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KAGOME

KAGOME INTEGRATED REPORT 2026



KAGOME INTEGRATED REPORT

2026

Humanity Enriching Nature, and Nature Humanity



2035 Vision

Cultivating Nature's Potential
Working together to drive innovation from farm to everyday life
and open new possibilities in nature

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Editorial Policy

Since the release of its Environmental Report for FY1999, 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 opportunities for discussion by informing our stakeholders, in particular shareholders and investors, about Kagome's medium to long-term efforts for enhancing corporate value. For details of the financial data and CSR activities not included in this report, please refer to our website.

Our executive management including the Representative Director, President & CEO actively participate in the preparation of this report and its contents are discussed and approved by the Board of Directors.

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

Units of Amounts in This Report

In this report, amounts are expressed in hundreds of millions of yen rounded down to the nearest one hundred million yen and amounts expressed in 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, 2025 to December 31, 2025. 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.

Humanity Enriching Nature, and Nature Humanity

Humanity has received many blessings from nature since ancient times.

Now is the time for change in the future of our planet, so what should we do?

Just as nature has enriched our lives, we must also enrich nature.

In response, Kagome has drawn up a vision leading to 2035 that will guide the way in achieving our mission sustainably into the future.

We intend to make the tomato business Earth-positive at every stage,
from seed to finished product.

Well-being supports people's physical and mental health through agriculture and food.

While cherishing our past continuity and accomplishments, we aim for a better future for people and nature through the exploration, advancement, and collaborative creation of each and every member of the Kagome Group.

Cultivating Nature's Potential

Working together to drive innovation from farm to everyday life and open new possibilities in nature

Brand Message: Our Promise to Society and Our Customers

BRAND MESSAGE	True to Nature, Enriching Lives.		
KAGOME GROUP MISSION	Humanity Enriching Nature, and Nature Humanity		
2035 VISION	Cultivating Nature's Potential Working together to drive innovation from farm to everyday life and open new possibilities in nature		
	<small>Concept Driving Our Vision</small> Expand food and agriculture well-being services Pioneer an Earth-positive tomato business		
Values Behind Our 2035 Vision	Explore Feed curiosity and dig deep into farming and food	Advance Seize moments of change and pioneer new standards	Cooperate Champion diverse ideas, and cooperate with joy
	Appreciation	Nature	Corporate Openness
CORPORATE PHILOSOPHY <small>An inherited management spirit that pervades through the changing times</small>	Appreciation	Nature	Corporate Openness



人と自然がともに豊かになる世界を実現していきます。

KAGOME Group MISSION, VISION, Values

BRAND MESSAGE	True to Nature, Enriching Lives.		
KAGOME GROUP MISSION	Humanity Enriching Nature, and Nature Humanity		
2035 VISION	Cultivating Nature's Potential Working together to drive innovation from farm to everyday life and open new possibilities in nature		
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CORPORATE PHILOSOPHY <small>An inherited management spirit that pervades through the changing times</small>	Appreciation	Nature	Corporate Openness

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.




Kagome Group's Philosophy System




Background to the Establishment of Our Mission, Vision and Values

To manage our business from a long-term perspective in an environment where society is changing rapidly and technological evolution is accelerating, the Kagome Group has systematically reconsidered all aspects of its philosophy system, including Corporate Philosophy, Code of Conduct, and previous brand statements, resulting in a newly designed Mission, Vision, and Values. Our path to sustainable growth and enhanced corporate value has become clear by defining the Kagome Group's consistent direction moving forward.

Mission
Our mission

Humanity Enriching Nature, and Nature Humanity



Since our founding, Kagome, which began as a farming company, has transformed the flavor and nutrition of nature's bounty of vegetables and fruits into valuable beverages and foods for our customers and delivered these products to their dining tables.

Behind this is our desire to contribute to people's health and enrich their lives through food. While valuing symbiosis with nature, we have also engaged in activities to enrich nature, such as researching breeding and cultivation techniques, developing processing techniques, and disseminating information about the functional value of


vegetables. The accumulation of this ingenuity and these challenges has created a cycle in which people enrich nature and nature enriches people, making Kagome's long history possible.

However, environmental changes such as climate change are having a serious impact on the agricultural practices that cultivate the blessings of nature. To address this issue, we will expand our efforts to foster richness from "humanity to nature," while further valuing the blessings "nature bestows upon humanity," thereby making the cycle that connects the two even wider and larger.

2035 Vision
Kagome Group's vision for 2035

Cultivating Nature's Potential

Working together to drive innovation from farm to everyday life and open new possibilities in nature



Due to environmental changes such as those caused by climate change, it is becoming increasingly difficult to maintain sustainable agricultural practices and along with it our food base.

On the other hand, when we look at the needs of consumers, in addition to physical and mental health, connections with people and communities are also deemed important, and well-being is becoming even more valued.

Amid these changes, Kagome, which began as a farming company and has delivered the value of nature's blessings,

established the 2035 Vision, which defines the presence it will have in society, what kind of value it will create, and how it will build the future.


While valuing symbiosis, we will cultivate the richness of nature, centering on farmland, through innovative technologies in agriculture and food. We will maximize the value of the blessings that arise from this, deliver them to people in the form of products, and continue to create a sustainable future.

Two Concepts Driving Our Vision

Kagome Group Plan 2028 P.19-22

Expand food and agriculture well-being services P.27

Pioneer an Earth-positive tomato business P.28




2035 Values
Values behind our 2035 Vision

Explore Advance Cooperate

Explore


Let's explore



Feed curiosity and dig deep into farming and food

Advance


Let's get advance



Seize moments of change and pioneer new standards

Cooperate

Let's co-create



Champion diverse ideas, and cooperate with joy

The 2035 Values represent the values that each employee must embrace in order to realize the 2035 Vision. These are rooted in the words of our past leaders who have fostered our corporate culture and supported our ambitions, as well as our Corporate Philosophy, Brand Message, and Code of Conduct.

These values are not only a call to action for employees, but also for external stakeholders. To achieve our Vision, it is

imperative that we utilize the knowledge and technology that Kagome has amassed, as well as to collaborate with partners who have new ideas and technologies, and with stakeholders who share the same aspirations. Together, we hope to create new value and make the future even more prosperous.

Top Message

Kagome is committed to becoming a company that creates sustainable growth and value through its unique strengths

Greetings

My name is Harunobu Okuya. I took over as Representative Director, President & CEO in January 2026. I feel extremely humbled to be able to lead the Kagome Group forward, together with our domestic operations as well as overseas subsidiaries and associates, and inherit a history that dates back 127 years. First, I would like to share my own conviction, determination, and thoughts on management.

Since joining Kagome in 1990, I have gained experience in a wide spectrum of departments both in Japan and overseas. During my first 10 years, I worked in manufacturing plants and the procurement of agricultural raw materials for processing. After this, I was involved in international business development, assigned to work at our Italian subsidiary, and then handled strategic planning, earnings structure reforms in our International Business Division, and Group company management. Over the last five years, I have been responsible for business expansion, including the acquisition of Ingomar Packing Company, LLC in 2024, as well as corporate planning for the entire Kagome Group.

While my journey within Kagome has been unique, I have learned invaluable lessons from each experience. Particularly memorable was my time at a manufacturing plant, where Kagome makes its products, and work related to the International Business. My role in plant operations occurred immediately after joining the company, providing firsthand understanding of Kagome's manufacturing philosophy, which emphasizes "Quality First" and "the 3Gs (Genba, Genbutsu, Genjitsu)," as well as its commitment to product safety and peace of mind. These experiences have served as an important foundation for my

decision-making. Through my work in the International Business, I gained the ability to move things forward amid differing cultures and interests from those in Japan. My interactions with a wide range of people both inside and outside the company, in Japan and overseas, were important as they led me to see the truly diverse ways of people's thinking. Furthermore, my two overseas assignments allowed me to objectively view Kagome's business traits and challenges. I look forward to utilizing these experiences in my future management of the company.

Looking back at Kagome's history, all of the company's previous presidents had one thing in common: they have made the invisible visible. For example, they have put into words Kagome's inherent strengths, such as "resolving social issues through food" and "value creation from agriculture," achieving both social contribution and corporate growth. Our strengths born in this way were the building blocks for Kagome's corporate culture today. Our "intangible assets," such as our brand, human resources, intellectual property, and relationships with customers and business partners, are irreplaceable.

My mission as the person responsible for Kagome's future management is to further cultivate our corporate culture, one of our strengths, and expand it globally, to expand our intangible assets, to create new value, and to unlock greater growth and resolve social issues.

Management of the Group's management structure is another important issue that needs to be resolved. Currently, our International Business accounts for 41% of core operating income, so our management structure needs to adapt accordingly. I will clarify the division of roles between the heads of each department in our existing International Business and Domestic Processed Food

Business, along with new business ventures, and focus on the tasks and decisions I need to make as President & CEO.

What the Kagome Group Strives for Under Its New Philosophy System

Kagome's origins lie in agriculture and its continued commitment to nature

In February 2026, the Kagome Group announced its new philosophy system. While our long-term vision has been revised periodically until now, this time the Group systematically reconsidered everything, including the existing corporate philosophy, code of conduct, and brand statement, and reorganized them into the new Mission, Vision, and Values (MVV) under the **Kagome Group's Philosophy System** P.01-04

Over a period of roughly two years, starting in 2024, we developed the plan through repeated discussions and exchanges of opinions with a variety of stakeholders, including management, employees, external directors, and customers. The process of creating the new philosophy system with the entire Group, including stakeholders, rather than using a single voice from the top, is very much indicative of Kagome's character. There were times within Kagome when we were torn between two ideas: "Should the core values remain the same as before?" and "Don't we need to change more?" However, we received very supportive feedback from outside the company. External stakeholders wanted us to further develop the wonderful value we currently possess. I feel that we incorporated these opinions and feedback as we established the core of our thinking.

The word "circulation" is an important keyword in our Mission. It redefines the relationship between agriculture and nature, which is the origin of Kagome. It also expresses the "interaction" that occurs when people interact with nature, which in turn brings abundance and contributes to people's health and the sustainability of society.

There was also an interesting discussion among management about the expression "Humanity Enriching Nature, and Nature Humanity." When considering the differences between the Western and Japanese ways of interacting with nature, the Japanese way is viewed as "symbiosis." This expression embodies the belief that symbiosis, rather than a one-sided relationship with nature, has always been Kagome's mission, and will continue to be. We are a company with deep roots in

Harunobu Okuya
Representative Director,
President & CEO



agriculture. Agriculture and nature have always been at the heart of Kagome's value. The challenge now is to see how far we can expand that domain globally.

Our 2035 Vision was backcast using Kagome's unique definition of "what a better, more evolved future looks like," based on environmental predictions such as changes in the global environment, food issues, and the diversification of individual values up to 2035, and how to realize it. What value can Kagome provide for this future? The answer lies in the phrase "drive innovation from farm to everyday life."

What was striking about the Values was how highly they resonated with people within the company. Rather than communicating something completely new as Values, we were able to verbalize the corporate culture that already existed at Kagome, truly making the invisible visible. In the Japanese version, we used the volitional form to encourage each employee's proactiveness and positive behavior in their daily work. I expect that each and every member of the Kagome Group will boldly take on new challenges based on our Values.

Going forward, the challenge will be how to instill the MVV within the company. The key is for everyone in the Kagome Group, including management, employees, and those overseas, to understand the MVV, share and instill our goals, and engage in dialogue. This is not something that we set once and forget; we need to communicate it through repeated dialogue. In particular, for our international operations, we would like to start by meeting face-to-face with the management of each Group company locally to deepen their understanding.

The foundation of group management must be based on the same culture and the same ideas. Our Group companies share a similar base culture in that they all create value from the bounty of nature, but I believe that MVV will make this even clearer and allow us to take another step towards evolving group management.

Key to realizing Vision 2035

In 2035 Vision, we set out two concepts driving our vision: "Expand food and agriculture well-being services" and

"Pioneer an Earth-positive tomato business." [P.27-28](#)

When formulating the 2035 Vision, we envisioned a better, more evolved future as a future in which innovations that resolve social issues are widespread and relevant to the concerns of individuals, maintaining the health of society, the global environment, and individuals, and bringing about

positive impacts. Toward this realization, Kagome combined its existing knowledge and essential management resources, which led to these two concepts.

Through food and agriculture well-being services, we aim to provide community spaces and connections rooted in agriculture and food, and to build a new business that not only promotes physical and mental well-being but also meets society's needs in terms of health. Our goal is to create a prototype business model over the next three years, starting in FY2026. To create value by combining our intangible assets (brands, products, human resources, intellectual property, relationships with customers and business partners, etc.) with new resources, we will first focus on building a business platform while looking ahead to the scale of our business operations a decade from now.

The Earth-positive tomato business represents a business concept that makes the most of our unique value creation mechanisms. We are developing an evidence-driven value chain based on agricultural demonstrations and research. We aim to pioneer an Earth-positive tomato business by making full use of the research and development technologies we have cultivated. In particular, we have made solid progress with upstream efforts focused on tomatoes overseas, and there is potential for us to utilize this know-how in Japan in the future. The two concepts are not separate businesses from our existing Domestic Processed Food Business and International Business; rather, they maximize the use of the intangible assets we have cultivated in our existing businesses and incorporate new resources to create value.

We will strive to clarify the strategies for each business portfolio, promote group management, and thoroughly manage our operations, including appropriate investment of our resources, in order to develop businesses that will drive future growth.

Realizing Kagome Group Plan 2028

The 10-year policy for realizing the 2035 Vision will be developed and promoted across three Mid-Term Management Plans, and from 2026 to 2028, we will proceed with our initiatives under Kagome Group Plan 2028.

Our quantitative targets for FY2035, which we aim to achieve through the realization of our 2035 Vision, are

revenue of 500 billion yen, core operating income of 50 billion yen, and an ROE of 12% or more. Our quantitative plan for 2028 is revenue of 325 billion yen, core operating income of 27 billion yen, plus inorganic growth, and an ROE of 9% or more. The quantitative targets of this 10-year policy have been set as a sense of the scale of value that Kagome can provide to society. We aim to achieve these targets by steadily building results in each of the first, second and third Mid-Term Management Plans. In our International Business, we will accelerate growth centered on secondary processing, and in our Domestic Processed Food Business, we will work to strengthen our revenue-generating capabilities, even amid the headwinds of Japan's declining population. Furthermore, we plan to make strategic investments, including M&A, of approximately 50 billion yen by 2028.

To achieve these Mid-Term Management Plans, it will be important for each business to take on various measures and challenges. In our International Business, we must hone the competitive advantages and uniqueness of our products and services. In the Domestic Processed Food Business, we must consider how we can create demand while overcoming Japan's declining population. Additionally, while our inorganic initiatives in recent years have been aimed at expanding our International Business, we are now considering growing our domestic operations as well. We will pursue business growth based on a policy of exploring necessary M&A, without drawing distinctions between new and old businesses or between domestic and international businesses. Empowering this will be new domestic businesses, food and agriculture well-being services, further expansion of existing businesses, and improving profitability.

Our ROE targets are 9% in FY2028 and 12% in FY2035. To achieve these, we believe it is imperative to optimize resource allocation to profitable businesses and improve capital efficiency, including ROIC management. Currently, there are not many domains in the Domestic Processed Food Business that have both growth potential and good capital efficiency. It is important to calmly judge and analyze this situation and promote appropriate business portfolio management, which involves looking into whether to improve existing areas or create completely new services.

Due to the nature of our business, volatility caused by changes in market conditions is unavoidable, but it is possible to keep the level of that impact low. In addition



to thorough cost management and productivity improvement utilizing the know-how cultivated both domestically and internationally, we are also investing resources in technological development in the field of agriculture to improve harvest stability and increase yields—initiatives that only we, who create value through agriculture, can undertake. We will also steadily move ahead with achieving what we can through our own efforts, including building a business portfolio that can keep the impact of fluctuations within an acceptable range.

Direction of the International Business and Domestic Processed Food Business

The key to our international business strategy is finding focus areas. With limited management resources, we need to identify growth markets and think more carefully than ever about dividing the scope of business into areas that we can handle and areas in which we will cooperate with other companies. For example, North America is one of our focus areas. We see the challenge as how to strengthen the ties between each of our areas, covering everything from developing plant varieties to secondary processing. In other countries as well, we will aggressively enter regions where there are business opportunities.

As we have previously stated, we intend to take on the institutional and industrial use food service market, primarily in North America, more aggressively than ever before. The tomato processing industry in this area is fairly well established, meaning where we can secure

competitive advantages will be the deciding factor in winning or losing. Although creating demand is important, as this is a food service business, these efforts are meaningless if the product itself does not offer value. While maintaining a certain level of cost competitiveness is a given, what we need to do is strengthen our ability to provide solutions that can respond immediately to customer needs and elevate this to a true advantage. For example, our ability to provide solutions includes R&D, developing innovative products, and resolving in-store issues through carefully-crafted marketing. We are already doing this in Japan, so we need to take on the same challenge internationally as well. It is also useful to have a platform for managing, sharing, and utilizing information and know-how within the Group.

Additionally, we will carefully assess the future potential of India as a market, given that the tomato processing industry there is still in its infancy. For us to be competitive and ensure the necessary quality in India, we must create a business model that is deeply embedded in the value chain, covering everything from upstream (plant variety development and cultivation) to downstream (consumers). I foresee that this level of involvement will be gradual depending on the market environment and the status of the business. Our knowledge of building a value chain that starts with agriculture, which we have accumulated over the years, will be useful in this endeavor.

India has a food culture of cooking and eating tomatoes, as some curries are made using tomatoes as an ingredient, and there are still many restaurant kitchens there that cook with fresh tomatoes. Meanwhile, the number of global

pizza chains using processed tomatoes is also rapidly increasing. We will accurately seize opportunities to expand our business footprint in India by assessing the market. This will involve capturing the shift from manual production to processed products in a timely manner and exploring sales opportunities to have our products stocked in restaurants.

Kagome's International Business currently lacks the competitiveness where people outside of Japan say, "Kagome is the only choice." By expanding our tomato business around the world, we will further strengthen and demonstrate our ability to provide stable quality and supply, as well as deliver solutions to customers, in order to create products and services that are chosen by customers over competitors.

One risk facing our Domestic Processed Food Business is the decline in Japan's agricultural workforce. Our strengths are our ability to stably procure raw materials and our relationships with contract farmers. Yet, due to factors such as climate change, it is unclear whether we can continue to maintain our current situation, and we feel the need to further strengthen our value chain. Going forward, we will need to consider how to enter the upstream domain before primary processing, as well as how to do so from a broader perspective, such as how it will contribute to the sustainability of agriculture in Japan. We are currently planning to establish a new primary processing facility for domestically produced processing tomatoes in Hokkaido, Japan's northernmost prefecture. This will improve transportation efficiency and reduce environmental impacts, while also ensuring stable procurement, which we believe will ultimately contribute to the sustainable development of Japan's tomato processing industry.

Although the Japanese market is mature, Kagome's brand power and deep relationships of trust with customers are still growing steadily. We will continue to work on demand-stimulating measures for vegetable beverages, and to unlock greater demand by drawing out and deepening the value and potential of the products themselves.

Outlook for Our Business Platform Underpinning Value Creation

With the establishment of our new Vision, we have also reviewed our materiality. Starting from a long list of social

issues, we assessed their importance from both our own perspective and that of our stakeholders, and re-identified seven material issues. The new materiality has been revised to express Kagome's relationship with society more clearly than ever before. Our commitment to resolving social issues through our business remains unchanged. In strengthening our human capital, we will work to maximize the value of our people by linking management strategy with human resources strategy.

Human Resources Strategy ■ P.35-36 Kagome has always placed particular emphasis on human capital management. We have not changed our fundamental philosophy that the growth of people who love working for Kagome leads to the growth of Kagome. When considering future management, though, it is important to establish a diverse pool of human resources. Diverse here refers not only to gender and nationality, but also to deepening expertise in skills such as digital transformation, globalization, and sustainability. Fortunately, the initiatives we have been focusing on for some time, including work style reform and ensuring psychological safety, have already taken root within the company. As such, I hope to build on this foundation and work hard to maximize the value of our human resources. Our seventh president, Koji Kioka, once said, "The role of management is to prepare the stage and develop people there (as a company)." I, too, would like to create a stage where employees can perform to the best of their abilities and support their success. From the perspective of group management, we will also work to clarify each person's role and create a system that allows them to take ownership and work on their own without having to wait for instructions.

With regard to corporate governance, given the trend in Japan toward a change in the role of the Board of Directors to contribute to enhancing corporate value from a long-term perspective, I feel it is important to clarify the division of roles between the executive and management teams. The International Business was converted from a division into a company in 2023, with strategies formulated by management and decision-making authority delegated to it upon mutual agreement. Going forward, we believe it will be necessary to expand this model to accommodate business portfolios and strategic units. Although this is something we have been promoting for some time, we recognize the importance of maintaining a

clear management structure, including appropriate information disclosure. We will continue to seek opinions from our external directors, who have diverse experience and knowledge of corporate cultures other than Kagome, in an effort to improve the effectiveness of the Board of Directors.

In addition, when it comes to investor engagement, we place importance on appropriate and timely information disclosure and proactively creating opportunities for dialogue to carefully convey information. In 2025, we invited sell-side analysts to the United States, giving them the opportunity to see our fields and production bases. We will continue to value these face-to-face discussions and expand our contact points with domestic and international investors, so that they understand our unique strengths and reflect the valuable opinions we gain from these sessions in our management. We will also place great importance on our relationships with our more than 240,000 individual shareholders.

Message to Stakeholders

Now that I have become President & CEO of Kagome, which has a 127-year history, I have renewed my resolve to determine what values must be preserved and what areas need to change and evolve, and how to use these values to drive further growth into the future.

Under the newly established MVV, we will strive to achieve growth in both economic and social value and enhance corporate value by first devoting our maximum efforts to producing results during the current Kagome Group Plan 2028.

I call the qualitative values of Kagome, such as product safety and peace of mind, trust in the brand, employee job satisfaction, connections with society, and mutual support initiatives, "the multifaceted appeal of Kagome." I will continue to work diligently to further enhance this corporate value unique to Kagome, as my ultimate mission. I appreciate your continued support and guidance moving forward.

Harunobu Okuya

Harunobu Okuya,
Representative Director, President & CEO

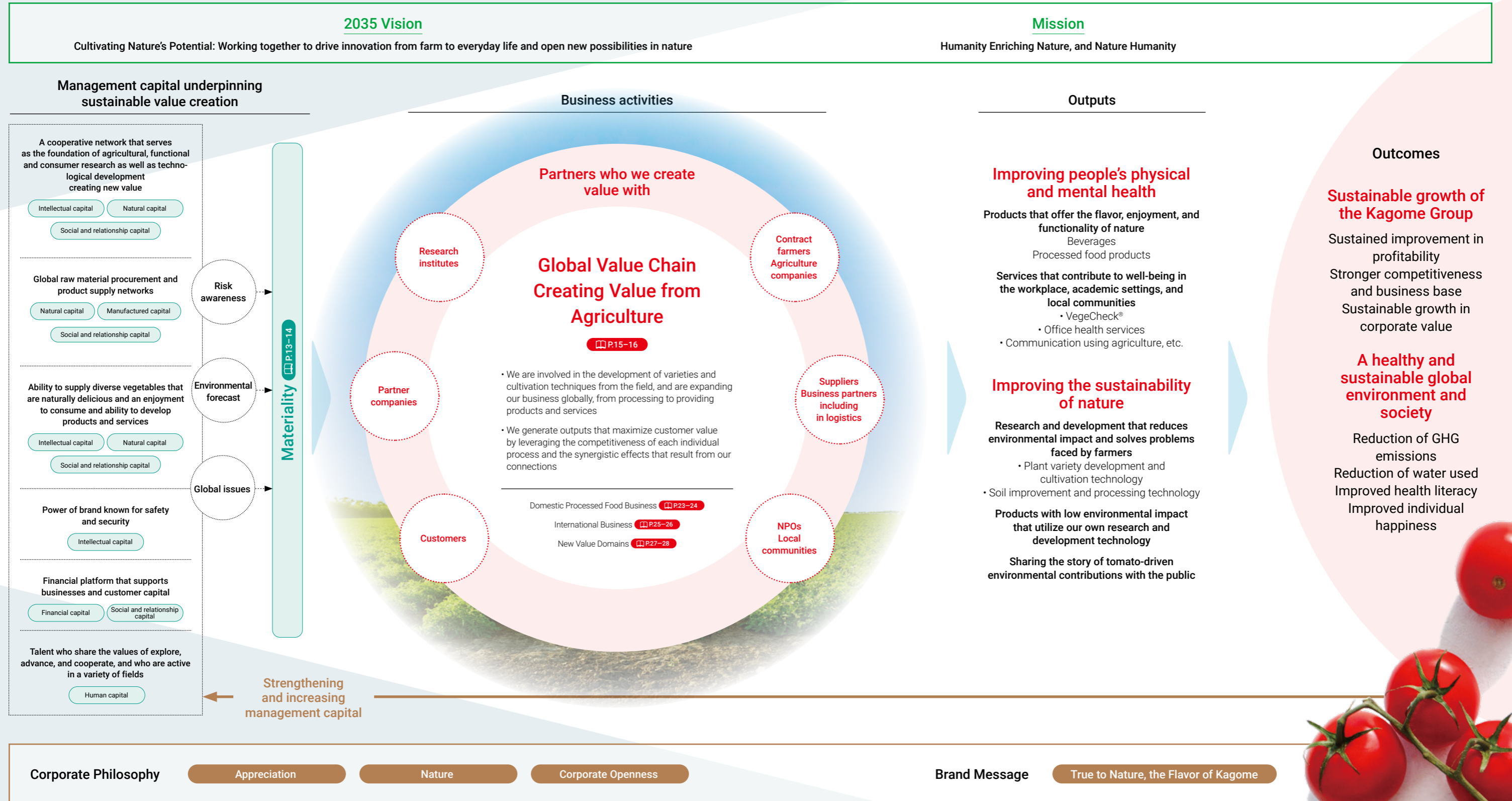


Value Creation Process

Kagome takes consistent action as an organization by positioning our Corporate Philosophy as our unwavering values and Brand Message as our promise to society and our customers at the foundation of our management. We also forecast environmental changes, recognize risks, and continually update our materiality, as it represents material management issues for the Kagome Group.

Furthermore, by utilizing the management resources underpinning the enhancement of corporate value, we have evolved our global value chain that creates value from agriculture through collaboration with a variety of stakeholders. Via this value chain, we utilize nature

and its bounty to contribute to people's food and health. We continue working to increase the sustainability of nature through breeding, soil improvement, and environmental conservation. We are creating value from agriculture and supporting people's health. Continuing our research and technological development into sustainable agriculture will enable us to provide products and services that further enrich nature. Through these activities, we will continue to create a cycle between people and nature, and by creating social and economic value, we will enhance our own corporate value.



Outcomes

Sustainable growth of the Kagome Group

- Sustained improvement in profitability
- Stronger competitiveness and business base
- Sustainable growth in corporate value

A healthy and sustainable global environment and society

- Reduction of GHG emissions
- Reduction of water used
- Improved health literacy
- Improved individual happiness

Materiality P.13-14

Strengthening and increasing management capital

Corporate Philosophy

Appreciation
Nature
Corporate Openness

Brand Message

True to Nature, the Flavor of Kagome



Materiality

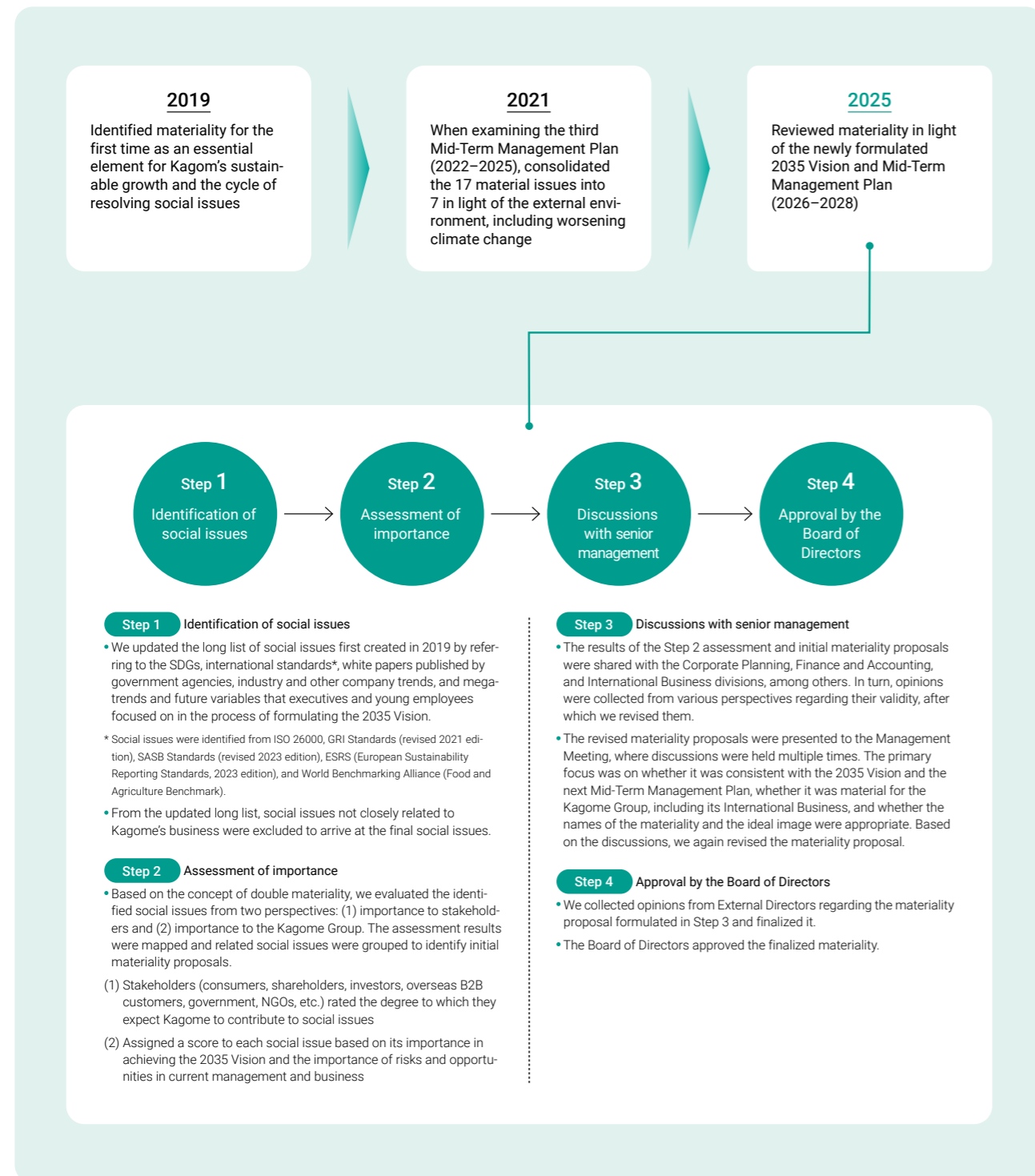
Approach to Materiality

The Kagome Group positions materiality as material management issues for realizing the sustainable growth of the Kagome Group and a healthy and sustainable natural environment and society. Materiality encompasses our efforts to realize the 2035 Vision and to build the foundations that support sustainable management and business, which need to be addressed with a long time horizon.

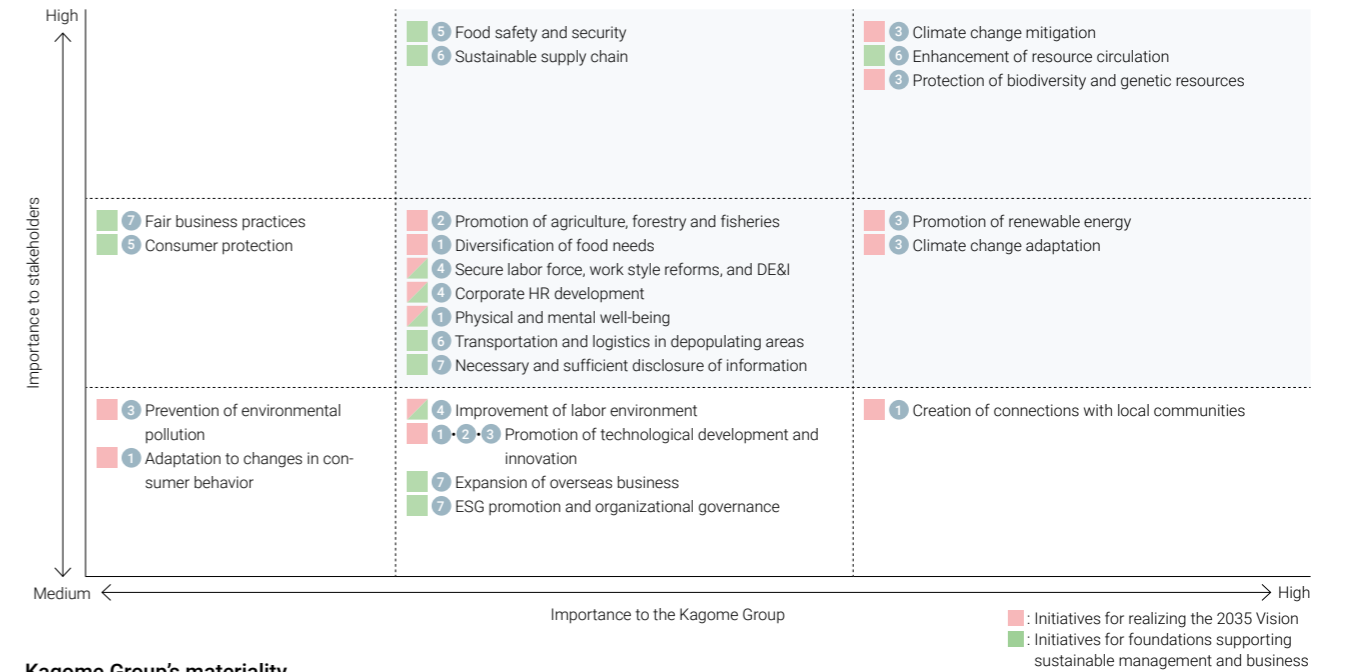
By working on these materiality items, we will aim to realize a sustainable society and become a strong company capable of sustainable growth.

2035 Vision P.02

Materiality Identification Process



Materiality Matrix

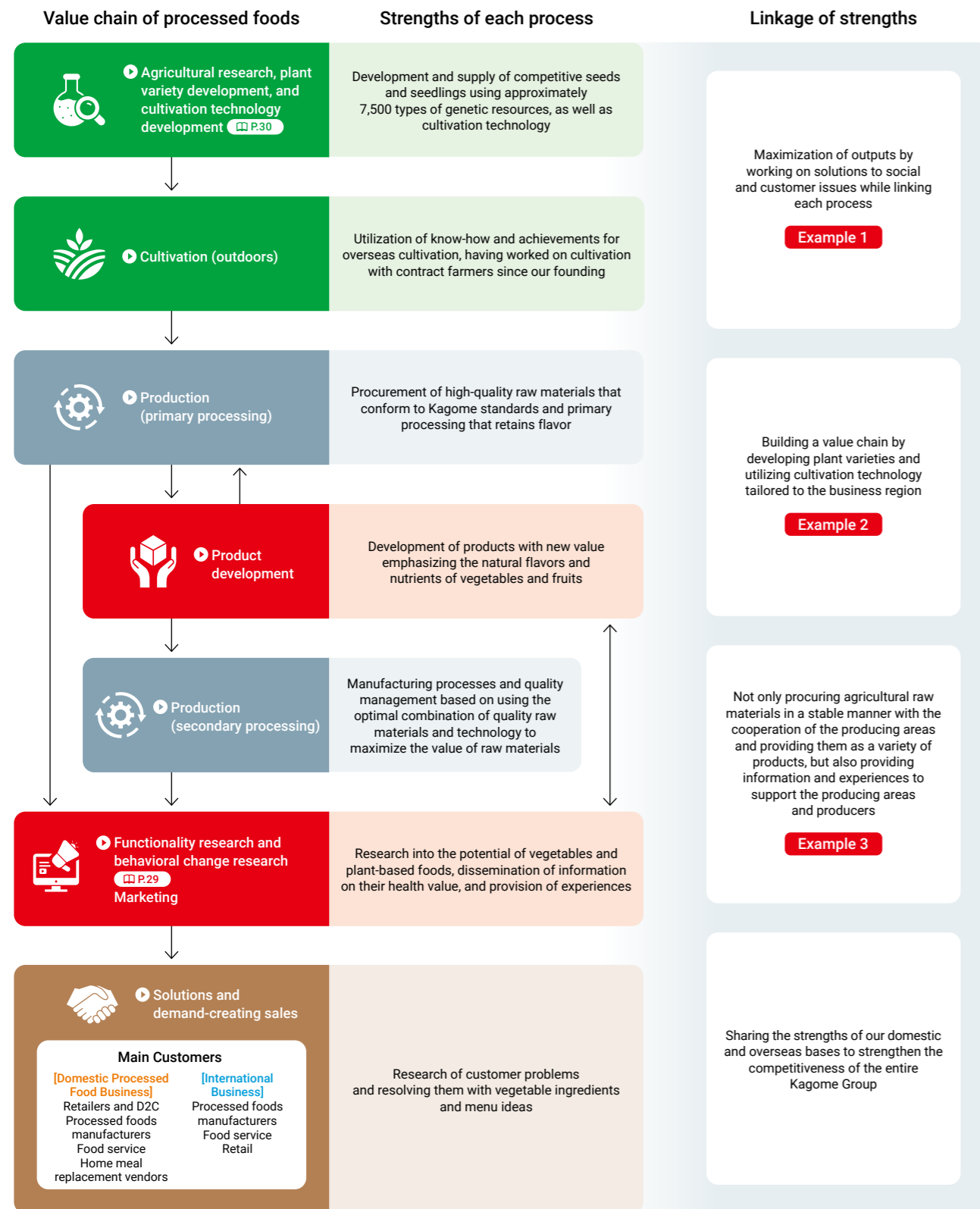


Kagome Group's materiality

Positioning	New materiality	Action policy and ideal image	Relevant SDGs
Initiatives for realizing the 2035 Vision	1 Contribute to well-being through agriculture and food	We will encourage vegetable consumption and contribute to the realization of physical well-being, including health promotion, using a science-based approach. We will contribute to the realization of social and psychological well-being by working with stakeholders to unlock the potential of nature and build communities that share the value of agriculture and food.	3, 4, 17
	2 Promote agriculture and improve its sustainability	We will achieve stable production of agricultural produce through improved varieties, development of cultivation techniques, and support for producers, thereby helping improve the sustainability of agriculture related to tomatoes and other vegetables. We will raise people's interest in agriculture and food through our products and services, and contribute to the growth and promotion of the agricultural industry.	2
	3 Minimize the environmental impact of the tomato-related global value chain and overcome climate change	Through the development of new tomato varieties and the advancement of cultivation techniques, we aim to become the provider of tomatoes and tomato products with the lowest environmental impact in the world and that are adapted to climate change. We will minimize the environmental impact of the entire tomato industry and overcome climate change, by collaborating with raw material producers and partner companies to introduce the varieties and technologies we have developed to society.	6, 7, 12, 13, 14, 15
	4 Create opportunities for diverse talent and strengthen strategic human capital	We will become the company of choice, providing an environment where employees can work in a state of psychological and social fulfillment, by offering workplaces where each employee with diverse backgrounds, abilities, and characteristics can find opportunities to thrive and contribute to customers and society through our business. Each and every employee shares our vision, creating a virtuous cycle of personal growth and business growth for the entire Kagome Group.	5, 8
Initiatives for foundations supporting sustainable management and business	5 Provide products, services, and information that pursue safety, peace of mind, and quality	We will provide products, services, and information that pursue safety, peace of mind, and quality grounded in the idea of "Quality First." We will create an environment in which customers can trust our products and services through responsible marketing, prompt and honest responses, and information disclosure.	
	6 Establish a sustainable supply chain	In accordance with our Human Rights Policy as well as Quality and Environmental Policy, we will select suppliers that take into consideration the impact on the environment and society throughout the supply chain, and will work to improve the sustainability of raw material procurement through resource recycling. We will achieve a stable supply by advancing agricultural research and seed production and diversifying procurement sources. Through digital transformation, we will strengthen supply chain management, both inside and outside the company, and improve the efficiency and sophistication of our global and diverse supply chains.	8, 10, 12
	7 Strengthen corporate governance	In addition to strengthening of "autonomy" and complementation through "heteronomy," we aim to achieve sustainable growth by strengthening our management foundation and increasing value with stronger governance and collaboration across the Group. We will increase management transparency through appropriate information disclosure and dialogue with stakeholders.	12

Global Value Chain Creating Value from Agriculture

We are involved in the agriculture domain, developing varieties of tomatoes and other vegetables as raw materials and cultivation technology. We are also expanding our value chain globally, from cultivation, production, and development to sales. With the belief that “fields are the primary production plant” since our founding, we have cultivated knowledge of each process through agriculture-focused development. By elevating the strengths of each process from upstream to downstream and maximizing the chain of connections and synergies that originate from agriculture, we will present new value propositions and initiatives to resolve social issues.



