



Kikkoman Corporation

Noda Head Office
250 Noda, Noda-shi, Chiba 278-8601, Japan
Tokyo Head Office
2-1-1 Nishi-Shimbashi, Minato-ku, Tokyo 105-0003, Japan

<https://www.kikkoman.com/en/>



**Kikkoman Group
Corporate Report
2022
Non-financial Section**



Kikkoman Corporation

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Reporting Policy for Corporate Social Responsibility

In 2006, the Kikkoman Group started publishing the Corporate Citizenship Report, which reported our social and environmental policies and activities. Since 2016, we have published the Kikkoman Data Book. In 2019, we replaced the report with the Kikkoman Group Corporate Report for integrated reporting. The Corporate Social Responsibility Committee takes a leading role in reviewing, specifying, and setting priorities for this report.

ESG Reporting Policy

Corporate valuation methods, which consider not only financial information such as revenue but also non-financial information such as Environment, Social, and Governance, or ESG, have been widely accepted in recent years.

The concept of ESG is relatively new, but the Kikkoman Group has promoted many initiatives that can be categorized as ESG for many years. By reporting our activities through the ESG framework, we are working to achieve better corporate disclosure.

Scope

This report covers the activities of the Kikkoman Group, comprising the Group's holding company, Kikkoman Corp., as well as its consolidated subsidiaries and equity-method subsidiaries and affiliates (62 in total as of March 31, 2022). This report refers to the Kikkoman Group as "Kikkoman Group" or "the Group," to Kikkoman Corporation as "Kikkoman Corp.," and to Kikkoman Corp., Kikkoman Food Products Co., and Kikkoman Business Service Co. collectively as "Kikkoman." Otherwise, companies are referred to by names. Abbreviated names of Group companies in this report are described in the "Major Group Companies" section.

Reporting Period

Fiscal Year (FY) 2022 (April 1, 2021–March 31, 2022)

Note: This report may contain references to activities that were initiated prior to March 2021 or after April 2022.

Date of Publication

March 2023

Note on Statements about the Forecast

In addition to information about past and present activities undertaken by the Kikkoman Group, this report includes statements about the forecast in the form of plans and projections current at the time of its publication. These statements reflect the judgment of management based on information that was available at the time of their inclusion in the report. Changing conditions may cause the results of future business operations and other events to differ from projections.

Contact:

Kikkoman Corporation
Address: 2-1-1 Nishi-Shimbashi, Minato-ku, Tokyo 105-0003, Japan
Tel: +81 (3) 5521-5360

Reports on strategies, corporate governance, etc.

Corporate section

Related materials

Factbook:
<https://www.kikkoman.com/en/finance/library/factbook.html>

Corporate governance report (only available in Japanese):
<https://www.kikkoman.co.jp/ir/lib/governance.html>

Non-financial report

Non-financial section

Related materials

Related information is available as "Corporate Citizenship" on our website.
<https://www.kikkoman.com/en/csr/index.html>

Financial report

Financial section

Related materials

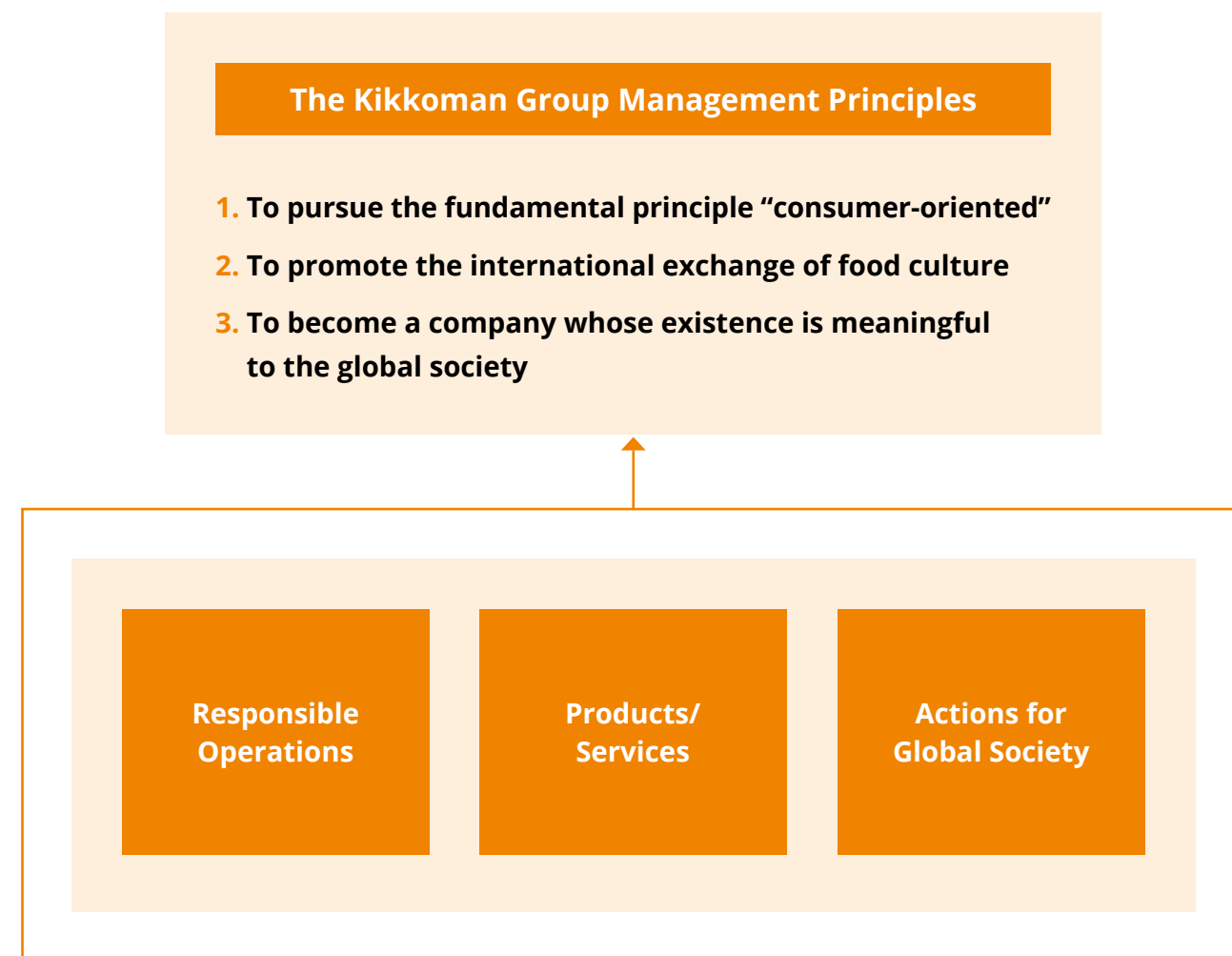
Securities report (only available in Japanese):
<https://www.kikkoman.co.jp/ir/lib/yuho.html>

Information meeting:
<https://www.kikkoman.com/en/finance/library/information>

Kikkoman's Approach to Corporate Social Responsibility

Since our establishment, Kikkoman has always regarded a connection with society as being of great importance. This attitude is reflected in our Management Principles. Now that we have come to supply a variety of products and services to customers in more than 100 countries worldwide, we recognize that our responsibilities to global society have grown together with the growth of our business. We aim to become a company that is valued by people around the world and will continue to implement activities that are aligned with our Management Principles. The basics of our Management Principles are that we carry out our day-to-day business activities in a reliable and trustworthy manner and that we contribute to the realization of rich and healthy food lifestyles through our products and services. In addition, we aim to fulfill our responsibilities as a public entity and contribute to society through activities that are unique to Kikkoman. We believe that the cumulative pursuit of each and every one of these activities is our corporate social responsibility.

◆ Kikkoman Group Corporate Social Responsibility Framework



Global Vision 2030

In April 2018, the Kikkoman Group launched Global Vision 2030 targeted for 2030. This long-term vision states the Group's goals and strategies.

Toward 2030, many changes such as social structure, the market economy, consumer behavior, information technology, and sustainability will likely occur. With those points in mind, the Kikkoman Group will work to achieve three goals with the theme "Striving with Passion to Create New Values." The key is "offering No. 1 values." We will work on "utilizing management resources" to support this theme.

Global Vision 2030 —Striving with Passion to Create New Values—

Goals

1

Make Kikkoman Soy Sauce a truly global seasoning

Globally spread the lifestyle adopted in North America, where Kikkoman Soy Sauce has become part of daily life, and merge soy sauce with the local food cultures of each country.

2

Create new delicious experiences around the world, and contribute to richer, healthier lifestyles

Always innovate and differentiate to offer valuable products and services, which lead to delicious experiences and improve the health of people around the world.

3

Become a company whose presence in global society is ever more meaningful, through activities unique to Kikkoman

Contribute to solve global issues so that Kikkoman will be valued by people worldwide.

Offering No. 1 Values

Global No. 1 Strategy

Further develop soy sauce and oriental food wholesale business models and consolidate their global No. 1 positions.

Area No. 1 Strategy

Apply our collective technologies and know-how to offer reliable value in specific regions and categories and cement our position as the No. 1 brand in each area.

Creating New Businesses

Utilize internal and external management resources to create new businesses and products to offer No. 1 values.

Utilizing Management Resources

Offer No. 1 values by adapting to changes ahead of others and leveraging our management resources—including human resources, information, and cash flow.

Fermentation and brewing technologies

Human resources, information, and cash flow

Kikkoman's Basic Approach

Global Environment

Food and Health

People and Society

Data Section

Three Areas of Social Issues Material to the Kikkoman Group

Among many social issues, the Kikkoman Group set three areas that are especially important.

SDGs clearly show that global society faces many issues. To set priorities, the Kikkoman Group has analyzed the issues from two viewpoints, which are "materiality for society" and "materiality for Kikkoman." After careful discussions by our CEO and corporate officers at Kikkoman Corp., we have developed three areas of material social issues: "Global Environment," "Food and Health," and "People and Society." These material areas were approved by a board resolution. We are also implementing measures to tackle social issues in each material area by setting medium-term roadmaps.

Evaluation of materiality for society

Examine which social issues are considered material by different stakeholders.

Evaluation of materiality for Kikkoman

Examine which social issues are material for Kikkoman.

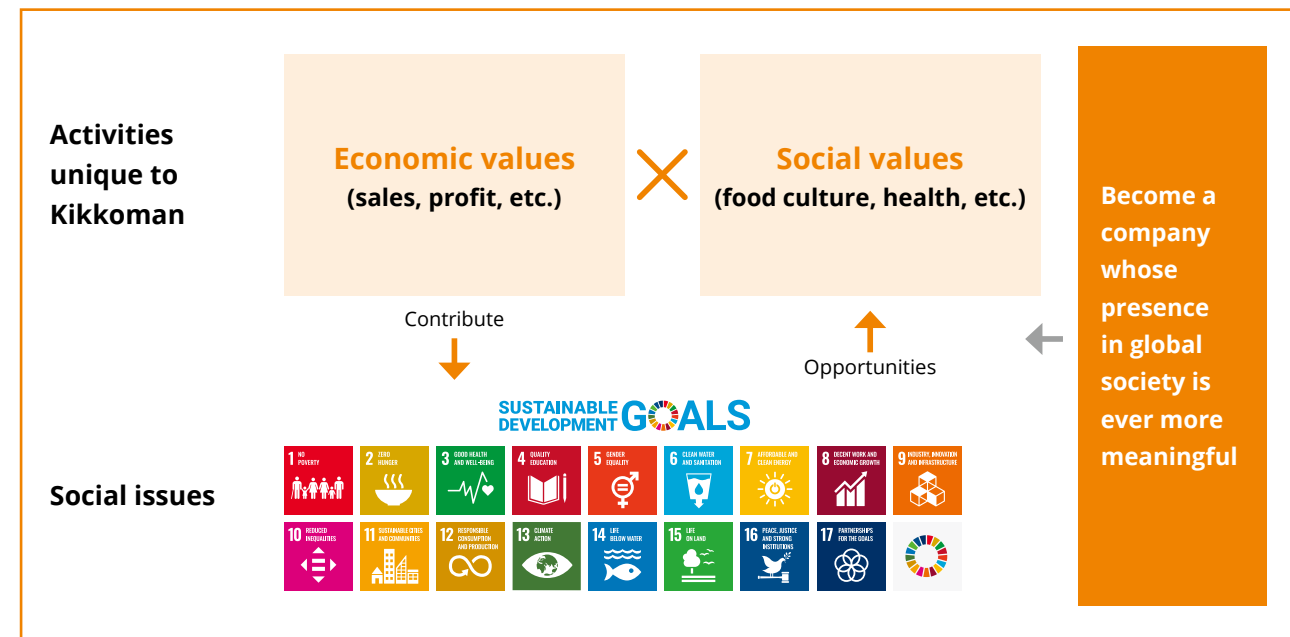
Three areas of material social issues



Increasing Our Presence of the Kikkoman Group in a Global Society

The Kikkoman Group is working on activities that contribute to solving global issues. By doing so, we hope to become a company that is valued by people around the world. We not only aim at contributing to solving social issues such as SDGs* but also find business opportunities, and, by doing so, we will create both economic and social value to increase our presence in global society.

* Sustainable Development Goals



The Kikkoman Group's Approach to SDGs

As global society collaboratively moves toward achieving SDGs, the Kikkoman Group is working to contribute to achieving SDGs through our business activities. We believe this will lead us to practice one of our Management Principles, "To become a company whose existence is meaningful to the global society."



Medium-Term Management Plan

The Kikkoman Group has formulated its Medium-Term Management Plan for the fiscal years 2023 to 2025 (Medium-Term Management Plan) and laid out a plan to work toward the realization of Global Vision 2030.

The Medium-Term Management Plan established two key issues: "Respond to changing environments to sustain growth and improve profitability" and "Contribute to solving social issues through our business activities." We will work to address social issues and use the results to grow our business. By doing so, we will contribute to the sustainable development of society.

Key Issues

1 Respond to changing environments to sustain growth and improve profitability

The Kikkoman Group will promote initiatives both in Japan and Overseas.

Overseas business The overseas soy sauce business has continued to grow while expanding its business areas. In order to continue our growth in the future, we will develop new markets with a long-term view. We will also promote a growth strategy tailored to the business stages.

Business in Japan In Japan, we aim to improve profitability by promoting measures in the soy sauce, food and soy milk businesses.

2 Contribute to solving social issues through our business activities

We established policies and themes based on three areas of material social issues defined in Global Vision 2030. By steadily implementing our initiatives, we will work to realize a sustainable society through our business activities.

Overview: Three areas of material social issues

Area	Basic concepts	Themes
Global Environment	The Group holds respect for nature and pursues corporate activities in harmony with the environment.	<ul style="list-style-type: none"> Climate change Food environments Natural resources
Food and Health	The Group takes actions based on the values of Kikkoman's Promise.	<ul style="list-style-type: none"> Joy of food and health Diverse food needs Communication
People and Society	The Group fosters a corporate culture that values people and contributes to the sustainable development of society.	<ul style="list-style-type: none"> Respecting human rights Working with stakeholders Strengthening the management system

Medium-Term Management Plan: Actions and Targets

Actions and targets for three areas of material social issues

In discussing targets of social issues, we discussed the strengths and values of the Kikkoman Group. We then surveyed stakeholders' expectations of the Kikkoman Group and analyzed future visions from external reports.

◆ Actions and Plans: Social Issue

	Themes	Actions	Targets
Global Environment	Climate change	<ul style="list-style-type: none"> CO₂ reduction 	<ul style="list-style-type: none"> Reducing CO₂ emissions by more than 25% compared to FY2019 Increasing facilities 100% operated by renewable energy
	Food environments	<ul style="list-style-type: none"> Preserving water environment 	<ul style="list-style-type: none"> Reducing water consumption (per unit of production) by more than 25% compared to FY2012 Achieving 100% high standards for wastewater treatment
	Natural resources	<ul style="list-style-type: none"> Promoting recycling activities Reducing food loss Reducing plastic usage 	<ul style="list-style-type: none"> Achieving more than 99% recycling rate Reducing food loss by more than 25% compared to FY2019 Developing eco-friendly products throughout the value chain
Food and Health	Joy of food and health	<ul style="list-style-type: none"> Proposing tasty, healthy, and balanced diet Tackling a variety of nutrition issues Proper salt intake 	<ul style="list-style-type: none"> Promoting products and services that contribute to solving nutrition issues Utilizing nutrition-related data Achieving 25%* sales composition ratio for less salt-type soy sauce in Japan <p>* The percentage of sales of home-use Kikkoman Soy Sauce in Japan</p>
	Diverse food needs	<ul style="list-style-type: none"> Expanding plant-based protein products Offering more choices for consumers 	<ul style="list-style-type: none"> Expanding soy milk business in Japan and overseas Launching plant-based protein products Offering various choices through product labeling
	Communication	<ul style="list-style-type: none"> Promoting food education International exchange of food culture Activities to promote mental well-being 	<ul style="list-style-type: none"> Offering recipes through various channels Introducing diverse food cultures Implementing programs to connect people
People and Society	Respecting human rights	<ul style="list-style-type: none"> Implementing human rights due diligence Promoting diversity and inclusion 	<ul style="list-style-type: none"> All managers take human rights training programs* * Designated companies in Japan and overseas Proportion of women in management positions (Japan): 10% Employment rate of persons with disabilities (Japan): 2.5%
	Working with stakeholders	<ul style="list-style-type: none"> Creating a work environment with opportunities to improve capabilities Contributing to development of communities Stakeholder engagement 	<ul style="list-style-type: none"> Conducting engagement survey Strengthening human resource development Men's childcare leave take-up rate (Japan): 100% Annual paid leave take-up rate (Japan): 80% Nourishing the mind and body of employees Programs to contribute to sustainable development of society Implementing stakeholder engagement programs
	Strengthening the management system	<ul style="list-style-type: none"> Strengthening corporate governance Strengthening compliance Strengthening risk management 	<ul style="list-style-type: none"> Strengthening the corporate governance system Conducting annual compliance training programs Building global business continuity programs Enforcing data security system

Framework to Promote Corporate Social Responsibility

Corporate Social Responsibility Committee

In order to fulfill our responsibilities as a good corporate citizen and achieve goals set for the Global Vision 2030, the Kikkoman Group promotes corporate social responsibility. We believe it is essential that each employee understands policies of the Group and recognizes/practices his/her role at his/her workplace. It is based on this idea that the Group has developed the Corporate Social Responsibility Committee to promote Groupwide initiatives.

