



# **Mid-Term Business Plan** (2024–2026)

**Nishimoto Co., Ltd.**

**October 16, 2023**





## Table of Contents

- 1. Mid-Term Business Plan**
2. Looking ahead to 2035
3. Mid- to Long-Term Growth Strategy
4. (Reference) Group Introduction

- Within the Asian Food Global Business (hereinafter referred to as AFB), the company commits to achieve a **sales of 500 billion yen and an operating income of 25 billion yen through organic growth of existing businesses by 2026** (\*1). The company plan a 2% profit margin increase by expanding sales in existing sales channels (mainly mainstream), increasing PB production, reducing product costs through global EtoE integration of SCM, and reducing operating expenses through digitalization and investments in logistical efficiency.
- In addition to the above, the company has generated 100 billion yen (\*2) through operating and financial cashflow, and allocated the **100 billion yen (\*2) for strategic investments** mainly in the follow three areas;
  1. M&A and JVs to gain presence in unexplored regions within the AFB business, upfront investments in products/resources for which there are potential concerns regarding supply shortages in the future, investments to improve in-house production capability such as R&D and RTE products development, upfront investments in upstream areas where expansion is expected in the future such as plant-based seafood/meat and land-based aquaculture.
  2. Investments in overseas production and sales of Japanese fruits and vegetables holding exclusive cultivation rights
  3. Investments in the food industry solutions business and domestic/international food technology (including the acquisition of startup businesses with synergy).
- Maintain **equity ratio of 30-40% and dividend payout ratio of 30%**
- Manage financial, market, geopolitical, and other risks while responding to uncertainties

<Note-1> **Assumed average exchange rate** during the period of the mid-term business plan: **USD = 135 JPY**

<Note-2> As **export products from Japan account for 15% of the AFB in North America** and they offset foreign exchange reserves with the imported fruit, vegetable and the other products, **the actual impact caused by USD/JPY exchange rate fluctuations on our business is minimal** (\*3)

<Note-3> As the mid-term business plan will be fixed and unchanged for three years, the next mid-term business plan (2027-2029) will be announced in 2026 or later (\*4)

(\*1) Including M&A transactions which are currently planned and under implementation

(\*2) Cash and cash equivalents at the end of 2023 are expected to be 100 billion yen

(\*3) Excluding the impact of conversion of financial statements of foreign subsidiaries resulting from exchange rate fluctuations on consolidated results

(\*4) Plans will be revised and announced as deemed necessary due to major changes in the business environment

# Three-Year Business Plan (Organic)

\* Including only scheduled M&As.

Un-planned M&As are additional opportunities to be overlaid.



(billion yen)

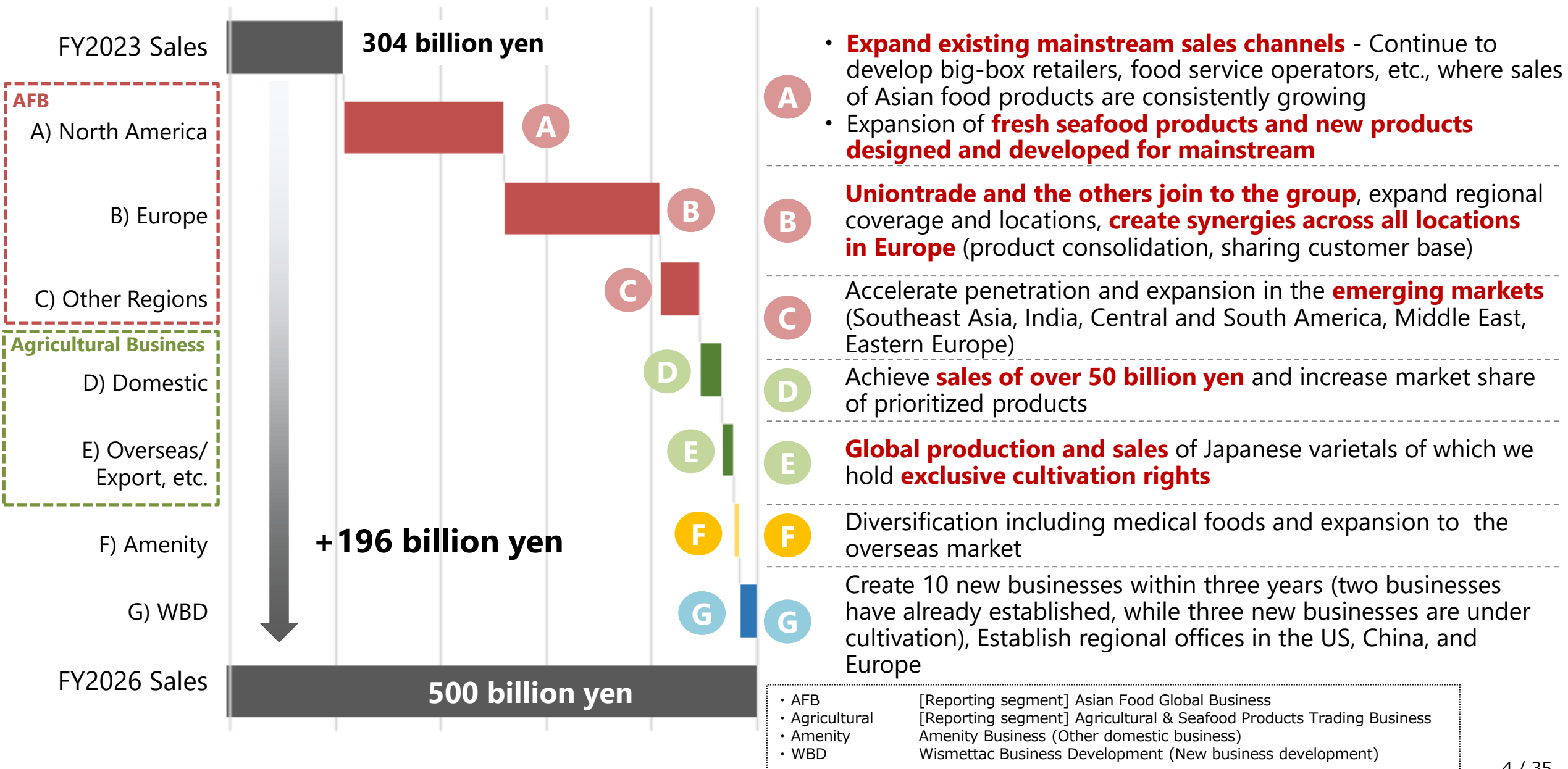
	FY2022 Results	FY2023 Forecast	FY2024 Plan	FY2025 Plan	FY2026 Plan
Sales	275.2	304.0	354.0	430.0	500.0
Operating Income	10.5	12.0	15.0	19.0	25.0
Operating Margin	3.8%	3.9%	4.2%	4.4%	5.0%
ROWC	21%	21%	24%	27%	31%

(Exchange rate: USD=135 JPY)

**In addition to expansion of existing sales channels and PB production, we will accelerate growth and eliminate redundancy through data-driven management based on visualization, investments to save labor in logistics, and commit to achieve a sales of 500 billion yen and operating income of 25 billion yen in 2026**

