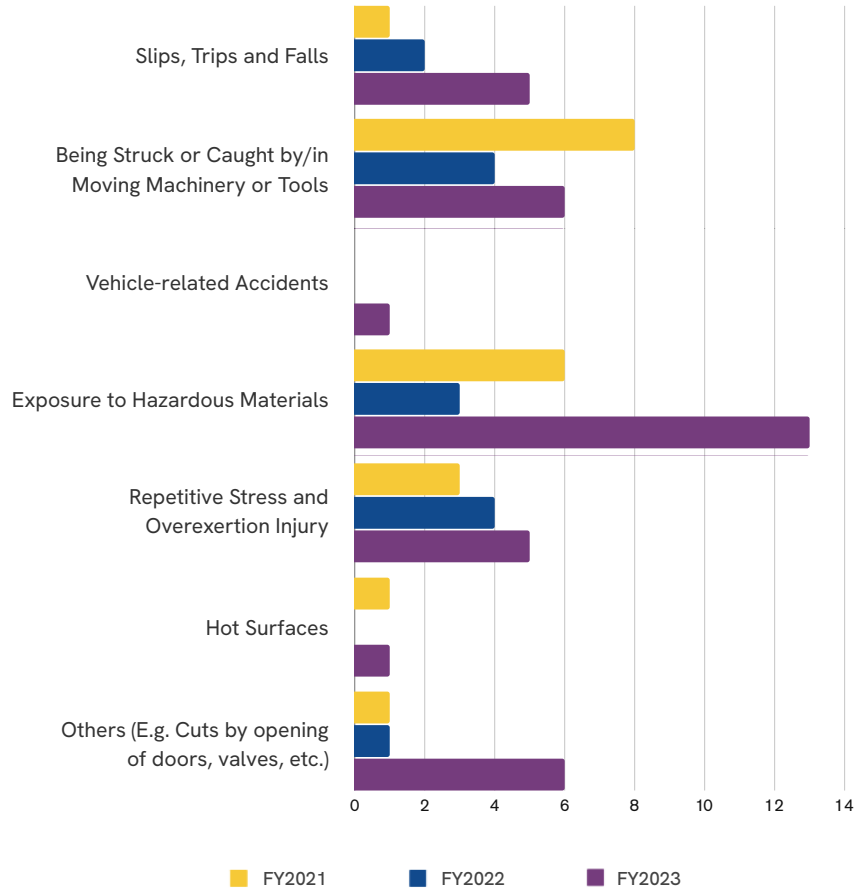
Supporting and Developing Our People

Additionally, all production sites have established safety committees consisting of employees and management representatives. These safety principles are implemented globally across all DyStar divisions. The company transfers technologies and knowledge within the Group to ensure all DyStar companies implement consistent protection and safety principles and standards.

In FY2023, DyStar has maintained its track record of zero cases of work fatalities. There was a total of 20 work-related injuries among employees. There was 1 case of high-consequence injury recorded in FY2023 for employees, equivalent to an injury rate of 0.086 based on 200,000 hours worked. All work-related incidents are investigated and reported in an in-house database. Findings and the corrective and preventive actions are documented, to avoid repetition of such incidents. DyStar has investigated all incidences of work-related injuries in FY2023 and implemented corrective actions to minimize further risks.

The breakdown of the type of injuries is as follows:

Breakdown of the type of injuries



Supporting and Developing Our People

Tables 1 and 2 below illustrate the number of work-related injuries for employees and non-employees, broken down by the type of injury.

WORK-RELATED INJURIES (EMPLOYEES)	
Rate of recordable work-related injuries (based on 200,000 hours worked)	**1.72**
TYPE OF INJURY	**NUMBER OF EMPLOYEES**
Slips, Trips and Falls	**1**
Being Struck or Caught by/in Moving Machinery or Tools	**8**
Vehicle-related Accidents	**0**
Exposure to Hazardous Materials	**6**
Repetitive Stress and Overexertion Injury	**3**
Hot Surfaces	**1**
Others (E.g., Cuts by Opening of Doors, Valves etc.)	**1**
TOTAL	**20**

Table 1: Work-related Injuries (Employees)

WORK-RELATED INJURIES (NON-EMPLOYEES)	
Rate of recordable work-related injuries (based on 200,000 hours worked)	**0**
TYPE OF INJURY	**NUMBER OF NON-EMPLOYEES**
Exposure to Hazardous Materials	**0**
TOTAL	**0**

Table 2: Work-related Injuries (Non-Employees)

Supporting and Developing Our People

Standard Procedures

DyStar has set up a global network of Health, Safety and Environmental Protection (HSE), where Regional and local HSE Managers enforce safety measures across the company and ensure that all employees and contractors comply with applicable laws, regulations, and DyStar policies. The HSE Team creates guidelines and training programs for vigilance and regularly assesses their effectiveness together with the Regional and Global HSE Managers.

DyStar has put in place stringent policies to ensure the safe handling of hazardous materials, chemicals under pressure, working at elevated temperatures, and the release of hazardous by-products, among other protocols. An example is the DyStar's Emergency Response Plan (ERP) which provides step-by-step guidance on handling hazardous chemical incidents on manufacturing sites. In such situations, special actions are taken according to the Standard Operating Procedures (SOP) or operation manuals.