Since this committee was established in 2005, it plays a central role not only in promoting our policies and initiatives throughout the Group but also in communicating and reporting for our stakeholders. The committee also works to continuously improve activities related to corporate social responsibility through the PDCA (Plan-Do-Check-Act) management cycle. Under this system, the committee reports to and receives instructions from the CEO of Kikkoman Corp.

A board member of Kikkoman Corp. chairs the committee, and department heads from the Corporate Planning Department, Foreign Administration Department, Environment Department, Corporate Communication Department, Legal & Compliance Department, and Human Resources Department at Kikkoman Corp. joined as committee members. In FY2012, based on discussions from this committee, we developed the Kikkoman Corporate Citizenship Framework.

◆ Framework to Promote Corporate Social Responsibility



Roles of Board of Directors in Promoting Corporate Social Responsibility

To improve the Group's long-term corporate value, the Board of Directors of Kikkoman Corp. plays essential roles, including responding to environmental and social issues. Every year, all directors and corporate auditors submit a pledge to comply with the Group's Code of Conduct.

In FY2022, the Board of Directors of Kikkoman Corp. received reports on the Group's activities for environmental conservation, the condition of the Group's internal control system, quality assurance initiatives, and the status of the Kikkoman Group Corporate Ethics Hotline. The Board of Directors also discussed the Medium-term Management Plan.



Global Environment

12 Environmental Initiatives

12 Kikkoman Group Environmental Principles

13 Long-Term Environmental Vision

14 Environmental Management Promotion System

15 Climate Change

22 Food Environments

22 Responding to Water-related Risk

26 Natural Resources

28 Appropriate Management and Pollution Prevention Based on ISO 14001

Note: Scope of CO₂ emissions, water consumption per unit of production, food product losses, and rate of recycling, etc.
 Japan (19 factories): Kikkoman Food Products Co. (Noda Factory (Chiba Prefecture), Takasago Factory (Hyogo Prefecture)), Hokkaido Kikkoman Co., Nagareyama Kikkoman Co., Ltd. (Chiba Prefecture), Kikkoman Foodtech Co., Ltd. (Main Plant (Chiba Prefecture), Nakanodai Plant (Chiba Prefecture), Edogawa Plant (Chiba Prefecture), Nishinippon Plant (Hyogo Prefecture)), Saitama Kikkoman Co., Nippon Del Monte Corp. (Gunma Plant, Nagano Plant), Manns Wines Co., Ltd. (Katsunuma Winery (Yamanashi Prefecture), Komoro Winery (Nagano Prefecture)), Kikkoman Biochemifa Co. (Edogawa Plant (Chiba Prefecture), Kamogawa Plant (Chiba Prefecture)), Kikkoman Soyfoods Co. (Saitama Plant, Gifu Plant, Ibaraki Plant), Takara Shoyu Co., Ltd. (Choshi Plant (Chiba Prefecture))
 Overseas: KFI (Wisconsin Plant (United States), California Plant (United States)), KSP (Singapore), KFE (The Netherlands)
 The domestic sales and back-office divisions of 8 companies: Kikkoman Corp., Kikkoman Food Products Co., Kikkoman Beverage Co., Kikkoman Business Service Co.

Environmental Initiatives

Basic Approach of the Kikkoman Group

The Kikkoman Group believes that our corporate slogan, “seasoning your life,” can be realized through the bounty of nature. The Group uses many raw materials for our products such as soybeans, wheat, vegetables, fruit, and water. They all contain the condensed power of nature. Only a healthy environment can be the starting point of “seasoning your life” because they cannot carry out their role as raw materials without the assistance of the natural environment. Therefore, the natural environment is the base that enables the Kikkoman Group to season people’s lives in food cultures all over the world, and preserving the natural environment for food is the core position of all Kikkoman Group environmental preservation activities

Note: The corporate slogan, “seasoning your life,” suggests that, as Kikkoman seasons and enriches your food, it also brings fulfillment to life as a whole.

Kikkoman Group Environmental Principles

Environmental Philosophy

The Kikkoman Group will respect the working of nature, and contribute to the realization of a society comfortable to live in through our corporate activities keeping harmony with the environment.

Commentary of Environmental Philosophy

- | | | |
|---|---|---|
| 1 | “Respect the working of nature” means: | The Kikkoman Group looks to create an atmosphere where human life fits harmoniously within the natural world. |
| 2 | “Our corporate activities keeping harmony with the environment” means: | We will improve and develop our means of production and distribution to minimize our impact on the environment. |
| 3 | “A society comfortable to live in” means: | A society in which individuals are respected and emotional richness is valued within a healthy natural environment. |

Action Guidelines

The Kikkoman Group acts on the following guidelines with enthusiasm and creativity to achieve the goals of our Environmental Philosophy.

- 1 Every one of us will aim to remain in harmony with the environment when performing our duties across all sectors (development, procurement, production, sales, and support).
- 2 In addition to observing standard laws, we will formulate and observe our own company rules and regulations related to environmental protection.
- 3 As responsible members of society, we will actively participate in efforts to preserve the environment in our local communities.
- 4 We will study and deepen our understanding of the environment.
- 5 We will think and act from a global point of view.

Environmental Initiatives

Long-Term Environmental Vision

Kikkoman Corp. has launched "Kikkoman Group Long-Term Environmental Vision" as our environmental vision for 2030. With this vision, we are working to protect the natural environment for sustainability and food and further promote environmental activities by setting categories, themes, and targets for a sustainable future.

◆ Climate Change

The Group will tackle climate change, which can lead to serious natural disasters, by decreasing more than 30% of CO₂ emissions by 2030 compared with 2018. To achieve this target, we will work on programs such as process improvements, installing high energy efficient facilities, utilizing renewable energies, and innovations.

◆ Food Environments

Rich nature is essential for our food and life. We are working to maintain our food environment by preserving the water environment and sustainable sourcing. We will reduce water consumption and do our best to purify water when we return it to nature. We also work to source from sustainable materials that are environmentally friendly.

◆ Natural Resources

In order to make smart use of precious resources, we will work to reduce food waste and develop environmentally friendly products. Our programs to reduce food loss and waste include reducing product disposal and improving Kikkoman's recycling rate toward a 100% recycling rate in production. In addition, we will reduce petroleum derived raw materials used for packages and develop environmentally friendly products throughout our value chain from product development, production, to disposal after use.

◆ Long-Term Environmental Vision

Sustainable Society	Themes	Targets for 2030
Climate Change	CO ₂ reduction	Reduce CO ₂ emissions by more than 30%*1
Food Environments	Water environment	Reduce water consumption (per unit of production) by more than 30%*2
	Sustainable sourcing	Set high standards for wastewater treatment
		Build systems to ensure sustainable sourcing
Natural Resources	Waste and food loss	Reduce waste in production and sales
	Eco-friendly products	100% recycling rate*3
		Develop eco-friendly products throughout the value chain

*1 (2030/2018)
 *2 (2030/2011)
 *3 Production facilities

Environmental Management Promotion System

At the Group, the CEO of Kikkoman Corp. is the chief executive officer for the entire Group, and the Group Management Committee serves as a deliberative body for the CEO's decision-making. The Group Management Committee discusses social issues, including environmental preservation activities, formulates policies and explores ways of reinforcing the Group's initiatives. In addition, the CEO reports on environmental preservation activities to the Board of Directors, with any recommendations reflected in Group management strategy.

The Company has also established a Corporate Social Responsibility Committee, which is chaired by the Chief Strategy Officer (CSO), a Representative Director and Senior Executive Corporate Officer of Kikkoman Corp. The committee is tasked with leading Groupwide initiatives to tackle social issues, including implementing environmental preservation activities in accordance with Group management strategy. Moreover, through the General Environmental Preservation Committee, which is chaired by the Chief Production Officer (CPO), an Executive Corporate Officer of Kikkoman Corp., the Company sets targets and implements concrete policies for each Group company and business site, aiming to accumulate Groupwide environmental expertise and technologies to improve the Group's ability to adapt to change.

In addition, the Environmental Preservation Promotion Committee, which is mainly comprised of individuals responsible for environmental management at each business site, collects and shares detailed data and case studies.

In this way, the Kikkoman Group has created a framework to formulate environmental preservation

targets and policies from a Groupwide perspective and to exchange information based on regular reviews of frontline progress against those targets and policies, leading to improvements in environmental management.

◆ Environmental Management Promotion System



Kikkoman Group Environmental Preservation Activities Case Book

For additional information in relation to specific measures and previous initiatives of environmental preservation activities, please check the Kikkoman Group Environmental Preservation Activities Case Book at our website listed below.

Visit our website for more information.

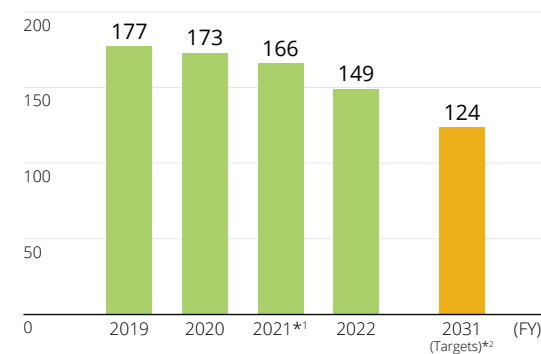
<https://www.kikkoman.com/en/csr/environment/case.html>

Environmental Initiatives

Climate Change

Climate change caused by rising emissions of CO₂ and other greenhouse gases is closely associated with social issues such as health impacts arising from high temperatures and heatwaves, water shortages due to serious droughts, and flooding caused by heavy rain. The Kikkoman Group recognizes that climate change is a major social issue and is working to achieve net-zero CO₂ emissions by 2050. By FY2031, the Group will reduce CO₂ emissions by more than 30% compared with FY2019. In addition, to achieve this target, we will work on programs such as process improvements, installing high energy efficient facilities, utilizing renewable energies, and innovations.

◆ **Transition of CO₂ Emissions**
(Domestic manufacturing divisions, Domestic sales and back-office divisions, Major overseas manufacturing divisions)
(thousands of t-CO₂)



*1 CO₂ emissions for FY2021 were recalculated using CO₂ emission factors for FY2021.

*2 Targets in the Long-Term Environmental Vision

Greenhouse Gas Emissions by Scope

In FY2022, greenhouse gas emissions at domestic manufacturing divisions, domestic sales and back-office divisions, and major overseas manufacturing divisions totaled 9,100 t-CO₂ for Scope 1 and 5,800 t-CO₂ for Scope 2.

Reducing CO₂ Emissions per Unit of Production

CO₂ emissions per unit of production at Kikkoman Group domestic manufacturing divisions in FY2022 were 0.142 t-CO₂/t, down 13% from FY2021. In addition, CO₂ emissions per unit of production at major Kikkoman Group overseas manufacturing divisions in FY2022 were 0.151 t-CO₂/t, down 23% compared to FY2021.

Kikkoman Performance Index

At the Kikkoman Group, we introduced an index called the Kikkoman Performance Index (KPI), as a means of managing corporate objectives (Refer to page 59 of the Corporate Report.). By adopting CO₂ emission reductions into KPI items, in addition to sales and Invested Capital Turnover ratios, we aim to clearly show Group companies that the importance of reducing CO₂ emissions is equivalent to that of actual financial affairs, while utilizing it in terms of progress management at each division for more efficient initiatives.

KPI is prescribed at each division in all scopes, based on the CO₂ reduction objective (Refer to pages 1–13 of this report.), by the Kikkoman Group General Environmental Preservation Committee. At such divisions, achievement rates based on the objectives are evaluated at the end of the first half (April to September) and the second half (October to March) each fiscal year. In addition, bonuses for executive officers are directly linked to the KPI scores achieved.

Renewable Energy Use

The Kikkoman Group is pursuing the introduction of renewable electricity to reduce CO₂ emissions. As of the end of FY2022, we had transitioned to 100% renewable energy at the following sites: the Noda Office of Kikkoman Corp., Kikkoman R&D Center, Kikkoman General Hospital, Kikkoman Food Products Noda Factory, Brewing Development Center, Kikkoman Foodtech Co. Nakanodai Plant, Saitama Kikkoman, Kikkoman Soyfoods Gifu Plant, Takara Shoyu, and Kikkoman Foods Europe BV, a soy sauce plant in the Netherlands. We are also promoting the use of renewable energy at other sites in Japan and overseas, including Nagareyama Kikkoman, Nippon Del Monte Corp., and Kikkoman Soyfoods Co. Saitama Plant.

In addition, we installed solar panels on the roofs of plants and at other locations, using them to supply power to facilities. We are working to reduce CO₂ emissions by generating solar power and using the clean energy for manufacturing and other activities at Kikkoman Foodtech Co. (Main Plant), Saitama Kikkoman, Kikkoman General Hospital and other sites in Japan, and at the KFI California Plant and other sites overseas.

Participation in International Initiatives

In 2009, the Kikkoman Group signed the Caring for Climate initiative, which is an initiative led by the UN Global Compact. Caring for Climate is a framework for reducing risks due to climate change and promoting initiatives toward solving various issues through cooperation between signatory companies. At the Kikkoman Group, we are working on counter-measures for climate change issues via the exchange of information with signatory companies and various organizations.

External Evaluation System

CDP, an international nonprofit organization, selected the Kikkoman Group as one of its target corporations to which CDP sent its Climate Change Questionnaire to know and evaluate their efforts on reducing CO₂ emissions. CDP's evaluation based on the questionnaires is provided to institutional investors as information disclosing the companies' actual stances toward reducing CO₂ emissions. The results are considered as one of the significant pieces of information from the ESG investment viewpoint. The Kikkoman Group has replied to the questionnaire since FY2015.

In the CDP 2021 Climate Change, the Kikkoman Group acquired a Leadership-level A- score.

Disclosures Based on TCFD Recommendations

The Kikkoman Group, or the Group, recognizes that climate change is one of the most serious issues facing international society. In addressing climate change, the Group is putting into practice its management principles of becoming a company whose existence is meaningful to the global society, while understanding the financial implications that climate change could have on the resilience of its strategy for sustaining growth.

In this context, the Group has declared its support of the Task Force on Climate-related Financial Disclosures (TCFD) of the Financial Stability Board (FSB). Based on TCFD recommendations, the Company evaluates risks and opportunities for its operations from climate change, and makes disclosure about governance, strategy, risk management, and indicators and targets.

Environmental Initiatives

◆ Governance

At the Group, the CEO of Kikkoman Corp. is the chief executive officer for the entire Group, and the Group Management Committee serves as a deliberative body for the CEO's decision-making. At meetings of the Group Management Committee, discussions are held about policy formulation and initiative reinforcement, while risks and opportunities are constantly monitored with social and environmental issues regarded as important management topics. The Company also formulates long-term business plans with the Kikkoman Group Long-Term Environmental Vision as a major pillar for addressing climate change. To align issues identified in this vision with the Group's strategies, the CEO reports on progress towards climate-related targets to the Board of Directors. Based on these reports, the Board of Directors determines and supervises the Group's major policies, including those related to climate change, to be reflected in the Group's business strategy.

In addition, the Group has established the Corporate Social Responsibility Committee headed by the Representative Director, Senior Executive Corporate Officer, and Chief Strategy Officer. Based on the Group's business strategy, the Group is advancing Companywide initiatives to solve social issues, including climate change. The Corporate Social Responsibility Committee secretariats examine social issues, including climate change, and report to the CEO. The Corporate Social Responsibility Committee also reports to committees attended by the CEO (Group Management Committee, etc.) and discusses social issues.

Moreover, a General Environment Preservation Committee, headed by General Manager of Environment Department at Kikkoman Corporation is in place to disseminate details about targets and policies related to climate change and other environmental protection activities to Group companies and business site organizations. The committee also promotes the accumulation of expertise and technologies related to the environment and improves the Group's responsiveness to change. Moreover, environmental preservation subcommittees, comprised of members centered on environmental management officers at each base, are set up under the General Environment Preservation Committee, facilitating the sharing of detailed data and case studies.

◆ Strategy

The Group formulated the Global Vision 2030 (GV2030) in 2018 as its long-term vision for defining basic strategies and goals based on its management principles. In formulating the GV2030, management analyzed material issues from society's perspective and the Group's perspective, and identified three core material issues comprising "the global environment," "food and health" and "people and society." The Kikkoman Group Long-Term Environmental Vision, its environmental vision through 2030, was created in 2020 to guide specific measures. While advancing activities under this vision and others, the Group has long understood that flooding risks associated with earthquakes and climate change could result in business disruptions and weaker earnings. Accordingly, the Group has advanced measures, such as creating Business Continuity Plans (BCP) and running simulations of natural disasters. As a Group, management monitors risks that could have a major impact on operations caused by climate change, such as potential changes related to the use of natural ingredients in its core products. Amid growing concerns in society about the risks of climate change, the Group analyzes risks in multiple scenarios that could affect the business domains of the Group, based on the TCFD recommendations to quantifiably measure risks and the medium- to long-term impact on the Group from climate change.

[Scenario Analysis]

The Group's scenario analysis is based on Representative Concentration Pathways (RCP) scenarios, referring to reports by the Intergovernmental Panel on Climate Change (IPCC), and sustainable development scenarios advocated by the International Energy Agency (IEA). Below, the Group presents the results of its analysis in each scenario and the estimated impact on its operations.

Summary of scenario analysis:

- The IPCC has reported that climate change could lead to more frequent and larger natural disasters. In light of this, the Group analyzed the potential impact of climate change on its production sites, based on location information for each of its major production sites. For the analysis, the Group used the RCP 8.5 scenario to measure the impact on the Group in situations where climate change has an even greater impact.
- Among natural hazards, flooding, strong winds, high tides and forest fires were analyzed. To understand current conditions for natural hazards, the Group analyzed changes in hazards caused by climate change, and measured the potential impact of these changes on each production base. To understand natural hazards today, the Group referred to the Flood Hazard Map of the World & European Union, GAR 2015 and other databases, while also consulting hazard maps published by the Ministry of Land, Infrastructure and Transport and local governments in Japan, in addition to data gleaned from simulations run by external consulting firms. The Group's analysis of trends under climate change relied on RCP 8.5 for flooding and high tides, and SRES A1B and SRES A2 for strong winds during typhoons and forest fires, respectively. While verifying the change in disaster frequency with existing literature, research results and hazard maps, the Group measured the potential impact from increases in global temperatures.
- Since the Group's analysis covered natural hazards at the production sites of the entire Group, and due to the need to make decisions from a long-term perspective, the Group referred to RCP 8.5 until 2100.

RCP8.5

Results of scenario analysis:

- For all the production sites of the Group, flooding presents the greatest risk among natural hazards. For flooding, typhoon-force winds, and forest fires, climate change is likely to increase the frequency of these events, and higher tides pose the threat of flooding to these production sites with or without climate change.