Example 1

What Kagome and tomatoes can do for the environment

Daisuke Ishioka, GARBIC Strategy Development Office

Tomatoes and tomato products account for a large proportion of Kagome’s top and bottom lines. At the same time, they also have a very high impact on the environment. To contribute to the global environment and ensure the sustainability of our business, we must take steps to reduce the environmental impact of tomatoes.

Kagome already has a global network covering all processes from farm to processing, as well as the genetic resources and

cultivation technology that support it. Making the most of these resources, we are taking on the challenge of improving the environment through our own tomatoes in a project structure that spans the entire Kagome Group. We have already begun several initiatives to reduce greenhouse gas (GHG) emissions and water usage at our farms around Japan and overseas. I look forward to sharing the results in the future.



Example 2

The challenge of building a value chain in India

Shinya Yanagawa, KFIC Global Tomato Company

India, the world’s second largest tomato producer, is a strategic base for our International Business to unlock rapid growth.

Taking into account the potential of the huge and rapidly growing food service market there, we are investing in growth to strengthen our foundations with a long-term perspective. In 2016, we established Kagome Foods India Pvt. Ltd., which manufactures and sells secondary processed products such as pizza sauce. Since then, we have expanded our business by meeting the growing demand for processed foods from restaurants and catering companies.

On the other hand, instability in the price, quality, and procurement volume of tomatoes, the raw material, and tomato paste, the primary processed product, is a major issue standing in the way of our growth in the highly competitive Indian market.

First, we are establishing a system for tomato cultivation, and are working to build a value chain that will ensure stable access to raw materials and improved quality.

Going forward, we aim to strengthen competitiveness in the Indian market and to build a wide-area supply network that will also include supplies to neighboring countries in the Middle East and Southeast Asia. We will maximize the knowledge and experience that the Group has amassed from its vertically integrated tomato business (from seed to table) and achieve sustainable growth through collaboration with local stakeholders.



Visiting a contract farmer in India



Example 3

Embracing the passion of agriculture and connecting it to consumers A domestic value chain harnessing nature’s bounty

Tetsuro Nakatsukuma, Wellbeing Business Department, Marketing Division

Kagome was born from a group of farmers, and that origin remains at the heart of our values. Vegetables and fruits do not produce immediately after planting; harvesting them takes a long time and much effort. Additionally, the environment for procuring domestic raw materials is becoming increasingly severe due to factors such as climate change and a lack of farming successors. That is why we do not focus on short-term results, but rather face the realities of production areas and place great importance on creating a system that can continue to cultivate agriculture sustainably. We believe that this attitude is our responsibility as a company that supports the future of agriculture.

Meanwhile, having a diverse product lineup for consumer use, institutional and industrial use, gifts, and direct marketing is an important element that supports Kagome’s value creation.

This wide range of outlets allows us to flexibly accommodate fluctuations in yields, such as good or bad harvests, and connect the efforts of producers to solid value.

We will continue to carefully convey the background and story behind our products. By widely sharing the idea that “every bite contributes to the future of Japanese agriculture” in addition to flavor and safety, we will also foster a new cycle that connects consumers and agriculture.

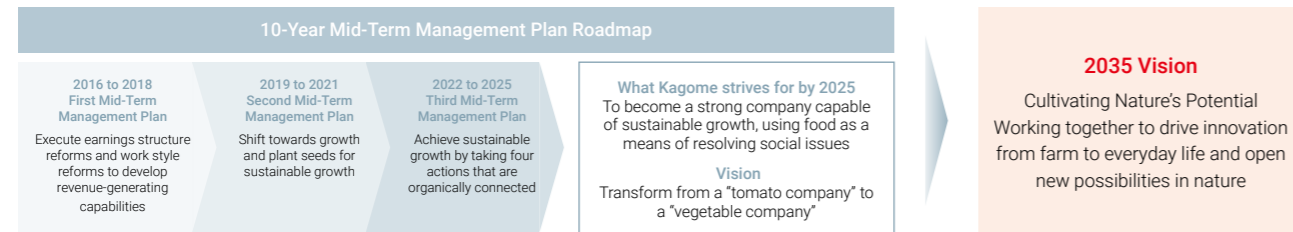


Visiting a contract farmer that grows tomatoes

Review of the Previous Mid-Term Management Plan (2022–2025)

Review of the Previous Mid-Term Management Plan (2022–2025)

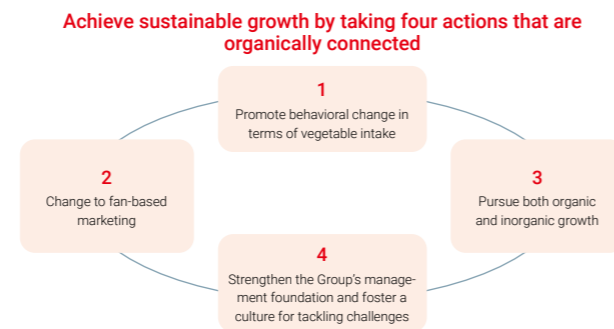
In 2016, we defined what Kagome strives for by 2025 and our Vision. To achieve both, we divided the subsequent 10 years into three Mid-Term Management Plans, under which we worked to resolve three social issues: longer, healthier lives, agricultural development and regional revitalization, and sustainable global environment. Based on the achievements and challenges of the past decade, we are set to move on to the next stage of growth, our 2035 Vision. First, let us look back at the previous Mid-Term Management Plan (2022–2025).



Basic Strategy of Previous Mid-Term Management Plan

In the previous Mid-Term Management Plan, which marked the final phase of the original 10-year plan, we set out a basic strategy of "achieve sustainable growth by taking four actions that are organically connected," and promoted Group-wide efforts aimed at achieving both organic and inorganic growth.

The main initiatives for each of the four actions are as follows. By organically linking these, we have pursued sustainable growth.

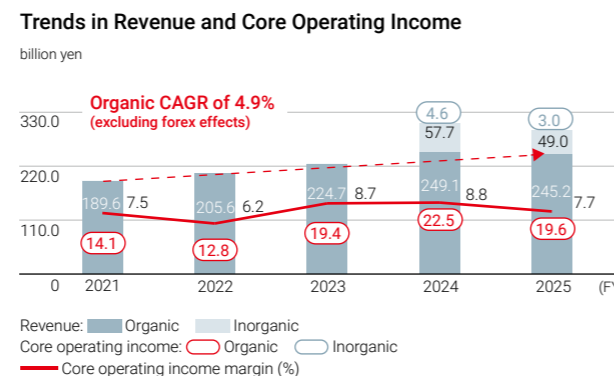


Four actions	Detailed actions	Results
1 Promote behavioral change in terms of vegetable intake	Deploy VegeCheck®	Number of measurements (cumulative total, total number of people): More than 24 million times * As of December 2025 Installation in companies, local governments, etc. (cumulative total): 8,400 units
	Implement Vegetable Intake Promotion Project	Number of people targeted for information dissemination: 180 million people * Cumulative total number of people over four years during the Mid-Term Management Plan period
2 Change to fan-based marketing	Diversify consumer touchpoints	Venturing into new domains such as plant-based milk and soups
3 Both organic and inorganic growth	Grow organic revenue	Organic CAGR: 4.9% * Four years during the Mid-Term Management Plan period, excluding foreign exchange effects
	Achieve inorganic growth	M&A investment: approx. 36 billion yen
	ROE (2025)	7.9%
4 Strengthen the Group's management foundation and foster a culture for tackling challenges	Establish agricultural research base	Establishment of R&D organizations GARBIC ¹ and corporate venture capital (CVC) specializing in agricultural research
	Strengthen the procurement base	Dispersion of procurement bases and consolidation of Ingomar
	Carry out environmental initiatives	CDP Climate Change A List (2024) / CDP Water A List (2025)
	Engagement survey score	73 * FY2021: 70

*1 GARBIC stands for Global Agriculture Research and Business Center.

Trends in Consolidated Revenue and Core Operating Income

Through the organic linkages of these four actions, we have achieved steady growth in our Domestic Processed Food Business and expanded sales to food service companies in our International Business. As a result, the organic compound annual growth rate (CAGR), excluding foreign exchange effects, was 4.9%. In terms of inorganic growth, the acquisition of Ingomar as a consolidated subsidiary in January 2024 has expanded the scale of our International Business and established a solid foundation for creating added value.



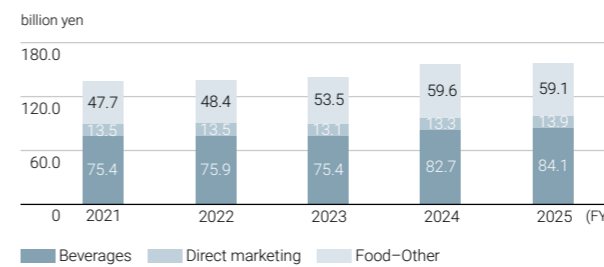
Investment Results

During the previous Mid-Term Management Plan, investments totaled approximately 40 billion yen over four years. These were primarily aimed at introducing new products, maintaining and improving quality, and improving productivity. Of these, around 60% was invested into the International Business. The main business investment was approximately 36 billion yen for the acquisition of Ingomar in 2024.

Domestic Processed Food Business

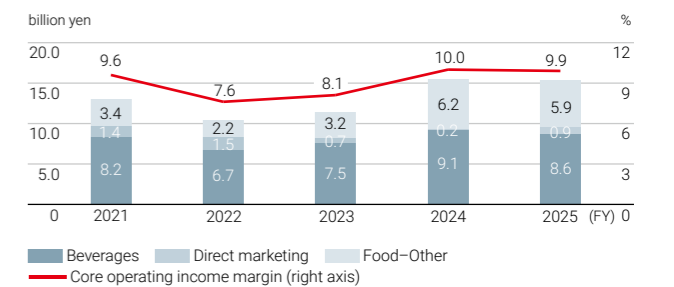
In an environment of rising costs, we worked to grow revenue and restore our core operating income levels by leveraging our strengths, including agile price revisions, cost reduction activities, promoting the health value of vegetables, fan-based marketing,

Trend in Revenue



and demand creation activities. Looking ahead, in a business environment where costs will continue to rise, the key issues remain transforming our business structure into one that can generate sustainable profits and cultivating new pillars of growth.

Trend in Core Operating Income

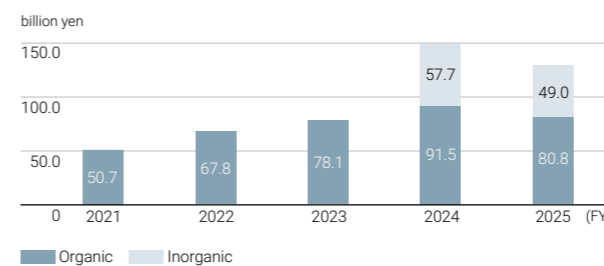


International Business

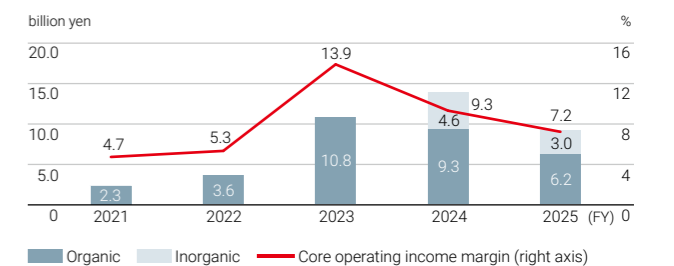
We worked to strengthen our value chain and expand sales to the food service industry, primarily in the United States. In the United States, we strengthened our procurement base for primary processing by making Ingomar a consolidated subsidiary, and we also expanded our agricultural research base. In secondary processing, although unit prices fell due to tomato paste market

conditions, sales volume increased, mainly for products for food service companies. Our future challenges will be to limit fluctuations in business performance, which is subject to tomato paste market conditions, and to establish a competitive advantage by leveraging our global value chain.

Trend in Revenue



Trend in Core Operating Income



Key Management Indicators

Driven by the recovery of revenue in the Domestic Processed Food Business and the expansion of the International Business, earnings per share (EPS) increased by 52.1 yen from 109.3 yen in FY2021 to 161.4 yen in FY2025. On the other hand, ROE has declined compared to FY2021, falling short of the target of 9%, as issues remain. In particular, the net income margin (net income attributable to shareholders of parent) and total asset turnover ratio have declined. Our future challenge is to strengthen our ability to steadily turn acquired assets into profits.

Comparison of EPS, ROE, and ROIC between FY2021 and FY2025

	FY2021	FY2025	Difference vs. FY2021
EPS (yen)	109.3	161.4	+52.1
ROE	8.5%	7.9%	-0.6pt
Net income margin	5.1%	5.0%	-0.1pt
Total asset turnover ratio	0.86	0.80	-0.06
Assets / Shareholders' equity	1.93	1.96	+0.03
ROIC*	6.3%	5.6%	-0.7pt

* Core Operating Income × (1 - Tax rate) / (Shareholders' equity + interest-bearing debts)

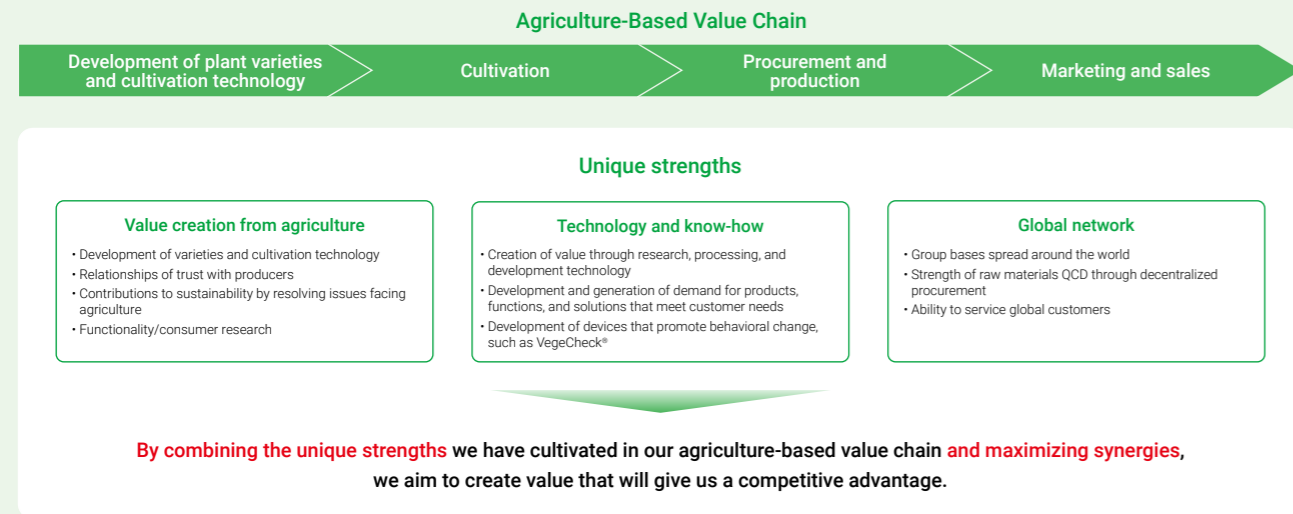
We strengthened our business platform through growth in revenue and core operating income as well as expansion of International Business. In order to connect value creation to improved capital efficiency, the challenges are to further strengthen the earnings structure and build competitive advantages.

Kagome Group Plan 2028

Overview

Since its founding, Kagome's core values have consistently been agriculture and nature. Starting from agriculture, we have built a value chain that covers everything from plant variety and cultivation technology development to procurement, processing, and delivering value to customers. **Global Value Chain Creating Value from Agriculture** (P.15-16) Combining the strengths of each component of this value chain, we will enhance the strength of the Kagome Group as a whole and accelerate sustainable growth. Kagome's unique strengths are its ability to create value from agriculture, the technology and knowledge it has cultivated throughout the value chain, its own bases both in Japan and

overseas, and the global network it has built with suppliers and customers. These are the unique strengths we have amassed through many years of business activities. Today, where business structures and market environments are undergoing major changes, it is important not only to leverage the each individual strength, but also to organically combine the strengths of each Group company and maximize the synergistic effects. The Kagome Group will continue to create value that will give it a competitive advantage by combining the strengths of our value chain that creates value from agriculture.

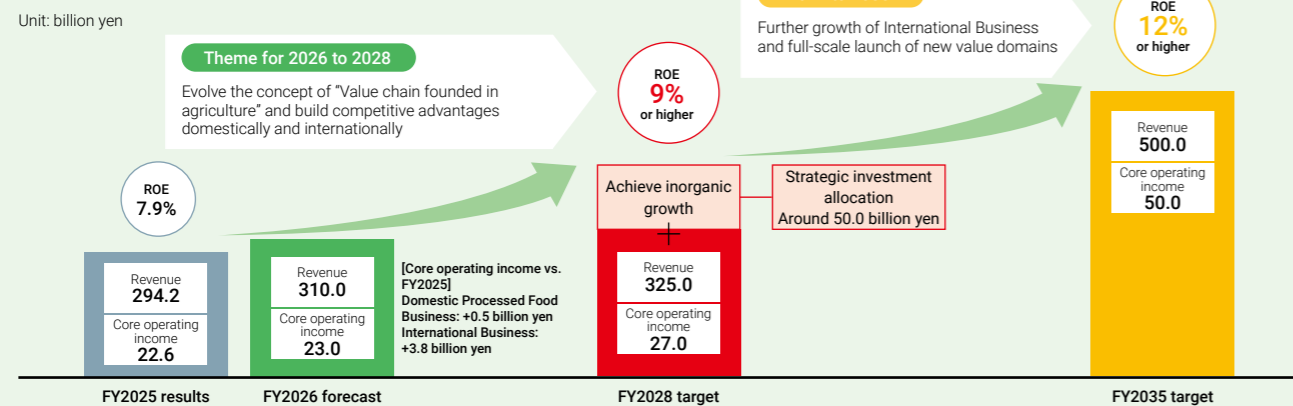


Positioning and Quantitative Targets

Aiming to realize the 2035 Vision, under Kagome Group Plan 2028, covering the period from 2026 to 2028, we have set the theme of **evolve the concept of "Value chain founded in agriculture" and build competitive advantages domestically and internationally** —Maximizing the synergies of our unique strengths: agriculture, technology, and global network—. In order for our International Business and new value domains to drive growth significantly from 2029 onwards, it will be critical to build a foundation for growth and strengthen competitiveness during the period of the new Mid-Term Management Plan.

Under Kagome Group Plan 2028, we have set a target ROE of 9% or higher as a management indicator. Furthermore, based on the business portfolio at the beginning of the fiscal year, we have set growth targets of 325 billion yen in revenue and 27 billion yen in core operating income. Moreover, we have set aside a strategic investment allocation of approximately 50 billion yen to promote the creation of future growth opportunities, including inorganic growth.

Kagome Group Plan 2028: Quantitative Targets



Basic Strategy

The basic strategy of Kagome Group Plan 2028 is improve revenue-generating capabilities and bolster competitiveness by investing resources in growth and new value domains. We will use four separate strategies to achieve the basic strategy.

Theme Evolve the concept of "Value chain creating value from agriculture" and build competitive advantages domestically and internationally
—Maximizing the synergies of our unique strengths: agriculture, technology, and global network—

Basic Strategy Improve revenue-generating capabilities and bolster competitiveness by investing resources in growth and new value domains

- Maximize our own strengths, improve revenue-generating capabilities and accelerate growth centered on secondary processing in the International Business**
- Revenue Base**
Domestic Processed Food Business Strengthen revenue-generating capabilities by optimizing the value chain focused on the provision of value through vegetables and health
International Business Generate stable revenue from tomato and other primary processing by strengthening mutual cooperation in the value chain

Growth Domains
International Business Grow our food service business by improving our ability to propose solutions and build out our infrastructure in India
 - Create new value domains that will build business pillars of the future**
Expand food and agriculture well-being services Pioneer an Earth-positive tomato business
 - Improve capital efficiency through optimization of growth investments and shareholder returns**
 - Evolve the management foundation (human resources, research and development, DX, sustainability) that will drive value creation**

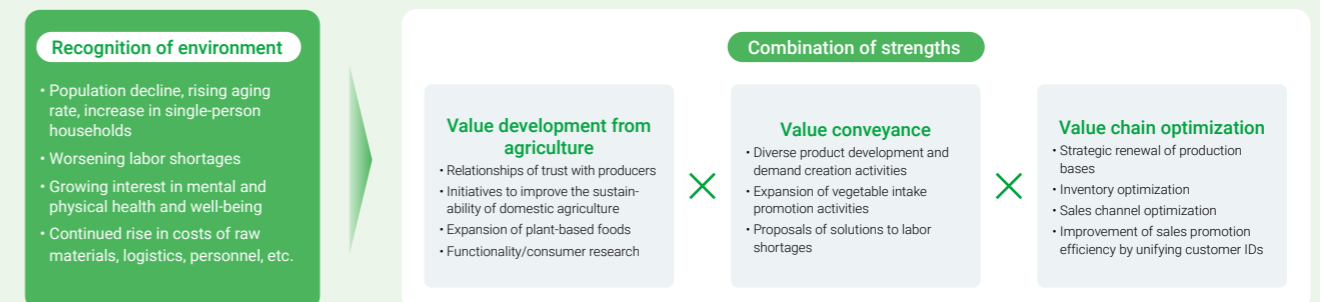
1 Maximize our own strengths, improve revenue-generating capabilities and accelerate growth centered on secondary processing in the International Business

Revenue Base | Domestic Processed Food Business

Strengthen revenue-generating capabilities by optimizing the value chain focused on the provision of value through vegetables and health

The Japanese market faces environmental changes such as a declining population and an aging population, as well as a rising costs. On the other hand, new demand is certainly emerging, amid growing interest in health and changing values regarding food. We will capture this demand, strengthen our provision of

value in vegetables and health, and by optimizing the value chain, evolve our Domestic Processed Food Business so that it achieves both growth and profits. In Japan, we are making progress with the development of value from the upstream, through strong relationships with producers and functionality research. We will infuse the value created from these efforts into a variety of products, create demand, as well as promote the optimization of production bases, inventory, and channels.



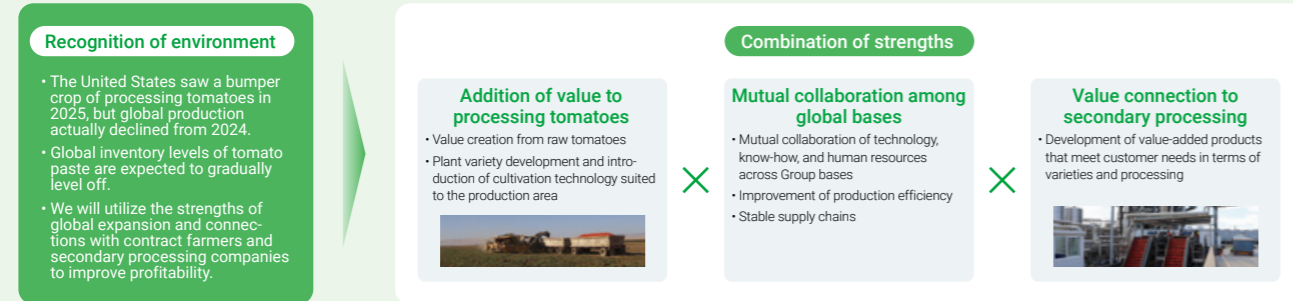
Kagome Group Plan 2028

► Revenue Base | International Business: Tomato and Other Primary Processing

Generate stable revenue from tomato and other primary processing by strengthening mutual cooperation in the value chain

Tomato and other primary processing is susceptible to market conditions for processing tomatoes and tomato paste, and business performance is prone to fluctuate widely. Therefore, the challenge is to transform our business structure into one that can generate appropriate and stable profits while assuming ups and downs in the market. We will respond to this through a series

of measures that combine our strengths. Specifically, in addition to adding value to processing tomatoes in collaboration with GARBiC and contracted farmers, we will work to improve quality and reduce costs in the manufacturing process. We will also develop products that meet the needs of customers of tomatoes and other secondary processing. These are consistent efforts that only a company with a continuous value chain can undertake, which will lead to a stronger and more stable revenue base.

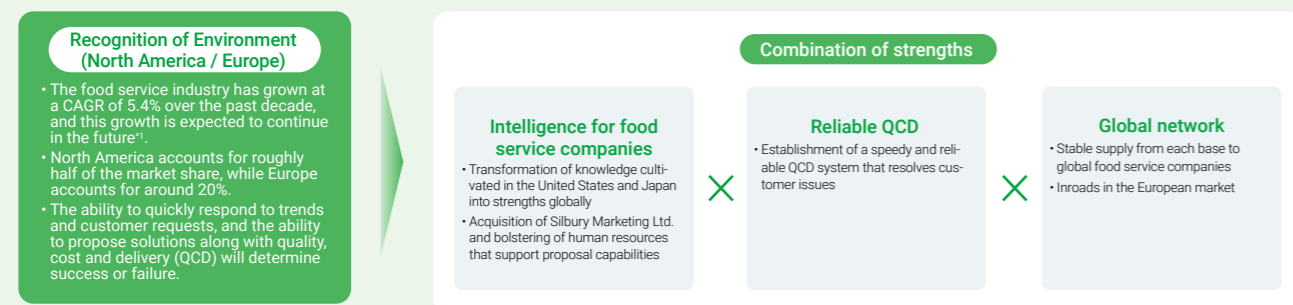


► Growth Domains | International Business: Tomato and Other Secondary Processing

Grow our food service business and build a foundation in India by improving our ability to propose solutions

We mainly sell pizza sauce and oil sauce to food service companies. Our priority geographic areas are the United States and Europe, which have large food service markets, and the high growth market of India. Trends change quickly in the food service industry. Accordingly, success or failure depends on quality, cost and

delivery (QCD) and the ability to make proposals that immediately address customer needs. By mutually utilizing our knowledge cultivated in Japan and the United States, we will work together to improve our ability to propose solutions, create a QCD system, and link our global network. This makes tomato and other secondary processing a growth engine for the future.



*1 Source: Global Data: global market breakdown by country for hamburger QSR, pizza QSR, and Italian FSR.

TOPICS

Expansion Strategy for Tomato and Other Secondary Processing in North America

North America accounts for roughly half of the global food service market and is home to many large chain companies. Going forward, in addition to tomato paste-based pizza sauces, we will need to strengthen our product development capabilities to include oil-based and Asian-based sauces, which have high market growth rates. We will also hone our ability to propose solutions by offering a wider variety of containers and increasing our marketing staff headcount. Additionally, we will collaborate with Group companies to transform the knowledge we have gained in the food service industry in the United States into a global strength.

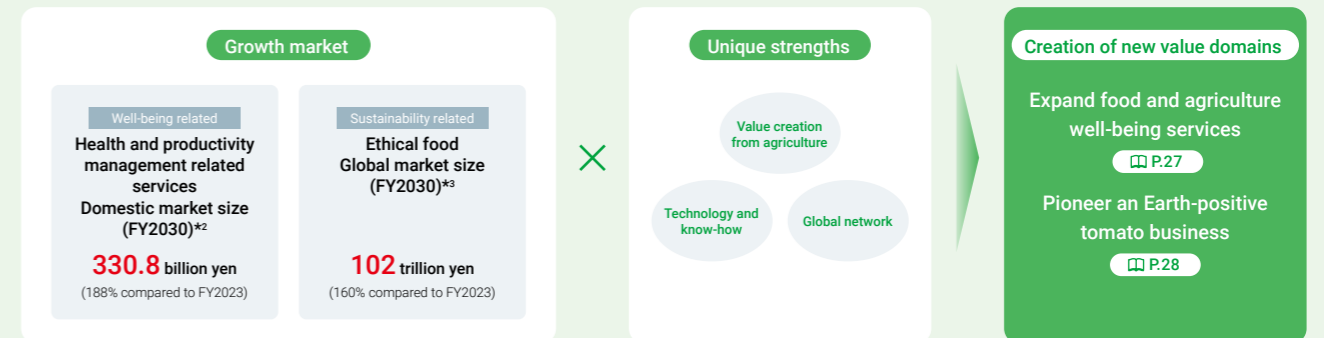


Global R&D Meeting

2 Create new value domains that will build business pillars of the future

Toward realizing our 2035 Vision, we will create pillars of future growth by working to generate value in the two markets of well-being and sustainability, which are expected to see steady growth in the future, in a Kagome way. The first initiative is the

food and agriculture well-being services, and the second is the Earth-positive tomato business. We will position these as pillars of future growth, and will use the value development phase until 2028 to connect them to commercialization from 2029 onward.



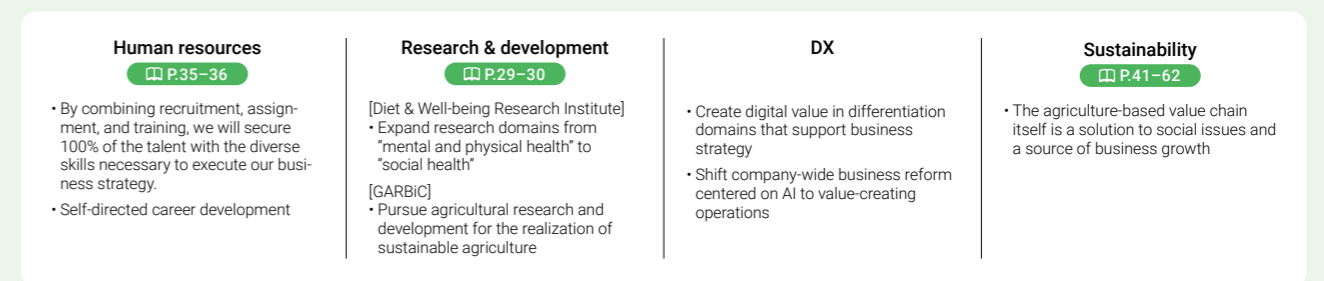
*2 Source: Fuji Keizai Group press release No. 25054, Survey of the Domestic Market for Health and Productivity Management / Data Health Planning Related Services.
*3 Source: Nikkei Business Online, The Ethical Wave Engulfing Consumption, July 21, 2023.

3 Improve capital efficiency through optimization of growth investments and shareholder returns

CFO/CRO Message P.31-33

4 Evolve the management foundation (human resources, research and development, DX, sustainability) that will drive value creation

The driving force behind the Kagome Group's efforts to build unique strengths and create sustainable value is the four management resources: human resources, research and development, DX, and sustainability.



➔ Kagome Group Plan 2028: Key Management Indicators

Kagome Group Plan 2028 sets revenue and core operating income as indicators of business growth, and ROE and shareholder returns as indicators of management results. Key indicators are shown below.

Business Growth Targets (Assuming the Business Portfolio at the Start of the MTP)

	FY2025 results	FY2028 target	Growth
Revenue	294.2	325.0	+30.7
Core operating income	22.6	27.0	+4.3

(billion yen)

Management Performance Targets (Including Inorganic Growth)

	FY2025 results	FY2028 target	Growth
ROE	7.9%	9% or higher	+1.1pt
ROE Shareholder returns (cumulative total for the MTP period)	Total return ratio 41.3%	Total return ratio 50%	+8.7pt

Domestic Processed Food Business

The Domestic Processed Food Business offers a variety of vegetable beverages and food products using tomatoes, carrots, and a wide range of other vegetables. We deliver products that can be consumed by all ages, from children to the elderly, for use in various situations in everyday life to help people live longer, healthier lives through increased vegetable consumption.



SWOT Analysis

Strengths

- Overseas network and quality assurance capabilities in the procurement of raw materials
- Brand power cultivated over its 127-year history
- Functional research and product development capability utilizing the power of raw materials
- Diverse sales channels and product proposal capabilities tailored to customer

Weaknesses

- Flexible value chain adaptable to environmental changes
- Resource diversification in order to maintain offerings of wide range of categories
- Competitiveness in commodity markets
- Penetration among young people

Opportunities

- Growing consumer awareness of health, natural materials, and the environment
- Diversification of consumer purchasing behavior and brand selection criteria
- Sharing of new information with consumers and expanded purchase points
- Emergence of new service domains, including experiences

Threats

- Continued rise in raw materials prices
- Diversification of health-related products and services causes a decline in our relative position in existing domains
- Innovation in various fields leads to competition from other industries
- Shrinking domestic market caused by declining and aging population

Message

Taking on the challenge of value creation and sustainable growth as Team Kagome

Believing that “fields are the primary production plant,” Kagome has developed its business based on nature’s bounty from agriculture. We are grateful for this bounty, and as the Marketing Division, we feel the need to be more involved in agriculture.

For Kagome Kenko Chokusobin, we have a system where local products are shared and sold through a website called “Noen-Ouen (Farmers Support).” Additionally, for the Yasai Seikatsu brand, we have been developing a system for allowing customers to enjoy the seasonal bounty of each region for about 15 years.

Taking these efforts one step further, under the theme “Megumi Meguru (Bounty Cycle),” we want to connect producers with our customers, business partners, and of course ourselves, through more smiles and health.

Keiichi Inagaki
Executive Officer
Director of Marketing
Division



Review of the Third Mid-Term Management Plan

Results

Under the third Mid-Term Management Plan, we implemented the basic policy of “recovery in profits and continue to tackle challenges.” In essence, we worked to increase the value of our existing product lineup while also venturing into new domains, promoting demand by utilizing VegeCheck® and other methods to encourage vegetable consumption, cultivating vegetable fans through food education, and promoting the functionality of tomatoes and other vegetables. During the period of the plan, we were hit by an unexpected surge in raw materials prices, which forced us to revise prices several times. Nevertheless, we pushed ahead with our plan to strengthen product value and create demand, and were able to largely achieve our targets.

As a result, revenue totaled 157.3 billion yen and core operating income amounted to 15.5 billion yen, up 20.5 billion yen (+15.1%) and 2.3 billion yen (+18.1%), respectively, compared to FY2021. Looking at tomato juice in particular, we fully promoted its functionality and revenue for FY2025 grew significantly by 11.8 billion yen (2.0 times) compared to FY2021.

Performance (FY2025)

Revenue
157.3 billion yen
Up 1.0% YoY

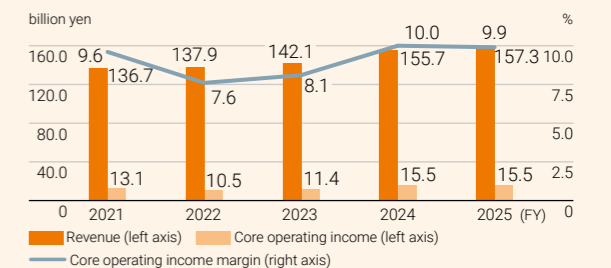
Core operating income
15.5 billion yen
Down 0.4% YoY

Issues

A major theme is how to transform our business structure into one that can generate a sustainable bottom line, even in an environment where the impacts of Japan’s declining population are emerging and manufacturing costs are continually rising.

Additionally, in order to create the next pillar of growth, we need to further accelerate our efforts to venture into new domains such as vegetable soups as well as plant-based products and beverages. Although the sales volume is still small, the repeat rate is increasing and we are beginning to see positive results. We will also continue to establish the Almond Breeze brand in the market, for which we commenced full-scale licensed production and sales in FY2025.

Revenue, Core Operating Income, and Core Operating Income Margin



* Kagome changed its reporting segments in FY2022 and FY2024. Figures for FY2021 and FY2023 were prepared retroactively and are presented based on this change.

Kagome Group Plan 2028: Business Strategies

While Japan’s population is declining, interest in health is growing due to such factors as an increasing elderly population. Due to the decrease in the number of farmers and other reasons, it is becoming more difficult each year to secure a stable supply of vegetables and fruits grown in Japan. Our Domestic Processed Food Business will address this structural challenge and bolster its revenue-generating capabilities by optimizing the value chain, starting with providing value related to vegetables and health in a Kagome way. As one example of a medium- to long-term initiative, we have launched “Megumi Meguru Action!” This initiative communicates and promotes the bounty of local vegetables and fruits and the passion of producers, while also creating a cycle in which consumers support producing areas, which in turn supports producers.

Additionally, to optimize the value chain, we will build a new domestic tomato plant (scheduled to commence operations in 2028) in Hokkaido, Japan’s northernmost island.

In response to the continued rise in manufacturing costs, including agricultural raw materials, we implemented a round of price revisions in February 2026, primarily for beverages for consumer as well as institutional and industrial use. In addition, as one of our measures to stimulate demand, we will renew Yasai Seikatsu 100 Original (with the switchover to begin in mid-March 2026), increasing the vegetable content from 70% to 88% while maintaining its easy-to-drink flavor, thereby increasing its value. On top of these initiatives, we will accelerate our expansion into new domains such as vegetable soups and plant-based products, with the goals of improved revenue-generating capabilities and sustainable value creation.

International Business

The International Business engages in agricultural production, processing and sales, among other businesses. In processing, we largely classify our operations into primary processing, which manufactures tomato paste and other products, and secondary processing, which manufactures tomato sauce and pizza sauce using tomato paste. Our main customers in the International Business are condiment makers and food service companies, with the business focused on the B2B category in the United States, Europe, and Australia.

SWOT Analysis

Strengths

- Ability to provide solutions to food service companies based on product development proposals
- Ability to supply tomato raw materials in a stable manner using Group companies operating around the world
- Quality capability in rolling out a common global quality management standard at our Group companies and promotion of solutions to ESG issues

Weaknesses

- Earnings volatility caused by fluctuations in tomato paste prices
- High level of dependence on specific high-volume customers
- Lack of brand recognition in B2C

Opportunities

- Growth potential of food service market centered on the United States, Europe and India, etc.
- Growing needs for productivity improvement technologies for processing the raw material of tomatoes
- Growing needs for solutions from food service companies caused by surging cost of sales and operating expenses

Threats

- Deterioration in profits caused by downturn in tomato paste prices
- Impacts on business activities caused by weather risks such as extreme weather events, etc.
- Supply shortage of raw materials and products due to supply chain disruptions
- Difficulty securing employees for operations in each country and surging labor costs



Review of the Third Mid-Term Management Plan

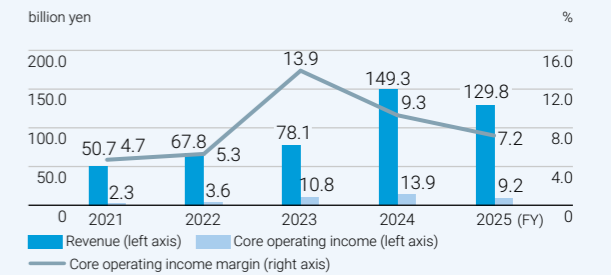
Results

In 2023, our International Business transitioned to an in-house company structure under the name Kagome Food International Company (KFIC) and began speeding up business operations with a certain delegated authority. In the area of tomato and other primary processing, market prices soared from 2021 to 2023 driven by tight supply and demand conditions for tomato paste. In 2024, we acquired Ingomar, the world's fourth largest processor of tomatoes at the time, as a consolidated subsidiary, which expanded our top and bottom lines. In the area of tomato and other secondary processing, we implemented price revisions linked to tomato paste prices, helping grow our earnings performance against the backdrop of robust demand for eating out, particularly in the United States. As a result, revenue of the International Business in FY2025 jumped 2.6 times and core operating income 3.9 times compared to FY2021.

Issues

The tomato paste market, which had seen prices soar, began to decline from 2024 onwards as supply and demand eased due to increased production of tomatoes for processing worldwide, among other factors. In addition to improving manufacturing efficiency, we aim to build a business structure where we can secure stable profits unaffected by market conditions by cultivating new customers and increasing the ratio of long-term contracts in tomato and other primary processing, and strengthening our ability to propose solutions and win new business in tomato and other secondary processing.

Revenue, Core Operating Income, and Core Operating Income Margin



* Includes intersegment revenue with the domestic business.
* Kagome changed its reporting segments in FY2022 and FY2024. Figures for FY2021 and FY2023 were prepared retroactively and are presented based on this change.

Performance (FY2025)

Revenue

129.8 billion yen

Down 13.0% YoY

Core operating income

9.2 billion yen

Down 33.4% YoY

Kagome Group Plan 2028: Business Strategies

We aim to grow secondary processing, which will drive the growth of the Kagome Group. In particular, we will focus on North America and Europe, which have large food service markets, as well as India, which is expected to have a high potential growth rate. In North America, we will strengthen our solution development capabilities and promote sales that are closer to our customers. We will also look to develop higher-value-added oil sauces and Asian-style sauces, with a focus on tomato-based sauces such as pizza sauce, aiming to win new business.

India is the second largest tomato producer in the world, with the majority of tomatoes being cooked from fresh tomatoes and consumed domestically. We will assess the growth potential of India's tomato processing industry

and consider becoming involved extensively from upstream to downstream in order to secure our competitiveness.

In tomato and other primary processing, we will further deepen our collaboration with Ingomar and focus on creating greater synergies in the five areas of quality, manufacturing, sales, management, and finance. We will also work to raise the profit level of the entire International Business and stabilize revenue by tapping into new customers.

Additionally, we will accelerate the promotion of digital transformation and global human resources development, and by thoroughly focusing on quality, cost, and delivery time, we seek to maximize customer trust and build a foundation for sustainable growth.

Message

Aiming to expand our business footprint in Europe through Silbury

In January 2026, we acquired Silbury Marketing Ltd ("Silbury"), a UK food distributor, making it a consolidated subsidiary. Silbury has a large share of processed tomato products in the UK food service market, holds the exclusive UK sales rights for HIT* processed tomato products, and has collaborated with the Kagome Group for many years.