To address work-related hazards and minimize associated risks, DyStar has put in place a comprehensive Job Hazard Analysis at all of its sites. This analysis identifies potential hazards that could affect employees, and additional measures are implemented to ensure a safe working environment. Site managers are responsible for ensuring that employees follow established safety protocols and review the effectiveness of implemented measures.

In Germany, for instance, the hazard analysis is conducted in line with the German Workplace Ordinance, which aims to protect the health and safety of employees at work. Any changes to the work environment are met with immediate technical or organizational actions to mitigate potential risks to health and safety.

As part of the Process Hazard Analysis (HAZOP), risk assessments are conducted separately for the handling of hazardous chemicals. This principle considers all potential maloperations and technical deviations that could have an impact on people, property, or the environment, following a "one failure principle" to limit the impact of all deviations identified. A dedicated procedure is also followed to identify potential deviations and related organizational and/or technical measures to minimize the impact.

All near misses or work-related accidents are logged in the Incident Tracker report system, including a description of the incident, root cause investigation, and corrective and preventive actions taken to prevent a recurrence. Any work-related hazards or hazardous situations reported as "near miss" are immediately addressed to prevent an unsafe situation that could potentially cause an accident or negatively affect the health and safety of DyStar's employees.

DyStar conducts regular assessments of its operations to identify any potential negative health impacts and implements ergonomic reviews to make technical improvements where necessary. This may include installing vacuum lifters at workstations that require regular lifting or reducing the weight of individual containers. DyStar also provides medical services at all of its manufacturing sites, allowing employees to have access to regular consultations with on-site physicians. Employees are also covered by work insurance programs. For the case of the Ankleshwar site, DyStar has an Occupational Health Centre that is available to all employees.

Supporting and Developing Our People

Natural Disasters Simulation Training in DyStar TAME

As climate change escalates, the frequency and severity of natural disasters heightens, exposing company operations to climate risks, and potentially compromising the safety of our employees. DyStar places great focus on mitigating related risks and enabling employees to protect themselves to their best abilities. In FY2023, a certified search and rescue training program has been implemented to equip employees with the relevant skills in times of natural disasters. The training comprises of basic disaster awareness, basic first aid, disaster psychology as well as psychological first aid. 34 employees who are part of the emergency team received the theoretical training while all 67 employees participated in the drill.

HSE-related Training in Gabus, Indonesia Plant

As part of DyStar's respect for variations in local contexts, localised training programs in compliance with local laws and regulations have been developed. In accordance with Indonesia's law and mandates, the following appointments and programmes have been implemented in FY2023:

Occupational Safety & Health Expert

Trained and certified HSE Manager according to the Regulation Number Per.02/Men/1992 of the Minister of Manpower of the Republic of Indonesia for HSE Leaders to increase their competencies in health & safety management.

Hazardous & Toxic Waste Management Person in Charge

Trained and certified HSE Manager as mandated by Decision Number 191/2019 of the Minister of Manpower of the Republic of Indonesia for Environmental Manager to enhance the level of competencies of hazardous and toxic waste management.

Occupational Safety & Health Expert for Fire Prevention

To fulfil local regulation according to Decree Number Kep.186/Men/1999 of the Minister of Manpower of the Republic of Indonesia, Emergency Response Team (ERT) leaders in high-risk companies require an appropriate person to be trained and appointed by the HSE Manager to enhance the competencies of fire protection and prevention management.

Emergency Response Team (ERT) Competition

This event has been conducted to increase the skill and competency for good practice of emergency response including proper use of fire extinguishers and fire hydrants, first aid treatment to the victim, and how to handle the chemical spillage that happened on site. All groups of ERT (68 employees from 4 groups) were participants in this event. This is an example of DyStar going the extra mile to promote awareness and is beyond the requirement for URSA audit.

Supporting and Developing Our People

Employee Rights and Benefits

In addition to DyStar's Code of Conduct which outlines DyStar's legal and ethical principles, DyStar upholds employees' rights in accordance with the Social Accountability International's SA8000 Standard. This commitment aligns with ISO 9001, which specifies the criteria for a quality management system. At DyStar, employees are considered vital stakeholders and the Group prioritizes enhancing mutual trust.

DyStar is firmly opposed to the use of child labour or forced labour within its area of responsibility. This commitment ensures that children or young workers are not exposed to situations in or outside of the workplace that are hazardous, unsafe, or unhealthy. All contracts signed comply with human rights' laws and regulations in relevant jurisdictions. DyStar also diligently monitors its supply chain to prevent any misconduct or abuse of human rights. Through annual or biannual onsite audits conducted by both internal and external parties, DyStar has maintained its history of zero cases reported relating to child or forced labour in FY2023.

DyStar acknowledges and upholds the rights of its employees to establish and support labour unions, as well as the right to engage in collective bargaining. The Group ensures that labour union representatives are not subjected to discrimination and that their members are granted access to the workplace. DyStar follows prevailing laws and standards when determining working hours and ensures that wages are never below the minimum wage specified by law. The Group guarantees that it does not enter employment contracts with illegal workers and that it does not engage in false apprenticeship/ vocational training arrangements to avoid compliance with working and social laws. In FY2023, 12.57% of employees are covered by collective bargaining agreement. In the event of significant operational changes that could substantially affect employees, employees are provided a notice period. However, this varies based on the collective bargaining agreement signed and location regulations.