Impact on business strategy of scenario analysis results:

- The results of this scenario analysis are used in the evaluation of climate change's impact on the business strategies of the Group. Before the scenario analysis was performed, the Company was aware of the risk of business interruptions and decline in earnings caused by flooding risks. Groupwide, management has advanced measures that include the formulation of Business Continuity Plans (BCP) and simulations of natural disasters. The results of the scenario analysis have prompted management to consider additional measures at sites at risk of serious impacts from climate change in the future.
- In 2020, the Group established and released the Kikkoman Group Long-Term Environmental Vision as a long-term environmental policy for 2030. The results of this scenario analysis informed the creation of targets for this long-term environmental vision.

Summary of scenario analysis:

- To understand changes in its ability to procure key raw materials, the Group referred to the volume of key raw materials procured by country of procurement for the Group. Using this data, the Group assessed climate change's impact on changes in harvest volume per unit of land area by country of procurement, and measured changes in its ability to procure these raw materials. The Group used data from simulations run by external research organizations to better grasp changes in harvest volume due to climate change in each country. Under these simulations, the Group analyzed the impact of climate change in two scenarios (scenario based on RCP 6.0 and SSP2, and a scenario based on RCP 8.5 and SSP3) on harvest volume per unit of land (t/ha) for soybeans and wheat, and used this data in its analysis. To gain clarity on changes in harvest volumes from current levels, the Group analyzed by country of procurement the changes in harvest volume per unit of land (t/ha) for applicable crops of soybeans and wheat. Based on the results of this analysis, the Group calculated the weighted average of projected harvest volumes (t/ha) while referring to ratios of procurement source. To evaluate the impact on the Group under more serious circumstances, the Group employed RCP 6.0 and RCP 8.5 scenarios.
- The analysis covered soybeans and wheat, the main ingredients used in the core soy sauce business of the Group.
- Due to the need to make decisions from a long-term perspective, the Group referred to RCP 6.0 and RCP 8.5 until 2100.

RCP6.0
RCP8.5

Results of scenario analysis:

- One of the results of the analysis that the Group recognized as important was that harvest volume per unit of land for soybeans will start to decline from 2060.

Impact on business strategy of scenario analysis results:

- The results of this scenario analysis informed the evaluation of impacts on the Group's business strategies. Before the scenario analysis was performed, the Company managed risks so that they would not impact operations, such as the procurement of key raw materials from other regions or use of alternative raw materials. In light of the results of the scenario analysis, management has begun to evaluate the strengthening of measures to mitigate the serious impact of further climate change on the procurement of soybeans. However, this serious impact will not start to materialize for several decades. Since there is still time to evaluate the situation and take countermeasures, this risk presently does not influence the business strategies of the Group.

Summary of scenario analysis:

- The Group compiled estimates of total CO₂ emissions based on its business growth targets, referring to current total emissions (t-CO₂) under Scopes 1 and 2 for the Group's production sites. Under the IEA's WEO SDS scenario, the Group calculated estimates of costs to achieve the Group's CO₂ reduction targets over the medium to long term. The Group analyzed the cost of achieving its targets in a number of scenarios, such as a scenario where capital is invested and production efficiency is improved without the additional use of renewable energy for almost the entire amount of emission reductions, a scenario where renewable energy is deployed to cover the entire usable amount, and a scenario where a carbon tax is paid for the entire amount of emissions, depending on the renewable energy market.
- Timeline is by 2030, in line with the Group's medium- to long-term targets for reducing CO₂ emissions.
- Total emissions (Scopes 1 and 2) of production sites for all of the Group.

IEA's sustainable development scenario

Results of scenario analysis:

- The Group's production sites have already seen progress in terms of capital investments, fuel conversion and improvements in production efficiency, so it will not be easy to choose additional measures for reducing CO₂ emissions from a cost-benefit perspective. The Group has production sites in OECD countries where carbon taxation may increase, and these sites account for more than 90% of the CO₂ emissions of the entire Group. Production costs are forecast to increase unless the Company can reduce CO₂ emissions.

Impact on business strategy of scenario analysis results:

- The results of the scenario analysis are reflected in the business strategies of the Group. In GV2030, the Group intends to help solve issues in global society through unique activities, and aims to increase its meaningfulness in global society by 2030. Reducing CO₂ emissions is a core element of addressing major social issues in GV2030. Accordingly, the results of the scenario analysis are reflected in measures to reduce CO₂ emissions across the Group by FY2031.
- The Kikkoman Group Long-Term Environmental Vision through FY2031 was drawn up in 2020 based on the aims of GV2030, and it is linked with business targets. The Group aims to reduce CO₂ emissions by at least 30% by FY2031, compared with levels in FY2019. Its business strategies contain measures for cutting CO₂ emissions with the intention of achieving this target. The Group is considering additional purchase of renewable energy as a major means of reducing CO₂ emissions.

Environmental Initiatives

◆ Risk Management

At the Group, to fulfill its responsibilities to stakeholders and realize stable business development, the Group advances initiatives to prepare for risks that may affect the activities of the Group. Given the global reach of the Group's many businesses, there are a variety of different risks and opportunities that must be understood and managed. Executive officers at subsidiaries and business divisions are put in charge of preventing the materialization of risks.

In October 2010, with the objective of accurately managing the various risks faced by the Group, the Group formulated the Kikkoman Group Risk Management Guideline (Risk Management Guideline), which lays out the basic elements of risk management. In the Risk Management Guideline, risk is defined as all uncertainties in management and includes the following. Its definition of risk goes beyond natural disasters and accidents to include environmental problems, such as climate change.

1. Possibilities to cause direct or indirect economic loss to the Kikkoman Group
2. Possibilities to interrupt or stop business continuity of the Kikkoman Group
3. Possibilities to cause damage to the credibility of the Kikkoman Group and undermine brand images

The Group analyzes scenarios to assist with the evaluation, management and appropriate response to climate-related risks over the medium to long term, while identifying and addressing physical risks and transition risks. Through partnerships with external organizations (Japan Climate Leaders' Partnership and The Consumer Goods Forum), the Group ascertains the attitudes and regulations of countries regarding climate change, and reflects this information in its initiatives as necessary. Every year, the Group comprehensively assesses the business-related risks of the Group, and the issue of climate change is one such risk. The Group identifies risks that affect operations and analyzes the degree of impact of each risk, and submits risk reports to the Board of Directors.

◆ Metrics and Targets

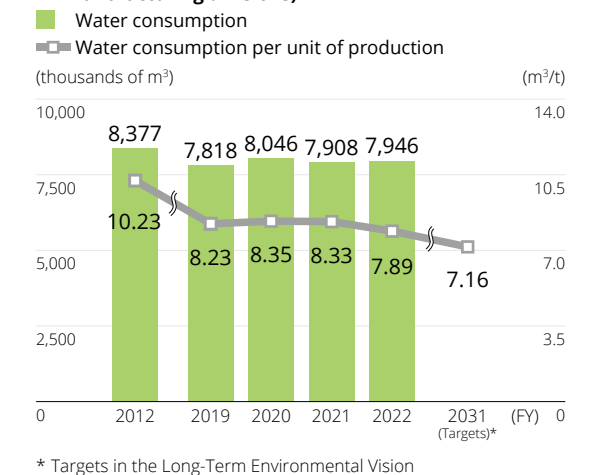
The United Nations Framework Convention on Climate Change (COP21) adopted the Paris Agreement in 2015 to keep the average increase in global temperatures to well below 2°C compared with before the industrial revolution, and try to keep the average temperature rise below 1.5°C.

In light of the long-term targets of the Paris Agreement, the Group aims to have net zero CO₂ emissions by 2050, and set in motion initiatives to cut CO₂ emissions. Based on its long-term environmental vision, the Group is working to reduce its CO₂ emissions by 30% or more by FY2031, compared with the FY2019 level. The Group will periodically update its medium- to long-term plans for cutting CO₂ emissions to align with technological innovations in the future.

Food Environments

The Kikkoman Group believes that a rich natural environment is vital to support tasty, satisfying diets. We are working to preserve natural environments related to food and ensure sustainable procurement practices in partnership with local communities and suppliers, as well as through our own business activities. We use water efficiently and return water used by our plants to nature in as clean a condition as possible. We also work closely with local communities to ensure environmental and sustainable sourcing of raw materials.

◆ Transition of Water Consumption (Domestic manufacturing divisions and major overseas manufacturing divisions)



Responding to Water-related Risk

The Kikkoman Group's business activities are dependent on water resources. Water is the main ingredient in soy sauce, one of the Group's most important products, and water is used heavily in the cultivation and processing of rice, wheat, soybeans and tomatoes – ingredients in the Group's key products. Without sufficient volumes of good quality water across the supply chain, Kikkoman would struggle to cultivate and procure agricultural produce for raw materials and manufacture products.

Meanwhile, the world's water resources face a number of risks. Causes are diverse, but businesses and a wide range of other stakeholders need to work together to address them. The Kikkoman Group is taking steps to mitigate any impact by identifying and analyzing potential water-related risks and implementing preventative measures. In addition to managing water in our own business activities, we are using a water stewardship approach to actively contribute to the protection of water resources in local communities.

◆ Overview of Water-related Risks

For some time, Kikkoman has recognized that flooding is a risk to business continuity and a cause of lower profit margins. In response, we have developed a Business Continuity Plan (BCP) and conducted natural hazard simulations as part of Groupwide measures. Knowledge gained from historical water-related risk phenomena and countermeasures is important, so we have collated information on historical water-related risk from each manufacturing site and used it to develop Groupwide water risk countermeasures. In addition to this internal expertise, we use evaluation tools such as the WFF Water Risk Filter and WRI's Aqueduct to identify and classify water risk. When indicators in these evaluation tools signify higher-than-normal risk, we assign a high risk rating, supplementing our internal knowledge. We employ these external evaluation tools because they allow us to reference objective indicators on a wide range of water risks, including

Environmental Initiatives

regulatory risk and reputational risk, which are hard to quantify. We also draw on advice from external consultants as needed when using water risk evaluation tools and carrying out flood simulations. In addition, we refer to IPCC climate change projections and other models to support our climate change scenario analysis, and gather information on water regulations from local government databases in areas where our manufacturing sites are located.

- In frontline operations, we use the Water Risk Filter and Aqueduct to assess water risk at domestic and overseas manufacturing sites. To evaluate water risk in the supply chain, we use the Water Risk Filter to verify water stress levels in major producing areas for key raw materials. In other stages of the value chain, we supplement internal knowledge with results from reputational risk and regulatory risk evaluations using Aqueduct and the Water Risk Filter, particularly for risks related to local communities and regulations.
- The Group Management Committee is the main body responsible for evaluating business-related risks at Group companies. In the event of a crisis that impacts the Group, the Risk Management Committee promptly reports the situation to the relevant directors in charge and implements appropriate and rapid risk response measures, in accordance with the Kikkoman Group Risk Management Guideline. The committee follows the same process for water risk evaluation results generated by Aqueduct and the Water Risk Filter. Another area of concern is water safety, which has the potential to seriously affect many Kikkoman products. To improve quality assurance and quality management, the Quality Assurance Committee meets monthly and conducts inspections of processes at key manufacturing sites in Japan and overseas. Water is a precious resource for the whole of society and Kikkoman recognizes that protecting water resources is an important issue. Because of that, we control and manage outflows from wastewater treatment facilities using voluntary standards that are even stricter than environmental regulations. In these ways, Kikkoman is complying with safety standards, laws and regulations and working to ensure social equality.

Water Consumption and Discharge Management

Based on our Long-Term Environmental Vision, eligible production sites in the Kikkoman Group operate an ISO 14001-compliant environmental management system for monitoring the volume of water consumption and discharge. The system manages water consumption separately for surface water, groundwater, and municipal water, and manages discharge volume separately for rivers, brackish water areas, groundwater, public sewers, and other destinations. The Group will work to make more effective use of water resources through the proper management of water consumption and discharge.

◆ Annual Water Consumption and Discharge Volume by Source

(Domestic manufacturing divisions, major overseas manufacturing divisions)

	(thousands of m ³)			
	FY2019	FY2020	FY2021	FY2022
Water consumption				
Total water consumption	7,818	8,046	7,908	7,946
Fresh surface water (river water)	199	319	215	191
Brackish surface water, seawater	0	0	0	0
Groundwater (renewable)	5,762	5,757	5,748	5,834
Groundwater (non-renewable)	0	0	0	0
Municipal water, industrial water	1,857	1,970	1,945	1,921
Discharge				
(thousands of m ³)				
Total discharge	6,073	6,401	6,335	6,433
Discharge into rivers	4,174	4,511	4,464	4,447
Discharge into brackish water or seawater	672	716	674	644
Discharge into groundwater	0	0	0	0
Discharge into public sewers, etc.	1,226	1,174	1,197	1,341
(thousands of m ³)				
Consumed for production process (thousands of m³)	1,745	1,645	1,573	1,514
Water consumption per unit of production (m³/t)	8.23	8.35	8.33	7.89

* Brackish water refers to water with a salt content between that of sea water and fresh water, and is found in estuaries where rivers flow into the sea.

* Due to rounding, some totals may not correspond with the sum of separate figures.

Supporting Activities to Protect Water Environments Overseas

The Kikkoman Group supports water environment preservation activities conducted by local governments or NGOs to help solve water issues in areas where our manufacturing sites are located, such as Singapore and the Netherlands. Please refer to page 70–71, “Social Activities in the World,” for further detailed information in relation to this.

Participation in Initiatives in Japan and Overseas

In FY2016, the Kikkoman Group participated in the “Water Project,” which is hosted by the Japanese Ministry of the Environment. We also signed the “CEO Water Mandate,” an initiative that is led by the UN Global Compact. We will continue to put our environmental policy into practice by participating in initiatives that protect precious water resources towards the future and integrate them into our activities.

External Evaluation System

Since FY2018, the Kikkoman Group answers the CDP water security questionnaire sent by CDP, an international nonprofit organization. The evaluation based on the questionnaire is provided to institutional investors as information disclosing the companies' actual stances toward the reduction of water consumption and preservation activities of water quality and the environment. The evaluation is considered as one of the significant pieces of information from the ESG investment viewpoint.

In the FY2021 CDP water security questionnaire, the Kikkoman Group was included in the group of leading companies (leadership level) and received an A score — the highest rank — for the third consecutive year.

Sustainable Sourcing

The Kikkoman Group is working with suppliers to reduce environmental impact and realize a sustainable society. In FY2021, we established the Kikkoman Group Sustainable Sourcing Policy, which defines six key sustainability areas of focus for the Group and our suppliers. In addition, based on this policy, we have established a series of guidelines covering packaging, forest resources, and soybean procurement to underpin more specific activities. For more details, please refer to page 66 of this report.

◆ Case Study: Adoption of Biomass Ink

Kikkoman has started introducing food product labels printed with biomass ink. Biomass ink is recyclable environmentally friendly ink made with plant-based organic material (biomass) rather than oil and other depletable resources. We plan to work with suppliers to use this kind of environmentally friendly material.



Biomass logo on product labelling

Environmental Initiatives

Initiatives with Supply Chains

At the Kikkoman Group, we explain our basic ideas, philosophies, and policies in relation to transactions through the “Kikkoman Group Transaction Policies” to business partners. Furthermore, we added an item on environmental preservation in “Priority Items,” in which we require business partners to follow, aiming to conduct environmental preservation activities through supply chains. We also confirmed initiatives that pertain to CO₂ reductions and forest protection from a perspective of global warming prevention, when holding discussions with business partners. Please refer to page 65–66 of this report for further details.

Forest Conservation

Forests not only supply timber and other resources, but also play a key role in preventing global warming by absorbing carbon dioxide. They are also a valuable resource in terms of biodiversity and cultural significance. The Kikkoman Group recognizes the importance of forests in the global environment and continues to undertake forest conservation initiatives.

◆ Reducing Office Paper and Using Environmentally Friendly Alternatives

The main domestic business sites*¹ in the Kikkoman Group have acquired ISO 14001 certification, and as part of our efforts to minimize waste, we are taking steps to reduce the amount of office paper used. Starting with the Noda Plant (now called the Noda Factory), which gained accreditation in 1997, we continue to set office paper reduction targets and employ measures aimed at reaching our goals. For example, we use both sides of paper for printing, implement paperless measures such as sending order forms electronically and using digital files for meeting materials, and employ a system that eliminates needless printing. We also purchase, in principle, office printing paper made from environmentally friendly pulp sourced from operations that do not damage ecosystems or cause deforestation as a result of illegal logging. For example, paper certified by the FSC®*² or PEFC*³.

*¹ Business sites: Kikkoman Corp.'s Noda Head Office and Tokyo Head Office and all sites of Kikkoman Food Products Co., Nippon Del Monte Corporation, Manns Wines Co., Ltd., and other Group companies.

*² Forest Stewardship Council: An independent NPO that works to globally promote responsible forest management. It also manages an international forest certification system.

*³ PEFC (Programme for the Endorsement of Forest Certification Schemes): PEFC is an internationally recognized forest certification.

◆ Container and Packaging Initiatives

Paper is used in many of the products manufactured and sold by the Kikkoman Group. In addition to our initiatives aimed at reducing the volume of paper we use, we are also stepping up our development of products that use raw materials certified as being sustainable (in terms of forest conservation). The paper carton used for our soy milk products is made from paper certified by the FSC®.

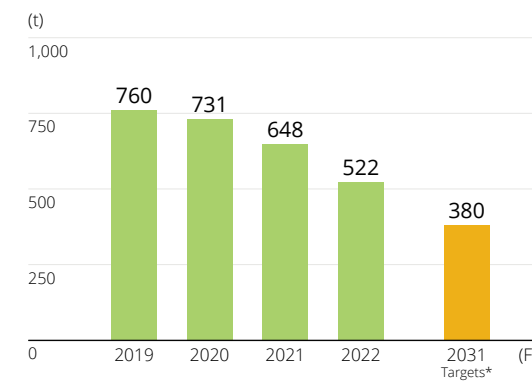
◆ Initiatives for Preventing Deforestation

Global deforestation is a serious issue for society and also a challenge for the entire food industry, especially considering that deforestation is currently occurring in places like South America as a result of farm land reclamation. The Kikkoman Group has established guidelines on the use of forest resources based on a sustainable sourcing policy and undertakes activities that aim to contribute to the prevention of deforestation.

