

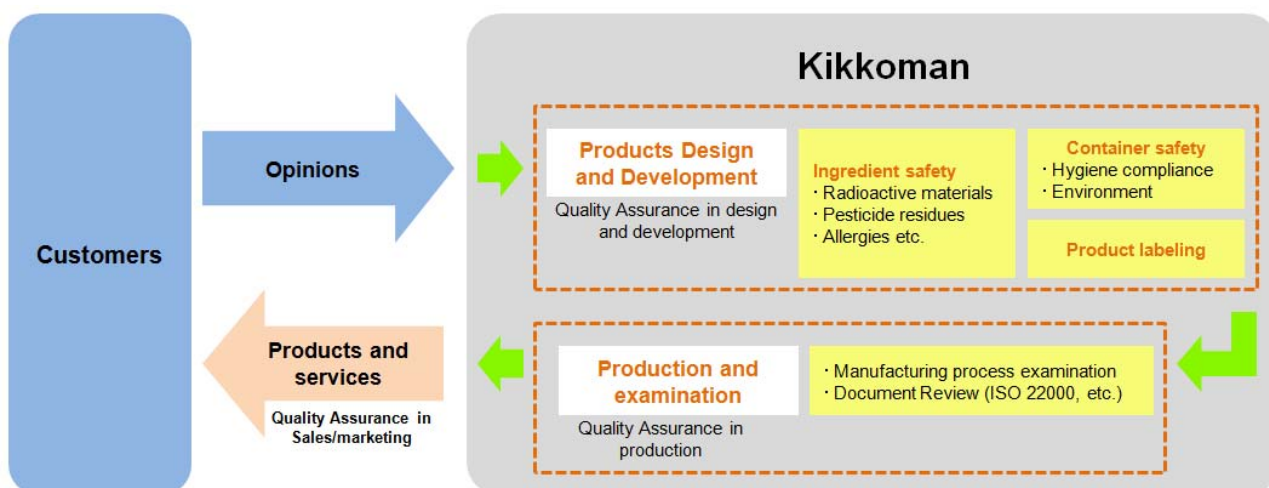
For Our Customers

Quality Assurance based on the Concepts of “Safety” and “Peace of Mind”

At the Kikkoman Group, we consider the “safety” of the products and services is our highest priority. From this viewpoint of “safety,” we conduct quality assurance inspections based on strict inspection standards for all processes from ingredient selection to the final product stage as part of our system in place for ensuring food safety. Our quality assurance examinations extend from the product development stage to ingredient production sites, processing, manufacturing, sterilization, product packaging, and labeling based on related laws and regulations. We also examine product patentability, trademarks and related regulations, and the Quality Assurance Committee only approves the manufacture of a new product after it passes these inspections.

At the same time, we also place importance on delivering products that give “peace of mind” to customers. The Kikkoman Group believes that “peace of mind” comes from building relationships of deep trust by communicating the “safety” of our products in an easy-to-understand manner. We strive to improve customer satisfaction by delivering the product “safety” as well as “peace of mind” to customers. From this viewpoint of “peace of mind,” we actively communicate through our website and other means. Moreover, we place great importance on labeling and advertisements. In addition to compliance with laws and industry standards, we strive to provide clear and easy-to-understand expressions beyond legal requirements.

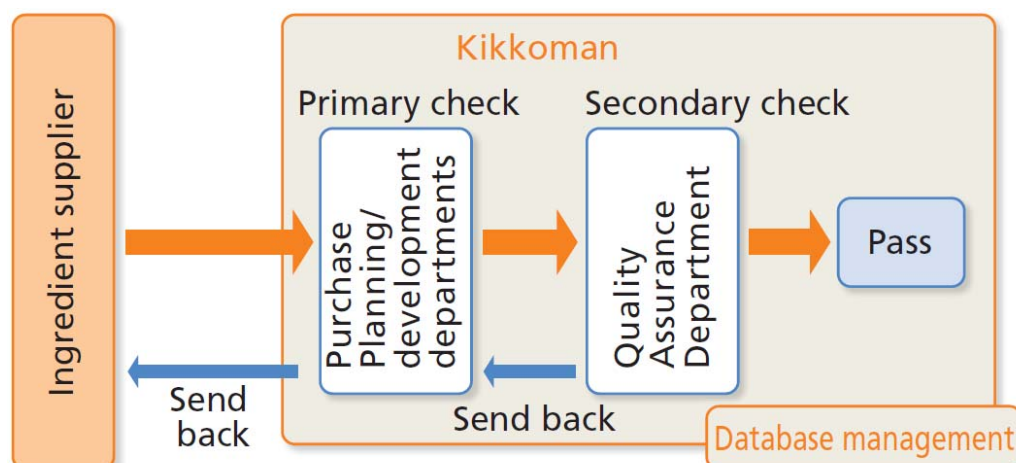
•The Kikkoman Group’s quality assurance flow



Quality Assurance in the Product Development

At Kikkoman, using safe ingredients and materials is a top priority in ensuring food safety. We track country of origin information on all of our ingredients and materials and thoroughly examine them for safety and legal compliance.

● **Kikkoman's Process for verifying ingredient specifications**



Monitoring quality control

Kikkoman has put in place a system for monitoring quality control to ensure that customers can use Kikkoman brand products with confidence and peace of mind no matter where in the world they are. Managers with specialized knowledge extending beyond the plant in which they work provide comprehensive and regular monitoring of food product hygiene, equipment management, and other aspects of operation at the Group's Japanese and overseas manufacturing plants.

Original Equipment Manufacturers (OEM) manufacture a certain amount of the Kikkoman products. In order to assure quality of those products, we monitor the OEM based on our OEM assessment sheet that consists of 70 questions. The questions cover the following categories: administration, building/facilities, sanitation in general, raw materials, production, foreign materials, examination, and shipping. Before conducting site audits, the OEM are requested to implement self assessments. By comparing results of audits and self assessments, we strive to further improve our quality assurance system.

Radioactive materials

Soon after the Great East Japan Earthquake, the Kikkoman Group deployed various group-wide efforts to deal with radioactive materials.

We confirm safety of raw materials by monitoring results of radioactive material tests conducted by the Japanese government and local governments. Also, we confirm safety of our products by collecting and checking information from our suppliers regarding place of origin and control systems. When necessary, we analyze raw materials and water through our own analyzers or external institutions and ensure safety.