The European food service market is characterized by a geographical division between major tomato-producing areas—Italy, Portugal, and Spain—and major consuming areas—the UK, France, and Germany. Another feature of the market is that local food service companies with deep roots in the local community occupy a central position. Therefore, expanding business in this market requires collaboration with distributors who best understand the needs of consumer areas and can effectively connect them with producers. By combining Silbury's marketing capabilities with the Kagome Group's development and production capabilities, together we will enhance our competitiveness not only in the UK but also in markets with great potential for growth, such as France and Germany, and achieve sustainable growth for our entire International Business.

* Holding da Industria Transformadora do Tomate, SGPS S.A. (HIT) is our subsidiary in Portugal.

Norito Ebata

Managing Executive Officer
President of Kagome Food International Company and General Manager of Global Tomato Company



New Value Domains

Expand Food and Agriculture Well-being Services

We will take on the challenge of creating a well-being business that harnesses the power of nature to provide healthy lifestyles that include not only physical health but also mental and societal well-being.



➔ Social Issues and Target Market

In Japan, the rapid decline in population and increase in single-person households are leading to widespread loneliness and eating alone, weakening the sense of community in local communities and workplaces. This situation is having a serious impact not only on physical and mental health, but also on the well-being of society as a whole.

The national and local governments are also placing emphasis on creating a social environment that supports health promotion, and the importance of well-being, including physical and mental health and connections with the community, is increasing. Through agriculture and food, Kagome not only provides nutritious products and food experiences, but also contributes to solving these social issues by creating arenas that connect people and revitalizing communities.

➔ Kagome's Assets That Lead to New Value Creation

Kagome has expanded its connections with producers, local governments, schools, and businesses through its long-standing business activities. In our direct marketing business, we are stepping up product development and collaboration with producers, focusing primarily on domestic ingredients, and striving to enhance the value of both information and products. In recent years, Japan's aging agricultural workforce and extreme weather patterns have made sourcing domestically-grown raw materials more difficult than ever before, with this issue growing more serious. Given this, we are looking to enhance the value of domestic ingredients through our direct marketing business and contribute to the sustainability of agriculture.

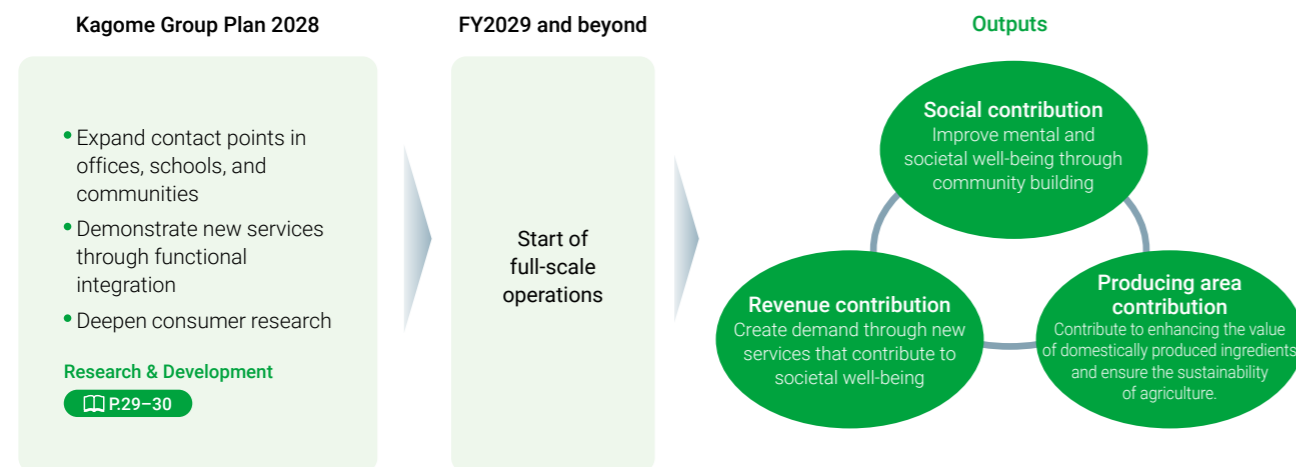
Furthermore, through initiatives such as the Vegetable Intake Promotion Project, health services business, and activities at Yasai Seikatsu Farm, we have worked not only to improve physical health but also to foster societal well-being through community engagement. The relationships and expertise cultivated from these initiatives are vital assets for creating the well-being business.



A cooking experience program for offices

➔ Milestones and Implementation Structure

Under Kagome Group Plan 2028, we will integrate our health and direct marketing businesses to create a well-being business that maximizes the resources of both. The health services business will grow our connections with offices, schools, and communities, providing arenas for social interaction where people connect. Our direct marketing business will deliver value directly to consumers through product development and sales utilizing domestic ingredients, as well as our fulfillment infrastructure. We will leverage the strengths of the integrated business to create places where people can become healthy, centered on communities that support societal well-being. We will also develop new businesses that contribute to well-being on both mental and physical fronts.



Pioneer an Earth-Positive Tomato Business

This business will both reduce environmental impacts and contribute to top and bottom line growth, resulting in a tomato business that only Kagome can deliver.



➔ Social Issues and Target Market

The need for sustainable agriculture is growing more than ever on an international scale, driven by a number of factors. These include declining yields and worsening soil conditions caused by environmental destruction resulting from climate change and other reasons as well as the shortage of farmland and agricultural workers due to population growth. Interest in sustainable food is also growing internationally, and improving the environment and building sustainable business models have become urgent priorities. More food manufacturers and food service companies worldwide are inquiring about GHG* emissions from processed tomato products. We anticipate that consumer interest in products with lower environmental impact will grow globally, leading to market expansion.



Harvesting of processing tomatoes overseas

* GHG: greenhouse gas. Greenhouse gases refer to carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), and fluorinated gases (such as HFCs and PFCs), which cause global warming.

➔ Kagome's Assets That Lead to New Value Creation

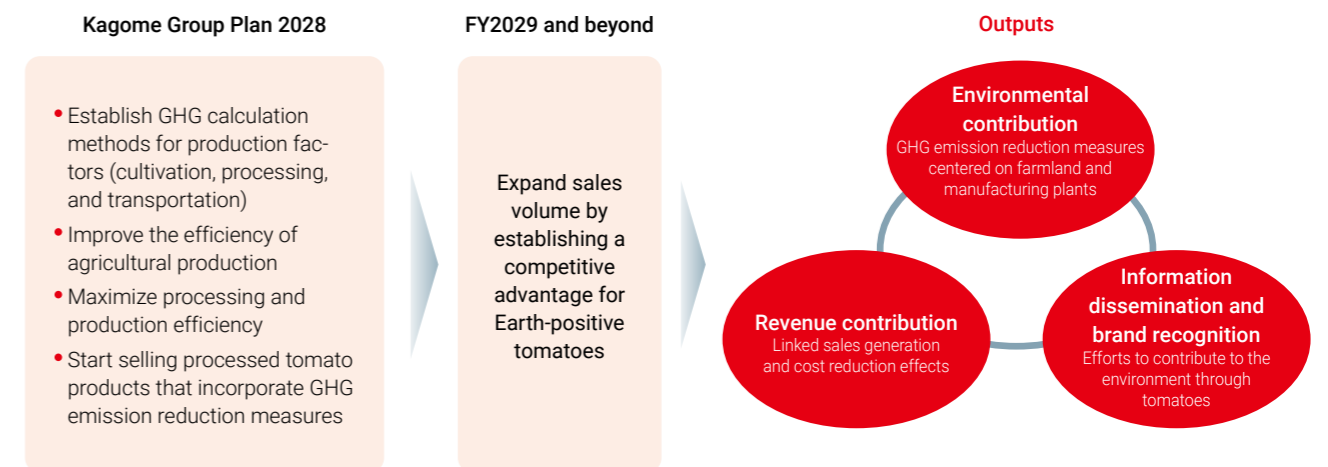
Kagome has long been deeply involved in tomato cultivation and processing, striving to achieve both environmental contributions and economic benefits. The cultivation and processing techniques acquired through these efforts, along with the specialized personnel in agricultural research and production technology development, are vital assets for new value creation. Furthermore, we believe that Kagome, whose operations span the entire value chain from plant variety development and cultivation to processing and sales, and with a network of producing areas around the world, is uniquely positioned to maximize the impact of the effects of these activities.



Cultivation of processing tomatoes overseas

➔ Milestones and Implementation Structure

Under Kagome Group Plan 2028, we will establish a project structure centered on GARBiC and involving relevant departments to put into place methodologies for calculating GHG emissions by production factor (such as cultivation, processing, and transportation), as well as to work on improving efficiencies within processing operations. Additionally, we will conduct technological and business verification to expand revenue through the sale of value-added Earth-positive tomato products and reduce manufacturing costs. **Research & Development** P.29-30



Research & Development

Diet & Well-being Research Institute (Functionality Research and Behavioral Change Research)

To realize the well-being of consumers, the Diet & Well-being Research Institute will explore the potential of vegetables and plant-based products from various perspectives. Additionally, it will contribute to the development of devices that support behavioral change in vegetable consumption and to the creation of mental and social value derived from agriculture and cultivation and cooking.

→ Purpose of Research

To achieve Kagome's 2035 Vision, the institute will significantly broaden its research focus from the previous emphasis on physical health to encompass mental and societal well-being, including emotional fulfillment and social connections. It will elucidate the diverse value inherent in vegetables by scientifically examining not only their consumption as nutrients, but also the very experiences themselves—the joy of growing them (agriculture and cultivation) and the pleasure of eating them (cooking). From the soil that nurtures vegetables to the dining table, the institute will pursue a comprehensive, multifaceted research approach to realize vibrant well-being for consumers—one that nourishes not only the body but also the mind.

→ Priority Issues in Kagome Group Plan 2028

Under Kagome Group Plan 2028, the institute will focus efforts on research domains that deepen understanding of consumers, in addition to existing research on the functional properties of vegetables. For our domestic business, the institute will continue to focus on increasing vegetable intake by researching the functional properties of Kagome products and vegetables, acquiring evidence to promote behavioral change, and researching and developing new devices following VegeCheck®. Additionally, it will advance research in agriculture, cultivation, and cooking to realize our new value domain, the well-being business. The institute will also advance the creation and dissemination of evidence that contributes to the development of our overseas businesses, along with business verification support.

Three Research Approaches to Realizing a Well-being Society

The fields Kagome is venturing into	Issues
1. Deepen food & health (increase the sophistication of conventional functionality research)	Promote health close to the life stage of each individual <ul style="list-style-type: none"> Elucidate the new power of vegetables and plant-based products to address health concerns that change with age and gender-specific issues Obtain evidence demonstrating the benefits of consuming vegetables and utilizing processed vegetable products across all age groups
2. Expand the mind and experiences (expand into agriculture, cooking, and behavioral changes)	Provide lifestyles where great tasting and enjoyment naturally lead to health <ul style="list-style-type: none"> Propose optimal nutrition foods to individual constitutions and lifestyles, and establish mechanisms for sustainable behavioral change that can be enjoyed over time Obtain evidence on the enjoyment and effects of growing and cooking
3. Implementation in society (Promote research foundations and R2B)	Widely return research results to society and create a sustainable future <ul style="list-style-type: none"> Establish a starting point for creating new value that captures latent needs of consumers Commercialize research outcomes and contribute to resolving social issues (such as longer, healthier lives) by cooperating with domestic and overseas partners, including businesses, local governments, and educational institutions

Message

Contributing to well-being by connecting narrative and evidence

To realize our 2035 Vision, the core of our new strategy at the Diet & Well-being Research Institute is the cycle of narrative (experience/story) and evidence (scientific basis). We will harness the power of science to uncover the latent needs and experiences for vegetables and plant-based products that lie dormant within consumers, and generate solid evidence from this research and return it to society through our business as a new narrative that will once again move people's hearts. We will expand this value creation cycle beyond the traditional domain of food into new domains such as agriculture and cultivation as well as cooking, challenging ourselves to provide solutions that contribute not only to physical health but to all aspects of mental and societal well-being. By connecting the stories and science of vegetables and plant-based products, we will drive the Kagome Group's sustainable growth and aim to make the Diet & Well-being Research Institute one of the foremost research institutes in the world that contributes to achieving true well-being for people around the world.



Shigenori Suzuki
 General Manager
 Diet & Well-being Research Institute

GARBiC (Agricultural Research)

Through diverse and open combinations of people and technology, GARBiC will tackle global agricultural challenges and create consistent value rooted in agriculture across the Group's various businesses.

→ Purpose of Research

Climate change risks in agriculture are increasing year by year, with rising temperatures and water stress, along with outbreaks of pests and diseases, expected to reduce crop yields. Furthermore, we know that around 75% of GHG emissions in tomato production occur before the product arrives at the production plant. To address these issues, we are developing, implementing, and commercializing plant varieties and cultivation technology with the aim of enhancing development capabilities for achieving sustainable agriculture. This organization encompasses the Agri, Bio Resource and Technology Development Department, the Agri-Business Research & Development Center in Portugal, GARBiC USA operating in the United States, and United Genetics (UG), which develops, produces, and sells seeds. GARBiC, Ingomar, and contract farmers will work closely together to identify issues faced by processing tomato producers, as well as develop, implement, and commercialize corresponding varieties and cultivation technologies through collaboration within the Group.

Agricultural R&D Infrastructure

Organization	Role	Technological development		Verification and implementation	Business
		Plant variety development	Cultivation technology development		
GARBiC USA	Technological development (plant varieties, advanced breeding, and cultivation) Investment in start-ups with agricultural technology through CVC * Investments finalized as of December 2025: 4	○	○	○	
Agri, Bio Resource and Technology Development	Technological development (plant varieties, advanced breeding, and cultivation)	○	○	○	
Agri-Business Research & Development Center	Technological development (plant varieties, advanced breeding, and cultivation)	○	○	○	
UG	Plant variety development and seedling sales	○		○	○
Ingomar and contract farmers	Identification of issues and verification /implementation of technologies				○

→ Priority Issues in Kagome Group Plan 2028

Area	Contents
Technology exploration to development	Explore new technologies through CVCCVC-led exploration of new technologies
Incubation Acceleration	Verify technologies, and obtain and utilize data in the Living Lab* Acquire and utilize agricultural data
Business	Optimize the seed production supply chain Sustainable supply of product pipeline
Business cooperation	Examine and evaluate solutions for various challenges faced by Ingomar's contract farmers Develop and introduce improved varieties and new technologies for processing tomatoes, fresh tomatoes, and vegetables



Real-world testing at Living Lab

* Living Lab: An initiative enabling real-world testing in appropriate locations through long-term relationships built with farmers. Plans to expand to North America, Portugal and Australia

→ CVC-led Exploration of New Technologies

To accelerate the exploration of technologies and business development that will serve as sources of mid-to-long-term innovation in agriculture, we established a corporate venture capital (CVC) fund in 2024. The total fund size is 50 million US dollars, with a 10-year investment horizon.

As of December 2025, through this CVC, we have decided to invest in four companies. In September 2025, we invested in EF Polymer, which develops and sells superabsorbent polymers derived from plant-based raw materials. During the 2025 tomato growing season, we conducted a large-scale demonstration test on approximately 15 hectares at a processing tomato farm in California to verify the reproducibility of the effects and its suitability for farm operations. Going forward, we will advance the design and implementation of measures that contribute to reducing water usage and stabilizing yield and quality.



Demonstration of a method for applying superabsorbent polymers to a field

CFO/CRO Message

We will maintain the stability of our financial platform and support growth with an emphasis on capital efficiency



Takeshi Saeki
 Director & Managing Executive Officer
 CFO & CRO, General Manager of Finance & Accounting Department

Q1 While Japan's stock market as a whole is trending upward, Kagome's stock price has underperformed. Why was there insufficient evaluation of Kagome's initiatives under the previous Mid-Term Management Plan? Can you identify areas for improvement during Kagome Group Plan 2028?

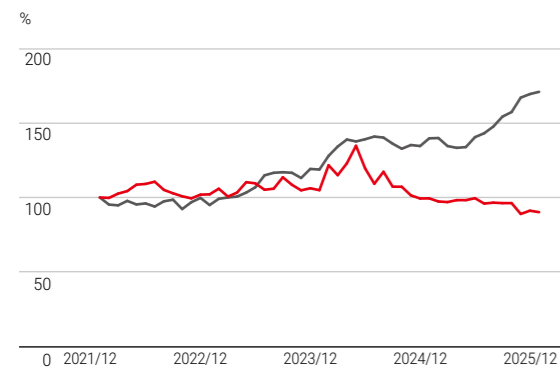
We take the current situation, where our stock has underperformed despite the overall strength of the Japan's stock market, extremely seriously. This represents the market's evaluation that we are not sufficiently generating value exceeding our cost of capital, and we recognize it as a most critical issue requiring urgent improvement.

The International Business (tomato and other secondary processing), positioned as a growth driver, failed to achieve the anticipated growth. Furthermore, Ingomar's

profits struggled to grow due to the downtrodden market conditions for tomato paste. These two factors were the reasons why we were unable to achieve the ROE*1 target of 9% set in the previous Mid-Term Management Plan.

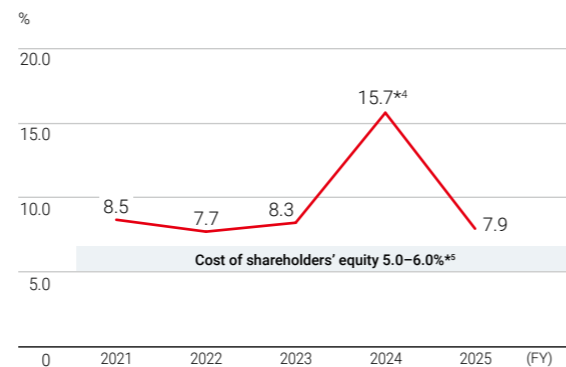
Under Kagome Group Plan 2028, we will further evolve ROIC*2-based management and portfolio management, undertaking management reforms that go beyond our conventional approaches.

Trends in Kagome's Stock Price*3 and TOPIX



*3 Relative stock price at the end of the month, with December 31, 2021 indexed to 100

Trends in ROE



*4 Includes one-off profit of 9.3 billion yen due to the acquisition and consolidation of Ingomar.

*5 Cost of shareholders' equity as recognized by the Company. Estimated based on CAPM and dialogue with investors.

*1 ROE stands for return on equity. It is an indicator that shows how effectively funds (shareholders' equity or net assets) are being utilized and how much profit is being generated as a result.
 *2 ROIC represents Kagome ROIC calculated by EBITDA ÷ invested capital.

Q2

The target ROE of 9% or higher, which was not achieved in the previous Mid-Term Management Plan, remains unchanged in Kagome Group Plan 2028. Does this level ensure a sufficient spread relative to the cost of capital as recognized by the company? Additionally, can you share a specific roadmap and commitment for accelerating business portfolio management to deepen ROIC management and achieve ROE targets?

We recognize our current cost of shareholders' equity*5 to be approximately 5 to 6%. Therefore, the 9% ROE target set out in Kagome Group Plan 2028 represents only the minimum level to be achieved and is merely a milestone. We will strive for further improvements in the future.

To increase ROE, it is necessary to further advance ROIC management. During the previous Mid-Term Management Plan, we worked to visualize ROIC. During

Kagome Group Plan 2028, we will drive improvements from both aspects: enhancing profit margin and increasing the total asset turnover ratio.

The other is business portfolio management*6. We will clarify the supervisory and decision-making structure of the Board of Directors and establish an optimal framework.

Financial Strategy [P.34](#)

Q3

The financial policy for Kagome Group Plan 2028 is to practice management conscious of the cost of capital and balance growth investments and shareholder returns. Can you explain the priority of cash allocation for sustainable growth and the direction of investments, including inorganic strategies such as M&A?

To achieve sustainable enhancement of corporate value, the generation of stable cash flows from operating activities is a must. Cash flows from operating activities will serve as the source for shareholder returns and investments in the growth and maintenance of existing businesses.

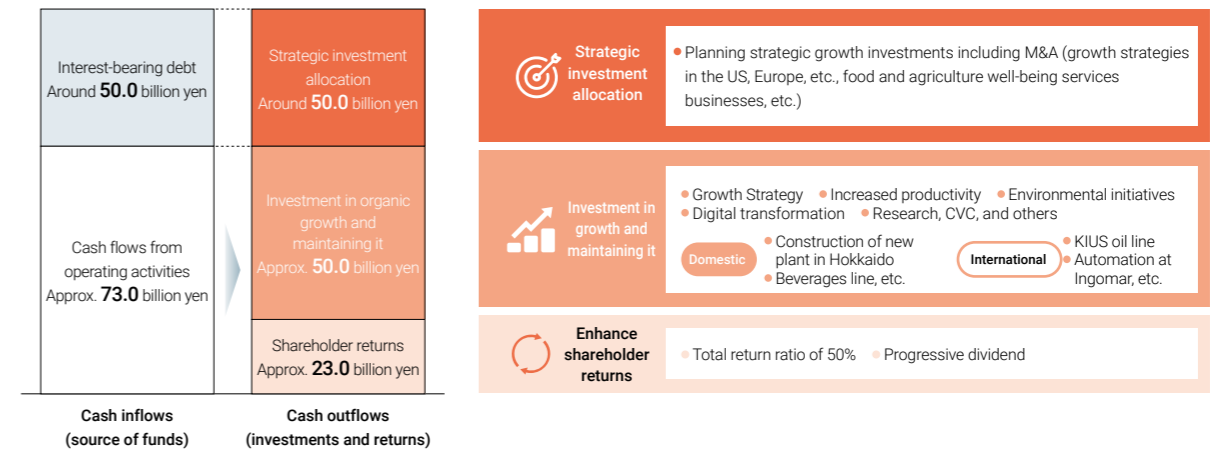
Regarding shareholder returns, we aim for a total return ratio*7 of 50% or higher during the Kagome Group Plan 2028 period. We will also raise our dividend level to further strengthen our relationship with our shareholders.

Growth and maintenance investments target three areas. First is improving productivity at our North American

and European bases in the International Business and establishing a vertically integrated tomato business in India. Second is strengthening our revenue base through expansion of domestic tomato production facilities and expanding beverage container options for our Domestic Processed Food Business. Finally, third is pursuing new value domains such as food and agriculture well-being services.

Additionally, we plan to allocate 50 billion yen as a strategic investment allocation. This represents investment in M&A and other initiatives for inorganic growth, with funding primarily planned through borrowing.

Kagome Group Plan 2028 Cash Allocation



*6 Business portfolio management: A management approach that involves the appropriate management of multiple businesses, projects, assets, etc., to optimize risk and return as well as enhance corporate value.
 *7 Total return ratio: An indicator showing the proportion of dividends and share buybacks relative to a company's net income. It is calculated as (Dividends + Share buybacks) / Net income.

CFO/CRO Message

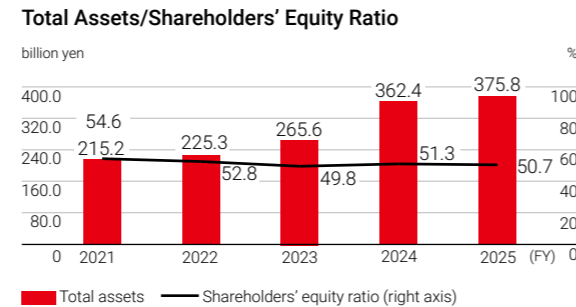
Q4

Maximizing corporate value requires a balance between maintaining financial soundness and enhancing capital efficiency.
From the perspective of optimal capital structure, how do you assess Kagome's current financial leverage and shareholders' equity ratio*8?

We assess our financial platform as sound, but recognize that to promote growth, we need to enhance capital efficiency.

Under Kagome Group Plan 2028, we will actively utilize debt necessary for growth investments, targeting a D/E ratio of approximately 0.6, while maintaining our credit rating.

We will also work to streamline our balance sheet. Specifically, we will continue to rigorously determine appropriate inventory levels, sell low-utilization and idle assets, and reduce our cross-shareholdings.

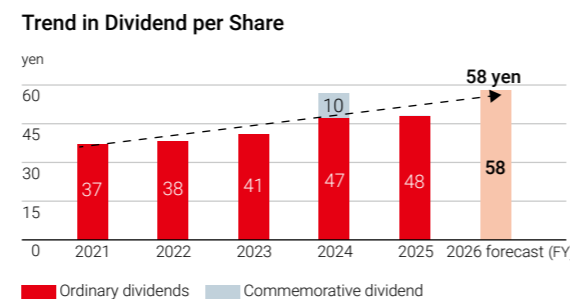


Q5

Kagome Group Plan 2028 introduces significant changes with regard to the shareholder return policy.
What are your thoughts?

The total return ratio for the previous Mid-Term Management Plan period was 41.3%, exceeding the target of 40%. Additionally, for FY2025, we paid a dividend per share of 48 yen.

Under Kagome Group Plan 2028, we will raise the total return ratio target by 10 percentage points to 50% to clearly demonstrate our strong commitment to the capital markets. Furthermore, the dividend amount for FY2026 has been set at 58 yen, and it will be a progressive dividend.



Q6

One factor contributing to stock price underperformance may be that Kagome's growth strategy and unique strengths have not been sufficiently understood by the capital markets, resulting in information asymmetry.
At Kagome, which embraces "Corporate Openness" as part of its Corporate Philosophy, what is your policy for strengthening and improving information disclosure, including investor relations and shareholder relations activities and non-financial information, to bridge this gap?

We sincerely acknowledge that our growth strategy and strengths have not been sufficiently communicated to the capital markets. Eliminating information asymmetry is my key responsibility as CFO.

In particular, we will strive to enhance understanding of our rapidly growing International Business through measures such as improving disclosure of information and

accepting on-site visits. **Shareholder and Investor Engagement** [P.73-74](#)

Dialogue with investors is a mirror reflecting our current position. Our mission is to refine our business direction through dialogue and execute it with certainty. This is nothing less than embodying the concept of "Corporate Openness" more than ever before.

*8 Shareholders' equity ratio: Net assets attributable to shareholders of parent to total assets

Financial Strategy

Toward the implementation of the business strategies of Kagome Group Plan 2028, we will balance growth investments with shareholder returns based on a sound financial platform.

Basic Policy "Management conscious of the cost of capital" and "balancing growth investments with shareholder returns"

i) Growth with an emphasis on capital efficiency

- Budget for organic growth investment: 50 billion yen
- Budget for strategic investments: around 50 billion yen
- Improvement of capital efficiency

ii) Stability of the financial platform

- Maintain a single A credit rating as an indicator to ensure financial stability
- Finance strategic investments including M&A through borrowings within the scope of maintaining credit rating

iii) Stable return of profits

- Increase the total return ratio from 40% to 50% and introduce progressive dividend

Kagome Group Plan 2028 Management Indicators

ROE of 9% or higher

Action Plan to Improve ROIC

► Initiatives of the Previous Mid-Term Management Plan (2022-2025)

We worked to establish a management framework based on Kagome ROIC and to visualize Kagome ROIC by segment*. Furthermore, the ROIC tree derived from this was used to break down the balance sheet indicators into KPIs for each department, enabling each company and department to improve its indicators.

	Results for FY2023	Results for FY2024	Results for FY2025	Targets for FY2026
Kagome ROIC (%)	13.2	12.4	10.6	10.4
EBITDA Margin (%)	12.3	12.7	11.7	11.4
EBITDA (million yen)	27,726	39,096	34,509	35,230
Revenue (million yen)	224,730	306,869	294,264	310,000
Turnover of invested capital (days)	341	376	404	397
ROIC (%)	6.7%	7.1%	5.6%	5.5%

ROIC: Core Operating Income x (1-Tax rate) / (Shareholders' equity + interest-bearing debts)
 WACC: approximately 3.5%-5%

► Actions for Increasing ROIC in Kagome Group Plan 2028

ROE for FY2025 was 7.9%, falling short of the target of 9% set in the previous Mid-Term Management Plan. We recognize that the primary factors are the sluggish growth in net income attributable to shareholders of the parent and the insufficient improvement in the total asset turnover ratio.

Achieving the ROE target of 9% or higher set in Kagome Group Plan 2028 requires improving ROIC, meaning enhancing both the earnings power of our businesses and the efficient utilization of assets.

To achieve this, we will advance the two key actions at right.

Kagome ROIC for FY2025 declined to 10.6%, due to a 1.0-point deterioration in EBITDA margin and a 0.8-point decline due to an increase in invested capital. For FY2026, we anticipate an EBITDA margin of 10.4%, resulting from a 0.3-point deterioration in the EBITDA margin and a 0.1-point improvement in invested capital turnover days.

* Kagome ROIC: EBITDA/Invested capital

Kagome ROIC

Domestic Processed Food Business	International Business
FY2025: 16.7%	FY2025: 8.7%
↓	↓
FY2026: 16.8%	FY2026: 7.6%

Main KPIs and Departments in Charge

- Trade receivables turnover (Sales Division)
- Raw materials inventory (Purchasing Department)
- In-house processed material inventory (Production Department)
- Product inventory days (SCM Division)
- ROIC of each overseas subsidiary (KFIC)

Strengthening Business Portfolio Management

- Optimize resource allocation based on profitability and growth potential
- Clarify the decision-making process by enhancing the Board of Directors' oversight function

Improving ROIC by segment by Redesigning ROIC Management

- Improve profit margins: value enhancement and pricing strategies
- Improve asset turnover: inventory optimization and asset efficiency initiatives

Human Resources Strategy

Message from the Officer Responsible for Human Resources

We will realize our 2035 Vision by implementing a human resources strategy aligned with management strategy in response to changes in our business structure

Joji Kawahara

Executive Officer
Human Resources and General Affairs Division Director



Q1 In February 2026, Kagome announced its 2035 Vision and the first Mid-Term Management Plan called Kagome Group Plan 2028. What is the positioning and overview of the human resources strategy within Kagome Group Plan 2028 for realizing the company's vision?

Our newly announced long-term vision presents a challenging agenda for the Kagome Group. We recognize that the very power of our employees is what will make this vision a reality, and therefore our human resources strategy for achieving this vision is of utmost importance.

I believe there are four key points to the strategy. First is the linkage of management and human resources strategies. First, with an eye toward achieving our 2035 Vision, we will clarify what skills are needed, when they are needed, and in what quantities. Based on this, we will formulate recruitment and development plans. After formulation is complete, we will set the required fulfillment rate for each Mid-Term Management Plan every 3 to 4 years and strive to achieve it. This is due to the significant changes in our business structure. Previously, the core of our sales was the Domestic Processed Food Business, but by FY2024, the scale of our International Business accounted for approximately half of the company's sales. Further changes in our business structure are also anticipated going forward. To respond to these changes, we believe it is necessary to advance a human resources strategy based on backcasting that incorporates long-term targets, moving beyond the traditional forecasting perspective.

We will also change the systems for managing employees' abilities, skills, and career development. To refine our workforce plan, we will reorganize and reconstruct the information we collect and manage to enable centralized management of each employee's work experience and skills.

The second point is work career development and life career support. To put it simply, I want to work toward creating an environment where our people can excel at the

work they want to challenge themselves with. It is also important for human resources strategy to incorporate the employee perspective. This is because maintaining high motivation and growth among all employees is essential to our company's growth. We will establish and embed systems to support employees in pursuing challenging roles, while simultaneously developing KPIs to measure progress, drawing on best practices from other companies. We are also undertaking a fundamental overhaul of our personnel evaluation system for the first time in around 20 years. Starting in 2026, we plan to gradually introduce a new system designed to adapt to changes in the social environment and individual work values, beginning with managerial positions.

The third point is the restructuring of engagement initiatives. Since 2021, Kagome has conducted engagement surveys and worked to enhance job satisfaction and instill psychological safety. The engagement score rose from 70 points in 2021 to 73 points in 2025, and I feel the term "engagement" has become widely established within the company. This is evidenced by many managers setting engagement as one of their own challenges when filling out their annual KPI target sheets.

Going forward, we will address the areas highlighted as challenges in the engagement survey and translate them into concrete human resources initiatives. First, we will strategically aim for a 0.6-point annual increase in the overall engagement score by focusing on four key areas: job satisfaction, career opportunities, satisfaction with evaluation, and satisfaction with compensation.

The final point is the establishment and operation of a global framework. Until now, our overseas subsidiaries have

been advancing their own human resources policies. This resulted in an insufficient system for Group-wide coordination. For example, just as we have an organization that oversees the quality of our products across the entire Kagome Group, including overseas, we will also establish a global, Group-wide framework for human resources. First,

we will begin by coordinating and sharing the functions available at each company, starting with the selection process to determine whether to maintain each company's unique approaches. We believe this represents what Kagome strives for, where the International Business now accounts for approximately half of our consolidated results.

Q2 Kagome's International Business now accounts for roughly half of all revenue, and the 2035 Vision outlines two new business concepts. What measures are being taken to cultivate talent capable of excelling in such phase?

We believe it is necessary to establish a culture and systems that value the challenge itself, not just the results. First, as mentioned earlier, we will create an environment where individuals can actively pursue new challenges by establishing systems that enable the realization of their desired career paths and expanding work style options suited to diverse perspectives on employment. This will allow us to achieve both the fulfillment of individual careers and the growth of our businesses. As a prerequisite, it is essential that employees take pride in and grow to love how our business, products, and services contribute to resolving social issues. We believe that employees genuinely liking Kagome—whether it's our products, Corporate Philosophy,

or approach to nature and agriculture—is a crucial element of our human resources strategy, even if it is somewhat sentimental.

Furthermore, to accelerate our International Business, it is first necessary to share the management strategy for achieving it, along with our Corporate Philosophy, with all employees worldwide and gain their understanding and support. The human resources capable of making our Creating Value from Agriculture initiative a reality are invaluable assets. Therefore, looking ahead, we are considering not only sending personnel from Japan to various countries, but also deploying qualified talent globally in a cross-border manner.

Q3 Kagome has always valued people-centered management, believing that human growth leads to Kagome's growth. How will the company evolve human capital management under the new Vision, and what will serve as the indicators for measuring the success of these initiatives?

Human resources strategy is not something that ends with formulation; it requires constant tuning by aligning with changing management strategies and incorporating employee feedback. Therefore, we aim to monitor indicators such as staffing levels, engagement scores, and turnover rates, while also making face-to-face dialogue with employees a key indicator for strategy execution.

In implementing and embedding various initiatives and systems based on our human resources strategy, we prioritize fostering a sense of conviction among employees. We will achieve this by carefully engaging in dialogue through methods tailored to each individual, ensuring thorough understanding and acceptance.

Furthermore, as the foremost champions of human resources strategy, it is crucial for the President & CEO and

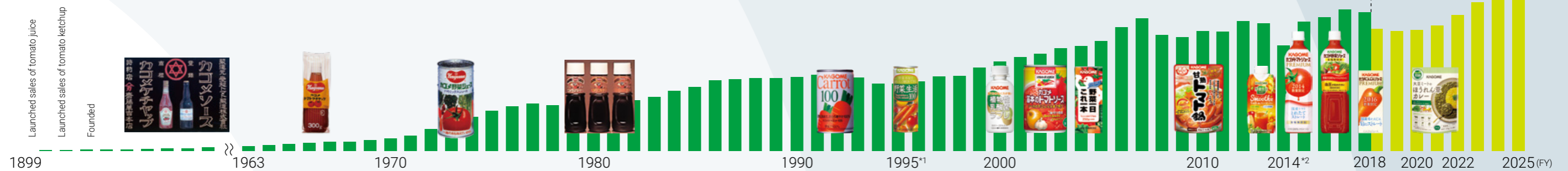
other executives to take the lead, consistently communicate from the front lines, and engage with employees. To realize our Vision for the next decade, I will explain how crucial our human resources strategy is and communicate our various initiatives. I recognize that my mission as the officer in charge is to execute these plans alongside the President & CEO.

Since joining the company, I have primarily gained experience in sales and the International Business, carrying out work that directly drives business operations. Since assuming my current position in 2023, I am personally excited to be involved in a human resources strategy that can enhance everyone's sense of fulfillment and strengthen the company. We will implement our human resources strategy to realize our management strategies while working closely with our employees.

127 years Working Toward a Cycle of Humanity Enriching Nature, and Nature Humanity

Founder Ichitaro Kanie's spirit of gratitude for nature's bounty and reverence for crops, along with his pursuit of new value, remains alive today as the foundation of Kagome's manufacturing, even after 127 years.

We will continue to cherish the connections between nature and people, driving innovation from farm to everyday life. We will persistently take on challenges on the global stage to realize a sustainable future and prosperous lifestyles, contributing to social issues and enhancing people's well-being.



*1 Presents non-consolidated net sales until FY1995 and consolidated net sales/revenue for FY1996 onward.
 *2 FY2014 represents the nine-month period from April 1, 2014 to December 31, 2014 following change to the Company's business year.
 *3 Kagome has adopted IFRS since FY2019. For reference, figures in conformity with IFRS are also included for FY2018.

Kagome's roots

1899-Tomatoes grown for the first time

Ichitaro Kanie was born into a farming family in Tokai City, Aichi Prefecture (present-day), and with an eye toward regional development through agriculture, he took on the challenge of cultivating Western vegetables. Even tomatoes that didn't sell well weren't wasted; instead, Kanie focused on their potential for processing. Drawing inspiration from American food culture, Kanie developed his own tomato puree and founded a processed food company in 1914.



Agriculture

- From 1906** Contracted cultivation of raw tomatoes
- From 1961** Development of cultivation technology for raw materials
- From 1963** Breeding of raw material crops
- From 1972** Development of made-in-Japan tomato harvester
- From 1993** Developed tomato variety for juicing with greater harvesting efficiency
- From 1999** Start of fresh vegetables business
- 2019** Plant variety development aimed at expanding production areas
- From 2022** Smart agri-services
- From 2024** Promotion of agriculture with reduced environmental impact through CVC

Food

- 1910** Around the time Kagome was founded
- From around 1962** Development of plastic containers
- From around 1975** Advancements in concentration technology
- 1992** Development of carrot juicing technology
- 2022** Technological development expanding new possibilities of vegetables

Utilization of the value generated from agriculture in food/ Technological innovation that increases the sustainability of agriculture

We develop processing technologies that maximize the inherent flavor of agricultural raw materials, and deliver products that connect nature's bounty to people's health. Furthermore, to achieve sustainable raw material procurement, we have worked to develop processing tomato plant varieties and advance cultivation techniques, establishing stable quality and supply systems. We are leveraging the expertise we have cultivated to promote sustainable agriculture with low environmental impact, including measures to address climate change.

International Business

Activities to expand the value generated from agriculture globally (development of the International Business)

We have developed raw material procurement bases around the world while advancing our inroads into overseas markets. In the 2000s, following the successful launch of products for global food service, such as pizza sauce, in the United States, we expanded our presence in Europe, Australia, India, and other regions, establishing our position as a global tomato company. Furthermore, in ASEAN, we are tackling the challenge of promoting vegetable beverages, working to raise health awareness and grow the market.

- 1967** Establishment of Taiwan Kagome Co., Ltd.
- 1988** Establishment of US subsidiary
- 2003** Establishment of Vegetalia S.p.A. in Italy
- 2007 to 2016** Establishment of local subsidiaries in Portugal, Australia, and India
- 2024** Acquisition and consolidation of Ingomar Packing Company, LLC in the U.S.

General Business Conditions

The Group's business is divided into two segments: **Domestic Processed Food Business** and **International Business**. The Domestic Processed Food Business is further divided into three categories: Beverages, Direct Marketing and Food-Other. Our International Business is divided into two categories: namely, tomato and other primary processing and tomato and other secondary processing.

Total revenue
294.2 billion yen

Total core operating income
22.6 billion yen

Segment composition (FY2025)

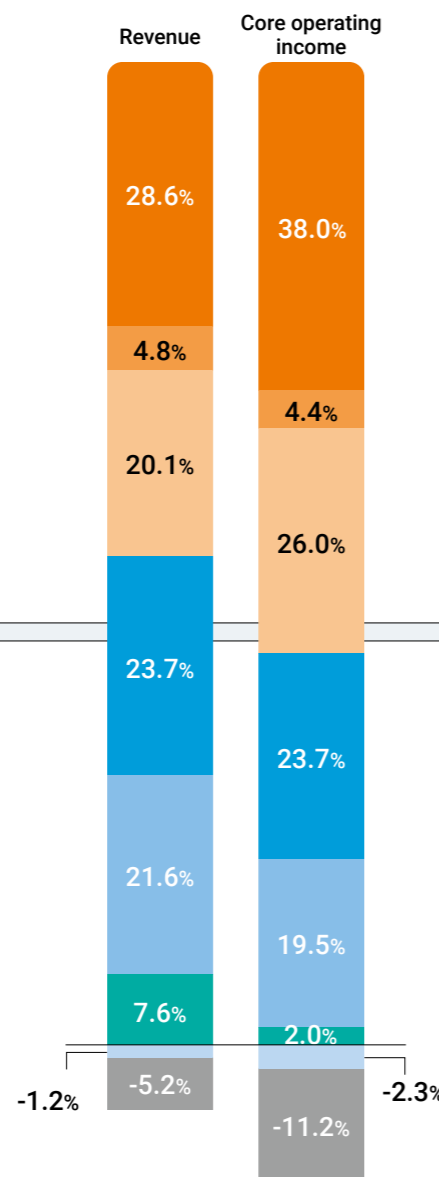
- Domestic Processed Food Business (Beverages, Direct marketing, Food-Other)
- International Business (Tomato and other primary processing, Tomato and other secondary processing, Adjustments)
- Other Businesses (Adjustments (includes common consolidated costs related to Group head office functions otherwise not allocated to business segments))

* Kagome has adopted IFRS since FY2019. For reference, figures in conformity with IFRS are also included for FY2018.
* Kagome changed its reporting segments in FY2022 and FY2024. Figures for FY2021 and FY2023 were prepared retroactively and are presented based on this change.