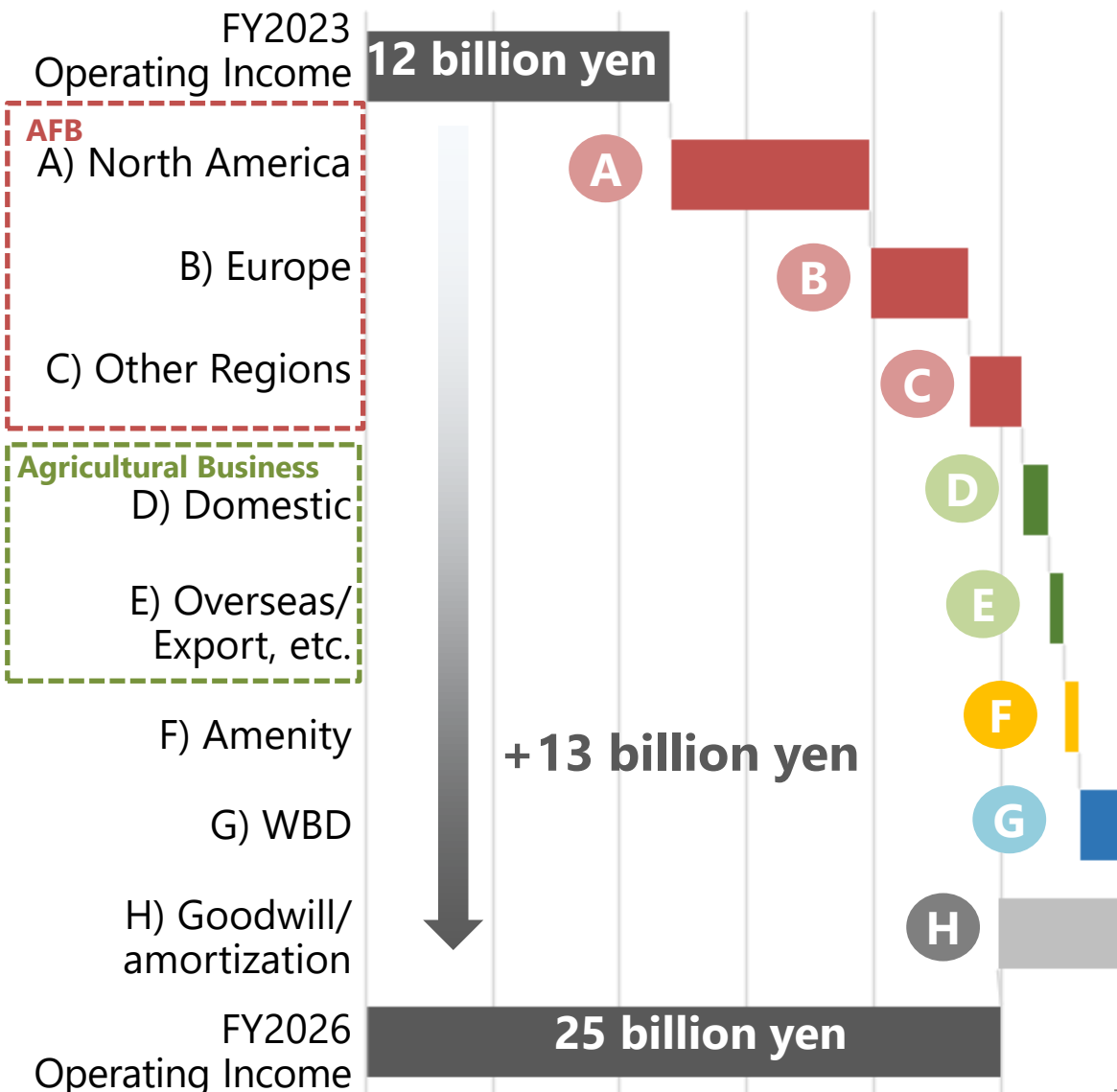
# Sales Growth Plan (Organic)

\* Including only scheduled M&As.  
Un-planned M&As are additional opportunities to be overlaid.



# Operating Income Growth Plan (Organic)

\* Including only scheduled M&As.  
Un-planned M&As are additional opportunities to be overlaid.



- A** Gross margin improvement through the **expansion of sales to mainstream segment which has higher sales and profit per product** (due to lower SG&A)
- Improve gross margin through **further expansion of PB ratio** of existing businesses - establish R&D locations on site and expand OEM production capability and plants
- Global EtoE integration of SCM** to improve gross profit and significantly reduce logistics costs
- B** Sales and gross margin improvement through product consolidation, **elimination of duplicated management costs between locations**, cost reduction from **shared SCM, operations, and IT infrastructure**
- C** Increase profit through expansion into Southeast Asia, India, Central and South America, Middle East, and Eastern Europe
- Improve profitability through higher import sales and lower SG&A ratio
- Reduction in procurement costs through **exploration of emerging production areas and supply sources and building relationships with them**
- Reduction in freight costs through joint procurement
- E** Expand exports and overseas production and sales, and expand overseas locations
- F** New business development and transform business structure to be less susceptible to exchange rate fluctuations through increasing export business, as well as licensed domestic production, etc.
- G** Monetize new businesses asap and accelerate new business creation process (**Achieve profitability by 2024**)
- H** Goodwill assumed to be amortized over 10 years in principle

# <Reference> Business Plan by Segment

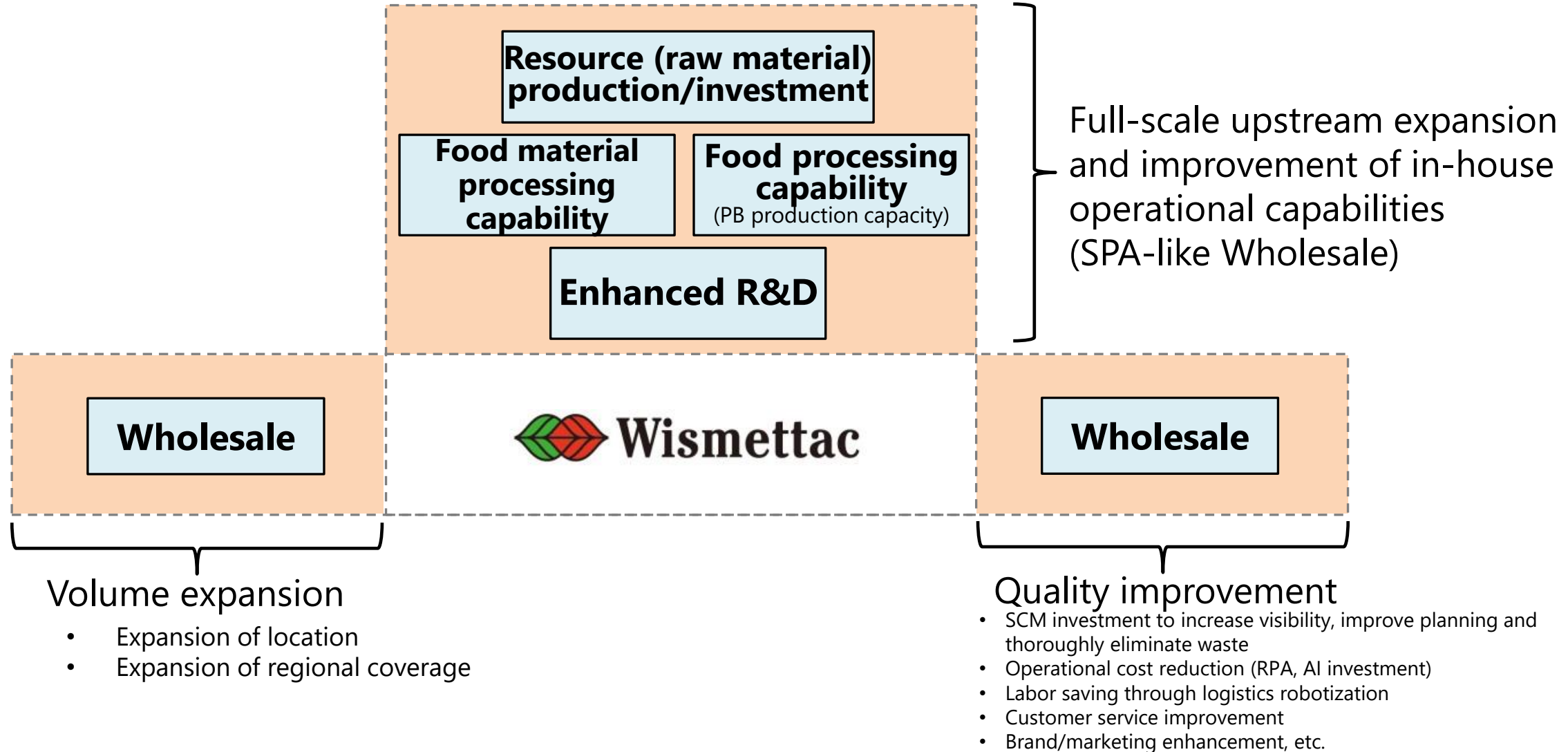
		Sales (billion yen)				
		2022 Actual	2023 Forecast	2024 Plan	2025 Plan	2026 Plan
	AFB	216.1	238.2	281.0	347.0	406.0
	Agricultural Business	55.2	61.7	67.5	74.0	79.0
	Others	3.9	4.1	5.5	9.0	15.0
Company total		275.2	304.0	354.0	430.0	500.0

		Operating Income (billion yen)				
		2022 Actual	2023 Forecast	2024 Plan	2025 Plan	2026 Plan
	AFB	12.2	13.2	14.8	18.0	22.0
	Agricultural Business	-0.9	-0.3	0.1	0.5	1.5
	Others	-0.8	-0.9	0.1	0.5	1.5
Company total		10.5	12.0	15.0	19.0	25.0

(\*1) Others = Amenity + WBD  
(\*2) After allocation of "Adjustment" (unallocated expenses, etc.)

