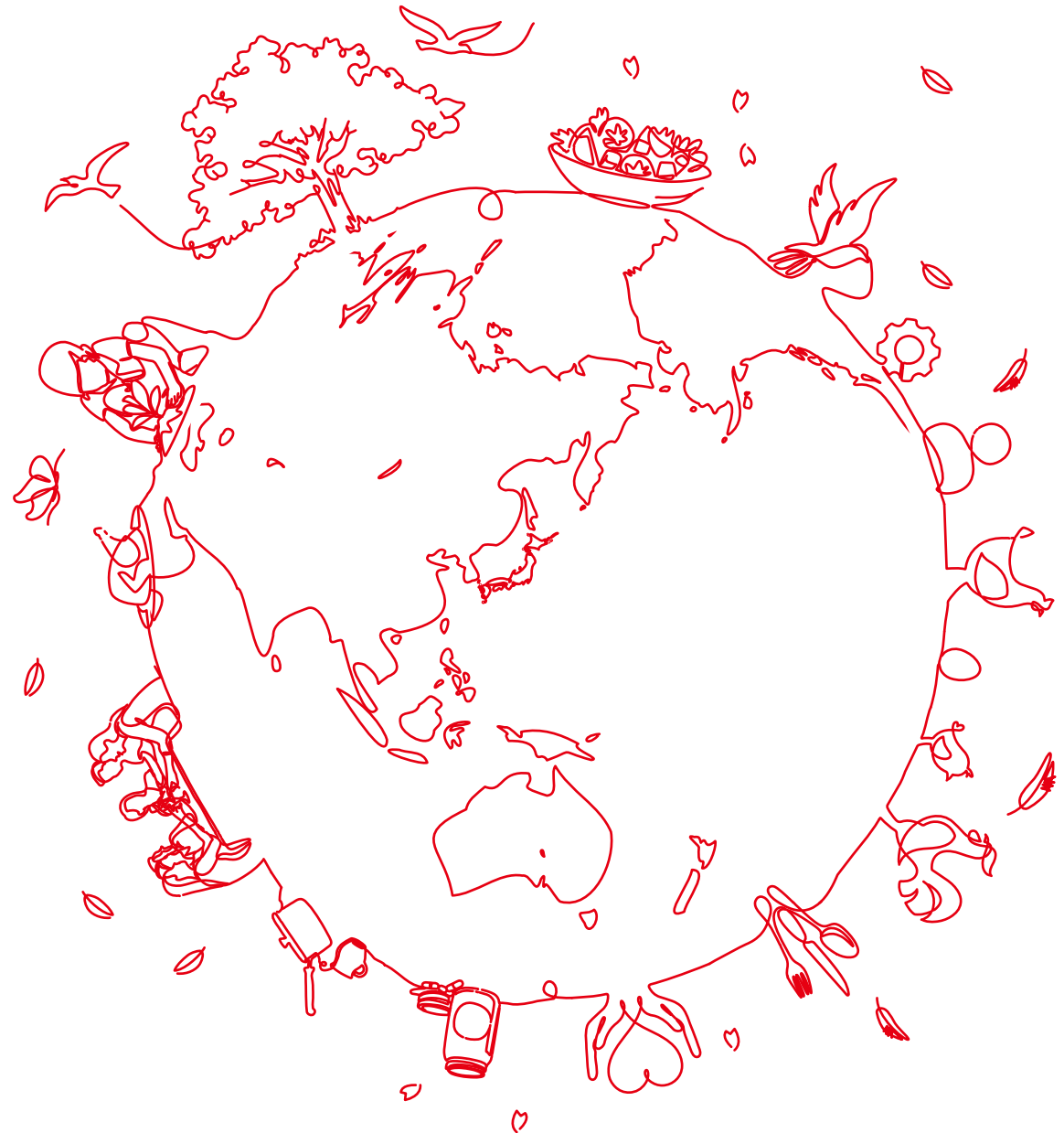


Kewpie Report 2024

The Kewpie Group Integrated Report 2024



Contents

Contents / Editorial Policy..... 1

Basic Policies

Corporate Philosophy of the Kewpie Group..... 2

Message from the President

Message from the President..... 3

The Value Creation Process

The Value Creation Process..... 8

Medium- to Long-term Business Management Strategy

Medium-term Business Plan 9

Sustainability 10-14

- Sustainability Management
- History of Sustainability Activities
- Kewpie Group's Thoughts on Salads
- Sustainable Procurement
- Sustainability Targets and Progress

Human Resource Strategy..... 15-16

- Efforts of Diverse Human Resources

Financial Strategy 17-18

- Cash Flow Allocation
- Financial Strategy to Support Sustainable Growth

Value Creation Story

The Kewpie Group Value Creation Story 19

Story I Accelerate Global Growth 20

Story II Domestic Business Quality Upgrading 23

Story III Contribute to Food Culture and Health 27

Dialogue What Kewpie Can Do for the Very Reason That
We Work Closely with Producers in Handling
Eggs and Vegetables to Deliver Value to
Our Customers 31

Corporate Governance

Corporate Governance 34-44

- Dialogue A Highly Transparent Board of Directors
Creates Vibrant Discussions with an Eye
to the Future

Risk Management 45

Performance and Company Information

11-year Financial and Non-financial Summary..... 46

Stock Information..... 47

Corporate Information 48

Editorial Policy

In putting together the Integrated Report 2024, the Kewpie Group hopes to deepen the understanding of all stakeholders, including its shareholders and investors, regarding efforts to create value over the medium to long term. This Integrated Report therefore provides an overview of the Group's business as well as comprehensive strategies and plans aimed at creating corporate value.

The Report also summarizes matters of a material nature that underpin the Group's efforts to create corporate value. All other information, including details of the Group's financial results and position, social and environmental initiatives, products, and businesses can be found on its corporate website.

Period Covered by the Report

The Report covers the 12-month period from December 2022 to November 2023.

Past background information and data as well as recent examples of the Group's activities that fall outside the period covered have also been included when considered appropriate.

Forward-looking Statements

The forecasts and forward-looking statements contained in this Integrated Report 2024 are based on information available as of April 2024 and on certain assumptions deemed rational. These forecasts also include certain probable uncertainties.

Actual performance, etc., could differ greatly from forecasts due to a variety of factors including changes in business conditions.

Note: Throughout this report, fractional amounts less than the indicated unit have been discarded. However, monetary figures in billions of yen, as well as percentages, have been rounded to the nearest fractional unit.

Website

The Kewpie Group posts a wide range of information from a variety of perspectives on its website.



IR Information

<https://www.kewpie.com/en/ir/>



Sustainability

<https://www.kewpie.com/en/sustainability/>



Recipes / Products

<https://www.kewpie.co.jp>

Corporate Philosophy of the Kewpie Group

Corporate Philosophy of the Kewpie Group

Corporate Motto

RAKU-GYOU-KAI-ETSU

Corporate Principles

- Act on Moral Principles
- Strive for Originality and Ingenuity
- Look After Parent's Well Being

Words to remember: "The world is fairer than you imagine"

Toichiro Nakashima (Founder) was deeply impressed by the following words that he encountered in his younger days: "It may seem that the lazy and sly get ahead in the world. However, the world is actually a place where the people who strive in sincerity and earnestness are the winners in the long run." He held the belief that the world is fairer than you imagine. When faced with difficulties, Toichiro would consider what was true and what was right, and always strove for originality and ingenuity. Throughout his life he continued to show gratitude toward all those who helped him. These words inherited from Toichiro were included in the Kewpie Group corporate principles up to 1992.

Our Ideal

We aim to be a group contributing to the food culture and health of the world through "great taste, empathy, and uniqueness."

Mind-set

Complying with group policies, we strive to earn the highest degree of trust from our customers and stakeholders.

Corporate Philosophy of the Kewpie Group

Kewpie was founded in 1919, and in the more than 100 years that have passed since then, the business areas in which the Group operates have diversified, with its activities expanding both in Japan and overseas. As employee duties diversify, it is important to share our philosophy in order to promote management that takes the entire Group in the same direction.

The corporate motto and principles are the values that all Group employees hold dear and serve as the foundation of their work. Our founder Toichiro Nakashima acted on moral principles and would consider what was true and what was right, and always strove for originality and ingenuity. We have inherited the teachings of Toichiro Nakashima, who said, the world is fairer than you imagine over the long run if you work hard and remember to be humble and grateful to your parents and others who have helped you.

Our ideal expresses our will and desire to contribute to the world through the type of businesses we pursue.

In order to embody our corporate motto and corporate principles in their work and realize our vision, each employee is thinking more deeply about this philosophy through organizational and team discussions.

Message from the President

ヤサイな仲間たち
ファーム

VEGETABLE FRIENDS' FARM



~The Kewpie Group's Growth Strategy~

Our goals are to achieve sustainable growth by investing in future growth while balancing both social and economic value.

Mitsuru Takamiya

Representative Director
President and Chief Executive Corporate Officer
Kewpie Corporation

Creating Social Value by Contributing to Food Culture and Health Since the Company's Founding

Roughly 100 years ago, Kewpie's founder, Toichiro Nakashima, was fascinated by the taste and nutritional value of mayonnaise when serving as an overseas intern for what was at that time the Japan Department of Agriculture and Commerce. In 1925, he pioneered the production and sale of mayonnaise in Japan.

Witnessing first-hand the robust physiques of Westerners compared with the Japanese, he launched the egg yolk-based Kewpie Mayonnaise in an effort to not only showcase its delicious taste, but also to help improve the physique of the Japanese people by promoting a nutritious diet. This aspiration has been carried forward to the present day, and our ideal scenario is to be a group that contributes to the food culture and health of the world through "great taste, empathy, and uniqueness."

Eating habits have changed over time, and more so with respect to the kitchen table. With the shift to nuclear families, an aging society and declining birthrate, and increase in dual-income households, people of all ages are eating alone more often than ever before. Against this backdrop, we see the kitchen table as a space where people can be happy while enjoying their meals, and a means by which to support lifelong health through proposals that underpin healthy meals even when eating alone.

To support the mental and physical health of the children who create the future, we will also focus on sustainability initiatives that help improve the global environment and society, and create social value.

Review of FY2023

Looking back at FY2023, the business environment remained difficult. In addition to the yen's continued depreciation, this was largely due to the effects of soaring raw material prices triggered by high international grain and energy prices, and the spread of the highly pathogenic avian influenza. In particular, shortages in the supply of eggs impacted the Group's procurement capabilities significantly inconveniencing many of our business partners. In order to respond to these unforeseen risks, we have worked diligently to strengthen risk management by undertaking a variety of measures, including bolstering collaboration with government authorities and poultry farmers, establishing overseas procurement channels, and increasing inventories since last year.

Although the future outlook remains uncertain, I regard this difficult business environment as a positive opportunity for change. Avoiding an excessive preoccupation with short-term performance, the Kewpie Group has promoted initiatives geared toward future growth.

In particular, overseas, we have undertaken investments to expand production capacity in North America, Indonesia, and Thailand to meet growing demand. This in turn will help enhance the Group's ability to generate profits overseas from 2025.

In Japan, the recovery in the retail and food service markets gained momentum from the fourth quarter. In addition to initiatives aimed at expanding demand, this also reflects efforts to pass on the cost of surging raw material prices through price revisions. Moreover, we have successfully upgraded the quality of our domestic business by optimizing the supply chain.

Accelerating the Group's Global Expansion by Actively Investing in Measures Aimed at Enhancing the Ability to Generate Profits Overseas

Driven by a steady performance in China and Southeast Asia as well as significant growth in North America, where the Group is strengthening its operations, net sales on a yen basis climbed 18% to ¥78.3 billion, and operating income came in at ¥10.3 billion, up 22%, in FY2023. As a major driver of the Group's growth, we are enhancing our ability to generate profits overseas through vigorous investments and are targeting operating income of ¥20 billion in FY2030.

The Kewpie Group recognizes that the allocation of such management resources as personnel, production facilities, and funding as well as global governance are key issues when it comes to expanding the Group's business. In line with our growth going forward, we will develop our global operations at an accelerated pace by adopting a

variety of measures, including allocating domestic resources overseas and taking steps to nurture overseas leaders.

The Group's contributions to food culture and health continue to progress overseas. In China, our three factories in Beijing, Hangzhou, and Guangzhou were certified as "Sites for Food Science Popularization and Education" in 2023, in recognition of their efforts to convey the great taste and health benefits of salads. As far as the environment is concerned, we are advancing initiatives in a bid to enhance social value. These initiatives include the installation of solar power generation systems, the use of external tools to assess water risk and stress, and the adoption of recycled plastic bottles for dressing containers in Malaysia.

The Group's track record in the Japanese market, which demands a high level of quality, its refined product capabilities, and long-standing popular brand, are strengths in expanding business globally.

Kewpie Mayonnaise is made with plenty of egg yolks, and has received high acclaim as a sauce with a thicker, richer flavor and umami taste compared with most foreign mayonnaise. Many foreigners who have visited Japan have spread the word about Kewpie Mayonnaise after returning home. In the U.S., restaurants using Kewpie Mayonnaise have become increasingly popular, and as a result our confidence in the market's response has grown over the past few years. Recognizing that exports from Japan were insufficient to meet this widespread demand, we decided to establish a second U.S. production base in Tennessee. Kewpie Deep-roasted Sesame Dressing, another mainstay pillar of our product line, has also been well received in China, where it is used, for example, as a hot pot dipping sauce.



Overview of the Kewpie Group's Philosophy, Vision, and Corporate Message

<https://www.kewpie.com/company/policy/>

Focusing on these two products, we will work to increase the global foothold of the KEWPIE brand and build a foundation for future growth.

Becoming a Brand That Creates Social Value

Touching on the brand concept a moment ago, there are essentially three dimensions to brand value: functional value, emotional value, and self-expressive value. Of the three, self-expressive value is considered the most appropriate means for consumers to express their own style and values.

Recently, consumers are increasingly motivated to make purchases based on their empathy with a company's environmental and social stance, including measures toward climate change and respect for human rights. The level of comfort in owning and using a brand also equates to self-expressive value. With this in mind, we believe that enhancing the self-expressive value of the Group's products will lead to the creation of social value and in turn further enhance brand value.

As each and every employee realizes that the Company, through its products and services, is distinguished by its high social value and empathy with a great many people, we anticipate a pickup in motivation. At the same time, continuing to enjoy the support of consumers as a company that creates social value will we believe help generate profits and ensure the Company's growth over the medium to long term. Based on the aforementioned, the Kewpie Group will work to expand this virtuous cycle by returning profits to customers and other stakeholders.

Helping Extend Healthy Life Expectancy Through Food Culture and Health

The Kewpie Group is endeavoring to enhance the value of salads, engage in proprietary health function research, and focus on frailty prevention in a bid to help extend healthy life expectancy.

With a view toward contributing to customers' health by increasing the intake of vegetables, we have also worked to create a food culture of eating vegetables with salad in Japan by proposing salad menus that meet the needs of the times and changing dietary habits. Employing the catchphrase SALAD FIRST since last year while collaborating with producers, local governments as well as companies and organizations, we are endeavoring to enhance the value and appeal of salads. Amid a growing awareness toward the importance of protein in recent years, we are taking steps to address social issues by contributing to the healthy eating habits of each individual through salads and highly nutritious eggs.

To help customers age well, we are focusing on the functionality of eggs and vinegar, two essential ingredients in mayonnaise. We are also engaged in proprietary health function research to help maintain people's cognitive function and enhance immunity.

Following its mail-order launch in December 2023, sales of Deare Plus, a supplement that contains the Group's proprietary acetic bacteria GK-1, which helps maintain people's immune function and reduce nasal discomfort caused by pollen, dirt, and house dust, and GABA, which is reported to reduce temporary mental stress and fatigue, are expanding. Notification of a food with functional claims containing egg yolk choline, which



to help maintain people's cognitive function (verbal memory) was also accepted in March 2024.

Furthermore, in Japan, where the population is aging more than any other country in the world, "frailty*" is attracting attention as a social issue. Of the three pillars of frailty prevention: nutrition, exercise, and social participation, the Kewpie Group is leveraging its extensive nutrition research data largely covering vegetables and eggs to provide value through a variety of food proposals encompassing the enjoyment of eating, nutritional balance, and menus with the right amount of salt.

These initiatives will help reduce the burden on caregivers and care recipients as well as the burden of medical costs. We also believe that if we apply the knowledge we have accumulated in Japan, an advanced aging society, to such overseas markets as South Korea and China, where the aging of society is fast approaching, we will be able to create significant social value. Moving forward, we will continue to meet the expectations of consumers and help extend healthy life expectancy.

* Frailty: A condition in which physical and mental vitality (muscle strength, cognitive ability, social connection) declines with age.

Expanding Investment with a View to Growth Over the Next Decade

As a manager, I am always thinking about how and where to allocate management resources in order to realize the continuous development of the Group and the growth of employees over the next five to ten years. The Kewpie Group has continued to undertake various investments. Looking back over the past few years, we have focused on securing short-term earnings based on the assumption that the volume of goods would increase. One example is expansion of the production system. Reflecting on the investment decisions made at that time, and while considered necessary in the short term, we could have allocated resources to different areas from a medium- to long-term perspective. In undertaking investments in the future, we will determine investment areas and allocate resources based on the level of contribution.



The Kewpie Group will continue to strongly pursue overseas investment. While investing mainly in China, after taking into consideration such factors as growth potential, market size, and geographical distance, going forward, we recognize the need to diversify and optimize our investment portfolio in order to accelerate global expansion. Accordingly, we will also position the Asia Pacific region and the Americas as areas on which to focus.

In addition, we will prioritize future investments in the five key areas of human capital, brand, research/technology development, IT digital, and sustainability. This decision to prioritize these areas reflects the critical need to nurture a sense of empathy for the Group's business and stance among future employees, including those who are about to join the Company, in order to promote job satisfaction, maximize performance, and achieve sustainable growth from 2030. Each of the five key areas are linked to the Group's vision of the future.

Chronic labor shortages at domestic production sites and in logistics are projected to become increasingly severe. Accordingly, the Kewpie Group will also promote upfront investments in IT digitalization to improve productivity throughout the supply chain, from R&D to procurement, production, logistics, and sales.

As far as sustainability is concerned, a host of key initiatives, including efforts to reduce food loss, eliminate CO₂ emissions, introduce solar power generation systems, and minimize plastic waste, requires considerable energy, time, and cost. Here, we are once again making upfront investments to increase the social value of the Group and to become a company that is supported by a growing number of people. As a result, our work to achieve established sustainability targets are progressing faster than originally planned.

Human Resources Are the Driving Force of the Group Thoughts on Human Capital Investment

Among our investments geared toward the future, human capital is the force that drives the Group's activities. Looking ahead, we will strengthen our human capital as an especially important investment in a bid to secure sustainable growth going forward.

As a part of our human resource development endeavors, we are deeply committed to the career development of each employee and the promotion of diversity, equity and inclusion. With this in mind, we promote a variety of career support initiatives, including specialized training and self-development programs, as well as a self-assessment system and an internal job application system to fulfill career aspirations. By clarifying the career paths that employees themselves wish to follow, encouraging them to gain the knowledge and experience necessary to move forward, and fostering a culture in which employees can maximize their potential and take on challenges, we are creating an environment in which a diverse workforce can thrive.

And in the process of moving toward the future, I would like to make Kewpie a "fun" company where a more diverse workforce can play an increasingly active role. Our corporate philosophy RAKU-GYOU-KAI-ETSU espouses the idea that people who have the same ambitions enjoy working together, endure struggles together and rejoice together. When the business environment is difficult, it is easy to focus solely on the immediate future. I want Kewpie to be a company that fosters a constant sense of fun and values the camaraderie of its employees who can grow and enjoy each other's company with a broad and long-term perspective.

To help new employees share in the “fun” of the Company, we held a ceremony to welcome all 46 new career-track employees for FY2024 at Fukaya Terrace Vegetable Friends' Farm, which opened in 2022. The decision to choose this venue was based on the belief that new employees could learn more about the Company's initiatives through the unique Kewpie experience of touching and tasting first-hand delicious freshly harvested vegetables. In addition to helping new employees forge deeper relationships, this initiative was a positive opportunity to better understand vegetables, salads, and the Company's business.

Moving forward, our goals are to balance the equally important need to create social and economic value and to contribute to society while continuously evolving into a company that employees are proud of and stakeholders consider appealing with considerable potential.

Looking ahead, we will work in unison to secure sustainable growth in a bid to achieve our ideal and 2030 VISION, while carefully carrying forward our corporate and management philosophies.

Fukaya Terrace Vegetable Friends' Farm

Fukaya Terrace Vegetable Friends' Farm opened in May 2022. This facility embodies the message of “A farm where people are inspired by and grow to love vegetables with a smile on their faces,” which was conceived of based on a new business proposal selected from the Kewpie Start Up Program.