DyStar adopts a zero-tolerance policy against all forms of discrimination based on race, ethnic origin, gender, religion, philosophy, political or union membership, disability, age, marital status, or sexual orientation. To better understand POSH (Policy on Prevention, Prohibition and Redressal Against Sexual Harassment at Workplace), examples of verbal & nonverbal Sexual Harassment were discussed with employees and they were informed about the steps to take if they wish to lodge a complaint. DyStar also provided the names and educational background of Internal Complaint Committee members and their function in the policy, turnaround time for filling complaints and its redressal etc.

DyStar understands the circumstances of employees with children and childbearing, thus actively providing maternity protection. All employees are entitled to parental leave and maternity leave is also provided for those eligible. In total, 30 employees took maternity/ paternity leave in FY2023, with 9 out of 14 female employees returning to work upon the end of the leave period.

Apart from complying with wage laws and industry standards, DyStar also believes in rewarding employees for good performance and behaviour. In FY2023, DyStar conducted performance review for 98% of employees which built the basis for incentive schemes.

Supporting and Developing Our People

Opportunities for Development

DyStar encourages the upskilling of its employees by focusing on improving their core competencies. In order to cultivate a diverse and empowered workforce, DyStar commits to investing in various development programs aimed at providing effective skill-building opportunities for its employees. DyStar identifies the continual improvement and expansion of employee skills, knowledge, and interests as a key factor of the company's sustainable growth and innovation, as opportunities arise and evolve in the long term. In FY2023, the Group provided employees with a total of 13,218.36 training hours, spanning across all employee categories. Training hours were lower than FY2022 as most employees had completed their mandatory training modules and new training modules are expected to be launched in FY2024. Moving forward, DyStar intends to establish practical targets for training hours per employee in the upcoming years.

Table 3 below illustrates the total number of training hours in FY2023, as well as training hours by gender and by employee category.

TRAINING	
Number of Training Hours	**13,218.36**
Training Hours by Gender	
Male	**8,947.06**
Female	**4,271.30**
Training Hours by Employee Category	
Senior Management	**326.50**
Middle Management	**3,581.00**
Admin/Support Staff	**3,427.40**
Technical Staff	**3,690.15**
Production/Supervisors	**2,193.31**

Table 3: Training hours statistics

Global Training Program

DyStar's HR team is integrated into regional offices across its global operations to oversee the implementation and execution of the company's Global Training Program, which aims to improve the training outcomes of all employees. The program includes mandatory regulatory, safety, quality, and certification training, technical training to enhance job competencies, and soft skills training to develop supervisory, interpersonal, and leadership skills. By focusing on increasing the capacity and performance of each employee, the Global Training Program at DyStar aims to boost the company's overall efficacy and efficiency.

Supporting and Developing Our People

DyStar India Training Programmes
DyStar implemented several training initiatives, including biweekly technical training sessions for Key Account Manager/ Business Development colleagues, succession planning using a 9-grid model to evaluate team members' potential, and a training session on Microsoft® 2FA and MS Outlook tool conducted by the IT manager for the South Asia region. These initiatives aimed to refresh technical knowledge, update application of new products, develop talent pipeline, and improve work efficiency through the effective use of technology.

Health and Safety Environment (HSE) Training
In FY2023, DyStar introduced virtual HSE training programs for manufacturing teams in the Americas and South-East Asia region. In-person trainings were organised in the Group's other operating regions. Approximately 404 employees from the Americas and South-East Asia region completed 2,648 hours of virtual HSE training.

DyStar University (DSU)
Launched globally to all DyStar employees in December 2022, this learning platform offers a plethora of training courses and proprietary materials that will support employees' learning journey at DyStar. Today the digital platform hosts over 40 curated modules designed to help employees with their learning needs.

In FY 2023, a total of 2,564 course sessions were completed, with employees from the Asia region leading with over 1,500 sessions. To further promote a proactive learning culture within DyStar, new modules are set to go live in 2024.

A suite of Product Marketing modules to help employees learn about the organisation's various offerings by products have been introduced. These courses are designed to support effective learning, through short quizzes and achievement certificates being offered upon completion of each course. In FY2023, a total of 240 employees completed a total of 2445 training modules on Product Marketing.

Ethical Business
DyStar is dedicated to establishing a strong foundation for its corporate governance as it is fully cognizant of its social responsibilities. DyStar has implemented strong compliance and ethics processes to deter unethical behaviour and bolster existing safeguards. In addition to the Code of Conduct which has eight principles and sets out the framework for employees on ethical values, DyStar also has a Fraud Policy to protect whistle-blowers, a Supplier and Third-Party Service Provider Code of Business Conduct, and a Sales Related Service Partners Code of Business Conduct. In order to maintain confidence among stakeholders, these principles, and policies, along with the diligence of DyStar's managers and employees, work to ensure that the business's integrity and the highest ethical and compliance standards are upheld.