# M&A/JV Strategy/Technology Investments (AFB)

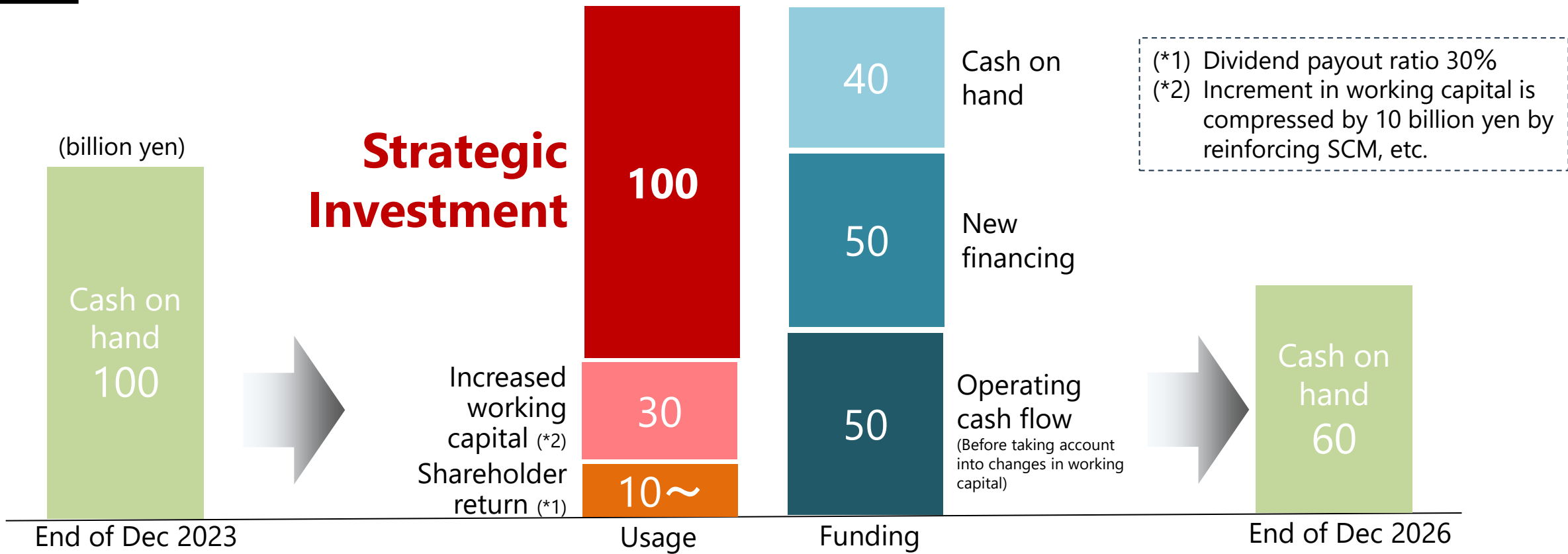
※ Additional opportunities for further profit growth / Not included in Organic Plan



Expansion of regional coverage and operational capability through new M&A, improvement of R&D and production management capabilities, reduction of product costs and logistics/operational costs through investments in SCM



# Cash Management and Allocation Policy



**Strategic investment framework of 100 billion yen** to be invested in the follow three areas

1. M&A and JVs to gain presence in unexplored regions within the AFB business, upfront investments in products/resources for which there are potential concerns regarding supply shortages in the future, investments to improve in-house production capability such as R&D and RTE products development, upfront investments in upstream areas where expansion is expected in the future such as plant-based seafood/meat and land-based aquaculture.
2. Investments in overseas production and sales of Japanese fruits and vegetables holding exclusive cultivation rights
3. Investments in the food industry solutions business and domestic/international food technology (including the acquisition of startup businesses with synergy).

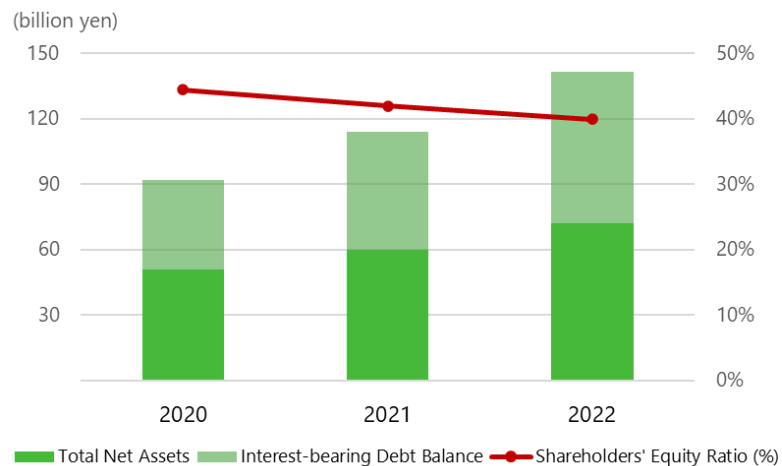
## Fundamental Policy

At the Tokyo Exchange's Prime market, balance the proactive investments to expand business and stable dividend in order to achieve sustainable growth with healthy financial foundation

## Target

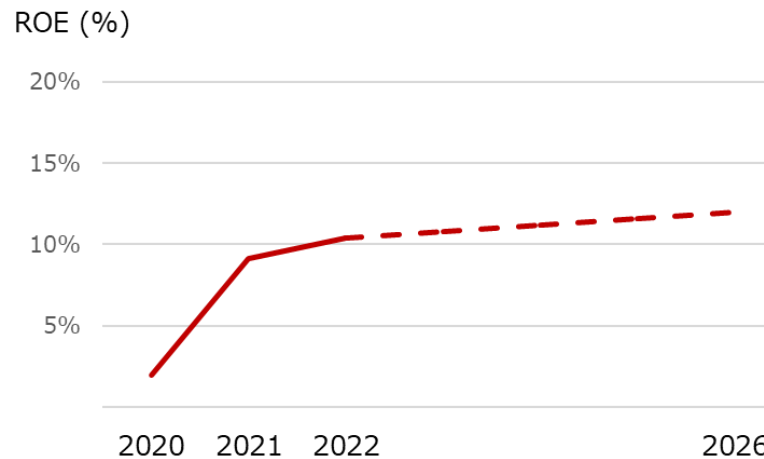
**Shareholders' equity ratio**  
**30 - 40%**  
 (As of end of June 2023: 42%)

Maintained a solid financial base



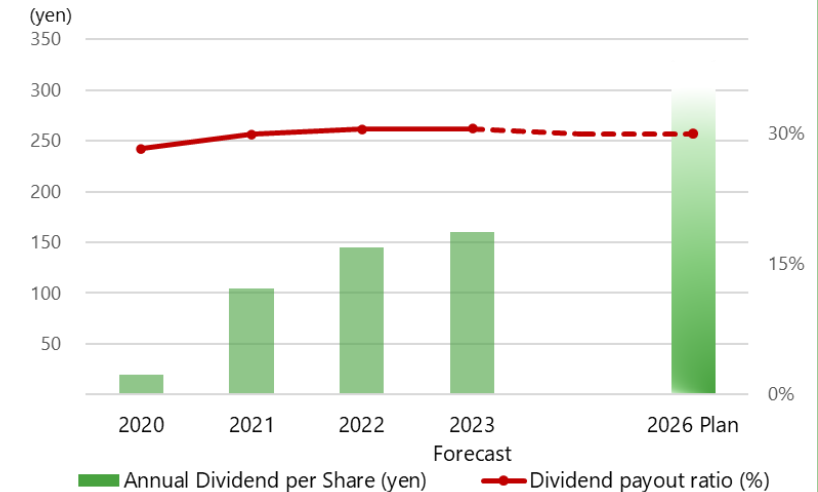
**ROE over 10%**

Target level achieved if it wasn't for COVID-19 impact



**Dividend payout ratio 30%**

Maintained 30% level since listing, even during COVID-19



## Foreign Exchange Risk

- Hedge the real impact on our business by using exchange marry<sup>(\*)</sup> in transactions between group companies trilateral trades
- The ratio of sourcing products from Japan for the overseas AFB business will be maintained at approximately 15% (same as the present)

(\*) Offsetting impact caused by foreign exchange fluctuation by tying together selling and buying foreign exchange position. The impact on profits is minimal.