This facility communicates the appeal of vegetables through a restaurant where customers can enjoy dishes made from local ingredients, a hands-on farm, a vegetable classroom, and a marché.

 <https://www.kewpie.co.jp/farm/>

Teach Us Mr. Takamiya!



Q What is your most memorable episode since joining the Company?

A As a member of the new product development team, I worked on the development of a new condiment that goes well with bread. The fruits of our labors culminated in the launch of Pan Koubou, which became a hit. I was absorbed in my work and shared the joy of being appreciated by customers with my colleagues. Drawing from this episode, I am keen to create a structure and culture that allow all employees to challenge themselves so they can accumulate similar experiences.

Q What makes the Kewpie Group unique?

A Our uniqueness is extremely important and lies at the heart of our vision. For example, we were the first in the industry to use freestanding mayonnaise bottles, and maintain a culture of addressing each other using an honorific rather than by title, which are characteristic of our uniqueness. This in fact defines how we wish to see ourselves.

Q What do you value the most when going about your business?

A As I often talk about within the Company, it is important to maintain a positive mindset. There are always things that can go wrong in doing your job. I, too, have had my share of failures, a loss of confidence, and then picking myself up. Negativity is an emotion while positivity is a sense of will. Although unable to change any negative emotion that we may feel, we can unearth a positive mindset through a strong sense of determination.

Hands-on Welcoming Ceremony for New Employees in FY2024

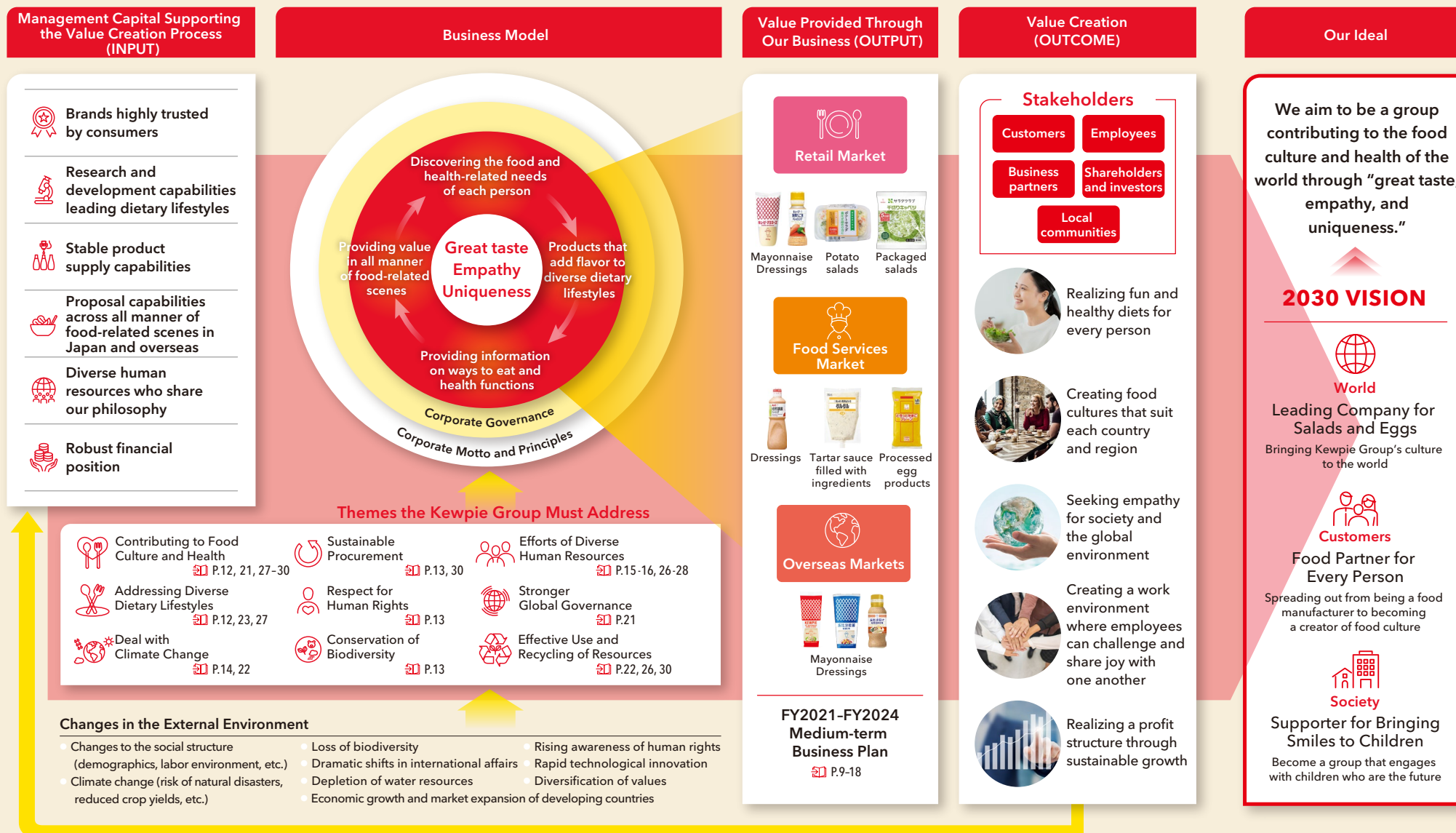


The Value Creation Process

The process of delivering the aspiration for “love around the kitchen table.”

Under our philosophy, the Kewpie Group has built a value chain by putting forward product proposals and providing information that is finely attuned to various food-related scenes in Japan and overseas.

In response to changes in the external environment, we are refining our business model as we clarify the themes that we must address. At the same time, we aim to contribute to the food culture and health of the world through “great taste, empathy, and uniqueness.”



Medium- to Long-term Business Management Strategy

— Medium-term Business Plan —

To achieve Our Ideal, we are continuing to drive initiatives that focus on the three perspectives set forth in its 2030 VISION. In our Medium-term Business Plan that began in FY2021, we adopted the theme of transition to a structure that realizes sustainable growth and have pursued our business activities based on three policies, namely strengthening our profit structure and creating new dietary lifestyles, redoubling efforts involving society and the global environment, and creating mechanisms for diverse human resources.

○ Group Management Policies

Our Ideal 2030 VISION

Theme of the FY2021-FY2024 Medium-term Business Plan

Transition to a structure that realizes sustainable growth

Strengthening our profit structure and creating new dietary lifestyles

The Group will respond to customers' needs with overseas business as a growth driver and by introducing a market-based focus domestically.

Focused Categories

Salads
(including condiments)
and eggs

Overseas Regions

Strengthen North America
while focusing on
China and Southeast Asia

Key Indicators

ROE* of 8% or more,
operating income ratio of
7.5% or more,
annual growth rate in overseas
net sales of 10% or more

Redoubling efforts involving society and the global environment

Major Initiatives

- Contribution to extending healthy life expectancy and mental and physical health support for children
- Effective use of resources and realization of a circular economy
- Deal with climate change

Developing a framework for empowering a diverse range of talent

Major Initiatives

- Promotion of mobilization of the Group's human resources
- Increasing opportunities to take part in initiatives from other departments
- Expansion of places to learn

○ Progress in the Third Year of the FY2021-FY2024 Medium-term Business Plan

To strengthen our profit structure and create new dietary lifestyles we are focusing on three key indicators: return on equity (ROE), operating income ratio, and the annual growth rate in overseas net sales. Since FY2021, when the current Medium-term Business Plan was launched, Kewpie's ROE and operating income ratio have been lower than the previous year due to the effects of higher-than-expected costs, the spread of highly pathogenic avian influenza and other factors. In contrast, the annual growth rate in overseas net sales remained on a favorable trend centered on China, Southeast Asia, and North America, and steady progress was made toward our plan to achieve an annual growth rate of 10% or more. In addition to overseas growth, in FY2024 we will undertake initiatives designed to improve domestic profitability, such as cost reductions at production sites, and cost controls that will include selling, general and administrative expenses, while promoting the strengthening of our profit structure.

In redoubling our efforts involving society and the global environment, we have been approaching sustainability not as a cost but rather from the position of an important future investment. With regard to the sustainability targets set by the Group, there were several themes in which we were able to achieve the target values for the end of the current Medium-term Business Plan a year ahead of schedule. We will continue to move forward with even more vigor based on this concept.

Under our framework for empowering a diverse range of talent, we are investing in human capital with a focus on such initiatives as active dialogue, career support, and the provision of opportunities that will utilize a variety of skills. We will promote efforts to create a framework and environment that allows employees to take on challenges.

Although the environment under which we will be operating remains uncertain, we will promote our transformation to a structure that can achieve sustainable growth and aim to remain a group that contributes to the food culture and health of the world.



Shinichiro Yamamoto

Director
Senior Corporate
Officer in charge of
Corporate and Senior
General Manager
of Management
Promotion Division
Kewpie Corporation

Medium-term Business Plan

Sustainability Management

We consider it the Group's Ideal to be a company that continues to be of service to society by contributing to the food culture and health of the world through "great taste, empathy, and uniqueness." Positioning sustainability activities high on the scale of importance, we will contribute to the realization of a sustainable society through the putting into practice of the Group's philosophy and policies while promoting activities as the foundation for the Group's sustainable growth.

Basic Policy on Sustainability

With an emphasis on the aspiration for "love around the kitchen table," we aim to address and resolve various issues through "great taste, empathy, and uniqueness." We will create a future full of smiles by caring for people and the environment throughout the value chain, from product design and raw material procurement, to production, sales and consumption.

Contributing to Food Culture and Health

- As a leading company for salads and eggs, we contribute to extending the healthy life expectancy of people around the world through the pursuit and global promotion of nutrition and health benefits.
- Through food, we support the mental and physical health of children who will create the future.

Effective Use and Recycling of Resources

- As the only manufacturer in the world that makes effective use of the entire egg, we will continue to refine our technologies and create value.
- In proposing ways of eating and utilizing uneaten portions, we aim to become a globally unique "vegetable utilization manufacturer."
- To realize a recycling-oriented society in plastics, we will promote environmentally friendly product design and collaboration with external parties.
- Recognizing that water is a limited and precious resource, we will use it efficiently and reduce the environmental impact of water intake and discharge.
- We will develop extensive technologies matching demand information with transportation and delivery data information to eliminate food loss.

Deal with Climate Change

- We aim to reduce CO₂ emissions throughout the value chain, from the procurement of raw materials to product consumption.

Conservation of Biodiversity

- We will strive to minimize negative impacts on biodiversity and restore and regenerate ecosystems.

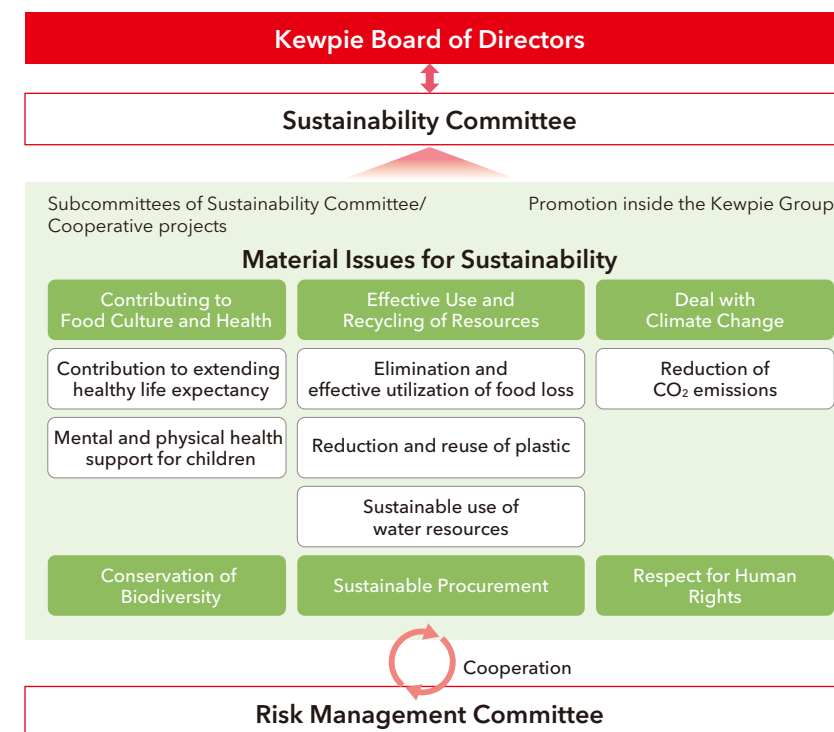
Sustainable Procurement

- In addition to safety, we will collaborate with business partners to promote stable procurement that takes into consideration environmental impacts and human rights.

Respect for Human Rights

- We promote employee diversity and inclusion, protecting the human rights of everyone involved in our business.

Sustainability Promotion System



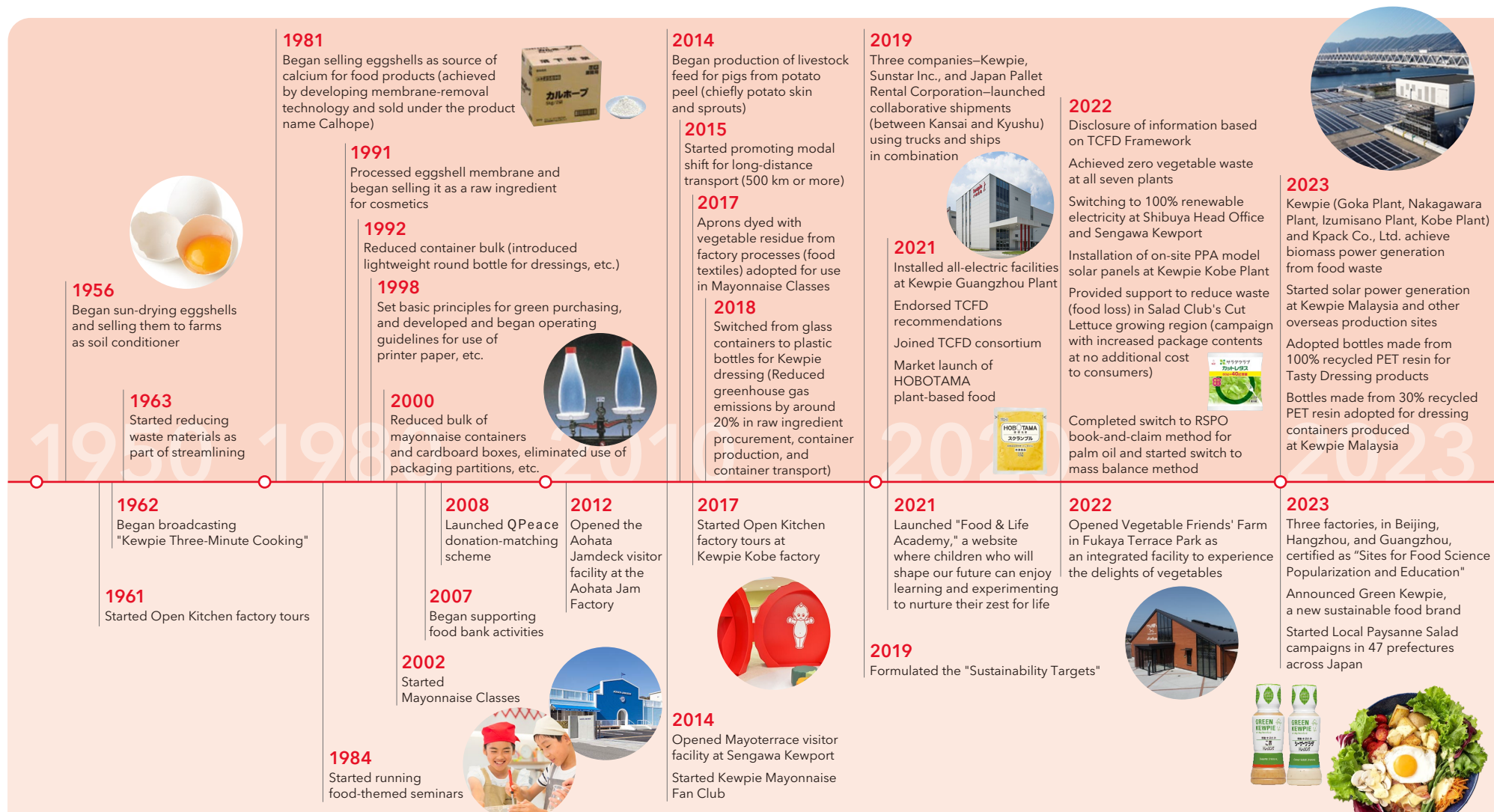
ESG External Evaluations

- FTSE Blossom Japan Sector Relative Index
- MSCI Japan ESG Select Leaders Index
- MSCI Japan Empowering Women Index (WIN)
- S&P/JPX Carbon Efficient Index
- SOMPO Sustainability Index
- CDP Climate Change A- /Water Security A-

Medium- to Long-term Business Management Strategy

History of
Sustainability Activities

Having inherited its founder's desire of "contributing to society through healthier dietary lifestyles," the Kewpie Group has been facing a variety of social and global issues in a sincere manner. In the years ahead, we will continue to promote social and environmental activities through discussion with our various stakeholders. Carrying on founder Toichiro Nakashima's spirit of "contributing to society through healthier dietary lifestyles," we are working to help solve social issues. Our goal is to use discussion and partnership with our various stakeholders to help create a sustainable society and achieve sustainable growth for the Group.

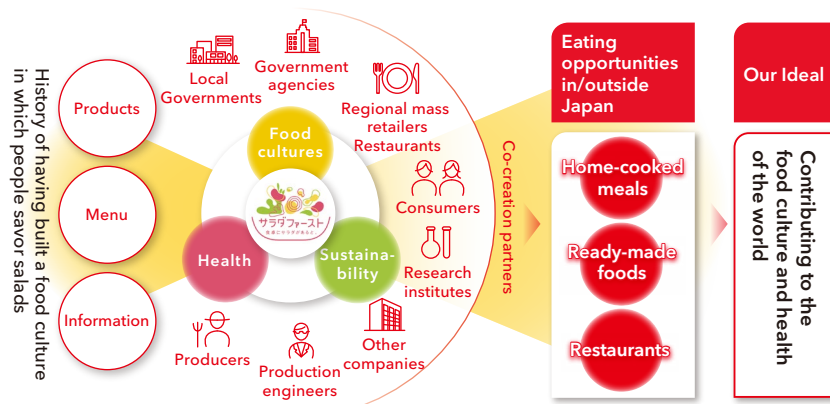


Medium- to Long-term Business Management Strategy

Kewpie Group's
Thoughts on Salads

Through salads, we are contributing to a variety of dietary habits, including health, environment, and dietary education, and are working to solve social issues. We are spreading the appeal of salads cultivated in Japan to the world. In the years to come, we will continue to communicate the appeal of salads and thereby contribute to the food culture and health of the world.

SALAD FIRST Overall View



Previously, the Kewpie Group had been broadening the appeal of salads and creating a culture and trend for eating vegetables in salads by proposals that matched the changing times as well as changes in society and dietary lifestyles. Since 2023, having adopted the catchphrase SALAD FIRST, we have been stepping up our efforts to proactively convey the new attractiveness of salads.

We increase the value of salads from three perspectives: food culture, health, and sustainability. Leveraging our contacts with all types of consumers through home-cooked meals, ready-made foods, and restaurants in Japan and around the world, we will deliver the appeal of salads by cultivating salad vegetables, proposing new salad menu items, and creating emotional value from salads. We will achieve these aims by working together with our co-creation partners, such as producers, other companies, research institutions, and governments. Salads are a menu item that can greatly assist vegetable intake. In Japan, a social issue has arisen due to people of all generations not meeting the recommended daily vegetable intake target of 350 grams. By conducting activities designed to increase opportunities to eat salad, we are aiming to assist in increasing vegetable intake.

SALAD FIRST <https://www.kewpie.co.jp/saladfirst/>

The Significance of Communicating Value and Appeal of Salads

In Japan, salads are one of the most frequently eaten dishes on all menus. Eaten approximately 20 times a month, we believe that salads are a menu item that can assist in increasing daily vegetable intake and in healthy lifestyles. Moving forward, we will drive people toward eating more salads.

Menu Item Ranking TOP 10

- 1 Beverages
- 2 Rice/rice cakes
- 3 Bread
- 4 Japanese/
Western-style soups
- 5 Salad/
Single raw vegetables
- 6 Fresh fruit
- 7 Vegetable dishes
- 8 Puddings/yogurts
- 9 Confectionery
- 10 Noodles/pasta

Source: Lifescape Marketing Co., Ltd.
食MAP®
Period: January to December 2023

TOPICS

Research into Emotional Value of Salads

In addition to researching the great tastes of condiments that add flavor to salads, we are clearly documenting the emotional value that can be derived from salads. In 2022, it was found that when vegetable dishes are made by parents and children there was a positive impact on the children's psychological development. In the years ahead, we will continue to conduct research that fosters the great tastes and emotional value to be gained through salads and vegetables.