Natural Resources

The Kikkoman Group believes that one of the key responsibilities of food companies is to use nature's precious resources efficiently. The Group's manufacturing divisions are targeting a 100% resource recycling rate in order to reduce food product losses in manufacturing, sales and other stages of the value chain. We are also introducing products that are environmentally friendly across the entire value chain.

◆ Food Product Losses (Japan)



* Targets in the Long-Term Environmental Vision

◆ Resource Recycling Rate (Domestic manufacturing divisions and major overseas manufacturing divisions)

	2019	2020	2021	2022
Implementation rate of recycling, etc.	99.4%	99.5%	99.6%	99.6%

* Due to a change in definition, results from FY2019 have been recalculated.

Energy, Resource, and Discharge Flows

The Kikkoman Group manufactures and sells an assortment of products, including soy sauce, soy sauce derivative products, beverages, ketchup, wine and soy milk to customers both within and outside of Japan. In the process of manufacturing these products, we consume not only raw materials but also energy, water, and packaging materials; moreover, we discharge solid, liquid, and gas waste.

The Kikkoman Group strives to minimize our environmental load by seeking to consume less energy, water, and materials; improve efficiency in manufacturing and energy use; and reduce waste.

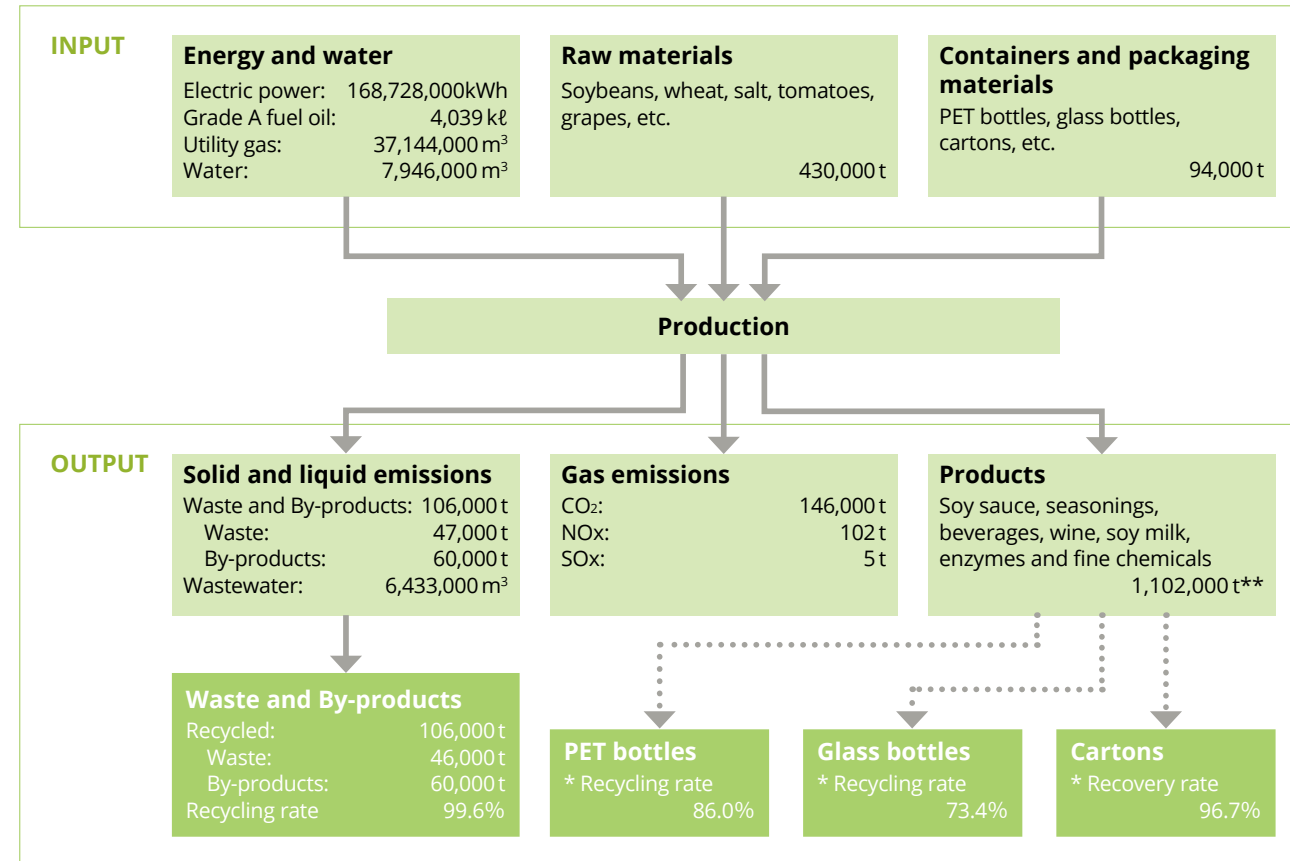
We also attempt to reduce the environmental load of products after consumption by developing and using more readily recyclable containers and packaging materials, such as glass and plastic bottles and cartons.

Scope

23 plants (the domestic and the major overseas manufacturing divisions): Kikkoman Food Products Co. (Noda Factory, Takasago Factory), Hokkaido Kikkoman Co., Nagareyama Kikkoman Co., Ltd., Kikkoman Foodtech Co., Ltd. (Main Plant, Nakanodai Plant, Edogawa Plant, Nishinippon Plant), Saitama Kikkoman Co., Nippon Del Monte Corp. (Gunma Plant, Nagano Plant), Manns Wines Co., Ltd. (Katsunuma Winery, Komoro Winery), Kikkoman Biochemifa Co. (Edogawa Plant, Kamogawa Plant), Kikkoman Soyfoods Co. (Saitama Plant, Gifu Plant, Ibaraki Plant), Takara Shoyu Co., Ltd. (Choshi Plant), KFI (Wisconsin Plant, California Plant), KSP, and KFE

Environmental Initiatives

◆ Energy, Resource and Discharge Flows for FY2022



* The recycling rates for plastic bottles and glass bottles and the recovery rate for cartons reflect action by customers. These figures have been calculated based on the latest information published by respective trade organizations.

** Including packaging materials.

***No emissions into the atmosphere of ozone-depleting substances (ODS) at levels that cause an environmental impact were identified.

Note: Due to rounding, some totals may not correspond with the sum of the separate figures.

Appropriate Management and Pollution Prevention Based on ISO 14001

At the Kikkoman Group, we obtained ISO 14001 batch certification for all major Group facilities in Japan, in order to construct an efficient environmental management system, while promoting a higher level of environmental management. As part of this initiative, we follow not only environment-related laws and regulations, but also a management standard that we independently established, and integrate environmental risk reductions into our everyday work. In addition, we actively share information with stakeholders and use all information, technologies, and experiences that we acquire inside and outside of the Kikkoman Group in our environmental preservation activities.

1) To cooperate with local communities

We will further promote regional contribution activities and continue working on creating intimate communities.

2) To respond against environmental risks

We will put further effort into strengthening compliance rules.

3) To keep improving the environmental management system

We will conduct environmental education, promote environmental communications, and adopt revisions of the ISO 14001 standard.

Initiatives and FY2022 Review

1) To cooperate with local communities

The Kikkoman Group shares information about its environmental preservation activities through its Corporate Report and website, while also cooperating and conducting activities with industry, governments, academia, and NPOs.

We also use all information, technologies, and experiences acquired inside and outside of the Kikkoman Group in our environmental preservation activities.

◆ Major Environmental Communication Programs during FY2022

Programs	Implementation date/frequency	Target
Publication of Corporate Report in Japanese	January 2022	General public
Publication of Corporate Report in English	March 2022	General public
Update of the Kikkoman Group Environmental Preservation Activities Case Book	March 2022	General public
Disclosing information on our website in Japanese	On occasion	General public
Disclosing information on our website in English	On occasion	General public
Distribution of potted plant (fertilized by mud from wastewater treatment)	June 2021	Local communities around Noda city and Nagareyama city
Operations for cleaning	On occasion	Employees from the Group companies
Activities with outside environmental groups	67	National, prefecture, and city governments and private companies

Environmental Initiatives

2) To respond against environmental risks

1 Water pollution prevention

As we use and discharge large volumes of water in the manufacturing and washing process of our products, we pay full attention to improving water quality and preventing river pollution through setting our own standards. Regarding water discharge, the Kikkoman Group Long-Term Environmental Vision, formulated in 2020, includes management targets using environmental standards for BOD and COD as benchmarks and incorporates a system for evaluating the achievement of targets.

2 Manual for the proper disposal of industrial waste

We sort industrial waste before disposal, reduce industrial waste as much as possible, and pursue recycling. In Japan, we consign the collection, transfer, processing, and disposal of industrial waste to licensed service providers. We comply with the Kikkoman Manual for the Proper Disposal of Industrial Waste and strive to ensure that waste is disposed of properly. In FY2021, there were no serious discharges of wastewater or waste or incidents of pollution or environmental damage caused by the transport of hazardous waste by the Kikkoman Group.

3 Noise, vibration, and odor prevention

To prevent noise, vibration, and odors, we have been installing quieter machines and soundproof/sound-absorbing walls around our plants. Noise and vibration levels are monitored regularly along the boundaries of our plants to ensure they do not exceed the levels prescribed by local community regulations.

4 Air pollution prevention

In addition to observing regional regulations on the concentration and total amount of sulfur oxides (SOx), nitrogen oxides (NOx), and soot and particulate emissions, we seek to control these emissions by establishing voluntary standards at each of our plants.

5 Black mold pollution prevention

Trees, roofs, and walls in the vicinity of soy sauce and mirin plants can be darkened by mold classified in the genus *Aureobasidium*. It propagates through the intake of alcohol, and its presence can generate a black pigment on material surfaces. In consideration of local residents, the Kikkoman Group hermetically seals the source of emissions, installs cleaning devices on air ducts, and recovers alcohol content from the exhausted gases to prevent the microbe from spreading to residential areas.

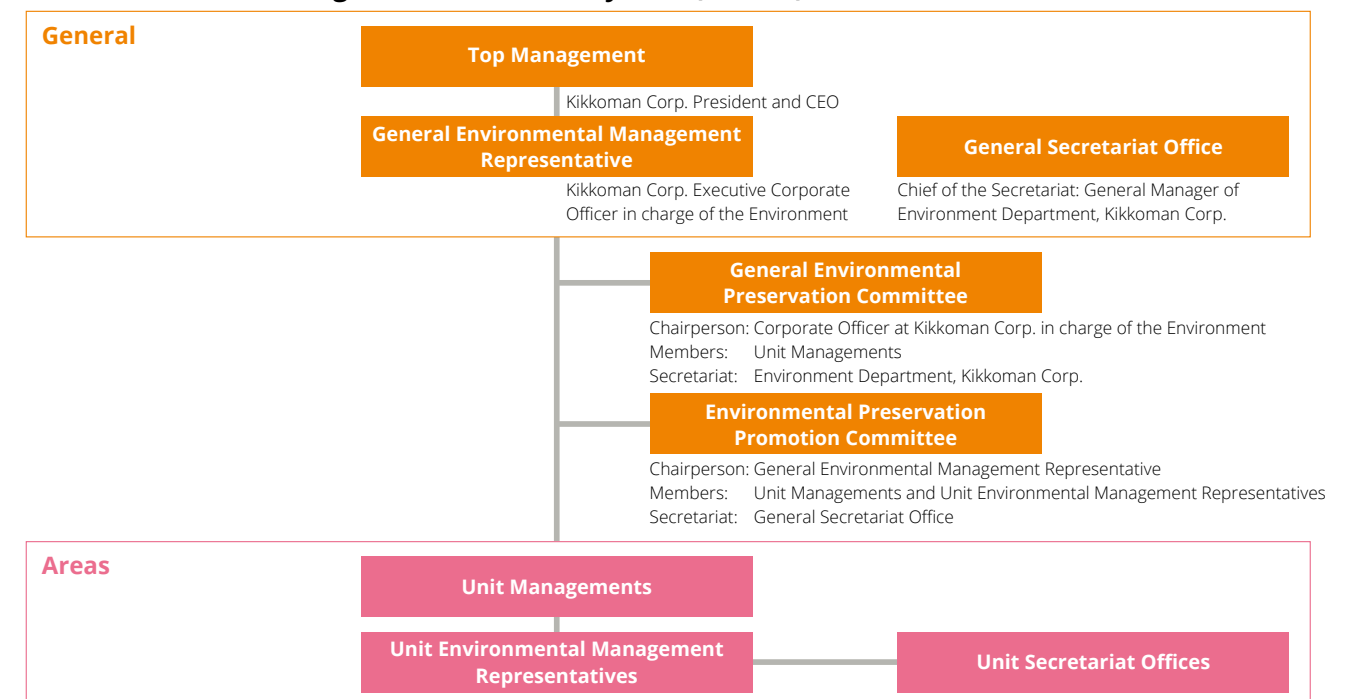
3) To keep improving the environmental management system

Since obtaining ISO 14001 batch certification for all major Group facilities in Japan in June 2011, the Kikkoman Group aims to achieve higher levels of environmental management by further enhancing Groupwide communication, while also continually improving environmental management systems. We use the PDCA cycle in order to steadily implement the management system throughout the Group and promote continuous improvements through specific activities at each division. We improve our environmental management systems by establishing objectives and policies for environmental conservation activities from a perspective of the entire Group, and prepare structures to exchange information, while reviewing results at all sites. In addition, we conduct internal audits at Group companies inside and outside of Japan. We conduct training for new employees in order to allow them to recognize global and ecological perspectives and the importance of environmental conservation, while also conducting more specialized training for environmental conservation representatives.

◆ Major Environmental Education Programs during FY2022

Programs	Implementation date/frequency	Target	"No. of participants"
Training of ISO 14001 internal environmental auditors	August 2021	Employees (Qualified auditor candidates)	45
Training of ISO 14001 internal environmental auditors	4	Group companies (Qualified auditor candidates)	23
Training for wastewater treatment facility managers	July 2021	Wastewater treatment facility managers	55
Waste guidelines seminar	December 2021	Industrial waste managers	50
Workshop for managers in charge of waste management	March 2022	Industrial waste managers	60
New employee training program	Twice in April 2021	New employees in FY2022	29
Delivery of environmental information	12	Group companies in Japan	—
Delivery of legal and ordinance information	3	Group companies in Japan	—

◆ Environmental Management Promotion System (FY2022)



Kikkoman Corp. Noda Office	Kikkoman Corp. Tokyo Office	Kikkoman Corp. R&D	Kikkoman Food Products Noda Factory
Kikkoman Food Products Takasago Factory	Kikkoman Food Products Kinki Office	Kikkoman Biochemifa Edogawa Plant	Kikkoman Biochemifa Kamogawa Plant
Nippon Del Monte	Manns Wines	Kikkoman Foodtech Main and Nakanodai Plants	Kikkoman Foodtech Edogawa Plant
Kikkoman Foodtech Nishinippon Plant	Hokkaido Kikkoman	Nagareyama Kikkoman	Saitama Kikkoman
Takara Shoyu	Kikkoman Soyfoods Saitama Plant	Kikkoman Soyfoods Gifu Plant	Kikkoman Soyfoods Ibaraki Plant

Food and Health

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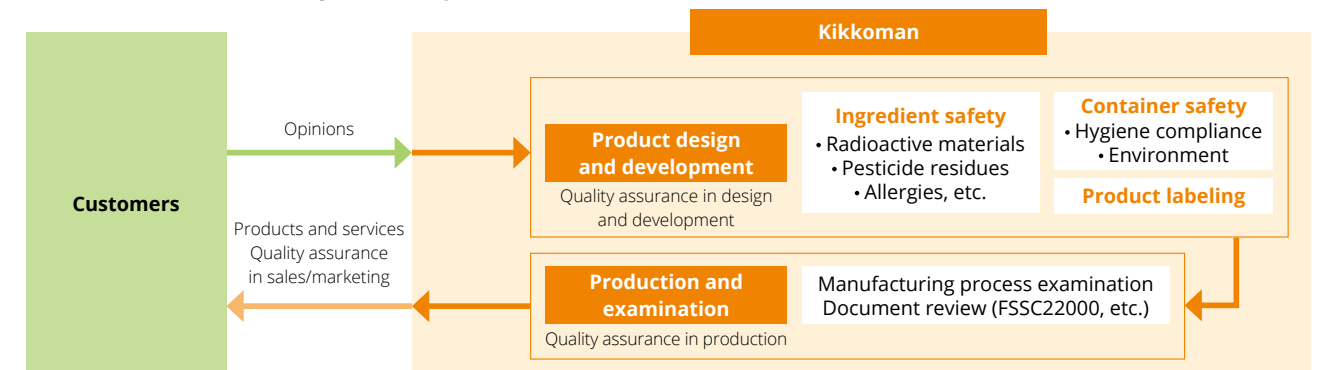
For Our Customers

Quality Assurance Based on the Concepts of "Safety" and "Peace of Mind"

At the Kikkoman Group, we consider the "safety" of our products and services as our highest priority. From this viewpoint of "safety," we conduct quality assurance inspections based on strict 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 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.

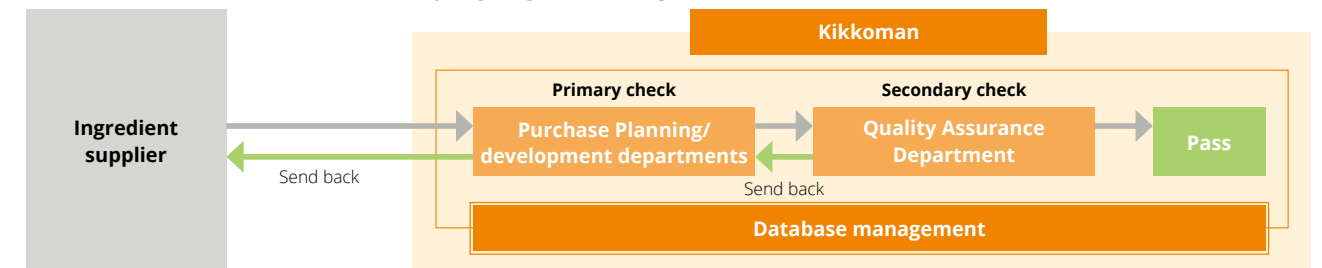
◆ The Kikkoman Group's Quality Assurance Flow



Quality Assurance in Product Development

At Kikkoman, using safe ingredients and materials is a top priority for 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



For Our Customers

Traceability

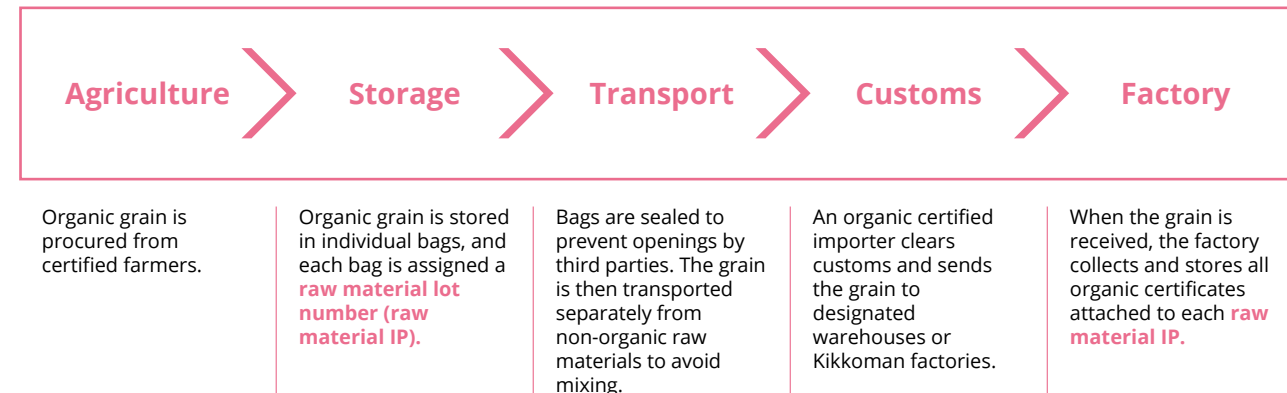
Traceability is the capacity to track the production and distribution history of products as well as the raw materials used in those products. We take a thorough approach to record management for processes, from raw material procurement to manufacturing and shipment, to deliver products that give customers safety and peace of mind, and we promote systems that make traceability possible.