## Interest Rate Risk

Understanding the interest rate trends and their impact on interest payments, and implementing optimal funding strategies (implementing a financial policy that is less susceptible to changes in the financial environment)

## Geopolitical/ Climate Change Risks

Avoid regional concentration of suppliers and mitigate risks of regional conflicts and climate change by diversifying sources for the same product (already implemented for multiple key products)



## Table of Contents

1. Mid-Term Business Plan
2. **Looking ahead to 2035**
3. Mid- to Long-Term Growth Strategy
4. (Reference) Group Introduction

# Looking ahead to 2035

**Become a world-renowned  
global food solution company**

Sales to exceed  
2 trillion yen

**Mid-term Business Plan 26**  
(2024–2026)

Sales:  
**500 billion yen**  
Operating income:  
**25 billion yen**

Sales:  
**304 billion yen**  
Operating income:  
**12 billion yen**

Become a global food SPA

Become a global food solution company

## 4) Generate foundation for medical food<sup>(\*)</sup> business area

- Development and provision of food that is equally delicious for everyone
- Commercialization through industry-academia collaboration and IP (intellectual property)

## 3) Growth through new business creation

- Create solution businesses utilizing new technologies such as digital and food tech (10 businesses in three years)

## 2) Promote global expansion of fruit and vegetable business

- Cultivation of overseas production of Japanese fruits and vegetables utilizing intellectual property rights and overseas sales business as a new earnings pillar
- Diversify and stabilize the earnings structure of the fruit and vegetable wholesale business

## 1) Accelerate quantitative and qualitative growth in the existing businesses

- Develop new markets and sales channels by strengthening sales and product development capabilities
- Increase gross profit margin by expanding PB and reducing distribution costs
- Reduce cost ratio by strengthening SCM in addition to digitization and AI of sales and import/export operations
- Expansion of business scale through M&A, etc., utilizing ample equity capital as well as cash and deposits

(\*) Foods designed to meet special nutritional requirements related to medical reasons

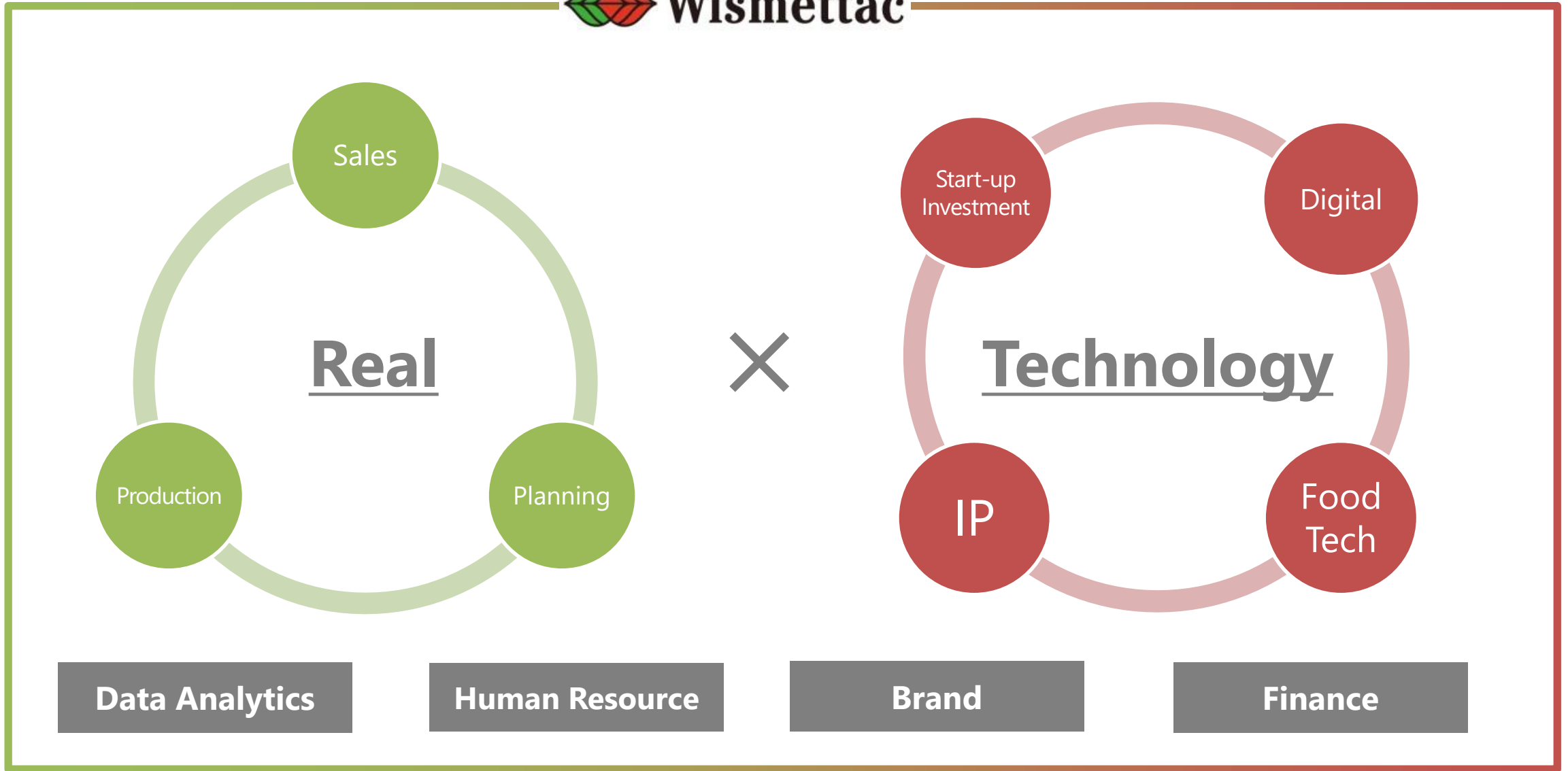




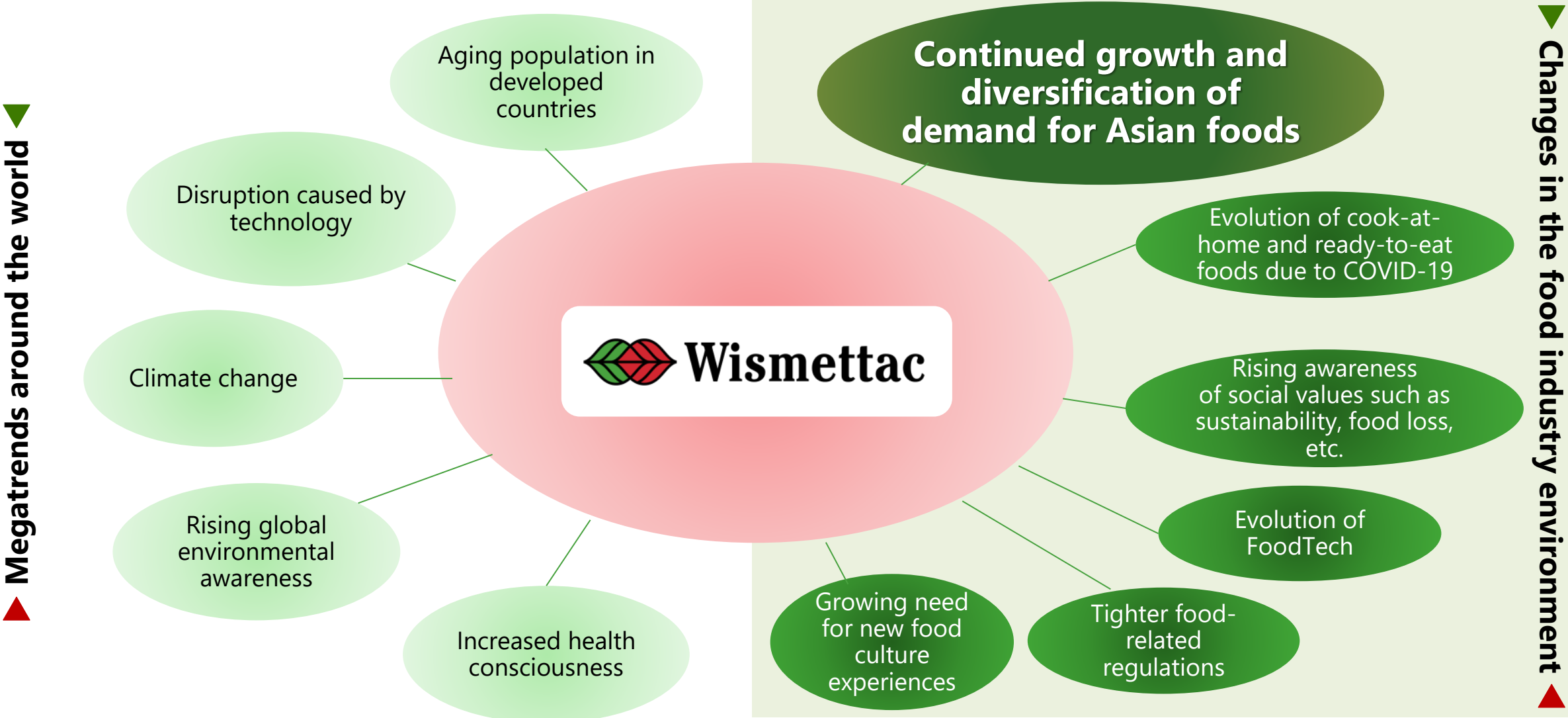
Table of Contents

1. Mid-Term Business Plan
2. Looking ahead to 2035
3. **Mid- to Long-Term Growth Strategy**
  - I. **AFB**
  - II. **Agricultural Business**
  - III. **WBD**
  - IV. **Amenity/Medical Food Business**
4. (Reference) Group Introduction