Supporting and Developing Our People

Anti-corruption and Anti-competition

DyStar's business is vulnerable to the risks of corruption and bribery given its operations span across numerous geographical areas and interactions with numerous stakeholders. To that end, 80% of DyStar operations were assessed by the Global Internal Audit Team for risks relating to corruption. In FY2023, no significant risks relating to corruption were identified through the risk assessment conducted. The company has a zero-tolerance stance towards any form of bribery and corruption. In FY2023, the Group launched its MM1 Fraud Policy and updated its Code of Business Conduct. Anti-corruption policies were communicated to 100% of all employees across the organization, including governance body members, Managers, Directors, and Vice Presidents. Additionally, to ensure employees adhere to these policies and are prepared to address matters relating to ethical business conduct, all employees receive training on anti-corruption as part of the topic on the Code of Conduct module annually. In FY2023, there were zero confirmed anti-corruption cases and zero public legal cases regarding corruption brought against DyStar or its employees.

DyStar diligently abides by all laws and regulations on anti-competitive behaviour and does not tolerate it within its staff. All employees have to comply with the law as stated by DyStar's policies. Employees who may have queries regarding behaviour that could potentially be considered anti-competitive can seek legal counselling. In FY2023, zero cases regarding anti-competitive behaviour and violations of anti-trust and monopoly legislation were reported.

Human Rights

DyStar is committed to conducting business responsibly and has a zero-tolerance policy for child, forced, and coercive labour or activities which infringe on the rights of indigenous people. The Group's Code of Conduct includes a section on human rights, and every contract signed by external parties stipulates that they must abide by the laws and regulations governing those rights in their respective jurisdictions.

No sites are allowed to employ children and only those above the age of 18 are hired due to safety reasons. To ensure suppliers uphold human rights principles and maintain the basic standards of business conduct, DyStar engages in supplier engagement processes and regular on-site visits to monitor for signs of human rights abuses in its supply chain. For example, all significant suppliers are audited onsite either annually or biannually to ensure they comply with DyStar's stance against the employment of children and both internal and external audits are conducted to ensure no forced labour takes place.

To date, there has been no reported case relating to child or forced labour, and DyStar has not been charged any fines or penalties in this area. Additionally, zero incidents of violations involving rights of indigenous people were reported in FY2023.

Supporting and Developing Our People

Data Privacy

DyStar understands the risk posed by cyber threats in the digital era and the necessity to enhance data security to safeguard its customers' data and maintain its reputation. The Group is dedicated to upholding the highest levels of data security and privacy to safeguard both its own corporate data and that of its customers.

In order to comply with regulations like the Personal Data Protection Act of 2012 (PDPA) and the General Data Protection Regulation (GDPR) of the European Union, DyStar has implemented data privacy measures and works closely with international regulators and investor-related bodies. Additionally, DyStar also introduced its Global Personal Data Protection Policy in 2018, which clearly denotes practices relating to the collection, processing, use and disclosure of personal data, to comply with various data privacy requirements.

DyStar Singapore conducts a yearly internal audit of personal data protection and adheres to a data breach procedure to prevent the loss of customer data.

In FY2023, DyStar reported zero cases of identified losses of customer data, as well as zero substantiated complaints concerning breaches of customer privacy.

DyStar's Data Breach Procedure

DATA BREACH RESPONSE PROCESS	ACTIONS TAKEN TO CONTAIN THE DATA BREACH
Step 1: Contain Staff should report all suspected/confirmed data breaches to a specific individual immediately. Data breach management team to conduct an initial assessment of the data breach to assess the severity.	1. Isolate the compromised system from the Internet or network or shut down the compromised system if necessary. 2. Prevent further unauthorised access to the system – e.g., reset passwords if accounts and passwords have been compromised. 3. Isolate the causes of the data breach in the system, and where applicable, change the access rights to the compromised system. 4. Stop the identified practices that led to the data breach. 5. Establish whether the lost data can be recovered and steps that can be taken to minimise any harm or impact caused by the data breach (e.g., remotely disabling a lost notebook containing personal data of individuals).
Step 2: Assess An in-depth assessment of the data breach will be conducted to understand the risks posed by the data breach and how these risks can be addressed.	
Step 3: Report Notification of PDPC and affected individuals.	
Step 4: Evaluate Review and take action to prevent future breaches.	

SOCIAL CAPITAL

DyStar acknowledges the importance of ensuring healthy interaction with local stakeholders and generating positive outcomes for the local communities around where we operate.

Contributing to the Community

DyStar is committed to being a responsible citizen and acknowledges the substantial impact that its operations can have on the communities it operates in. The company seeks to integrate sustainable practices into its operations to create value for the stakeholders, while also fostering positive outcomes for the local communities.
To bolster local communities, DyStar has committed to investing in the education and training of the local workforce. As part of its efforts, DyStar prioritizes locals in its hiring process.

Embracing Cultural Diversity

DyStar is committed to fostering an inclusive workplace environment, where employees from diverse cultural backgrounds feel valued for their unique perspectives and are empowered to drive innovation within the company. Traditional practices are frequently featured in DyStar-sponsored events, while local traditions and cultures are encouraged and celebrated.

Contributing to the Community

Corporate Social Responsibility
Throughout the year, DyStar participated in various corporate social responsibility ("CSR") programs to support the local community and environment, as well as provide opportunities for its employees to be part of various community outreach initiatives.