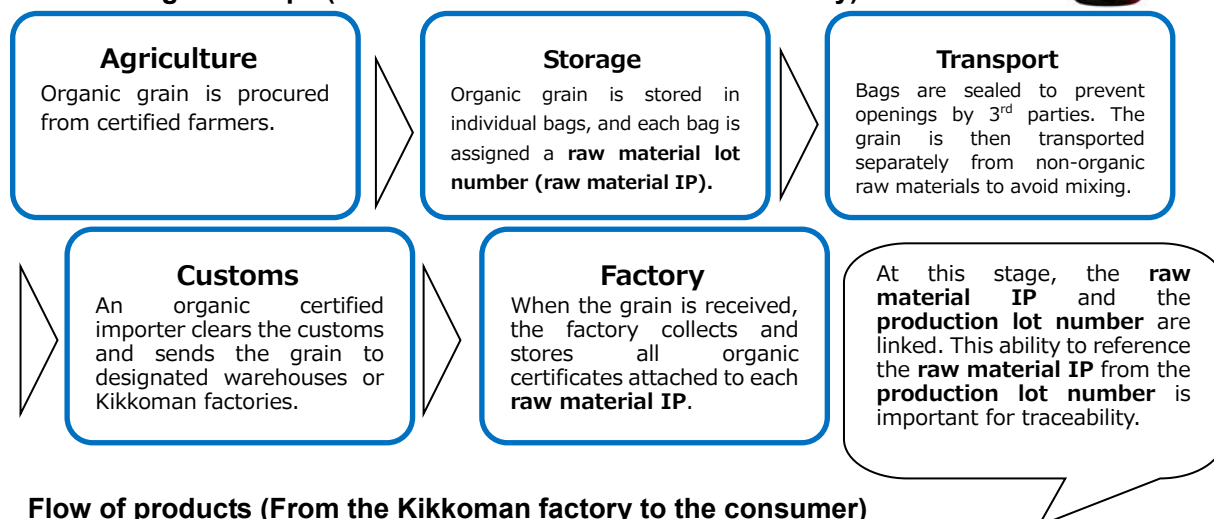
At Kikkoman, Environment & Food Safety Analysis Center and/or each plant undertake the examinations by using germanium semiconductor detectors or NaI scintillation spectrometers.

Case example: Traceability of organic soy sauce

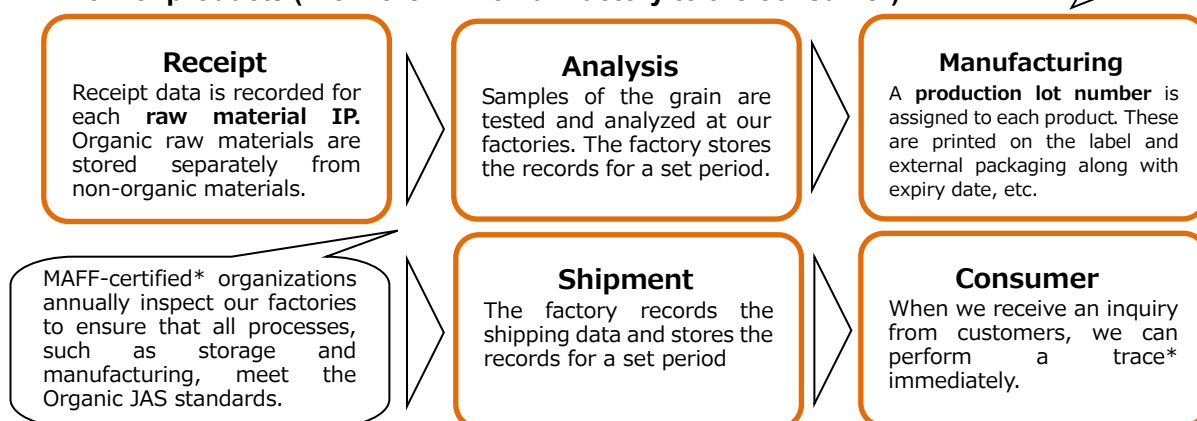
The organic soybeans and organic wheat used in organic soy sauce is managed strictly to ensure that they do not become mixed with other raw ingredients. Kikkoman has established a system for traceability, which includes certification and transportation history to ensure that the products are organic.



Flow of organic crops (From the farm to the Kikkoman factory)



Flow of products (From the Kikkoman factory to the consumer)



*Ministry of Agriculture, Forestry and Fisheries

*Tracing procedure:

Check production lot number → Identify raw material used from the raw material IP → Investigate transportation route and farm location.

Kikkoman factories retain records for all of our raw materials including packaging, production processing, and distribution routes for not only our organic soy sauce but for all of our products. Through this system, if an issue arises, Kikkoman factories can quickly target the affected products and minimize any negative impact. The system also allows us to quickly identify the cause and resolve the issue.

System to Maintain a Stable Supply

The Group believes that it is our social responsibility to deliver our products in a stable manner. Our plants constantly update their facilities for smooth productions and each plant works to obviate any chance of the accidents, which affects our production capabilities. Also, Kikkoman works with Sobu Logistics Corp. to review the Group's logistics on a continuous basis to build a faster and more stable logistic system.

The Great East Japan Earthquake affected our production and logistics capabilities, and a supply of some of our products stopped for a temporary period of time. Neither productions nor logistics were seriously damaged, but the Group decided to introduce BCP (Business Continuity Plan) in preparation for the possible future disasters.

Healthy Food Lifestyles

"Realization of rich and healthy food lifestyles" is one of the three themes of the Kikkoman Group Corporate Social Responsibility Framework. Nutritional challenges, including both obesity and malnutrition, are becoming more widespread globally. Kikkoman strives to address these issues by supporting healthy food lifestyles by providing nutritious products and appropriate health information.

Products

At Kikkoman Group, to provide customers with products that are rich in nutrition and good for health, we strive to develop new products and continuously improve existing ones. By utilizing the proprietary know-how of each of the group companies and with the aim of contributing to healthy lifestyles for consumers, we have developed products such as low-sodium soy sauce that contains about 50% less salt than regular soy sauce products, easy-to-drink vegetable based beverages, soy milk rich in important nutrients such as vegetable protein, and specially processed food for the elderly.

Raising awareness for healthy eating habits

Kikkoman Group provides information regarding healthy eating habits on our website. The information is not only related to products; we also share information on healthy recipes as well as characteristics and nutrition information regarding ingredients for better eating habits.