Research/Survey Release

We announced that when parents and children prepare vegetable dishes together, there was a positive effect on the children's psychological development.



Initiatives for Salads Overseas

We are proposing salad menus tailored to each country's food culture and working to raise awareness about vegetable intake.

Indonesia
Sauteed chicken and
colorful vegetables

A stir-fried dish seasoned only with dark roasted sesame dressing. Using dressing instead of oil creates a creamy and great-tasting flavor that enables vegetables to be eaten in delicious ways.

China
Tomato salad hot pot

A tomato-based hot pot with plenty of vegetables that allows you to enjoy a variety of textures and flavors. Adding dark roasted sesame dressing makes it even more flavorful, for a dish you can enjoy with family or friends.

Singapore
Popiah rolls (style of
fresh spring roll)

Popiah is the local Singapore dialect name for fresh spring rolls, a popular snack in Southeast Asia. The vegetables are stir-fried with garlic and oil for flavor, then rolled up in a wheat-based wrapper. The dark roasted sesame dressing goes perfectly with the sauce.



Medium- to Long-term Business Management Strategy

Sustainable Procurement

Nowadays, essential raw materials and ingredients require that consideration be given not only to their quality but also in terms of their impact on the environment and human rights. It is our belief that working together with our business partners in the supply chain will lead to increased sustainability and enable us to procure quality raw materials. To achieve sustainable procurement, which is one of the priority issues for sustainability, we have established The Fundamental Policy for Sustainable Procurement, and are implementing the Kewpie Group Supplier Guidelines. We will fulfill our social responsibility not only in our manufacturing and sales processes but also in the procurement processes of the raw materials and ingredients used to make our products.

The Fundamental Policy for Sustainable Procurement

- 1 We will conduct all trade in compliance with the law and in conformity with international rules and norms while taking strong measures against corrupt practices.
- 2 We will engage in fair and ethical trade and use appropriate procedures in managing confidential information and intellectual property.
- 3 We will protect human rights and refrain from discriminatory language or conduct, inhumane treatment, or any involvement in human rights abuses.
- 4 We will respect the labor rights of employees, adopting sound labor practices and providing a safe and clean work environment.
- 5 We will work to prevent pollution and environmental degradation at the local and global levels through the sustainable use of resources.
- 6 We will ensure sustainable access to safe, high-quality raw materials, management will also take into account ecological impacts and animal welfare.
- 7 We will contribute actively to support the sustainability of the local communities where our ingredients are produced.
- 8 We will encourage our suppliers to adopt the foregoing policies.
- 9 We will report publicly on the progress of the foregoing policies as appropriate.

Kewpie Group Supplier Guidelines

We have established and begun the adoption of the Kewpie Group Supplier Guidelines for the valued business partners who are our suppliers. With these guidelines, we aim to achieve sustainable procurement and shared prosperity with our suppliers by resolving issues in the supply chain based on mutual understanding.

Kewpie Group Supplier Guidelines

https://www.kewpie.com/sustainability/pdf/sustainability_20240131_supplier_guidelines.pdf

Policy and Activities for Animal Welfare

For the Kewpie Group, eggs represent a key ingredient for our mayonnaise and processed egg products. We recognize that the quality and the impact on the environment of the eggs, the animal welfare of the hens that lay them as well as consideration for human rights are critical challenges when considering sustainable egg procurement. We have thus established a specialist committee to hold discussions to consider such matters for the purpose of devising ways to improve animal welfare.

In Japan, we confirm that the poultry farms from which we procure our eggs are in compliance with the Japan Livestock Technology Association's "Guidelines for breeding management of hens that correspond to the concept of animal welfare." Going forward, we will also check the status of compliance with the "Technical guidelines for breeding management of laying hens," which were enacted by the Ministry of Agriculture, Forestry and Fisheries (MAFF) in July 2023.

Overseas, we took measures tailored to the standards and legislation in each country and region. Following on from the United States, in Europe we pledged to switch the egg raw material used for Kewpie brand products to be 100% from cage-free farms by 2025.

Continuing to work with government agencies and those involved in the supply chain, we will work to improve animal welfare.

Initiatives to Procure Sustainable Vegetable Oil

Palm Oil

Having joined the Roundtable on Sustainable Palm Oil (RSPO) in 2018, we are promoting initiatives. As far as the palm oil procured by the Kewpie Group is concerned, we completed the purchase of RSPO book-and-claim*¹ certified credits in FY2023. The Kewpie Group is also working toward the sourcing of certified oil through the book-and-claim and mass balance methods.*²

*¹ book-and-claim: Certified credits are issued for oil produced by a RSPO-certified manufacturer. By purchasing those certified credits, this system supports producers of certified palm oil.

*² mass balance methods: A certification model in which certified palm oil is mixed with other non-certified palm oil during the production and distribution process. While it physically contains non-certified oil, the proportion of palm oil sourced from certified plantations is guaranteed.

Soybean Oil

For the sustainable procurement of soybeans we are considering specific initiatives such as ensuring traceability. Having become a member of the Round Table on Responsible Soy Association (RTRS),*³ we are working with certification organizations and promoting sustainable soy procurement.

*³ RTRS: Founded in Zurich, Switzerland, in 2006, the RTRS is a non-profit organization promoting the growth of production, trade and use of responsible soy.

Medium- to Long-term Business Management Strategy

Sustainability Targets and Progress

By achieving our sustainability targets, we aim to contribute to the realization of a sustainable society and achieve sustainable growth for the Kewpie Group.

Sustainability Targets and Progress

Material Issues	Initiative Theme	Indicators	FY2023 Results	FY2024 Target	FY2030 Target
Contributing to Food Culture and Health	Contribution to extending healthy life expectancy	As a food partner for every person: • Contribute to achieving a vegetable intake target of 350 grams per day • Promote a boost in egg consumption to contribute to increasing protein intake			
	Mental and physical health support for children	Number of children's smiles via our activities (cumulative since FY2019)	361,000 children	At least 400,000	At least 1 million
Effective Use and Recycling of Resources	Elimination and effective utilization of food loss	Food waste reduction rate (compared to FY2015)	59.6%	At least 50%	At least 65%
		Effective utilization rate of unused portions of vegetables Main vegetables: Cabbage, etc. (FY2023)	82.7%	At least 70%	At least 90%
		Reduction rate in volume of product waste (compared to FY2015)	75.5%	At least 60%	At least 70%
	Reduction and reuse of plastic emissions	Reduction rate in volume of plastic waste (compared to FY2018)	20.9%	At least 8%	At least 30%
Sustainable use of water resources	Sustainable use of water resources	Water usage (basic unit) reduction rate (compared to FY2020)	2.1%	At least 3%	At least 10%
Deal with Climate Change	Reduction of CO ₂ emissions	Reduction rate in CO ₂ emissions (compared to FY2013)	34.3%	At least 30%	At least 50%
Conservation of Biodiversity	Conservation of Biodiversity	Sustainable Paper Procurement Rate 100% sustainable paper procurement by 2025 (Containers and packaging, booklets, promotional materials, office supplies)			
Sustainable Procurement	Promotion of sustainable procurement	Promote the Fundamental Policy for Sustainable Procurement in cooperation with business partners			
Respect for Human Rights	Respect for Human Rights	Promote the Kewpie Group Human Rights Policy to respect the human rights of all people involved in our business			

Adopted the Partnership Building Declaration and Multistakeholder Policy in FY2023

Through collaboration with a variety of stakeholders who are actively striving to create value, we will further accelerate the Group's sustainability activities and create new value.

- Partnership Building Declaration** https://www.kewpie.com/sustainability/pdf/sustainability_20231031_partnership-building-declaration.pdf
- Multistakeholder Policy** https://www.kewpie.com/sustainability/pdf/sustainability_20231031_multistakeholder-policy.pdf

Collaboration in External Initiatives

Our support for and participation in sustainability-related initiatives are also being utilized to promote Group sustainability.

Material Issues	Main Initiatives in which the Kewpie Group Participates
Contributing to Food Culture and Health	Strategic Initiative for a Healthy and Sustainable Food Environment
Effective Use and Recycling of Resources	Water Project of the Ministry of the Environment of Japan Clean Ocean Material Alliance (CLOMA)
Deal with Climate Change	Task Force on Climate-related Financial Disclosures (TCFD)
Conservation of Biodiversity Sustainable Procurement	The Taskforce on Nature-related Financial Disclosures (TNFD) Keidanren Initiative for Biodiversity Conservation Roundtable on Sustainable Palm Oil (RSPO) Japan Sustainable Palm Oil Network (JaSPON) The Green Purchasing Network (GPN)

TCFD/TNFD Initiatives

Having expressed its support for the TCFD's recommendations in 2021, the Kewpie Group is conducting disclosure activities based on the TCFD framework. Based on our analyses, we will treat future climate change-related events as management risks and respond to them, while also identifying new opportunities and utilizing them in our corporate strategies.

In April 2024, we also participated in the TNFD Forum. Directed toward the disclosure of the TNFD Report, we have launched projects and are proceeding with analyses.

TCFD Analysis Plan

- FY2021 Mayonnaise, dressings
- FY2022 Mayonnaise, dressings and eggs (liquid egg, processed egg)
- FY2023 Mayonnaise, dressings, eggs and packaged salads
- FY2024 Mayonnaise, dressings, eggs, packaged salads and delicatessen foods (potato salad)

- FY2023 TCFD Report** https://www.kewpie.com/sustainability/pdf/sustainability_20240131_tcf.pdf

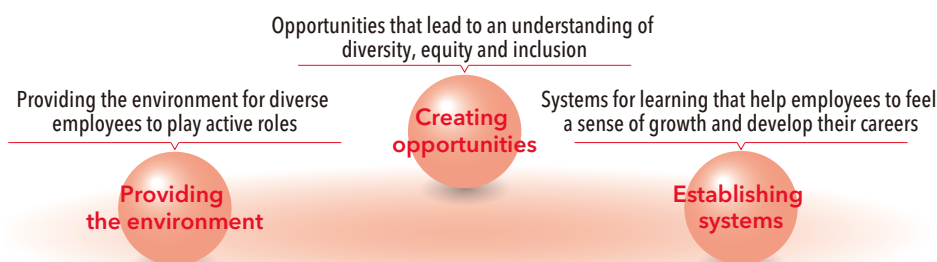
Medium- to Long-term Business Management Strategy

Efforts of Diverse Human Resources

The Kewpie Group deploys services in Japan and abroad across a wide range of areas, including home-cooked meals, ready-made foods, and restaurants. In aiming to remain a company that empowers diverse human resources to play active roles with wide-ranging business areas as their stage, we are working to create a foundational system while promoting investment in human capital.

Dialogue and Provision of Opportunities That Lead to Empowerment of Diverse Human Resources

We believe that the strength of our Group lies in our corporate culture, where diverse human resources who share a common philosophy gather together and can work together toward the same goals. As investments in human capital that is our strength, we are working to create an environment that allows diverse human resources to play active roles on the basis of dialogue and the provision of opportunities.



Creating Learning Spaces That Support Success of Mid-career Hires

We are working to strengthen mid-career recruitment, by which we employ people with diverse experience and specialized skills who can start working immediately. Mid-career hires accounted for approximately 40%* of new hires in FY2023, and this ratio is gradually increasing. In 2023, we held a two-day training session for mid-career hires with the aim of having them benefit from a higher level of empowerment. During the training, participants gained an understanding of our Group's history, culture, characteristics, and strengths, and then discussed how they could draw on their own experience, skills, and expertise, and what kind of changes they could make. This training also served as an opportunity for them to make friends. We will continue to provide opportunities to support the success of diverse human resources.

* Kewpie non-consolidated ratio



Exchange Training for Young Employees Who Will Take Responsibility for the Future

Since post-employment training for new hires and other activities were mainly conducted online from 2020 to 2022 due to the effects of the COVID-19 pandemic, we set up a young comprehensive role employees exchange training program in 2023 to once again bring people who were in the same period together. Focusing on learning that cannot be experienced through classroom lectures, we held training sessions that allowed participants to interact with management and engage in dialogue with each other.

In a post-training questionnaire, participants said things like, "Anxieties about my job and the future were dispelled," "I gained hope for the future," and "I felt a sense of happiness to be working in the food industry." With so many different training methods available, all the participants could once again feel the value of getting together in person, interacting, and learning together.



Asako Sakamoto

Personnel Affairs Division
Kewpie Corporation

VOICE

We planned an induction ceremony for new hires at Fukaya Terrace Park Vegetable Friends' Farm. Since we wanted to give them a strong sense of pride at having joined a company that values salads, we faced the challenges of putting together a program that for the first time included first-hand experience of vegetable harvesting and seed planting.

The aim was not only to increase their motivation for work but also for them to form bonds with other people on that course, so I feel that we were able to create a special moment for people taking their first steps.

I will continue to support our new employees, who will create the future of our Group, so that they can work together to build the relationships that will allow them to develop through friendly competition.

Medium- to Long-term Business Management Strategy

Efforts of Diverse Human Resources

Wakuwaku Awards for Employees Who Shared Their Ideas

Wakuwaku Awards are presented for Wakuwaku activities (quality improvement activities that bring smiles to customers and employees) at all Kewpie Group business sites. Held every year, the Wakuwaku Award ceremony was held for the 41st time in FY2023. Our Group's employees carry out their daily activities with an emphasis on our "RAKU-GYOU-KAI-ETSU" corporate motto. Enabling employees to gain a sense of the idea that people who have the same ambitions enjoy working together, endure struggles together and rejoice together, this activity puts into practice our "strive for originality and ingenuity" corporate principle.

By sharing new challenges and achievements while promoting collaboration across business sites, we are embodying Our Ideal of "contributing to the food culture and health of the world." In FY2023, 62 teams participated, and 12 teams advanced to the world conference. Bringing together participants from domestic and overseas business sites, it was a wonderful, lively event.



Miki Yanagisawa

Production Division
Kewpie Corporation

VOICE

I served as the secretariat leader for FY2023. The Wakuwaku Award is a presentation event that attracts a lot of attention within the Company. I think it was a great success, because we all tried new things, such as sharing ideas and managing, organizing, and directing the event ourselves without relying on outsiders. It was a very valuable experience, as I was able to directly feel the strength and appeal of the Group, and also feel a sense of accomplishment as a member of the secretariat. I would like all of our employees to experience excitement while bringing smiles to their faces.

President's Award to Foster Proposals and Activities Unique to the Kewpie Group

Representing the highest honor, the President's Award has been presented for 43 years since 1981. We are promoting the creation of a culture in which the Group as a whole celebrates the challenges faced by each and every individual. We evaluate not only in terms of products, sales and profits, but also from the perspective of having faced the challenges of those areas to which the Company aspires, such as sustainability, overseas, and food and health.

In FY2023, three President's Awards and three special awards were selected. The content was excellent, demonstrating collaboration across company and departmental boundaries, including improving brand value overseas, new digital technology, and sustainability.

Hideaki Kobayashi

R&D Division
Kewpie Corporation



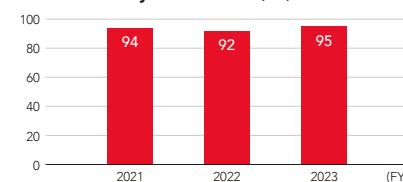
[FY2023 Award]
Facing the challenges of the next-generation "Struggle against oxygen"

Achieving "great taste, long shelf life" and "health" by means of antioxidant technology through unique ingredients

Promotion of Diversity, Equity and Inclusion and Creation of a Corporate Culture for the Future

Since FY2017, we have been conducting employee questionnaires with the aim of promoting the understanding of diversity and improving our corporate culture. In FY2023, we newly strengthened the element of "engagement" and surveyed employees on their perceived growth and job satisfaction.

Percentage of People Who Empathize with Diversity Promotion (%)



Engagement Survey Summary (five-grade responses)

Environment in which they work	3.7
Sense of contribution and acceptance at work	3.4
Significance of and motivation for working at their workplace	3.6
Sense of growth in the workplace	3.4

Engagement Score Average 3.5

By means of a diversity questionnaire it was discovered that many employees empathize with promoting diversity. Many respondents cited the feeling that having diverse human resources demonstrate their strengths will lead to new value creation and innovation.

Also learned from the engagement survey was that many employees answered "good" to the question about the environment in which they work, indicating that the Group's culture of valuing each other is deeply rooted. On the other hand, we were able to identify issues that would give more of a sense of contribution and growth, such as increasing opportunities for each individual to utilize their own areas of expertise.

We will analyze these results in detail and provide feedback to each department. Looking toward the future, we will utilize employee feedback in creating a better corporate culture.

Medium- to Long-term Business Management Strategy

Cash Flow Allocation

Under our FY2021-FY2024 Medium-term Business Plan, we have set the basic policy of maintaining and improving financial health while enhancing our ability to generate cash flow, and are working to bolster our management foundation and enhance corporate value. After maintaining its financial health to support sustainable growth, the core element of its financial strategy, the Kewpie Group works to strike an optimal balance between growth investments and return to shareholders. Looking ahead, we will endeavor to secure sustainable growth through the use of both business and financial strategies.

Cash Flow Generation and Investment Allocation to Growth Fields

The cumulative operating cash flow for FY2021-2024 is expected to be around ¥120 billion, falling short of the target of ¥140 billion. This is mainly due to the decrease in profits in FY2023, but we expect both profit and capital to recover in FY2024. In accordance with our Group's growth strategy, we are steadily investing resources in priority areas. Specifically, while monitoring market trends, we are deciding on investments by considering priorities and degrees of emphasis from the following three perspectives.

1

Investments for growth, for example overseas, in new market creation, technological developments

2

Investments to improve profitability, such as rebuilding domestic production bases and IT, including backbone core systems

3

Investments to address environmental issues

As a result, we had planned to invest ¥47.1 billion in capital by FY2023, and ¥20.7 billion in FY2024. Consequently, over the four years of the Medium-term Business Plan, we were forecasting investments of ¥67.9 billion, which is approximately the same level as the planned investment of ¥70 billion. Having been ramping up our overseas investment since FY2023, we have begun large-scale investments to increase production particularly in North America, Thailand, and Indonesia.

The Kewpie Group sets an internal rate of return (IRR) hurdle rate with an eye on the cost of capital when deciding whether or not to undertake a large-scale investment. In addition, having adopted an internal carbon pricing (ICP) approach, we are making investments and undertaking post-investment monitoring after having conducted studies from an environmental standpoint.

FY2021-FY2024 Operating Cash Flow

Cumulative four-year total: **¥140.0 billion** (target)

Cumulative three-year total: **¥89.5 billion**

Capital Investments

Cumulative four-year total:
¥70.0 billion (target)

Cumulative three-year total:
¥47.1 billion

Primary Components

- Build an optimal production system
- Improve overseas production capacity
- Promote of IT and digitalization
- Invest to adapt to the environment

Return to Shareholders

Purchase of treasury stock

¥10.0 billion invested in FY2021
Cumulative three-year total:

Dividends

¥19.1 billion

Dividend per share

FY2021: ¥47
Dividend
payout ratio:
36.7%

FY2022: ¥47
Dividend
payout ratio:
40.7%

FY2023: ¥50
Dividend
payout ratio:
52.8%

New Expansion

Consider investments in
new businesses and
M&As depending on the project
⇒ **No large-scale projects**

Internal Reserves

Equity ratio

FY2021: 64.5%
FY2022: 66.4%
FY2023: 66.2%

Reinforcement of Shareholder Return

Based on the policy set forth in each Medium-term Business Plan, returns to our shareholders are implemented with top priority given to dividend payments. In addition to aiming to continue stable dividends, we will also purchase or cancel treasury stock on an as required basis while taking the demand for funds, trends in share prices, financial conditions and other factors into consideration.

Under our Medium-term Business Plan up to FY2024, we are aiming for a consolidated dividend payout ratio of 35% or more, based on an annual dividend of ¥45 or more per share, and a four-year cumulative total return ratio of 50% or more. Including the acquisition of ¥10 billion of its own shares carried out in FY2021, the total return ratio for the four years will be 60.6% (based on the initial forecast), and the expectations are that we will achieve the plan in the Medium-term Business Plan. Through an increase in capital efficiency, we will work to reinforce shareholder return on an ongoing basis.

Robust Financial Base

To uphold sustainable growth and respond to a challenging business environment that is undergoing major changes, we believe it is necessary to build solid financial foundations. With an equity ratio of 66.2% in FY2023, Kewpie maintained a high level of financial soundness. Based on the business strategy in the next Medium-term Business Plan, we will update our financial strategies and contribute to increases in value.

Financial Strategy to Support Sustainable Growth

Corporate Officer in charge of
Accounting and Finance

Takumi Tomita



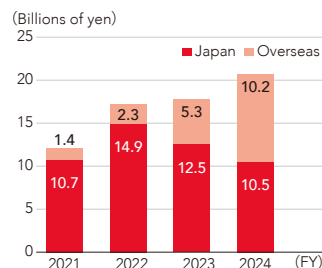
Basic policy of financial strategy

Having made it our basic policy to enhance cash flow generation and to both maintain and improve financial health, we are working to bolster our management foundation and enhance corporate value. As a financial strategy, we are proceeding with cash allocation while monitoring the balance between growth investments and shareholder returns to support sustainable growth while maintaining financial health.