◆ Example of Traceability: Organic Soy Sauce

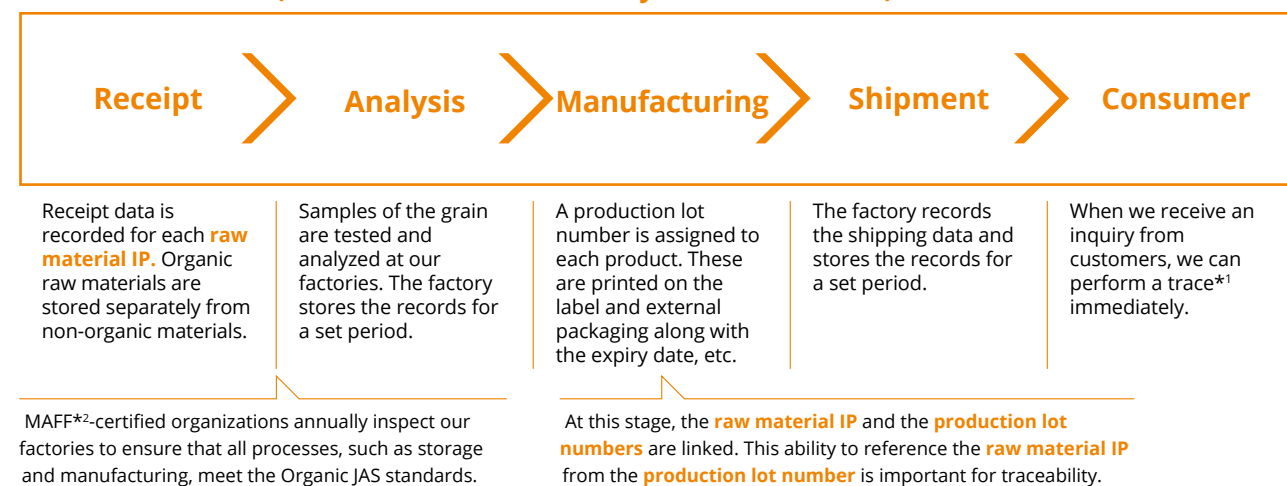
The organic soybeans and organic wheat used in organic soy sauce is managed strictly to ensure that they do not become mixed with other raw ingredients. Kikkoman has established a system for traceability, which includes certification and transportation history to ensure that the products are organic.



◆ Flow of Organic Crops (From the Farm to the Kikkoman Factory)



◆ Flow of Products (From the Kikkoman Factory to the Consumer)



MAFF*²-certified organizations annually inspect our factories to ensure that all processes, such as storage and manufacturing, meet the Organic JAS standards.

*1 Tracing procedure: Check production lot number → Identify raw material used from the raw material IP → Investigate transportation route and farm location
*2 Ministry of Agriculture, Forestry and Fisheries

Kikkoman factories retain records for all of their raw materials including packaging, production processing, and distribution routes for not only their organic soy sauce but for all of their 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.

Radioactive Materials

Soon after the Great East Japan Earthquake, the Kikkoman Group deployed various Groupwide efforts to deal with radioactive materials. We confirm the safety of raw materials by monitoring results of radioactive material tests conducted by the Japanese government and local governments. Also, we confirm the safety of our products by collecting and checking information from our suppliers regarding the 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, the Environment & Food Safety Analysis Center and/or each plant undertake the examinations by using germanium semiconductor detectors or NaI scintillation spectrometers.

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

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 production, and each plant works to prevent any chance of accidents, which affect our production capabilities. Also, Kikkoman works with Sobu Logistics Corporation to review the Group's logistics on a continuous basis to build a faster and stabler logistics 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 production nor logistics were seriously damaged, but the Group decided to introduce the BCP (Business Continuity Plan) in preparation for possible future disasters.

For Our Customers

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 the 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

The 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 Development 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 research that form the foundation of our future products to tangible product development. In addition to the R&D 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

The 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 do not receive adequate nutrients.

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/or 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.

Information Access through Website

In the Consumer Center corner of our Japanese-language website, we include category-specific Q&As based on inquiries and comments from customers as well as a page highlighting product improvements prompted by suggestions from customers. We do more than just listen to customers; we incorporate their ideas into our activities and convey the results to customers through our products and website content.

In addition, for mainstay products and products that attract a significant number of comments, we indicate the geographical area from which the ingredients are sourced on the Ingredient Origins page accessed from the Consumer Center on our Japanese-language website.

Protecting Personal Information

The Kikkoman Group believes that protecting personal information is both fundamental to our business operations and is also our duty to society. To this end, we have established a privacy policy to guide our efforts to protect personal information and are working to convey it to all staff.

Scope: Consolidated subsidiaries and directly owned non-consolidated subsidiaries in Japan.

For more information on the Privacy Policy, please visit our website:

<https://www.kikkoman.com/en/privacypolicy.html>

For Our Customers

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.

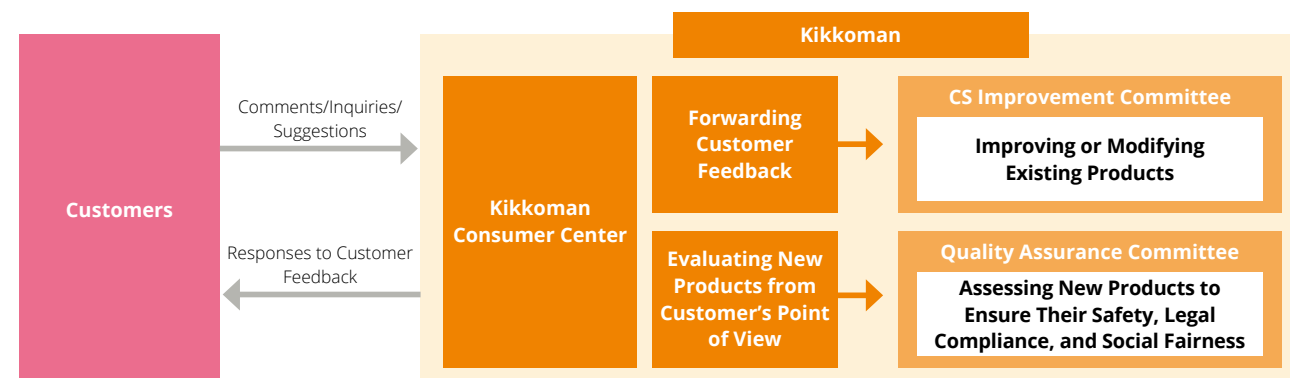
◆ Number of Customer Inquiries

FY	Total	Comments	Inquiries	Suggestions
2018	22,939	1,764	18,790	2,385
2019	21,928	1,557	18,320	2,051
2020	20,837	1,391	16,503	2,943
2021	17,980	1,092	12,769	4,119
2022	15,220	1,701	10,803	2,716

The CS Improvement Committee

The suggestions from customers include ones that cannot 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.

<https://www.kikkoman.com/en/quality/>

Intellectual Property

Basic Approach

The Kikkoman Group maximizes our competitive strengths through the effective use of intellectual property, such as patent rights and trademark rights. These tools allow us to offer trustworthy products and services to consumers. Moreover, the Group takes measures to protect our consumers from counterfeit products and to respect the rights of other companies to the fullest possible extent.

Kikkoman Group Intellectual Property Strategy

Intellectual property includes inventions, trademarks, designs, copyrighted materials, and technical and business information useful to business activities, and is the foundation underpinning the business activities of the Kikkoman Group.

The Kikkoman Group's Global Vision 2030 long-term vision calls for us to draw on internal and external management resources to create new businesses and products in endeavoring to offer No. 1 value. To ensure a longer-term competitive advantage for the new businesses and products created under the Vision, the Group has formulated an intellectual property strategy tied in with its business and R&D strategies, which together are guiding us in the pursuit of activities to support the foundation of each of our businesses.

The Group's intellectual property strategy draws on the following three perspectives.

Strategy

(1) Establishing a competitive advantage based on our patent strategy

The Group actively carries out research and development and strategically applies for patents and acquires patent rights. We are also working to maintain and enhance longer-term competitiveness by gathering and analyzing information from patent searches and addressing patents pending and registered by other companies.

(2) Establishing a competitive advantage based on our brand strategy

As initiatives to establish a superior market presence for differentiated products, we are working not only to guard our patent rights but also to protect rights that combine our trademarks, designs, and other rights.

(3) Brand protection strategy centered on anti-counterfeit measures

The Group is strengthening its monitoring and response to trademark infringements in the form of counterfeit products. From the perspective of protecting consumers as well, we respond aggressively to the cases of counterfeit products we detect, including requesting the authorities to crack down on offending operations.

Intellectual Property

Initiatives

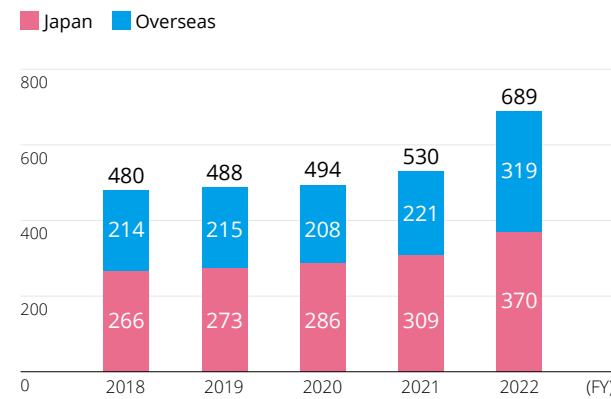
(1) Initiatives to establish a competitive advantage based on our patent strategy

Based on fermentation and brewing technologies we have cultivated through the application of microorganisms, the Group actively conducts research and development in a range of fields such as food products, biotechnology, food and health, and container development in pursuit of creating new businesses, products, and value. For the inventions we create in the process, we aim to establish a competitive advantage by combining proactive patent applications and rights acquisition with know-how management.

Patent searches are not limited to searches for possible infringements of other companies' rights or to determine whether there is existing technology—recently, we have been addressing the intellectual property landscape, taking an integrated overview of intellectual property and market data and using the results of our analysis to validate the direction of our research and development themes. Meanwhile, we are monitoring the patent application and

registration data of other companies, ensuring the freedom of Group businesses by offering information statements and addressing patent invalidation when needed. In recent years, the volume of patent applications and patents held by the Group have been on the rise both in Japan and overseas as a result of our proactive promotion of rights acquisition and the expansion of business overseas.

◆ Patents Held by the Kikkoman Group over the Past Five Years



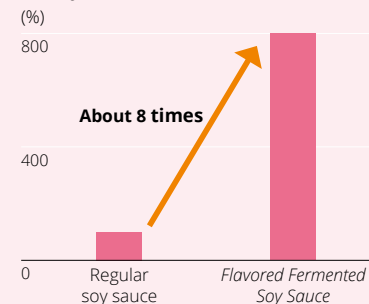
Flavored Fermented Soy Sauce Providing New Value

Although it is a traditional food, soy sauce has changed and grown more diverse over the years, both in terms of how it is made and how it is used. We have introduced a new *Flavored Fermented Soy Sauce* that addresses emerging customer demands, such as for a soy sauce that retains its flavor even when heated in a retort pouch, or for a soy sauce that brings out greater fruitiness. Using a new manufacturing method (Patent No. 6343710, etc.), the product has 1.6 times the total aroma intensity and 8 times the fruitiness of regular soy sauce. It offers new value, such as preserving its aroma even after being processed in retort pouches, freezing, and reheating, and enhancing the fruitiness of dressings and ponzu (soy sauce mixed with citrus juice).



Winner of FY2023 25th Japan Food Journal Award for Excellent Food Machinery, Materials or Ingredients

◆ Fruity aroma (relative value when regular soy sauce is set at 100)



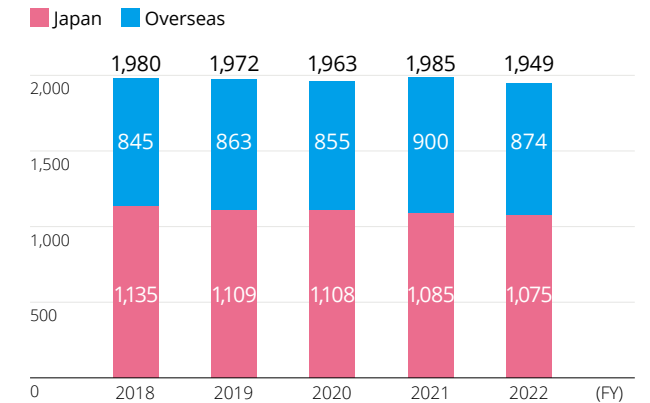
◆ Various Effects

- Enhances fruitiness in dressings and ponzu sauces
- Preserves flavor in frozen and chilled foods
- Suppresses unpleasant odor of meat and soybean meat
- Curbs deterioration in aroma from being processed in retort pouches

(2) Initiatives to establish a competitive advantage based on our brand strategy

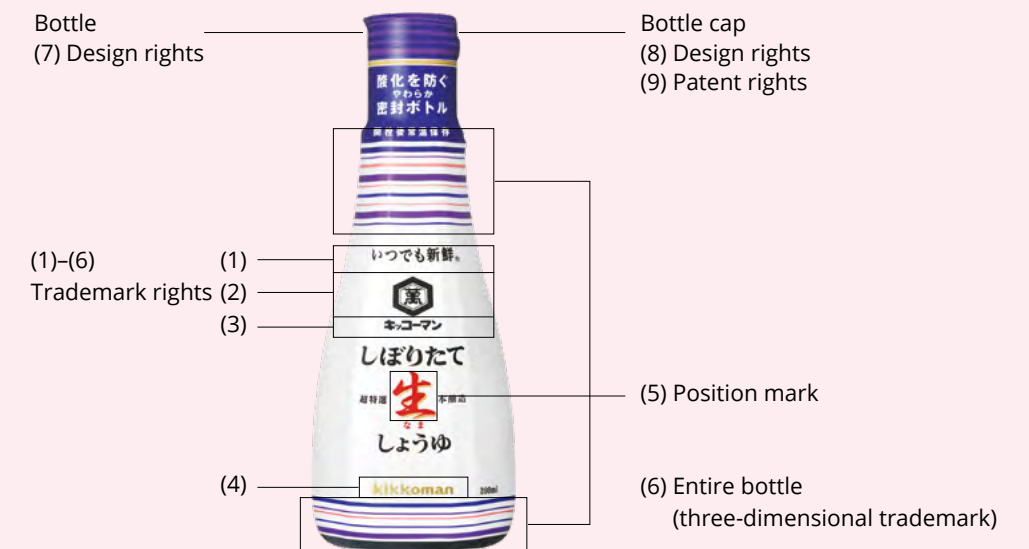
To maintain the market advantage of the Group's differentiated products, in addition to creating unique technologies we are devising product names and logos that appeal to customers, and continue to create product shapes and designs that are both functional and aesthetically pleasing. By incorporating these elements into Kikkoman products, we are aiming to enhance brand recognition in Japan and overseas. Moreover, we strategically acquire intellectual property rights generated through these efforts as patent, trademark, and design rights.

◆ Trademarks Held by the Kikkoman Group over the Past Five Years



Protection through a Combination of Intellectual Property Rights for Itsudemo Shinsen (Always Fresh) Freshly Squeezed Soy Sauce

The Kikkoman *Itsudemo Shinsen (Always Fresh) Freshly Squeezed Soy Sauce 200ml* Bottle product sold by Kikkoman Food Products is protected by an array of intellectual property rights. In addition to trademark rights for label items (1) to (6), we hold design rights for the bottle cap design ((7) and (8)) and patent rights for the cap (9). Of these, (5) is protected by a position mark, and (6) is protected by a three-dimensional trademark. In this way, we strive to prevent product counterfeiting through a combination of patent, trademark, and design rights and other intellectual property rights and to establish a longer-term differentiated competitive advantage for our products and businesses.



Intellectual Property

Brand Strategy Case: Lumitester Smart

Lumitester Smart is a hygiene monitoring system jointly developed by Kikkoman Biochemifa Co., Ltd. and OPTEX Co., Ltd. Amid growing overseas sales of this product, we applied for and acquired LUMITESTER trademark rights in 15 countries and regions around the world, including Japan. In terms of the design of this inspection device, we designed the product shape, operability, and user interface so that it is easy to become familiar with and use. With the Lumitester system, we are striving to make hygiene management more accessible to users all around the world.



2019 Good Design Best 100 Award
iF Design Award 2021
FY2023 Kinki Region Invention Award
Japan Patent Office Commissioner's Award
(Design Registration No. 1628256)

(3) Initiatives to formulate a brand protection strategy centered on anti-counterfeit measures

Anti-counterfeit measures are a key aspect of any brand protection strategy. We have strengthened our capacity to monitor and respond to trademark infringements that counterfeit the Kikkoman brand, and continue to take proactive measures in response, particularly in China and other Asian regions and Russia. In recent years, we have discovered multiple cases of counterfeit products not only in these regions but in Europe and the United States as well. When we discover a counterfeit product, we work to eliminate it in several ways, including: (1) requesting administrative exposure by authorities; (2) requesting the deletion of links to online sites selling the counterfeit product; (3) issuing a warning letter to counterfeit product sellers. We will continue to respond resolutely to cases of counterfeit products.