Donation to Jayaben Modi Hospital
DyStar India pledged USD 7000 (584,307 INR) worth of donations to the Jayaben Modi Hospital, located in Ankleshwar, India. This donation fund was specifically made to support the Operating Theatre (OT) in the hospital. The inauguration ceremony was held on Jan 18, 2023, and attended by Eric Hopmann, Chief Commercial Officer (CCO), Jayant Khera (RVP) with key members from DyStar India Ankleshwar site.

Environment Awareness – Beach Clean-Up Activity
DyStar Bangladesh team concluded their Yearly Sales Meeting on 1 February 2023, and as part of incorporating sustainability in practice, an Environment Awareness Activity was organized at Cox's Bazar Beach, Bangladesh, which is also known as the "longest natural unbroken sea beach" in the world. 33 employees consisting of the full sales team of DyStar Bangladesh, alongside DyStar's Vice President for South Asia and Business Managers, were present for the beach clean-up activity. Together, they collected 9 bags of different garbage, including huge amounts of plastic materials, which they hope to raise environmental awareness in the local society to keep the beautiful beaches clean.

Active Participation in Earth Hour
Earth Hour, initiated in 2007, aims to raise awareness about climate change and prompt individuals and organizations to reduce their carbon footprint through simple actions. Despite their apparent insignificance, these actions can wield significant influence when millions participate globally. Scheduled for 25 March 2023, at 20:30 hours, this event involves switching off non-essential lights for an hour. DyStar Singapore, invited as the tenant by the office building management, participated by turning off facade lights and non-essential lighting while ensuring safety. Employees were encouraged to spread the message and invite others to join. Participation signifies a commitment to environmental care and proactive measures.

Customer Satisfaction

DyStar places great emphasis on customer satisfaction and experience to ensure customer retention and long-term business growth. To deliver better products to our customers, it is imperative to understand the satisfaction levels of our customers and the concerns they might have.

In FY2023, DyStar received 264 justified and non-justified complaints from customers, 34 less than in FY2023. The complaints received were of various natures, ranging from logistics issues such as wrong labelling to product quality issues. Each complaint was resolved promptly by the DyStar subsidiary site Quality Control team according to its nature. As of 31 December 2023, 76% of complaints have been resolved. DyStar strives to be committed to providing a satisfactory experience for all its customers and seeks to minimize the complaints received annually.

As part of the efforts to improve customer satisfaction, DyStar conducts yearly target setting reviews on the number of justified customer complaints to compare performance across different DyStar sites/regions.

Appendix A: Supplementary Sustainability Data

A1: Workforce Statistics

Total Number of Employees by Employment Contract, by Age

	PERMANENT EMPLOYEES[6]	TEMPORARY (CONTRACT) EMPLOYEES[7]
Age 17 & below	**0**	**0**
Between 18 - 29 years old	**112**	**19**
Between 30 - 49 years old	**785**	**33**
Between 50 - 64 years old	**549**	**17**
Age 65 & above	**38**	**6**
Total	**1,484**	**75**

Total Number of Employees by Employment Contract, by Region

	PERMANENT EMPLOYEES	TEMPORARY (CONTRACT) EMPLOYEES
North Asia	**202**	**63**
South Asia	**131**	**4**
Southeast Asia	**414**	**1**
Europe	**238**	**2**
America	**377**	**5**
Turkey, Africa & Middle East	**122**	**0**
Total	**1,484**	**75**

[6] DyStar follows the standard definition of permanent employees by GRI Standards, which includes employees with an indefinite contract that can be full-time or part-time work.

[7] DyStar follows the standard definition of temporary employees by GRI Standards, which includes employees under a contract that is limited by time or tasks.

Appendix A: Supplementary Sustainability Data

Total Number of Employees by Employment Type, by Age Group

	FULL-TIME EMPLOYEES	PART-TIME EMPLOYEES	NON-EMPLOYEES[8]
Age 17 & below	0	0	0
Between 18 - 29 years old	112	0	14
Between 30 - 49 years old	778	7	16
Between 50 - 64 years old	539	10	2
Age 65 & above	38	0	3
Total	**1,467**	**17**	**35**

Total Number of Employees by Employment Type, by Region

	FULL-TIME EMPLOYEES	PART-TIME EMPLOYEES	NON-EMPLOYEES
North Asia	202	0	42
South Asia	131	0	30
Southeast Asia	414	0	0
Europe	222	16	0
America	376	1	5
Turkey, Africa & Middle East	122	0	0
Total	**1,467**	**19**	**74**

[8] *Non-employees refer to workers who are not directly employed by DyStar.*

Appendix A: Supplementary Sustainability Data

A2: Talent Attraction & Retention

Total Number of New Employee Hires by Gender

GENDER	NUMBER
Male	88
Female	28
Total	**116**

Total Number of New Employee Hires by Age Group

GENDER	NUMBER
Age 17 & below	0
Between 18 - 29 years old	42
Between 30 - 49 years old	61
Between 50 - 64 years old	13
Age 65 & above	0
Total	**116**

Total Number of New Employee Hires by Region

GENDER	NUMBER
North Asia	5
South Asia	18
Southeast Asia	15
Europe	9
America	47
Turkey, Africa & Middle East	22
Total	**116**

Appendix A: Supplementary Sustainability Data

Total Number of Turnovers by Gender

GENDER	NUMBER
Male	**215**
Female	**72**
Total	**287**

Total Number of Turnovers by Age Group

GENDER	NUMBER
Age 17 & below	**0**
Between 18 - 29 years old	**39**
Between 30 - 49 years old	**167**
Between 50 - 64 years old	**71**
Age 65 & above	**10**
Total	**287**