Domestic Processed Food Business

P.23-24

Engages in the manufacturing and sales of beverages, condiments, products for direct marketing, gift products and others.



Revenue

157.3 billion yen (FY2025)

- Beverages **84.1 billion yen**
- Direct marketing **13.9 billion yen**
- Food-Other **59.1 billion yen**

Core operating income

15.5 billion yen (FY2025)

- Beverages **8.6 billion yen**
- Direct marketing **0.9 billion yen**
- Food-Other **5.9 billion yen**

International Business

P.25-26

Engages in a broad range of operations from farming to product development, processing, and sales.



Revenue

129.8 billion yen (FY2025)

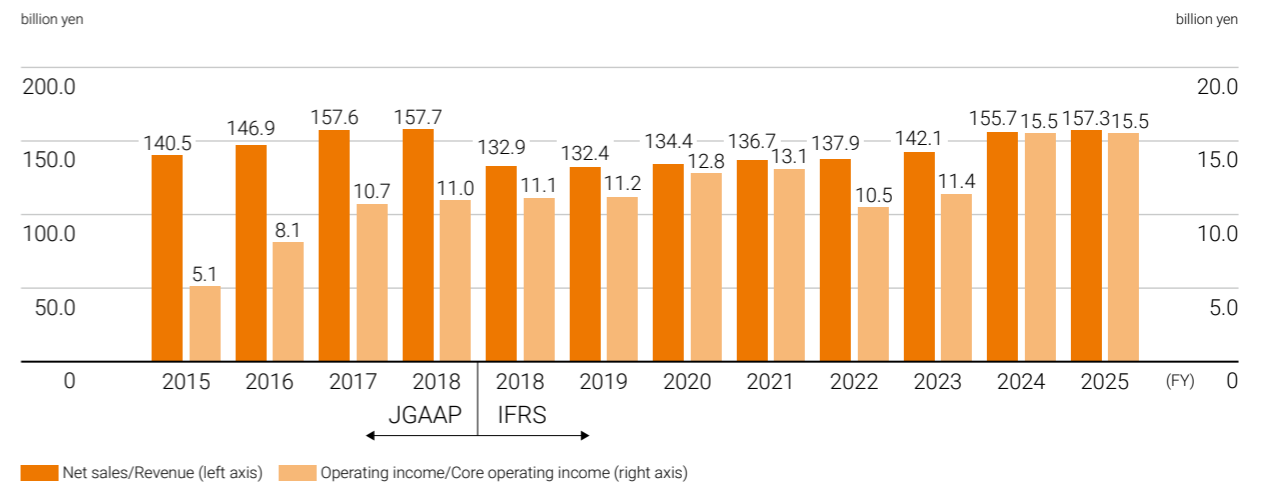
- Tomato and other primary processing **69.6 billion yen**
- Tomato and other secondary processing **63.6 billion yen**
- Adjustments **-3.4 billion yen**

Core operating income

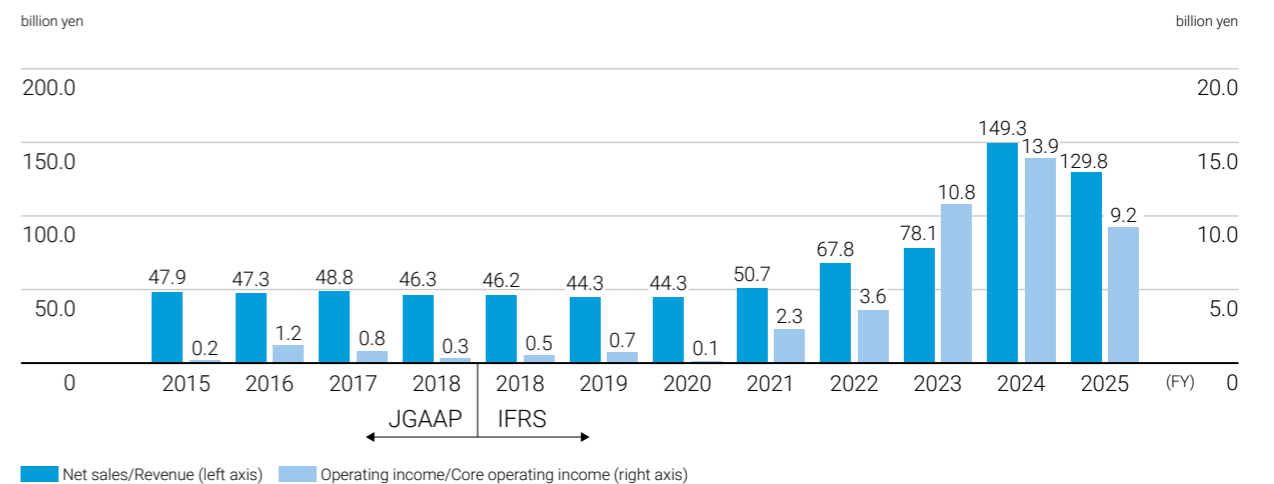
9.2 billion yen (FY2025)

- Tomato and other primary processing **5.3 billion yen**
- Tomato and other secondary processing **4.4 billion yen**
- Adjustments **-0.5 billion yen**

Trends in Revenue and Core Operating Income



Trends in Revenue and Core Operating Income



Sustainability Governance

Kagome's Approach to Sustainability



Basic Policy on Sustainability

Since its founding, the Kagome Group has proposed novel approaches to foods and services harnessing the bounty of nature, following its commitment toward manufacturing embodied by the belief that fields are the primary production plant.

To pass this approach to business on to the future, we will put into practice our corporate philosophy of "appreciation," "nature" and "corporate openness." At the same time, we will work to resolve social issues with the cooperation of stakeholders to achieve the Group's sustainable growth and realize a sustainable society.

Sustainability Promotion System

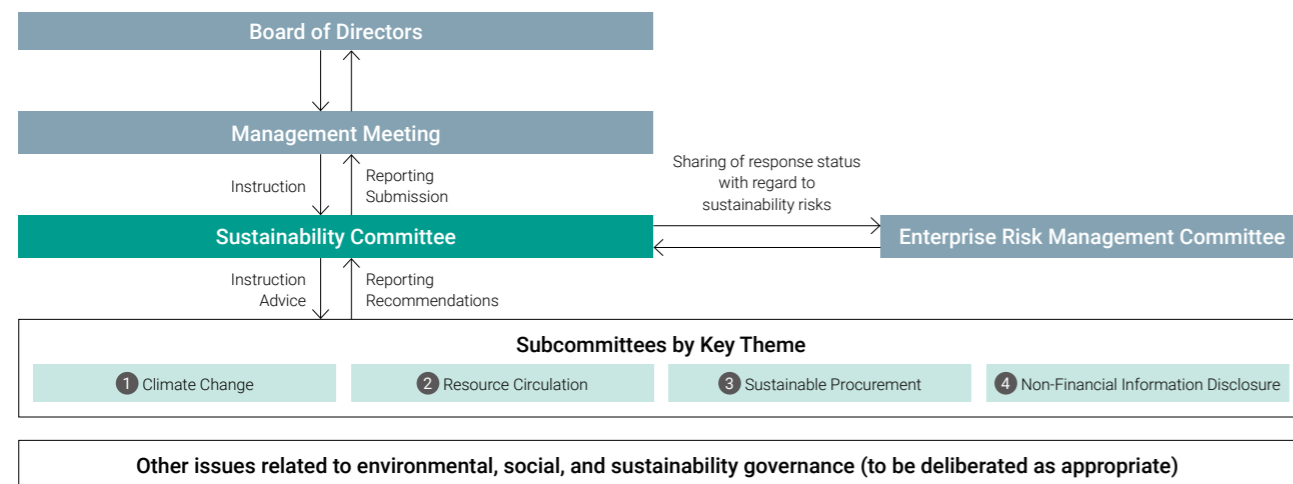
In October 2022, Kagome established the Sustainability Committee, under the Management Meeting, as a venue for discussions from a long-term perspective, in order to more powerfully advance company-wide the sustainability initiatives implemented previously by relevant departments. Based on recommendations from its subcommittees, the Sustainability Committee deliberates on company-wide initiatives and KPIs for key themes aimed at resolving materiality, and is also responsible for monitoring the progress of these efforts. Matters deliberated by the Sustainability Committee are submitted to the Management Meeting and the Board of Directors for discussion, so that they can be incorporated into management strategies.

In 2025, we reviewed the key themes to be addressed and committee members for 2026 onward, in order to address the newly formulated 2035 Vision and the correspondingly revised materiality. The Sustainability Committee will continue to spearhead our efforts to advance sustainability management.

Purposes of the Sustainability Committee

Purpose 1 Examine from a **long-term perspective** the realization of a sustainable society (resolution of social issues) and **Kagome's approaches** toward sustainable corporate growth, and reflect findings in management strategies.

Purpose 2 Monitor and provide instructions and advice to the relevant departments to promote the **key themes** identified in order to **resolve materiality**.



Subcommittees by Key Theme

The Sustainability Committee examined the themes to be prioritized from 2026 onwards to powerfully advance initiatives for materiality, particularly the 2035 Vision and the Environmental Management Plan (FY2026–FY2028) [P.50](#). We will address the designated key themes across the entire company, and build momentum toward addressing them by holding committee meetings at least once a year for deliberation and progress reports. In setting key themes, we prioritized materiality that were not discussed in other meetings or sessions, and from those materialities, we selected key themes that particularly contribute to advancing the 2035 Vision and the Environmental Management Plan.

Key theme	Reasons for selection and points for future discussion
1 Climate Change	We have set climate change as a key theme because of the materiality, "Minimize environmental impacts of the tomato-related global value chain and overcome climate change." This materiality was chosen because it aligns with the concept of "Pioneer an Earth-positive tomato business," which drives the realization of the 2035 Vision, and because climate change initiatives are also an area for strengthening in our Environmental Management Plan. We plan to discuss matters to be examined and deliberated in order to advance the "Pioneer an Earth-positive tomato business" concept, mainly focusing on reducing GHG emissions, such as Scope 3 and FLAG*, and expanding the introduction of renewable energy.
2 Resource Circulation	We have set resource circulation as a key theme because of the materiality, "Establish a sustainable supply chain." This key theme was chosen because it has the potential to contribute to the concept of "Pioneer an Earth-positive tomato business" from aspects other than GHG emissions, and because resource recycling efforts are also an area for strengthening in the Environmental Management Plan. We plan to discuss reducing plastic waste (promoting the use of recycled plastics), advancing resource circularity for key product containers such as aluminum-lined beverage cartons, and reducing food loss and waste.
3 Sustainable Procurement	We have set sustainable procurement as a key theme because of the materiality, "Establish a sustainable supply chain." This key theme was chosen because it has the potential to contribute to reducing the environmental impact of the tomato-related value chain through environmental due diligence on suppliers and improving their environmental awareness levels via engagement and collaboration. We plan to discuss visualizing suppliers' environmental awareness levels using tools like the Supplier Ethical Data Exchange (SEDEX) and collaborative measures for improvement.
4 Non-Financial Information Disclosure	We have set non-financial information disclosure as a key theme because of the materiality, "Strengthen corporate governance." This key theme was established based on the idea that, as global sustainability efforts progress through the 2035 Vision, particularly the concept of "Pioneer an Earth-positive tomato business," there is a need to discuss disclosures, certifications, and ratings that can appeal to overseas customers (business partners), shareholders, and institutional investors. The subcommittee plans to discuss how to comply with global disclosure regulations, as well as certifications and ratings that the Kagome Group should strategically acquire.

* FLAG: Represents greenhouse gas emissions in the Forest, Land and Agriculture, which includes agriculture, forestry, and other land-use related sectors.

Message

A company-wide effort to achieve both reduced environmental impact and enhanced corporate value

Kagome is powerfully advancing sustainability management across the company in order to realize its 2035 vision. The Sustainability Committee, which serves as the command center, has set forth four key themes: climate change, resource circulation, sustainable procurement, and non-financial information disclosure. It plays a major role in accelerating Kagome's efforts to reduce environmental impacts and gain trust globally. As the secretariat of the committee, I would like to support Kagome's challenge to simultaneously reduce environmental impacts and enhance corporate value by bringing together the expertise of the committee members and supporting company-wide collaboration through subcommittees focused on the key themes. We will embrace change as we steadily take on challenges for the future, realizing Kagome's unique approach to sustainability management. We believe that each step we take in this challenge will create sustainable growth for both society and Kagome.

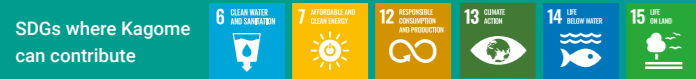


Daisuke Fukuhara
Corporate Planning Department
Sustainability Group

Initiatives for realizing the 2035 Vision

Minimizing Environmental Impacts of the Tomato-Related Global Value Chain and Overcoming Climate Change

Through the development of new tomato varieties and the advancement of cultivation techniques, we aim to become the provider of tomatoes and tomato products with the lowest environmental impact in the world and that are adapted to climate change.



Quality and Environmental Policy

Kagome's manufacturing process has contributed to people's health by utilizing the bounty of nature, as it is based on the idea that "fields are the primary production plant." Accordingly, our focus is on producing safe and high-quality raw materials from the vegetable seeds and soil creation stage. To continue enjoying nature's bounty, sustainable agricultural practices in a rich natural environment are essential. Balancing conservation of the global environment with nature-driven manufacturing is vital for the Kagome Group's business activities to continue growing into the future.

Recognizing the commonalities of our philosophies and interrelationships with activities regarding quality (manufacturing) and the environment, we integrated what had previously been separate quality and environmental policies into the Quality and Environmental Policy in October 2017. We are devoting the same enthusiasm we have put into our manufacturing into environmental conservation activities. Given this, this policy integrates our management intent to achieve a sustainable society.

- 1 We contribute to the longevity and good health of people, which is important to us by providing the flavor and health value of vegetables.
- 2 We grow safe agricultural raw materials consistently from seeds and fields by collaborating with our partners in Japan and abroad.
- 3 We protect water, soil and air that nurture vegetables, maintain agriculture that fosters rich nature for the future, and effectively use the benefits acquired.
- 4 We deliver safe, environmentally-friendly products by complying with laws, regulations and in-house standards and continuing to improve our systems and activities.
- 5 We apply customers' feedback to our corporate activities while communicating the reliability of our products and services.

Response to Climate Change and Natural Capital as well as Initiatives for Information Disclosure (TCFD and TNFD)

As a company that uses the bounty of nature as raw materials, the Kagome Group considers conservation of the natural environment to be of paramount importance, essential for both its business continuity and sustainable growth. Climate change and the loss of natural capital can have significant impacts on agricultural and social sustainability, as well as business growth. To address these risks, we are promoting initiatives based on international frameworks.

Response to the TCFD Recommendations

In 2019, we conducted scenario analyses in some departments to clarify the risks and opportunities that climate change presents to our business. In 2022, we expressed our support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), and in 2023, we launched a company-wide project to address these recommendations. We are re-analyzing the impact of climate change across our entire value chain and strengthening our response to ensure the sustainable growth of our businesses.

Response to the TNFD Recommendations

Recognizing the importance of natural capital, we began taking action in accordance with the recommendations of the Task

Force on Nature-related Financial Disclosures (TNFD) issued in September 2023. Focusing on "tomatoes," the most important raw material in our business activities, we are using the LEAP approach to assess their impact on natural capital and dependencies on ecosystem services.

Based on the results of the studies we conducted in FY2024 to respond to the TCFD and TNFD recommendations, Kagome formulated its Environmental Management Plan (covering FY2026 to FY2028) in FY2025. This plan is a comprehensive strategy linked to the TCFD and TNFD, and the KPIs newly established during the planning process have been reflected in the detailed response to the TCFD and TNFD presented in this report. This strengthens our business resilience to climate change and natural capital risks.

Recognizing the complex relationship between climate change and natural capital, the Kagome Group is working to comprehensively disclose information in accordance with the recommendations of the TCFD and TNFD. Going forward, we will expand information disclosure based on these frameworks. Through addressing challenges related to climate change and natural capital, we will contribute to the realization of a sustainable society and agriculture, as well as the sustainable growth of our businesses.

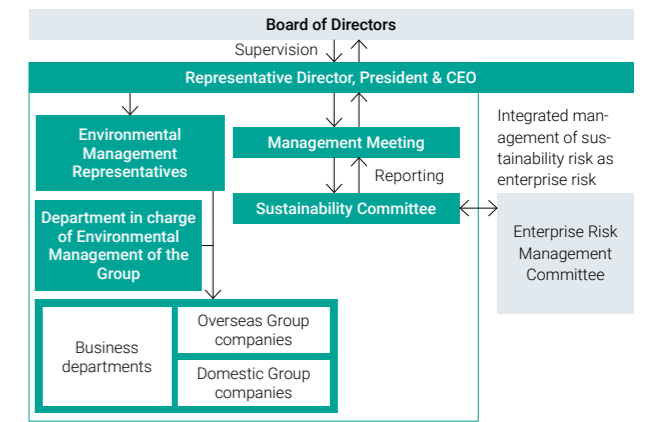
General Requirements of TCFD and TNFD

1	The application of materiality	The Kagome Group employs a single materiality approach to climate change, using it to assess the financial impact of climate change risks and opportunities on the Group. Furthermore, for natural capital assessments, we employ a double materiality approach, emphasizing environmental and social impacts.
2	The scope of disclosures	This covers direct operations of the Group, as well as the upstream and downstream aspects of our value chain. Direct operations include all production plants both in Japan and other countries. Upstream in the value chain, we are focusing on the Group's core business, the tomato business, tracking it globally down to the farm and analyzing its dependencies and impacts. In the downstream of the value chain, we also analyze the disposal and recycling of packaging, including consumers.
3	The location of nature-related issues	We examined all of the Group's businesses related to tomatoes, and reviewed a total of 270 locations, including 14 fresh produce business locations (domestic greenhouse farms [directly managed and contracted]) and 256 processing business locations (domestic plants [food product manufacturing and farms], overseas plants [food product manufacturing and farms], domestic contractors, and overseas suppliers [including secondary suppliers]). As a result, we have identified Japanese greenhouse farms and farms, as well as farms and production plants in Portugal, the United States, and Australia as priority areas where natural capital-related issues are located.
4	Integration with other sustainability-related disclosures	We recognize that climate change issues and natural capital-related issues are interconnected within the Group's business activities. In particular, among our natural capital-related measures, we believe that the procurement of raw materials and packaging, as well as the development, establishment, and operation of important tomato cultivation systems, will have a significant impact on climate change risks and opportunities. Therefore, we plan to proceed with activities that take into account the Group's future strategies, indicators, and targets in an integrated manner.
5	The time horizons considered	The time frame for the analysis is the maximum four years of the Mid-Term Management Plan for the short term, up to 2035 for the medium term, or the end year of the next long-term vision, and up to 2050 for the long term.
6	The engagement of stakeholders	We recognize the importance of stakeholder engagement, including with local communities and indigenous peoples. Currently, we are beginning due diligence efforts with our domestic and overseas raw materials suppliers, based on the Kagome CSR Procurement Policy and the Kagome Supplier CSR Code of Conduct, which are in line with our Quality and Environmental Policy and the Kagome Group Human Rights Policy. Going forward, we will continue to leverage the insights gained through engagement with stakeholders in our corporate management and advance our efforts to resolve sustainability issues.

Governance

The Kagome Group recognizes that an interruption in the procurement of raw materials is the greatest risk facing its business operations. We aim to strengthen our resilience as a Group in preparation for the impacts of climate change and nature-related issues on raw materials procurement, and to enhance our corporate value under the governance structure shown in the diagram at right.

The Board of Directors supervises the Management Meeting and Sustainability Committee. The Management Meeting receives reports from the Sustainability Committee and deliberates and implements the Group's management policies and strategies. Additionally, we have established a governance system for the Group through collaboration between the Sustainability Committee and environmental management system, which is based on ISO 14001.



Kagome's Environmental Management System
 * Different from the ISO 14001 certification scope

Sustainability Committee

- Chair:** Director & Executive Officer in charge of Sustainability
- Members:** Division directors and general managers of related departments involved in resolving social issues and addressing ESG issues, sustainability information dissemination department
- Purpose:**
 - Review Kagome's approaches for achieving a sustainable society (resolution of social issues) and sustainable growth of the company from a long-term perspective and reflect these findings in management strategies
 - Monitor sustainability issues identified to address our own materiality and carry out instructions and provide advice to departments responsible for implementation

Strategy

Scenario Analysis on Climate Change (TCFD) Identification of risks and opportunities

With the aim of achieving net zero emissions of greenhouse gases by 2050, the Kagome Group has established a greenhouse gas emission reduction target for 2030, which received certification from the Science Based Targets (SBT) initiative as a 1.5°C target*.

To align with this goal, we modified our TCFD scenario analysis from the previous 2°C and 4°C scenarios to the 1.5°C and 4°C scenarios to identify the risks and opportunities that climate change poses to our businesses.

* A science-based greenhouse gas emission reduction target to limit global warming to 1.5°C above pre-industrial levels

Initiatives for realizing the 2035 Vision

Minimizing Environmental Impacts of the Tomato-Related Global Value Chain and Overcoming Climate Change

List of Risks and Opportunities Related to Climate Change

Categories	No.	Climate change risks and opportunities	Level of impact	Time frame of occurrence	
Transition risks	1	Increase in tax payments from the introduction of carbon taxes	Small	Short to medium term	
	2	Higher procurement costs for purchased products, services and transportation due to carbon taxes	Large	Short to medium term	
	3	Increased investment in new technologies and equipment to reduce GHG emissions	Small	Short to medium term	
	4	Increased costs of complying with container and packaging regulations	Small	Short to medium term	
	5	Higher costs due to soaring electricity and energy prices	Medium	Short to long term	
Physical risks	Acute	6	Increase in extreme weather events (estimated damages caused by flooding at production plants and loss of profits due to production plants being unable to operate as a result of heavy rains and floods)	Medium	Short to medium term
		7	Changes in rainfall patterns (droughts causing water prices to soar)	Small	Short to medium term
	Chronic	8	Changes in rainfall patterns (higher production costs due to lower groundwater levels)	Small	Short to medium term
		9	Higher procurement costs due to reduced tomato yields caused by rising temperatures	Large	Short to long term
		10	Increase in procurement costs due to higher temperatures reducing agricultural productivity	Large	Short to long term
Opportunities	1	Lower costs through more efficient transportation	Small	Short to medium term	
	2	Lower costs through resource efficiency in containers and packaging	Small	Short to medium term	
	3	Lower costs through reduction in fertilizer and water usage, and increased sales through development and external sales	Small	Short to medium term	
	4	Higher sales through development and sales of sustainable and low-carbon products	Small	Short to long term	
	5	Greater sales opportunities due to diversification of business activities	Large	Short to long term	

* The time frame for the analysis is the maximum four years of the Mid-Term Management Plan for the short term, up to 2035 for the medium term, or the end year of the next long-term vision, and up to 2050 for the long term.
 * We reference each IPCC SSP scenario according to the range of average temperature rise for the TCFD's physical risks and the IEA's NZE scenario for transition risks.
 * The level of impact is roughly defined as "small" when below 2 billion yen, "medium" when between 2 and 5 billion yen, and "large" when over 5 billion yen.

Financial impacts due to risks and opportunities and response

1 Climate change (GHG and carbon taxes)

We recognize the introduction of carbon taxes and rising energy costs as transition risks related to climate change. We referenced the climate change scenarios presented in the International Energy Agency's (IEA) World Energy Outlook (WEO) and predicted the impacts based on carbon tax payments, energy demand and prices. The increase in payment costs due to carbon taxes is expected to be approximately 1.8 billion yen under net zero emissions (NZE: 1.5°C scenario) and approximately 1.6 billion yen under the stated policies scenario (STEPS: 4°C scenario).

We have obtained certification from the SBT initiative and will continue to work on reducing greenhouse gas emissions by improving energy efficiency in our production plants and utilizing renewable energy sources. We will also step up cooperation with suppliers, aiming to improve transportation efficiency and reduce

Response strategy for climate change-related risks and opportunities (mitigation)

greenhouse gas emissions in the procurement of raw materials, including containers and packaging.

SBT certification

To strengthen our climate change countermeasures, we have formulated new targets for reducing greenhouse gas (GHG) emissions and obtained certification under the new Science-Based Targets (SBT) initiative*1 in 2025. This update includes setting FLAG reduction targets for land use, such as agriculture, and also revising the Scope 3 reduction targets upward.

*1 An international initiative that certifies the greenhouse gas emissions reduction targets of a business are consistent with the level set in the Paris Agreement



Recognition of risks and opportunities
 Carbon taxes and fluctuations in energy prices
 (Transition risk no. 1, 2, 3, 4 and 5, and opportunity no. 1)

Financial impacts

Higher payment costs due to carbon taxes		Higher procurement costs due to carbon taxes	
1.5°C	4°C	1.5°C	4°C
2030	2030	2030	2030
1.8 billion yen	1.6 billion yen	22.2 billion yen	19.0 billion yen

Response

Milestones	2025	2030	2035
Action (1) Introduce energy conservation and new energy sources	FIT, high-efficiency boiler replacement KIU, high-efficiency boiler replacement	FIT, KFP: high-efficiency boiler replacement Ingomar: replacement and improvement of boiler equipment Nasu Plant: high-efficiency boiler replacement	Introduction of additional biomass energy at domestic plants Examination of the introduction of hydrogen fuel Conversion of major refrigeration and freezing equipment in domestic plants to natural refrigerants
Action (2) Switch to renewable energy electricity	Introduction of solar power PPA*2 model at KFP Introduction of PPA at Nasu Plant	Expanded introduction of solar power generation at domestic plants	
Action (3) Supplier engagement		Advancement of GHG emission reduction activities through collaboration with suppliers and improved transportation efficiency	
Action (4) Reduce GHG emissions in agriculture		Expanded introduction of exhaust gas reuse technology at greenhouse farms Reduction of GHG emissions in processing tomato cultivation	

*2 PPA is an acronym for Power Purchase Agreement.

2 Sustainable Agriculture

There is concern that rising temperatures and other climate changes may have a major impact on tomato yields. In June 2017, sustained high temperatures in California caused real damages, with tomato yields decreasing by 16.1% compared to average years (USDA).

Based on tomato yield data from California, which is the primary producing region of tomatoes for the Group, we analyzed the predicted changes in yield under each scenario in the Sixth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC). Based on an analysis of the state's minimum June temperatures, it was estimated that Kagome Japan's procurement costs would increase by 7.1 billion yen in 2050 under SSP1-1.9 (1.5°C scenario) and 14.7 billion yen under SSP5-8.5 (4°C scenario). If tomato yields decrease, the unit price of fresh tomatoes

Response strategy for climate change-related risks and opportunities (adaptation)

and the selling price of processed tomato products (raw materials) will actually increase, resulting in no net decrease in profits for the entire Group because of the increased profits of overseas subsidiaries. Our upstream value chain ensures that we maintain stable earnings. To secure a stable supply of tomatoes as a raw material, we will implement strategies to respond to climate change, including improving varieties to be more resistant to high temperatures (cultivation technology and variety development), developing drought-resistant varieties, introducing water-saving and fertilizer-reducing cultivation technology, and conducting research into the development of new production areas.

Recognition of risks and opportunities
 Impact of rising temperatures on crops
 (Physical risk no. 8 and 9, and opportunities no. 3, 4 and 5)

Financial impacts

Higher costs due to changes in tomato yields caused by rising temperatures			
1.5°C		4°C	
2035	2050	2035	2050
6.1 billion yen	7.1 billion yen	7.1 billion yen	14.7 billion yen

Calculation formula: Increase in procurement amount = "Procurement amount" x "Yield reduction rate caused by high temperatures based on USDA data on tomato yields in California in 2017" x "IPCC temperature increase projection"

Response

Milestones	2025	2030	2035
Action (1) Develop cultivation technology and varieties for maintaining tomato quality		Improvement of varieties to be more resistant to high temperatures (cultivation technology and variety development): 1 or more cases	Development of drought-resistant varieties and introduction of water-saving and fertilizer-reducing cultivation technology: 1 or more cases
Action (2) Maintain and expand procurement volume			Risk assessments and consideration of new production areas

3 Water

When typhoons, torrential rainfall, and floods occur, it becomes difficult to procure raw materials, including tomatoes. In April 2017, record rains caused tomato yields to decline due to cracking and disease at our plant in Australia, forcing the plant to suspend operations. On the other hand, the Kagome Group consumes water in the cultivation of crops used as raw materials for its products and consumes a large amount of water during the processing stage. Droughts can increase water costs and potentially reduce raw material yields. In fact, during past droughts, water prices have risen by 400%, exposing the company to risk of water shortages.

To protect water resources in the regions where we operate, six domestic plants and seven overseas plants of the Kagome Group

Response strategy for climate change-related risks and opportunities (adaptation)

have formulated water management plans, and are taking sustainable measures suited to each region by managing the amounts of water intake and discharge, the amount of water recycled, and the quality of discharged water. In addition, we conducted water risk assessments on six domestic plants and seven overseas plants. At priority overseas bases with high water risks, the Kagome Group engaged each overseas plant and local relevant parties to implement various measures tailored to each plant and region.

Furthermore, we have already taken measures to reduce risk at our domestic plants in the event of flooding or drought. These include installing a waterproof wall at the Kozakai Plant. We will now expand these efforts throughout the entire Group.

Recognition of risks and opportunities
 Impacts due to flooding or drought
 (Physical risks no. 6 and 7, and opportunity no. 3)

Response

Milestones	2025	2030	2035
Action (1) Reduce water intake amount in domestic plants		9% reduction in intensity (vs. 2021)	14% reduction in intensity (vs. 2021)
Action (2) Reduce water intake amount of overseas plants		5% reduction in intensity (vs. 2025)	
(Portugal)		Introduction of food service line circulating cooling tower: add one 20% reduction in intensity (vs. 2020)	

* Hazard countermeasures completed at all domestic plants in 2022

Initiatives for realizing the 2035 Vision

Minimizing Environmental Impacts of the Tomato-Related Global Value Chain and Overcoming Climate Change

4 Sustainable products and diversification of business activities

Response strategy for climate change-related opportunities

Responding in the right way to the risks posed by climate change will create business opportunities for the Kagome Group. For example, an increase in extreme weather and natural disasters will boost demand for vegetable products that can be stored for long periods for disasters, while growing interest in climate change will spur demand for sustainable options such as products that are as environmentally friendly as possible.

As one example, we estimated the impact on sales of preserved vegetable products for disasters that can be stored for a long period (shelf life of five and a half years), if the number of disasters increases due to climate change. Based on the average annual sales amount of our preserved vegetable products for disasters and

the frequency of flooding according to the scenarios in the Ministry of Land, Infrastructure, Transport and Tourism's Flood Control Planning Based on Climate Change, we estimated the financial impact (increase in revenue) to be 700 million yen under the 1.5°C (2°C) scenario and 1 billion yen under the 4°C scenario.

Additionally, to diversify its business activities, Kagome has established a corporate venture capital (CVC) fund to invest in and collaborate with leading start-ups in possession of innovative agricultural technologies from around the world. Through the efforts of this fund, we aim to develop and implement new varieties and cultivation technology that are adaptable to climate change, as well as to develop new businesses through open innovation with target companies.

Recognition of risks and opportunities
Development and sales of sustainable products, diversification of business activities
(Transition risk no. 4, physical risk no. 10, and opportunities no. 2, 3, 4 and 5)

Financial impacts

Increased revenue of vegetable products that can be stored for long periods for disasters, etc.	
1.5°C (2°C)	4°C
2035	2035
0.7 billion yen	1.0 billion yen

Calculation formula: Average net sales of rolling stock products (2020–2023) x Increase rate of flood frequency

Response

Milestones	2025	2030	2035
Action (1) Develop sustainable products • Environmentally friendly containers and packaging	• Products that can be stored for long periods • Research into the functionality of vegetables and expansion of beverages rich in carotenoids	Beverage PET bottle recycling/plant-based materials: 50% or more Paper carton beverages: zero use of straws made from petroleum-derived materials	Expansion of vegetable products that can be stored for long periods for disasters, etc. Research on vegetable functionality, understanding of effects, product development
Action (2) Diversify business activities	Establishment of CVC fund for advanced agriculture technology (total investment amount of 50 million US dollars)		

Leap Approach for Nature-Related Data (TNFD)

The Kagome Group assessed its dependencies and impacts on nature, as well as nature-related risks and opportunities, using the LEAP approach of the TNFD framework, focusing on "tomato-related businesses," which account for a large portion of the Group's sales.

1 Locate: Discover proximity with nature

We evaluated the connection between the Kagome Group's tomato-related businesses and nature mainly using BRF, a global data-based assessment tool, and in some cases ENCORE. As a result, 43 locations were selected as priority area candidates based on their natural conditions.

Target of analysis (270 locations)

- Fresh produce business (14 locations): Domestic greenhouse farms (directly-owned or contracted)
- Processing business (256 locations): Domestic production plants (food product manufacturing and farms), overseas production plants (food product manufacturing and farms), domestic contract processing, and overseas suppliers (including secondary suppliers)

Priority Area Candidates Identified with Analysis Tools

	Domestic greenhouse farm	Domestic plants (food product manufacturing)	Domestic farms	Overseas plants (food product manufacturing)	Overseas farms	Domestic contract processing	Overseas suppliers
Type	Fresh produce business	Processing business	Processing business	Processing business	Processing business	Processing business	Processing business
Candidates for priority areas	12 locations	None	5 locations	8 locations	5 countries	None	13 locations

Based on the priority area candidates in the location evaluation and the importance of the locations according to factors such as the amount of tomato purchases and the amount of tomato-related product production, the priority areas were identified as follows.

- Greenhouse farms and farms in Japan
- Farms and production plants in the three countries of Portugal, the United States, and Australia

Priority Areas

Country	Type	Location details
Japan	Greenhouse farms and farms	Domestic greenhouse farms: 12 locations/ Domestic farms: 5 locations
Portugal	Farms	6 cities: Beja, Evora, Leiria, Lisboa, Santarem, and Setubal
	Plants	2 plants: FIT and KFP
United States	Farms	1 state: California
	Plants	2 plants: Ingomar and KIU
Australia	Farms	2 states: New South Wales and Victoria
	Plants	1 plant: KAU

2 Evaluate: Analyze dependencies and impacts

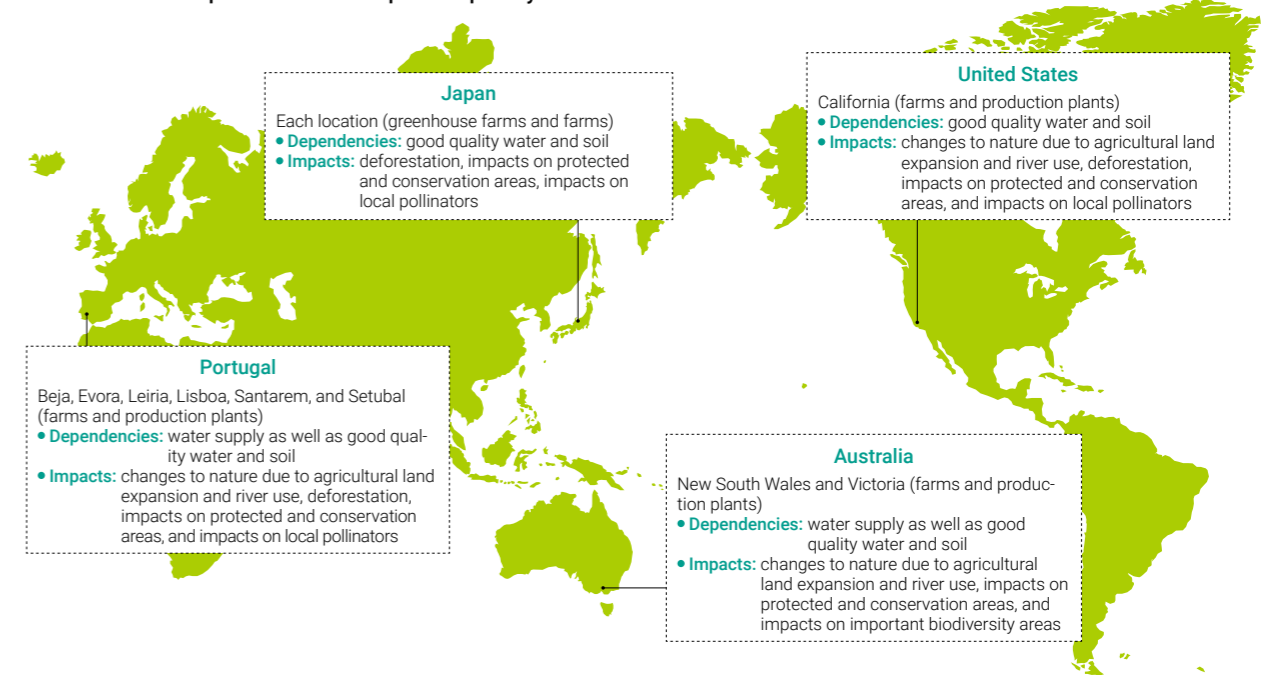
We conducted a detailed analysis on the dependencies and impacts of the priority areas and the indicators with very high risk as determined in the BRF analysis.

As a result of the analysis, in addition to dependencies on water supply and physical risks investigated by the TCFD, issues such as soil and water quality (eutrophication), changes to nature and deforestation due to the expansion of agricultural land and use of rivers, and impacts on protected and conservation areas were identified. Although tomatoes are less dependent on pollination, we identified other impacts on the surrounding ecosystem, such as the impacts of pesticides in tomato cultivation.

Specific analysis tools used

FAO GLoSIS, International Herbicide-Resistant Weed Database, Global Land Analysis and Discovery, Protected Planet, BirdLife International Data Zone, IBAT, Aqueduct, BRF, and ENCORE

Identification of the dependencies and impacts in priority areas



3 Assess: Identify risks and opportunities

We organized risks and opportunities based on the results of Locate and Evaluate, while also referring to the food and agriculture sector guidance and the findings of the TCFD. We also conducted an analysis using scenarios based on two axes: deterioration of ecosystem services and consistency between market and non-market principles.

List of Nature-Related Risks and Opportunities

Category	Subcategory	No.	Nature-related risks and opportunities
Transition risks	Policy and law	1	Pesticide regulations lead to reduced tomato yields and increased procurement costs
		2	Higher GHG emission reduction costs due to land use change from forest to tomato fields
		3	Loss of business opportunities after failing to engage with indigenous peoples and local communities
		4	Higher procurement costs due to compliance with packaging regulations, such as the replacement of virgin food product packaging with recycled food product packaging
	Technology	5	Increased investment in modern technologies and equipment to address the biodiversity crisis
	Markets	6	Decline in the agricultural workforce leads to the degradation of cultivated land, and a decline in awareness and response to biodiversity
		7	Damage to brand image due to impacts on biodiversity caused by tomato cultivation
Physical risks	Acute	8	Lower production volume resulting from pests and diseases
	Chronic	9	Excessive fertilization reduces soil health and reduces tomato yields
		10	Decreasing biodiversity in rivers and other areas due to eutrophication
Opportunities	Products and services	1	Higher sales through upcycling and commercialization of plant residues (e.g. tomato stems)
	Markets	2	Improved brand value driven by tomatoes produced through sustainable farming with reduced pesticide risk
	Reputation	3	Improved brand image after dealing with native and invasive species Utilizing Kagome tomato varieties to prevent the spread of invasive soil pests and supporting the planting of native species to increase pollinators

Initiatives for realizing the 2035 Vision

Minimizing Environmental Impacts of the Tomato-Related Global Value Chain and Overcoming Climate Change

4 Prepare : Examine and disclose response

Linking the risks and opportunities identified in Assess, we organized our response together with specific details, focusing on the activities currently being implemented.

Furthermore, the results of Locate and Evaluate did not show any significant discrepancies with the knowledge gained from many years of tomato-related initiatives. In light of these results, we reaffirmed the importance of our past activities and will continue to advance them. Additionally, we plan to further consider identifying risks and opportunities by region and developing responses.

Response strategy: In light of the four crises threatening biodiversity in Japan (causes of declining biodiversity), we will expand our activities to conserve and restore nature not only in Japan but also in the surrounding areas of farms in each country in which the Group does business.

Action: We will conserve and restore nature in and around the farms we are involved with in tomato cultivation, as well as in the plants where tomatoes are processed and turned into products and their surrounding areas.