Intellectual Property Management System

To control the effective and proper use of the various intellectual property held by the Kikkoman Group, the Intellectual Property Department at Kikkoman Corp. collectively manages all intellectual properties for Group companies, who facilitate information exchange and support across the Group. Furthermore, to encourage and capitalize on inventions, under a resolution by the Board of Directors we have established rules for handling employee inventions and formed a committee to evaluate the achievements of inventors.

Protection of Intellectual Property and Noninfringement

The Kikkoman Group holds a multitude of patent rights in Japan and overseas, obtained through our research and product development efforts, as well as brand names, logos, and other trademarks. The 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 Corp. (A total of 362 patent searches and 508 trademark searches were performed in FY2022.). As of March 31, 2022, the Kikkoman Group had no active intellectual property infringement legal cases in Japan or overseas.

Shokuiku

Shokuiku (Food Education) 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."

The Philosophy Referred to as "Kikkoman's Three Wishes"

Eating well nourishes the mind. We wish to nourish the mind with good food.

Good food makes good health. We wish good health to all, through good eating.

A smile shared over a meal endures forever. We wish to share and exchange the joy of food worldwide.

Shokuiku Promotion Policies Shokuiku (Food Education)

1. For families and children, it means:

well-balanced, nutritious homemade food; healthy growth, based on regular family meals where food itself is part of the family conversation; sharing good dietary rules via product labels, advertising, and other means; and encouraging Kikkoman Group employees and families to have food-centered lives making the best use of their family meals for better communication.

2. In Japanese dietary culture, it means:

studying and developing our traditional food culture based on our experience of international food culture exchange; reasserting the positive aspects of the rice-centered diet in preventing lifestyle-related diseases and adapting to lifestyle changes; and enriching people's lives through communal meals.

Kikkoman's Shokuiku Commitment
Expression of Corporate Attitude

Shokuiku Activities

Major Shokuiku Activities

Visiting Lectures to Spur Interest in Food

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 (Tour facilities were temporarily closed in FY2022 to prevent the spread of COVID-19).

The Kikkoman Soy Sauce Academy

Kikkoman employees run online classes for elementary schools to 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.

The Kikkoman Academy

This is a program where Kikkoman staff visit schools and other organizations to give lectures about a wide range of food-related topics (The program was suspended in FY2021 to prevent the spread of COVID-19).

The Kikkoman Soy Milk Lecture

In this visiting lecture program, employees from within the Kikkoman Group promote a fundamental awareness of soy milk and describe its nutritional benefits as well as dietary balance in general (The program was suspended in FY2022 to prevent the spread of COVID-19).

Del Monte Tomato School

This is a program where Kikkoman staff visit 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 (The program was restarted in FY2022 as an online program).

Factory Tours to Experience the Soy Sauce Brewing Process

Kikkoman factories in Japan and wineries of Manns Wines Co., Ltd. offer factory tours (Tour facilities were temporarily closed in FY2022 to prevent the spread of COVID-19).

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.

Online Cooking Class "Family Cooking"

In FY2022, Kikkoman Corp. held "Family Cooking," an online cooking class for parents and children, inviting cooking experts to teach how to cook. We aim to provide an easy and enjoyable cooking experience. Family Cooking not only offers a cooking experience, but also introduces the importance of food and how to make soy sauce.

	Event
Vol. 1	[September 2021] Kikkoman Home Cooking Meeting: Let's Make Delicious Memories! Family Cooking with Noriko Shirai! Let's make exquisite autumn Japanese food that tastes great with rice ♪
Vol. 2	[November 2021] Kikkoman Home Cooking Meeting: Let's Make Delicious Memories! Family Cooking with Etsuko Ichise! Let's make Chinese food at home that goes well with rice ♪
Vol. 3	[December 2021] Kikkoman Home Cooking Meeting: Let's Make Delicious Memories! Family Cooking with Makiko Oda! Let's make a feast that makes New Year's fun ♪
Vol. 4	[February 2022] Kikkoman Home Cooking Meeting: Let's Make Delicious Memories! Family Cooking with Junko Ueda. Gorgeous sushi for spring ♪
Vol. 5	[March 2022] Kikkoman Home Cooking Meeting: Let's Make Delicious Memories! Family Cooking with Megumi Fujii! Seasonal menu with Shitoritate Nama Soy Sauce—perfect for box lunches!
Vol. 6	[June 2022] Kikkoman Home Cooking Meeting: Let's Make Delicious Memories! Family Cooking: Vol. 6 Making the most of seasonal ingredients! Yuko Musashi's summer Japanese meal lesson
Vol. 7	[September 2022] Kikkoman Home Cooking Meeting: Let's Make Delicious Memories! Family Cooking: Vol. 7 Ai Yoshida's basic Japanese food lesson with autumn ingredients
Vol. 8	[November 2022] Kikkoman Home Cooking Meeting: Let's Make Delicious Memories! Family Cooking: Vol. 8 Making a Korean-style meal at home with seasonal ingredients with Hatsue Shigenobu!



Respecting Human Rights

Basic Approach

The 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 discrimination 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).

In December 2020, the Group formulated the "Kikkoman Group Human Rights Policy." In accordance with this policy, the Group will work on activities such as supply chain surveys and employee training.

The Kikkoman Group Human Rights Policy:

<https://www.kikkoman.com/en/pdf/humanrightspolicyEN.pdf>

Corporate Governance Framework

At the Group, the CEO of Kikkoman Corp. is the chief executive officer for the entire Group, and the Group Management Committee serves as a deliberative body for the CEO's decision-making. Responding to social issues, including the issue of business and human rights, is positioned as a key management theme by the Group Management Committee, which discusses policy formulation and ways of reinforcing the Group's human rights initiatives. The Corporate Social Responsibility Committee (see page 10 for more details) also conducts discussions related to business and human rights, explores how to strengthen initiatives, and monitors progress. In addition, the Group has a system in place to report on key projects to the Board of Directors.

Promotion System

The Group has established a system headed by the Chief Human Officer (CHO) to promote measures related to business and human rights, in accordance with the Kikkoman Group Human Rights Policy. Under the system, we implement Groupwide activities to raise awareness of business and human rights, identify issues related to human rights and develop responses.

Initiatives in Procurement Activities

We have formulated the Kikkoman Group Sustainable Sourcing Policy (Sourcing Policy). In line with the policy, we are working to adopt sustainable initiatives across our range of goods and services. The policy also sets out our stance on promoting sustainable sourcing for the mutual benefit of society and the Group, based on governance, human rights, labor practices, the environment, fair business practices, consumer issues, and community involvement and development. In addition, based on this policy, the Group has established a series of guidelines covering packaging, forest resources, and soybean procurement, to support more specific activities (see page 66 for more details). As part of these activities, we are increasing the use of Sedex, an international platform for managing and sharing information on human rights and the environment, to help us improve monitoring of suppliers (see page 66 for more details).

People and Society

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49 For Our People

58 Compliance

62 For Our Shareholders and Investors

64 Sustainable Sourcing

67 As a Member of Communities

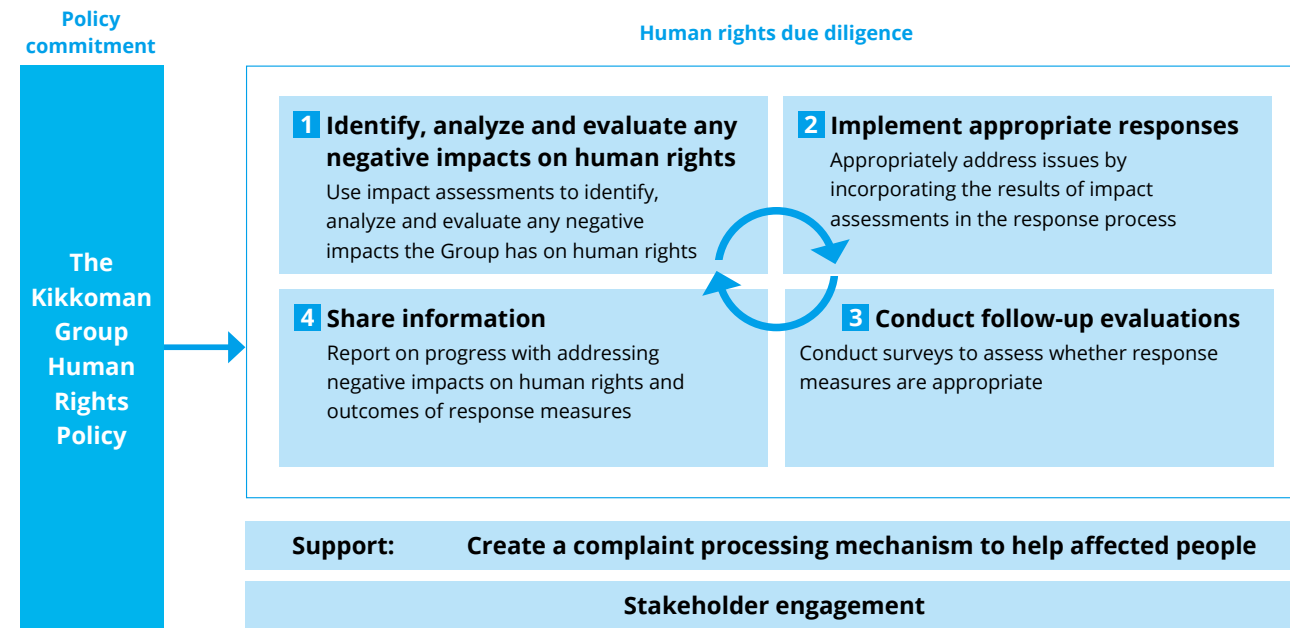
72 Partnerships

Respecting Human Rights

Human Rights Due Diligence

The Kikkoman Group is building a human rights due diligence framework that incorporates the United Nations Guiding Principles on Business and Human Rights, based on the Kikkoman Group Human Rights Policy.

◆ Stance on Human Rights Due Diligence



◆ Assessment

When conducting the Corporate Social Responsibility Survey, Kikkoman Corp. assesses conditions of Group companies by setting items regarding the prevention of discrimination, working hours, safe work environment, and anti-harassment measures. In FY2022, the results of the survey showed that there were no problems on these issues. Please see page 60 about the Corporate Social Responsibility Survey. In addition, to evaluate Groupwide risk, Kikkoman is implementing human rights impact assessments that take into consideration stakeholder perspectives.

◆ Training Programs for 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 FY2022, 260 managers received the programs.

Human Rights Risk Assessment

In FY2022, Kikkoman Corp. conducted a human rights risk assessment with the support of the Caux Round Table Japan (CRT Japan). A total of 26 members from 12 departments across the Kikkoman Group participated. Participants confirmed global trends in business and human rights in a study group format. Breaking up into workshops, participants further identified potential human rights issues related to the value chain as a whole in light of shifts in the expectations of society. Based on follow-up surveys, we compiled a list of key human rights issues at Kikkoman which will guide our initiatives going forward.

◆ Key Human Rights Issues at Kikkoman

Human rights issue 1

Human rights issues in the supply chain
(producers of raw materials for Kikkoman)
(foreign workers at original equipment manufacturers (OEMs))

Parties involved (rights holders)

Producers and workers across the supply chain

Initiatives going forward

- Build and operate a human rights due diligence framework in the supply chain
- Thoroughly convey the Group's Human Rights Policy and Sourcing Policy to parties in charge of procurement, and undertake education and training
- Monitoring the working conditions of foreign workers at OEMs
- Pursue visualization of the supply chain through better understanding of suppliers
- Encourage improvements to working conditions at logistics contractors
- Harness Sedex platform to grasp human rights issues of major suppliers
- Carry out supplier briefings

Human rights issue 2

Monitoring the situation of foreign workers at Group factories in Japan and overseas

Parties involved (rights holders)

Group employees

Initiatives going forward

- Monitoring the situation of foreign workers at Group factories in Japan and overseas
- Monitoring the working conditions of foreign workers
- Engage in direct dialogue with foreign workers
- Undertake education based on the Guiding Principles on Business and Human Rights and the Human Rights Policy

Initiatives to Improve Working Conditions in Logistics

Various issues related to working conditions in Japan's logistics industry have been pointed out, such as long working hours and heavy loading and unloading work. Sobu Logistics, which handles logistics for the Kikkoman Group in Japan, interviews its logistics contractors and seeks to gauge the conditions on the ground at each company. We are also working with Kikkoman Food Products on specific improvement measures, including systematizing outbound operations to cut down driver idle times, reducing inefficiency in work and vehicle allocation by extending order lead times, and addressing inappropriate work demands at delivery destinations. In 2024, we are planning to integrate warehouses in Noda City, Chiba Prefecture, that are currently dispersed, with the aim of shortening working hours for drivers. Kikkoman Food Products has also submitted a declaration of voluntary action to support Japan's White Logistics campaign*.

* White Logistics campaign portal site (Japanese only):

<https://white-logistics-movement.jp/>

For Our People

Basic Approach

The Kikkoman Group is working to create work environments where each individual employee feels motivated and exercises his/her full abilities. By doing so, we will realize our Management Principles and deliver wholehearted flavor to consumers.

Approach to Human Resources

Faced with dramatic changes to the environment in which the Kikkoman Group operates, we believe human capital is the key to creating value for society and enabling the Group to continue its sustainable growth. This is reflected in the Group's Global Vision 2030 and Medium-Term Management Plan. Based on the management strategy laid out in these statements, we will foster a diverse array of specialists who can help promote the Group's global management and overseas businesses and work to support their autonomous career development. We will also cultivate an environment in which diverse personnel working in the Group can achieve their full potential in their respective fields.

Recruiting

Kikkoman considers human capital to be the source of value creation. In our recruiting efforts, we stress not only individual experience and skills but also whether candidates can be on board with the Management Principles, values, and policies of the Kikkoman Group. In the process of hiring new graduates, we look for people who possess the qualities Kikkoman seeks and who share our values. In interviews, along with staff from the personnel department, heads of each business department take part, so that personnel selections incorporate a wide range of perspectives.

Our Ideal for Group Employees

Kikkoman looks for professionals who have the requisite expertise, who can harness their capabilities and take initiative in getting results, and who are capable of meeting needs both within the Group and beyond and bringing value to the markets we serve. For Kikkoman to continue to grow as a company whose existence is meaningful to the global society, it is crucial that every employee has a sense of ownership and takes initiative in getting results. Regardless of position, we expect all employees, while deepening their own area of expertise, to take an interest in operations around them and in fields related to their work. In this way, at Kikkoman, we are striving to cultivate personnel so that each employee can attain our ideal for group employees through their work.

Human Resources Development

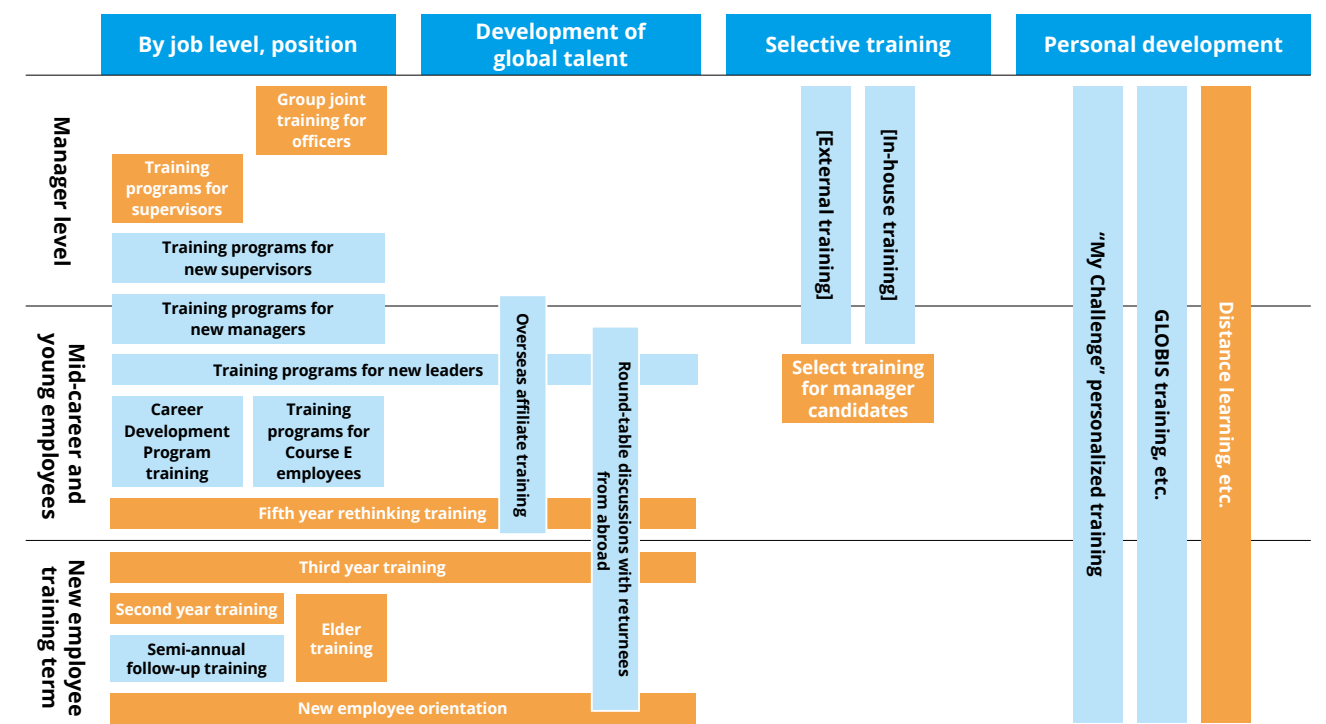
Developing human resources is an essential part of the Kikkoman Group's management strategy. We carry out job level-specific training according to a system based on the Human Resources Development Vision. We have also put in place training systems and select training with an eye to the Group's global activities.

The Human Resources Development Vision

The Human Resources Development Vision aims to help employees develop skills and grow personally so that they can be highly engaged in their work and help bring innovation to the organization. In keeping with the Vision, Kikkoman's training programs are designed to offer support so that individual employees enjoy learning, work to hone their specialized skills, and continue to grow through lifelong learning.

Human Resources Development System

Kikkoman has put in place training programs to foster personnel specializing in various fields who can play an active role in our global operations, as well as working with outside institutions to develop an array of educational programs. We are revising and expanding these programs with the aim of instilling skills needed to address changes in social conditions. Our training makes use of both in-person and online venues depending on the social context and the nature of the training.