Total Number of New Employee Hires by Region

GENDER	NUMBER
North Asia	**20**
South Asia	**20**
Southeast Asia	**38**
Europe	**62**
America	**100**
Turkey, Africa & Middle East	**47**
Total	**287**

Appendix A: Supplementary Sustainability Data

A3: Diversity & Equal Opportunities

Total Employees by Position

POSITION	NUMBER
Senior management	69
Middle management	295
Admin/support staff	474
Technical staff	269
Production/Supervisors	452
Total	**1,559**

Total employees by Position and Gender

POSITION	AGE GROUP	NUMBER
Senior management	Male	53
	Female	16
Middle management	Male	200
	Female	95
Admin/support staff	Male	237
	Female	237
Technical staff	Male	160
	Female	109
Production workers/Supervisors	Male	437
	Female	15
Total		**1,559**

Total Employees by Position and Age Group

POSITION	AGE GROUP	NUMBER
Senior management	Age 17 & below	0
	Between 18-29 years old	0
	Between 30-49 years old	25
	Between 50-64 years old	42
	Age 65 & above	2
Middle management	Age 17 & below	0
	Between 18-29 years old	6
	Between 30-49 years old	152
	Between 50-64 years old	126
	Age 65 & above	11
Admin/support staff	Age 17 & below	0
	Between 18-29 years old	39
	Between 30-49 years old	273
	Between 50-64 years old	156
	Age 65 & above	6
Technical staff	Age 17 & below	0
	Between 18-29 years old	31
	Between 30-49 years old	160
	Between 50-64 years old	72
	Age 65 & above	6
Production workers/Supervisors	Age 17 & below	0
	Between 18-29 years old	40
	Between 30-49 years old	235
	Between 50-64 years old	167
	Age 65 & above	10
Total		**1,559**

GRI Content Index

Statement of use	DyStar Group has reported in accordance with the GRI Standards for the period 1 January 2023 – 31 December 2023.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Nil

GRI STANDARDS	DISCLOSURE NUMBER	DISCLOSURE TITLE	PAGE REFERENCE / REMARKS	REASON FOR OMISSION
General Disclosures				
GRI 2 (2021): General Disclosures	2-1	Organizational details	Page 5-6	
	2-2	Entities included in the organization's Sustainability reporting	Page 7	
	2-3	Reporting period, frequency, and contact point	Page 8	
	2-4	Restatements of information	Page 8	
	2-5	External assurance	Page 8	
	2-6	Activities, value chain and other business relationships	Page 5, 29-30	
	2-7	Employees	Page 65-68	
	2-8	Workers who are not employees	NA	Not applicable, all workers whose work is controlled by DyStar Group are employees as well.
	2-9	Governance structure and composition	Page 12-13	
	2-10	Nomination and selection of the highest governance body	Page 12-13	
	2-11	Chair of the highest governance body	Page 12-13	
	2-12	Role of the highest governance body in overseeing the management of impacts	Page 12-13	
	2-13	Delegation of responsibility for managing impacts	Page 12-13	
	2-14	Role of the highest governance body in Sustainability reporting	Page 12-13	
	2-15	Conflicts of interest	Page 12-13	

GRI Content Index

GRI STANDARDS	DISCLOSURE NUMBER	DISCLOSURE TITLE	PAGE REFERENCE / REMARKS	REASON FOR OMISSION
	2-16	Communication of critical concerns	Page 12-13	
	2-17	Collective knowledge of the highest governance body	Page 12-13	
	2-18	Evaluation of the performance of the highest governance body	Page 12	
	2-19	Remuneration policies	Page 12	
	2-20	Process to determine remuneration	Page 12	
	2-21	Annual total compensation ratio	-	Data is not disclosed due to confidentiality constraints.
	2-22	Statement on sustainable development strategy	Page 14-15	
	2-23	Policy commitments	Page 14-15	
	2-24	Embedding policy commitments	Page 14-15	
	2-25	Processes to remediate negative impacts	Page 78	
	2-26	Mechanisms for seeking advice and raising concerns	Page 76-77	
	2-27	Compliance with laws and regulations	Page 76-77	
	2-28	Membership associations	Page 43	
	2-29	Approach to stakeholder engagement	Page 13	
	2-30	Collective bargaining agreements	Page 74	
Material Topics				
GRI 3 (2021): Material Topics	3-1	Process to determine material topics	Page 16	
	3-2	List of material topics	Page 16	
RESILIENT ECONOMIC PERFORMANCE				
Material Topic: Economic contribution				
GRI 3 (2021): Material Topics	3-3	Management of material topics	Page 22-23	

