

CONTENTS Kagome Co., Ltd. Integrated Report 2022

- 1 KAGOME COVER STORY
- 5 GLOSSARY
- 6 TOP MESSAGE

Kagome's Value Creation

- 12 General Business Conditions
- 14 History of the Kagome Group
- 16 Kagome's Value Creation Process
- 18 Management Capital Supporting Growth
- 24 Kagome's Business Model

Kagome's Growth Strategies

- 26 Second Mid-Term Management Plan Review and Issues
- 28 Third Mid-Term Management Plan Overview
- 34 Enhancement of Sustainability-related Initiatives and Review of Materiality
- 36 CFO/CRO MESSAGE

Business Strategies

- 42 Domestic Processed Food Business
- 44 Domestic Agri-Business
- 46 International Business

Strengthen Foundation for Value Creation - Response to Materiality

- 48 Sustainable Global Environment
- 52 Respecting Diversity and Expanding Human Capital
- 56 Product Safety and Security
- 58 Establishing a Sustainable Supply Chain

Kagome's Management

- 60 Recommendations from External Directors
- 62 Corporate Governance
- 68 Compliance
- 69 Internal Control
- 69 Our Responsibility to Shareholders and Investors
- 70 Directors

Financial Performance/Company Information

- 72 Key Financial and Non-Financial Data
- 74 Consolidated Financial Statements
- 77 Company Overview
- 78 Stock Information

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/english>

Units of Amounts in This Report

In this report, amounts are expressed in units of hundred of millions of yen rounded down to the nearest one hundred million yen and amounts expressed in units of millions of yen rounded down to the nearest million yen. In addition, percentages are shown after rounding.

Reporting Period and Boundary

This report covers the period from January 1, 2021 to December 31, 2021. However, some portions contain matters related to activities outside this defined period. The boundary 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 was 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.

[Notes Regarding Forecasts]

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.

GLOSSARY



Engagement

A positive mental state in regard to work where an employee feels enthusiasm, dedication and vitality. Engagement results in points to equal and strong connections between the organization and individuals. As a result, stronger organizations offer greater the productivity.



Organic growth and inorganic growth

Organic growth refers to growing existing businesses in a stable and consistent manner. Inorganic growth refers to growth that results from gaining new resources via M&A or other means.



Core operating income

Core operating income is a profit index that measures constant business performance by deducting cost of sales and selling, general and administrative expenses from revenue plus share of loss (profit) of entities accounted for using equity method.



Smart agriculture business

Farm management support business for processing tomatoes utilizing AI. Jointly developed with NEC. Markets services that visualize the condition of soil and growing situation of tomatoes using sensors and satellite imagery and farm management advice using AI.



Biodiversity

A condition in which the richness and balance of an ecosystem consisting of many kinds of living things are maintained. The Convention on Biological Diversity states three levels of diversity: ecological diversity, species diversity, and genetic diversity.



VegeCheck®

A device that measures vegetable intake level (0.1 to 12.0) and estimated vegetable intake volume (according to six levels; g) simply by holding the palm of your hand over a sensor for tens of seconds. Measurement is completed in tens of seconds providing the convenience of being able to view results on the spot.



Plant-based domain

The plant-based domain, which is one of our growth drivers, tackles new challenges beyond existing businesses in vegetable beverages and vegetables, including plant-based milk, among others.



Vegetable Intake Promotion Project

Part of the Let's Eat Vegetables Campaign, this project seeks to increase momentum toward eating vegetables by working closely with companies and organizations that have endorsed its mission. As of December 2021, 19 companies are participating in this project (excluding Kagome).



Let's Eat Vegetables Campaign

An initiative intended to resolve the social issue of a lack of vegetable intake in Japan. The campaign was launched in January 2020 under the slogan "let's increase vegetable intake by just another 60 g." The campaign is now harnessing knowledge, technologies, services and products to evolve the ways in which people eat vegetables to ease the lack of vegetable intake.