Research and developments initiatives

The R&D Laboratory at Kikkoman Corp., which focuses on research areas mainly related to our business domain of "Food and Health," conducts research on soy-sauce brewing, food products, biotechnology, and healthy food. The Kikkoman Group pursues innovative initiatives by collaborating with external research laboratories across a number of areas. These initiatives range from basic researches that form the foundation of our future products to tangible product development. In addition to the research and development department in Japan, three research facilities have been established: Kikkoman Singapore R&D Laboratory PTE. LTD. in 2005,

Kikkoman Europe R&D Laboratory B.V. in 2007, and Kikkoman USA R&D Laboratory, INC. in 2008. We are engaged in research from a global perspective by coordinating activities through the four regional organizations in Japan, Asia, Europe, and North America.

Initiatives through social activities

Kikkoman group is engaged in social activities based on the theme of “Food and Health.” As an entity engaged in the provision of food products on a global scale, we conduct activities that are geared toward helping people who don’t receive adequate nutrients. In 2012, Kikkoman Corp. conducted a preparatory survey with the aim of improving nutrition for infants, mothers, and patients in Kenya through the use of traditional Japanese fermentation technologies.

Intellectual Property

Kikkoman Group maximizes our competitive strengths through the effective use of our Intellectual property, such as patents rights and trademark rights. These tools allow us to offer trustworthy products and services to consumers. Moreover, Kikkoman Group takes measures to protect our consumers from counterfeit products and gives great consideration to respect the rights of other companies.

Intellectual Property Management System

Kikkoman Group possesses a multitude of patent rights obtained through our research and product development efforts and trademarks as brand names, logos and so on.

Kikkoman Group has implemented a system to control the effective and proper use of these resources. The Intellectual Property Department at Kikkoman Corporation collectively manages all intellectual properties for Kikkoman Group companies. Intellectual property personnel are appointed at each group company where they facilitate information exchange and support. Furthermore, Kikkoman Corporation has also adopted a system for evaluating the achievements of inventors, based on a resolution by the Board of Directors, to raise employees’ motivation for making inventions.

Protection of Intellectual Property and Noninfringement

Kikkoman Group protects intellectual property through acquiring patent right for inventions and trademark registrations. In FY 2018, 32 patents were obtained in Japan and 47 patents were obtained overseas. The “Hexagon Kikkoman Logo” that is a Kikkoman Group’s representative trademark Kikkoman Group, is currently registered in 167 countries.



The Hexagon Kikkoman Logo

Kikkoman Group promotes fair business practices to avoid infringing on the rights of other companies at every stage of development, from selecting research themes to commercialization. Kikkoman's quality assurance processes are systematically implemented as a part of these activities. All Kikkoman-branded products developed and produced in Japan and overseas are subject to examination and approval of the Intellectual Property Department at Kikkoman Corporation (297 patent search and 366 trademark search performed in FY 2018). As of April 1, 2018, Kikkoman Group has no active intellectual property infringement legal cases in Japan or overseas.

Measures Against Counterfeit Products

Kikkoman Group is strengthening efforts to monitor and respond to trademark infringements by counterfeit products. Counterfeit products, such as soy sauce products made by companies using fake Kikkoman labels, have been reported. These counterfeit products not only damage the value of the Kikkoman brand, but also harm the interests of consumers, who mistakenly purchased these products.

To protect consumers, when we detect counterfeit of Kikkoman products, Kikkoman Group will deal with such counterfeit products with a resolute attitude including such as requesting of administrative exposure by authorities

[Responsible Marketing Expressions and Advertisements](#)

At the Kikkoman Group, we pursue socially responsible marketing expressions and advertisements based on the Group Code of Conduct, which states we “do not pursue profits by unfair or unjust means which may offend the customers, competitors and business partners.” We recognize that our marketing expressions and advertisements have an influence over consumers. Therefore, in addition to compliance with laws and social norms, we strive to bring forward fair and accurate information as well as sensible expressions.

Complying with laws concerning product labeling and advertisement

Kikkoman rigorously checks the veracity of product labeling and advertisement to verify compliance with related laws and regulations. This includes industry guidelines as well. If any problem is found, we immediately take corrective action before products reach the market to ensure that our product labeling complies with these laws and regulations.

Ensuring Social Fairness

To ensure social fairness from the customer's perspective, Kikkoman has established internal guidelines for labeling and advertisements. Based on the guidelines, the Quality Assurance Departments of the Group companies play central roles in ensuring the absence of misleading, exaggerated, or unfair labeling and descriptions of unscientific effects. At the same time, Kikkoman's Intellectual Property Department plays a lead role in verifying that Kikkoman does not violate patents, trademarks, etc. held by other companies.

Pursuing Customer Satisfaction

The Kikkoman Consumer Center

Kikkoman has established the Kikkoman Consumer Center to serve as the primary channel through which Kikkoman communicates with customers. The Center strives to provide accurate, speedy, and heartfelt service to customers in accordance with a basic policy of “Speed, Precision, and Sincerity.”

Questions and comments received from customers are utilized companywide to help provide speedy, accurate service and to take full advantage of customer feedback as a management resource. Furthermore, customer feedback is summarized and shared internally with executives, managers, and supervisors nationwide in the form of weekly reports. Participation of the Kikkoman Consumer Center in the Quality Assurance Committee helps bring customer feedback to bear in our efforts to both improve existing products and develop new ones.

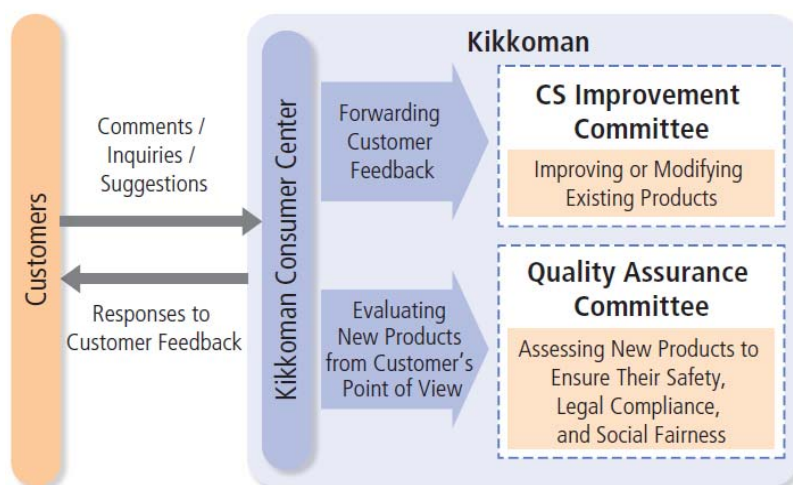
- Number of Customer inquiries

FY	Total	Comments	Inquiries	Suggestions
2014	27,365	1,580	22,055	3,730
2015	25,827	1,626	20,234	3,903
2016	26,082	1,678	19,972	4,432
2017	25,721	1,780	21,075	2,866
2018	22,939	1,764	18,790	2,385

The CS Improvement Committee

The suggestions from customers include ones that can't be dealt with by the Kikkoman Consumer Center alone. The Customer Satisfaction (CS) Improvement Committee, chaired by top management and counting departmental officers as its members, takes care of inquiries that fall beyond the scope of the Center's responsibility in order to improve Kikkoman's products and services.