No.	Risks and opportunities linked to	Nature-related response	Examples of activities (current and future responses)
1	Risk no.4 Opportunity no.1	Promote efforts to achieve sustainable operations throughout the supply chain in the procurement of raw materials and packaging, and in reducing plastic packaging and food waste	<ul style="list-style-type: none"> Offering of FSC® certified paper containers for beverages Initiatives in plant-based foods Reduction of food waste and loss Initiatives to eliminate the use of plastic straws provided with containers and the use of new petroleum-based plastics Reduction of plastic usage and switch to recycled or plant-based materials
2	Risk no. 1, 2, 5, 7, 8, 9 and 10 Opportunity no. 2 and 3	Develop, establish and operate optimal tomato cultivation systems (reduce water, fertilizer and pesticide usage, improve tomato varieties, and develop recycling-oriented agriculture)	<ul style="list-style-type: none"> Development of cultivation technology with low environmental impact Increased development of plant varieties and cultivation technology globally
3	Risk no. 3, 6 and 7 Opportunity no.3	Support local governments and communities, mainstream biodiversity, support agricultural workers, plant native species, and support conservation activities	<ul style="list-style-type: none"> Activities for development and support of agriculture Training and mainstreaming activities for biodiversity
4	Linked to all risks and opportunities	<ul style="list-style-type: none"> Planned implementation of biodiversity action plans Expanded acquisition of third-party certification 	<ul style="list-style-type: none"> Acquisition of certifications and involvement in initiatives/organizations

Kagome Yasai Seikatsu Farm Fujimi certified as a Nationally Certified Sustainably Managed Natural Site

A Nationally Certified Sustainably Managed Natural Site is a system in which the Ministry of the Environment certifies areas where biodiversity conservation is being achieved through private sector initiatives.

Kagome Yasai Seikatsu Farm Fujimi was certified in 2025 for its efforts in conserving biodiversity, including conservation and restoration activities of flora and fauna in agricultural ecosystems and the provision of environmental education opportunities.



Risk Management

The Kagome Group defines risk as “uncertainties that negatively affect business operations.”

Kagome established the Enterprise Risk Management Committee, chaired by the president and whose secretariat is headed by the CRO, as the body helps to speed up the decision-making process in terms of our risk response policy and issues based on priority selection and evaluation. Additionally, the committee oversees risk management activities to prevent and

respond to actualized risks from an integrated perspective based on management strategies.

We also recognize climate change risks and nature-related risks as important issues and will integrate and manage them within our enterprise risk management system. The Sustainability Committee and Management Meeting will monitor the progress of risk management and decide on next steps.

Indicators and Targets (Target Year: FY2030)

We set indicators and targets based on the following Environmental Management Plan (FY2026 to FY2028). This plan, formulated in accordance with the results of our review of our response to the TCFD and TNFD recommendations for FY2025, represents an integrated strategy linked to TCFD and TNFD. The indicators and targets of both frameworks are integrated as KPIs in the Environmental Management Plan.

Progress is reviewed twice a year by the Sustainability Committee and once a year at the Management Meeting. This process also includes an assessment of our response to the TCFD and TNFD recommendations. The Kagome Group will utilize the TCFD and TNFD recommendations to strengthen resilience and promote value creation toward the realization of a sustainable society and agriculture through responses to climate change and natural capital.

For details about our environmental performance, see our ESG Data Book. https://www.kagome.co.jp/library/pdf/company/sustainability/data/esg_data_book_jp_251031.pdf

Environmental Management Plan (FY2026 to FY2028)

Type	Issues	KPI
1. Response to climate change	1) Implementation of the Kagome Group's greenhouse gas reduction plan [Mitigation]	Reduction of Scope 1 and 2 emissions Reduction of 43.1% or more (in FY2030 compared to FY2020) Reduction of Scope 3 emissions Reduction of 25% or more (in FY2030 compared to FY2020) Reduction of FLAG emissions Reduction of 30.3% or more (in FY2030 compared to FY2020)
	2) Expanded introduction of renewable energy [Mitigation]	Renewable energy ratio of electricity consumption 60% or higher (FY2030) 100% (FY2050) Additional installation of solar power generation systems Additional installation at 1 plant (FY2028) Utilization of biomass energy Additional installation at 1 plant (FY2030)
	3) Promotion of tomato cultivation that is responsive to climate change [Adaptation]	Development of tomato varieties and cultivation technology that contribute to climate change mitigation and adaptation Improvement of high-temperature tolerant varieties: 1 or more (FY2030) Development of drought-resistant varieties and introduction of water-saving and fertilizer-reducing cultivation technology: 1 or more cases (FY2030)
2. Water conservation	1) Reduction of water intake [Adaptation]	Reduce water intake amount in domestic plants 9% or more reduction in intensity (in FY2030 vs. FY2021) Reduce water intake amount of overseas plants 5% or more reduction in intensity (in FY2030 vs. FY2025)
	2) Promotion of water treatment and circular use [Adaptation]	Prevention of water pollution Compliance with national and local wastewater discharge standards (FY2028)
3. Promotion of resource circulation	1) Reduction of plastic use and promotion of recycled plastic usage [Mitigation]	Promotion of the replacement of plastic containers with recycled and plant-based materials Replacement of beverage PET bottles with recycled or plant-based materials: 50% or more (FY2030) No longer use petroleum-derived straws (FY2030)
	2) Reduction of food loss and waste from raw materials procurement to product distribution [Mitigation]	Reduction of food loss and waste from raw materials procurement to product distribution [Domestic] 60% or more reduction in intensity [Overseas] 50% or more reduction in intensity (in FY2030 vs. FY2018)
	3) Promotion of circular resource use through waste recycling [Mitigation]	Reduction of waste at domestic plants Maintenance of zero emissions (FY2028) * Recycling rate of 99% or more Reduction of food loss and waste and maintenance of recycling rates Maintenance of food recycling rate of 95% or more (FY2028)
4. Sustainable procurement	1) Promotion of sustainable raw materials procurement [Mitigation/Adaptation]	Use of environmentally friendly paper in beverage paper cartons Continued use of FSC-certified paper in target cartons (100%) (FY2028)
5. Biodiversity conservation	1) Reduction of pesticides used [Mitigation/Adaptation]	Establishment of IPM cultivation for domestically grown processing tomatoes * Comprehensive pest and weed management Deployment of IPM cultivation trials in domestic production areas (FY2028) * Second case following the one in Nagano Prefecture
	2) Local biodiversity conservation [Adaptation]	Maintenance of Nationally Certified Sustainably Managed Natural Site certification Promotion of biodiversity conservation and educational activities at Kagome Yasai Seikatsu Farm Fujimi (FY2028)

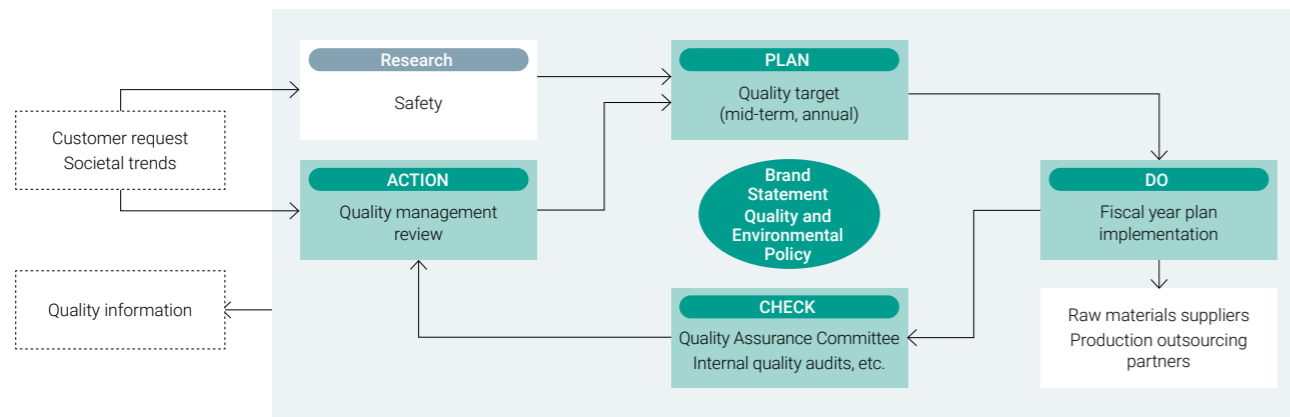
Initiatives for foundations supporting sustainable management and business

Providing Products, Services, and Information That Pursue Safety, Peace of Mind, and Quality

We will provide customers with safe, reliable, and high-quality products, services, and information grounded in the idea of "Quality First."

Kagome's Quality Management System (KQMS)

Kagome believes in Quality First, Profit Second. This means that we equally value the provision of safe and secure quality products to consumers and the creation of profits. We have established our own proprietary quality management system called Kagome Quality Management System (KQMS) in compliance with ISO 9001 standards. Our quality activities span from design and development to procurement, production, logistics, and sales. To achieve the strategic targets of our new Mid-Term Management Plan, we will establish a quality assurance system that is compatible with the expansion of our business areas and regions.



Safety Management from Field to Product

Rules and guidelines for production sites

As part of our product manufacturing, we have obtained FSSC 22000, an international certification scheme for food safety, at our own plants, and we implement quality control activities based on HACCP methodology.

For the production plants of our outsourcing partners, we conduct quality audits using Kagome's Plant Audit Checklist, identify issues from a preventative perspective, and work together to make improvements.

Furthermore, in 2005, we established guidelines for our production bases to ensure a strict adherence to the principle of "Quality First."

Initiatives to procure agricultural raw materials for processing from overseas

To procure higher quality products and raw materials from overseas agricultural processors, we work with our suppliers to examine the challenges of the entire process, from farm to production plant, including not only the manufacturing process for processing harvested crops but also cultivation methods. Furthermore, after the season ends, we conduct a review and set goals that allow us to continue growing together.

Initiatives to address residual pesticides

We analyze raw materials for residual pesticides in order to monitor their safety. We have acquired ISO 17025 certification, which certifies our ability as a testing and analysis institution, as we strive to further enhance the precision of our analysis.

Initiatives for fostering a food safety culture/ Kagome Quality Day

We are working to foster a food safety culture so that each and every one of us can take the right action in accordance with the rules set forth in KQMS. At our manufacturing plants, we conduct assessments and reviews to flag potential food safety issues.

Furthermore, learning from past mistakes and renewing our commitment to "Quality First," we have designated September 1st as Kagome Quality Day. To ensure that our customers continue to have faith in the Kagome brand, all employees of the Kagome Group are working to reaffirm their commitment to and appreciation of quality.

Quality Management and Quality Assurance System Shared with Overseas Group Companies

In 2016, we established the Global Quality Assurance Department (located in Tokyo) within the International Business Division. This department formulated Group-wide quality management standards known as KBMP for overseas Group companies, and it has continued working to roll out these standards to overseas Group companies. In addition to quality assurance, it is working to increase the quality assurance level and boost productivity of the entire Group by identifying, sharing cross-functionally, and utilizing the outcomes of environmental themes and technical

themes, such as cost reductions being pursued at each Group company. The department is also actively working to reduce greenhouse gas emissions and conserve water resources in our overseas businesses. In 2025, we renamed the Global Quality Assurance Department to the Global Kaizen Department and are building a collaborative system that brings together the full strength of the Group, including overseas subsidiaries, to improve productivity and enable stable profitability.

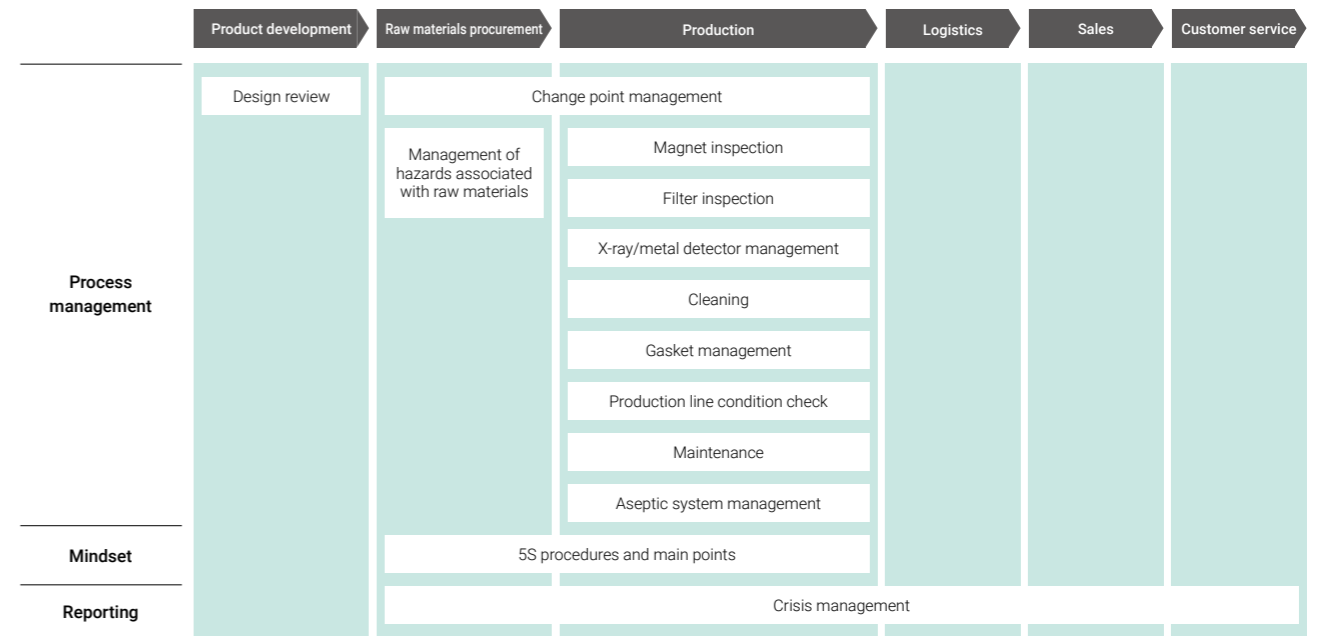
Roll-Out of a Common Global Quality Management Standard (KBMP) at Overseas Group Companies and Audit-Based Verification and Improvement

The main focus of the KBMP roll-out is not simply to impose our approach in Japan on other regions, but rather to share examples of improvements at overseas Group companies through the Global Quality Assurance Meeting and to foster mutual awareness toward improving quality. In the early days of KBMP introduction, we rolled out our approach and technologies related to foreign contaminants to overseas Group companies and worked to improve the level of quality control. Next, we developed activities

to prevent quality accidents attributed to product design and common rules for response manuals based on quality incident scenarios. The entrenchment of KBMP has improved quality of the entire Kagome Group in each process, from design to sales.

KBMP is incorporated not only in existing manufacturing facilities but also in new plants and newly introduced manufacturing equipment from the design stage.

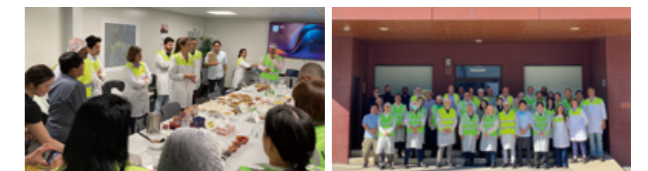
Coverage of Common Quality Management Standard for Overseas Group Companies (KBMP)



Entrenchment of Global Quality Assurance Activities

We are working to further strengthen our quality assurance foundation by sharing the good practices and examples of past failures of each Group company. We hold the Quality Assurance Meeting once every two years covering the entire Group. During these meetings, senior management and quality assurance and manufacturing managers from Group companies gather to share case studies and discuss such matters as quality, production, 5S, safety, and sustainability initiatives. In these workshops, we not only aim to improve the quality mindset of each Group company, but also to determine how to proceed with common initiatives such as improving manufacturing efficiency, energy conservation, and environmental conservation activities as Group-wide issues. Most recently, the meeting was held in November 2024 in

Portugal, where HIT is located. Participants came from seven countries, including Ingomar in the United States, which joined the Kagome Group. Through active exchange of opinions on topics such as quality assurance, manufacturing facilities, environmental conservation, and product development, each company was able to set its own future action plans.



Global Quality Assurance Meeting held November 5 to 7, 2024 in Portugal

Initiatives for realizing the 2035 Vision

Creating Opportunities for Diverse Talent and Strengthening Strategic Human Capital

We will become the company of choice, providing an environment where employees can work in a state of psychological and social fulfillment, by providing workplaces where each employee with diverse backgrounds, abilities, and characteristics can find opportunities to thrive and contribute to customers and society through our business.

SDGs where Kagome can contribute

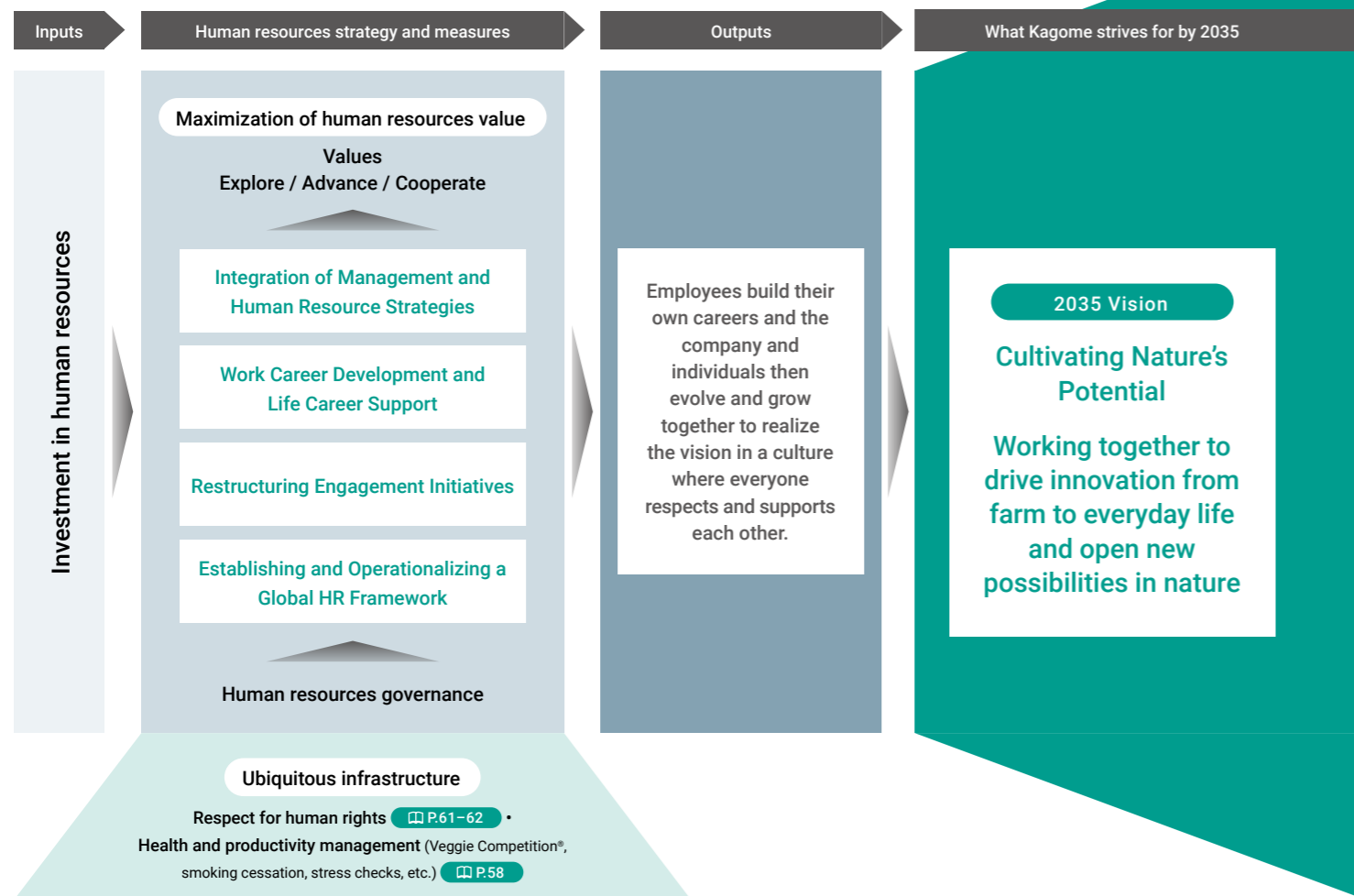


Human Resources Strategy and What Kagome Strives for by 2035

Always believing that “human growth leads to Kagome’s growth,” Kagome has focused on human capital management, where the skills and abilities of people are the capital. This form of people-centered management has long been practiced at Kagome. This commitment and attitude remain unwavering, now and in the future. However, the environment surrounding Kagome is changing rapidly. In this context, to achieve the 2035 Vision, we too must undergo transformation and achieve growth through the active

participation of our people. By aligning the Kagome Group’s human resources strategy with its management strategies, we aim to maximize the value of our employees, exemplified by Kagome’s Values. We will create a culture where each individual respects and supports one another, enabling them to build their own careers and fostering a mutually evolving and growing workforce and company by 2035.

Human Resources Strategy for Achieving What Kagome Strives for by 2035



Strategy

As part of our human resources strategy for 2035, we will focus on the following four points.

- 1 Linking management and human resources strategies**
In response to significant changes in our business structure, we will shift from traditional forecasting to a back-casting approach to develop human resources plans that take long-term goals into account. In turn, we will implement recruitment, placement, and development of personnel in line with our management strategies.
- 2 Work Career Development and Life Career Support**
Amid today’s diverse work-life values, we address the anxieties of employees who struggle to envision their growth and career paths. We support them by developing information and systems to help each individual design and achieve their career goals, enabling our people to autonomously build their careers while leveraging their strengths.
- 3 Restructuring Engagement Initiatives**
Employee engagement, or increasing job satisfaction, is one of Kagome’s KPIs. We will define company-wide priority areas, such as providing a sense of purpose and career opportunities, and implement effective measures and systems.
- 4 Establishing and Operationalizing a Global HR Framework**
Up until now, each of our subsidiaries has individually planned and implemented strategies and measures related to human resources, resulting in a lack of unity and cohesion within the Group. To enable the Kagome Group to grow as a unified entity, we will identify global human resources challenges, build the ideal organizational structure, and implement and execute human resources strategies globally through our global HR functions.

* Items 1 and 2 will be addressed in order to realize the new Mid-Term Management Plan. Items 3 and 4 have been priorities for some time, and their details are described below.

2 Work Career Development and Life Career Support Human resources development

What we strive for through human resources development is a culture where each individual respects and supports one another, employees build their own careers, and both the company and individuals evolve and grow together towards realizing the company’s vision.

We believe that individual growth is essential for the company’s growth, and that as each person realizes their own career goals and evolves and grows, it will lead to the realization of what Kagome strives for. To support autonomous career development while respecting each individual’s values, we have prepared human resources development measures from three perspectives: namely, career development, skills development, and organizational culture development. Recently, we have been particularly expanding the options available within our system of training programs. We will continue to support the realization of careers that make the most of each individual’s motivation, abilities, and work ethic.

DE&I Initiatives

The Kagome Group believes that it is important for employees to embrace each other’s diverse values and to maximize their abilities without discrimination based on nationality, ethnicity, race, creed, ideology, religion, gender, gender identity, sexual orientation, disability, age, or social status.

In addition, we are working to promote diversity, equity and inclusion as one of our management strategies to become a strong company that can grow in a sustainable manner. We place emphasis on ensuring psychological safety in our organizations, and strive to maximize the value that our people can create by utilizing the diverse thinking and experiences of each and every employee. In terms of women’s empowerment, Kagome has set a target of increasing the percentage of female employees in all positions from employee to executive officer to 50% by around 2040 as a long-term vision.

As for recruitment, we will secure a diverse workforce by combining wide-ranging recruiting channels and departments for assignment. We widely open the door to mid-career recruitment to strengthen our foundation of human resources. We will develop core human resources by allocating mid-career hiring to around 20 to 30% of total hires.

Also, we create opportunities for our people to utilize their skill sets based on their own unique experiences and knowledge. In April 2023, as a way to create a workplace where seniors can actively participate, we changed the contract formats available in our reemployment system and now employees can extend their contract up to the age of 70. Seniors over the age of 65 are also active in many of our workplaces.

Initiatives for realizing the 2035 Vision

Creating Opportunities for Diverse Talent and Strengthening Strategic Human Capital

Developing employee-friendly systems

We are developing systems that enable even more diverse working styles by easing restrictions placed on where and when work is performed based on employees' changing values and needs when it comes to their job (childcare or family care obligations or households where both spouses are working).

Environmental Improvements for Evolution in Working Styles

Year introduced	Systems
2019	Flex time system Telework system Secondary job scheme
2020	Elimination of core time in flex time system
2021	Utilization of family care leave in hourly increments Telecommuting stipend
2023, 2024	Expanded support for job transfers involving relocation and single-person transfers
2026	Introduction of maternity and childcare support allowance

Expanding elective working styles

We are looking to provide opportunities for employees to work beyond the boundary of their own organization through the secondary job scheme and cross-boundary learning* in order to connect diverse experiences and opportunities to value creation. Additionally, we have an autonomous learning program system that allows employees to develop their skills and careers more independently than ever before.

We will continue to expand career development opportunities that go beyond one's current line of work.

* **Cross-boundary learning:** Gaining new perspectives by leaving your usual company or workplace and experiencing work in a completely different environment.

3 Restructuring Engagement Initiatives

Monitoring of job satisfaction

Since 2021, we have conducted an engagement survey (Wevox: a tool for measuring and supporting employee engagement) targeting all employees to monitor job satisfaction.

We analyze the results of the survey annually by item and department to identify themes for increasing job satisfaction and implement countermeasures. Since starting the survey, the overall score has been increasing slightly. To further improve our score and job satisfaction, we will not only implement measures from a company-wide perspective, but also develop strategic initiatives in cooperation with each department. Currently, there is variation in overall scores across departments (maximum difference: 11 points as of the 2025 survey). Therefore, we are implementing measures to improve scores and address challenges each year, not only in low-scoring departments but also in high-scoring departments, in accordance with the characteristics and actual conditions of each.

Instilling psychological safety

Kagome focuses on instilling psychological safety from the perspectives of creating innovation through diversity, equity and inclusion, and addressing risk management. As part of these activities, in 2025, as a measure to instill psychological safety, the Diversity Committee, a bottom-up organization made up of volunteers from each workplace, held a presentation and talk session with an external guest on the topic of equity. Other activities included a Thank You Badge Campaign to convey small expressions of gratitude, a dialogue program for better team building to support workplace relations through engagement, and a Circle Time, where the president met with employees to exchange frank opinions. In addition, we are expanding training and evaluation measures for managerial positions to accelerate efforts to improve psychological safety in each organization.

Measures to Improve Psychological Safety

Target	Activities in 2025	Contents
For organizations	Dialogue program for better team building	Organizational development program to instill psychological safety in the workplace and in teams through dialogue
For managerial positions	Management training for all managerial positions	Content related to psychological safety offered within the elective, thematic training program
	360-degree feedback	Feedback on management behavior is provided annually by superiors, colleagues, and subordinates for all managers.
For all employees	Evaluation system for organization and human resource development processes	A system to show evaluation criteria for the initiatives of managerial positions in creating an organizational culture
	Diversity Day 2025	To help foster a sense of psychological safety, external guests were invited to give presentations and hold diversity-related talk sessions focusing on equity.
	Diversity-related themed club activities (empowerment of people with disabilities/SOGI)	Publication of information through our internal blog to promote understanding and foster a positive corporate culture (22 posts in total/2025)
	Circle Time	Hosted by the president as a place for flat dialogue between top management and employees.
	Thank You Badge Campaign	A campaign in which all employees participate in conveying messages of gratitude to each other inside and outside the organization through internal social media

Governance

We established the Human Resources Development Committee, which is comprised of internal executive management, and the Remuneration and Nomination Advisory Committee, which is also composed of internal executive management as well as external directors, as specialized meeting bodies that involve deliberation and decision-making by executive management related to human capital. These meeting bodies carefully examine and verify the development of human resources and working environment that enable our diverse workforce to play an active role, and the appropriate compensation of management personnel.

The Human Resources Development Committee, chaired by the President & Representative Director, is a deliberative and decision-making body comprised of executive management related to human resources and organizations. It meets at least once a month to deliberate on a wide range of matters, i.e., transfers, assignments, promotions, mid-career recruitment, and organizational restructuring, from positions in charge to officers.

The Remuneration and Nomination Advisory Committee is an advisory body to the Board of Directors for strengthening the independence, objectivity, and accountability of the functions of the Board of Directors related to the remuneration of directors and executive officers and the nomination of directors. It regularly conducts deliberations on officer personnel and compensation. In addition, the Remuneration and Nomination Advisory Committee is systematically working to develop and produce the next generation of executive management who will lead Kagome's sustainable management and growth as an important management-led issue.

Starting with the Human Resources Development Committee's deliberations on human resources strategies and a wide range of areas related to human resources and organizations, the Human Resources Development Committee makes decisions, the Management Meetings further deliberate and make decisions, and the Board of Directors makes decisions after deliberations by the Remuneration and Nomination Advisory Committee. Depending on the importance of the content and the degree of impact both inside and outside the company, deliberations are held in stages to ensure appropriate governance.

The Human Resources and General Affairs Division Director is a member of the Human Resources Development Committee and the Remuneration and Nomination Advisory Committee, and is mainly responsible for making recommendations.



Indicators and Targets

Indicator	2022 Results	2023 Results	2024 Results	2025 Results	Targets	
Engagement survey overall score	70	72	72	73	74.5 by 2028	
Psychological safety penetration rate score*1	71	72	73	74	—	
Ratio of women in new general career track hires out of university	71.0%	54.5%	61.5%	46.7%	60% or higher	
Percentage of women in managerial positions	8.4%	9.6%	11.1%	12.0%	12% by 2026	
Situation of women remaining on the job within 10 years of joining the company (compared to men)	1.0	1.0	1.0	1.0 (estimate)	1.0 or higher compared to men	
Ratio of mid-career hires in general career track positions Breakdown of general career track positions	27.9%	29.8%	29.1%	38.8%	—	
Percentage of men taking childcare leave	General career track	75.6%	65.6%	94.3%	79.3%	42% or higher (average for 2019 to 2021)
	Technical track	84.6%	81.8%	100.0%	100.0%	—
Gender pay gap*2 (The percentage of women's pay to men's)	Total workers	65.4%	68.3%	69.6%	67.6%	—
	Permanent employees	67.3%	70.5%	71.5%	70.5%	—
	Part-time and fixed-term contract employees	87.6%	86.6%	89.3%	81.6%	—
Paid leave utilization rate*3	86.4%	83.4%	83.0%	80.6% (estimate)	—	
Total working hours (hours/year)	1,896	1,895	1,894	1,907	—	

*1 Score on in-house survey on psychological safety

*2 For supplementary explanations on appended matters and pay gap, see our website. (Japanese only)

<https://www.kagome.co.jp/company/sustainability/data/>

*3 Annual paid leave utilization rate is calculated from April to March of the following year. Results for 2025 are estimated as of December 2025.

Initiatives for realizing the 2035 Vision

Creating Opportunities for Diverse Talent and Strengthening Strategic Human Capital

Labor Safety

In 2022, we established a company-wide Industrial Safety and Health Committee with the aim of ensuring the safety and health of employees in the workplace and promoting the creation of an appropriate work environment.

Previously, there was inconsistency in safety and health initiatives across different workplaces, and company-wide oversight was insufficient. However, with the establishment of this committee, we are now able to review the safety and health situation at each workplace across the entire company, aiming to eliminate the inconsistency and improve standards.

Furthermore, we are advancing the design of systems related to industrial safety and health management, providing expert support to the activities of safety and health committees at each business site, introducing a company-wide common reporting format, and implementing cross-functional monitoring based on risk assessments.

Going forward, we will further advance the visualization efforts we have undertaken so far, promoting monitoring using standardized indicators and improvements based on those indicators.

Industrial Safety and Health Policy

At Kagome, we identify and assess risks inherent in the workplace and employee work. To eliminate as many factors as possible that could lead to occupational accidents or health problems, and to create an environment in which employees can work safely, we have established the following Industrial Safety and Health Policy.

1. We establish objectives based on the safety and health policy, monitor and review the progress towards achieving those objectives, and work towards continuous improvement of safety and health activities to prevent industrial accidents. (policy, targets, and continuous improvement)
2. To ensure safety and health, we identify and assess industrial safety and health risks in the workplace, and promote the creation of a comfortable workplace by taking appropriate measures based on the results. (risk management)
3. We comply with all safety and health-related laws and regulations, company rules, and matters decided upon through consultation between labor and management at each workplace. (compliance with laws and regulations)
4. Labor and management will cooperate to promote safety and health activities with the full participation of all employees, and will also maintain good communication with stakeholders. (labor-management cooperation and communication)
5. At Kagome, employee health is important not only for individual health but also because it contributes to enhancing the company's corporate value, and proactive efforts are made to promote the improvement of employee health. (improvement of employee health)

Industrial Accident Trends

The trend in the occurrence of industrial accidents is shown in the table below.

	FY2023	FY2024	FY2025
Domestic	29 cases	36 cases	31 cases
Overseas	14 cases	33 cases	29 cases
Total	43 cases	69 cases	60 cases

* Regarding the number of industrial accidents, cases in Japan are counted based on outpatient visits (seeking medical treatment), while cases outside of Japan are counted based on cases in which time off work was approved.

In FY2024, the number of industrial accidents increased both in Japan and overseas. This is due to the strengthening of our risk management system, which has enabled us to report accidents more quickly and accurately than before. In particular, at our overseas bases, in addition to factors resulting in increased accidents due to business expansion and workforce growth, progress was made in risk awareness and the development of reporting systems, leading to greater transparency across the entire Group. At Kagome, we do not simply view the number of industrial accidents as a mere figure; instead, we analyze trends through regular monitoring and utilize this information to improve our preventative safety management. Through these efforts, we are continuously strengthening the improvement cycle aimed at reducing industrial accidents. Going forward, we will continue to advance industrial safety and health management, positioning the protection of employee safety and health as the foundation for enhancing corporate value.

Initiatives for Reducing Industrial Accidents Safety Dojo at domestic plants

As one of our measures to reduce industrial accidents at our domestic plants, we conduct safety training for employees called Safety Dojo. The Safety Dojo is a place where employees can review actual industrial accident cases that have occurred at our plants in the past, reflect on potential hazards in the workplace, and gain a firsthand understanding of the importance of safe behavior through the use of interactive equipment that simulates industrial accidents. Employees working at our plants attend Safety Dojo once a year. In addition, we distribute booklets outlining safety rules and educational videos to all our plants, in an effort to prevent industrial accidents using an all-hands-on-deck approach.



Safety Dojo (interactive equipment that simulates being caught due to a communication error during two-person operation)

Safety Dojo (training for working at heights)

Group-wide activities across overseas subsidiaries

Our overseas Group subsidiaries have a higher number of lost time injuries compared to Kagome in Japan, highlighting the need to strengthen industrial safety and health activities across the entire Group. Following the establishment of the company-wide Industrial Safety and Health Committee, we have been monitoring the occurrence of industrial accidents at each company. To better understand the level of safety and health and the efforts being made at each company, we began conducting surveys and on-site inspections of overseas Group subsidiaries starting in 2025 that confirm the actual state of safety and health activities at each subsidiary.

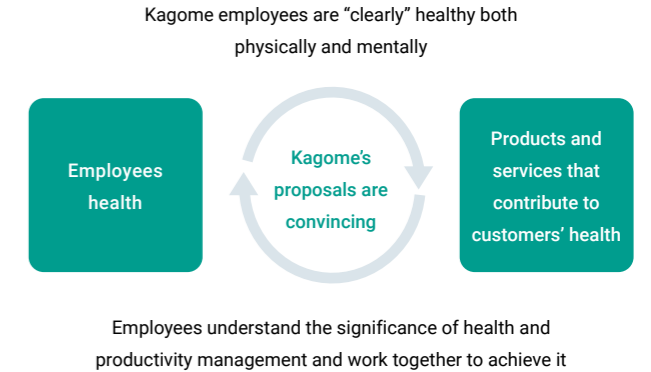
Moving forward, based on these survey results, we will further promote safety and health activities across the entire Group.

Kagome's Health and Productivity Management: Our Health Is Linked to the Credibility of Kagome's Business

Health and productivity management involves thinking about employee health management from a management perspective, implementing it strategically, and creating competitive advantages.

As we develop products and services that contribute to improving our customers' health, we believe that the physical and mental well-being of each and every employee is crucial not only for their own health but also for the credibility of our business operations, ultimately leading to improved performance.

Our ability to utilize resources such as vegetable beverages and other products, the health services business, research outcomes, and the "Let's Eat Vegetables" campaign, as well as affinity with the corporate culture of valuing people, which has long been a management concern, represent the unique value proposition of Kagome's health and productivity management that is simply not found at other companies.



Key Measures for Maintaining and Improving Employee Health

Based on our basic policy for promoting health and productivity management, we implement measures such as for physical health (high-risk approach and population approach) and mental health to maintain and improve the well-being of our employees.



Certified as a 2025 Outstanding Organizations of KENKO Investment For Health (Large Enterprise Category; White 500)

In 2017, we established Kagome's 7 Points for Good Health, and made the Kagome Health and Productivity Management Pledge. We position employee health as the foundation for enhancing corporate value and are actively promoting health and productivity management initiatives toward this end.

In recognition of these initiatives, in March 2025, we were certified as a 2025 Outstanding Organization of KENKO Investment for Health (Large Enterprise Category; White 500) 2025 for the third consecutive year by the Ministry of Economy, Trade and Industry (METI) and Nippon Kenko Kaigi.

White 500 is a title awarded to the top 500 companies in the Large Enterprise Category under the Outstanding Organizations of KENKO Investment for Health Certification System. Only companies that meet certain standards set by the Ministry of Economy, Trade and Industry are recognized. Going forward, we will continue to promote health and productivity management measures in accordance with the purpose of the Health & Productivity Management Organization Certification System to further improve the health and job satisfaction of our people and contribute to the health of our customers.



Kagome Health and Productivity Management Pledge

Kagome is a company that contributes to improving the health of its customers through food. The foundation of this is our own health in the form of the employees of Kagome. Kagome actively promotes health and productivity management for the well-being of our customers, ourselves, and our families.

Kagome's 7 Points for Good Health

- Point 1 Daily vegetable intake of 350 g
- Point 2 Self-care through health checkups and stress checks
- Point 3 Do not ignore high risks, take immediate action
- Point 4 Sustain exercise and maintain a healthy weight
- Point 5 Smoking cessation and drinking in moderation for the sake of your future
- Point 6 Pay attention to mental health (psychological safety)
- Point 7 Gender/age range health issues differ for each person. Learn from and support each other

Initiatives for foundations supporting sustainable management and business

Establishing a Sustainable Supply Chain

In accordance with our Human Rights Policy as well as Quality and Environmental Policy, we will select suppliers that take into consideration the impact on the environment and society throughout the supply chain, and will work to improve the sustainability of raw material procurement through resource recycling.

SDGs where Kagome can contribute



Logistics Environment Unique to Kagome Seamlessly Connecting the Supply Chain

For Kagome, which delivers products made from the bounty of nature, it is essential for business continuity to maintain the flow of goods, from the transport of raw materials from fields around the world to the customer's table. Here, let us take a closer look at the characteristics of Kagome's supply chain.



1 Procurement bases: Receive agricultural produce from around the world
 The Kagome Group has procurement bases around the world. Raw materials exported from overseas procurement bases arrive in Japan after a long journey and are transported to domestic plants. After the products manufactured in the plant are shipped out, they are delivered to customers through the involvement of many people, including distribution warehouses, wholesalers, and retail stores. The length of this supply chain is a major characteristic, and the complexity of control within the supply chain poses a structural challenge.

2 Plants: Close to production areas, far from consumption areas
 We have constructed our domestic plants near the production areas of processing tomatoes. These locations are based on Kagome's idea of manufacturing, which is that "fields are the primary production plant." In logistics, the distance between highway interchanges and major highways makes the transportation distance from our plants to consumption areas longer than that of other food manufacturers.

3 Logistics centers: Over 1,000 products and multiple temperature zones
 Kagome sells more than 1,000 products that fall under three temperature ranges: room temperature for condiments and PET bottled beverages, refrigeration for home-packed beverages and lactic acid bacteria beverages, and freezing for institutional and industrial use products. Each temperature zone requires a storage location, transport method, and personnel, and management is also complicated. Developing a wide range of products is Kagome's strength, and at the same time, a factor required for ground logistics management. The widespread management of logistics.

4 Customers: Diverse sales channels
 Diversified sales channels are also one of Kagome's unique traits. In direct marketing, or D2C, products are distributed without going through wholesalers and retail stores. The SCM Division plans and constantly updates the optimal logistics route according to the delivery destination. Products are then delivered through F-LINE Co., Ltd.

* F-LINE Co., Ltd. : A joint logistics company jointly established by five food manufacturers in April 2019 with the aim of realizing an efficient and stable logistics system. F-LINE is working together with food manufacturers in order to solve various issues in food logistics.

End-to-End Control of the Supply Chain

Our business model, which involves transporting products from origins around the world to our domestic plants and logistics centers before reaching our customers, is characterized by the long distances and long lead times of our supply chain. As distance and time horizons increase, there is a risk that customer demand may change during that time, or that disruptions to maritime transport and international trade may occur due to geopolitical risks. Therefore, we need to gain comprehensive control over information throughout the supply chain and strengthen our ability to respond to unpredictable events.