# Business Environment Surrounding the Wismettac Group



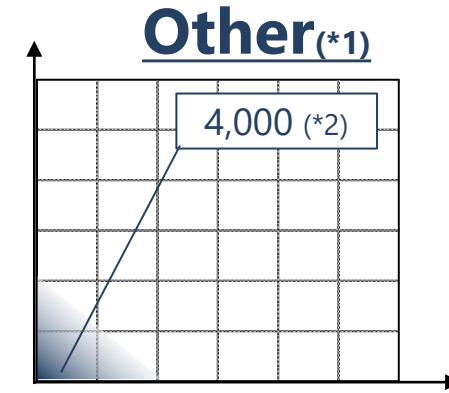
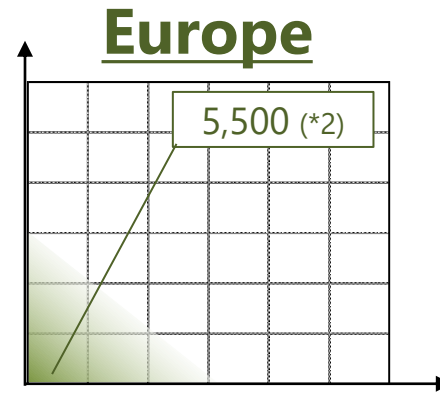
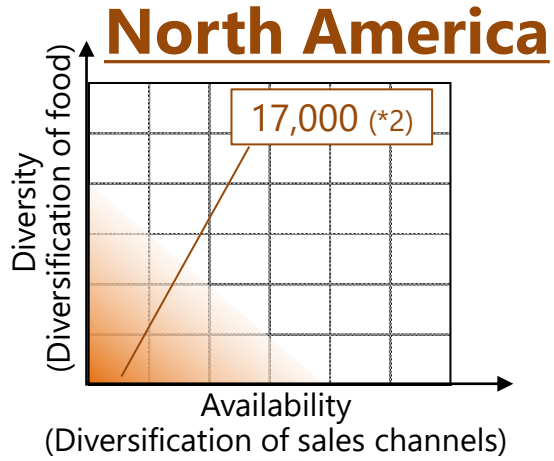
In addition to megatrends around the world, the food industry is also facing major changes in the environment such as changes in consumer behavior in the wake of COVID-19, increased environmental awareness of consumers, etc.





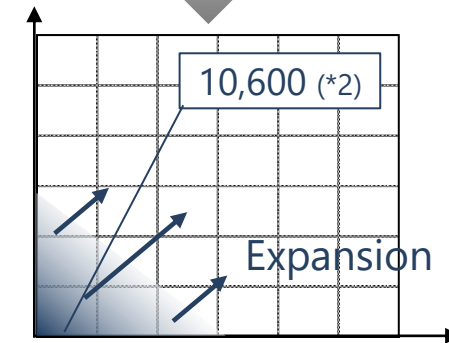
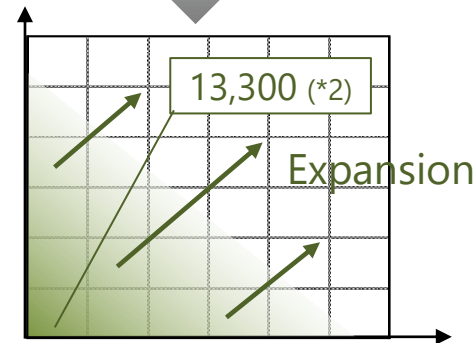
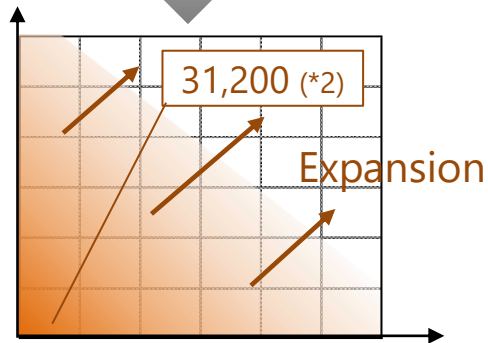
# I. AFB: Expansion of Japanese and Asian foods (image)

**10 years ago**



Expansion of the middle class/increase in the number of Millennials and Generation Z/  
growing interest in Japanese culture/increase in inbound travel/growing health consciousness

**Present**

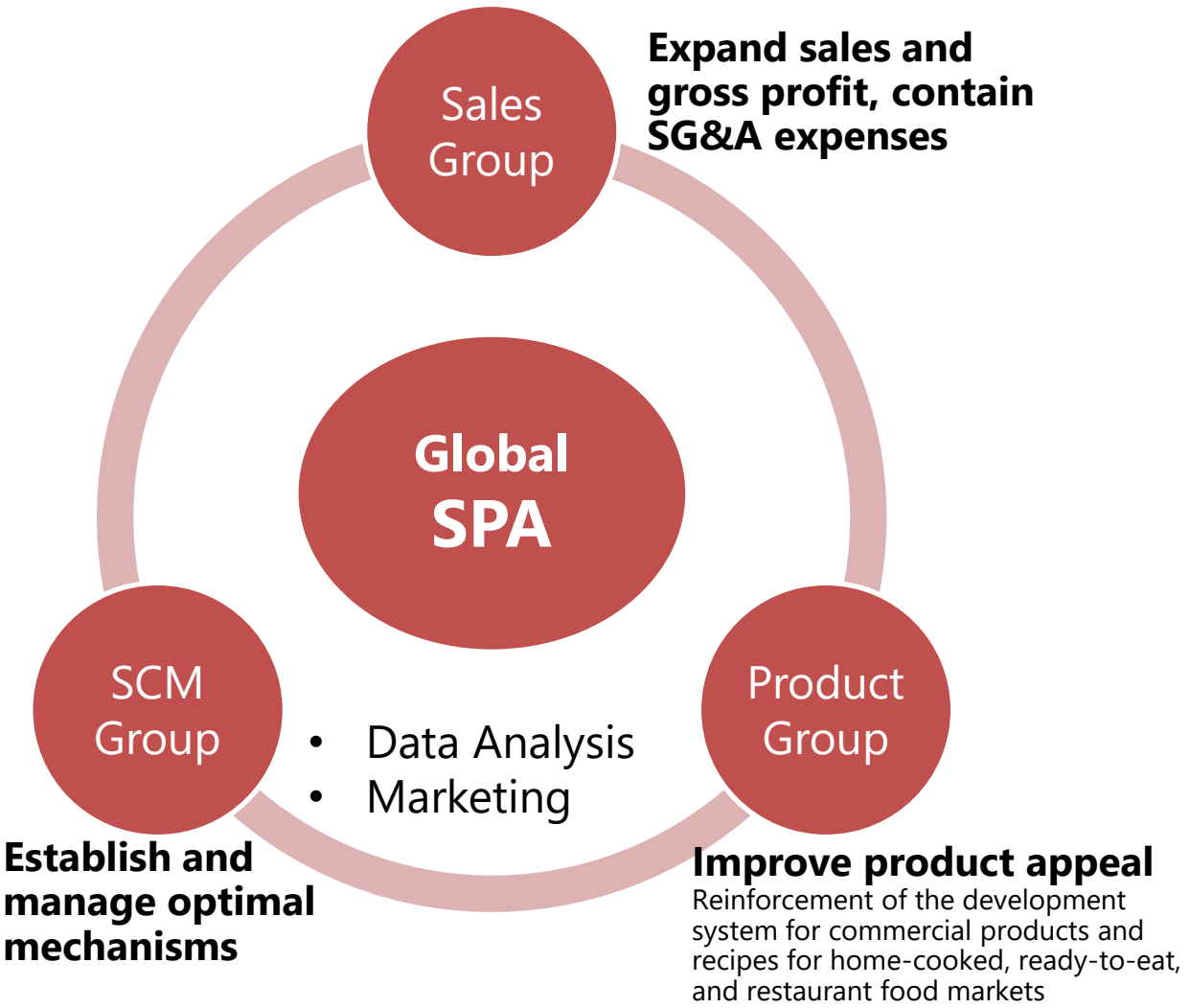


- Diversity (Diversification of food)
- Availability (Diversification of sales channels)
- • • Evolution from typical Japanese food to penetration of broader Asian foods and localized Asian foods
- • • Expansion from Japanese restaurants/Japanese and Asian supermarkets to major local restaurants/grocery stores, To-Go/kiosks, and fast food

**Further expansion and diversification of Japanese and Asian foods against the backdrop of changes in social environment**

(\*1) Latin America, Australia, Middle East, Africa  
 (\*2) Number of Japanese restaurants in 2013 and 2021 (Ministry of Agriculture, Forestry and Fisheries)

# I. AFB: Aim to Become a **Global SPA** for Asian Foods



**Sales Group**

- Further expansion of sales channels, including new markets/mainstream, while identifying changes and needs in food consumption patterns (home-cooked, ready-to-eat, restaurant foods)
- Establishment of scientific sales style based on data analysis
- Expansion of PB product lineup and sales
- Promotion of digitization and improvement of customer convenience such as enhancement of online order system

**Product Group**

- Convert existing products to private brand (PB) and reduce costs, improve ability to develop new products that meet customer needs (development lab and prototype factory)
- Strengthen procurement capabilities in key commercial products with a view toward business alliances
- Improvement of in-house manufacturing functions and basic R&D capabilities