For Our People

New Employee Training

New Kikkoman employees undergo training for about two months before being assigned to their first post. The program for new hires is designed to help instill the attitudes and awareness expected of working adults and to get to know the Kikkoman Group, including our Management Principles, business activities, and products. In addition to classroom lectures, students learn the ropes of being a Kikkoman employee by means of hands-on making of soy sauce, product presentations, and project work. After being assigned, in addition to follow-up training carried out by the Human Resources Department, we have put in place a framework to assist both new employees and their supervisors by appointing elder employees.

Organizational Revitalization Vision

Every manager at Kikkoman composes their own Organizational Revitalization Vision, describing in their own words the kind of organization they want their department to be, particularly in terms of staff development, and setting goals and delineating specific measures to reach these goals. Sharing this vision statement in the workplace maximizes the motivation of team members. Introduced in 2009, the system has grown to include all Group companies in an effort to bring new vitality to our various workplaces. Starting in July 2021, we are carrying out training on the basis of managers' vision statements with the aim of further extending their impact in terms of organizational revitalization and greater engagement. In this training, supervisors present their own vision statement and engage in a dialogue with COO Shozaburo Nakano and other participants. In FY2022, more than 200 department heads took part in training.

Employee Engagement Surveys

The Kikkoman Group is striving to realize fulfilling workplaces, guided in all aspects by the Organizational Revitalization Vision of supervisors, where every employee enthusiastically takes on new challenges. To this end, we carry out employee engagement surveys with the aim of gauging the progress of our efforts, which inform our planning and implementation of measures going forward. In FY2022, we significantly expanded the number of Group companies covered and added survey questions to better grasp the actual context of our workplaces.

Based on the results of the FY2022 survey, we identified several strengths, including customer orientation, CSR efforts, and inclusion, and also identified issues such as communication and career development. Based on the survey results, we will take steps to improve the situation in each company and department to realize more fulfilling workplaces.

Diversity in the Workplace

Diverse personnel with a variety of backgrounds work for the Kikkoman Group. The Group is striving to develop various systems aiming to foster an environment in which every employee can carry out their tasks with self-confidence and draw fully on their abilities and creativity.

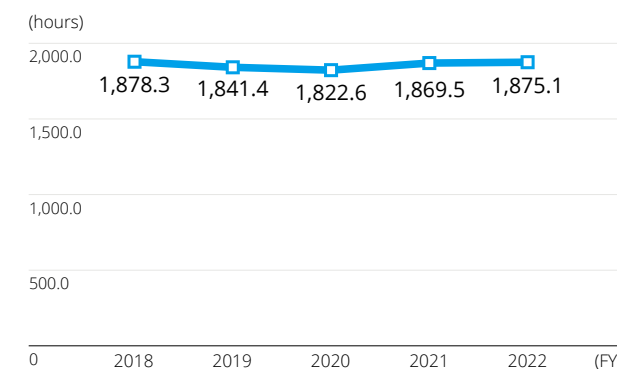
Improving Productivity by Means of Efficient Work Styles

Kikkoman believes that, to boost productivity, it is vital to increase added value while also improving work flows and working more efficiently. We also recognize that promoting efficient work styles is essential in achieving a work-life balance for employees.

Prompted in part by the mounting importance of working remotely since 2020 in terms of dealing with COVID-19, we are exploring and implementing a variety of projects to enable more efficient work styles, such as the further adoption of working from home, encouraging online meetings, paperless operations and trial office sharing arrangements, and revising the management of commuter passes. The ratio of working remotely was 43.7% of total days worked in FY2022 (excluding manufacturing departments, hospital staff, seconded employees, and employees on leave).

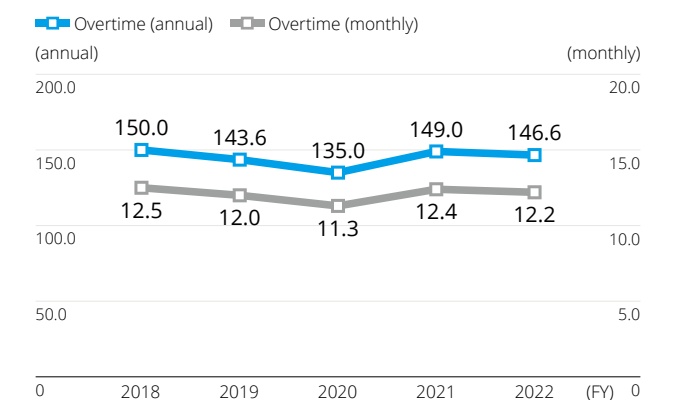
The Labor-Management Work Style Review Committee also meets regularly to exchange opinions on how well these systems are functioning and other matters related to work styles.

◆ Total Hours Worked



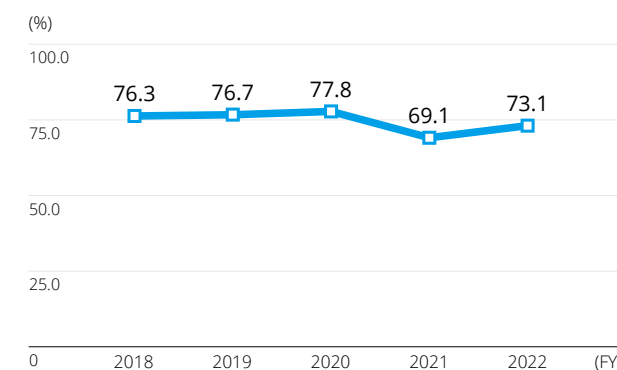
* Managers and hospital staff are excluded

◆ Average Overtime Hours

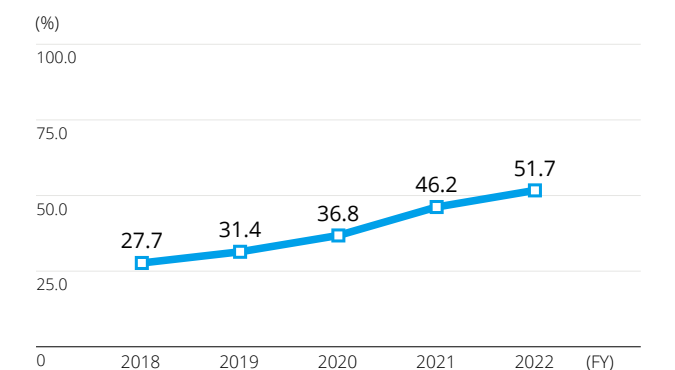


* Managers and hospital staff are excluded

◆ Percentage of Paid Leave Take-Up



◆ Percentage of Men's Childcare Leave Take-Up



◆ Kikkoman's Initiatives on Work Style Reforms

Names and details of initiatives to date	Description
Flexitime system (since 1992)	Allows employees to choose their own start and finish times without changing the total number of hours worked each month. <small>* Aimed at R&D and product development departments.</small>
Discretionary work system for specialist roles (since 2011)	A system for eligible employees in R&D departments who want to work on key themes approved by the Company.
<ul style="list-style-type: none"> • Shinkansen commuting system (since 1990) • Work-from-home system (since 2017) • Accompanying spouse leave system (since 2017) 	A broader choice of work styles to address increasingly diverse approaches to commuting and work.
The Labor-Management Work Style Review Committee (Since 2017)	A committee for employees and managers to exchange opinions on realizing work style reforms to support more diverse ways of working and improvements in productivity.
Summertime work schedule (2018)	Work start times were brought forward 45 minutes in Jul-Aug as a way of encouraging employees to explore changes to their own work practices.
Staggered work shift system (since 2019)	A system that allows employees to adjust start and finish times without changing their daily scheduled working hours.
Expanded employee eligibility for staggered work shifts, home working (since 2020)	Introduced as a temporary measure to prevent the spread of COVID-19; aimed at helping employees avoid rush-hour travel on public transport to limit chances of infection.
Eliminated cap on working from home (since 2020)	Introduced as a temporary measure to prevent the spread of COVID-19; eliminated caps on the number of times employees can work from home per week (twice) and per calendar month (eight).
Extended mandatory retirement age (since 2020)	The mandatory retirement age was raised to 65 to encourage senior employees aged 60 and older to continue working in order to leverage and utilize their wealth of expertise.
Appropriate Working Hours Management Review Committee (since 2020)	A committee for workers and managers to exchange opinions on understanding and addressing issues related to the management of working hours.
Formulated working from home guidelines (since 2021)	New operational guidelines on working from home were formulated to leverage Groupwide capabilities and improve productivity in preparation for new work styles as home working becomes normalized.
Revised working from home guidelines (since 2021)	Amid wider adoption of working from home, guidelines were revised to address emerging issues, such as overtime work, working on days off and definition of the "home."
Home working allowance introduced (since 2021)	A new allowance was introduced to cover costs related to working from home for a sustained period.

Better Work Environment for Female Employees

Kikkoman is working to create a better work environment for female employees. As of March 2021, there were 40 female managers at Kikkoman (7.8% of total managers). We set a goal to increase the percentage to 10% by 2025. In order to help female employees come back after childbirth, Kikkoman introduced childcare leave 10 years prior to enactment of the law in Japan. In FY2022, 42 employees including male employees have applied for this program.

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 2.56% as of March 31, 2022.

Localization of Management and Appointing Senior Managers

When expanding our operations overseas, the 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 FY2022, 51% of management positions at our overseas subsidiaries were occupied by locally hired managers.

Flexible Work Arrangements

Kikkoman is working to put systems in place that fit the various life stages of our employees. Through these efforts, we aim to foster an environment where employees can work free from anxiety.

For Our People

◆ Flexible Work Arrangements

Work Arrangements	Description
Childcare leave (since 1981)	Can be taken from the time of birth of a child until the first April 30 after the child attains the age of 18 months. One extension and one reduction of leave period are permitted. Short-term childcare leave Up to one week of paid leave can be taken during the first eight weeks following birth. <small>* Only male employees are eligible for this program.</small>
Shorter work hours for childcare (since 1996)	An employee can take up to two reductions in regular work hours totaling a maximum of two hours daily from the time of conception until the child enters secondary school.
Morning sickness leave (since 2001)	Up to 15 days can be taken during pregnancy.
Child nursing care leave (since 2003)	Up to 5 days per year per child can be taken until the child enters secondary school.
Family care leave (since 1978)	Up to 2 years can be taken at any interval.
Shorter work hours for family care (since 1999)	An employee can take up to two reductions in regular work hours totaling a maximum of two hours daily in one or more 1-month blocks for a total period of up to 1 year.
Nursing care leave (since 2010)	Five days of nursing care leave can be taken per sick or injured family member requiring care per year.
Communication with employees on leave	Updates on company and workplace information are communicated to employees on leave via newsletters and emails so that they will not feel left out.
Planned annual leave (since 2015)	Scheme that allows employees to take planned annual leave.
Hourly units of annual leave (since 2016)	A system that allows employees to flexibly use their annual leave in half-day or hourly increments, as well as full days.
Challenger leave system (since 2020)	A leave system to help employees pursue self-improvement goals.

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. The move marks Kikkoman's commitment to fulfilling our social responsibility by incorporating environmental, social, and corporate governance issues into investment decision-making and stock ownership practices with respect to our pension fund.

Safe and Healthy Work Environment

The Kikkoman Group 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 our 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 determine policies and key objectives for Companywide safety and health initiatives, and our 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 FY2022, there were 0 accidents resulting in a work stoppage, 1 minor accident and 13 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 a joint meeting where the domestic Group companies discuss and share safety and health issues. Through these efforts, the Group is working to prevent further accidents.

◆ Safety and Health Management Organization (Kikkoman)



Efforts by the Group Companies Overseas

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

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

For Our People

Health and Productivity Management Initiatives

The Kikkoman Group believes that employee health is the starting point for fostering a corporate culture that values people and is able to contribute to the sustainable development of society. One of the goals of the current Medium-Term Management Plan is to support the mental and physical health of employees.

As part of these efforts, Kikkoman promotes the early detection and treatment of disease, such as by encouraging employees to undergo health checks, annual physical examinations, and stress tests. We are also working to create comfortable work environments by establishing separate smoking areas and promoting a healthy work-life balance. As a result, since FY2020, Kikkoman Corp., Kikkoman Food Products, and Kikkoman Business Service have all received Excellent Health and Productivity Management Corporation certification (large enterprise category)*.

* Period of certification for 2022: March 9, 2022 to March 31, 2023

Reinforcing the Support Framework for Physical and Mental Health

To help nourish the minds and bodies of employees, the Kikkoman Group is reinforcing its framework to support the creation of motivating work environments that maximize the full potential of our employees.

Kikkoman provides medical support to employees. Employees who need reexaminations following their medical checkups can receive advice from industrial nurses. Employees can also access a health databank to check records of their past health checkups. We have also established a framework for consultation, including for mental health concerns. We tie up with outside specialists to offer 24-hour family health consultations, in which Kikkoman staff or their families can consult about health or medical concerns, and have established a Kikkoman Counseling System to offer mental and physical counseling to staff and their families.

Kikkoman Group Employee Data

◆ Kikkoman Group Employee Data

Total employees	7,686
Employees in Japan	3,241
Kikkoman employees	1,719
Newly recruited employees	36
Employee turnover (excluding employees who retired at age of 60)	28
Employees who used the early retirement program	5
Newly recruited employee turnover rate (less than 3 years)	5.5%
Managers	513
Female managers (ratio of female managers)	40 (7.8%)
Average annual hours worked per employee * Managers and hospital staff are excluded	1,875.1
Average monthly overtime hours per employee * Managers and hospital staff are excluded	12.2
Employees on medical leave	7

As of March 31, 2022

Compliance

The Kikkoman Group Code of Conduct

The Kikkoman Group Code of Conduct, which commits Kikkoman employees to contribute to the development of society by fulfilling their work responsibilities with a sense of ethics and mission, consists of six principles: Securing of safety and symbiosis with the global environment, Business activities with fair and free competition, Business information disclosure and promotion of communication, Respect for human rights and establishment of a happy working environment, Observation of laws and regulations in Japan and abroad as well as maintenance of social order, and Positive social action program.

The Kikkoman Group is working to ensure that employees conduct activities in accordance with corporate ethics and a law-abiding spirit by requiring board members, corporate officers, managers at Kikkoman Corp., and management-level employees at our subsidiaries to submit annual promissory letters to the CEO pledging their compliance with the Kikkoman Group Code of Conduct.

Initiatives to Promote Compliance

The Kikkoman Group Corporate Ethics Committee

The Kikkoman Group has established the Kikkoman Group Corporate Ethics Committee, which strives for compliance with the Kikkoman Group Code of Conduct. With a total of six members including two outside experts such as lawyers, as well as a director and officers from Kikkoman Corp., the Committee has established a system for reporting to the CEO, the Board of Directors, and the Audit and Supervisory Board on matters of compliance, including the prevention of corrupt practices, and for receiving instructions as needed.

The Kikkoman Group Corporate Ethics Hotline

The Kikkoman Group has established a Group Corporate Ethics Hotline for all Group companies in Japan. Overseas as well, we are encouraging major Group companies to establish similar hotlines. The Group Corporate Ethics Hotline is designed to allow anonymous reports if desired, to protect the identity of employees who provide information. Guided by its own rules and internal reporting regulations, the Corporate Ethics Committee investigates, reviews, and resolve issues involving ethics violations, including corrupt practices. The Committee received and worked to resolve 21 reports in FY2022.

Conducting Compliance Audits

In addition to instructions in daily operations by the Legal & Compliance Department of Kikkoman Corp. and regular audits by the Kikkoman Group Internal Auditing Department, a legal affairs officer and other personnel conduct compliance fact-finding missions at Group companies overseas. In addition, in FY2021, we surveyed employees at all domestic Group companies about corporate ethics. We also aim to strengthen compliance across the Group through deep-rooted awareness activities at frontline business sites.

Compliance

The Liaison Conference of Compliance Promotion

Compliance promotion has become an important issue as the number of Group companies of the Kikkoman Group increases and our business fields diversify. In order to promote compliance throughout the Group, the Kikkoman Group launched the Liaison Conference of Compliance Promotion in FY2012.

The members attend the Liaison conference of compliance promotion organized by staff members of the Corporate Ethics Committee consisting of the Legal & Compliance Department of Kikkoman Corp. The members work on projects such as developing compliance education programs, lectures to deepen the understanding of legal issues, and sharing information about good practices of the Group companies.

Compliance Education and Awareness Programs

To raise employee awareness and enforce corporate ethics based on the Kikkoman Group Code of Conduct, we provide compliance education during training sessions for all managers/supervisors and newly appointed managers/supervisors. Compliance education is also incorporated into training programs for all new recruits and new mid-career hires. In addition to these efforts, the Legal & Compliance Department at Kikkoman Corp. visits subsidiaries and holds compliance lectures. In FY2022, 23 sessions were held at Group companies.

The Kikkoman Group Compliance Handbook

To develop a firm understanding of compliance, Kikkoman Corp. issued the Kikkoman Group Compliance Handbook in October 2011 and distributed it to employees in Japan. The handbook was updated and redistributed in FY2022. This handbook describes specific examples of non-compliance based on the Kikkoman Group Code of Conduct. By giving visible examples, we are trying to raise awareness as well as of practices at workplaces.



Compliance Handbook

Corporate Social Responsibility Survey

The Kikkoman Group conducted Compliance Surveys from FY2011 to FY2014 with the purpose of making a comprehensive assessment of, and improving, the compliance status of Group companies in Japan. Since FY2015, the Group improved the survey by adding items of high social interests and conducted the Corporate Social Responsibility Survey based on the Kikkoman Corporate Citizenship Framework and the 10 principles of the UNGC.

In FY2021, we conducted the Corporate Social Responsibility Survey to verify conditions at relevant Group companies. The survey included questions about legal compliance, internal controls, compliance with Group rules, the Code of Conduct, risk management, and social issues. Based on results from the survey, we implemented the following measures.

Anti-Corruption Policy

As the Kikkoman Group Code of Conduct states, the Group does not tolerate bribery, graft, or other corrupt practices. Moreover, Kikkoman Corp. signed the UNGC in 2001, and has enforced the 10 principles, including the anti-corruption principle since its inclusion in 2004. Amid intensifying efforts worldwide to prevent corrupt practices, particularly via the Foreign Corrupt Practices Act (U.S. FCPA) in the United States and the Bribery Act of 2010 in the United Kingdom, the Group is also strengthening our efforts toward this objective.