- How Kikkoman acts on customer feedback



Please visit our website for more information. <http://www.kikkoman.com/en/quality/>

For Our Employees

Kikkoman Group Employee Data

Employee Data	No. of employees
Total employees	7,105
Employees in Japan	3,438
Kikkoman employees (※) Scope of "Kikkoman" is Kikkoman Corp., Kikkoman Food Products Com., Kikkoman Beverage Co., and Kikkoman Business Services Co., and data below covers "Kikkoman"	1,617
Newly recruited employees	31
Employee turnover	50
Managers	446
Female managers (ratio of female managers)	33 (7.4%)
Average annual hours worked per employee *managers and hospital staff are excluded	1,881.0
Average monthly overtime hours per employee *managers and hospital staff are excluded	12.6
Employees on medical leave	4

As of 3/31/2018

Respecting Human Rights

Basic Approach

Kikkoman Group respects human rights described in internationally recognized documents such as the Universal Declaration of Human Rights. The Kikkoman Group Code of Conduct states, "We respect personalities and individualities, foster mutual understanding, and stamp out discriminations based on prejudices. We make fair evaluations in the treatment of employees."

In 2001, Kikkoman announced our participation in the United Nations Global Compact(UNGC). The ten principles of the UNGC set forth in the Global Compact's "Human Rights" and "Labor Standards" sections are fully compatible with those stipulated in our Labor Agreement, Working Regulations, and Labor-Management Joint Declaration.

Assessment

When conducting the Corporate Social Responsibility Survey, Kikkoman Corp. assesses conditions of group companies by setting items regarding prevention of discrimination, working hours, safe work environment, anti-harassment measures. In FY 2018, the result of the survey showed that there were no problems on these issues. Please see 62 about the Corporate Social Responsibility Survey.

Training programs for the managers

Every year, Kikkoman conducts a management training program for all managers. This training program focuses on roles and measures as managers and helps managers to develop further understanding of compliance including human rights, employee management, and proper performance reviews. In FY 2018, 233 managers participated in this program.

Nurturing Better Work Environment

In order to support and encourage employee efforts to achieve a healthy balance between rewarding work and fulfilling private lives, Kikkoman has implemented a set of Company-developed support programs designed to create an environment whereby employees can make the most of their abilities in a healthy and vital manner. We introduced childcare leave 10 years before its enactment in law and family care leave 20 years before its enactment in law.

In May, 2017, Kikkoman started work-from-home system as part of way of working more efficiently. We also aim at helping employees manage work and parental and/or nursing care.

Human Resource Development

Training

Kikkoman offers tier-based training for its new employees and employees in management positions. In order to enhance the Group's synergy, collective training programs with affiliates have been taken place. Kikkoman offers a broad range of self-development training programs for employees, including courses at business schools; "My Challenge Training," which allows trainees to select from several courses; correspondence courses; and e-learning courses. Through these educational and training opportunities, we support employees' autonomous skill-building and career development efforts.

The human resource development vision

In keeping with the Human Resources Development Vision, Kikkoman's educational programs are designed to offer support so that individual employees take joy in learning, work to strengthen their specialized skills, and continue to grow through lifelong learning.

The Human Resources Development Vision aims to foster the development of professionals for the 21st century by helping employees develop skills and grow personally so that they can participate in their jobs in an engaged and energetic manner and contribute to organization innovation.

Maintaining sound labor-management relationships

Under the Labor-Management Joint Declaration, which was announced in 1998, Kikkoman has established and maintained sound labor-management relationships based on mutual trust and respect. Additionally, Kikkoman has adopted a union shop labor agreement.

Socially responsible corporate pension management

Kikkoman has a contract-based defined-benefit pension plan to ensure the stability of our corporate pension fund in response to changes in employees' needs and employment conditions in Japan. In 2006, Kikkoman became a signatory to the United Nations Principles of Responsible Investment. The move marks Kikkoman's commitment to fulfilling its social responsibility by incorporating environmental, social, and corporate governance issues into investment decision-making and stock ownership practices with respect to its pension fund.

Safe and Healthy Work Environment

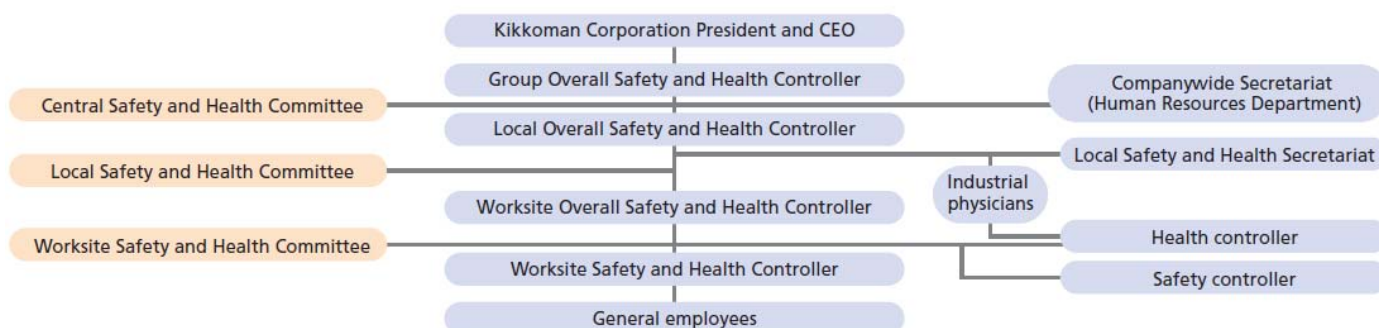
Kikkoman believes that providing a safe and pleasant work environment for employees is a fundamental principle of corporate management. Accordingly, Kikkoman's Safety and Health Committee, made up of labor and management representatives, plays a central role in implementing its occupational safety and health management system (OSHMS).