**SCM Group**

- Ensure complete FS (food safety) and compliance systems within the supply chain
- SCM investment to increase visibility, improve planning and thoroughly eliminate waste
- Avoid shortages and excess inventory by thorough inventory control
- Manage and strengthen traceability

**Respond quickly to consumer and customer needs by connecting menu and product planning with manufacturing and sales, selling PB/NB at optimal costs**

# I. AFB: Business Expansion Through **M&A**

Decision to subsidiarize Uniontrade S.p.A. Group in Italy (PL to be consolidated from FY2024)

**Expand business base and profit opportunities in Europe** through the expansion of sales channels to the Italian market

## Overview of Uniontrade Group

- Italy's leading wholesaler of Japanese and Asian foods
- Sales of food products and ingredients such as marine products, rice, and seasonings based on long business relationships with restaurants and retailers
- Also operates a Cash & Carry business<sup>(\*1)</sup> for commercial food products for restaurants



(Unit: 1,000 Euro)	Location	Establishment	Capital	Financial Results (FY2022)	
				Sales	Net Profit
UT	Milan, Italy	1984	800	85,676	1,743
UL		2017	10	986	120

## Impact of Group Consolidation and Target

- Increase of sales by unified product lineup and customer base
- Elimination of duplicated management costs, cost reduction from shared SCM, operations, and IT infrastructure

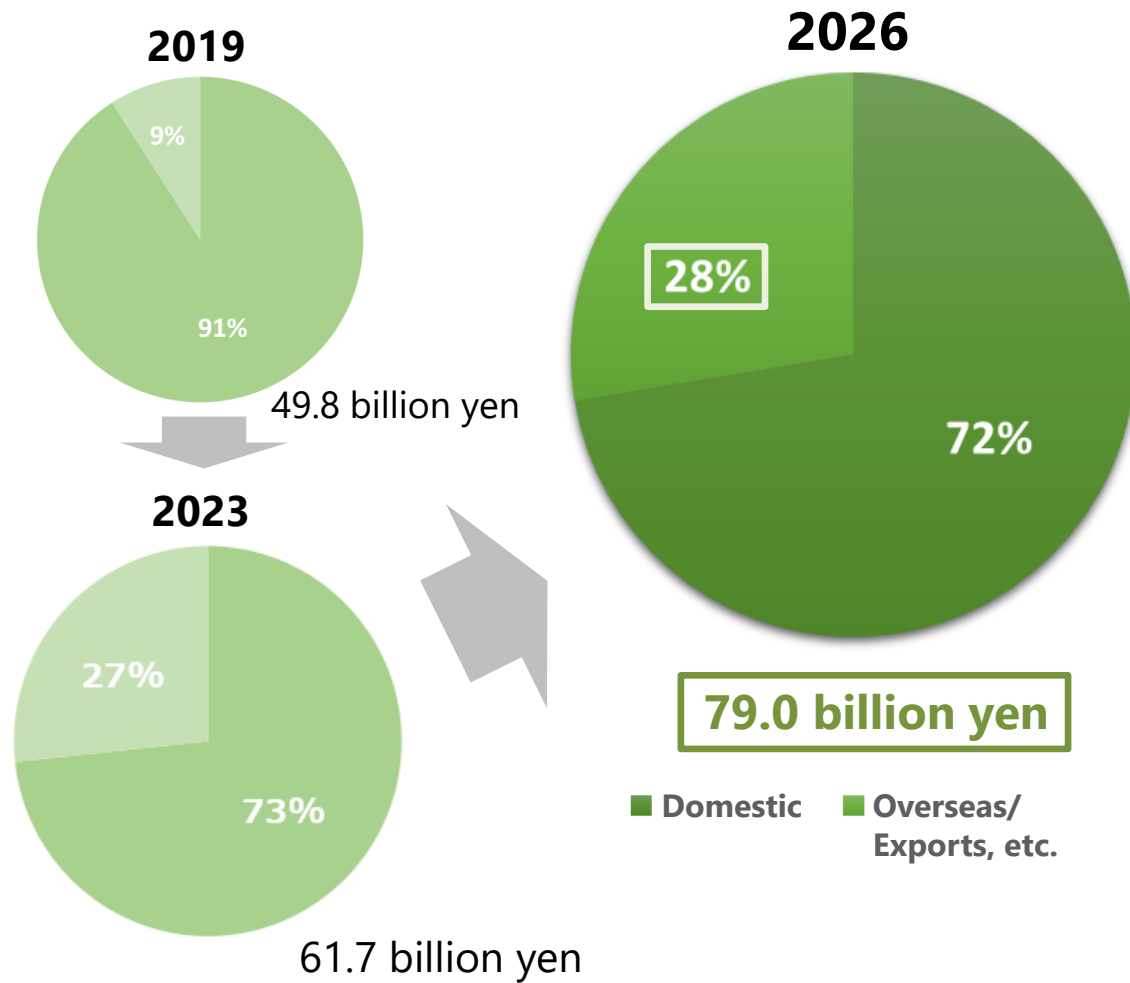


- **European business to account for 24% of sales in AFB, up from 19%<sup>(\*2)</sup>**
- **Continue to actively utilize M&A to expand existing business regions/infrastructure and capture businesses with potential synergies such as unified product lineup and customer base, shared SCM, operations, and IT infrastructure**



(\*1) Warehouse buy-and-go business model (\*2) Estimate based on 2023 sales forecast

## II. Agricultural Business: Sales Targets and **Priority Action Items** Wismettac



### <Business Environment>

- Increased volatility in purchasing conditions due to exchange rate fluctuations, inflation, extreme weather conditions, etc.
- Intensifying competition for product procurement due to global consumption growth
- Polarization of demand for high value-added products and affordable products

### Domestic Business

- Increase market share of prioritized products
- Improve profitability through higher import sales and lower SG&A ratio
- Reduction in procurement costs through exploration of emerging production areas and supply sources and building relationships with them
- Reduction in freight costs through joint procurement

### Overseas/Exports, etc.

- Global production and sales of Japanese varieties of which we hold exclusive cultivation rights
- Expand exports and sales of high value-added Japan-grown and affordable China-grown fruits and vegetables
- Improve margin by reducing loss of disposal and return from customers
- Improve gross profit by business concentration and selection based on categories by customers and products

**Achieve sales of over 50 billion yen and a recurring profit margin of over 2% in the domestic fruit and vegetable business and achieve 79 billion yen in sales by 2026, strengthening the profitability of domestic business and accelerating overseas expansion**

## II. Agricultural Business: **Global Production and Sales of Japanese Varietals** Wismettac



### Exports of Japan-grown fruits and vegetables

- Started exporting Japan-grown produce mainly to Southeast Asia in 2017
- Winner of the "Japan Packaging Contest 2023" for the outer packaging box of Japan-grown sweet potatoes



### Establish high-quality transportation methods and traceability

- Conduct demonstration experiments on the traceability system from domestic shipment to arrival
- Automatically photograph products at the time of shipment and arrival to track down the cause of quality defects and control for unnecessary complaints
- Develop a system with a partner company to prove authenticity using QR codes as a measure against counterfeit products disguising their country of origin



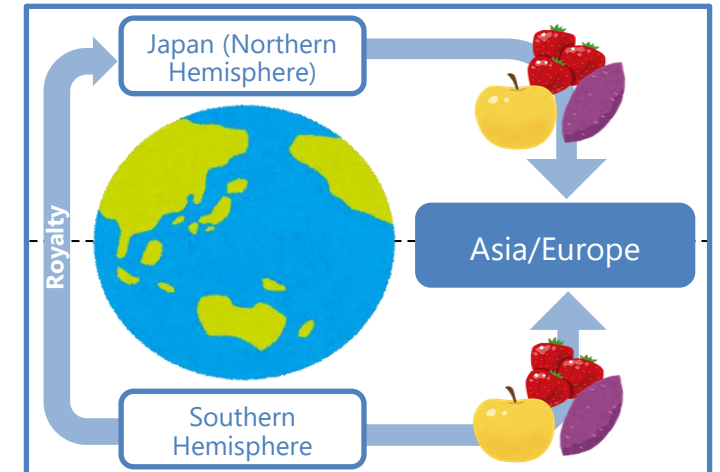
### Overseas production of Japanese varietals

- Signed a licensing agreement for breeder's rights and a trademark in South Africa for "Kimito," an apple developed by Hirosaki University
- Plan to start test cultivation in 2024 after phytosanitary inspection
- Return a portion of royalties earned from overseas production and sales to the grower