At present, our Group is bringing about major changes in its business structure, with an overseas phase of growth and expansion investment and a domestic phase of efforts to improve quality. In recent years, we have been significantly increasing our overseas investments that under our plan for FY2024 are expected to total approximately ¥10 billion, a seven-fold increase on those in FY2021. As the demand for funds and the nature of investments differ between overseas and domestic markets, we recognize the importance of determining the returns generated by each investment and business strategy and of proceeding in a manner that balances returns to shareholders.

On that basis, the fundamental question is whether we will be able to generate returns that exceed the cost of capital and continuously create corporate

Trends in Capital Investment



value. Calculated using external figures, our Group's cost of capital is currently estimated to be around 4%, but it is important that ROE continually exceeds this cost of capital and that investment returns are realized through compound interest. To achieve the Medium-term Business Plan ROE target of 8% or more, we will work to improve return on capital by improving profit margins and profit amounts and improving the efficiency of invested capital.

In parallel, we are aiming for the smooth launch of large-scale investments overseas and further business growth while promoting the strengthening of risk management and, in particular, global governance. In the Accounting and Finance Department, while proceeding with the development of infrastructure, such as documenting common Group accounting policies, and organizing the roles between corporate headquarters and each department or company accounting department, I would like to contribute to the globalization of management.

Cash allocation strategy

Under the current Medium-term Business Plan, we have set an investment limit of ¥70 billion, which equates to half of the four-year cumulative operating cash flow target of ¥140 billion. The proceeds will be allocated to new business development, shareholder returns, and strengthening the financial base. As the profit level for FY2023 was lower than expected, cumulative operating cash flow was expected to be around ¥120 billion, but

we will maintain investment levels as originally planned and actively sow seeds for growth. Deciding on where to invest management resources and their priorities is management in itself, and active discussions are being held within the Company. Our current focus areas are growth investments, investments to improve profitability, and environment-related investments. Specifically, these are human capital, the Kewpie brand, research/technological development, IT digital, and sustainability.

From an investment scheme perspective, we are exploring not only capital investment but also M&A and investment in funds and ventures. For example, in FY2023 we entered into a capital and business alliance with TECHMAGIC, Inc., a company that develops a robot that arranges side dishes. The idea is to help counter the labor shortage, which is recognized as an issue in Japan, and to further improve operational efficiency. Also, although it does not necessarily fall under the category of "investment" in accounting terms, we will position this as a priority investment and will actively invest in human capital, R&D as well as in promotion and advertising.

In the meantime, we are promoting the replacement of our business and investment portfolio, including rebuilding our domestic bases and reviewing the significance of the cross-shareholdings in our possession. While confirming medium- to long-term capital needs and their order of priority, we will strengthen distributions to shareholders and update our cash allocation plan for the next Medium-term Business Plan. In this way, we will contribute to increasing shareholder value by building financial strategies that are consistent with our business strategies.

The Kewpie Group Value Creation Story

This section introduces the three initiatives the Kewpie Group is undertaking in an effort to contribute to sustainable corporate growth and a sustainable society.

As part of our effort to accelerate global growth, we are actively deploying World Strategic products in countries around the world centered on the KEWPIE and 丘比 brand mayonnaise and Deep-Roasted Sesame Dressing products. Similarly, we are bolstering initiatives that develop human resources in the area of global governance, which supports this effort. As part of our effort to enhance domestic quality, we are advancing initiatives aimed at granting additional value to products in line with customer needs, increasing efficiency, and making improvements to the supply chain for production, logistics, and sales as a means of dealing with labor shortages. As part of our effort to contribute to food culture and health, we are advancing initiatives involving product development in a way that helps solve the health issues faced by our customers, dietary education activities intended to extend healthy life expectancy, and sustainability. Through these initiatives, we will create social and economic value, and connect to growth that looks to the future.



Value Creation Story I



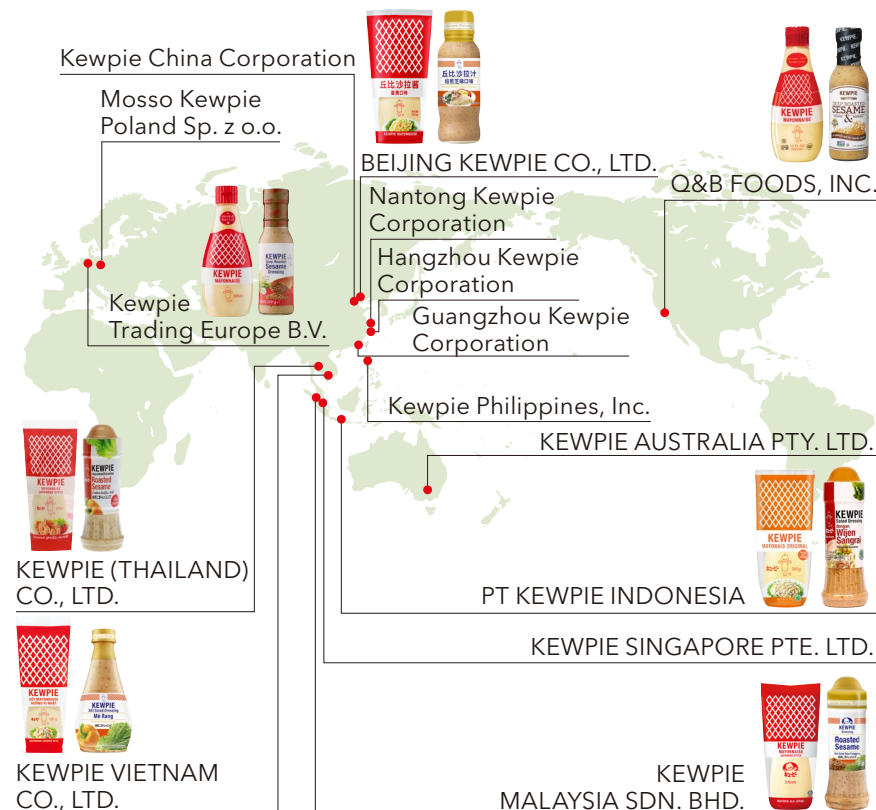
Accelerate Global Growth

The Kewpie Group is actively expanding into Asia, North America, Europe, and other regions with a focus on World Strategic products. By developing products and marketing strategies tailored to the needs of local markets, we aim to create healthy dietary cultures suited to each country and region and to enhance brand recognition. Additionally, we prioritize environmental sustainability and social responsibility to achieve a sustainable global business. We will continue to expand our ability to generate profit through rapid global expansion.



Overseas Sites and World Strategic Products

Driven by our desire to showcase the appeal of salads made with KEWPIE and 丘比 brand Mayonnaise and Deep-Roasted Sesame Dressing to customers worldwide, we tailor our proposals to each specific country and region. Currently, we deliver KEWPIE and 丘比 brand products to customers in 63 countries and regions.

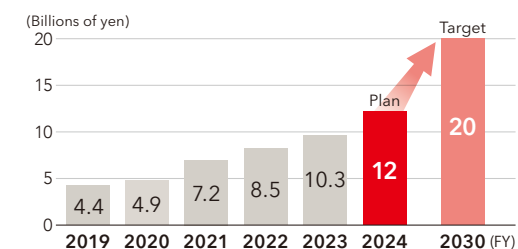


Bolstering Investments to Address Growing Demand

The Group is making aggressive investments to accelerate growth and to reinforce the supply system in a way that addresses rising demand around the world.

In addition to expanding production facilities, we are growing the brand and strengthening governance with the aim of achieving ¥20 billion in operating income in FY2030.

Overseas Operating Income Trends and Outlook



* FY2024 figures are based on initial forecasts

TOPICS

Constructing a New Plant Building in Thailand for Domestic and Export-bound Products

Operations at Kewpie Thailand's new plant building are scheduled to begin in January 2025.

In 1987, Kewpie Thailand was established as a joint venture with a local company, becoming our first local subsidiary in Southeast Asia. Kewpie Thailand produces and sells a wide variety of products, including condiments, processed vegetables, and processed egg products. Sales in Thailand have also grown in line with the recovery in foreign tourism related-demand. This investment is therefore aimed at reinforcing the supply system in a way that addresses continued anticipation for growth in domestic and export demand.



Illustration of completed new plant

Expanding Production Lines for Domestic-bound Products in Indonesia, a Market That Continues to Expand

Operations of Kewpie Indonesia's new production line are scheduled to begin in December 2024.

Kewpie Indonesia was established in 2013 as our fourth production base in Southeast Asia. Against the backdrop of westernizing diets and a developing restaurant industry, Kewpie Indonesia's sales have expanded steadily since its founding. This investment aims to strengthen the domestic supply system in Indonesia, which has the largest population



Illustration of completed new plant

in Southeast Asia and a steadily growing economy.

Value Creation Story I

Accelerate Global Growth



Acquiring Trademarks to Protect and Nurture the Brand

To strengthen international competitiveness, ensure business freedom, and, above all, protect and nurture the brand, we are actively working to acquire major trademarks such as KEWPIE, 丘比, and the Symbol Mark (Kewpie Doll).

Regions and Countries of Operations/Registered Trademarks (examples)



Initiatives for Strengthening Global Governance

Building on the great taste, quality, and health proposals we have developed over the years, the Group aims to contribute to global food culture and health by providing products and services that align with the diverse dietary lifestyles of different countries and regions. To achieve this vision, we have established a framework that allows for agile management in local markets. We are also strengthening our global governance framework based on our core principle of maintaining a unified global vision and strategy while ensuring appropriate business operations across Group companies.

I aim to contribute by creating an environment in which our partners around the world can work with a sense of security, pride, and joy, and are united in their desire to achieve the Group's vision while respecting diverse opinions. For this reason, I am working to strengthen global governance as part of a unified Group.

VOICE



Tatsuya Tsunoda

Overseas Division
Overseas Governance Project
Kewpie Corporation



Contributing to Food Culture and Health Through Dietary Education Tailored to Local Areas



Children participating in a factory tour
(Hangzhou Kewpie Corporation)

With the aim of contributing to the food culture and health of people in China, the Group conducts Open Kitchen factory tours at its plants in Beijing, Hangzhou, and Guangzhou. These tours, which began in Beijing and Hangzhou in 2006 convey the deliciousness and health benefits of salads, while utilizing the research results we have accumulated in Japan and China.

As part of this initiative, we make proposals for salads and extending healthy life expectancy both of which nurture food culture and contribute to health. Additionally, we offer dietary education programs that convey accurate knowledge about vegetables and help participants to make and enjoy eating their own salads. In recognition of these efforts, the Chinese Institute of Food Science and Technology (CIFST) certified these three plants as Sites for Food Science Popularization and Education* in May 2023.

This certification allows the factory tours to be recognized as part of social studies classes in schools.



Overseas Leader Training Program

In order to accelerate growth overseas, the Group selects local staff from each overseas company who are expected to become future executives to participate in a program aimed at developing global leaders. This program invites external lecturers to conduct training sessions over a ten-month period with the goal of enhancing leadership competencies. Each participant identifies their ideal leadership model and aims to grow as a leader as they put what they learn during the program into practice at their workplaces.

During group training sessions, corporate officers speak on themes such as philosophy and strategy formulation, conveying their hopes and expectations for future overseas leaders. These sessions also serve as an opportunity to boost morale.



Value Creation Story I



Accelerate Global Growth



Initiatives for Using Recycled Plastic Bottles

Although the use of beverage bottles made from recycled PET resin (recycled plastic bottles) has been on the rise, condiments contain a broader range of ingredients than beverages, and therefore require safety assessments specifically for condiments when using recycled PET bottles. Through repeated joint research on safety assessments, presenting papers, and conducting proprietary verifications, we successfully adopted recycled PET bottles for condiment use. In Japan, we began using bottles containing approximately 30% recycled PET resin for our KEWPIE Tasty Dressing series in June 2021. Additionally, since August 2023, we have used bottles made entirely from recycled PET resin for all KEWPIE Tasty Dressing series products and all dressing products specified as foods with functional claims, marking a first for Japan's condiment industry.

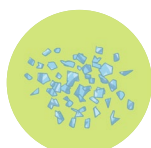
Furthermore, we also began using bottles containing 30% recycled PET resin for dressing containers produced at Kewpie Malaysia in July 2023. In cooperation with the state of Malacca, where the plant is located, Kewpie Malaysia is engaged in various educational activities as part of an effort to realize a sustainable recycling-oriented society in Malaysia.



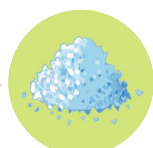
Kewpie Malaysia container made from recycled PET resin



Collected plastic bottles



Flaking



Washed and processed into raw materials for bottles



Toward bottles using recycled plastic

VOICE

The launch of recycled PET bottles for dressings progressed step by step through repeated meetings with local recycled PET resin suppliers, bottle suppliers, and in-house experts. We hope to contribute to the realization of a recycling-oriented society in Malaysia through plastic bottle recycling initiatives.

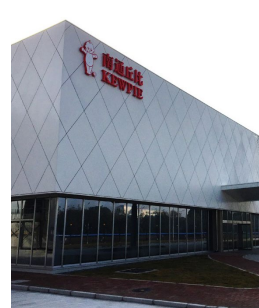


Shingo Kitada

Overseas Division
Kewpie Corporation

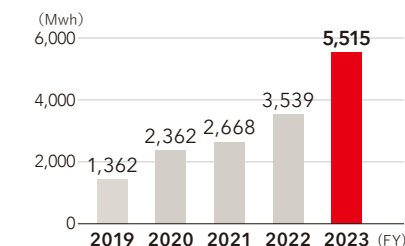


Addressing Climate Change Globally



Part of the solar panel array installed at the Nantong Kewpie plant

Renewable Energy Output at the Group's Overseas Sites



The Group began generating solar power at Kewpie Thailand in April 2018, Kewpie Vietnam in December 2021, and Beijing Kewpie in China in January 2022.

In FY2023, three additional plants operated by Kewpie Malaysia, Guangzhou Kewpie (China), and Nantong Kewpie (China) also began generating solar power. Moving forward, we will continue our proactive efforts to reduce CO₂ emissions and to transition to renewable energy use.



Toward the Sustainable Use of Water Resources

The approach the Group is taking with regard to assessing and managing water risk is a critical step toward improving the sustainability of its business. Specifically, we utilize the Aqeduct system administered by the World Resources Institute

	Number of Plants	Flood risk	Storm surge risk	Water stress
Japan	71	26	4	0
China	4	1	2	1
Asia	4	2	1	0
U.S. and Europe	2	0	0	1

■ : Based on hazard maps ■ : Based on Aqeduct

to assess water stress, thereby allowing us to identify regions with a tight water supply and demand balance, and to manage the related risks. We have used this system to assess water stress both in Japan and abroad. Moreover, we assess the risk of inundation caused by flooding and storm surges in Japan using hazard maps provided by local governments, and assess similar risks overseas using Aqeduct. We will promote the efficient use of water resources with regard to water use and wastewater management, for example, while considering the impact on local communities.

Value Creation Story II

Domestic Business Quality
Upgrading

On the domestic market, the Group is seeking to transition from quantity to quality, and will concentrate management resources on high added-value areas as a means of strengthening its profit structure. Throughout the supply chain, we are pursuing a balance between social and economic factors, and are working to improve efficiency and address labor shortages while aggressively leveraging digital technologies. Moreover, we are focusing our energies on human resource development as a means of strengthening the infrastructure for supporting sustainable growth.

Strengthening Promotional Activities for
Deep-Roasted Sesame Dressing

Kewpie Deep-Roasted Sesame Dressing is well-loved by a broad range of age groups. Since 2002, just two years after its launch, it secured the top sales position* on the salad dressing market, and served as a driver of overall market growth.

Made from carefully selected ingredients, this dressing offers the characteristic fragrance of freshly ground sesame with its savory, Deep-Roasted aroma. While also pursuing great taste, we have made the bottle more convenient to use as part of our ongoing efforts to refine this product. In order to ensure Kewpie Deep-Roasted Sesame Dressing maintains its position as the most beloved dressing, we are working to convey its value to customers through television commercials, SNS, and in-store promotions.

* Aggregated (value) by Kewpie based on the INTAGE Inc. SCI (Nationwide Consumer Panel Survey)



Dedicated Deep-Roasted Sesame Dressing Special Website

<https://www.kewpie.co.jp/fukagoma/>

Generation Z Co-creation Project for Conveying a New Allure

In an effort to propose a new way of enjoying Kewpie Deep-Roasted Sesame Dressing, the Group organized a workshop with members of Generation Z and utilized the honest feedback of the participants across every aspect, from concept design to recipe development and product design. We ultimately launched sales of the resulting steamed Kewpie buns at kewpie stand*.

* A limited-time shop managed in collaboration with the IMADA KITCHEN restaurant store at SHIBUYA 109 in Shibuya.



Steamed
Kewpie Buns Developed
for Generation Z



Media Announcement Event

TOPICS

Gochiso (sha) ma Challenge

The Group held the Goma Challenge dietary education project to provide children with the experience of successfully eating vegetables. Using Kewpie Deep-Roasted Sesame Dressing, which is also highly popular with children, we developed a new Deep-Roasted stir-fry sesame dish that makes it easy to eat vegetables. This Deep-Roasted sesame dish provides opportunities for children to take on the challenge of eating vegetables that they do not like in aims of helping them learn to enjoy vegetables.

Strategic Product Development Using Unique
Raw Materials

As a leading company for eggs, the Kewpie Group seeks great taste and health from various perspectives. Recently, we have developed a unique raw material called "Aged Egg Yolk," which draws out the flavor of egg yolk through aging it using egg koji.

This unique raw material is used in our products, such as "Kewpie tartar sauce filled with ingredients" and has been well received by our customers. To protect this uniqueness, we have secured patents and trademarks, and we actively promote the appeal of "Aged Egg Yolk" through academic presentations and our websites.

Going forward, we will engage in strategic product development that leverages our unique raw materials, and consistently exceeds customer expectations.

Aged Egg Yolk https://www.kewpie.com/en/rd/material/jyukuseiranou_01/



Tetsuya Miyamoto (left)

Ayano Suzuki (right)

R&D Division
Kewpie Corporation

VOICE

Hoping to draw out further the flavor of egg yolk, we created aged egg yolk as a first-of-its-kind raw material by focusing on Koji fungus, a traditional microorganism in Japanese cuisine. We will continue to explore the great tastes of eggs from various perspectives.



Paysanne Salad
Dressing with
Aged Egg Yolk

Proposing Solutions for the Food
Services Market

The food services market requires simplified operations. However, consumer needs are diversifying, raising expectations for ready-made foods and restaurants. Our sauces, filled with ingredients, and our filling series products have been well received as solutions to these customer and consumer needs. The Group will continue to offer proposals that address market challenges and align with these needs.



Our Near Perfect
Sauces Address Labor
Shortages

Value Creation Story II

Domestic Business Quality Upgrading

Co-creation Toward Realizing Unique Kewpie
Version Smart Factories

Production plants in today's food industry are faced with chronic labor shortages. According to a fact-finding survey*¹ regarding labor shortages in the food manufacturing industry, 62.2%*² of all persons engaged in food manufacturing activities responded that their duties were affected by this issue. Specific impacts that were mentioned included delays in improving workplace environments and the inability to fully pass on skills and know-how. Moreover, today's technical solutions require large equipment that is expensive to introduce, yet offer a lower level of consistency than work performed by humans. At the same time, many food processing plant operations still require human intervention. In order to resolve these issues, the Group formed a capital and business partnership agreement with TECHMAGIC, Inc., which possesses technologies that intricately fuse hardware and software. As part of this partnership, we are working with TECHMAGIC to develop food manufacturing process automation technologies in an effort to improve productivity and to address labor shortages throughout food processing plants. In this way, we are collaborating to create futuristic food processing plants (unique Kewpie version smart factories) with a high level of productivity that enables plant workers to perform their duties in a more energetic, creative manner.

*1 Fact-finding Survey Regarding Labor Shortages in the Food Manufacturing Industry, FUJI ELECTRIC CO., LTD.

*2 Severe impact: 9.6%, Some impact: 52.6%



Left: Yuji Shiraki, President and Chief Executive Officer, TECHMAGIC, Inc.
Right: Ryota Watanabe, Director and Executive Corporate Officer, Kewpie Corporation



Delicatessen Foods Plating Robot Under Development



Automating Complex Work to Address Labor Shortages

The Group is accelerating efforts to automate complex work with the goal of addressing production plant labor shortages. As of the end of November 2023, we began operating a lid closing robot along delicatessen food lines at the Group's delicatessen food plants. As a collaborative development by YASKAWA Electric Corporation, the Deria Foods Group, and Kewpie Corporation, this robot was designed to work with a wide variety of more than 60 types of containers, achieve the same work speed as humans, and be easy to operate by workers who use different languages.