Promoting safety and health activities

Kikkoman has set up the Central Safety and Health Committee to review and determines policies and key objectives for companywide safety and health initiatives, and its decisions are made known throughout Kikkoman. Daily safety and health activities are undertaken through local safety and health committees. In addition, monitoring teams consisting of labor and management representatives conduct periodic monitoring inspections at both the central and local levels, and Kikkoman works to assess the causes of safety and health risks and take corrective action.

In FY 2018, there were 2 minor accidents, 8 accidents resulting in work stoppages, and 12 accidents that caused minor injuries. We remain committed to strengthening efforts to eliminate accidents by applying risk assessment practices companywide. In order to further improve the Group's Safety and Health standards, the Group held two joint meetings that the domestic affiliates discuss and share safety and health issues. Through these efforts, the Group is working to prevent future accidents.

● Safety and Health Management Organization (Kikkoman)



Efforts by the Group companies overseas

The Group is working on improving safety and health system at our Group companies overseas. At KFI, KFE, and KSP, each company forms their Safety and Health Committee and strives to improve effectiveness of the safety and health system.

All of our Group companies overseas provide with the lectures and/or trainings regarding safety and health as well as using proper protections while performing job functions. The affiliates share accident reports with the Foreign Administration Department at Kikkoman Corp. to avoid repeating the similar accidents.

Physical and mental well-being of employees

Kikkoman provides medical supports to employees. Employees who need re-examination following their medical check-ups can receive advice from medical nurse. The employees can also access a health databank to check their records of health checkup.

Kikkoman has a 24-hour telephone hotline for health and medical questions in partnership with an outside institution as part of our ongoing commitment to helping employees maintain good physical and mental health. In addition to regular medical checkups, Kikkoman offered dental checkups, VDT check, and immunization against influenza by Kikkoman General Hospital.

Diversity in the workplace

Promoting employment of people with disabilities

Based on the principle of “normalization,” the concept of creating a society in which able-bodied and disabled people live and work together on equal terms, Kikkoman works to develop a work environment for people with disabilities. The proportion of employees with disabilities at Kikkoman was 1.61% as of 3/31/2018.

The Continuing Employment System

In 2001, Kikkoman introduced the Post Retirement Employment System, which is available to those who retire at age of 60. This system made it possible to provide opportunities for the object employees to exercise their skills as well as passing on the skills of experienced workers to younger workers.

Anti-harassment Policy

Kikkoman believes that harassment, such as sexual harassment, and any mistreatment of employees in the workplace are socially unacceptable behaviors that hurt the dignity of our employees. In order to prevent harassment in any form, we developed the Anti-Harassment Policy and established a committee consisting of members from management and its labor union. Additionally, Kikkoman conducts education programs and established a hotline to respond to our employees.

Better work environment for female employees

Kikkoman is working to create a better work environment for female employees. As of July, 2018, there were 33 female managers at Kikkoman (7.4% of total managers). We set a goal to increase the percentage to 10% by 2020. In order to help female employees come back after childbirth, Kikkoman introduced the Childcare Leave 10 years before its enactment in law. In FY 2018, 38 employees including male employees applied for this program. Since the program was introduced, 611 employees in total have applied.

Localization of management and appointing senior managers

When expanding our operation overseas, Kikkoman Group places great importance on the localization of management. We contract with local companies and recruit local employees as much as possible to grow successfully in the community. Our marketing companies share the same policy. Moreover, we appoint local employees for senior management positions, such as heads of human resources and accounting. In FY 2018, approximately 60% of management positions at our overseas subsidiaries were locally hired managers.

For Our Shareholders and Investors

Fair, Proper, and Timely Disclosure of Information

Kikkoman Corporation discloses information and conducts investor relation (IR) activities that prioritize fairness, propriety, and timeliness. In addition to holding IR meetings in Japan, the United States and Europe, we also promptly disclose IR information on our website for the benefit of investors who are unable to participate in these meetings.

In FY2018, for analysts and institutional investors, Kikkoman Corp. conducted 2 information meetings, 4 meetings with the management, and 2 visits to institutional investors overseas. Going forward, we remain committed to pursuing activities designed to promote a better understanding of our businesses while receiving feedbacks from shareholders and investors.

Open General Shareholders' Meetings

To encourage higher attendance, Kikkoman Corp. schedules the annual general shareholders' meeting to avoid clashing with the most common dates for other companies' meetings. Moreover, we deliver the convocation notice and related documents to shareholders three weeks in advance in order to allow careful review of the agenda. We also send an English-language convocation notice to overseas shareholders. In order to make it more convenient for shareholders to exercise their voting rights, we arrange an online voting system for shareholders. We also participate in a voting platform for institutional investors.

Shareholder Return

Kikkoman Corp. considers the dividend policy as one of our key management issues. In this area, our basic policy is to reward shareholders through consistent distribution of profits backed by strong consolidated financial performance, while using funds to invest in strengthening its corporate foundation and future businesses.

The dividend for Fiscal Year ending March 31, 2018 was 34 yen per share and an additional 5 yen per share as part of the 100th anniversary memorial dividend. In addition, we have a special benefit plan for shareholders aimed at deepening their understanding of the Kikkoman Group's products and encouraging their ongoing support.

Composition of shareholders (as of March 31, 2018)

By Shareholder Type	
Financial Institutions	35.97%
Securities Companies	0.78%
Other Companies	23.82%
Foreign Investors	15.39%
Individuals and etc.	24.04%

Credit Rating

Credit ratings provided by rating agencies serve as a means of better understanding financial soundness of Kikkoman Corp. Kikkoman Corp. gives credit ratings an important role in financial strategy out of recognition that they reflect the manner in which capital markets evaluate the Company's performance and creditworthiness. Kikkoman Corp. was given a rating of A+ by Rating and Investment Information, Inc., in Japan as of March 31, 2018. We are striving to maintain and further improve our ratings.

ESG Investment

ESG Investment is a method of investment based on evaluation criteria that consider non-financial aspects, such as the environment, social issues, and corporate governance, in addition to financial considerations, such as revenues.

Kikkoman has been incorporated into the FTSE4Good stock index series, designed to promote investment in businesses that satisfy global environmental, social, and governance standards. Kikkoman has also been incorporated into the Morningstar Socially Responsible Investment Index. This index by Morningstar, Inc. is the first social responsibility investment share index developed in Japan, indexing 150 companies selected from among Japan's domestic listed companies.