Illustration of Kagome's Supply Chain



Kagome's Most Recent Initiatives in the Supply Chain

Initiatives in Overseas Supply Chains: Advancing the Procurement SCM Reform Project

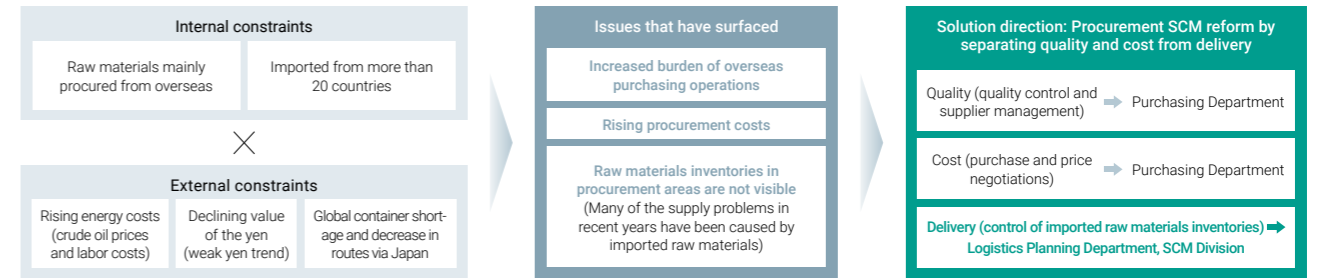
Many of the raw materials used in our Domestic Processed Food Business are imported from agricultural producing regions outside of Japan. Preparing a wide variety of raw materials from production areas around the world has historically enabled us to meet the diverse needs of consumers.

Due to recent changes in the business environment, however, energy costs, personnel expenses and all other costs are on the rise

globally, making it difficult to maintain our strengths in terms of raw materials procurement network from around the world and diverse raw materials mix.

In response to these environmental changes, we launched the Procurement SCM Reform Project in the spring of 2024. Under this, we have gradually reviewed our operations and information systems up to the present.

Furthermore, based on this reform expertise, we are currently reviewing the global supply chains of our overseas subsidiaries.



Initiatives in Domestic Supply Chains: Advancing Measures to Address the Worsening Logistics Environment

The worsening of Japan's logistics environment has become a concern for many companies, and the extent and depth of its impact has been covered widely in the media. Kagome cannot ensure a stable supply of goods without implementing measures in cooperation with its logistics partners.

As an example of collaboration with logistics partner companies, we have been gradually expanding our transportation methods using an intermediary logistics center since the summer of 2025. This allows us to break away from our reliance on mid- and long-distance drivers, whose numbers are declining, and to systematically transition to a more appropriate transportation system.

As a medium-term initiative, we have been participating in real-world trials of autonomous truck driving starting in the spring of 2025, aiming to create a Kagome supply chain that is considerate of both people and the environment.

Diagram of Transportation Utilizing an Intermediary Logistics Center



Loading and operation of an autonomous truck

Message Towards ensuring sustainability in our supply chain

The Logistics Planning Department of the SCM Division is driving problem-solving across our entire supply chain, from procurement to production and sales.

In this context, as a measure to ensure the sustainability of trunk line transport services, which is becoming increasingly difficult, we are looking toward the introduction of autonomous driving.

Specifically, as part of the F-LINE Project (a project aiming to build a sustainable logistics platform involving food manufacturers and logistics companies), we are working with other manufacturers to make autonomous driving a reality. While autonomous driving is currently in the testing stages, we are proactively working toward it as a forward-looking measure to address the transportation capacity shortages and rising labor costs caused by the so-called "2024 problem" in Japan. Based on our logistics philosophy of "the partners will compete in products, but carry out logistics jointly," we will work with internal and external stakeholders to explore new ways of truck transportation and thereby maintain and strengthen our supply chain.



Hiroya Morimoto
Logistics Planning Department

Initiatives for foundations supporting sustainable management and business

Respect for Human Rights

We established the Kagome Group Human Rights Policy based on international norms on human rights, and we are now working to share its approach and activities within the Group and to address human rights risks in business.

SDGs where Kagome can contribute



Strategy

Part of our Corporate Philosophy reads "Appreciation: We are thankful for nature's bounty and for human relationships. We respect natural ecosystems and value human sensibility." We consider respect for human rights to be an important issue in order to achieve the growth of the Kagome Group and the realization of a sustainable society.

Initiatives to Prevent and Mitigate Negative Impacts on Human Rights

Category		Kagome's initiatives
Policy-driven commitment	Formulation of human rights policy	• Formulation of a human rights policy and dissemination of it to stakeholders
Human rights due diligence	Identification and assessment of adverse impacts on human rights	• Identification of priority themes (material human rights risks) that Kagome should address • Implementation of human rights impact assessments (SAQ, on-site visits, direct dialogue)
	Prevention and mitigation of adverse impacts	Implementation of education and training • Expert-led presentation for management at the Sustainability Committee (on business and human rights) • Human rights training for employees
		Improvement of the internal environment • Review of various internal systems (such as work styles) and improvement in the work environment
		Management of supply chains • Formulation and dissemination of supplier guidelines • Requests of corrective actions from suppliers and contract farmers, and collaboration on improvements
	Monitoring	• SAQ to suppliers and contract farmers, on-site visits, and direct dialogue • Regular review and analysis of the number and content of reports submitted to reporting hotlines for internal use and for business partners
Information disclosure	• Disclosure of information through sustainability website, integrated report, etc.	
Remedy	Establishment of grievance handling mechanism	• Establishment of reporting hotlines for internal use and for business partners

Policy-Driven Commitment (Formulation of Group Human Rights Policy)

We believe that respecting the fundamental human rights of the people involved in our business activities and the people in the countries and regions in which we operate is the responsibility of the Kagome Group as we put our corporate philosophy into practice. At Kagome, we have formulated the Kagome Group Human Rights Policy as a guideline for fulfilling our responsibility to respect human rights, and we have positioned respect for human rights as a key issue in our sustainability efforts.

This policy applies to all officers and employees of the Kagome Group. We also encourage all business partners involved with the Kagome Group's products and services to

understand and support this policy, in an effort to work together to promote respect for human rights.

Human Rights Due Diligence (Identification of Material Human Rights Risks)

To understand the potential adverse impacts on human rights within the Group's value chain, we conducted a cross-functional human rights risk assessment in April 2024 using a workshop format, and narrowed down the risks. As a result, we identified two material human rights risks (priority themes) as described on page 62. Our efforts now focus on addressing them.

The human rights risk assessment process is described in the Risk Management section.

To learn more about Kagome Group Human Rights Policy, refer to our website. <https://www.kagome.co.jp/company/sustainability/humancapital/06/>

Remedy (Establishment of Grievance Handling Mechanism)

Kagome has established an internal whistleblower hotline where employees can report any violations of laws or regulations, fraudulent activities, unethical behavior, or potential for such actions by Group companies or our Group employees, so that we can promptly take corrective or preventive action. This hotline is available to employees, officers, and temporary staff of Group companies and business partners, as well as their families.

Through the operation of this hotline, we strive to detect and prevent negative impacts on human rights at an early stage. This system is designed as an effective remedy, guaranteeing the confidentiality and anonymity of information while ensuring that whistleblowers will not suffer any adverse consequences. If it becomes clear that our business activities have directly caused or worsened negative impacts on human rights, we will take appropriate measures to seek redress and correction through proper procedures.

Risk Management

Process for Identifying, Assessing and Managing Human Rights Risks

We conduct human rights risk assessments to understand the manifest and potential negative impacts on human rights within the Group's value chain. In response to changes in the external environment, we identify new risks and determine priorities based on information gathered through reports from international human rights organizations and discussions with various departments within the company. Most recently, an assessment was conducted in April 2024, and following discussions within the Sustainability Committee, material human rights risks (priority themes) were identified in June of the same year. The identified material human rights risks (priority issues) are also reported to the Management Meeting and the Board of Directors. Going forward, we plan to conduct human rights risk assessments around the same time we formulate our Mid-Term Management Plan, or once every three years.

- (1) Desktop Research: We analyzed country-specific human rights risks in the countries where the Group operates, major raw material origins, and especially in the agricultural sector, by referring to global human rights risk databases and reports from international human rights organizations.
- (2) Department Level Workshop: Following a presentation by an external expert on global trends in business and human rights, representatives from each department (21 people in total) discussed human rights risks related to business activities and identified potential human rights risks in our value chain.
- (3) Determination of Material Human Rights Risks (Priority Themes): Based on the identified potential human rights risks, the desktop research results, workshop results, and subsequent interviews with relevant departments were comprehensively reviewed, and decisions made through discussions with external experts and the Sustainability Committee.

Material human rights risks identified in the 2024 human rights risk assessment

1. Issues concerning foreign workers in Japan
2. Labor issues at overseas suppliers and business locations

Risk assessment methods

We determined the material human rights risks (priority themes) that Kagome should address through the following process.

- (1) Desktop Research: We analyzed country-specific human rights risks in the countries where the Group operates, major raw material origins, and especially in the agricultural sector, by referring to global human rights risk databases and reports from international human rights organizations.

Status of Integration Into Comprehensive Risk Management

Under our risk management system, which was restructured in 2021, the identified material human rights risks are shared with the Enterprise Risk Management Committee, and efforts are made to reflect them in management strategies and implement countermeasures according to priority from company-wide and Group-wide perspectives.

Risk Management P.76-78

Progress and Results of Response

Material human rights risks (priority themes)	Human rights impact assessment	Prevention and mitigation of adverse impacts
(1) Issues concerning foreign workers in Japan	We selected a tomato farm in Ibaraki Prefecture, which is one of our major suppliers of processing tomatoes, and engaged in direct dialogue with two foreign technical intern trainees working there, as well as conducted an assessment of the impact on human rights, through a third-party organization (November 2024). ➡ There are no concerns regarding work-related items such as long working hours, hazardous work, or skills acquisition. ➡ There are areas that need improvement regarding communication between supervising organizations, farmers, and technical intern trainees.	We visited the farm again and requested improvements in communication with the technical intern trainees, and requested for improvement and increased visits to the supervising organizations (March 2025). ➡ We plan to monitor improvements in the spring of 2026.
(2) Labor issues at overseas suppliers and business locations	For a Group company located in Italy, which is a major source of raw materials (frozen vegetables) and has been identified as having a moderate to high country risk in desktop assessments, two bell pepper farms, which are the main source of raw materials, were selected. Direct dialogue and human rights impact assessments were then conducted by a third-party organization covering a total of eight migrant workers employed at these farms (August 2025). ➡ No evidence of human rights violations was found, and there were no concerns about the use of illegal "caporalato systems" to secure labor. ➡ Recommendations were made for the deployment of good practices regarding industrial safety and health and access to labor unions.	We plan to disseminate and share best practices with farmers at agricultural cooperatives, which are raw material suppliers for our Group company in Italy (scheduled for March 2026).

Message from the Chairman



Looking Ahead to the Greater Growth of Kagome Globally

Improving the Quality of the Board of Directors and Strengthening Group Governance

Satoshi Yamaguchi

Director, Chairman of the Board of Directors

Evolution of Corporate Governance with the Use of Effectiveness Evaluations

To improve the quality of our Board of Directors, we have been conducting an annual evaluation of its effectiveness since 2016, when we transitioned to the governance structure of a company with an audit and supervisory committee. Specifically, this survey targets all directors regarding the design of the Board of Directors, the appropriateness of agenda items, and the quality of discussions. Based on the findings, improvement plans for the identified issues are considered and implemented the following year. Furthermore, since 2021, we have also established an opportunity to receive an effectiveness evaluation by an external third party every three years, along with recommendations for the Board of Directors based on that evaluation.

By continuously running this plan-do-check-act (PDCA) cycle for 10 years, the issues extracted from the effectiveness evaluation have also changed year by year. Previously, many of the issues concerned the operation of the Board of Directors, such as how agenda items were set and creating an annual schedule for deliberations. Recently, however, the issues have shifted to themes that form the core of our medium- to long-term strategy, such as human capital management and business portfolio management.

In light of these changes, we are more conscious than ever of striving to eliminate information asymmetry among the Board of Directors. As a measure to achieve this, we hold a Board of Directors Opinion Exchange Meeting every two months. For

important management issues, we take ample time to gather necessary information from internal and external experts in these Opinion Exchange Meetings prior to deliberations at board meetings, and to ensure that the directors are on the same page through open discussion.

In 2025, based on recommendations from a third party to the Board of Directors, we significantly revised our method for formulating mid-term management plans in order to further advance the separation of the management and execution sides. Previously, the majority of the mid-term management plan was formulated by the Management Meeting consisting of the President and executive officers and division directors, and the Board of Directors would provide advice from various perspectives. Starting this time, we have adopted a process in which the Board of Directors first discusses policies such as revenue, core operating income, financial structure, and cash allocation, and translates this into specific targets. Then, the Management Meeting considers the implementation plans for each business based on those policies, as well as foundational strategies such as human resources and DX. The process involves aligning these two approaches to finalize the mid-term management plan. While there is still room for improvement, I feel that this initiative has clarified the role of the Board of Directors, leading to a qualitative improvement in discussions and an evolution in our corporate governance.

Global Governance and Issues

As part of the process behind formulating the new Mission, Vision, and Values (MVV) announced in February 2026, we held a total of 11 discussions at Board of Directors meetings and the Board of Directors Opinion Exchange Meetings. External directors provided numerous suggestions from various perspectives. These included whether the opinions of external experts were incorporated into the formulation process, whether opinions from diverse positions within the company were collected, and whether the strategic narrative was logical and convincing. Furthermore, given that the revenue of our businesses and workforce are roughly split equally between domestic and overseas operations, the Board of Directors shared the need to establish a global version of MVV. We incorporated a strong determination into the new MVV to serve as common ground for all members of the Group.

To realize our 2035 Vision, we will work to strengthen global governance, which has been identified as an issue in third-party effectiveness evaluations. We will accomplish this by developing a company-wide management supervision and decision-making structure that includes our International Business. One such initiative is our ongoing efforts to explore better organizational structures for Kagome as a global company. Currently, our International Business uses an internal company structure*1, while our domestic business is organized according to function, such as production and marketing, resulting in different organizational structures between our businesses. We intend to discuss how to address this situation at the Board of Directors meeting and provide a direction forward as soon as possible. Within that context, I believe we will also be discussing the possibility of appointing non-Japanese directors to address the increasing proportion of our International Business. Another initiative is our efforts to transform the Board of Directors into a monitoring board*2. We will continue to consider this issue in light of current societal conditions and requests from investors and shareholders.

The basis for these efforts to evolve the management supervision and decision-making structure is to seriously address and respond to the challenges currently being tackled. This involves resolving issues to further improve the effectiveness of the Board of Directors and eliminating information asymmetry, which is a prerequisite for such improvements. We aim to build upon these ongoing and steady efforts with new solutions that look ahead to the next 10 years.

Evolution of Succession Planning

Starting in January 2026, we rolled out a new management structure with President & CEO Okuya at the helm. During the appointment process for President & CEO Okuya, the Human Resources Development Committee selected candidates in 2021, and over the following five years, various training programs were implemented, along with repeated discussions in the Remuneration and Nomination Advisory Committee. I believe that by addressing the issues I felt were present during my own selection process, such as improvements to training programs, we were able to achieve a more systematic and multifaceted selection process this time around.

I expect President & CEO Okuya to demonstrate leadership and drive our businesses forward with a sense of urgency in order to realize the 2035 Vision. I hope that Okuya will leverage the excellent communication skills and sense of balance he demonstrated during the five-year succession process to achieve growth that meets the expectations of many stakeholders both domestically and internationally, while striking a balance between the different environments of our domestic and international businesses.

As Chairman of the Board of Directors, I will support and supervise the operational structure, led by President & CEO Okuya, to enable strategic decision-making from a longer-term perspective. Furthermore, I would like to deepen discussions on how to address various issues, such as improving the independence and soundness of the Board of Directors, ensuring compliance and ethics, and strengthening governance.

*1 Internal company structure: A corporate structure in which each business unit within the company is treated as an independent company, and management responsibility and authority are delegated to each

*2 Monitoring board: A form of Board of Directors in which external directors are the main members and which supervises management on behalf of shareholders

Messages from External Directors

Achieving the 2035 Vision

Kagome is strengthening its growth trajectory under the new MVV and Kagome Group Plan 2028. On this occasion, we received messages from four external directors, including the newly appointed one, regarding the current state and challenges of Kagome's Board of Directors, along with the roles they hope to play in the future.



Kumi Arakane
External Director

As there is a need to resolve global food issues caused by climate change and population problems, the role that Kagome can play will continue to grow. Kagome's 2035 Vision represents the culmination of thoughts on how the company should contribute and how it will make the vision a reality. The process of reaffirming Kagome's raison d'être and role in the form of MVV was extremely meaningful.

The vision, "Working together to drive innovation from farm to everyday life and open new possibilities in nature," reflects Kagome's strong determination to leverage technological development and innovation as its strengths to unlock the potential of

nature. To realize this vision, the company should organize its approach to risk, including the risks it should take in line with its growth strategy, into a certain framework, and further deepen discussions within the Board of Directors. Since risks change with the times and circumstances, the framework itself needs to be reviewed periodically.

Starting in 2026, a new management structure was rolled out, headed by Chairman Yamaguchi and President & CEO Okuya. At Kagome, the Remuneration and Nomination Advisory Committee, a majority of whose members are external directors, considered the structure of the new organization based on the succession plan. It goes without saying that a major factor in the decision was that the organization should be able to lead the 2035 Vision.

Under President & CEO Okuya's leadership, I will support Kagome's significant growth towards realizing its 2035 Vision.



Shigeru Kumekawa
External Director

I believe that the Board of Directors is able to openly discuss a wide range of topics, including important measures and investments for achieving management targets, human resources strategy, and risk management.

Going forward, in addition to the existing content, I would like to focus discussions more on the gaps (shortcomings) between the current Kagome and the goal of achieving the 2035 Vision, and support the executive team.

In our International Business, the rapid expansion of secondary processing is essential to reduce volatility caused by fluctuations in the tomato market in primary processing, which has driven growth in recent years. Expanding sales activities and the human resources to support them are urgent priorities.

In the domestic business, In addition to improving profitability by highlighting the quality and functional value of domestically produced vegetables, the company aims to expand the Kagome fan base through opportunities for societal health well-being realization, such as vegetable harvesting and cooking experiences in the well-being domain. Kagome does not intend to do everything in-house, as it is also necessary to consider commercialization through collaboration with local governments and other companies.

In 2025, I had the opportunity to speak with investors. I helped them understand Kagome's business and initiatives spanning from agriculture to food, while they requested that the company pursue shareholder-conscious management, such as making the progress of these initiatives more visible. Using my role on the Board of Directors, I will work to enhance corporate value through discussions on governance across the company's wide reaching business portfolio, including difficulty levels and time lags to commercialization, as well as the human resources strategy that supports them and information disclosure as a company grounded in corporate openness.



Asako Yamagami
External Director (Audit and
Supervisory Committee Member)

As the presence of the International Business within the Kagome Group increases and its growth becomes a crucial pillar for achieving the 2035 Vision, improving global governance is essential to advance business growth across the entire Group while appropriately managing risks and ensuring the integrity of operations. In recent years, through the enhancement of subsidiary management and control via financial accounting and internal audits, and the strengthening of the risk management system, Kagome has made progress in identifying risks across the entire Group, including overseas business sites, and analyzing and evaluating them in light of management strategies. Furthermore,

decision-making regarding the International Business is expedited through the delegation of authority to the business itself, while decision-making on important matters is made after multifaceted consideration based on sufficient information provided to the Board of Directors. On the other hand, human resources strategy, such as utilizing personnel who aim to create new value by leveraging experience cultivated both domestically and internationally, and promoting the development of global management talent, is a key issue that needs to be explored more deeply and urgently as it is essential for future growth.

The Kagome Group's new MVV were formulated to be easily understood by members at overseas business sites, who come from diverse cultural backgrounds. I expect that the penetration of this new philosophy throughout the entire Group will become the starting point for further improvements in Kagome's global governance. Through my role on the Board of Directors, I will continue discussions, while keeping MVV in mind, toward building organizations, systems, and processes that contribute to stronger global governance.



New
Masaharu Umetsuji
External Director (Audit and
Supervisory Committee Member)

In its new Mid-Term Management Plan, Kagome is "Working together to drive innovation from farm to everyday life and open new possibilities in nature" in order to realize its 2035 Vision. As concrete management measures to realize this initiative, Kagome is promoting the diversification of its raw materials supply chain and the sales value chain for secondary processed tomato products. As a result, the proportion of the International Business is expanding. On the other hand, against the backdrop

of external factors such as changes in the global environment and a multipolar world, the global business environment surrounding Kagome is becoming increasingly complex. In response to this situation, it goes without saying that while organic business growth is important, when employing means of inorganic business growth (such as capital alliances or M&A), careful attention should be paid to maintaining and developing the quality of brand image and good human capital, which are crucial management resources. Furthermore, inorganic business growth processes also present opportunities for the evolution of diverse human capital. As a newly appointed external director, I will leverage my diverse experience in global business to contribute daily to ensuring that management initiatives, even in an increasingly complex business environment, lead to sustainable growth and enhanced corporate value from the perspectives of shareholders, employees, and other diverse stakeholders.

Corporate Governance

Basic Policy of Corporate Governance

In accordance with its corporate philosophy of "appreciation," "nature" and "corporate openness," we aim to achieve sustainable growth and improve the mid- to long-term value of the Company. We acknowledge corporate governance to be a critical management issue toward these objectives.

Kagome considers further strengthening of "autonomy" complemented by "heteronomy" to be the fundamentals of our corporate governance. This will ensure objectivity and transparency, forming a

basis by designing its own concept of corporate governance adapted to the present day, while incorporating diverse outside viewpoints by working to attract more "Kagome Fan Shareholders" and leveraging the function of external directors among other things.

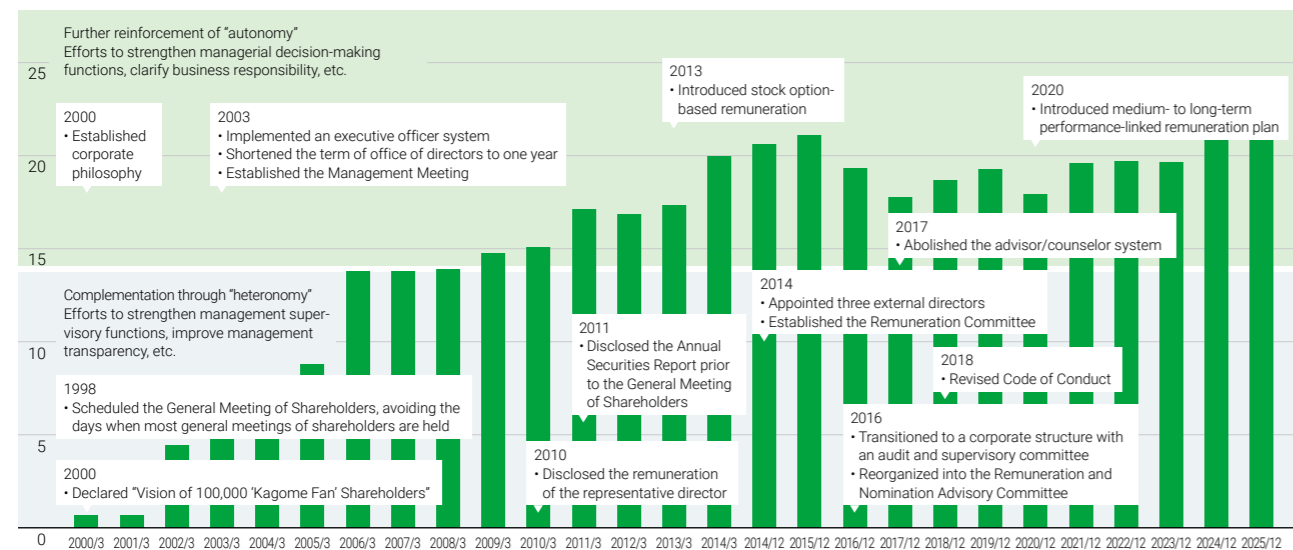
We aim to deliver a high degree of accountability and achieve "corporate openness" in interactions with stakeholders, while employing unique attributes and originality.

History of Corporate Governance and Historical Trends in the Number of Shareholders

The history of our corporate governance is a culmination of our efforts to achieve "corporate openness" as part of our corporate philosophy that can be traced back to the aspirations of our company's founder. We have been continuously evolving up until the present through the public offering of our shares and the separation of capital from management, etc. in the past.

Number of shareholders:

10,000 persons



Corporate Governance System

Since transitioning to a corporate structure with an audit and supervisory committee in 2016, we have separated executive functions from supervisory functions to accelerate managerial decision-making and help clarify business responsibility. The Company has specified that the Board's primary duties are determining the Company's management strategies and policies and monitoring the implementation of such strategies and policies. The Board enhances the advisory and supervisory functions and increases the effectiveness of such functions by electing one third or more external directors, who satisfy the Standards for Judging the Independence of Independent external directors, as the members of the Board.

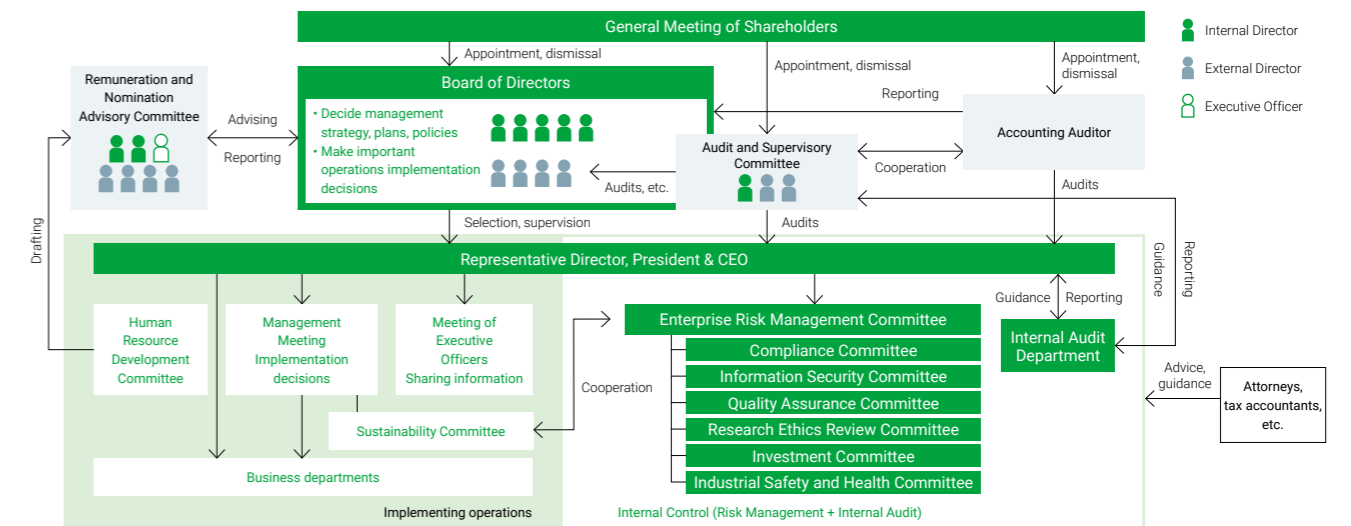
The Audit and Supervisory Committee has set a policy of having one or more standing Audit and Supervisory Committee members, and uses internal control systems to audit the legality and appropriateness of the operations implemented by the directors.

The nomination and remuneration of directors are deliberated by the Remuneration and Nomination Advisory Committee; more than

half of whose members are independent external directors. The results of the deliberations are advised to the Board of Directors, which then determines the nomination and remuneration of the directors, thereby enhancing fairness and appropriateness.

Under our executive officer system, we are using set criteria to delegate implementation responsibilities and authority to our departments regarding the execution of business. In addition, we have established the Meeting of Executive Officers in order to convey and make known Board resolutions and reported matters as well as to facilitate communication and coordination among the executive officers. Furthermore, the Management Meeting has been established under the leadership of the president to ensure that business is executed in an agile manner and through mutual coordination. Deliberations at the Management Meeting enable appropriate risk taking and also produce clear allocations of responsibilities, while enabling us to make decisions in an expedited manner.

Corporate Governance Organizational Chart



Board of Directors

Evaluation of the Effectiveness of the Board of Directors

The effectiveness evaluation conducted in 2024 primarily identified the following issues.

- Appropriately monitor and supervise the implementation status of the third Mid-Term Management Plan and annual policies
- Formulate a new vision in the final year of our efforts toward achieving what Kagome strives for by 2025

- Aim to achieve business sustainability and enhance corporate value from a long-term perspective, taking into account impacts on the environment and society
- Continue to discuss business portfolio management and human capital management as a prerequisite for strengthening and allocating management resources with a view to the future of the entire Group

Based on the above, the Board of Directors in FY2025 held in-depth discussions on the following agenda items.

Main topics discussed in FY2025

• Monitoring of annual management plan (monthly performance)	• Report on discussion content at Management Meetings as well as Audit and Supervisory Committee meetings
• Report of the 81st Annual General Meeting of Shareholders	• Status of review of Kagome Group Vision
• Growth strategy, financial strategy, and human resources strategy in the next Mid-term Management Plan	• Acquisition of shares of Silbury Marketing Ltd.
• FY2026 management plan	• Evaluation of the effectiveness of the Board of Directors
• Change of Representative Director, President & CEO	• Format of the 82nd Annual General Meeting of Shareholders
• Agenda setting for next year's Board of Directors meeting	

Main initiatives for revitalizing the Board of Directors

The Company has continuously carried out initiatives to revitalize the Board of Directors.

2025	• Conducted meetings to exchange opinions between top management and Audit and Supervisory Committee members	2020	• Utilized teleconference
2024	• Held discussions based on the executive side's considerations regarding the next Mid-Term Management Plan	2019	• Advance disclosure of deliberation materials on the dedicated site for the Board of Directors
2023	• Visited subsidiary in the growing India market • Held discussion with outside experts	2018	• Organized a study camp to examine the next Mid-Term Management Plan • Made an annual schedule of proposals to the Board of Directors
2022	• Held study sessions and discussions on priority issues	2017	• Conducted meetings to exchange opinions between top management and external directors • Shared the matters deliberated on by the Management Meeting with external directors
2021	• Conducted third-party evaluation on the effectiveness of the Board of Directors • Shared the matters deliberated at Audit and Supervisory Committee meetings with directors	2016	• Introduced effectiveness evaluation of the Board of Directors • Revised the rules for the submission of proposals to the Board of Directors (transition to the Management Meeting)

Corporate Governance

Results of the evaluation of the effectiveness of the Board of Directors

In September 2025, we conducted an evaluation of the effectiveness of the Board of Directors, targeting directors. A summary of the results is as follows.

1. Methods of evaluation

We conducted a survey of all directors, and based on the results, the Board of Directors deliberated and evaluated the effectiveness of the measures.

Conducted questionnaire	The survey for all directors was divided into the following categories (7 categories in total covering 38 items). (1) Design of the Board of Directors (size, composition, diversity, etc.) (2) Operation of the Board of Directors (frequency of meetings, duration [explanations and deliberations], information provision, use of remote meetings, support from the secretariat, etc.) (3) Board of Directors' agenda items (setting themes, timing of discussions, incorporation into management plans, follow-up, etc.) (4) Quality of discussions at Board of Directors meetings (materials, objectivity and multifaceted nature of discussions, accountability, leadership of the chairman, etc.) (5) Corporate governance system (appointment and dismissal processes, remuneration determination processes, dialogue with stakeholders, etc.) (6) Overall evaluation (progress in enhancing corporate value, speed and flexibility of decision-making, separation of execution and supervision, etc.) (7) Individual themes (strategies, business portfolio, global governance, ESG, etc.) Conducted survey for the Remuneration and Nomination Advisory Committee (six items) Conducted survey for the Audit and Supervisory Committee (eight items) Conducted survey for the Enterprise Risk Management Committee (one item)
Deliberations by the Board of Directors taking the above into account	With reference to the survey results, we set up opportunities for deliberation and opinion exchange involving all directors to conduct evaluation on the effectiveness of the Board of Directors, identification of issues, assignment of priority for each issue, and discussion of countermeasures.

2. Summary of evaluation results

Based on the above, the Board of Directors deemed that it has properly met all categories (1) to (7), and found that the effectiveness is sufficiently ensured.

3. Topics to consider for further improvement in effectiveness

In FY2025, an evaluation was conducted through a comprehensive survey targeting all directors, including the chairman. The evaluation covered 33 items across 6 categories: the design and operation of the Board of Directors, the quality of proposals and discussions, the governance system, and overall evaluation, as well as individual themes and open-ended responses. In addition, questions regarding the Remuneration and Nomination Advisory Committee and the Audit and Supervisory Committee were included to evaluate the functions of these committees.

This fiscal year's evaluation indicated that the effectiveness of the Board of Directors is generally ensured. In particular, the fact that appropriate materials and explanations are provided in advance during deliberations on important matters and in the formulation and revision of management plans, and that multifaceted discussions are held over a sufficient period of time, was highly praised. Furthermore, improvements in the quality of discussions and the establishment of regular forums for exchanging opinions contribute to the sophistication of the decision-making process.

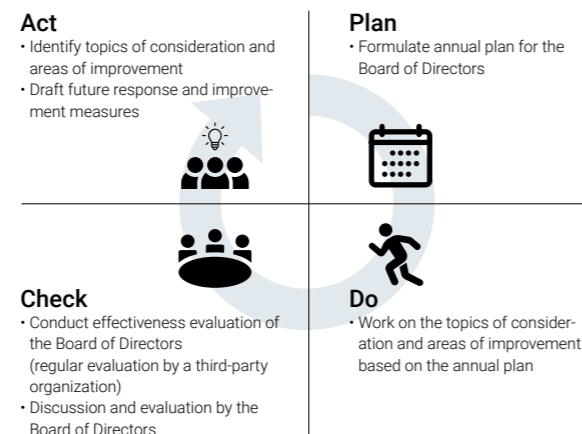
Improvements have been made compared to the previous fiscal year in terms of enhancing the governance system and providing information, including strengthening the structures of the Remuneration and Nomination Advisory Committee as well as the Audit and Supervisory Committee, expanding training opportunities for newly appointed directors, and conducting visits to and site inspections at overseas Group companies. Through the formulation of the 2035 Vision and the next Mid-term Management Plan, discussions on the enhancement of corporate value and medium- to long-term growth strategies have become more active, and the Board of Directors' understanding of its role has deepened even further.

On the other hand, the following issues have been pointed out in order to further improve effectiveness.

- Strengthening of the evaluation criteria and review system for the business portfolio
- Clarification of standards and policies for risk-taking in line with the growth strategy
- Strengthening of global governance and improvement of the KPI monitoring system for overseas operations
- Deepening of discussions on ESG
- Integration of management and human resource strategies
- Enhancement of the effectiveness of governance systems for emergency response and contingencies

We will prioritize these issues and continue discussions and consensus-building efforts throughout FY2026.

With the completion of our long-term vision, which we have been working on since FY2016, and the three mid-term management plans based on it, we have kicked off a new 10-year vision starting in FY2026. Going forward, we will strive to improve the effectiveness of the Board of Directors, sustainably enhance corporate value, and achieve highly transparent management through sound and constructive discussions that leverage diverse perspectives, including those of external directors.



Kagome's policy on appointing directors

We consider a size that is appropriate for holding high quality discussions, while ensuring diversity and balance in terms of knowledge, abilities and experience in the composition of the Board. Such a size achieves a medium- to long-term increase in corporate value by maximizing the advisory and monitoring functions of the Board of Directors. Additionally, the Board selects candidates, taking into account the internal and external compositions, independence, specific experiences, areas of expertise, genders, nationalities, etc. according to the business environment, after deliberations of the Remuneration and Nomination Advisory Committee. One third or more of the members of the Board of Directors elected are independent external directors.

The Board of Directors currently consists of nine members, including six directors (excluding directors who are Audit and Supervisory Committee members) and three directors who are Audit and Supervisory Committee members, of which four are independent external directors. Our external directors come from a variety of backgrounds and have extensive experience and knowledge related to diversity management and business globalization, along with the achievement of longer, healthier lives through food. We have set the goal of increasing the percentage of women in the workforce, including executives, to 50% by around 2040, and we will aim to achieve the same for the Board of Directors at an early stage.

Board of Directors Skill Matrix

Name	Attributes	Management skills for advancing corporate management					Functions and skills to advance Kagome's business and Mid-Term Management Plan and enhance performance					
		Corporate management	Finance, accounting	Legal and risk management	Human resource development and diversity	Sustainability management	Agriculture, food and nutrition	Research and technology	Marketing and brand management	Production, procurement and quality	Sales and supply chain management	Global business
Satoshi Yamaguchi Director, Chairman of the Board of Directors		○		○	○	○	○	○			○	
Harunobu Okuya Representative Director, President & CEO		○		○	○	○				○		○
Yoshihisa Hairo Director & Managing Executive Officer		○			○		○		○			○
Takeshi Saeki Director & Managing Executive Officer		○	○	○								○
Kumi Arakane External Director	External Independent	○		○		○		○	○	○		
Shigeru Kumekawa External Director	External Independent	○									○	○
Hitoshi Takano Director (Audit and Supervisory Committee member)		○		○						○		○
Asako Yamagami External Director (Audit and Supervisory Committee member)	External Independent			○	○							○
Masaharu Umetsuji External Director (Audit and Supervisory Committee member)	External Independent		○	○								○

Categories, items and definitions of skills

We have set a total of 11 skills as necessary for directors, consisting of "Management skills for advancing corporate management" and "Functions and skills to advance Kagome's business and Mid-Term Management Plan and enhance performance." Based on the certification criteria for skill possession*, the skills of each director are clearly defined, taking into account their knowledge, abilities, and experience.

* Certification for skill possession:
 (1) Having management experience as an internal director of a company
 (2) Having management experience as a division director or equivalent in a position that executes the relevant specialized function
 (3) Having experience in utilizing relevant knowledge and expertise from a corporate management perspective to make contributions directly related to management

Corporate Governance

Skills Required of Directors and Definitions

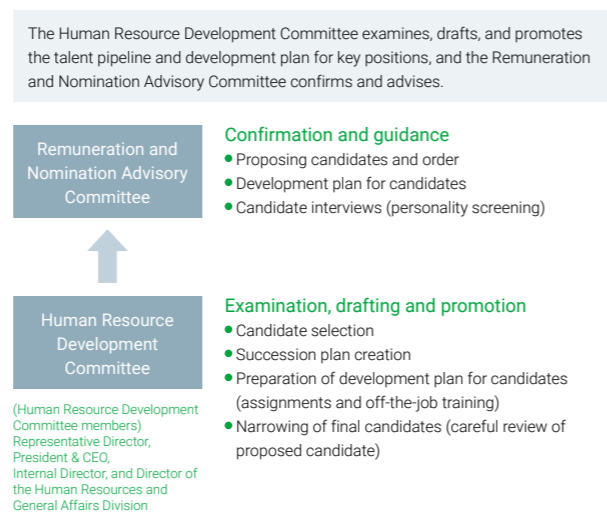
Category/Item	Definition
Management skills for advancing corporate management	
Corporate management	Fundamental skills related to management control, vision and strategic planning, and leadership in conducting corporate management
Finance, accounting	Skills to properly manage and operate management resources, while also building a positive relationship of trust with the capital markets
Legal and risk management	Skills to accurately grasp, evaluate, and respond to various risks that may arise from external environments and business operations, and conduct fair and appropriate management
Human resource development and diversity	Skills for appropriately securing and developing human capital, and leveraging diverse ideas and experiences to lead to the creation of new corporate value
Sustainability management	Skills to enhance corporate value through management that takes into consideration environmental and social sustainability, based on our philosophy of Appreciation, Nature, and Corporate Openness
Functions and skills to advance Kagome's business and Mid-Term Management Plan and enhance performance	
Agriculture, food and nutrition	Skills to formulate issues based on knowledge and insight into agricultural policy, food, and nutrition
Research and technology	Skills to advance research and development and technology development strategies that generate business seeds for the company
Marketing and brand management	Skills to manage brand value and promote effective marketing strategies
Production, procurement and quality	Skills to accurately promote the stable procurement of raw materials and the manufacturing of products that ensure quality first
Sales and supply chain management	Skills to promote a sales strategy that creates efficient supply chains and customer touchpoints
Global business	Skills to promote business strategies that effectively utilize management resources in a global environment

Succession Plan

The development of management personnel and the realization of highly transparent appointments are important matters required by Japan's Corporate Governance Code. Recognizing that the development of next-generation executive candidates is an important management issue for sustainable value creation through growth, we have established and are promoting a selection and training process.

Our development of management and executive candidates uses a combination of "education" (off-the-job training and on-the-job training) and "selection" to measure actions to be demonstrated in a hierarchical manner for executives and general managers.

The Human Resource Development Committee, which is an internal decision-making body, conducts the selection, development plan, and review of candidates, while the Remuneration and Nomination Advisory Committee discusses and reviews appointment of officers and management before submitting them to the Board of Directors, thereby enhancing transparency and objectivity.



Directors' Remuneration

The Company's directors' remuneration plan is designed and managed according to the basic policy that it be a remuneration plan suited to a global corporation aimed at the realization of the mid-term management plan and that the results provided to the company and

roles expected through the job duties of individual directors are important and that they are evaluated appropriately. Specifically, remuneration comprises basic remuneration and performance-linked remuneration. The proportions of each of the above are determined based on the positions of the directors.