Prior to introduction, we conducted multiple simulations to determine which products would enable the most efficient operations on the line, where concentrating on products that could be handled by the robot. Setting up production plans tailored to each facility also helped us to apply this automation technology. We confirmed the support work that would be handled by humans, such as the lid refilling method, using simulations ahead of time, and shared the results with our plants to help achieve consistent operations.



A Lid Closing Robot in Operation at a Group Delicatessen Food Plant



Delicatessen Food Production Line Simulation Model



VOICE

Hajime Nakagawa

Shunsai Deli Co., Ltd.

We have successfully introduced lid closing robots as part of regular operations. Moving forward, we will establish a production system through the optimization of human and machine operations to evolve our plants in a way that provides great tasting delicatessen foods to our customers.



VOICE

Yuichi Nakakubo

Production Technology Department
Kewpie Corporation

I believe that a key phrase essential for the future of automation is "easily usable by everyone." I therefore intend to continue developing this kind of value with my colleagues in the Group.

Value Creation Story II

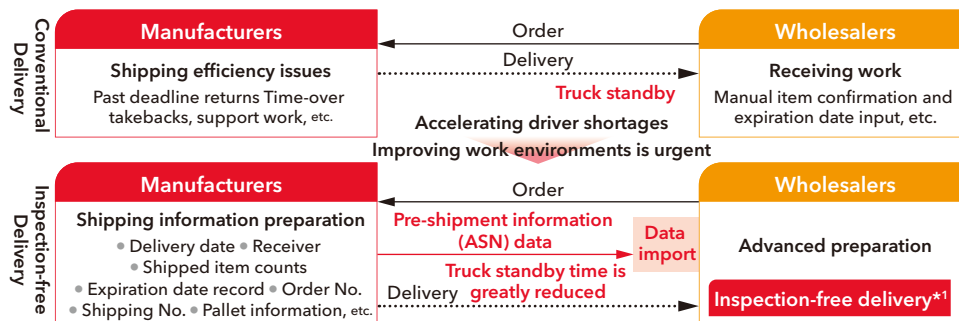


Domestic Business Quality Upgrading



Building a Sustainable Logistics System: Addressing the 2024 Problem

Labor shortages among truck drivers at shipping sites is an increasingly dire problem. In order to address this issue, the Group has worked to introduce inspection-free delivery*1 since 2013. Specifically, we have successfully eliminated conventional visual inspections at the time of delivery by working with customers to extend order lead times, thereby enabling the preparation and prior communication of shipping information. Moreover, we are currently evolving our approach toward one that improves efficiency through prioritized reception and combined delivery in order to maximize the outcomes of inspection-free delivery. In addition, through a collaborative effort with K.R.S Corporation, which oversees our logistics departments, we are improving putting in place an inspection-free delivery ecosystem delivery environment in a way that includes joint consigners from outside the Group. We will continue to maintain sustainable logistics in order to provide products with reliable quality to our customers.



*1 Inspection-free delivery is an approach to delivery that does not require inspection



Yusuke Morimoto

Logistics Management Division
Kewpie Corporation

VOICE

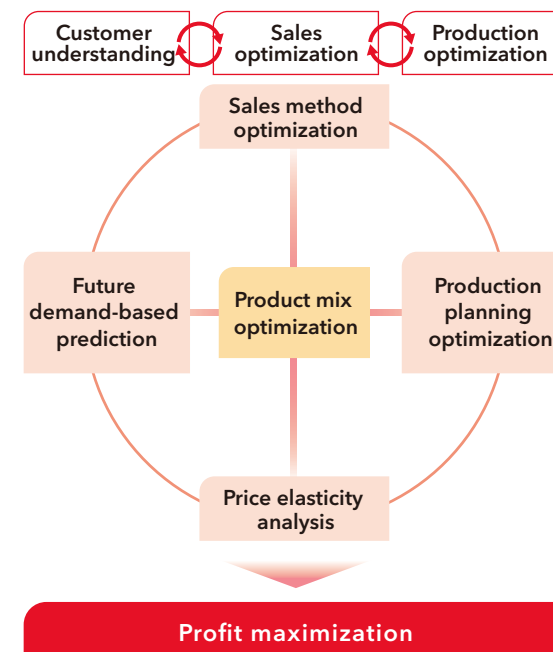
When we began this effort in 2013, we embarked on an unprecedented approach to inspection-free delivery covering logistics between processed food manufacturers and wholesalers. Although our efforts were sometimes hindered by long-standing business practices, we overcame these challenges with the support of our customers (lead time extensions, delivery date concentration, improved loading efficiency, etc.). As we encounter the 2024 problem for logistics, we will advance initiatives toward sustainable processed food logistics through greater collaboration between companies.



Taking on the Challenge of a Kewpie-Style S&OP*2 through DX

The food industry is characterized by a particularly high degree of consumer preference and item segmentation. There is also the issue of declining productivity due to high-mix, low-volume production. Moreover, the era of VUCA with its high degree of uncertainty demands the industry take flexible and rapid responses.

In order to address this situation, we aim to establish a supply system that analyzes and predicts market data in a way that allows us to reliably deliver the products our customers truly need at the right time, in the right amount, and to the right location. Similarly, we will work to optimize the product mix.



*2 Sales and Operations Planning is an integrated business management process that focuses on the supply chain.

TOPICS

Launching the Digital Transformation Department to Realize Group DX

The Digital Transformation Department is composed of employees who are passionate about business transformation and who were selected through an open internal recruitment program. The DX Planning Team and the Data Science Team work together with each Group company and division to develop and implement DX strategies.

* The Group defines DX as transforming business models and business processes through the use of digital technologies. DX is positioned as one of the engines of sustainable growth.

Digital Transformation
Department Members

Value Creation Story II

Domestic Business Quality Upgrading

Quality Enhancement Activities and
Human Resource Development Programs

The Group values the fact that those who work at its production plants serve to protect quality. In order to deliver safe, secure products to our customers, we administer the Monozukuri Academy (food production school) and conduct Mudatori Activities* for managers across all divisions involved in manufacturing products.

The Monozukuri Academy offers around 50 courses as part of a training program that provides practical knowledge. Incorporating onsite and remote options in line with changes in the times, these courses focus on learning the basics of production, improving quality management and technology, and acquiring certifications, among others, and are attended by many employees every year. Moreover, Mudatori Activities encourage individual growth and an evolution in workplaces as all employees come to consider and actively participate in efforts to improve quality on a regular basis. Mudatori Activities are therefore valued throughout the Group.

* Mudatori Activities are undertaken by individual employees with the aim of creating human-friendly and human-centric workplaces so that as many dreams as possible can be realized.

Employees Studying at the
Monozukuri Academy

VOICE

Takayuki Koide

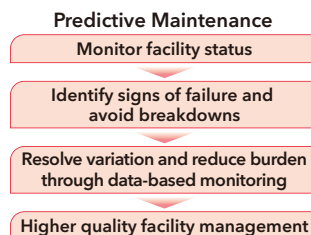
Kewpie Egg Corporation

Mudatori Activities include many considerations that allow employees to enjoy making improvements with their coworkers under the assumption of quality enhancements. Leveraging the training provided at the Monozukuri Academy, we organize interactions, discussions, and study groups among different areas in an effort to encourage activities that involve all employees.

Initiatives for Managing Facilities
That Support Reliable Supply

In order to support reliable supply, the Group is undertaking the challenge of predictive maintenance as a means of preventing facility malfunctions during production.

As part of predictive maintenance, we monitor the status of facilities to identify signs of failure, thereby avoiding malfunctions during production and performing maintenance at the ideal timing. Moreover, implementing data-based monitoring helps to resolve variation involved in human labor, as well as to reduce the burden of inspection, and realizes higher quality facility management.

Using Packaging With a Lower Environmental
Impac Containers and Packaging

The proprietary Kewpie Group Eco Mark will be implemented from February 2024. Having established environmentally friendly standards on container packaging, Kewpie assigns the Kewpie Group Eco Mark to products meeting these standards to easily convey to customers that Kewpie products are environmentally friendly.

Details	Eco Mark Criteria
Reduced plastic usage	Reduced amount of plastic used by 5% or more (using 2018 as the base year)
Reuse of plastic	Recycled plastic materials comprise 25% or more of total plastic by weight
Biomass plastic	Biomass plastic comprises 10% or more of plastic used, by weight

Kewpie Group
Eco MarkEffective Use and Recycling of Resources
Biogas Power Generation Using Leftover Mayonnaise

The Group reduced approximately 980 tons of CO₂ emissions in FY2022 by employing biogas power generation using leftover food during the production process. Specifically, this initiative used mayonnaise and other food expelled from pipes when changing production between different products to produce fuel for biogas power generation. Biogas power generation is a method for producing electricity using biogas released during methane fermentation when livestock waste from pig farms and food waste are mixed. This initiative is being implemented at Kewpie's Goka Plant, Nakagawara Plant, Izumisano Plant, Kobe Plant, and Kpack. We are also working to convert waste released from the new AOHATA Tadanoumi Factory, which produces jam, into biogas. In recognition of these initiatives, we have received awards from various organizations.

- FY2023 3Rs (Reduce, Reuse, and Recycle) Merit Awards
3Rs Promotion Council Chairman's Award
- 11th Food Industry Mottainai (Reducing Wastefulness) Awards
Ministry of Agriculture, Forestry and Fisheries Director General's Award
- 45th Japan Food Industry Excellent Company Awards
Environmental Category: Ministry of Agriculture, Forestry and Fisheries Minister's Award

45th Japan Food Industry Excellent
Company Awards Ceremony

Value Creation Story III

Contribute to Food Culture
and Health

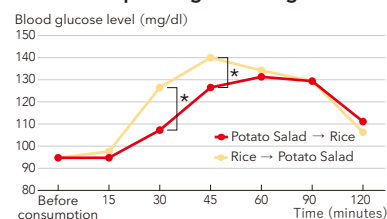
With an emphasis on extending healthy life expectancy, addressing diverse value sets and diets, and considering the global environment, the Group promotes enjoyable, healthy eating habits for each individual through product development and proposals that consider nutritional balance, and through dietary education and awareness activities. Moreover, we propose products tailored to the needs of consumers, pursue sustainability, and practice business activities that are friendly for society and the global environment as we pass on our founding beliefs to future generations.



Health Value from Eating Salad

Based on existing research results, the Group has found that eating salads first suppresses dramatic increases in blood glucose levels after meals. Yet we have also discovered a similar effect regarding potato salad, a standard that is widely loved by all generations. It is a commonly known fact that the carbohydrates in potatoes increasingly become resistant starch (starch, difficult to digest), which works in a similar manner as dietary fiber, when chilled after heating, but there are also indications that this nutritional substance increases in potato salad as well.

We are therefore encouraging consumers to eat potato salad first using the phrase “Start with Potato Salad” as part of our in-store promotions. In this way, we will contribute to the enjoyable meals and healthy diets of our customers by proposing the habit of eating salad.

Comparative Verification of Blood Glucose
Levels Depending on Eating Order

Blood glucose level before consumption and 15, 30, 45, 60, 90, and 120 minutes after consumption
 *: Significant difference compared to Rice → Potato Salad
 Source: 70th Japanese Society of Nutrition and Dietetics

Initiatives for Personalized Meal Proposals
Using Digital Technology

The Group engages in communication with a broad range of customers using digital technologies. For example, kewpie ID can be used with Hi! kewpie, a service that allows for more convenient enjoyment of every day meals, and Qummy, a D2C (Direct-to-Consumer sales website) service, on Kewpie's website. Going forward, we plan to utilize kewpie ID with a wide range of customer contact points. Currently, we are using digital technologies to deepen customer understanding, and as part of efforts to deliver information and products developed in line with customer issues and needs. Moreover, we are considering initiatives to support personalized diets for individual consumers based on household preferences and health information, including a service that employs an AI to propose the ideal meal plan for families.

* AI stands for Artificial Intelligence

Conveniently Consuming High-quality Protein Through
Egg Salad

Frailty refers to the age-related decline in physical and mental health, so preventing this issue is essential for extending healthy life expectancy. In particular, seniors must intentionally consume protein in order to maintain muscle strength. For this reason, the Group conducted a survey in Nishitokyo City, Tokyo, using egg salad for 33 fragility supporters aged 65 to 80 to determine whether it was possible to conveniently consume high protein eggs. Upon consuming egg salad three times a week, participants offered positive responses to a questionnaire, stating that they were able to add some extra protein, able to replenish protein in a delicious manner, and able to arrange egg salad into various recipes, for example. These results indicate that egg salad is a menu item that allows the elderly to conveniently consume protein. We also aim to achieve healthy diets through participation in the University of Tokyo's Institute of Gerontology, and through collaboration with the retail and manufacturing industries.

* The survey used egg salad made by mashing Kewpie hard-boiled eggs



New Recipes Using Egg Salad
Created by Frailty Supporters



Social Contribution Activities by Individual Employees

During the Mayonnaise Classes and SDGs Classes, the Group holds at elementary schools around Japan, our employees serve as lecturers to convey the importance of meals and the environment to children, and to nurture the ability to thrive and think. Moreover, in order to encourage social contribution activities by our employees, we adopted the QPeace matching gift system, through which employees select a charity organization of their own choice. Our employees have the opportunity to learn new ways of thinking and gain experience through participation in activities that receive their donations.



Activities with a Support
Organization

VOICE



Mariya Ninomiya

Public Relations and Group
Communications Office
Kewpie Corporation

Kewpie has organized Mayonnaise Classes ever since 2002. Although I decided to serve as a lecture because I hoped that the importance and joy of meals would make even a small impression in children's hearts, it was me who received vitality. I feel that these exceptionally delightful meal experiences make the hearts of everyone involved more abundant. And I believe that enjoying connections and spreading networks will embolden the appeal of the Group.

Value Creation Story III

Contribute to Food Culture and Health

Addressing Health Needs
Using Functional Ingredients

Using hyaluronic acid and acetic acid bacteria as original ingredients offered by the Group, we deliver products that meet the health needs of customers through mail-order sales centered on our brand supplements and skin care products. Tou Kewpie Co., Ltd., handles these sales activities. Tou Kewpie conducts promotional activities through television, newspaper advertisements, and Internet advertising to convey the functions and value of our products to customers, and to encourage their purchase. It also administers the Group's Kewpie Wellness mail-order website, and promotes business growth in the D2C (Direct-to-Consumer) area. We will continue our efforts to solve health issues by combining the Group's strengths in developing functional ingredients, product planning, and sales channels.

Supplements Containing Hyaluronic Acid and Acetic Acid Bacteria

Hyalomisture
240Hyaluronic Acid &
Glucosamine
[Chondroitin
Formulation]

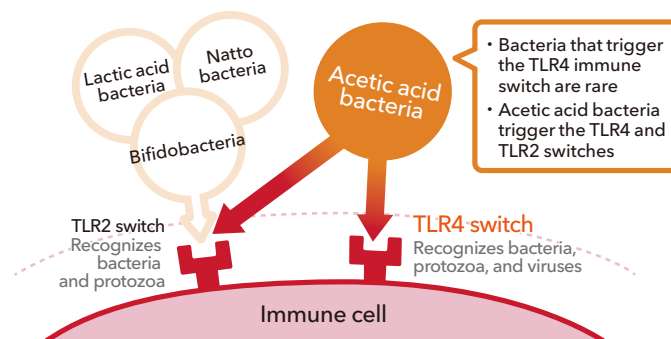
YOITOKI One

Contributing to Immunity Care
Around the World

Vinegar is an important ingredient that affects the flavor of mayonnaise. Acetic acid bacteria are a fermentation bacteria essential for making vinegar. The Group has therefore spent many years researching vinegar and acetic acid bacteria. As a result, we were the first company in the world to succeed in mass producing Nigori Vinegar (cloudy vinegar), which contains a concentration of *Gluconacetobacter Hansenii* GK-1 that is expected to have multiple health benefits.

Consuming fermented foods and incorporating many types of bacteria into the body are considered beneficial approaches to maintaining immunity. *Gluconacetobacter Hansenii* GK-1 have been shown to act upon both the TLR2 and TLR4 antigen receptors in immune cells. Acting on immune cells, *Gluconacetobacter Hansenii* GK-1 are therefore expected to maintain immune functions and help alleviate nasal discomfort due to such factors as pollen. In 2023, our application for functional claims involving immunity support through products containing *Gluconacetobacter Hansenii* GK-1 was accepted. Specifically, the functional claim states that these bacteria work on pDC (plasmacytoid dendritic cells) to support the immune system of healthy individuals.

Mechanism by which Acetic Acid Bacteria Stabilize Immunity Balance



Following acceptance, we launched sales of the Deare Plus supplement in December 2023. We will continue to contribute to the health of people by incorporating these bacteria into our products and by supplying them as raw ingredients.



Deare Plus

Kewpie Start Up Program for
New Business Generation

We have established the Kewpie Start Up Program with the aims of realizing individual employees' ideas and creating new businesses. Participants in the program have the opportunity to form networks that transcend divisions, which will help them upgrade their skills and advance their careers. Acetic acid bacteria were a theme that emerged from the Kewpie Start Up Program, and have since served as a model case for those taking on the challenge.

VOICE

Yohei Okuyama

Immunity/Cognition Market
Development Project
Kewpie Corporation



Acetic acid bacteria have the strength to survive in highly acidic environments like vinegar. As a result of delving into this strength through clinical research, we discovered that consuming 9 billion *Gluconacetobacter Hansenii* GK-1 per day helps to maintain immune functions by working on immune cells.

Gluconacetobacter Hansenii GK-1 have thus been shown to address the need for healthcare involving immunity, which is why we are working to support the health of everyone through products containing acetic acid bacteria.

Value Creation Story III

Contribute to Food Culture and Health



GREEN KEWPIE Brands for Realizing Sustainable Food

GREEN KEWPIE
coming from field



Plant based Dressing
Sesame/
Caesar salad



HOBOTAMA
Scrambled egg style/
Liquid egg style for
cooking with heat



Plant based
Mayonnaise
type



Plant based
Bolognese sauce/
Carbonara sauce

As a brand that deploys sustainable food, the Group launched GREEN KEWPIE coming from field (hereafter, GREEN KEWPIE) in March 2023. This brand mainly consists of plant-based food* products. Starting with dressings made from plant-based ingredients, we have also launched sales of mayonnaise types and pasta sauces. Plant-based foods are attracting attention against a backdrop of growing interest in environmental problems and health. Made using ingredients from plants, plant-based foods are known to have a lower impact on the environment than animal-based ingredients. And as an option for sustainable food, their markets are expanding around the world. GREEN KEWPIE was conceived as a means of enabling customers to conveniently enjoy the great flavor of these plant-based foods on a regular basis.

The design for great taste is also packed with the technologies we have accumulated over the years. As the secret to their great taste, product creation relies heavily on the great taste design technology used to reproduce the depth that is characteristic of animal-based ingredients and our emulsification technologies perfected through mayonnaise. We also plan to expand sales of these products outside Japan for everyone around the world who considers the present and future of the environment and health. We will realize sustainable food as we engage with the diversity of value sets, and social and environmental issues.

* Plant-based foods are made using ingredients sourced from plants

VOICE



Tomomi Nakamura

Household Division
Kewpie Corporation

Food-related values are also diversifying given the growing interest in health and environmental awareness. In response to these customer needs, we launched sales of mayonnaise types made using plant-based ingredients instead of eggs as an initiative that only the Kewpie Group could undertake. Because of the delicious taste, more than 80% of those who tried them commented that they did not realize they were plant-based. I would be overjoyed if our customers conveniently incorporated these into their regular meals as a new option for mayonnaise.

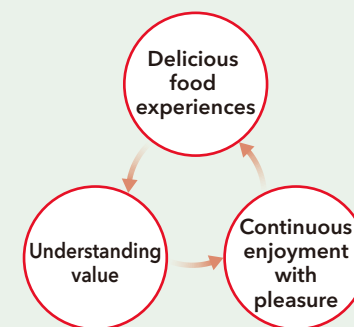
TOPICS

Initiatives with a Wide Range of Stakeholders

We engage in initiatives that provide all of our stakeholders with delicious meal experiences, and that convey our passion for the brand, products and recipes that can be enjoyed continuously and with pleasure.

At a gourmet fair we sold collaboration dishes made together with culinary experts using HOBOTAMA, allowing attendees to experience eating new meal options.

Moreover, we exhibited at SDGs Week EXPO 2023, one of Japan's largest environment-related expositions, as an arena to broadly convey our stance on the environment and related initiatives. We introduced our efforts to realize sustainable food through GREEN KEWPIE at the event.



SDGs Week EXPO 2023 Exhibition



JAPAN VEGAN AWARD Ceremony

Similarly, we took the stage at FOODEX JAPAN 2024 with other companies possessing a similar desire to spread the availability of plant-based foods, where we communicated the current state and future potential of these foods.