FTSE4Good

Website : <http://www.ftse.com/products/indices/FTSE4Good>



Website : <http://www.morningstar.co.jp/sri/>

The Morningstar Socially Responsible Investment Index (MS-SRI) is the first socially responsible investment index in Japan. Morningstar Japan K.K. selects 150 companies from among approximately 4,000 listed companies in Japan by assessing their social responsibility, and converts their stock prices into the index. The Morningstar Socially Responsible Investment Index does not guarantee future performances, including those of the stocks that constitute the index. The index is calculated and managed based on data deemed reliable by Morningstar Japan K.K., but the company does not guarantee its accuracy or completeness. Without limiting the matters mentioned above, even where Morningstar Japan K.K. is notified of direct damage, indirect damage, special damage, punitive damage, enhanced damage, or any other damage (including lost earnings), the company will not assume any liability for such damage. Intellectual property rights, such as copyrights, and all other rights belong to Morningstar Japan K.K. and Morningstar, Inc., and copies, reproductions and citations without permission are prohibited.

Please visit our website for more information. <http://www.kikkoman.com/en/finance/>

Working with Suppliers

Conducting Fair Business Practices

As outlined in our Code of Conduct, Kikkoman's selection of and transactions with suppliers are fair and based solely on vendors' ability to provide good quality, prices, and services, and not on the personal preferences or considerations of employees. Internal Procurement Guidelines provide a basis for the management system that ensures that this policy is followed. We have in place a system for reviewing proposed business with new suppliers against evaluation criteria and for reevaluating existing suppliers on a regular basis. Both of these measures ensure fair evaluation and provide opportunities for new suppliers. To help minimize potential risks, we procure ingredients and raw materials from multiple suppliers.

Developing Good Partnerships with Suppliers

At Kikkoman, the Purchasing Department, Kikkoman Business Service Co., plays a key role in maintaining close communication with suppliers in order to build and maintain fair and good relationships. Whenever we enter into basic contracts with suppliers for new transactions, we explain our compliance policies and share compliance concerns with them. Moreover, we brief subcontractors on Japan's Act against Delay in Payment of Subcontract Proceeds, etc. to Subcontractors each time an agreement is signed.

Consolidation of the Group's purchasing functions

The Purchasing Department carries out centralized purchasing by combining the purchasing functions of domestic manufacturing companies such as Takara Shoyu, Higeta Shoyu, Nippon Del Monte, and Kikkoman Soyfoods. The Department strives to carry out fair transactions with suppliers while building mutually beneficial partnerships.

Ensuring Quality of Ingredients

Kikkoman works closely with suppliers to ensure ingredient quality. For example, when procuring raw farm produce, we track its production history and conduct voluntary checks for residual agricultural chemicals. When procuring organic crops or non- GMO produce as raw materials, we strive to maintain and improve the quality of procured materials through such measures as obtaining Certified Organically Grown Food Certificates, investigating the country of origin, and conducting joint inspections on IP handling.

Preserving Environment in Procurement

The Kikkoman Group works closely with suppliers through the container and packaging procurement process to develop environmentally friendly containers. In FY2008, we formulated Guidelines for Containers and Packaging to illustrate the Group's commitment to reducing the environmental impact of containers and packaging while improving customer satisfaction. We ensure that our suppliers understand the Guidelines, and we work with them to reduce the environmental impact of their products. In addition, we ask suppliers of ingredients and raw materials to deliver them in packages that generate less waste and require that their delivery truck drivers shut down engines while unloading at our facilities.

When ordering ingredients and raw materials, we work with suppliers and Sobu Logistics Corporation to streamline truck deliveries and reduce the environmental impact of our operations, for example by using trucks returning from product delivery runs to pick up shipments from suppliers.

The Kikkoman Group's Policy for Business Partners

The Kikkoman Group believes that cooperating with our business partners is very important to contributing to global society as a corporate citizen. Through activities resulting from these partnerships, we strive to enhance the corporate values of both the Group and our partners. In FY 2014, the Kikkoman Group established the Kikkoman Group's Policy for Business Partners to clarify in detail the Group's basic ideas, concepts and policies including the UN Global Compact. This policy explains the principles and standards of the Kikkoman Group.

Introducing the Policy to our suppliers

To effectively communicate the Kikkoman Group's viewpoint, we do not, in principle, undertake a unilateral approach of informing only in writing. Instead, we meet each partner in person to explain the policies. We are striving to build long-lasting relationships through improvements in mutual communication by listening to and understanding the partner's viewpoints and the business situations. For the purpose of better communication with business partners, manuals and checklists have been prepared to facilitate accurate communication of relevant policy information between the person-in-charge and the respective business partners.

[The Key Factors of The Kikkoman Group's Policy for Business Partners]

Quality and stable supply

- Retain and improve quality and safety of products and services.
- Create systems for the stable supply of products and services.

Human Rights

- Respect human rights in compliance with international conventions.
- Do not discriminate based on race, ethnicity, nationality, religion, belief, gender, home origin, disability, illness, age, etc.

Labor practices

- Prohibit all forms of harassment.
- Comply with minimum age standards.
- Prohibit compulsory labor and cruel punishments.
- Provide a safe and hygienic workplace environment.
- Pay wages at or above the legally prescribed amount.
- Comply with laws and ordinances on working hours.
- Respect the various rights applicable to workers.

Environmental measures

- Initiatives to appropriately process and reduce waste products
- Initiatives to constrain the emissions of greenhouse gasses
- System to comply with environmental laws in the countries and territories in which one's company conducts business activities

Business transactions

- Prohibit transactions with organized crime.
- Prohibit inappropriate exchange of gifts or client entertainments.
- Prohibit making excessive demands on one's suppliers.

As a Member of Communities

Our Social Activities

Supporting employees' volunteer activities

Kikkoman encourage our employees to engage in volunteer activities. We have introduced programs, such as the matching donation program, the community service program, and the volunteer leave programs, Kikkoman also facilitates nationwide volunteer activities in which employees can easily participate. They include collecting old postcards and used books in support of NGOs and NPOs, holding fund-raising drives for charity, assisting with sales of charity merchandise, and holding charity events to promote interaction with NGOs.

Supporting food bank organizations

Since FY 2010, the Kikkoman Group has been active in donating products to food bank organizations in Japan and the United States. Food banks are organizations that receive food provision from food industry companies and freely donate food to facilities in the welfare sector that require assistance. The focus is on effectively utilizing food that is designated for disposal even though it can still be eaten. In addition to assisting welfare facilities and the like through our efforts through food banks, the Kikkoman Group is also lightening the burden on the environment by reducing food loss. To Second Harvest Japan, for example, Kikkoman Foods and other Group companies donate products that cannot be sold due to reasons unrelated to product quality such as soiled labeling, even though they still have more than 1 month left before the "best used by" date.