### Aim to establish an exclusive global production and distribution network through a "club system"

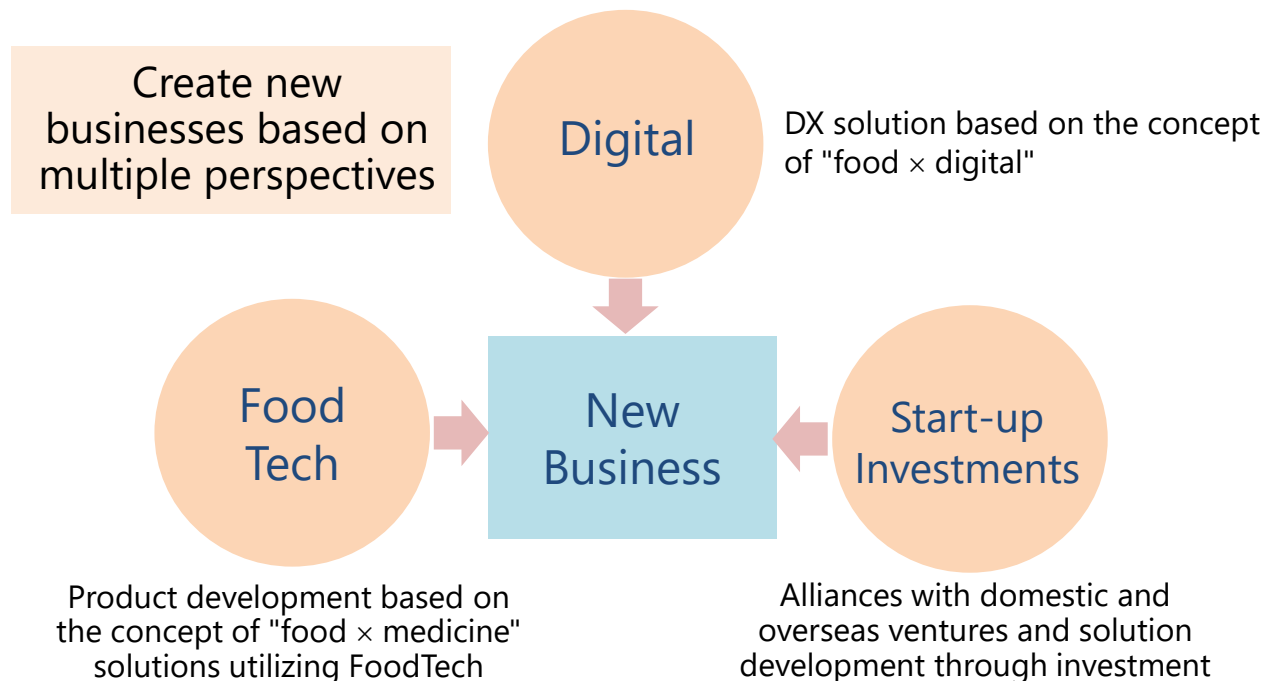
- Management of breeder's rights, trademarks, brands, quality, marketing, supply and demand, and mutual development with domestic and foreign producers
- Supply Japanese varietals from Japan and other countries in the southern hemisphere to enable year-round sales and promote "All-Japan" to consumers as a key concept
- Return a portion of royalties earned from production and sales to rights holders
- Plan production and sales starting with strawberry, sweet potato, and apple varietals



# III. WBD Business: **Business Domains and Approach**

## Business Domain

Improve the food experience for consumers and enrich the lives of those involved in the food industry through new businesses that utilize new technologies, such as digital and FoodTech, for the food supply chain from production to consumption



## Approach



**Project Plan**  
× 100 ideas



Short-term screening



**PoC**  
× 30 cases



Hypothesis testing



**Core Pillar**

Monetization

## Support for Collaboration and Business Development with SMEs

### For Suppliers

Provide local suppliers with a one-stop solution for multiple channels, including domestic/overseas

**BtoB/BtoC**



(Furusato Tax Payment Website: Domestic BtoC)



(BtoB platform: Domestic and overseas BtoB)

Support for product development and overseas business development in the FoodTech/healthcare area



Overseas business development support for EF Polymer

(Organic polymers to combat agricultural drought)

## DX Promotion in the Food Industry

### For Restaurants

Promote digitization of customer contact points for restaurants, the end-providers of food products



(Restaurant DX systems)



Simple Point Of Sales

Online Ordering

(Began offering services in North America)

### Wismettac Group Promotion of DX

Promote digitization and streamlining of order management, ensure compliance with laws and regulations, and improve quality through securement of traceability



**Online Ordering System**

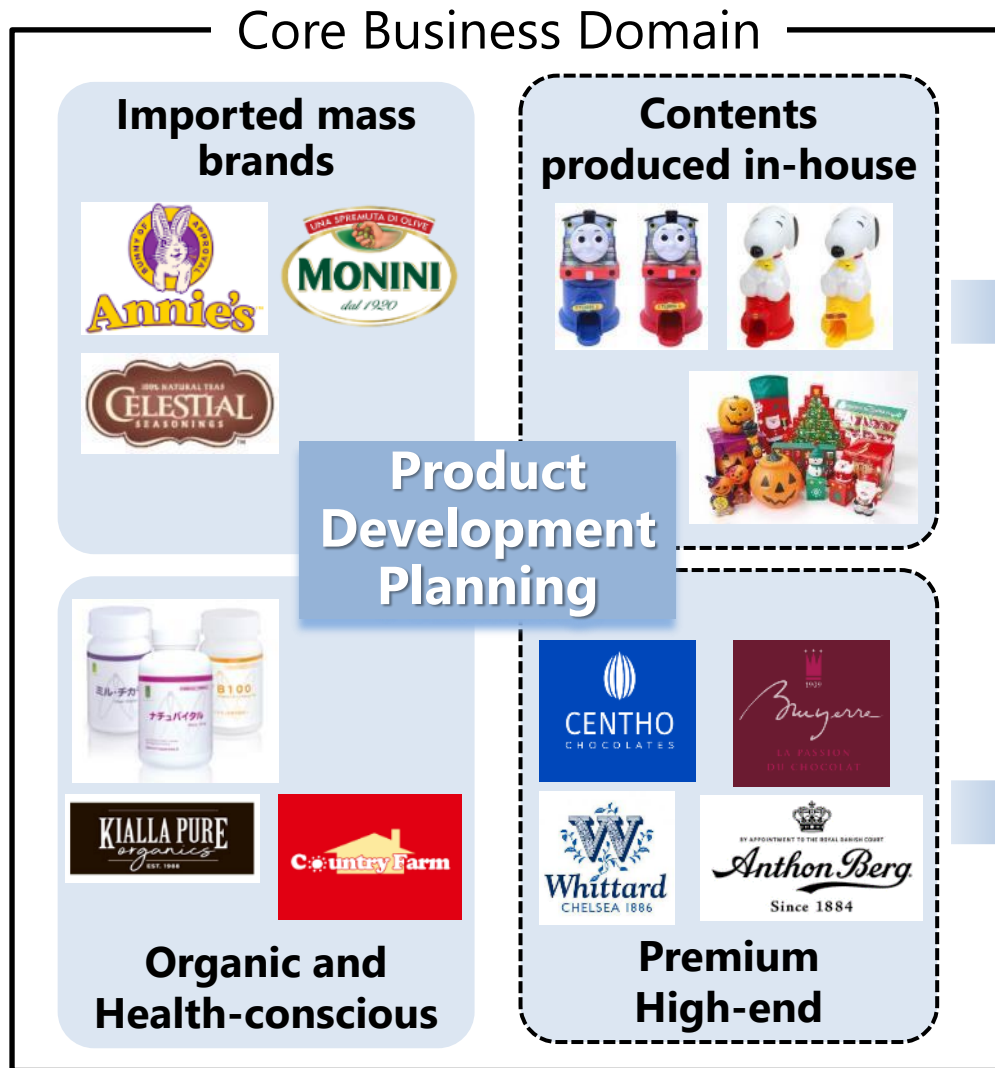
(Product management in supply chain)

**First implement DX for the food industry internally, then expand to the entire global industry**

- **Two businesses have already established, while three new businesses are under cultivation**
- **Achieve profitability by 2024**

# IV. Amenity Business: **Diversification and Overseas Expansion**

## in Areas Related to Core Businesses

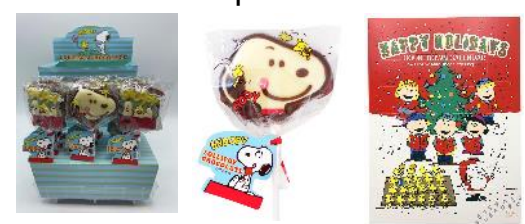


Overseas Exports

Permanent Sales

### Priority Measures

- Offer "**original character seasonal products**" to the world by utilizing our product development and planning capabilities cultivated in Japan
- **Started sales in Taiwan** in September 2023. Expand market to South Korea and other Asian countries followed by **Europe and the U.S. in 2025 and beyond**
- Strengthen mutually beneficial relationships with overseas suppliers/licensors and leverage sales networks