Moreover, we were awarded the Company Award at JAPAN VEGAN AWARDS 2023, organized by the JAPAN PLANT BASED MARKET ASSOCIATION.

We will continue to engage in active communication with all of our stakeholders in order to propose new meal options to everyone throughout the world who sees hope for the future of humanity and the planet.

Value Creation Story III

Contribute to Food Culture and Health

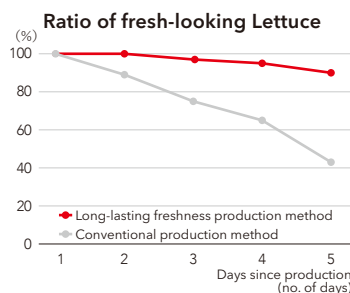
Desiring Customers to
Conveniently Enjoy Fresh
Vegetables Through Salad

Since our establishment in 1999, Salad Club, Inc., has sold packaged salads that can be eaten without washing throughout Japan. And the packaged salad market is only expected to continue expanding as people's awareness of health strengthens and with the shift to eating raw vegetables stemming from changes in lifestyles.

As a leading company in packaged salads, we engage with the social challenges faced by all of our stakeholders, from producers to consumers, in aims of a brighter future in which everyone can enjoy vegetables. Likewise, we will continue our various efforts to ensure vegetables are part of every meal.

Freshness Preservation
Technology Leveraging the
Inherent Power of Vegetables

Ever since our founding, Salad Club has perfected our vegetable washing methods and packaging technologies, and has worked to develop technologies that ensure great taste and long-lasting freshness. In addition to vegetable-friendly production methods that wash plants in a way that prevents damaging the parts that will become vegetables, we have continuously undertaken the challenge of extending shelf life through long-lasting freshness production methods. These methods package vegetables in a way that maintains the balance of oxygen,



nitrogen, and carbon dioxide that is suited to the contents. Extending shelf life also reduces the volume of unsold vegetables that is discarded as well as unused vegetables at homes, thereby helping to reduce food loss.

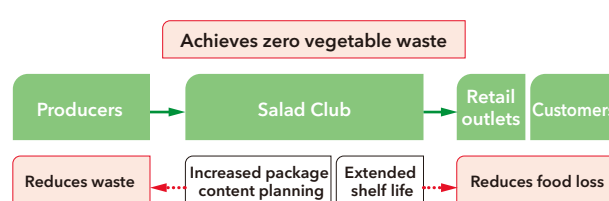
Supporting Lower Food Loss
During Peak Periods
for Vegetables

During the period when vegetables come into season and harvest volumes increase, excessive bumper crops can disturb the balance between supply and demand, which risks causing vegetable market prices to drop and excess to occur. When vegetables are in season, Salad Club therefore implements plans to increase package content that are intended to deliver great tasting vegetables to as many customers as possible without waste. This not only allows customers to purchase vegetables at a bargain and helps bolster sales at retail outlets, it also connects to stable management for producers. Since 2024, we have expanded the target area for this initiative to cover all of Japan. We were able to realize this initiative specifically because we have built relationships of trust with producers in each region.



Products of the Increased Package Content Planning
Salad Club Shredded cabbage large packs

Initiatives to Reduce Food Loss



VOICE



Shiori Torizuka

Salad Club, Inc.

I believe the most important aspect for packaged salads is to use fresh, great tasting vegetables. As a brand that helps customers enjoy health and abundant meals, Salad Club will continue working with those in our contracted production sites to further improve quality, and to achieve a sustainable agricultural system and society.

Initiatives with Contracted
Production Sites

Salad Club currently procures ingredients from nearly 400 contracted production sites in an effort to ensure reliable procurement throughout the year. Moreover, given our passion to see Japan's agriculture grow increasingly vibrant, we are undertaking initiatives that advance the domestic use of domestically grown vegetables with low production volumes whenever possible. Since FY2017, we have held a production site awards ceremony for the purpose of conveying our appreciation to all of our producers. And we will continue to make every effort to increase the quality of our products, and engage in initiatives that our customers will find attractive, including original planning and product development that leverages close-knit communication with production sites.



Production Site Awards Ceremony

Dialogue

What Kewpie Can Do for the Very Reason That We Work Closely with Producers in Handling Eggs and Vegetables to Deliver Value to Our Customers

Rina Akimoto

Founder Tabe Choku
Founder and Chief Executive vivid garden Inc.
Management Advisory Board
Outside Board Member
Kewpie Corporation

Mitsuru Takamiya

Representative Director
President and Chief Executive
Corporate Officer
Kewpie Corporation

Helping to achieve sustainable food as a leading company for salads and eggs

Akimoto Mr. Takamiya, my relationship with Kewpie began before I met you at a conference for managers. It all started around the time vivid garden was founded, when I met the Kewpie employee who had come up with the idea for Fukaya Terrace Vegetable Friends' Farm. That person possessed a strong desire to bring the site of production closer to consumers. Trying as a company to embody ideas that are common to mine, I felt that Kewpie was an amazing company.

Takamiya Vegetable Friends' Farm was a business proposal that emerged from an in-house request for project proposals that would embody employees' hopes and desires. Although it takes investment, if you confront the challenge, you will also get a lot of results. Even if we sometimes fail, I would like to build a company where we can utilize those experiences of failure in facing our next challenge. Of course, rather than leaving it up to just one

person, all employees must support each other.

Akimoto One of vivid garden's businesses is Tabe Choku, an online direct sales store where producers can sell their products directly to individuals and corporations. We provide a place where small-scale producers with particular specialties can sell their own high-value-added agricultural, livestock, and marine products. In contrast, there are moves to promote large-scale, efficient agriculture, but I believe that it is important for all types of agriculture, large or small, to deepen consumers' understanding of food. At the present time, agriculture seems to be far removed from consumers, but Vegetable Friends' Farm creates various points of contact to deepen the understanding of food and has similarities in that it brings production and consumption closer together.

Takamiya While aiming to remain a "leading company for salads and eggs," Kewpie also produces salad seasonings. Vegetables create a world of salads that provides a colorful feast for the eyes, is delicious to eat, and good for you. You cannot have a nice salad unless the vegetables look bouncy, are good tasting and fresh. I believe that in talking

about salads, there is no getting away from vegetables.

The common issue with primary industry in Japan right now is that producers and the hardships they endure remain unseen, and they are unable to convey their feelings to consumers.

Akimoto Does that also apply to the egg world?

Takamiya As far as processing products are concerned, we at Kewpie have a common awareness of the issues. For example, Kewpie handles about 10% of Japan's egg production, and last year we had a large-scale outbreak of highly pathogenic avian influenza, which forced us to introduce a raft of measures. However, it was the poultry farmers who suffered the most. While fearful of infections at poultry farms, they were committed to delivering a limited number of chickens to their customers no matter what. In the position of processing and cooking the precious produce we receive, we at Kewpie feel the need to convey as value all of the difficulties and joys as well as all of those emotions that went into creating that produce. We recognize that it is an important theme to remain in close contact with producers.

Akimoto As Kewpie maintains close relationships with people in primary industry, I get the impression that your company is working toward sustainable food by increasing the added value of products, regardless of the size of the producer.

Takamiya Since we are in a well-established position in which our business is based on the blessings of produce, we are aiming for a recycling-oriented society while creating a system in which producers can also participate. To give an example, the Kewpie Group produces and sells easy-to-eat packaged salads by placing shredded cabbage and mixed vegetables in bags. We receive all of these vegetables from our producers. It used to be that the outer leaves of cabbages and lettuces were discarded, but now they are being used effectively to create other value, such as returning them to the fields in the form of compost or using them as animal feed. These kinds of recycling initiatives make the participating farmers and poultry farmers very happy, and thus I think that they will gain in importance in the years to come.

Expanding points of contact between Kewpie and its customers, creating a system in which they are able to see producers' faces

Takamiya I gave an example of contributing to a recycling-oriented society, but I also think it is important to see how many times we can create this feeling within our Company, where employees can feel that their work is contributing to society. Feeling that way, they will try harder and can thereby grow, taking any difficulties in



their stride. I believe that if this cycle continues, society, companies, and employees will be all the happier.

We launched our Qummy e-commerce site to deliver products and services for enjoying vegetable dishes directly to customers. By having many customers become members, we would like to hear requests and opinions directly from them. We also aim to expand our customer contact points and thereby meet new customers. Going forward, so that we can directly deliver the deliciousness of vegetables, I would like to have producers participate more as team players and work together with them to create and enhance a system in which their faces can be seen.

Akimoto There is a pre-conceived idea that farming in Japan is a way of life for one's later years, but when you go to actual farms, there are many farmers who are young and have a real passion for

farming. I always think that you need to match the image against reality.

Takamiya Our main job is salad seasoning, so we need to understand more about the vegetables that make up salads. For their April induction ceremony at Vegetable Friends' Farm, new employees changed out of their suits and had the opportunity to sow seeds with their own hands and experience eating salads made with the vegetables they themselves had harvested. I think this can be a conduit for reconfirming one of the roles that Kewpie plays in connecting customers and producers.

I want to energize the employees who will be responsible for the Kewpie of the future and build a company that is accepting of contrasting ideas.

Akimoto During my interactions with everyone at Kewpie, I have seen them talking passionately, saying, "This is the

 **Qummy** <https://qummy.kewpie.co.jp/>





kind of value I want to provide to society” and gained the impression that each person holds strong feelings. Passionate feelings are what motivate people, but there are very few people who can talk passionately about the strong feelings they hold. Although there are many people who can formulate logical arguments and speak in a well-reasoned manner, they are generally not so adept at expressing their feelings, but I think there are passionate people at Kewpie.

This time, I asked them about the Company’s history and products before accepting the position as an outside member of the Management Advisory Board. From those conversations, I realized that there were many people who wanted to focus on providing value to society as a whole, including consumers and producers.

As vivid garden was literally started from scratch, we started with no funding, no gathering of friends, and no network with producers. By building up a small amount of trust, producers gathered together, and little by little, we gathered friends, and after a few years, we started to attract capital. However, even now, with a limited number of people and limited financial backing, we are

continuing to look into how we can maximize efficiency and constantly searching for ways to achieve high growth.

Takamiya I am sure that hearing about your experiences will be stimulating, encouraging, and even gratifying to our employees. The actions they themselves had previously thought about may have to be changed. I would like you to refresh and recharge their energy for them to continue to bring about the development of Kewpie 10 years from now.

Akimoto Just having one person with a fresh way of thinking in an organization can completely change the atmosphere. I will also feel free to speak on a variety of subjects at Management Advisory Board meetings.

Takamiya I want to build a company where contrasting ideas and opinions exist as a matter of course. This is because I think that Japan itself is suffering now because it is not good at accepting contrasting ideas and opinions. It is hard to change if you hold on to your experiences from past successes.

I am currently sharing my personal thoughts on an internal blog, after which employees then express their feelings in response to my opinions by means of icons. When I see a lot of tilting head icons, I sense that a variety of ways of thinking are being expressed and I find that very healthy.

Akimoto I am looking forward to coming into contact with employees

from a wide range of ages and occupations. To help create a culture where challenges are celebrated even if they fail, I would like to share my own experiences and current challenges. I want to create an atmosphere where people can exchange ideas, regardless of their current workplace or past company history. Naturally, as a basis, I will make full use of my knowledge in areas such as DX, sustainability, and contact with producers, but I once again feel that I would like to contribute to creating a culture where everyone actively supports new initiatives.

I feel that Kewpie is a company with many caring and kind people. On the other hand, I have also gained the impression that there are many people who can proceed in a more flexible manner. It seems that there is still room for growth in boldly overstepping the thesis line, such as when large-scale investments need to be made.

Takamiya With an eye to the future, I would like to give deep consideration to DX in particular. I hope that you will do us the honor of sharing your relevant experiences and ideas with us on an ongoing basis. Thank you in anticipation of receiving your continued candid advice.



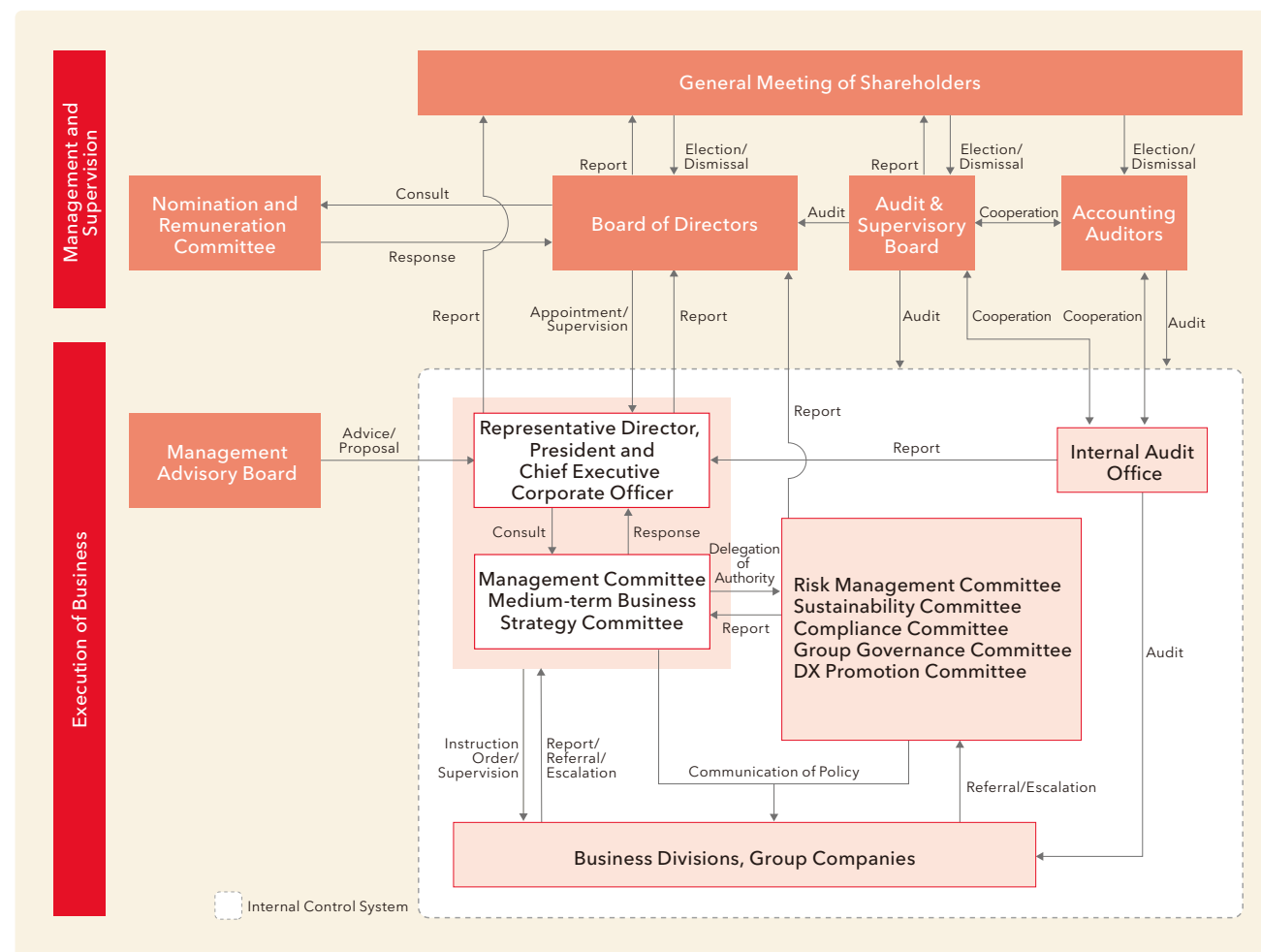
Corporate Governance

Basic Concepts

The Company defines corporate governance of the Group as a mechanism to ensure transparent and fair management, as well as swift and resolute decision-making and implementation, in order to achieve sustainable growth and enhance corporate value, while putting into practice the Group philosophy and taking into consideration the positions of various stakeholders, including customers, employees, business partners, shareholders and investors, and local communities.

The Company recognizes the importance of building corporate governance that leverages the unique qualities of the Group, and according to Corporate Governance Policy, we will constantly examine how it should be and work toward enhancing it further, while valuing dialogue with our various stakeholders.

Corporate Governance System



Outside Corporate Auditor Dialogue

A Highly Transparent Board of Directors Creates Vibrant Discussions with an Eye to the Future

Kazumine Terawaki
Outside Corporate Auditor
Kewpie Corporation



Mika Kumahira
Outside Corporate Auditor
Kewpie Corporation



— Please tell us about your roles and specific activities as outside corporate auditors.

Terawaki Going beyond my role as an outside corporate auditor, I have actively offered my opinions and advice to a fair degree based on my own experience and expertise during discussions on legal preparations for overseas M&A projects and the abolishment of the Takeover Defense Plan, for example. I have been able to do so because the Company's Board of Directors offers a level of psychological security that makes it easy for us as outside officers to express our opinions. We begin discussing important issues at an early stage at Board of Directors' meetings and engage in multiple deliberations to reach a decision. In some cases, those on the executive side who initially stated their opposition have in fact changed their minds to being in favor during this process. So, in this sense, I feel that the Board of Directors is managed in a highly effective way, and has not become just a formality.

Kumahira I agree. Although the roles of directors and auditors may differ, from the standpoint of an outside officer who is responsible for monitoring management by the executive side, like Mr. Terawaki, I have also been

expressing various opinions in a fairly straight-forward manner. With an extremely high level of transparency, I feel that the Company shares various layers of information, not only through on-site audits as a matter of course, but also through factory tours, one-on-one interviews with the president, and even opportunities to exchange opinions with those on the frontlines.

Terawaki During interviews with employees on the frontlines I have received frank opinions that have also deepened my insight into the Company. I have also been impressed to see many women playing an important role in the field of the actual work-force. I look forward to seeing them receive promotions to management positions, which will change the atmosphere quite a bit.

— What is your assessment of the characteristics and challenges of governance at Kewpie?

Terawaki I feel the degree to which the corporate motto and corporate principles have penetrated the Company is truly wonderful. When I previously visited a plant in Indonesia, I witnessed the depth to which the corporate motto and corporate principles have become infused in

the activities of the employees there, and felt their intense desire to protect the Kewpie brand with its 100-year long history, as well as their pride in products and quality. The freedom of management has been robustly maintained, and I have not observed any problems with governance.

Kumahira In general, a culture where unusual events become the norm amid a structure in which bad news fails to be appropriately reported will result in major problems with governance. In contrast, I feel that there is a firm mechanism at work within the Company that prevents this kind of culture, namely that the idea of engaging in misbehavior for benefit has not emerged in the Company because it has included "Look After Parent's Well Being" as one of its corporate principles, and has protected the valuable teaching of "the world is fairer than you imagine." Although I am always impressed at the degree to which the corporate motto and corporate principles have penetrated the Company, as well as at the stance of perfecting products and quality, the Company must also ensure each individual deepens their self-understanding, and must leverage the cognitive diversity of mutual differences and strengths in order for the diversity of its human resources



to function. I would therefore like to see the Company multiply the experiences, different value sets, individuality, and creativity of each employee in a way that connects to the creation of new value.

Terawaki I feel that there is one aspect of the Company that struggles with change specifically because the corporate motto and corporate principles have become so embedded. Also, global governance is a particular challenge for the Company. The overseas business has thus far looked to very specific relationships in the individual countries where it operates, but going forward, the Company must build a governance structure as an organization that includes systems to train and promote local management personnel.

Kumahira I agree. As the Company's products are also well-received outside Japan, it will acceleratingly shift toward the expansion of overseas business. Despite pouring its heart and soul into this effort, I also think the Company must also closely observe this trend as a governance risk so that organization building does not fall behind. When I have shared these issues and concerns in the case of the Company at the Board of Directors, they have perceived my points in a positive manner as opinions for improving the future, and discussed them with an eye to the future.

Terawaki Sometimes I have also expressed opinions that seem to apply the brakes or in some cases that seem hard

to approach when thinking about risk, but I commend the Board of Directors in that President Takamiya himself keeps a highly positive attitude, and proceeds on to forward-looking discussions.

— How do you see the sustainability initiatives for enhancing medium- and long-term corporate value?

Kumahira From the perspective of sustainability, the Company was a fairly earlier mover on promoting initiatives for using every part of eggs without waste, from eggshells to eggshell membranes, as well as initiatives to reduce vegetable waste, which I think is wonderful. Meanwhile, the world, notably in Europe, has experienced rapid developments in sustainability-related legislation. Because the Company also has influence over the industry, its next challenge will be to take the initiative with an eye to the future so that the industry as a whole can shift toward a circular economy.