Cooking experience programs for families

Since FY 2004, the Kikkoman Group has held cooking experience programs for parents and children in communities where factories are located. The theme of these programs is "food," and they are designed for families to stimulate their interests in good diet and local communities.

Sponsoring English education in Noda

Kikkoman has supported English-language education in Noda since FY 2008 as part of an effort to increase children's communication skills and enable them to make a contribution on the global stage when they grow up.

Supporting the YFU exchange student program

Kikkoman has supported an exchange student program by the international exchange organization Youth for Understanding (YFU) since 1979 through the Kikkoman Scholarship program.

In FY 2017, the program brought high-school students from the United States to Japan on short-term home-stays and sent Japanese high-school students to the United States on long-term home-stays. Participating students expanded their potential as "global citizens" through various activities and study with their hosts, and we expect them to take advantage of their experience to contribute to international exchanges.

Promotions and Preservations of Food Cultures

Kikkoman strives to promote and preserve international food cultures through lectures, cooking seminars, and operation of food- related facilities.

Research on food cultures and transmission of information

The Kikkoman Institute of International Food Culture, located at the Noda Head Office, conducts research on food culture with a focus on fermented seasonings and soy sauce, collects information related to food, and holds forums and seminars on related subjects.

The Center also contributes to international exchange and amalgamation of food culture by making research findings and collected information and materials available to the general public at libraries and exhibitions and on its website.

Cooking seminars at the Tokyo Head Office

At Kikkoman's Tokyo Head Office's KCC Hall, Kikkoman holds seminars in the form of lectures, demonstrations, and tastings featuring culinary experts, chefs, and other food professionals as instructors. Content spans multiple genres such as Japanese food culture and cuisine, world food culture and cuisine, and food and health. During FY2018, we held 36 seminars with 1,706 participants.

Support for Recovery from the Great East Japan Earthquake

The Group is supporting the restoration efforts of the East Japan Earthquake through the area of Food and Health.

Programs in Fukushima Prefecture

Since FY 2013 Kikkoman supported programs in Fukushima Pref. because one of Nippon Del Monte's plants had operated in Minami-Soma city, Fukushima, until the earthquake in 2011. We have worked with an international NGO, AAR Japan, which conducts various programs in Miyagi, Iwate, and Fukushima prefectures. In FY 2018, we held programs such as camp programs for children in Fukushima Pref. We also held charity fairs and sold products from affected regions at Kikkoman Tokyo Head Office and Noda Head Office.



Camp Program



Charity fairs

Social Activities in the World

North America :

Kikkoman Foods Foundation Inc.

Kikkoman Foods Inc.(KFI), our soy sauce manufacturer in the United States, established a charitable foundation, Kikkoman Foods Foundation Inc. KFI has donated to organizations such as local educational institutions and disaster relief activities. In 2013, as part of the 40th anniversary celebration of the opening of our plant in Walworth, the foundation made a one million US dollar contribution to the University of Wisconsin-Milwaukee. The purpose of the contribution was to establish the Kikkoman Healthy Waters Environmental Health Laboratories and advance a study regarding safe and sustainable drinking water.

Food bank initiatives in the United States

Kikkoman Sales U.S.A. (KSU), a marketing company in the United States, conducts a social activity called “Kikkoman Kares.” Since 2010, as part of this initiative, KSU has donated food products to the food bank organizations in the United States. JFC, which operates food wholesale business in the United States, also donates food products to food bank organizations.

The Let's Move campaign

KSU supports the “Let's Move” campaign, an initiative led by the U.S. Department of Agriculture, that aims to solve the childhood obesity epidemic. Along with other companies and NGOs, KSU encourages young people to better understand healthy lifestyle choices.

Europe :

Water quality improvement project in the Netherlands

Since 1997, Kikkoman Foods Europe B.V. (KFE), our soy sauce manufacturer in the Netherlands, has supported a water quality improvement project for Zuidlaardermeer (Lake of Zuidlaren) in Groningen, the Netherlands. A unique aspect of this project is that the water purification mechanism utilizes natural resources. A vast water purification area is located next to the lake, and water from the lake is pumped to the designated area by a windmill. After the water in the area becomes purified by aquatic organisms and microbes, the water gradually returns to the lake. The windmill, which was installed by the Kikkoman's support, was named “Kikkoman Windmill.”



Asia :

Water purification project in Singapore

KIKKOMAN (S) PTE. LTD. (KSP), a soy sauce manufacturing company in Singapore, supports the construction of Kingfisher Lake, located inside “Gardens by the Bay,” a garden in Singapore. Kingfisher Lake has an environmentally friendly water purification system that utilizes the nature within the park, such as aquatic plants. The lake is expected to contribute to solve water problems in Singapore.



Planting mangrove trees in Singapore

In FY 2016, KSP donated 500,000 Singapore dollars to support a mangrove planting program for Sungei Buloh Wetland Reserve. We support the efforts to maintain the ecosystem in the Wetland Reserve by planting mangrove trees.

Exchange of food cultures in China

The Kikkoman Group opened an authentic Japanese restaurant, “Murasaki,” in the Japanese industry pavilion at Expo 2010 Shanghai China. Students from Shanghai University participated in operating this restaurant; eight students worked as service staff, and five students served as cooking assistants. These students significantly contributed our smooth operation. In October 2010, the Kikkoman “Murasaki” fund was established between the College of Foreign Languages at Shanghai University and the Kikkoman Group. This fund provides scholarships and training programs in Japan for students of high scholastic standing.

Other regions:

Project to Improve Nutrition in Kenya

From 2013 to 2016, with support from the Japan International Cooperation Agency, Kikkoman conducted a 3-year business research project in Kenya on improving nutrition based on fermentation. While we succeeded in producing millet malts and cooking methods based on a local sweet fermented drink, the research found that it was unfeasible to diffuse these methods due to hygienic constraints. Fortunately, we learned that promoting soy beans is effective in improving nutritional conditions for local children, so our soy bean processing technology can be beneficial.



Despite the conclusion of the JICA research period, Kikkoman is sustaining efforts to develop the local production and supply of high protein food products made from soy beans processed by Kikkoman's technology. We will continue to develop and supply affordable, delicious, and nutritious food products to help tackle stunting issues in Africa.