Statement on the Anti-Corruption Policy in the Kikkoman Group Code of Conduct

In August 2002, the Group formulated the Kikkoman Group Code of Conduct based on the approval of the Board of Directors of Kikkoman Corp. Among the six principles, the fifth one states "Observation of laws and regulations in Japan and abroad, and the maintenance of social order," and our anti-corruption policy is expressed in this principle. In addition to the Japanese version of the Kikkoman Group Code of Conduct, the Group has issued English, Chinese, German, French, Spanish, and Russian editions of the text in an effort to ensure its accessibility in each Group company in Japan and overseas. In addition, all employees holding the positions of director, corporate officer, or manager/supervisor within Kikkoman, as well as the presidents and executives of the Group companies, are required to submit an annual promissory letter pledging their compliance with the Code of Conduct.

Internal Communication and Training

The Kikkoman Group disseminates messages from the CEO, Kikkoman Corp., on rigorous legal compliance, including anti-corruption, at senior management meetings and through internal communication. At Group companies in Japan and overseas also, the Code of Conduct is read aloud in order to make it well known to their employees. In addition, the officer in charge of legal affairs and compliance conduct periodical inspection tours on the state of compliance and undertake awareness raising activities rooted in the workplace.

Compliance

Risk Assessment Related to Prevention of Corrupt Practices

In FY2013, the Kikkoman Group used the UNGC Self-Assessment Tool to carry out a self-assessment, which included anti-corruption items. We conducted a Corporate Social Responsibility Survey using our own assessment standards to investigate the state of anti-corruption practices at the Group companies covered by the survey. We also reviewed the specific business measures in the regions where the risk of bribery is a concern, and thereafter conducted a follow-up.

Working with Suppliers

The Kikkoman Group's Policy for Business Partners was established in FY2014 to communicate our policy regarding business transactions with our business partners, including service contractors. When we introduce the Policy to our suppliers, we explain about the 10 principles of the UNGC, including anti-corruption as well as the Group's basic approach on this subject. Moreover, among the key factors that the Kikkoman Group expects from our business partners, "Business transactions" lists those related to anti-corruption such as "Prohibits the inappropriate exchange of gifts or client entertainment."

Penalties/Settlements in Relation to Corrupt/Anti-Competitive Practices and Measures Taken

In FY2022, there were neither penalties nor corrupt or anti-competitive practices reported in the Kikkoman Group. In addition, there were no internal reports related to such practices. Accordingly, no measures were taken against infringements.

Tax

The Kikkoman Group recognizes that the proper payment of taxes in the countries and regions where we operate has important implications for the fulfillment of our responsibilities as a corporate citizen, in addition to contributing to the sound development of society. Based on this belief, we strictly observe the relevant tax-related laws and regulations as well as the spirit of the law in these countries.

Efforts Accompanying the Globalization of Business

With the globalization of the Kikkoman Group's business, intra-group transactions in different countries and regions are also increasing. The Group holds discussions whenever necessary with the tax authorities and other relevant parties in each country regarding the transfer pricing that arises from these transactions. In addition to accurately reporting the Group's business transactions, we exchange information with a focus on fairness, and promote efforts aimed at the proper payment of taxes. We have established a system for handling important matters related to the payment of taxes under which the CFO reports to the Board of Directors as appropriate, and instructions can be received from the Board of Directors. Furthermore, the Group does not engage in the systematic utilization of tax havens outside the countries in which we operate.

Disclosure of Information on Corporation Taxes, etc.

Information on the Kikkoman Group's corporation taxes, etc., is disclosed on the Company website.* In FY2022, the effective tax rate was 30.5%.

Visit our website for more information.

* Factbook Business Information FY2022:

<https://www.kikkoman.com/en/finance/library/factbook.html>

For Our Shareholders and Investors

Fair, Proper, and Timely Disclosure of Information

Kikkoman Corp. discloses information and conducts investor relations (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 FY2021, we held results briefings for analysts and institutional investors and individual meetings for institutional investors in Japan and overseas. Going forward, we remain committed to pursuing activities designed to promote better understanding of our businesses while also taking on board feedback from shareholders and investors.

Open General Shareholders' Meetings

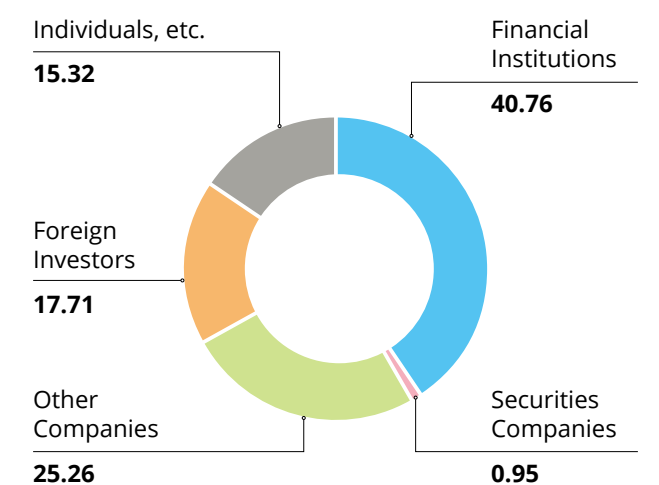
To encourage higher attendance, Kikkoman Corp. schedules the annual general shareholders' meeting to avoid clashing with the most common dates for other companies' meetings. Moreover, we deliver the convocation notice and related documents to shareholders three weeks in advance in order to allow careful 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 the consistent distribution of profits backed by a strong consolidated financial performance, while using funds to invest in strengthening our corporate foundation and future businesses. The dividend for FY2022 was ¥61 per share.

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.

Shareholder Composition (By Shareholder Type)



* Shareholders less than one unit are not included.

** Treasury stock is included in Individuals, etc.

As of March 31, 2022

For Our Shareholders and Investors

Credit Rating

Credit ratings provided by rating agencies serve as a means of better understanding financial soundness of Kikkoman Corp. Credit ratings are given an important role by Kikkoman Corp. 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 November 2021. 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 natural environment, social issues, and corporate governance, in addition to financial considerations, such as revenues. As of November 2022, Kikkoman was incorporated into ESG indices such as the FTSE4Good stock index series.



FTSE4Good

Website

<https://www.ftserussell.com/products/indices/ftse4good>

Please visit our website for more information.

<https://www.kikkoman.com/en/finance/>

Sustainable Sourcing

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.

Sustainable Sourcing

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 off 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

In FY2014, 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.

◆ 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 gases.
- 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 entertainment.
- Prohibit making excessive demands on suppliers.

Sustainable Sourcing

Basic Approach

The Kikkoman Group is committed to adopting sustainable initiatives across our range of goods and services. In parallel with pursuing food safety and quality, the Group promotes sustainable sourcing for the benefit of society, based on governance, human rights, labor practices, the environment, fair operating practices, consumer issues, and community involvement and development.

The Kikkoman Group Sustainable Sourcing Policy

The Kikkoman Group Sustainable Sourcing Policy was established and put into practice in 2020, defining six key sustainability areas of focus for the Group and our suppliers:

Based on this policy, the Group has established a series of guidelines covering packaging, forest resources, and soybean procurement, from which activities to address specific issues will be developed.

◆ Sustainable procurement policy items

1. Supply chain
2. Guidelines
3. Supplier selection for goods and services
4. Internal training
5. Requests to suppliers
6. Addressing issues with suppliers

Sedex

The Kikkoman Group is a member of Sedex (supplier ethical data exchange). Sedex is one of the world's leading platforms for collecting and sharing information on ethical trade, with the goal of improving working conditions and environmental activities in global supply chains. In FY2022, the Group expanded the use of Sedex within the Group and deployed it at suppliers.



As a Member of Communities

Our Social Activities

Supporting Food Bank Organizations

Since FY2010, 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 provisions 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 one month left before the "best used by" date.

Cooking Experience Programs for Families

Since FY2004, the Kikkoman Group has held cooking experience programs for parents and children in communities where factories are located. The food-themed programs are designed to stimulate families' interest in good diet and local communities. Employees volunteer to help run the programs. Manns Wines and Manjo Mirin sites also hold food-themed cooking experience programs for adults (The programs were suspended in FY2022 to prevent the spread of COVID-19).

Sponsorship of Food Box for Children

Kikkoman Corp. donated food products to the Food Box for Children campaign run by Save the Children Japan. The Food Box is an outreach delivering food and other items to children of low-income households during long school breaks when school lunches are unavailable and children are likely to lack sufficient food. Food and supplies were delivered to 6,380 households in FY2022.



Preparing for food distribution

Sponsoring English Education in Noda

Kikkoman has supported English-language education in Noda since FY2008 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 (The program was suspended in FY2022).

Support for Athletes

At Kikkoman Corp. we hire top athletes who have their sights set on competing at the Olympic Games, because we agree with the objectives of the Japanese Olympic Committee's employment support program "Athnavi." More specifically, the program aims to provide top athletes with a stable living environment through support for employment and sporting activity from the hiring company, while at the same time, giving companies the opportunity to lead social contributions, as well as generate a sense of solidarity within the organization.

◆ Employing Top Athletes through "Athnavi"

FY2012: Yuriko Takeshita (canoe), Haruka Ueda (swimming); FY2017: Chiho Hamada (wrestling); FY2018: Masami Seiwada (karate); FY2022: Maho Ono (karate); FY2023: Yu Hanaguruma (swimming)

Supporting Employees' Volunteer Activities

Kikkoman encourages our employees to engage in volunteer activities. We have introduced programs, such as a matching donation program, a community service program, and a volunteer leave program. 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.

Volunteer Collecting Activity

Kikkoman Group employee volunteers help collect used and unused stamps, books and magazines that are no longer needed, foreign currency, and other items from fellow employees. These items are used to assist support activities in developing countries through international NGOs. Money raised from used stamps and other items donated in FY2022 were used to support sustainable agriculture and rural development projects in India and Indonesia.



Used stamps collected by employee volunteers

As a Member of Communities

Promotions and Preservations of Food Cultures

Kikkoman strives to promote and preserve international food cultures through lectures, cooking seminars, and the 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 institute 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 our 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.

The Kikkoman General Hospital

The Kikkoman General Hospital is located in Noda City, Chiba Prefecture. Since soy sauce brewing began in Noda in the 17th century, the soy sauce business has had a mutually beneficial relationship with the local community. The origin of the hospital dates back to 1862, when a clinic was founded for workers at the breweries and their families. The clinic expanded over time and was reestablished as Noda Hospital in 1914 in Kami-Hanawa, Noda City. Soon after Noda Shoyu Co., Ltd., the predecessor of Kikkoman Corp., was formed in 1917, the Noda Hospital became Kikkoman's private hospital in 1918. In 1973, the Noda Hospital was renamed the Kikkoman General Hospital.

In order to further contribute to the local community through providing better medical services, Kikkoman began the construction of a new hospital in March 2011. Construction was completed in June 2012, and the hospital began operating in August 2012.

In addition to installing new medical devices, the new hospital reopened the maternity department with a better environment for expecting mothers in the local community. The new hospital also has new features such as relaxation spaces and countermeasures against disasters.



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, Wisconsin, the foundation made a US\$1 million 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

Since 2010, Kikkoman Sales USA, Inc. (KSU) has donated food products to food bank organizations in the United States as part of its social activities.

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 Kikkoman's support, was named "Kikkoman Windmill."



Kikkoman Windmill

Water Purification Project in Singapore

In 2010, Kikkoman (S) Pte. Ltd. (KSP), a soy sauce manufacturing company in Singapore, supported the construction of Kingfisher Lake, an urban garden located inside “Gardens by the Bay” 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 help solve water problems in Singapore.

In 2021, the company also supported the development of Kingfisher Wetlands, a new area in Gardens by the Bay, as part of efforts to protect Singapore’s water resources and natural environment. The new area is planted with 200 mangroves, including some species threatened with extinction, and has become a valuable habitat for 130 bird species and many other wild animals.



Kingfisher Wetlands

Planting Mangrove Trees in Singapore

In FY2016, KSP donated 500,000 Singapore dollars to support a mangrove planting program for the 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 to 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.

Project to Improve Nutrition in Africa

From 2013 to 2016, with support from the Japan International Cooperation Agency (JICA), Kikkoman conducted a three-year business research project in Kenya on improving nutrition based on fermentation. We learned that promoting soybeans is effective in improving nutritional conditions for local children, so our soybean processing technology can be beneficial.

Despite the conclusion of the JICA research period, Kikkoman continues our efforts to develop the local production and supply of high protein food products made from soybeans processed by Kikkoman’s technology. We will work 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 different regions that include supporting the establishment of elementary schools in Cambodia and supporting activities to prevent AIDS in South Africa.

Partnerships

Initiatives through Partnerships

The Kikkoman Group collaborates and cooperates with different external associations and organizations. Through these partnerships, we are making efforts that reflect the extensive knowledge in our business activities, which include social and environmental aspects.

Global Compact Network Japan

In 2001, Kikkoman became the first Japanese company to sign the United Nations Global Compact. We signed it because we agreed with the purpose of the UN Global Compact to solve global issues through responsible corporate activities. Kikkoman Corp. has been involved in relevant activities, such as becoming a member of the board of the Global Compact Network Japan, a local network of the United Nations Global Compact in Japan.

Global Compact Network Japan

<https://www.ungcn.org> (Japanese only)

The Consumer Goods Forum

Kikkoman Corp. is a member of the Consumer Goods Forum (CGF), a global network of consumer goods manufacturers and distributors. CGF has been calling for cooperation among companies around the world to solve problems in non-competitive fields. CGF has been conducting a variety of relevant activities, such as establishing the Japan Sustainability Local Group. Kikkoman Corp. conducted several activities with CGF including participation in the Social Sustainability Study Group.

The Consumer Goods Forum

<https://www.theconsumergoodsforum.com>

Japan Climate Leaders’ Partnership

Kikkoman Corp. is an official member of the Japan Climate Leaders’ Partnership (JCLP). JCLP is a group of Japanese companies, which was established based on the awareness that the industry needs to have a healthy sense of crisis and start aggressive actions to realize a sustainable decarbonized society. JCLP’s activities aim to: (1) Realize a sustainable decarbonized society by having decarbonization as a premise of economic activities, (2) Draw a common vision for a sustainable decarbonized society as the basis for the participating companies in taking their own commitments and initiatives, and (3) Send out proactive messages to speed up social changes and focus the activities in Asia. In JCLP, we collect information through activities such as participating in its subcommittees.

Japan Climate Leaders’ Partnership

<https://japan-clp.jp/en>

In addition to the organizations above, the Group engages in various activities by participating in a wide range of organizations.

SDG Index and GRI Standards Content Index

SDG Index

The Kikkoman Group is working on a wide range of activities to contribute to achieving SDGs.

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Corporate section Global Environment Food and Health People and Society

GRI Standards Content Index

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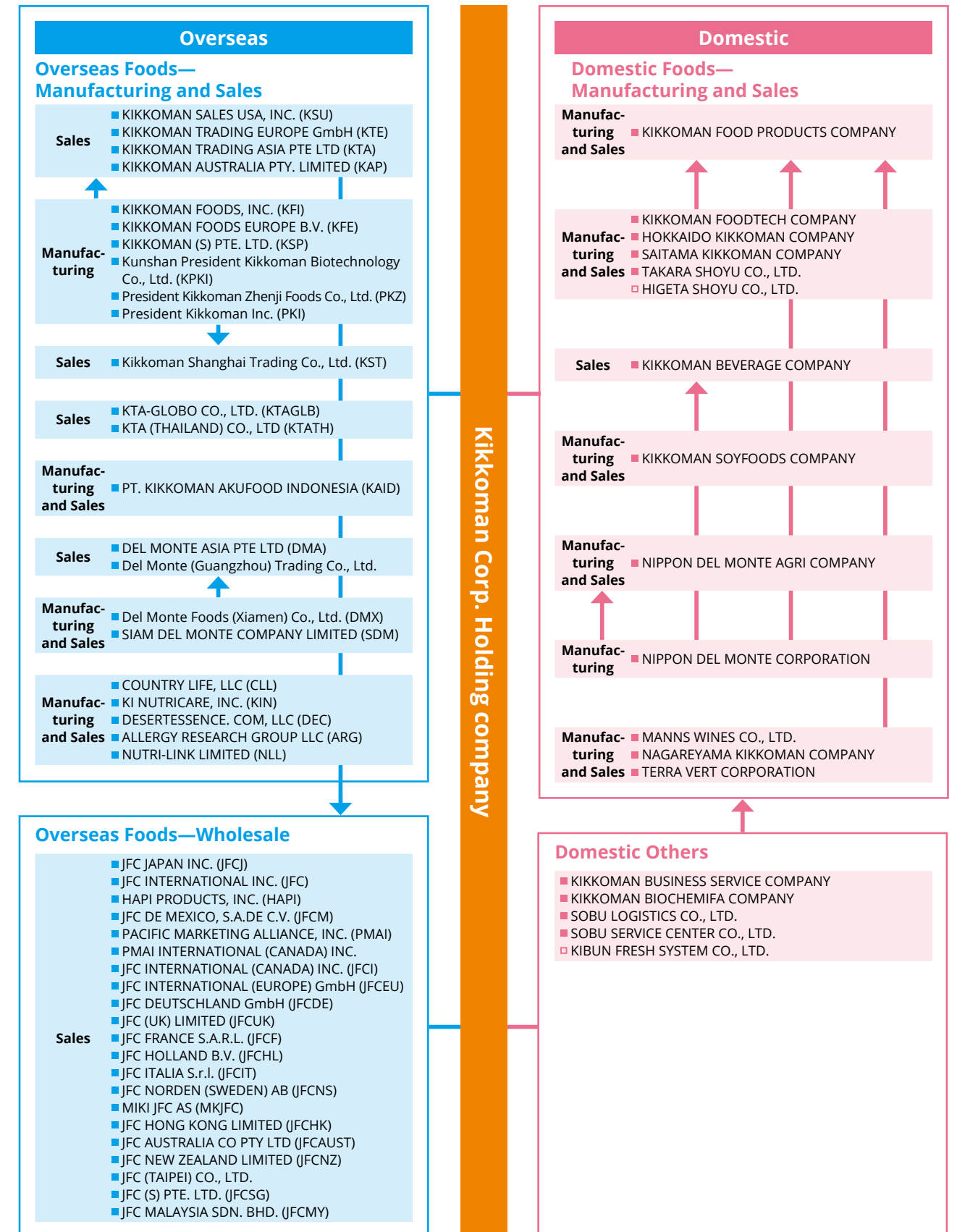
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Kikkoman Group Operational Chart



■ Consolidated subsidiaries (60 companies)
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