Terawaki As is hinted at by its egg-related initiatives, the Company's culture of positive engagement with sustainability is seen throughout. Specific initiatives like those to replace plastic bottles with ones made from recycled materials are progressing, and I have the impression that sustainability is advancing under a high level of awareness across the Group, with internal enlightenment activities also moving forward. The sustainability initiatives implemented by the Company are rich with details of which it ought to be proud, which is why I think the Company should strengthen its public communication efforts a bit more.

Kumahira From the perspective of Social as part of ESG, the Company's start-up program in which employees voluntarily declare what they wish to do is active enough that it has actually led to product commercialization. Moreover,

I have received all kinds of positive feedback during interviews with retirees, stating they like the Company even after having retired, and with mid-career hires, stating they can work stress-free.

Terawaki From the standpoint of compliance, I have not observed any corporate culture related or other issues that might impact sustainability at the present time.

— Finally, please tell us about your expectations for the future of Kewpie.

Terawaki Kewpie will evolve in the future from a conventional food company to one that takes responsibility for the health of people. With the development of the fine chemicals business, I feel that the Company is becoming more aware of its responsibility for peoples' health, and I have high expectations for the Company's future.

Kumahira I still vividly remember the day when I tasted non-Kewpie mayonnaise for the first time overseas and missed Kewpie Mayonnaise. We have entered an era in which customers around the world demand Kewpie products. I hope that the Company will continue to refine its DX as well as sustainability, and maintain its position as a company that can deliver excitement to customers. As an outside officer, I will therefore contribute to decision-making that will have been recognized as the right choice 50 and 100 years in the future.



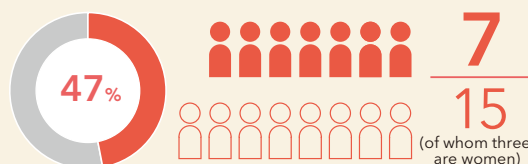
○ Basic Stance on the Management Structure

Points 1 through 4 below describe the skills (experience and expertise), diversity and size required for the Board of Directors.

To fulfill the responsibilities as an outside officer of the Company, an outside officer may concurrently serve as an officer at other companies, and such concurrent officer positions at listed companies other than the Company shall be limited to three or fewer companies in principle.

1. The Company aims to strike a good balance of experience, expertise, and attributes among its overall officers (directors and corporate auditors). The Company aims to ensure that experience and expertise that are currently in shortage among officers are provided, including those held by non-officers.
2. Inside directors are composed mainly of corporate officers who can take a broad view of the overall Group.
3. The maximum term of service of an outside officer is 10 years in order to maintain their independency; however, the Company does take into consideration an appropriate term of service for outside directors, given the importance of their understanding of the food business and the Company.
4. The number of directors shall be up to 12, and outside directors shall make up one-third or more of the total number of directors.

○ Structure of the FY2024 Board of Directors and the Nomination and Remuneration Committee



Proportion and number of outside officers on the Board of Directors



Proportion and number of outside officers on the Nomination and Remuneration Committee

○ Approach to the Nomination and Remuneration Committee

As an advisory body to the Board of Directors, the Company has established a Nomination and Remuneration Committee chaired by an outside director and comprising a majority of outside officers as its members. The committee deliberates over matters concerning the appointment, dismissal and remuneration of directors, corporate auditors and corporate officers, and passes resolutions as necessary. The aim of the committee is to enhance objectivity, validity and transparency regarding the structure of the Board of Directors as well as the nomination and remuneration of directors and other officers, by extension achieving the medium- to long-term growth of the Group and enhancing its corporate value.

○ Procedures for Nominating Candidates for Director and Corporate Auditor

The nomination of each candidate for director or corporate auditor is taken up for discussion by the Nomination and Remuneration Committee and then deliberated over and decided on by the Board of Directors. Pursuant to the Companies Act, the Company shall obtain the consent of the Audit & Supervisory Board for the submission of proposals for the appointment of candidates for corporate auditor to the General Meeting of Shareholders.

○ Activity Status of the Nomination and Remuneration Committee

In FY2023, the Nomination and Remuneration Committee met four times. The chairperson, committee members, and attendance status are as follows.

	Name	Title	Attendance
Chairperson	Hitoshi Kashiwaki	Outside Director	4/4
Committee members	Shihoko Urushi	Outside Director	4/4
	Atsuko Fukushima	Outside Director	4/4
	Kazumine Terawaki	Outside Corporate Auditor	4/4
	Amane Nakashima	Chairman and Director	4/4
	Mitsuru Takamiya	Representative Director President and Chief Executive Corporate Officer	4/4
	Shinichiro Yamamoto	Director, Senior Corporate Officer	4/4

The Nomination and Remuneration Committee investigated the criteria for candidates for new officer appointments from February 2024 on, and selected two officer candidates.

Moreover, the Committee exchanged opinions on multiple occasions regarding the structure of officer remuneration, including the benefits and drawbacks of stock-based compensation. In addition, the Committee debated and considered the succession plan and other aspects of future management-level personnel training several times.

○ Skills Matrix for Directors and Corporate Auditors

Key Skills	Reasons for Selection
Corporate Management, Management Strategy	Insight, knowledge, and a track-record gained through experience in business management are recognized as important for formulating and executing medium-and long-term growth strategies.
ESG, Risk Management	Given that ESG management and risk management perspectives are essential for increasing corporate value, experience and insight in these areas are recognized as important.
Finance & Accounting	Knowledge and experience in the finance and accounting fields are recognized as important for formulating financial strategies for increasing corporate value as well as the ability to judge the validity of such.
HR	Given that talent is the greatest management resource for creating added-value and that maximizing human capital guarantees sustained growth, experience, insight, and expertise related to human resource strategies are recognized as important.
IT & Digital	The application of IT technologies is essential for creating new business models and for increasing productivity. As such, experience, insight, and expertise in digital fields are recognized as important.
Overseas Experience	The Group's overseas business is a proven growth driver. As such, experience, insight, and expertise pertaining to regional strategies and geopolitical risks in anticipation of trends are recognized as important.
Sales, Marketing	In addition to proposal-based sales from a customer perspective-a strength of the Group-personalized marketing strategies are required for satisfying diversified customer needs. As such, experience, knowledge, and expertise in these areas are recognized as important.
Production, R&D	Given that safe, secure product manufacturing, overall supply chain efficiency, and technological innovation are essential for sustained growth, experience, insight, and expertise in these areas are recognized as important.

		Attributes			Experience and Expertise							
		Age	Independence	Number of Years in Office	Corporate Management/ Management Strategy	ESG Risk Management	Finance & Accounting	HR	IT/Digital	Overseas Experience	Sales and Marketing	Production R&D
Director	Amane Nakashima	64		27	○	○	○		○	○		
	Mitsuru Takamiya	62		2	○						○	○
	Ryota Watanabe	59		3	○							○
	Yoshinori Hamachiyo	63		7								○
	Shinichiro Yamamoto	61		1	○	○			○		○	
	Shinya Hamasaki	59		1						○	○	
	Hitoshi Kashiwaki	66	○	3	○		○	○			○	
	Atsuko Fukushima	62	○	2	○	○		○				
	Kuniko Nishikawa	61	○	–	○	○			○	○		
	Harold George Meij	60	○	–	○	○				○	○	
Corporate Auditor	Hidekazu Oda	61		2	○	○					○	
	Kyoichi Nobuto	61		1		○						
	Kazumine Terawaki	69	○	6		○						
	Mika Kumahira	63	○	4	○	○		○		○		
	Akihiro Ito	63	○	1	○	○	○			○		

* The ages of each person are current as of February 28, 2024.

* A circle has been placed for the experience and expertise of each person which is particularly expected by the Company.

○ Information about Outside Officers

Outside officers are expected to leverage their knowledge and experience and to express their frank opinions from an independent standpoint while paying particular attention to the perspectives, interests, and demands of stakeholders; conflicts of interest between the Company and its corporate officers and major shareholders; and the propriety of internal control systems.

Expectations for Outside Directors	Expectations for Outside Corporate Auditors	
Contributions to Offensive Activities Useful insight and experience in business management	Expectations for Outside Officers (Common) ① - ③	Contributions to Defensive Activities Useful insight and experience in the area of laws, accounting, auditing, and risk management
Opinions and suggestions to achieve upside (growth, development, success)	① Advice on management	Opinions and suggestions to prevent downside (illegal, fraud, crisis, failure)
Checking function from the perspective of both adequacy (validity) and compliance	② Monitoring of management (negative checks)	Checking function focusing primarily on compliance
Directors' Duties • Decision-making on important matters • Supervision of executive directors	③ Assessment of officers	Corporate Auditors' Duties • Auditing of the execution of duties by directors (business audit + accounting audit) <small>* Actual accounting audit duties are conducted by the accounting auditor</small>

Main Activities		
Outside Director	Hitoshi Kashiwaki	As an experienced manager of an operating company engaged in human resources, media-related and other businesses, Mr. Kashiwaki utilizes his wealth of experience and high level of insight, including the development of overseas businesses, in his appointments to the Board of Directors and the Nomination and Remuneration Committee. He actively shares productive opinions and suggestions on general management, including business strategy, human resource development, overseas expansion and marketing. Moreover, he led discussions regarding the future management structure and officer remuneration, for example, as chairperson of the Nomination and Remuneration Committee.
	Atsuko Fukushima	Leveraging her many years of experience as a journalist and abundant knowledge related to corporate management gained through dialogue with top members of many companies, Ms. Fukushima has proactively provided useful opinions and suggestions on overall management, including diversity and sustainability, to the Board of Directors and to the Nomination and Remuneration Committee.
	Kuniko Nishikawa	Ms. Nishikawa is engaged in corporate management as a management consultant and businessperson, and has been involved in the establishment and operation of growth platforms for the businesses of multiple companies. Having experience and expertise in the areas of management practice, new business, overseas business, and IT, Ms. Nishikawa was welcomed as a new outside director. Since the Board of Directors meeting held in February 2024, she has actively shared productive opinions and suggestions on general management.
	Harold George Meij	Having been involved in corporate management with a focus on marketing, and having driven creative innovation and led management reforms at various companies based on his progressive way of thinking, Mr. Meij was welcomed as a new outside director. Since the Board of Directors meeting held in February 2024, he has actively shared productive opinions and suggestions on general management.
Outside Corporate Auditor	Kazumine Terawaki	Mr. Terawaki ensures the objectivity and neutrality of management oversight functions and provides opinions and suggestions regarding overall management based on his expert knowledge and wide range of insight as a legal professional.
	Mika Kumahira	Ms. Kumahira ensures the objectivity and neutrality of management oversight functions and provides opinions and suggestions regarding overall management based on her wide range of insight of corporate transformation and leadership development.
	Akihiro Ito	Along with ensuring the objectivity and neutrality of the management supervisory function, Mr. Ito has provided opinions and suggestions on overall management based on his breadth of expertise, including corporate planning and profit structure reform, mainly regarding accounting and finance.

○ Effectiveness of the Board of Directors

Board of Directors Activities in FY2023

Throughout FY2023, the Board of Directors conducted deliberations on almost all key management issues determined at the beginning of the year generally as scheduled. The major initiative details and opinions raised during deliberations and effectiveness assessments are as follows.

Key Management Issues Deliberated by the Board of Directors in FY2023

- Investigation regarding the formulation of the 11th Medium-term Business Plan (including business portfolio revisions)
- Efforts to improve domestic earnings
- Acceleration of overseas growth
- Human resource strategy and human capital investment

Main Opinions Expressed Amid Deliberations by the Board of Directors and Evaluation of the Board's Effectiveness

Investigation regarding the 11th Medium-term Business Plan

- In order to formulate the 11th Medium-term Business Plan, the Company must consider updating the 2030 VISION and strengthening internal understanding as targets to be achieved. The Company must clarify the links between its vision and management strategies.
- The Medium-term Business Plan must integrate the overarching concepts, including terminology that connects to concrete action, Kewpie's uniqueness, sustainability, and well-being.
- In order to enhance the ability to execute the Medium-term Business Plan, the Company should set and monitor KPI, and should advance initiatives that enable employees to gain a sense of ownership regarding the Medium-term Business Plan.

Efforts to Improve Domestic Earnings

- Initiatives to improve domestic earnings can be commended, with concrete efforts for improving earnings, including technical innovation and supply chain initiatives, having been well-organized and shared to a certain degree at the Board of Directors.
- The Company must clarify the direction of its business strategies as an initiative for improving earnings.
- The Company should consider reorganizing the business portfolio, M&A related initiatives, and synergy investments.

Acceleration of Overseas Growth

- The Company must further accelerate overseas growth. In addition to capital investments, the Company should also discuss its overall image for overseas growth, including the development of overseas human resources and the establishment of an overseas governance framework.

Human Resource Strategy and Human Capital Investment

- In light of issues faced by the Company, changes in society as a whole, and diversifying values, etc., the Company should aspire to a corporate culture that enables both corporate and employee growth.
- The Company must clarify the types of human resources the Group requires, and establish human resource strategies and policies that match this vision. The Company should advance discussions on concrete actions for this purpose.

Board of Directors' Activity Policy for FY2024

The initiative policies and deliberation agenda for the FY2024 Board of Directors are as follows.

Initiative Policies

- Primarily discuss formulation of the 11th Medium-term Business Plan along with the concrete strategies and challenges for executing the Plan.
- Hold discussions with an awareness of the connections between each theme.
- The executive side provides feedback based on discussions by the Board of Directors, and the Board converges arguments.
- Set KPIs and conduct an execution-monitoring cycle.

Deliberation Agenda

Based on the outcomes of discussions by the Board of Directors and the effectiveness assessment in FY2023, in FY2024 the Board will set the following themes for exchanges of opinions in order to formulate and execute the 11th Medium-term Business Plan.

Themes for Exchanges of Opinions

- ① 11th Medium-term Business Plan strategies
 - ② Efforts to improve domestic earnings
 - ③ Strengthening overseas earnings power
 - ④ Human resource strategy and human capital investment
 - ⑤ ESG management
- The Company will regularly report on other important items as monitoring themes.

○ Approach to Officer Remuneration and Calculation Methods

Approach to and Procedures Related to the Remuneration of Officers (Directors, Corporate Auditors, Corporate Officers)

- The remuneration of directors and corporate officers is made up of monthly compensation and bonuses. This system ensures a link with company performance and reflects the responsibilities and accomplishments of each position.
- In terms of the approach (system design) to remuneration, the Nomination and Remuneration Committee engages in deliberations to enhance objectivity, validity and transparency.
- The total amount of bonuses paid to directors and the amount paid to individual directors must be approved by the Board of Directors.
- The remuneration of outside directors and inside and outside corporate auditors are respectively fixed amounts, and no bonuses are paid.

○ Monthly Compensation Calculation Method

- The monthly compensation for an inside director is a uniform amount. However, directors with representative authority are separately paid additional compensation.
- Monthly compensation for corporate officer is set at an appropriate level based on factors including the Company's management environment and the corporate officer's position (President, Senior Executive Corporate Officer, Executive Corporate Officer, Senior Corporate Officer).

○ Bonus Calculation Method

- Bonuses are determined in accordance with the positions of directors and corporate officers, with amounts based on the degree of achievement of consolidated operating income, profits in the areas for which they are responsible, themes in the Medium-term Business Plan, and other indicators.
- In each corresponding year of the FY2021-FY2024 Medium-term Business Plan, in order to create a structure that will achieve sustainable growth for the Kewpie Group, the weighting of bonuses making up the standard amount of total annual compensation is set at 35% for a director who is President and Chief Executive Corporate Officer, and at 30% for other directors. In addition, evaluation indicator items and their weightings

set for each director are determined to reflect the main purpose of the Medium-term Business Plan.

- Bonus amounts in the final year of the Medium-term Business Plan may be increased or decreased by up to 30% to reflect the level of achievement of pre-set evaluation indicators (economics, social qualities, employees) in the final year of the plan for each director.

In each corresponding year of the FY2021-FY2024 Medium-term Business Plan, evaluation indicators and their weightings used for calculating bonus payment amounts for inside directors are set as follows in order to align with the management indicators set forth in the Medium-term Business Plan.

Structure of Inside Director Bonuses

Other than the chairman, president or executive corporate officer in charge of a market segment

Consolidated operating income (50%)

Target themes in the Medium-term Business Plan for each director (50%)

Executive corporate officer in charge of a market segment

Consolidated operating income (30%)

Operating income of the area of responsibility (30%)

Target themes in the Medium-term Business Plan for each director (40%)

The bonus payment amount for inside directors is the sum of a base positional bonus amount (a fixed amount) and the amount from multiplying the achievement level for each evaluation indicator by its weighting percentage. Evaluations of the target themes in the Medium-term Business Plan are made across a range from 50% to 150%.

The Board of Directors has determined that the amount of individual bonus payments is in line with the policy for determining the amounts and calculation

methods for officer remuneration, etc., since the Nomination and Remuneration Committee approved the amount after fair and transparent deliberations in light of the calculation criteria.

In aims of introducing the next Medium-term Business Plan, the Nomination and Remuneration Committee is currently investigating the levels and details of officer remuneration.

○ Amounts of Officer Remuneration in FY2023

Category		Number of Officers Receiving Payments	Monthly Compensation (¥ million)	Bonuses (¥ million)	Total Payment Amount (¥ million)
Directors	Except Outside Director	8	185	74	259
	Outside Directors	3	37	—	37
	Total	11	222	74	296
Audit & Supervisory Board Members	Except Outside Audit & Supervisory Board Member	3	42	—	42
	Outside Audit & Supervisory Board Members	4	30	—	30
	Total	7	73	—	73
Total		18	295	74	369

* For director remuneration, with regard to monthly compensation and bonuses, the total and individual payment amounts for monthly compensation and bonuses respectively are determined by the Board of Directors (with monthly compensation being a fixed amount based on position). At the 108th Ordinary General Meeting of Shareholders held on February 25, 2021, the maximum annual amount of remuneration including bonuses for directors was resolved to be ¥500 million (of which, the maximum annual amount of remuneration for outside directors is ¥80 million). The number of directors at the conclusion of the general meeting of shareholders in question was nine (including three outside directors).

* Regarding the remuneration of corporate auditors, individual monthly compensation amounts are determined through consultation between the corporate auditors. The maximum amount of compensation was resolved to be a monthly amount of ¥8 million at the 81st Ordinary General Meeting of Shareholders held on February 25, 1994. The number of corporate auditors at the conclusion of the general meeting of shareholders in question was four.

* The monthly compensation shown to the left includes payment amounts to one director and two corporate auditors who stepped down at the time of the 110th Ordinary General Meeting of Shareholders, as well as one director who resigned on November 29, 2023.

* The bonuses shown to the left were determined by the Board of Directors following deliberations by the Nomination and Remuneration Committee in light of factors including financial results in FY2023, and apply to the six directors excluding outside directors as of the end of FY2023 and to one director who resigned on November 29, 2023. The ratio of total amounts of bonuses paid to directors to the total amount of base bonus amounts for each director (fixed amounts based on position) was 85.5%.

* In addition to the total payment amount shown to the left, the amount equivalent to salary paid to directors serving concurrently as employees (including bonuses) was ¥3 million.

○ Management Advisory Board

The Company established the Management Advisory Board, which is composed of outside experts, as an advisory body to the Representative Director, President and Chief Executive Corporate Officer. The purpose of the Advisory Board is to collect advice and recommendations that improve the soundness, fairness, and transparency of management, and that allow the Company to better contribute to society and its customers. Moreover, the Management Advisory Board meetings include regular meetings held twice per year, as well as other meetings as necessary.

Major Details Discussed in Regular Board Meetings in FY2023

The Advisory Board discussed the various management-related issues faced by the Representative Director, President and Chief Executive Corporate Officer.

April

Main Topics Discussed

▶ Approach to facing the harsh environment upon the one-year anniversary of appointment

November

Main Topics Discussed

▶ Management that connects to the future prior to entering the third year of appointment

Outside Members of the Management Advisory Board (in order of appointment)

As of April 2024

Chieko Matsuda	Professor, Graduate School of Management at Tokyo Metropolitan University Professor, Faculty of Economics and Business Administration at Tokyo Metropolitan University Outside Director of IHI Corporation Outside Director of Asahi Kasei Corporation Outside Director of Toyota Tsusho Corporation
Yumiko Kamada	CEO of ONE・GLOCAL Ltd. Outside Director of TAIYO HOLDINGS CO., LTD. Outside Director of Business Breakthrough, Inc.
Rina Akimoto	Founder Tabe Choku Founder and Chief Executive vivid garden Inc.