GRI Content Index

GRI STANDARDS	DISCLOSURE NUMBER	DISCLOSURE TITLE	PAGE REFERENCE / REMARKS	REASON FOR OMISSION
GRI 201 (2016): Economic Performance	201-1	Direct economic value generated and distributed	Page 25-26	
	201-2	Financial implications and other risks and opportunities due to climate change	Page 22, 25-26	
	201-4	Financial assistance received from government	Page 25-26	
SUSTAINABLE PRODUCTION AND SUPPLY CHAIN				
Material Topic: Responsible sourcing and supply chain				
GRI 3 (2021): Material Topics	3-3	Management of material topics	Page 31-34	
GRI 308 (2016): Supplier Environmental Assessment	308-1	New suppliers that were screened using environmental criteria	Page 33	
	308-2	Negative environmental impacts in the supply chain and actions	Page 32	
GRI 414 (2016): Supplier Social Assessment	414-1	New suppliers that were screened using social criteria	Page 31-32	
	414-2	Negative social impacts in the supply chain and actions taken	Page 32	
Material Topic: Circular Economy in Manufacturing				
GRI 3 (2021): Material Topics	3-3	Management of material topics	Page 36	
INNOVATIVE PORTFOLIO				
Material Topic: Product Innovation				
GRI 3 (2021): Material Topics	3-3	Management of material topics	Page 42	
ENVIRONMENTAL RESOURCE MANAGEMENT				
Material Topic: Climate Resilience				
GRI 3 (2021): Material Topics	3-3	Management of material topics	Page 51-53	
GRI 302 (2016): Energy	302-1	Energy consumption within the organization	Page 53, 56-57	
	302-2	Energy consumption outside of the organization	Page 53, 56-57	

GRI Content Index

GRI STANDARDS	DISCLOSURE NUMBER	DISCLOSURE TITLE	PAGE REFERENCE / REMARKS	REASON FOR OMISSION
	302-3	Energy intensity	Page 53, 57	
	302-4	Reduction of energy consumption	Page 54, 56-57	
	302-5	Reduction in energy requirements of products and services	Page 44	
GRI 303 (2018): Water and Effluents	303-1	Interactions with water as a shared resource	Page 58-60	
	303-2	Management of water discharge-related impacts	Page 60-61	
	303-3	Water withdrawal	Page 58	
	303-4	Water discharge	Page 53, 60-61	
	303-5	Water consumption	Page 53, 59	
GRI 305 (2016): Emissions	305-1	Direct (Scope 1) GHG emissions	Page 53-55	
	305-2	Energy indirect (Scope 2) GHG emissions	Page 53-55	
	305-3	Other indirect (Scope 3) GHG emissions	Page 56	
	305-4	GHG emissions intensity	Page 54	
	305-5	Reduction of GHG emissions	Page 54	
GRI 306 (2016): Effluents and Waste	306-1	Waste generation and significant waste-related impacts	Page 62-63	
	306-2	Management of significant waste-related impacts	Page 62-63	
	306-3	Waste generated	Page 53, 62-63	
	306-4	Waste diverted from disposal	Page 62-63	
	306-5	Waste diverted to disposal	Page 62-63	
SUPPORTING AND DEVELOPING OUR PEOPLE				
Material Topic: Developing People				
GRI 3 (2021): Material Topics	3-3	Management of material topics	Page 65-68	
GRI 401 (2016): Employment	401-1	New employee hires and employee turnover	Page 66-68, 77	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Page 74	

GRI Content Index

GRI STANDARDS	DISCLOSURE NUMBER	DISCLOSURE TITLE	PAGE REFERENCE / REMARKS	REASON FOR OMISSION
	401-3	Parental leave	Page 74	
GRI 402 (2016): Labour/ Management Relations	402-1	Minimum notice periods regarding operational changes	Page 74	
GRI 404 (2016): Training and Education	404-1	Average hours of training per year per employee	Page 75	
	404-2	Programs for upgrading employee skills and transition assistance programs	Page 75-76	
	404-3	Percentage of employees receiving regular performance and career development reviews	Page 74	
GRI 413 (2016): Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	Page 81	
Material Topic: Diversity and Equality				
GRI 3 (2021): Material Topics	3-3	Management of material topics	Page 68	
GRI 405 (2016): Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	Page 68	
	405-2	Ratio of basic salary and remuneration of women to men	Page 68	
GRI 406 (2016): Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	Page 68	
Material Topic: Workplace Health and Safety				
GRI 3 (2021): Material Topics	3-3	Management of material topics	Page 69	
GRI 403 (2018): Occupational Health and Safety	403-1	Work-related injuries	Page 70-71	
	403-2	Hazard identification, risk assessment, and incident investigation	Page 72	
	403-3	Occupational health services	Page 72	
	403-4	Worker participation, consultation, and communication on occupational health and safety	Page 69	
	403-5	Worker training on occupational health and safety	Page 72-73	
	403-6	Promotion of worker health	Page 69, 73	