Main Deliberations and Reporting of the Remuneration and Nomination Advisory Committee

Main deliberations and reporting	
First meeting of 2025	Deliberation: executive bonuses for FY2024, director skills matrix for FY2025, and the committee structure from April 2025 onward Report: finalization of the BIP Trust for FY2022 and director reshuffle until the end of March 2025
Second meeting	Deliberation: grade ratings for new directors, BIP trust grants and benefits for retiring directors, and estimation of executive bonuses for FY2025 Report: personnel reshuffle of executive officers
Third meeting	Deliberation: directors' remuneration for FY2025, continuation of the trust for BIP trust-type stock compensation Report: Human Resources Development Committee structure from April 2025 onward
Fourth meeting	Report: estimated executive bonuses as of April, the agenda of the Remuneration and Nomination Advisory Committee, an overview of the progress of the Human Resource Strategy Study Project, and the director succession plan
Fifth meeting	Report: Management Skills License Program and directors' harassment training
Sixth meeting	Report: proposal for the new personnel evaluation system for directors Deliberation: director succession plan Report: President & CEO's personal evaluation and remuneration plan
Seventh meeting	Deliberation: director succession plan
Eighth meeting	Report: director reshuffle effective October 1, 2025 Deliberation: remuneration system for executive officers and directors, and director succession plan
Ninth meeting	Submission for discussion: change of the Representative Director effective January 1, 2026, and director reshuffle effective January 1, 2026
Tenth meeting	Report: directors' remuneration market survey report for FY2024 Deliberation: director succession plan
Eleventh meeting	Request: confirmation of the Board of Directors' skills matrix for FY2026 and nomination details for the convocation notice of the General Meeting of Shareholders Deliberation: remuneration amounts associated with the personnel reshuffle of directors effective January 1, 2026, and the approach to defining the roles of the chairman, senior managing executive officer, and managing executive officer
Twelfth meeting	Deliberation: defining the roles of the chairman, senior managing executive officer, and managing executive officer, and the personnel reshuffle of directors for March and April 2026 Report: schedule of the Remuneration and Nomination Advisory Committee for FY2026
First meeting of 2026	Deliberation: executive bonuses for FY2025, the personnel evaluation system for newly appointed executive officers, and the personnel reshuffle of directors as of March 2026 Report: confirmation of the BIP Trust for FY2023
Second meeting	Deliberation: executive bonuses for FY2025 (document review of confirmed values based on financial results)
Third meeting	Deliberation: the Remuneration and Nomination Advisory Committee system from April 2026 onward, the role and treatment of the Chairman of the Board of Directors, and the personnel reshuffle of executive officers as of April 1 and March 31 Report: operations related to executive officers, estimation of executive bonuses for FY2026
Fourth meeting	Deliberation: directors' remuneration for FY2026

Directors' Remuneration

Directors' Remuneration

Category of directors	Total amount of remuneration, etc. (million yen)	Total amount of remuneration, etc. by type (million yen)				Number of eligible directors (persons)
		Basic remuneration	Bonus	Stock options	Trust-type share remuneration	
Director (excluding Audit and Supervisory Committee members)	237	141	60	—	35	8
External Director	21	21	—	—	—	3
Director (Audit and Supervisory Committee members)	55	55	—	—	—	3
External Director	22	22	—	—	—	2

Total Amount* of Remuneration, etc. of Individual Directors

Category of directors	Total amount of remuneration, etc. (million yen)	Total amount of remuneration, etc. by type (million yen)			
		Basic remuneration	Bonus	Stock options	Trust-type share remuneration
Satoshi Yamaguchi, Representative Director, President & CEO	96	43	30	—	22

* Only remuneration, etc. of persons whose total amount of remuneration, etc. is 100 million yen or more is stated.

Breakdown of Remuneration by Position

Position	Basic remuneration	Performance-linked remuneration		Total	Distribution of evaluation	
		Short-term cash bonus	Share remuneration		Company-wide business performance	Individual performance
Representative Director, President & CEO	50%	33%	17%	100%	100%	0%
Director & Senior Managing Executive Officer	60%	28%	12%	100%	80%	20%
Director & Managing Executive Officer	65%	25%	10%	100%	80%	20%
Director & Audit and Supervisory Committee Member	100%	0%	0%	100%	—	—
External Director	100%	0%	0%	100%	—	—

Amount of basic compensation by position (excluding director & Audit and Supervisory Committee members and external directors)

Position	Basic compensation (million yen)
Representative Director, President & CEO	43
Director & Senior Managing Executive Officer (set according to job grade)	30 to 32
Director & Managing Executive Officer (set according to job grade)	24 to 26
Director & Executive Officer (set according to job grade)	19 to 21

Calculation method of performance-linked remuneration

The performance-linked remuneration of each director is calculated using the formula shown below:

$$\text{Standard bonus amount} = \text{Total basic remuneration of each position/job grade} \times \text{Total percentage of performance-linked remuneration}$$

$$\text{Total amount of performance-linked remuneration} = \text{Standard bonus amount} \times (\text{Company performance pay coefficient 1}^* [\text{core operating income vs. budget}] \times \text{Position weighting} + \text{Company performance pay coefficient 2}^* [\text{year-on-year consolidated revenue}] \times \text{Position weighting} + \text{Company performance pay coefficient 3}^* [\text{net income attributable to shareholders of parent vs. budget}] \times \text{Position weighting} + \text{Individual performance pay coefficient}^* \times \text{Position weighting})$$

*1 The "Company performance pay coefficient" is determined through a "company performance evaluation" which evaluates the rate of achievement of company performance indicators. The Company has set three indicators as company performance indicators: (1) Amount of core operating income vs. budget, (2) Amount of year-on-year consolidated revenue, and (3) Amount of net income attributable to shareholders of parent vs. budget.

(1) Amount of core operating income vs. budget
Following our voluntary adoption of International Financial Reporting Standards in FY2019, we have set "feasibility of core operating income" (degree of achievement) compared to the initial budget as one of the Company's performance indicators, which serves as an important measure of consolidated management related to company performance evaluation. Specifically, the achievement rate of the results versus the initial budget is set as the coefficient. The achievement rate of the results versus the budget for FY2025 was 95%.

(2) Amount of year-on-year consolidated revenue
We have chosen year-on-year consolidated revenue amount as the second management indicator, which serves as a measure for evaluation in achieving the sustainable growth we aim for. Specifically, the achievement rate of the results versus the results of the previous fiscal year is set as the coefficient. The achievement rate of the results versus the results of the previous fiscal year for FY2025 was 96%.

(3) Amount of net income attributable to shareholders of parent vs. budget
We set "Net income attributable to shareholders of parent," the ultimate bottom line, as a third management indicator so that we can continually create value for shareholders and achieve a higher level of contributions. Specifically, the achievement rate of the results versus the initial budget is set as the coefficient. The achievement rate of the results versus the budget for FY2025 was 106%.

*2 The "individual performance pay coefficient" is determined through an "individual performance evaluation" which evaluates achievement and contribution against the individual performance indicators of each director. Individual performance indicators measure degree of contribution to solving company-wide issues and departmental issues and are set for each director in the form of Key Performance Indicators (KPIs). The contents and progress of KPIs are disclosed and disseminated throughout the Company in a way that enhances their transparency and receptivity.

Short-term performance-linked remuneration: Cash bonus

The cash bonus for a single fiscal year, which is short-term performance-linked remuneration, is calculated using the formula shown below:

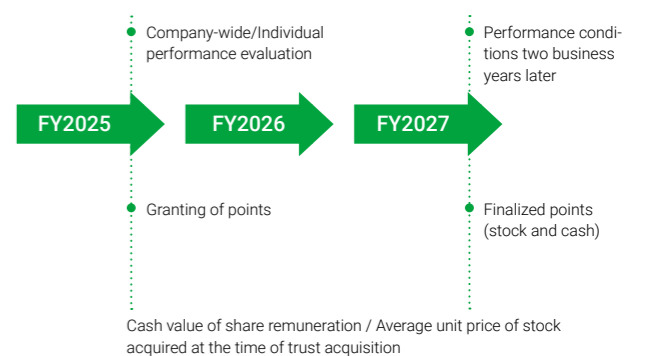
$$\text{Cash bonus} = \text{Total amount of performance-linked remuneration for single fiscal year} \times \text{Percentage of total amount of performance-linked remuneration accounted for by cash bonus}$$

Medium- to long-term performance-linked remuneration: BIP trust

Furthermore, we introduced a BIP trust in FY2020 as a medium- to long-term performance-linked remuneration that is highly transparent and highly correlated to shareholder value. In the BIP trust, points are allocated by applying the average unit price of share acquisition at the time of trust acquisition to the cash amount equivalent to share remuneration determined based on the performance evaluation in a single fiscal year. This mechanism involves granting stock and providing cash decided according to the degree of achievement of the company-wide performance indicator (ratio of consolidated core operating income to consolidated revenue) in two years' time where one point is converted to one share. Since stocks, instead of rights, will be granted directly to directors in the BIP trust, this will increase directors' motivation to create value for shareholders. We also expect the plan and its implementation to be easy to understand and transparent.

The cash value of the share remuneration is calculated using the formula shown below:

$$\text{Cash value of share remuneration} = \text{Total amount of performance-linked remuneration for single fiscal year} \times \text{Percentage of share remuneration in total amount of performance-linked remuneration}$$



Corporate Governance

Approach to repayment of directors' remuneration

On April 1, 2022, we instituted a Clawback & Malus clause that enables the Company to require all or a portion of the cash bonus and stock options to be repaid, and stop payment of stock options before they are paid out, in the event of a serious accounting error or fraud, serious breach against the delegation contract, or an act that significantly violates the psychological safety that the Company emphasizes. The targets are cash bonuses and share remuneration (performance-linked bonuses) of Directors.

The details of the disposal shall be deliberated by the Remuneration and Nomination Advisory Committee on a case-by-case basis followed by reporting to the Board of Directors.

In principle, remuneration paid in the fiscal year in which the applicable event was discovered plus remuneration that trace back to three business years prior are subject to repayment. When requesting repayment, the repayment will be made from cash bonus and stock options for fiscal years starting from FY2022.

Strengthening group governance


In order to enhance the Group's finance and accounting governance, we established a Group-wide accounting, tax and financial management policy in 2019. We are dispatching finance and accounting personnel directly from the head office to major Group companies in order to ensure compliance with these policies.

Domain	Name	Main points
Accounting	Kagome Group Financial Reporting Standards (K-FRS)	<ul style="list-style-type: none"> Conformity with IFRS
Tax	Kagome Group Tax Policy	<ul style="list-style-type: none"> Compliance with laws and regulations of each country and each region Prohibition of tax evasion and excessive tax avoidance
Finance	Kagome Financial Management Basic Policy	<ul style="list-style-type: none"> Reduction of risk assets and maximization of capital and asset efficiency Risk management and prohibition of speculative financial transactions
	Kagome (Subsidiaries) Financial Management Basic Policy	<ul style="list-style-type: none"> Same as above No holdings of financial products such as derivatives, in principle

Cross-shareholdings

Our basic policy is to dispose of or reduce, as promptly as possible, the holding of shares considered insignificant. Each year, our company reviews the significance, economic rationality and other factors of cross shareholding and determines whether or not to continue each holding and the number of shares to be held. The examination of economic rationality sets the value for each holding as of the end of the most recent fiscal year as the standard to calculate the percentage at which the holding contributed to the profit of the Company in such fiscal year. When such percentage is below a figure equivalent to approximately twice the average ROA of the Company for the past five years on a non-consolidated basis, such shares are subject to review for sale. Also reviewed are shares whose market price has declined 30% or more from the book value and shares of a company with whom the Company has transactions amounting to less than 100 million yen per year.

Each year, the Board of Directors meet to deliberate on whether or not to sell shares of suppliers and clients that fall below these standards, determine the shares for sale, and sell some of its cross-shareholdings.

 To learn more about our response to the Corporate Governance Code, please refer to our website. <https://www.kagome.co.jp/company/ir/data/others/>

Shareholder and Investor Engagement

Our responsibility to shareholders and investors

Information disclosure

Kagome discloses information to shareholders and investors in a fair, simple and timely manner, under its Corporate Philosophy of "Corporate Openness." We attach great importance to opportunities for two-way communication with shareholders and investors through investor relations events such as the General Meeting of Shareholders, financial results briefing, tours of production plants in Japan and overseas, among others.

General Meeting of Shareholders

We encourage all shareholders to participate in its General Meeting of Shareholders. This is achieved by disclosing on the Company's website and sending out as early as possible the content of the convocation notice and documents accompanying the convocation notice. Furthermore, we disclose our annual securities reports before the General Meeting of Shareholders, in an effort to provide

shareholders with useful information to help them exercise their voting rights. On the actual day of the meeting, we provide visual presentations of the Chair's explanations and videos in an effort to make the reports easy to understand. Furthermore, we stream the meeting live online so that shareholders who are unable to attend may listen in. After the meeting, we promptly disclose details on Q&A sessions and results of questionnaires. In this manner, we are working to enhance and expand communication with shareholders.

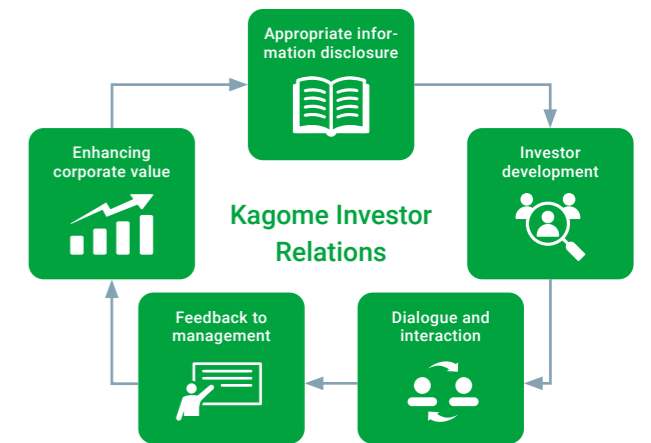
Management oversight

Kagome recognizes that management oversight is enhanced through feedback on corporate activities and business performance from the perspective of numerous shareholders. As such, in 2001, we began working to attract 100,000 Kagome Fan shareholders. This initiative drove shareholder numbers past the 100,000 mark on September 30, 2005. Today, the number of shareholders stands at around 240,000. We will continue to appropriately reflect the valuable opinions and needs of our shareholders in all our corporate activities.

Investor Relations Initiatives

Under its Corporate Philosophy of "Corporate Openness," Kagome has established a system to share opinions received from shareholders, investors, and analysts as feedback for management through various investor relations initiatives.

Under this system, Kagome places importance on a series of processes; namely, appropriate information disclosure, investor development, dialogue and interaction, and feedback to management. We will strive to expand our connections with domestic and international institutional investors who are interested in the creation of mid- to long-term corporate value. We will also promote initiatives to deepen understanding of Kagome in the capital markets by disclosing information on our business strategy, financial strategy, and other data, in a timely and appropriate manner.



Financial results briefing (held two times), financial results briefing for individual shareholders/investors (held four times*)

Our financial results briefing is held the day after the announcement of the annual and first-half financial results. During these briefings, the President & CEO and CFO explain the company's performance, business environment, and growth strategy, and answer questions. On the other hand, at earnings briefings for individual shareholders, staff from the Finance & Accounting Department explain data in easier-to-understand language, and staff from development departments also share the thoughts and stories of new product development.

In FY2025, the presentation explained the progress of the third Mid-Term Management Plan and our main initiatives for the next decade, starting from 2026, and highlighted products such as Almond Breeze, for which we commenced full-scale licensed production and sales in March.



Online earnings briefings for individual shareholders

*Includes those organized by securities companies.

Small meetings (held two times)

Small meetings are dialogue sessions primarily held for institutional investors and analysts. They mainly involve questions and answers with management. The objective of these meetings is to delve deeper into topics of high interest at any given time, and to promote understanding and build trust through two-way communication.

The ESG Small Meeting, held in September, is a forum for dialogue that focuses on questions and answers regarding environmental (E), social (S), and governance (G) issues.

In FY2025, we invited external directors to speak at our ESG Small Meeting for the first time, and conducted a Q&A session related to governance.



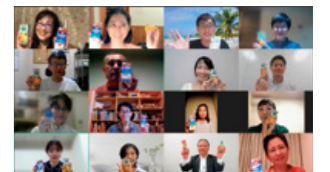
ESG Small Meeting

Talks with the President (held two times)

To help more individual shareholders get to know Kagome better, we provide opportunities for direct communication with the President & CEO.

During the meetings, we offer samples of our beverages and introduce our activities through quizzes, fostering interaction with our customers.

In FY2025, we held the meetings online to allow individual shareholders nationwide to participate. These meetings provided an opportunity for people of all ages to learn more about Kagome and participate in an enjoyable way.



Talk with the President held online

Overseas site visits for institutional investors and analysts (held one time) and overseas site visit tour for individual shareholders (held one time)

In FY2025, we held our first tour of our U.S. seed research facility, processing tomato fields, primary processing plant, and secondary processing plant for interested institutional investors and analysts, with the aim of deepening understanding of our International Business and expanding the information in analyst reports. FY2025 marked the third time that we offered a tour of our overseas facilities for individual shareholders. This time, participants were able to see our processing tomato fields and primary tomato processing plant in Portugal.

Visiting various processes overseas and engaging in dialogue and interaction with CEOs, executives, and employees at each location helped to deepen participants' understanding of the Group's value chain and to foster an understanding of and expectation of our growth potential.



Individual shareholders touring a primary processing plant for tomatoes

Interviews with analysts and institutional investors

The investor relations team from the Finance & Accounting Department provides company introductions, performance data, business environment, and growth strategies to numerous domestic and international institutional investors and analysts, as well as answers their questions.

In FY2025, we participated in two conferences hosted by securities companies, held one overseas roadshow, and organized a total of 155 meetings.

Internal Control

Initiatives based on the Three Lines Model

The Kagome Group conducts measures across the entire Group following the Three Lines Model as a global standard for internal control aimed at expanding its businesses in Japan and overseas to realize its Mid-Term Management Plan. This initiative aims to utilize a mutual check within the organization by separating and allocating functions appropriately to individual departments without overlap and enable optimal response for the entire company by clarifying the responsibility of each job function.

The First Line is responsible for creating demand, production, procurement, primary processing, cultivation, research and development, and developing plant varieties, etc. in Kagome's value chain, namely the frontline of the field. It conducts risk management in daily business activities by assessing the various risks in the execution of job duties at each business site, and implementing an appropriate controlling mechanism for these activities (segregation of duties, rules, documentation, etc.). It also incorporates necessary management systems, such as FSSC 22000 for quality and ISO 14001 for environment, for daily implementation on the first line at each business site.

The Second Line is specialized organizations in charge of compliance, finance and accounting, IT, human resources, quality, and occupational health and safety. These organizations determine the

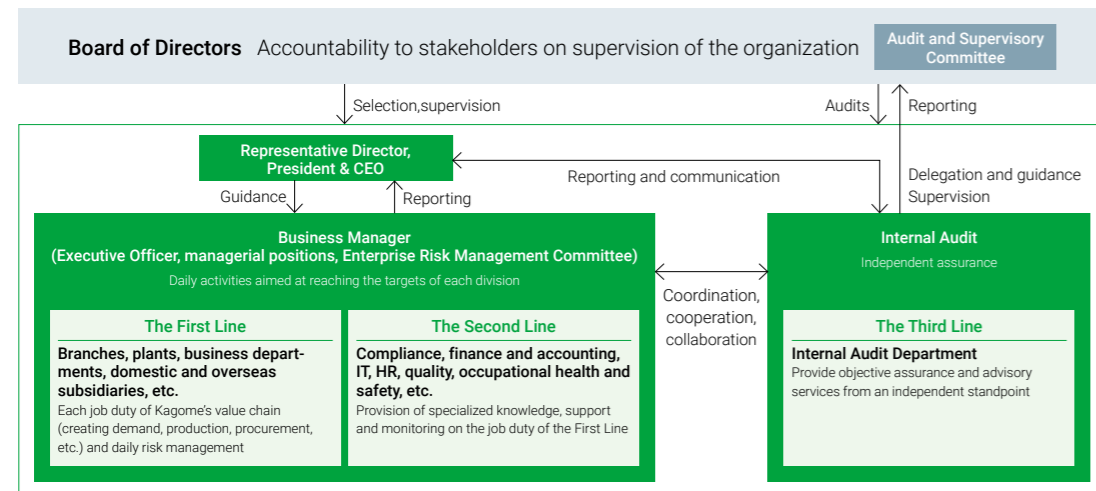
basic policies and procedures for risk management activities in their respective risk areas and provide daily support and monitoring to first line organizations. Additionally, the Enterprise Risk Management Committee implements systematic risk management for the entire company.

The Enterprise Risk Management Committee, chaired by the President and whose members include the CRO, Audit and Supervisory Committee members and external directors, oversees risk management activities for the Group as a whole. The committee, which is in charge of the First and Second Lines, monitors the initiatives of each line to implement the PDCA cycle for company-wide risk management activities, using integrated perspectives based on management strategies, while referencing such frameworks as ISO 31000 and COSO-ERM. The CRO is not a member of the Audit and Supervisory Committee and is separate from the Chair of the Audit and Supervisory Committee. Furthermore, the Enterprise Risk Management Committee operates independently of the Audit and Supervisory Committee.

Please see page 80 for information about the Third Line's Internal Audit Department.

The Board of Directors supervises risk management by receiving periodic reports on material business risks reported to and deliberated on by the Enterprise Risk Management Committee.

Three Lines Model



Risk Management P.76-78 Compliance P.79 Internal Audit P.80

WEB To learn more about our compliance and internal control, refer to our website. <https://www.kagome.co.jp/company/sustainability/governance/>

Risk Management

Kagome Group Risk Management Policy

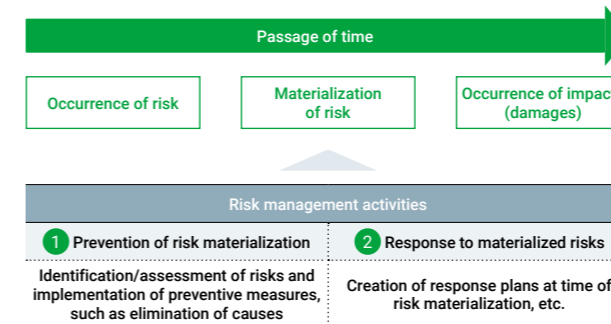
Under our 2035 vision of "Working together to drive innovation from farm to everyday life and open new possibilities in nature," we aim to fulfill our social mission by "sustaining humanity enriching nature, and nature humanity." Toward this end, we identify and assess various risks that could occur in the constantly changing external environment or in our own operations, and respond accordingly.

Additionally, we are working to enhance our ability to deal with risks, having established a system that enables us to prevent damages from spreading as well as minimize damages and losses in the event that a serious incident were to occur.

Risk management activities

The primary focus of our risk management activities is the prevention of risk materialization and response to risks that have already materialized.

In case of both our initiatives for prevention of risk materialization and response to risks that have already materialized, specific activities entail risk management based on management plans and business targets using the PDCA cycle.



1 Prevention of risk materialization

i) Basic framework

The Company organizes risks concerning corporate activities into the following three categories in order to conduct appropriate management based on the nature and content of risks.

		Plan Determine a plan and response	Do Implement	Check Check progress	Act Review response to risk
Priority risk themes of the Company	● Strategy risks	Management Meeting			Management Meeting
	● Social and environmental risks	Each organization (PDCA for risk management)			
	● Operational risks	Management Meeting			Management Meeting Enterprise Risk Management Committee
Risks other than those above	● Operational risks	Each organization (PDCA for risk management)			

● Strategy risks

Risks designated by the Company as being recognized to have serious impacts based on mid- to long-term management strategies

● Social and environmental risks

Risks generally recognized as force majeure if materialized among those risks caused by external factors such as socioeconomic environment or natural disasters

● Operational risks

All other risks excluding strategy risks and social and environmental risks

Based on the above three categories of risks, those risks recognized individually are separated into the following two risks depending on the impact they have on corporate management.

Priority risk themes of the Company

Risks from among strategy risks, social and environmental risks, and operational risks that are assessed to have a large impact on corporate management. The Management Meetings and the Enterprise Risk Management Committee designate strategic risks, decide on priority risk themes, point out areas for improvement, and manage the PDCA cycle of risk management activities. Priority risks include risks of legal violations (including various forms of corruption, such as deviations from codes of conduct, bribery, and fraudulent accounting) as well as ESG factors such as environmental and safety risks. Priority risk issues are reported to the Board of Directors and the Audit and Supervisory Committee, and are subject to supervision by these bodies.

Risk themes of each organization

Risks other than priority risk themes of the Company. As risk owner, each organization implements risk management activities for these risks using the PDCA cycle.

Corporate Governance

ii) Priority risk themes for the Company in FY2026

We recognize the following risks as priority risk themes for the Company, which are subject to priority risk management activities. In order to achieve appropriate management based on the nature and content of risks, we classify and disclose risks into three categories: strategy risks (1 to 3), social and environmental risks (4 to 7), and operational risks (8 to 12).

Risk classification	Priority risk themes
Strategy risks	<p>1 Management strategies</p> <ul style="list-style-type: none"> Deterioration of profits due to gap between budget and actual results Deterioration in performance and loss of revenue opportunities due to failures or delays in new businesses and/or M&A Deterioration in profitability and impact on financial condition due to decline in the value of owned assets
	<p>2 Human resources strategy</p> <ul style="list-style-type: none"> Shortage of human resources for growth domains, new businesses, and expansion of overseas business areas Shortage of human resources in specialized domains (DX, finance and accounting, etc.) Lack of human resources development measures Falling short of targets on diversity, equity and inclusion
	<p>3 Establishment of appropriate governance structure</p> <ul style="list-style-type: none"> Deficiencies in effectiveness of the Board of Directors and Audit & Supervisory Committee Disabling of internal control caused by management
Social and environmental risks	<p>4 Consumers and public relations</p> <ul style="list-style-type: none"> Litigation, boycotts, and damage to brand image due to inappropriate advertising or failure to address customer needs Spread and backlash on social media due to inadequate information disclosure and media response, damaging brand image
	<p>5 Social situation and customer needs</p> <ul style="list-style-type: none"> Economic recession or decline in demand in Japan or decline in sales due to delays in addressing consumer needs Decrease in product supply and revenue due to rising raw materials/materials costs
	<p>6 Financial markets</p> <ul style="list-style-type: none"> Rising capital procurement costs or deteriorating liquidity caused by fluctuations in foreign exchange rates or interest rates
	<p>7 Natural disasters and force majeure</p> <ul style="list-style-type: none"> Suspension of plant operations and other business activities due to natural disasters such as earthquakes, droughts, torrential rainfall, along with infectious diseases and conflicts (BCP) Stalled raw materials procurement caused by extreme weather
Operational risks	<p>8 Information management and cybersecurity</p> <ul style="list-style-type: none"> Suspension of operations, information tampering, and leakage of confidential or personal information due to cyberattacks Suspension of operations, information tampering, leakage of confidential and personal information, and loss of social credibility due to inappropriate information management
	<p>9 Health and safety</p> <ul style="list-style-type: none"> Negative health effects on employees incurred due to occupational accident in the workplace or long working hours or infectious disease, etc.
	<p>10 Safety of products and services</p> <ul style="list-style-type: none"> Possibility of shipment of defective products, negative health effects, and liability costs due to foreign contaminants, labeling errors, inadequate quality inspections, contamination of different varieties of seeds, inadequate quality inspections of non-food products, etc.
	<p>11 Supply chain (procurement, production, and transport logistics)</p> <ul style="list-style-type: none"> Raw materials shortages driven by sudden spikes in demand and supply constraints in seeds and other raw materials Stalled production and/or shipments due to system failures at automated warehouses or in logistics Instability of product supply due to decreased transport capacity caused by stricter labor management in the logistics industry, etc. Sudden surge in raw materials prices or supply shortages due to natural disasters, conflicts, etc., and suspension or restrictions of communication and logistics infrastructure Business impacts due to long-term disruptions at business outsourcing partners (logistics, direct marketing, new businesses, etc.)
	<p>12 Regulations and violations of laws/rules</p> <ul style="list-style-type: none"> Serious violations of laws or rules (Companies Act, tax law, Financial Instruments and Exchange Act, Tokyo Stock Exchange rules, etc.) Violations of food safety-related regulations, illicit activities of individuals, and scandals involving affiliated companies Negative evaluations from shareholders and investors because of delayed response to environmental issues (GHG emissions reduction, water resource issues, plastics issues, etc.) Decline in social trust due to the occurrence of human rights issues (forced labor, harassment, etc.) at the Company and/or business partners in the supply chain Serious violations of laws, regulations, or customs (including religious or cultural practices) in the countries where we operate

2 Response to materialized risks

i) Basic framework

In order to respond effectively and efficiently to risk materialization events, the Company classifies these events based on the assessment of their impact and develops a business continuity plan and other response plans according to risk materialization.

ii) Business continuity plan (BCP)

The Company has prepared a business continuity plan based on the scenarios in several individual contingencies anticipated in the future.

A business continuity plan is generally prepared for each business segment. However, since the value chains of multiple business segments overlap or are approximated, the Company has created a business continuity plan for each important product and function.

Along with important products, Kagome's business continuity plan consists of four important functions: procurement, supply chain management (SCM), finance and accounting, and public relations. Procurement and supply chain management are essential functions for conducting production activities as a food manufacturer. In addition, finance and accounting is the basic function for the survival of the Company, the maintenance of the supply chain, the livelihood of employees, and the other production activities of the Company as a business. Public relations is a function considered important in light of "Corporate openness," forming part of the Company's corporate philosophy. Accountability to internal and external stakeholders is absolutely necessary, especially in emergencies, and public relations is considered an essential function for this purpose.

Through the business continuity plan, Kagome's business activities will continue even in the event of a contingency, or Kagome will promptly recover from the cessation of business operations to preserve corporate value.

iii) Initiatives to address the emergence of other risks

Currently, Kagome is developing response plans for the emergence of individual risks, including business continuity plans, and has created scenarios assuming large-scale disasters such as a major earthquake directly beneath Tokyo. Based on these, we are systematically organizing individual plans in accordance with the Cabinet Office's "Business Continuity Guidelines" and formulating an integrated response plan. These initiatives ensure the active involvement of stakeholders within the Kagome Group, while also utilizing the support of external experts. Furthermore, we conduct tabletop exercises and simulations (rehearsals) for each critical function to evaluate and improve the effectiveness of response plans. With our implementation of the PDCA cycle, we continuously improve our ability to respond when risks materialize.

Example: Initiatives to address the emergence of risks

We are developing a business continuity plan to prepare for the eventuality of risk events. The important thing is to make the plan effective and efficient so that it does not end up being nothing more than an unattainable plan. To achieve this, it is essential to establish a PDCA cycle that involves developing a business continuity plan, conducting training, verifying the results, and incorporating those findings into the business continuity plan.

Following this idea, in 2023 we conducted a tabletop exercise to verify the effectiveness of business continuity plans for core products and four functions (procurement, supply chain management, finance and accounting, and public relations). In 2025 we conducted tabletop exercises in the production, sales, and systems departments based on scenarios simulating an earthquake of seismic intensity of 6 upper on the JMA scale, such as a major earthquake directly beneath Tokyo or a Nankai Trough earthquake. We also examined effective training methods.

Specifically, the training was not limited to initial response in the event of a disaster, but also considered changes in the situation at three different stages: immediately post-earthquake, three days post-earthquake (when initial response is largely completed), and seven days post-earthquake (when social infrastructure begins to be restored and detailed damage information begins to be collected). We then verified whether the business continuity plan would function at each of these stages.

The results obtained through this training will be reflected in future business plans to improve them, and will also be used to inform future training plans themselves, with the aim of improving our ability to respond when risks materialize.

• Intellectual property strategy and governance for seamless management

Looking to enhance corporate value and achieve sustainable growth, we have begun establishing an intellectual property governance system. As the activities of Kagome's overseas Group companies become more active, we are beginning to focus on intellectual property activities across the entire Group and to establish policies from a global perspective.

Kagome has agreed to hold regular meetings with management, and to build a system that reflects management's intentions and implements an intellectual property strategy in line with our future direction.

We also place great importance on contributions to our businesses. In collaboration with each business unit, we will set priority themes and then proceed with the planning and implementation of intellectual property strategies that maximize the impact of research and development outcomes.

In addition, we are stepping up collaboration with associates that are actively engaged in research and development activities overseas, and have also begun working to promote the creation of intellectual property domestically. We aim to maximize the value of our intellectual property by enhancing competitiveness through the acquisition and utilization of patents and trademarks, and by improving our technological capabilities and brand strength.

Through these initiatives, Kagome will contribute to resolving social issues through food and achieve sustainable growth in corporate value.

• Intellectual property activities for safeguarding and utilizing technologies

We conduct research and development for resolving social issues through food, while also working to maximize our results by protecting and utilizing our intellectual properties.

In agriculture in particular, we are working to enhance value from the upstream end of the value chain by utilizing plant variety development, advanced breeding, and cultivation technologies. Specifically, we hold patents in collaboration with external

partners for technologies that enable an increase in functional components and a reduction in off-flavor components in tomatoes, as well as patents for technologies that contribute to reduced pesticide use and yield maintenance in tomato cultivation. Through these initiatives, we are achieving enhanced competitiveness and sustainable growth.

Corporate Governance

Compliance

➤ Kagome Group Code of Conduct

We have established the Kagome Group Code of Conduct as a guideline that forms the basis of our employees' day-to-day actions.

The Code of Conduct consists of three pillars; namely, mutual support, respect for human rights, and fairness. It represents the Group's approach as a social enterprise that actively addresses social issues. The Group will seek to raise awareness of the Code of Conduct and maintain high ethical standards as we fulfill our social responsibilities in compliance with laws, regulations, international rules and the spirits of those.

➤ Compliance Promotion System

The Kagome Group has established a Compliance Committee, under the supervision of the Enterprise Risk Management Committee chaired by Kagome's President. The Compliance Committee, which is chaired by the Executive Officer with responsibility for overseeing compliance, undertakes the verification of compliance promotion and monitoring status. These activities are primarily handled by the Legal Affairs Office, which serves as the committee's secretariat. Daily reports on these activities are submitted to the Management Meeting and Board of Directors through the Enterprise Risk Management Committee and other channels.

Kagome established the internal whistleblowing and consultation systems (Kagome Compliance Hotline) at an outside law firm, which is accessible to all domestic Group employees, and through which reports and consultations can be made with regard to illegal or suspicious activities (including harassment and corruptions such as bribery) in the workplace. Kagome takes steps to protect the privacy of employees who submit a report or seek consultation to ensure that these employees do not suffer any adverse consequences. We quickly conduct investigations based on the information received and take appropriate countermeasures.

In FY2025, the Kagome Compliance Hotline was used 22 times, and each case was resolved. Specifically, the hotline receives a variety of reports, including those concerning labor management, harassment, and mixing personal and professional matters. When necessary, action is taken to improve practices, ensure thorough communication, provide warnings and guidance to those involved, and take disciplinary action in serious cases, thereby preventing recurrence.

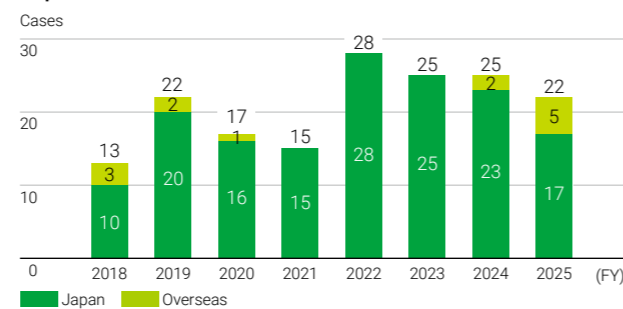
In such cases, respecting the principle that whistleblowers and other related parties cannot be identified, we share information internally so as to prevent similar incidents from occurring in the future.

Kagome fully recognizes the importance of compliance in relation to Group companies located overseas as well. An overseas internal reporting system was introduced, and the scope of this system has been gradually expanded to include the Group companies located in the U.S., Australia and India.

We regularly review compliance with laws, regulations, and our Code of Conduct through internal audits of each department and Group company, internal whistleblowing and consultation systems, and surveys of all employees. Furthermore, to ensure highly effective management, we regularly review the effectiveness of our compliance system based on these results and reflect findings in our activity plan for the following fiscal year.

In FY2025, there was no case leading to legal measures, such as bribery or corruption.

Kagome Compliance Hotline Number of Consultations and Reports Received



➤ Initiatives to maintain rigorous compliance

Having formulated the Kagome Group Compliance Implementation Rules, the Kagome Group in Japan implements thorough compliance throughout the Group. At domestic Group companies, the Legal Department, which serves as the secretariat of the aforementioned Compliance Committee, leads these efforts. Compliance implementation activities involve not only the preliminary checks in compliance-related cases and the dissemination of compliance-related information, including bribery prevention and consideration of human rights, but also in-house compliance training conducted on an ongoing basis using group training and e-learning for new employees and new managers that incorporate awareness raising, case studies, and group discussions.




In recent years, as an initiative for anti-corruption, which has become an important worldwide issue as indicated in the SDGs, we evaluated the bribery risks of overseas subsidiaries, and formulated the Kagome Group Corruption Prevention Policy to complement the Code of Conduct. Furthermore, in light of the expansion of our global business activities, we are promoting compliance through the introduction and operation of antitrust compliance programs in the United States, among other measures. In regard to these actions, we strive to prevent corruption and ensure fair business practices by conducting regular audits on the status of compliance and operation, with the results reported to the Board of Directors.

➤ Tax compliance

In all the countries and regions where it conducts its business operations, the Kagome Group observes and adheres to tax laws, maintains good relationships with tax authorities, and contributes to society by paying the appropriate taxes. We also respond in a timely and appropriate manner with regard to annual revisions to taxation systems and changes in international taxation rules, including tax treaties, conventions and OECD guidelines. Internally, we carry out regular e-learning and other training with regard to tax compliance, in order to heighten employees' awareness regarding observance of tax laws. With regard to transfer pricing taxation, we have established transfer pricing management regulations. For international transactions between companies belonging to the Group, we analyze the functions, assets and risks associated with each party in the transaction based on the arm's length price principle, and calculate appropriate profit allocations and transfer prices based on their respective contributions.

Internal Audit

The Internal Audit Department is designing various internal audit activities and rolling them out in accordance with the **Global Internal Audit Standards** published by the Institute of Internal Auditors (IIA), an international organization specializing in internal auditing, in January 2024. The specific initiatives related to the standard domains I to V are as follows.

<p>Domain I Purpose of internal auditing</p>	<ul style="list-style-type: none"> The Internal Audit Department's organizational mission is to "contribute to identifying and mitigating significant risks by providing assurance (organizational diagnosis) and advisory services for the governance and internal controls of each organization, in order to support Kagome's global growth and achievement of its goals." We are involved in a wide range of areas, from defensive (compliance, etc.) to proactive (achieving organizational goals).
<p>Domain II Ethics and professionalism</p>	<ul style="list-style-type: none"> The Internal Audit Department is made up of eight members with work experience in the First Line (research, production procurement, sales, etc.) and Second Line (risk management, quality assurance, IT, etc.), along with understanding of each operational process and risk. Approximately 60 competency assessment and training systems have been established within the Internal Audit Department. We have established a system for providing basic training on the Global Internal Audit Standards and knowledge of operational processes of the entire company as well as internal control evaluations and internal audit practices. Each internal auditor voluntarily attempts to obtain qualifications such as Certified Internal Auditor (CIA) and Certified Fraud Examiner (CFE). Currently, there are several employees who have obtained these qualifications. Qualified employees put what they have learned into practice and continue to refine themselves both inside and outside the company.
<p>Domain III Governance over the internal audit department</p>	<ul style="list-style-type: none"> The Internal Audit Department's independence is ensured by two reporting lines: the President and the Audit and Supervisory Committee. Corporate Governance Organizational Chart P.68 Three Lines Model P.75 The Internal Audit Department also serves as the Audit and Supervisory Committee's secretariat, provides support for the operation of the Audit and Supervisory Committee. The organizational structure of the Internal Audit Department is discussed at least once a year between the President & CEO, the Audit and Supervisory Committee, and the Internal Audit Department.
<p>Domain IV Managing the internal audit department</p>	<ul style="list-style-type: none"> We are increasing the completeness of internal audits and designing audit activities to become "trusted advisors" capable of conducting audits that benefit management. Furthermore, we utilize the COSO framework, an international internal control model, throughout our internal audit activities. In the Company's risk category, every year we create an Assurance Map that clearly indicates the areas covered by assurance providers, including the Internal Audit Department. Each year's audit plan is designed on a risk basis, taking into account this assurance map, changes in the business environment, past audit results, incident occurrences, etc., and is decided annually by the Board of Directors. Furthermore, the audit results are regularly reported to the Board of Directors and the Audit and Supervisory Committee. To promote internal communication, we send out social media updates on internal control for all employees approximately four times a year. We share best practices identified through internal audits with all employees, and the total number of views in 2025 was approximately 3,000. Every year, we conduct an internal control self-check targeting all employees to monitor their awareness and involvement in fraud, and changes in their behavior. The results of this check are also used in the audit plan for the same fiscal year.
<p>Domain V Performing internal audit services</p>	<p>Assurance (objective evaluation by internal auditors of each organization's activities and organizational diagnosis) [Organizational Management Audit] Domestic and overseas consolidated subsidiaries and each organization are divided into about 50 units, and audits are conducted in a 3 to 5 year cycle. We are reviewing the risks across all areas of each organization. Each audit is being conducted in coordination with the Audit and Supervisory Committee.</p> <div style="display: flex; justify-content: space-around;">    </div> <p>Internal audit at Kagome Inc. Internal audit at Taiwan Kagome Internal audit at the Kyushu Branch</p> <p>[Thematic Audit] An audit conducted by setting a common theme, targeting risks that span across multiple organizations. Audits are conducted every year on two to three themes, such as "governance," "diversity," and "information management." [Risk Management Audit] An audit targeting the Enterprise Risk Management Committee and each specialist committees. The audit verifies whether risk management is being systematically implemented by each committee and whether it is leading to positive results. [Internal control evaluation] Conducted in accordance with the Financial Instruments and Exchange Act, with an internal control report prepared and disclosed internally and externally.</p> <p>Advisory services (services where internal auditors provide advice at the request of each organization without assuming management responsibility)</p> <ul style="list-style-type: none"> We receive 30 to 40 requests annually from various organizations, including consultations on reviewing internal control processes, maximizing the use of services provided by Head Office, and requests for holding study sessions on internal controls. In turn, we provide analysis, advice, and training services for each of these requests. We hold various formats of meetings and promote dialogue internally in order to work with the Enterprise Risk Management Committee and departments in charge to support improvements to company-wide issues identified in the previous and current years.