○ Directors and Audit & Supervisory Board Members

NRC Nomination and Remuneration Committee member

Kyoichi Nobuto
Standing Corporate
Auditor

Shinya Hamasaki
Director,
Senior Corporate Officer
In charge of Group Sales in general
and Retail Market Business
in general

**Yoshinori
Hamachiyo**
Director,
Senior Corporate Officer
In charge of Innovation

**Harold
George Meij** **NRC**
Outside Director

**Kuniko
Nishikawa** **NRC**
Outside Director

**Kazumine
Terawaki** **NRC**
Outside Corporate Auditor

Mika Kumahira
Outside Corporate Auditor

Akihiro Ito
Outside Corporate
Auditor

**Shinichiro
Yamamoto** **NRC**
Director, Senior Corporate Officer
In charge of Corporate and Senior
General Manager of Management
Promotion Division

Hidekazu Oda
Standing Corporate
Auditor



Atsuko Fukushima **NRC**
Outside Director

Amane Nakashima **NRC**
Chairman and Director
Chairman of the Board of Directors in charge
of Brand

Mitsuru Takamiya **NRC**
Representative Director
President and
Chief Executive Corporate Officer

Ryota Watanabe
Director, Executive Corporate Officer
In charge of Supply Chain Management

**Hitoshi
Kashiwaki** **NRC (Chairperson)**
Outside Director

○ Decision-making in Management

In addition to holding monthly Board of Directors meetings constituting the highest management decision-making body, the Kewpie Group established the Management Committee to assist the Board of Directors and the Representative Director, President and Chief Executive Corporate Officer, which deliberates important business matters.

In addition, various important committees commissioned by the Management Committee have been established for each theme and field, to formulate, disseminate, and monitor important policies affecting the entire Group.

The Management Committee and other important meetings committees have the system which enables diverse members to make a decision upon discussions.

Major Meetings and Committees

Meeting	Organizer/Chairperson
Management Committee	Representative Director, President and Chief Executive Corporate Officer
Medium-term Business Strategy Committee	Representative Director, President and Chief Executive Corporate Officer
Risk Management Committee	Corporate Officer in Charge of Risk Management
Sustainability Committee	Director in Charge of Sustainability
Compliance Committee	Corporate Officer in Charge of Compliance
Group Governance Committee	Corporate Officer in Charge of Group Governance
DX Promotion Committee	Corporate Officer General Manager Digital Transformation Office

○ Basic Way of Thinking for Group Management

Although the Kewpie Group has employed internal decision-making rules for some time, to enhance sustainable growth and corporate value, we also recognize the importance of allowing the companies comprising the Group to demonstrate independence and diverse characteristics while engaging in deeper mutual cooperation based on Group-wide policies.

Accordingly, we formulated the “Fundamental Policy for Group Management*” in January 2020, clearly stating the basic philosophy and the roles and responsibilities of each organization within the Group. Further, review of the Group structure starting in 2021 led to partial changes and revisions, resulting in the formulation of the “Basic Way of Thinking for Group Management” in April 2021.

* Applies to unlisted Group companies

Basic Way of Thinking for Group Management

- 1 The Kewpie Group Philosophy is the highest ideal shared throughout the entire Group.
- 2 The “Kewpie Brand” is the symbol of our Group that all of us nurture as a vital and irreplaceable asset.
- 3 Conduct thorough management in line with Groupwide policies and strategies targeting sustainable growth.
- 4 The human resource, equipment, capital, technology and information of our group are common Group assets, and we utilize them from the perspective of overall optimization.
- 5 The Kewpie Corporation shall lead Group management.

○ Group Governance Initiatives

Initiatives for Vitalizing the Board of Directors of Each Group Company

Founded on the Basic Way of Thinking for Group Management, the Group is engaged in efforts to vitalize the Board of Directors at each company that comprises the Group (Group company).

The Board of Directors at each Group company is composed of that company's management team and corporate officers dispatched from Kewpie Corporation and other Group companies with deep business ties with the company in question. The Board of each Group company ensures that management is conducted by the company in line with Group-wide policies and strategies.

In addition, with the inclusion of the corporate officer in charge of Group Governance, the Group conducts a study meeting on Group governance for each Group company president and the dispatched corporate officers. At this time, members share initiatives and hold discussions on issues. Moreover, the Board of Directors Secretariats of the Group companies hold a joint meeting twice each year (Joint Meeting of the Board of Directors Secretariats) where participants share successful examples from each Group company regarding management of the Board of Directors, share these with other participants, and conduct initiatives designed to help improve the management of the Board of Directors at each Group company.



Yutaka Furusawa

Shiba Seisakusyo Co., Ltd.

VOICE

I serve as the Board of Directors Secretariat for Shiba Seisakusyo, an engineering company within the Group.

As I participate in the Board of Directors Secretariat Liaison Meetings, this gives me the opportunity to share information and exchange opinions with other secretariats on what kinds of discussions other Group companies are holding at their Board of Directors' meetings in aims of management that increases value for their companies within the Group. This in turn serves as a reference for operating the Board of Directors at our company.

I will continue my efforts to energize the Board of Directors in order to better contribute through technology to the Group in terms of engineering.

Risk Management

○ Risk Assessment

We assess potential risks due to changes in the internal or external management environment along two axes, “degree of impact on management” and “degree of management control,” and select the risks to be addressed on that basis. We monitor risks from both internal and external aspects, assess the severity of risks in response to changing conditions in a timely fashion, and strive to face risks in an agile manner.

Main Company-wide Risks

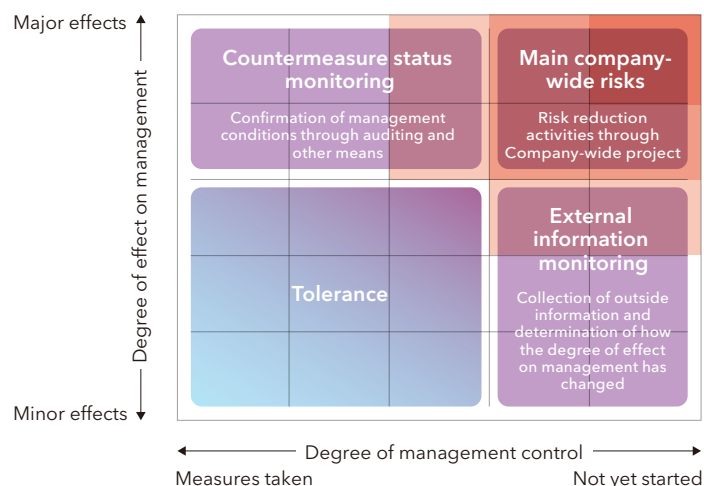
We endeavor to mitigate risks over which management control is insufficient despite having a significant effect on management through companywide projects implemented on a priority basis.

Countermeasure Status Monitoring

When the impact on management remains high despite countermeasures having an effect and the degree of management control increasing through our activities, we confirm the status of subsequent countermeasures through audits and other means.

External Information Monitoring

Even for risks that have a small impact on management at the present time and are not considered to be management issues, for risks that are not subject to countermeasures we collect external information with high sensitivity, and endeavor to monitor the situation.



○ Risk Management System

The Kewpie Group recognizes events with the potential to affect the continued and stable development of management as risks, and strives to enhance internal controls through the practice of risk management. Each department in charge continuously monitors individual risks, while the Risk Management Committee* shares information related to risk factors that affect the Company as a whole to comprehensively manage the evaluation and prioritization of such risks, and formulate countermeasures. Specifically, we have positioned the following eight items as major risks and are working to manage and avoid them.



Major Risks

- ▶ Market trend
- ▶ Product liability
- ▶ System fault
- ▶ Overseas expansion
- ▶ Raw materials procurement
- ▶ Natural disasters and other such contingencies
- ▶ Human resources and labor-related
- ▶ Global environmental issues, climate changes

The corporate officer in charge of risk management regularly reports Company-wide risk assessments and the status of response policies to the Board of Directors.

* The Risk Management Committee comprises a portion of the members of the Kewpie Corporation Management Committee and the representatives of major divisions and subsidiaries. The committee is the Kewpie Group's highest decision-making body related to risk management, and meets three times a year. Matters related to global environmental issues and climate change risks are handled by the Sustainability Committee.

11-year Financial and Non-financial Summary

Financial Results Information

<https://www.kewpie.com/en/ir/>

ESG Data List

<https://www.kewpie.com/en/sustainability/esg/>

	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
Financial Information											
Performance (¥ million)											
Net sales	530,549	553,404	549,774	552,306	561,688	573,525	545,723	531,103	407,039	430,304	455,086
Gross profit	128,266	134,362	117,285	123,457	128,915	133,146	132,981	125,313	124,232	124,189	122,330
Operating income	22,402	24,343	26,354	29,818	31,261	33,067	32,048	28,303	27,972	25,433	19,694
Ordinary income	23,749	25,368	27,224	31,364	32,511	34,349	33,275	28,989	29,698	27,249	20,490
Profit attributable to owners of parent	12,567	13,366	16,973	17,093	18,099	18,320	18,698	11,591	18,014	16,033	13,174
Capital investments	27,122	30,111	32,369	32,968	27,182	32,105	28,569	26,102	12,100	17,227	17,846
Depreciation and amortization	14,572	16,132	19,094	18,254	16,794	18,215	18,649	20,073	15,336	16,062	16,935
Research and development expenses	3,660	3,882	4,201	4,028	4,058	4,142	4,156	3,963	4,033	3,912	3,956
Cash flows from operating activities (A)	27,369	34,392	28,094	45,260	27,234	41,778	43,916	34,955	38,533	27,199	23,725
Cash flows from investing activities (B)	△ 21,897	△ 30,847	△ 31,181	△ 32,046	△ 31,421	△ 20,199	△ 29,720	△ 26,039	△ 20,277	△ 15,947	△ 17,721
Cash flows from financing activities	△ 2,307	△ 3,149	△ 7,101	△ 5,805	4,010	△ 15,293	△ 4,602	5	△ 18,701	△ 16,812	△ 9,514
Free cash flow (A + B)	5,471	3,545	△ 3,086	13,213	△ 4,186	21,579	14,195	8,916	18,255	11,252	6,004
Cash and cash equivalents at the end of the fiscal year	43,963	44,788	34,841	40,790	41,411	47,970	56,777	65,777	66,703	65,335	62,433
Financial Condition (¥ million)											
Total assets	334,655	356,994	373,017	385,914	419,207	419,736	444,309	454,276	381,003	403,384	426,006
Interest-bearing debt	25,882	29,110	30,559	36,066	60,120	61,414	65,962	81,999	42,257	33,042	32,550
Total net assets	210,285	220,397	244,717	245,861	263,432	266,100	276,753	287,356	269,301	294,623	311,303
Per share data (¥)											
Earnings per share (EPS)	83.94	88.69	111.82	113.47	121.05	124.85	130.72	81.04	128.17	115.34	94.78
Net assets per share	1,230.32	1,284.36	1,403.05	1,420.63	1,539.94	1,582.27	1,646.73	1,676.05	1,767.14	1,925.54	2,027.90
Annual dividend	22.0	23.0	29.0	34.5	36.5	38.0	45.0* ⁴	40.0	47.0	47.0	50.0
Management Indicators (%)											
Gross profit margin	24.2	24.3	21.3	22.4	23.0	23.2	24.4	23.6	30.5	28.9	26.9
Operating income ratio	4.2	4.4	4.8	5.4	5.6	5.8	5.9	5.3	6.9	5.9	4.3
Equity ratio	55.0	54.6	57.1	55.1	54.0	53.9	53.0	52.8	64.5	66.4	66.2
Return on equity (ROE)	7.1	7.0	8.3	8.0	8.2	8.1	8.1	4.9	7.4	6.2	4.8
Return on assets (ROA)	7.4	7.3	7.5	8.3	8.1	8.2	7.7	6.5	7.1	6.9	4.9
Dividend payout ratio	26.2	25.9	25.9	30.4	30.2	30.4	34.4	49.4	36.7	40.7	52.8
Dividend on equity ratio	1.9	1.8	2.2	2.4	2.5	2.4	2.8	2.4	2.7	2.5	2.5
Non-financial Information											
Number of employees (consolidated)	12,598	12,933	13,478	14,095	14,924	14,808	15,452	16,003	10,719	10,696	10,642
Proportion of women in management positions (%) ^{*1}	3.2	4.6	6.4	7.0	7.4	8.2	9.2	10.2	10.9	12.5	14.5
Proportion of persons with disabilities employed (%) ^{*2}	2.1	2.5	2.7	3.0	3.3	3.5	3.6	3.7	3.8	3.7	3.7
CO ₂ Emissions (1,000t -CO ₂) ^{*3}	213.6	206.2	212.0	208.7	210.5	203.6	174.9	165.8	162.0	157.0	140.3

1. Applies to employees of Kewpie Corporation on a non-consolidated basis.

2. Applies to domestic Group companies.

3. Applies to domestic Group plants and offices. Figures have been revised due to K.R.S Corporation being changed to an equity-method affiliate.

4. The dividend per share in FY2019 included a commemorative dividend of ¥5 in honor of the 100th anniversary of Kewpie's founding.

* The Group's accounting policy for sales was revised in FY2016, and a retroactive correction was applied to the values listed for FY2015.

* The "partial revision of 'Accounting Standards for Tax Effect Accounting'" was applied starting in FY2019. Figures for FY2018 have been retroactively adjusted to reflect this application.

* In FY2021, the Company finalized the provisional accounting treatment for business combinations, and the FY2020 figures have been retroactively adjusted to reflect the finalization of the provisional accounting treatment.

Stock Information (As of November 30, 2023)

Share Overview

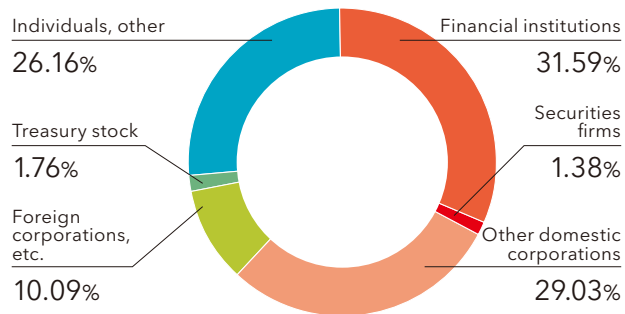
Number of Authorized Shares: 500,000,000 shares

Number of Shares Issued: 141,500,000 shares

Shares per Trading Unit: 100 shares

Number of Shareholders: 141,381

Breakdown of Shareholders



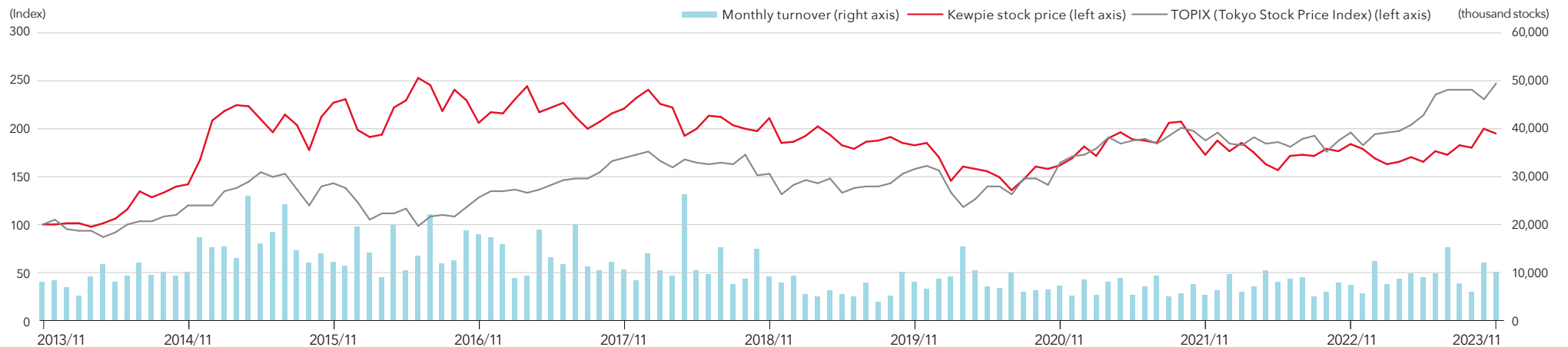
Principal Shareholders

Trade Name	Number of the Company's Shares Held (thousand shares)	Ratio of Number of the Company's Shares Held* (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	15,786	11.36
NAKASHIMATO CO., LTD.	11,286	8.12
TOHKA CO., LTD.	11,122	8.00
Custody Bank of Japan, Ltd. (Trust account)	8,596	6.18
Kieikai Research Foundation	4,251	3.06
Sumitomo Mitsui Banking Corporation	3,208	2.31
Nippon Life Insurance Company	3,039	2.19
The Dai-ichi Life Insurance Company, Limited	3,012	2.17
Nakato Scholarship Foundation	2,494	1.79
Kewpie Shareholding Association	2,100	1.51

* The Company holds 2,496,958 shares of treasury stock. The ratio of number of the Company's shares held is calculated excluding the treasury stock. The number of shares held is rounded down to the nearest indicated unit.

Share Price Movement

Stock Information <https://www.kewpie.com/ir/stocks-information/>



Corporate Information

○ Corporate Data

Corporate Name: Kewpie Corporation

Founded: November 1919

Paid-in Capital: ¥24,104 million

Number of Employees (consolidated): 10,642
(non-consolidated): 2,332
*As of November 30, 2023

Location of Head Office: 1-4-13, Shibuya, Shibuya-ku,
Tokyo, Japan

Stock Exchange Listing: Tokyo Stock Exchange Prime Market
(Securities Code: 2809)

Transfer Agent: Sumitomo Mitsui Trust Bank, Limited

Fiscal year: December 1 to November 30

○ Ratings

Ratings Agency	Type	Rating	Rating Trend
Rating and Investment Information, Inc. (R&I)	Issuer rating	A+	Stable

○ Kewpie Group

■ Retail Market
 ■ Food Service
 ■ Overseas
 ■ Fruit Solutions
 ■ Fine Chemicals
 ■ Common Business

(As of April 2024)

Deria Foods Co., Ltd.	Sale of salads and delicatessen foods	BEIJING KEWPIE CO., LTD.	Production and sale of condiments
Ishikari Delica Co., Ltd.	Production and sale of delicatessen foods	Hangzhou Kewpie Corporation	Production and sale of condiments
Kitakami Delica Co., Ltd.	Production and sale of delicatessen foods	Nantong Kewpie Corporation	Production and sale of vinegar, processed egg and salads
Shunsai Deli Co., Ltd.	Production and sale of delicatessen foods	Kewpie China Corporation	Financial management and business management of the Company's local subsidiaries in China
Seto Delica Co., Ltd.	Production and sale of delicatessen foods	Guangzhou Kewpie Corporation	Production and sale of condiments
Hanshin Delica Co., Ltd.	Production and sale of delicatessen foods	Q&B FOODS, INC.	Production and sale of condiments
Tosu Delica Co., Ltd.	Production and sale of delicatessen foods	KEWPIE (THAILAND) CO., LTD.	Production and sale of condiments, vinegar, salads, and processed foods
Salad Club, Inc.	Processing and sale of fresh vegetables	KEWPIE MALAYSIA SDN. BHD.	Production and sale of condiments
Soka Delica Co., Ltd.	Production and sale of delicatessen foods	KEWPIE VIETNAM CO., LTD.	Production and sale of condiments
Potato Delica Co., Ltd.	Production of frozen and chilled foods	PT KEWPIE INDONESIA	Production and sale of condiments
Green Message Co., Ltd.	Processing and sale of fresh vegetables	Kewpie Philippines, Inc.	Sale of condiments
K.SS Co., Ltd.	Planning, production and services for sales promotion	KEWPIE SINGAPORE PTE. LTD.	Sale of condiments
Kpack Co., Ltd.	Production and sale of condiments	KEWPIE AUSTRALIA PTY. LTD.	Sale of condiments
Dispen Pak Japan Co., Inc.	Production and sale of foods, subdividing and packing work	Mosso Kewpie Poland Sp. z o.o.	Production and sale of condiments
Tosu Kewpie Co., Ltd.	Production and processing of foods; outsourced work	Kewpie Trading Europe B.V.	Sale of condiments
Kewpie Egg Corporation	Production and sale of liquid and frozen egg	Aohata Corporation	Production and sale of canned foods
Kewpie-Egg World Trading Co., Ltd.	Sale of egg and processed egg	Tou Kewpie Co., Ltd.	Mail-order business
Zen-noh Kewpie Egg-station Co., Ltd.	Production and sale of dried egg and liquid egg	San-ei Provisions Co., Ltd.	Sale of products for commercial use
Deft Co., Ltd.	Sale of condiments, frozen and processed foods	Shiba Seisakusyo Co., Ltd.	Production of machinery and equipment
Kewpie Jyozo Co., Ltd.	Production and sale of vinegar	K.System Co., Ltd.	Consigned clerical work
Co-op Foods Co., Ltd.	Production and sale of bottled, canned and /or retort pouch foods	Kewpie Ai Co., Ltd.	Consigned clerical work
Hashikami Kewpie Co., Ltd.	Production and processing of foods; outsourced work	TO AD KEWPIE CO., LTD.	Agency service for advertising, publicity and exhibitions
Tsukuba Egg Processing Corporation	Production and sale of processed egg	KEWPIE AMERICAS, INC.	Investment in and management of U.S. associates
		K.R.S Corporation	Warehousing and transportation