

Long-term Vision

By 2025 Transform from a “tomato company” to a “vegetable company”

- To become a unique entity that deals with vegetables across a variety of food ingredients, categories, temperature zones, containers, and volumes
- To become a company that provides not only products but services as well, by expanding its business concept from tomatoes to vegetables

By around 2040 50% of the workforce consisting of women – from employees to executive officers

- To promote business activities incorporating a wide range of views, catering to diverse consumer needs
- To become a strong company where employees of any gender can work enthusiastically, thus achieving high productivity

What Kagome Strives for by 2025

To become a “strong company” capable of sustainable growth,
using food as a means of resolving social issues

Social Issues We Seek to Address

Longer, healthier lives

Agricultural development and regional revitalization

Global food problems

In the Domestic Processed Foods Business, we aim to help people live longer, healthier lives by increasing the provision of vegetables.
In the Domestic Agri-Business, we support agricultural development and regional revitalization through the development of vegetable production areas and processing locations.

In the International Business, we work to tackle global food problems through a global, vertically integrated tomato business model.

Corporate Philosophy

An inherited management spirit that pervades through the changing times



Appreciation

We are thankful for nature’s bounty and for human relationships. We respect natural ecosystems and value human sensibility.

Nature

Through nature’s bounty, we endeavor to create rich value that is ahead of the times and to contribute to consumers’ health and wellbeing.

Corporate Openness

We aim to be an open company that engages in fair and transparent corporate activities and respects each person’s individuality and abilities.

Brand Statement

Our promise to society and our customers



Nature

To strive for healthier food that makes the most of the antioxidants and immunological capabilities of nature’s bounty.

True

To produce healthy, great tasting foods without relying on unnatural additives and technologies.

Flavor

Create new demand for delicious food, paying attention to the needs of our bodies and our planet.

Contents

Kagome Co., Ltd. Integrated Report 2020

At a Glance

- 02 Kagome Group’s History of Contributing to Health and Agriculture Development
- 04 Kagome’s Profile

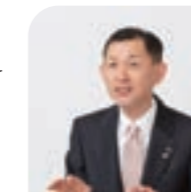


Special Preface

- 06 Kagome’s Response to the COVID-19 Pandemic

Our Commitment

- 10 Satoshi Yamaguchi, President and Representative Director
Enhancing our ability to respond to environmental changes and making steady advancements towards becoming a “vegetable company”
- 16 Interview with Our Senior Managing Executive Officer
Yoshihide Watanabe, Director & Senior Managing Executive Officer, Assistant to the President, Responsible for Special Assignment Projects, and Responsible for Global Industrial and Institutional Business



Kagome’s Value Creation and Growth Strategies

- 20 Value Creation Process
- 22 Sources of Kagome’s Competitive Advantages
- 24 Identifying Kagome’s Important Issues (Materiality)
- 26 Recognizing External Conditions, Risks and Opportunities
- 28 Kagome’s Materiality
- 30 Long-term Vision and Mid-Term Management Plan Progress and Issues

Editorial Policy

Since the release of its Environmental Report for fiscal 1999, the Kagome Group has continuously reported to our stakeholders on our efforts toward making a social contribution through our businesses by means of the Sustainability Report (CSR report) and Kagome Story (company brochure). This Integrated Report is issued to create new opportunity for discussion by informing our stakeholders, in particular shareholders and investors, about Kagome’s mid- to long-term efforts for enhancing corporate value. For details of the financial data and CSR activities not included in this document, please refer to our website.

Kagome website
<https://www.kagome.co.jp/company/>

Target Period

This document covers the period from January 1, 2019 to December 31, 2019. However, some portions of this document contain matters related to activities outside this defined period. The scope of this document covers the activities of Kagome Co., Ltd. and its consolidated subsidiaries but there are items that only pertain to Kagome Co., Ltd.

Referenced Guidelines

This Report is prepared with reference to the International Integrated Reporting Framework issued by the International Integrated Reporting Council (IIRC) and Guidance for Collaborative Value Creation issued by Japan’s Ministry of Economy, Trade and Industry (METI). Moreover, our CSR activities are reported on our website, and highlights are included in the ESG section of this report.

Strengthening Business Platform and Growth Strategies

- 32 Domestic Processed Food Business
- 34 Domestic Agri-Business
- 36 International Business
- 38 Innovation (Research)



Strengthening Foundation for Value Creation and Core Strategies

- 40 Product Safety and Security
Fulfilling Our Brand Promise
- 42 Response to Climate Change / Environmental Awareness
Protecting Water, Soil and Air That Nurture Vegetables
- 45 Strengthening of Supply Chain Management
Bolstering a Foundation for Product Development from the Fields
- 47 Initiatives for the Continued Growth of Diverse Human Resources
Fostering Innovation
- 50 Working with Society
Resolving Social Issues Through Food



Kagome’s Management

- 52 Interview with the Chairman
Naoyuki Terada, Chairman of the Board of Directors
- 54 Directors
- 56 Corporate Governance
- 62 Compliance
- 63 Initiatives to Strengthen Internal Control
- 65 Our Responsibility to Shareholders and Investors



Financial Performance

- 66 Key Financial and Non-Financial Data
- 68 Analysis of Financial Condition, Operating Results, and Cash Flows for Fiscal Year 2019
- 71 Consolidated Financial Statements
- 74 Company Information



[Notes Regarding Forecasted Information]

The information in this report includes forward-looking statements. These statements are made on the basis of assumptions and judgments based on information available at the time of publication, hence they may contain risks and uncertainties. Accordingly, please be advised that the actual results may differ from such statements due to various changes.