Directors (As of March 31, 2026)

1 Satoshi Yamaguchi

(Date of birth: December 29, 1960)
 Director, Chairman of the Board of Directors
 Remuneration and Nomination Advisory
 Committee Member

- 1983 Joined the Company
- 2003 General Manager, Institutional & Industrial Business Unit
- 2010 Executive Officer
- 2010 Director, Institutional & Industrial Business Division
- 2015 Director, Innovation Division
- 2018 Director, Vegetable Business Division
- 2019 Director & Managing Executive Officer
- 2020 Representative Director, President & CEO
- 2026 Director, Chairman of the Board of Directors (to present)

2 Harunobu Okuya

(Date of birth: March 17, 1968)
 Representative Director, President & CEO
 Remuneration and Nomination Advisory
 Committee Member

- 1990 Joined the Company
- 2013 General Manager, Planning & Coordination Department, Asia Business Company
- 2014 CFO and General Manager, Planning & Coordination Department, Asia Business Company
- 2015 General Manager, Planning & Coordination Department, Global Consumer Business Department
- 2016 General Manager, Planning & Management Department, International Business Division
- 2021 General Manager, Corporate Planning Department and General Manager, US Growth Strategy Department
- 2022 Executive Officer
- 2024 Director & Executive Officer
- 2024 Director of Corporate Division and General Manager, Corporate Planning Department
- 2025 Director & Managing Executive Officer
- 2026 Representative Director, President & CEO (to present)

3 Yoshihisa Hairo

(Date of birth: October 6, 1967)
 Director & Managing Executive Officer
 Director, Production & Purchasing Division

- 1990 Joined the Company
- 2013 Director of Kagome Australia Pty Ltd.
- 2016 General Manager, Global Quality Assurance Department, International Business Division of the Company
- 2019 General Manager, Purchasing Department, Production & Purchasing Division
- 2020 Director, Production & Purchasing Division (to present)
- 2021 Executive Officer
- 2024 Director & Executive Officer
- 2025 Director & Managing Executive Officer (to present)

4 Takeshi Saeki

(Date of birth: December 1, 1962)
 Director & Managing Executive Officer CFO & CRO, General Manager of Finance & Accounting Department

- 1986 Joined KYOCERA Corporation
- 1991 Seconded to YASHICA Kyocera GmbH (Germany)
- 2003 Joined the Company
- 2013 CFO, Tomato Business Company
- 2017 General Manager, Finance & Accounting Department
- 2020 Executive Officer
- 2021 CFO & CRO (to present)
- 2021 Enterprise Risk Management Committee Executive Director
- 2023 Managing Executive Officer
- 2024 General Manager, Finance & Accounting Department (to present)
- 2025 Director & Managing Executive Officer (to present)

5 Kumi Arakane

(Date of birth: July 4, 1956)
 External Director
 Independent Remuneration and Nomination
 Advisory Committee Member

- 1981 Joined KOBAYASHI KOSE COMPANY LIMITED (currently, KOSE Corporation)
- 1997 Obtained a doctorate (Doctor of Pharmacy) from the University of Tokyo
- 2002 Senior Chief Researcher, R&D Headquarters Advanced Cosmetic Research Laboratories of KOSE Corporation
- 2004 General Manager, Product Development Dept., Marketing Headquarters of KOSE Corporation
- 2006 Executive Officer, Deputy Director-General of Marketing Headquarters and General Manager of Product Development Dept. of KOSE Corporation
- 2010 Executive Officer, General Manager, R&D Laboratories of KOSE Corporation
- 2011 Executive Officer, General Manager, Quality Assurance Dept. of KOSE Corporation
- 2011 Director, KOSE Corporation (in charge of Quality Assurance Dept., Customer Service Center, Purchasing Dept., and Product Designing Dept.)
- 2017 Audit & Supervisory Board Member, KOSE Corporation
- 2019 Outside Audit & Supervisory Board member, Kubota Corporation
- 2020 External Director of the Company (to present)
- 2020 Outside Director, Toda Corporation (to present)
- 2021 Outside Director, Kubota Corporation (to present)

6 Shigeru Kumekawa

(Date of birth: August 18, 1963)
 External Director
 Independent Remuneration and Nomination
 Advisory Committee Member

- 1986 Joined Sony Corporation
- 2006 General Manager, Display & Home AV Marketing Department, Sony Marketing Inc.
- 2010 Corporate Vice President, National Account Sales Division, Sony Marketing Inc.
- 2012 Corporate Vice President, Marketing Division, Sony Marketing Inc.
- 2014 Chairman & President, CJSC Sony Electronics (Moscow)
- 2016 President, Sony Europe Limited
- 2018 Senior Vice President, Sony Corporation
- 2019 President and Representative Director, Sony Marketing Inc.
- 2022 Deputy Global Sales & Marketing Officer, Sony Corporation (concurrent position)
- 2024 Chairman and Representative Director, Sony Marketing Inc.
- 2025 External Director of the Company (to present)

7 Hitoshi Takano

(Date of birth: June 5, 1964)
 Director & Audit and Supervisory Committee Member

- 1988 Joined the Company
- 2004 Unit Director, Vegetable Beverage Business Unit
- 2008 Executive Officer
- 2008 Unit Director, Beverage Business Unit
- 2009 General Manager, Product Planning Department, Consumer Business Division
- 2010 General Manager, Business Administration Department, Asia Business Company
- 2014 Director, Direct Marketing Division
- 2016 Nagoya Branch Manager
- 2017 Director, Corporate Planning Division
- 2018 Director, SCM Division
- 2023 Assistant to President and Responsible for Special Assignment Projects
- 2024 Director, Audit and Supervisory Committee Member (to present)

8 Asako Yamagami

(Date of birth: January 1, 1970)
 External Director, Audit and Supervisory
 Committee Member
 Independent Remuneration and Nomination
 Advisory Committee Member

- 1999 Registered as attorney-at-law. Joined Taiyo Law Office (currently, Paul Hastings LLP)
- 2005 Seconded to The Walt Disney Company (Japan) Ltd.
- 2006 Joined IBM Japan, Ltd.
- 2012 Contracted attorney, Office of International Affairs, Japan Federation of Bar Associations
- 2012 Joined Natori Law Office (currently, N & O Partners) as Partner (to present)
- 2015 Outside Director, Audit & Supervisory Committee Member, Musashi Seimitsu Industry Co., Ltd.
- 2016 Director, Office of International Affairs, Japan Federation of Bar Associations
- 2020 External Director, Audit and Supervisory Committee Member of the Company (to present)
- 2020 External Director, Audit and Supervisory Committee Member, Nikon Corporation (to present)
- 2021 Outside Director, NEC Capital Solutions, Limited (to present)

9 Masaharu Umetsuji

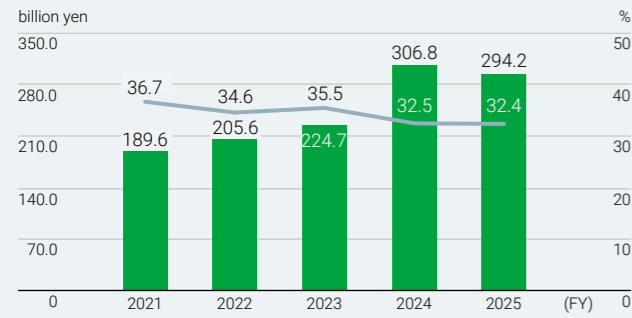
(Date of birth: October 1, 1957)
 External Director, Audit and Supervisory
 Committee Member
 Independent Remuneration and Nomination
 Advisory Committee Member

- 1984 Joined Arthur Andersen & Co., Office
- 1989 Certified as certified public accountant
- 1993 Certified as tax accountant
- 1998 Partner at Arthur Andersen & Co., Tokyo Office
- 2002 Partner at Asahi KPMG Tax Corporation (currently, KPMG Tax Corporation)
- 2020 Representative of Umetsuji Tax and Accounting Office (to present)
- 2026 External Director, Audit and Supervisory Committee Member of the Company (to present)



Financial (Consolidated) & Non-Financial Highlights

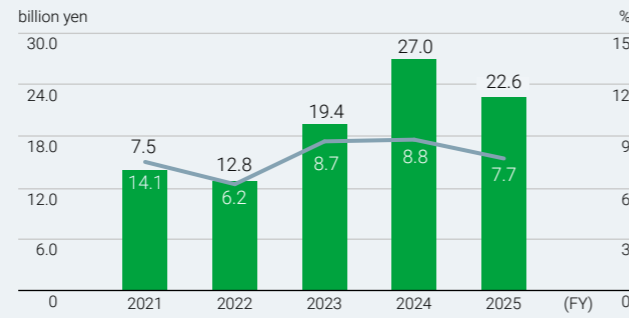
Revenue / Gross profit margin



■ Revenue — Gross profit margin (right axis)

Point Revenue in FY2025 totaled 294.2 billion yen. The gross profit margin was 32.4%.

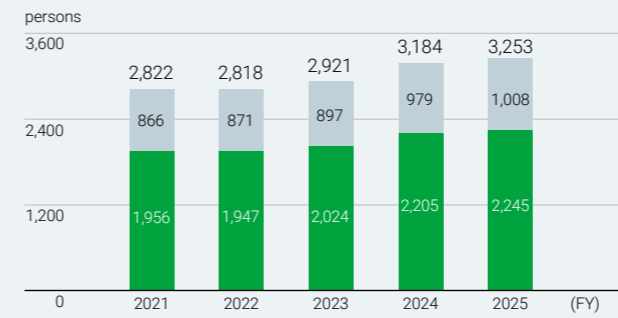
Core operating income / Core operating income margin



■ Core operating income — Core operating income margin (right axis)

Point Core operating income in FY2025 totaled 22.6 billion yen. The core operating income margin was 7.7%.

Number of employees (consolidated)

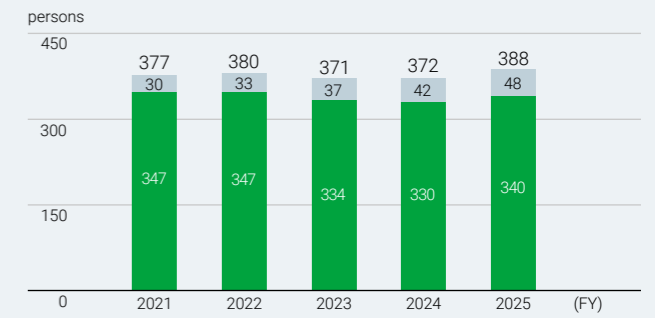


■ Men ■ Women

Point The number of employees (consolidated) was 3,253 in FY2025, marking an increase from the previous fiscal year.

* Coverage is the Kagome Group.

Number of employees in managerial positions (managers and above) (Japan)

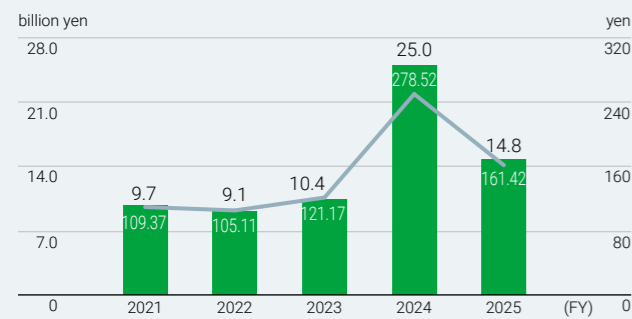


■ Men ■ Women

Point The number of employees in managerial positions (in Japan) was 388 in FY2025, an increase of 16 from the previous fiscal year.

* Coverage is Kagome Co., Ltd. (non-consolidated) and Kagome Axis Co., Ltd.

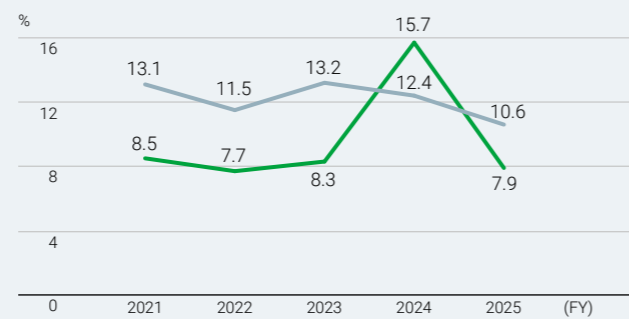
Net income attributable to shareholders of parent / Basic earnings per share



■ Net income attributable to shareholders of parent — Basic earnings per share (right axis)

Point Net income attributable to shareholders of parent and EPS in FY2025 were 14.8 billion yen and 161.42 yen, respectively. In FY2024, the amount includes a one-time gain of 9.3 billion yen from the remeasurement of our previously held investment stake at fair value as of the acquisition date following the consolidation of Ingomar.

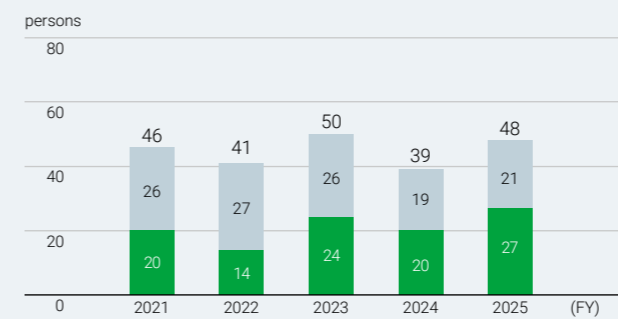
ROE / ROIC*



— ROE — ROIC * Kagome ROIC

Point In FY2024, the amount includes a one-time gain of 9.3 billion yen from the remeasurement of our previously held investment stake at fair value as of the acquisition date following the consolidation of Ingomar.

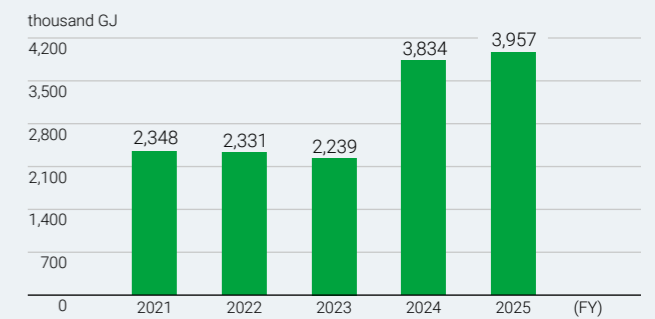
Number of new hires (Kagome Co., Ltd.)



■ Men ■ Women

Point The number of new hires in FY2025 (Kagome Co., Ltd.) was 48, an increase over the previous year.

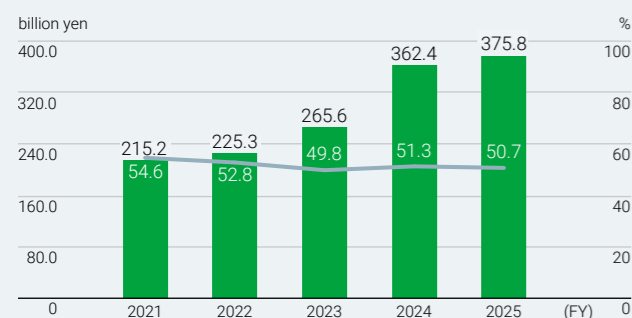
Energy used



Point Since FY2024, energy consumption has increased due to Ingomar becoming a consolidated subsidiary.

* Data for FY2025 is preliminary as of February. Any updates to the figures will be published on our sustainability website.
* Coverage includes domestic Group companies and International Business subsidiaries

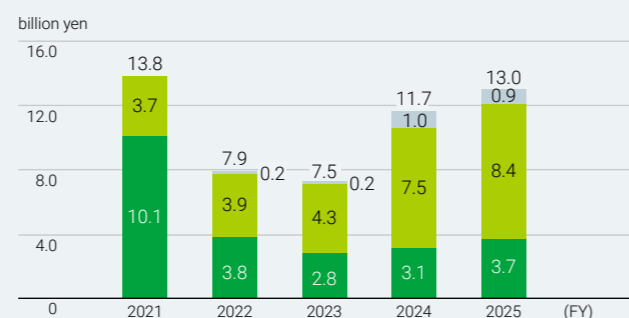
Total assets / Shareholders' equity ratio



■ Total assets — Shareholders' equity ratio (right axis)

Point The shareholders' equity ratio was slightly below the target of more than 50% in FY2023 due to a temporary increase in borrowings.

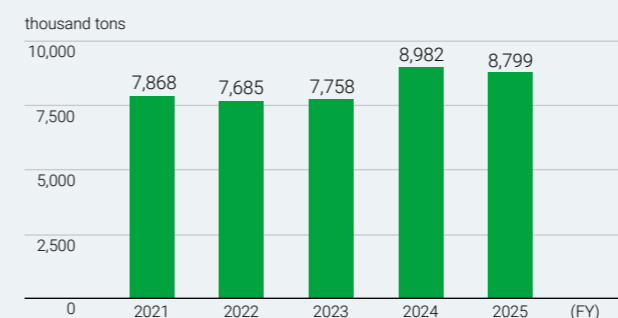
Capital investments for fixed assets



■ Domestic Processed Food Business ■ International Business ■ Other

Point In FY2021, capital investments totaled 13.8 billion after we invested 5.2 billion yen in the renewal of the Fujimi Plant. Since FY2024, capital investment in our International Business has increased due to Ingomar becoming a consolidated subsidiary.

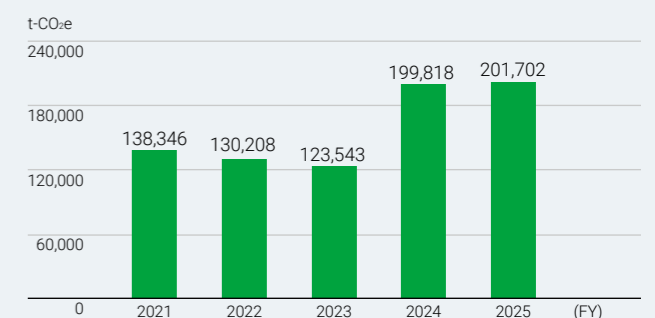
Water used



Point Since FY2024, water used has increased due to Ingomar becoming a consolidated subsidiary.

* Data for FY2025 is preliminary as of February. Any updates to the figures will be published on our sustainability website.
* Coverage includes domestic Group companies and International Business subsidiaries.

Greenhouse gas (GHG) emissions (Scope 1 and Scope 2)



Point Since FY2024, GHG emissions have increased due to Ingomar becoming a consolidated subsidiary.

* Data for FY2025 is preliminary as of February. Data represents figures before third-party verification. Figures after verification will be published on our sustainability website.
* Coverage includes domestic Group companies and International Business subsidiaries
* Scope 3 information is available on our sustainability website.

10 Years of Financial and Non-Financial Data

Accounting Period (Fiscal Year)	2016	2017	2018	2018	2019	2020	2021	2022	2023	2024	2025	
	JGAAP				IFRS							
Profit and Loss (Unit: million yen)												
Net sales / Revenue	202,534	214,210	209,865	184,595	180,849	183,041	189,652	205,618	224,730	306,869	294,264	
Gross profit	90,927	96,472	94,649	66,298	65,181	67,572	69,531	71,136	79,794	99,732	95,410	
Gross profit margin (%)	44.9	45.0	45.1	35.9	36.0	36.9	36.7	34.6	35.5	32.5	32.4	
Research and development expenses	3,219	3,346	3,557	3,555	3,525	3,557	3,796	4,090	4,296	5,094	5,382	
Advertising expenses	5,086	5,977	6,109	6,110	5,150	6,872	7,509	7,424	7,288	8,462	7,538	
Core operating income	—	—	—	12,400	12,304	13,599	14,138	12,808	19,476	27,094	22,694	
Core operating income margin (%)	—	—	—	6.7	6.8	7.4	7.5	6.2	8.7	8.8	7.7	
Operating income	10,946	11,968	12,000	12,228	14,079	10,682	14,010	12,757	17,472	36,221	22,638	
Operating margin (%)	5.4	5.6	5.7	6.6	7.8	5.8	7.4	6.2	7.8	11.8	7.7	
Net income attributable to shareholders of parent / Net income attributable to owners of parent	6,764	10,100	11,527	8,998	10,198	7,425	9,763	9,116	10,432	25,015	14,800	
Net income margin attributable to shareholders of parent / Net income margin attributable to owners of parent (%)	3.3	4.7	5.5	4.9	5.6	4.1	5.1	4.4	4.6	8.2	5.0	
Financial Condition (Unit: million yen)												
Total assets	219,804	195,737	193,612	199,826	201,179	224,913	215,208	225,372	265,648	362,415	375,820	
Total net assets	97,991	105,853	104,843	103,363	111,386	112,651	119,542	121,792	136,435	211,640	214,890	
Interest-bearing debt	74,538	37,168	37,302	39,625	38,020	55,295	36,520	44,851	66,622	74,805	85,214	
Cash Flows (Unit: million yen)												
Cash flows from operating activities	18,824	16,598	10,130	10,722	12,224	20,442	14,796	4,635	4,617	31,692	26,930	
Cash flows from investing activities	-18,576	17,271	-299	-299	-9,267	-3,398	-14,162	-9,457	-6,056	-46,325	-11,485	
Cash flows from financing activities	6,904	-40,761	-1,083	-1,675	-5,068	12,104	-27,652	-5,512	15,626	-571	-10,394	
Free cash flow	10,442	21,588	1,574	10,423	2,956	17,043	634	-4,821	-1,438	-14,633	15,445	
Per Share Information (Unit: yen)												
Net income per share / Basic earnings per share	68.30	114.03	130.03	101.50	114.89	83.73	109.37	105.11	121.17	278.52	161.42	
Net assets per share / Equity attributable to shareholders of the parent per share	1,043.89	1,150.50	1,146.85	1,130.27	1,219.47	1,242.19	1,328.36	1,383.50	1,535.90	1,983.20	2,097.10	
Annual dividend per share	24.5	30.0	40.0	40.0	35.0	36.0	37.0	38.0	41.0	57.0	48.0	
Key Management Indicators (Unit: %)												
Shareholders' equity ratio / Equity attributable to shareholders of the parent to total assets	42.1	52.1	52.5	50.2	53.9	49.3	54.6	52.8	49.8	51.3	50.7	
Return on equity / Ratio of equity attributable to shareholders of the parent (ROE)	6.4	10.4	11.3	9.0	9.8	6.8	8.5	7.7	8.3	15.7	7.9	
Return on assets / Ratio of core operating income to total assets (ROA)	5.3	6.1	6.2	6.2	6.1	6.4	6.4	5.8	7.9	8.6	6.1	
Dividend payout ratio	35.9	26.3	30.8	39.4	30.5	43.0	33.8	36.2	33.8	20.5	29.7	
Dividend on net assets ratio / Dividend on equity attributable to shareholders of the parent (DOE)	2.2	2.7	3.5	3.5	3.0	2.9	2.9	2.8	2.8	3.2	2.4	
Share price at fiscal year end (yen)	2,923	4,185	2,881	2,881	2,618	3,640	2,992	3,055	3,139	2,974	2,696	
Non-Financial Information												
Number of employees*1 (persons)	2,621	2,456	2,504	2,504	2,599	2,684	2,822	2,818	2,921	3,184	3,253	
Men	2,054	1,902	1,918	1,918	1,869	1,901	1,956	1,947	2,024	2,205	2,245	
Women	567	554	586	586	730	783	866	871	897	979	1,008	
Energy used*2 (thousand GJ)	1,380	1,376	1,334	1,334	1,204	2,355	2,348	2,331	2,239	3,834	3,957	
Water used*2 (thousand tons)	3,628	3,442	3,247	3,247	3,137	7,517	7,868	7,685	7,758	8,982	8,689	
Greenhouse gas (GHG) emissions*2 *3 (tons)	66,499	66,599	64,839	64,839	57,878	143,524	138,346	130,208	123,543	199,818	201,118	

*1 Coverage is the Kagome Group.

*2 Coverage is domestic Group companies up to FY2019, and domestic Group companies + International Business subsidiaries from FY2020.

*3 For data for FY2020 and later, CO₂ emissions have been changed to GHG emissions (Scope 1 and 2). Data for FY2025 is preliminary as of February. Data represents figures before third-party verification. Figures after verification will be published on our sustainability website. Data prior to 2019 is CO₂ emissions data. The electricity conversion coefficient for calculating CO₂ emissions is a fixed coefficient developed internally: 0.421 kg-CO₂/kWh

Consolidated Financial Statements

Consolidated Balance Sheets

(Unit: million yen)

	Previous fiscal year (As of December 31, 2024)	Current fiscal year (As of December 31, 2025)
Assets		
Current assets:	209,958	216,779
Non-current assets:	152,456	159,040
Total assets	362,415	375,820
Liabilities and Net Assets		
Liabilities		
Current liabilities:	109,213	116,222
Non-current liabilities:	41,560	44,707
Total liabilities	150,774	160,930
Net Assets:	211,640	214,890
Total liabilities and net assets	362,415	375,820

Consolidated Statements of Income

(Unit: million yen)

	Previous fiscal year (From January 1, 2024 To December 31, 2024)	Current fiscal year (From January 1, 2025 To December 31, 2025)
Revenue	306,869	294,264
Cost of sales	207,137	198,853
Gross profit	99,732	95,410
Selling, general and administrative expenses	72,907	73,043
Equity gains (losses) of affiliated companies	270	327
Core operating income*	27,094	22,694
Other income	10,073	644
Other expenses	946	700
Operating income	36,221	22,638
Finance income	1,095	1,092
Finance costs	3,652	2,612
Profit before income taxes	33,665	21,118
Income taxes	6,489	5,062
Net income	27,175	16,056
Net income attributable to		
Shareholders of parent	25,015	14,800
Non-controlling interests	2,159	1,255
Total	27,175	16,056
Amounts per share of common stock		
Net income (yen)	278.52	161.42
Diluted net income (yen)	278.19	161.23

* Core Operating Income is profit deducting cost of sales and selling, general, and administrative expenses from sales revenue plus equity gains (losses) of affiliated companies. Although not an indicator defined under IFRS, Kagome's Board of Directors evaluates the performance of business segment based on core operating income. Because it is considered useful information as an indicator measuring constant business performance of the Company, Kagome has voluntarily included this indicator in the Consolidated Statements of Income.

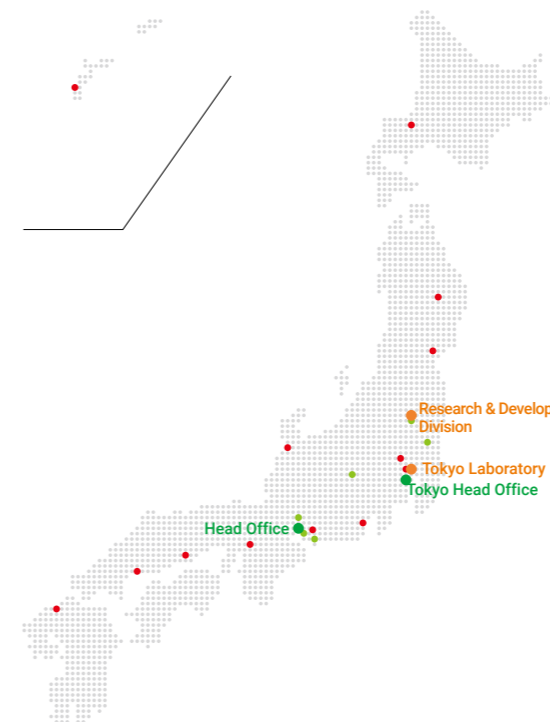
Consolidated Statements of Cash Flows

(Unit: million yen)

	Previous fiscal year (From January 1, 2024 To December 31, 2024)	Current fiscal year (From January 1, 2025 To December 31, 2025)
Cash flows from operating activities	31,692	26,930
Cash flows from investing activities	-46,325	-11,485
Cash flows from financing activities	-571	-10,394
Net increase (decrease) in cash and cash equivalents	-15,205	5,050
Cash and cash equivalents at the beginning of period	36,010	21,273
Foreign translation adjustment on cash and cash equivalents	468	520
Cash and cash equivalents at the end of period	21,273	26,844

Company Overview (As of March 31, 2026)

Trade name:	Kagome Co., Ltd.	Common stock:	19,985 million yen
Founded:	1899	Number of employees:	3,253 (consolidated)
Incorporated:	1949	Business locations:	Head Office, Tokyo Head Office, 8 branches, 5 business offices, 6 plants, Research & Development Division, and Tokyo Laboratory
Head Office:	3-14-15, Nishiki, Naka-ku, Nagoya, Aichi, Japan Tel. +81-52-951-3571 (Main)	Description of business:	Production and sales of food seasonings, preserved foods, beverages, and other food products; purchasing, production, and sales of seedlings, fruits, and vegetables
Tokyo Head Office:	Nihonbashi-hamacho F-Tower, 3-21-1 Nihonbashi-hamacho, Chuo-ku, Tokyo Tel. +81-3-5623-8501 (Main)	Securities code:	2811



● Branches and business offices		
Hokkaido Branch	Nagoya Branch	Okayama Business Office
Tohoku Branch	Shizuoka Business Office	Kyushu Branch
Kita-Tohoku Business Office	Hokuriku Business Office	Okinawa Business Office
Tokyo Branch	Osaka Branch	
Kanshinetsu Branch	Chu-Shikoku Branch	
● Plants		
Ueno Plant	Fujimi Plant	Ibaraki Plant
Kozakai Plant	Nasu Plant	Komaki Plant

Main Group Companies

Domestic Subsidiaries and Associates

- Kagome Agri Fresh Co., Ltd. (Chuo-ku, Tokyo)
- Hibikinada Greenfarm Co., Ltd. (Kitakyushu City, Fukuoka)
- Iwaki Onahama Greenfarm Co., Ltd. (Iwaki City, Fukushima)
- Kagome Axis Co., Ltd. (Nagoya City, Aichi)
- F-LINE Co., Ltd. (Chuo-ku, Tokyo)

Overseas Subsidiaries, Associates and Business Locations

- Kagome Inc. (California, U.S.A.)
- Global Agricultural Research & Business Center USA LLC (California, U.S.A.)
- Ingomar Packing Company, LLC (California, U.S.A.)
- United Genetics Holdings LLC (California, U.S.A.)
- Holding da Industria Transformadora do Tomate, SGPS S.A. (HIT) (Palmela City, Portugal)
- Silbury Marketing Ltd (Oxfordshire, United Kingdom)
- Vegetalia S.p.A. (Calabria, Italy)
- Kagome Australia Pty Ltd. (Victoria, Australia)
- Taiwan Kagome Co., Ltd. (Tainan City, Taiwan)

Stock Information (as of December 31, 2025)

Status of Shares

Number of shares outstanding:
91,132,844 shares

Total number of authorized shares:
279,150,000 shares

Number of shares per unit:
100 shares

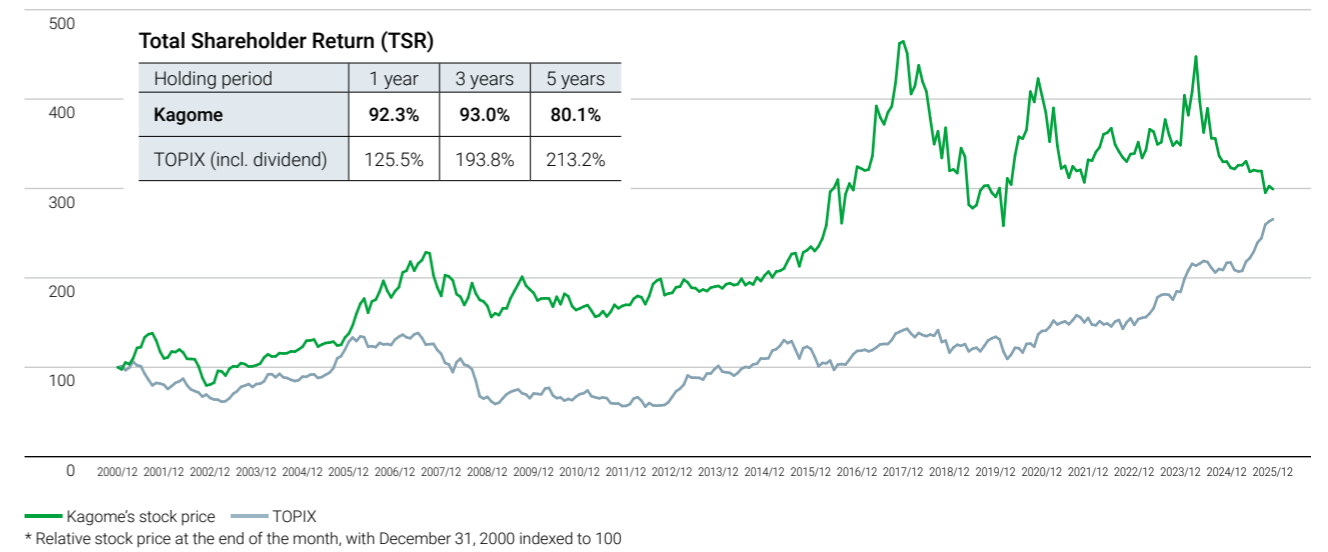
Number of shareholders:
241,577 persons

Major Shareholders

Names of Major Shareholders	Capital Contribution to the Company	
	Number of shares held (thousand shares)	Shareholding Ratio (%)
The Master Trust Bank of Japan, Ltd. (account in trust)	12,748	14.00
Dynapac Co., Ltd.	3,879	4.26
Custody Bank of Japan, Ltd. (account in trust)	2,429	2.66
JP MORGAN CHASE BANK 385781	1,239	1.36
Kagome Employee Stock Ownership Plan	1,042	1.14
Kagome Business Association	944	1.03
STATE STREET BANK AND TRUST COMPANY 505001	914	1.00
Shinichi Sano	826	0.90
The Nomura Trust and Banking Co., Ltd. (investment trust account)	698	0.76
iShares Core MSCI EAFE ETF	698	0.76
Total	25,421	27.87

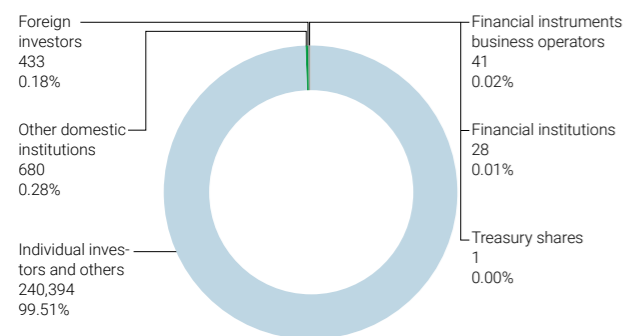
* Shareholding ratio is calculated excluding 116,000 treasury shares. Note that treasury shares do not include the 148,000 shares of the Company's stock owned by The Master Trust Bank of Japan, Ltd. (account in trust) established at the introduction of the director remuneration Board Incentive Plan trust.

Trends of the Company's Stock Price and Tokyo Stock Price Index (TOPIX)

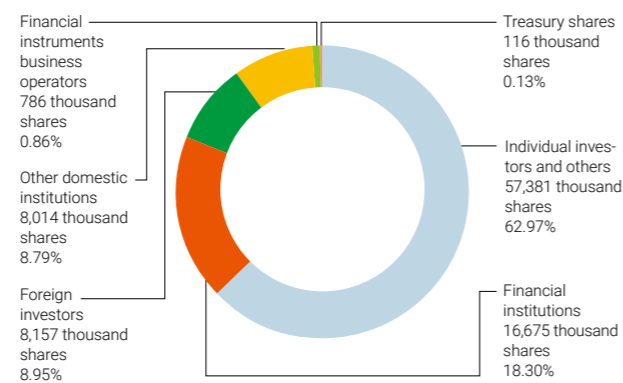


Status of Share Distribution

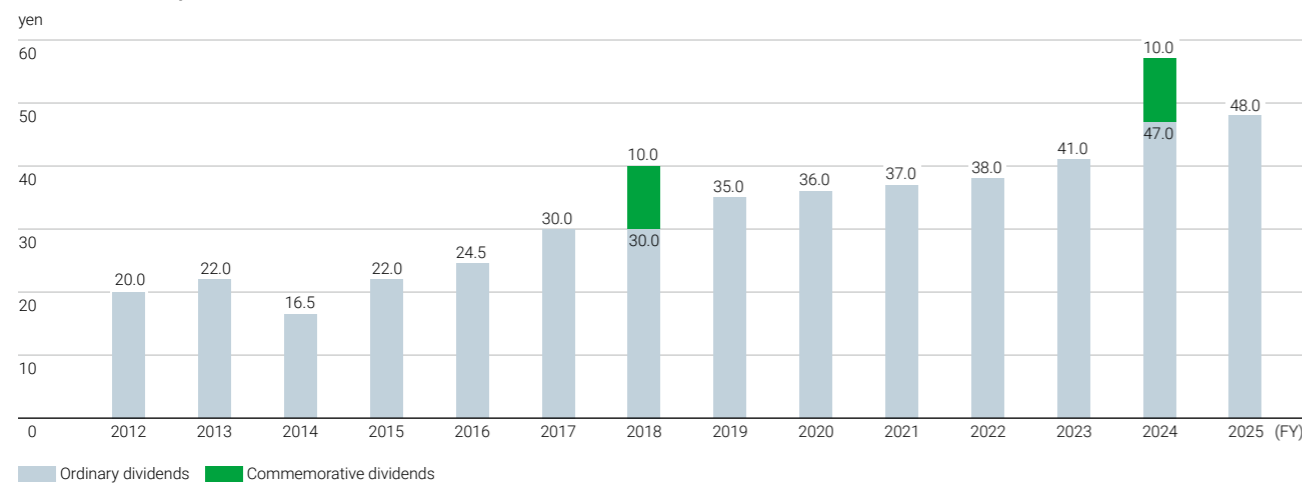
Distribution by Shareholder Type



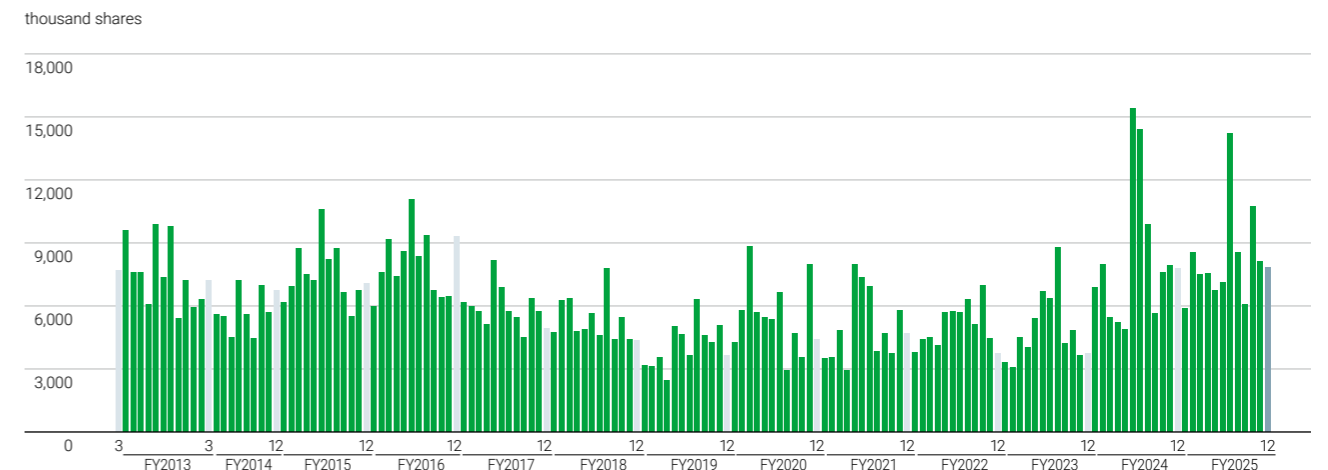
Distribution by Number of Shares



Annual Dividend per Share



Changes in Trading Volume



Trends in the Number of Shareholders