GRI Content Index

GRI STANDARDS	DISCLOSURE NUMBER	DISCLOSURE TITLE	PAGE REFERENCE / REMARKS	REASON FOR OMISSION
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Page 69, 73	
	403-8	Workers covered by an occupational health and safety management system	Page 69	
	403-9	Work-related injuries	Page 70-71	
	403-10	Work-related ill health	Page 70-71	
Material Topic: Ethical Business and Strong Governance				
GRI 3 (2021): Material Topics	3-3	Management of material topics	Page 77	
GRI 205 (2016): Anti-corruption	205-1	Operations assessed for risks related to corruption	Page 77	
	205-2	Communication and training about anti-corruption policies and procedures	Page 77	
	205-3	Confirmed incidents of corruption and actions taken	Page 77	
GRI 206 (2016): Anti-competitive Behaviour	206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Page 77	
GRI 406 (2016): Non-Discrimination	406-1	Incidents of discrimination and corrective actions taken	Page 68	
GRI 407 (2016): Freedom of Association and Collective Bargaining	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Page 77	
GRI 408 (2016): Child Labour	408-1	Operations and suppliers at significant risk for incidents of child labour	Page 77	
GRI 409 (2016): Forced or Compulsory Labour	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Page 77	
GRI 411 (2016): Rights of Indigenous Peoples	411-1	Incidents of violations involving rights of indigenous peoples	Page 77	
GRI 417 (2016): Marketing and Labelling	417-1	Requirements for product and service information and labelling	Page 81	
	417-2	Incidents of non-compliance concerning product and service information and labelling	Page 81	
	417-3	Incidents of non-compliance concerning marketing communications	Page 81	
GRI 418 (2016): Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Page 78	

SDG Index

UN SDGS	MATERIAL TOPIC	HOW DYSTAR SUPPORTS THE UN SDGS
 ***Target 3.8 & 3.9***	▪ Workplace health and safety ▪ Climate resilience	▪ Provide permanent full-time and part-time employees with medical plans, life insurance and accident insurance ▪ Ensure a safe workplace by adhering with its Occupational Health, Safety and Environmental Protection Framework ▪ All employees working at manufacturing sites to undergo safety trainings ▪ Ensure proper treatment of hazardous and non-hazardous waste to reduce air, water, and soil contamination ▪ Shifting towards renewables to reduce GHG emissions and mitigate air pollution
 ***Target 4.4***	▪ Developing people	▪ Invest in training and development opportunities to improve employees' knowledge and skills ▪ Engage with customers, brands and retailers via webinars to reduce resource use in the textile dyeing processes
 ***Target 5.2 & 5.5***	▪ Developing people ▪ Diversity and equality ▪ Ethical business and strong governance	▪ Adopts a zero-tolerance stance towards any form of discrimination at the workplace, child labour and any form of forced or compulsory labour ▪ Continuously seek opportunities to increase the role of women in its workforce and reduce the gender gap
 ***Target 6.3 & 6.4***	▪ Climate resilience	▪ Ensure proper measures are in place to treat and manage wastewater ▪ Responsible consumption of water across its operations ▪ Reuse water and tap on alternative sources of water such as rainwater to reduce improve water efficiency
 ***Target 7.2 & 7.3***	▪ Climate resilience	▪ Increasing the proportion of renewable energy ▪ Leveraging on innovative technologies and opportunities to reduce energy usage
 ***Target 8.1, 8.2, 8.4 & 8.7***	▪ Economic contribution ▪ Product innovation ▪ Developing people ▪ Diversity and equality ▪ Ethical business and strong governance ▪ Workplace health and safety	▪ Explore new ways to enhance resource efficiency to improve its financial flexibility and resilience ▪ Prioritize hiring from the local community ▪ Develop a occupational safety and health management system

SDG Index

UN SDGS	MATERIAL TOPIC	HOW DYSTAR SUPPORTS THE UN SDGS
 ***Target 10.3***	▪ Developing people	▪ Adopts a zero-tolerance stance towards any form of discrimination at the workplace ▪ Creating an inclusive work environment
 ***Target 11.6***	▪ Product innovation ▪ Climate resilience	▪ Leverage on innovation to ensure products are safe for human and the environment, and free from environmental, health and safety risks ▪ Proper management of waste and wastewater
 ***Target 12.2, 12.4, 12.5 & 12.7***	▪ Climate resilience ▪ Responsible sourcing and supply chain ▪ Circular economy approach in manufacturing	▪ Reduce energy, waste, and waste intensity across its operations ▪ Responsible sourcing of materials and suppliers ▪ Ensure resources are utilized at optimal efficiency to minimize wastage and maximize output ▪ Increase proportion of recycled packaging materials
 ***Target 13.2***	▪ Climate resilience	▪ Optimize transport and logistics to minimise environmental footprint ▪ Adopt new technology to reduce energy and GHG intensity ▪ Engage with customers, brands, and retailers via webinars to reduce resource use in the textile dyeing processes
 ***Target 16.1, 16.2, 16.5, 16.6, 16.7, 16.10***	▪ Ethical business and strong governance ▪ Workplace health and safety ▪ Responsible sourcing and supply chain	▪ Conduct business with the highest standard of corporate governance and transparency ▪ Zero-tolerance stance towards child, forced and compulsory labour ▪ Implementation of a strong ethics and compliance mechanisms, including a Code of Conduct

Committed to Sustainability

DyStar's products and services help customers worldwide reduce costs, shorten lead times and meet stringent quality and ecological specifications.

Information and our technical advice - whether verbal, in writing or by way of trials - are given in good faith but without warranty, and this also applies where proprietary rights of third parties are involved. Our advice does not release you from the obligation to check its validity and to test our products as to their suitability for the intended processes and uses. The application, use and processing of our products and the products manufactured by you on the basis of our technical advice are beyond our control and, therefore, entirely your own responsibility. Our products are sold in accordance with our General Conditions of Sale and Delivery.

Global Headquarters
DyStar Singapore Pte Ltd
Tel: +65 6671 2800
Fax: +65 6659 1328
DyStar.Singapore@DyStar.com
www.DyStar.com