The Kikkoman Group has conducted social activities in the regions where we don't have our subsidiaries or facilities. Those activities include supporting an establishment of elementary schools in Cambodia or supporting activities to prevent AIDS in South Africa.

Sports

Supporting a healthy mind and body through sports

Kikkoman group supports a wide variety of activities in keeping with our management principle to “promote the international exchange of food culture” and our corporate slogan of “seasoning your life”. To achieve our goals, we also support sporting activities to improve people’s healthy minds and bodies in addition to providing healthy nutritious food.

Tokyo 2020 Olympic and Paralympic Games Official Partner2020

Kikkoman signed an agreement with the Tokyo Organizing Committee of the Olympic and Paralympic Games in April 2016 to become a Tokyo 2020 Official Partner (Sauces (including Soy Sauces), Vinegar, Mirin and Cooking Sake) in the Tokyo 2020 Sponsorship Programme.

We will support healthy minds and bodies of the fans who cheer the events, and the visitors coming to Japan from all over the world, with Japanese meals, under the company’s mission statement of, “we support healthy minds in healthy bodies by suggesting enriching and nourishing meals flavoured with soy sauce”.

Along with other affiliates, local government and official partners, we are making every effort to ensure that the Tokyo 2020 Games will be a magnificent and memorable event.



Employing top athletes through “Athnavi”

Kikkoman agrees with the aim of "Athnavi" (the employment support program of the Japanese Olympic Committee (JOC)) which is to “encourage companies to help provide top athletes with a stable living environment by employing them and supporting their activities, in this way companies can contribute to society and strengthen the overall unity of the companies themselves”. Kikkoman has hired a number of top athletes aiming for the Olympic Games including a swimmer, Haruka Ueda, and a canoeist, Yuriko Takeshita in 2011, a wrestler, Chiho Hamada in 2016, and, a Karate practitioner, Masami Seiwada in 2017. We continue to support the Japanese sports community.

Kikkoman is an official sponsor of the Japan Karatedo Federation

Kikkoman Corp. signed an official sponsorship agreement with the Japan Karatedo Federation in May, 2016. We have also contracted Mr. Ryotaro Araga and Ms. Kiyou Shimizu of the Japan Karatedo Federation National Team. Our management principle is to "promote the international exchange of food culture, " and we find the same spirit in Karate, which originated in Japan and is introducing Japanese sporting culture to the world.

Karate is now popular across the globe. Our corporate principle has a strong affinity with karate, which enabled us to reach an amicable agreement. Karate was approved as an official sport for the Tokyo 2020 Olympic Games in August, 2016. With this enhanced attention on karate, Kikkoman will continue to support the development of karate in cooperation with the Japan Karatedo Federation.



Mr. Araga (left) Ms. Shimizu (right)

Shokuiku Activities

The Kikkoman Group believes *Shokuiku* (food education) is a special responsibility for companies in the food industry. Since we announced our 'Commitment to *Shokuiku*' in May 2005, we have developed programs based on our '*Shokuiku* Framework.'

Hands-on soy sauce-making program

Soy Sauce Factories at Kikkoman Food Products offer tours for elementary school students to learn and experience how soy sauce is made. In FY 2018, approx. 21,000 visitors participated in the program.

The Kikkoman Soy Sauce Academy

Kikkoman employees visit elementary schools and teach students about food and diet. Schools use this program as part of their integrated study time to provide an opportunity for students to think about the importance of food and what it means to enjoy eating while simultaneously learning about the ingredients and techniques used to make soy sauce. During FY 2018, 8,098 students participated in 242 sessions at 106 schools.

The Kikkoman Academy

This is a program that Kikkoman staff visits schools and other organizations to give lectures about a wide range of food related topics.

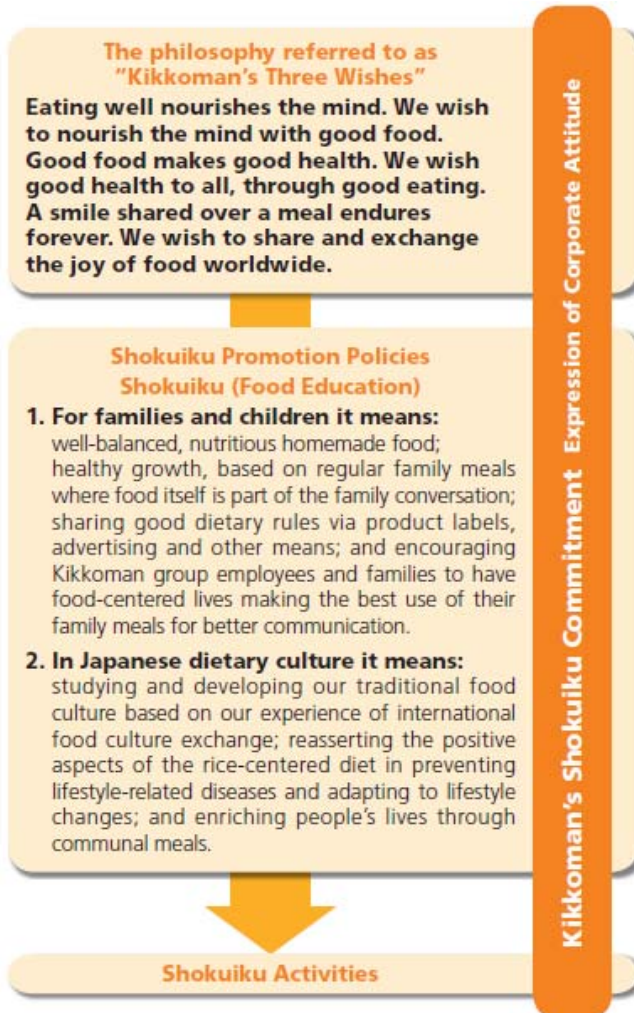
Del Monte Tomato School

These is a program that Kikkoman staff visits schools and provide lectures to second grade elementary students, with the purchase of tomato seedlings provided in the Del Monte Teaching Materials. The employees of Nippon Del Monte play a role as Dr. Tomato and his assistants and provide students with information about tomatoes and how to grow them.

Factory tours to experience the soy sauce brewing process

Kikkoman factories in Japan and wineries of Manns Wine Co., Ltd. offer factory tours. In FY 2018, approx. 158,000 visitors came to our soy sauce factories.

Shokuiku Framework



Website featuring food- and health-related information

Kikkoman's website features an extensive range of food- and health-related information, including the most recent news about our *Shokuiku* activities, seasonal recipes, and educational content for children.