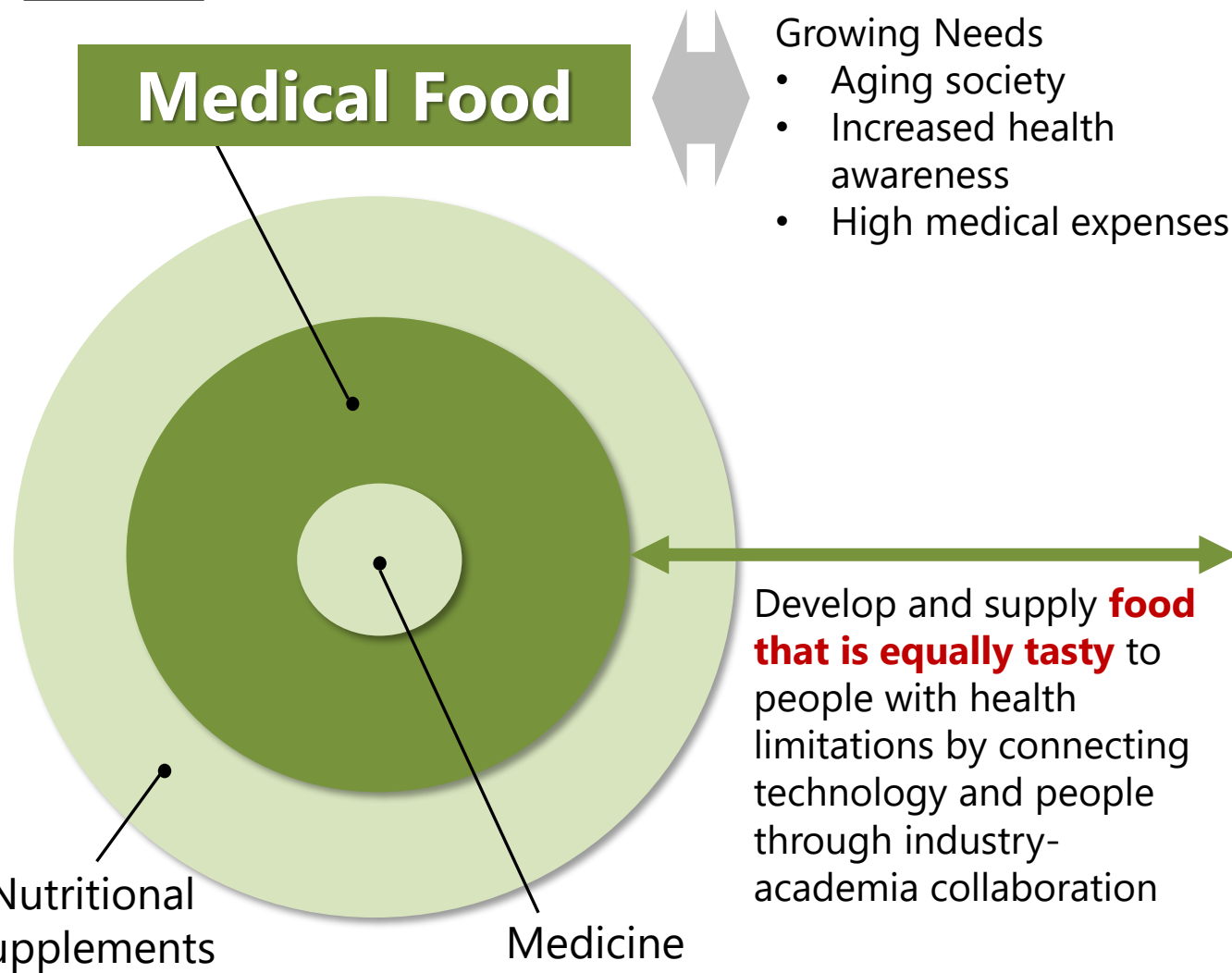
- **Permanent sales of premium high-end brands** cultivated through department store festivals
- **Plan and develop original products** such as CENTHO ice cream
- Integrate with e-commerce to increase appeal overseas (capture inbound traffic)



Accelerate growth and transform business structure to be less susceptible to exchange rate fluctuations through the development of new import business of in-house produced contents to Taiwan, Korea and U.S., as well as permanent sales of premium high-end brands





# IV. Creating Foundation for Medical Food<sup>(\*)</sup> Business Domain



Universities    Research Institutions    Start-ups

Technology and intellectual property ↓    ↑ Commercialization support and financing

 **Wismettac**

(Example of new business development)  食卓の名医<sup>®</sup>

4つの特徴

- 1. 消化にやさしい**  
たんぱく質・食物繊維があらかじめ分解されているので、消化への負担を軽減
- 2. やわらかい**  
食材の見た目はそのままに、スプーンで簡単に押しつぶせるほどのやわらかさ
- 3. 栄養価が保持されやすい**  
煮込む・茹でる等の調理では失われがちな栄養素が、保持されやすい
- 4. 味も見た目もおいしい**  
味はもちろんのこと、素材本来の見た目と彩りにもこだわり、自然と食欲がわくような仕上がり

\* Utilizes the patented freeze impregnation method of the Food Technology Research Center at the Hiroshima Prefectural Technology Research Institute

- Develop and supply food that is equally tasty to people with health limitations
- Commercialization through industry-academia collaboration and IP (intellectual property) as a pillar of growth



Table of Contents

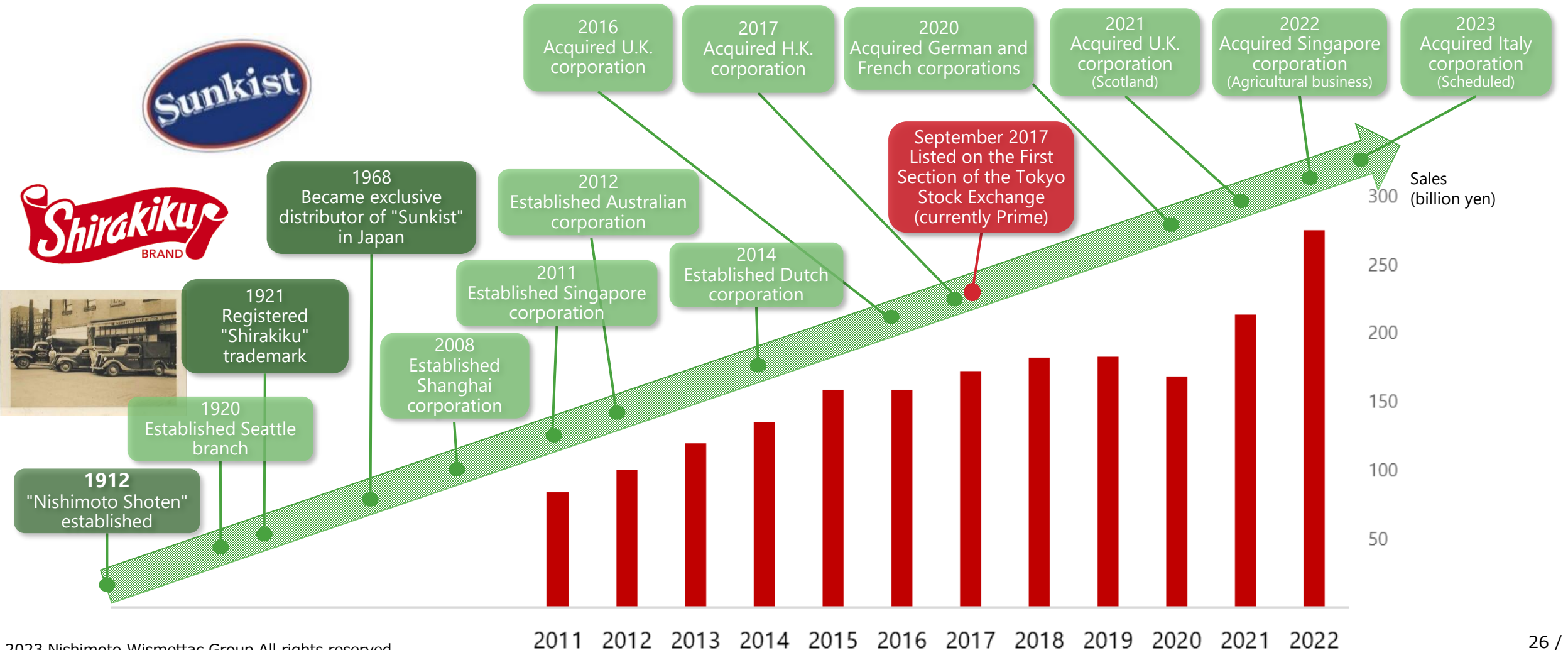
1. Mid-Term Business Plan
2. Looking ahead to 2035
3. Mid- to Long-Term Growth Strategy
4. **(Reference) Group Introduction**
  - I. **Wismettac Group Growth Milestones**
  - II. **Introduction of Major Businesses**
  - III. **Human Resources Strategy & Policies**
  - IV. **ESG Initiatives**

# I. Wismettac Group **Growth Milestones**

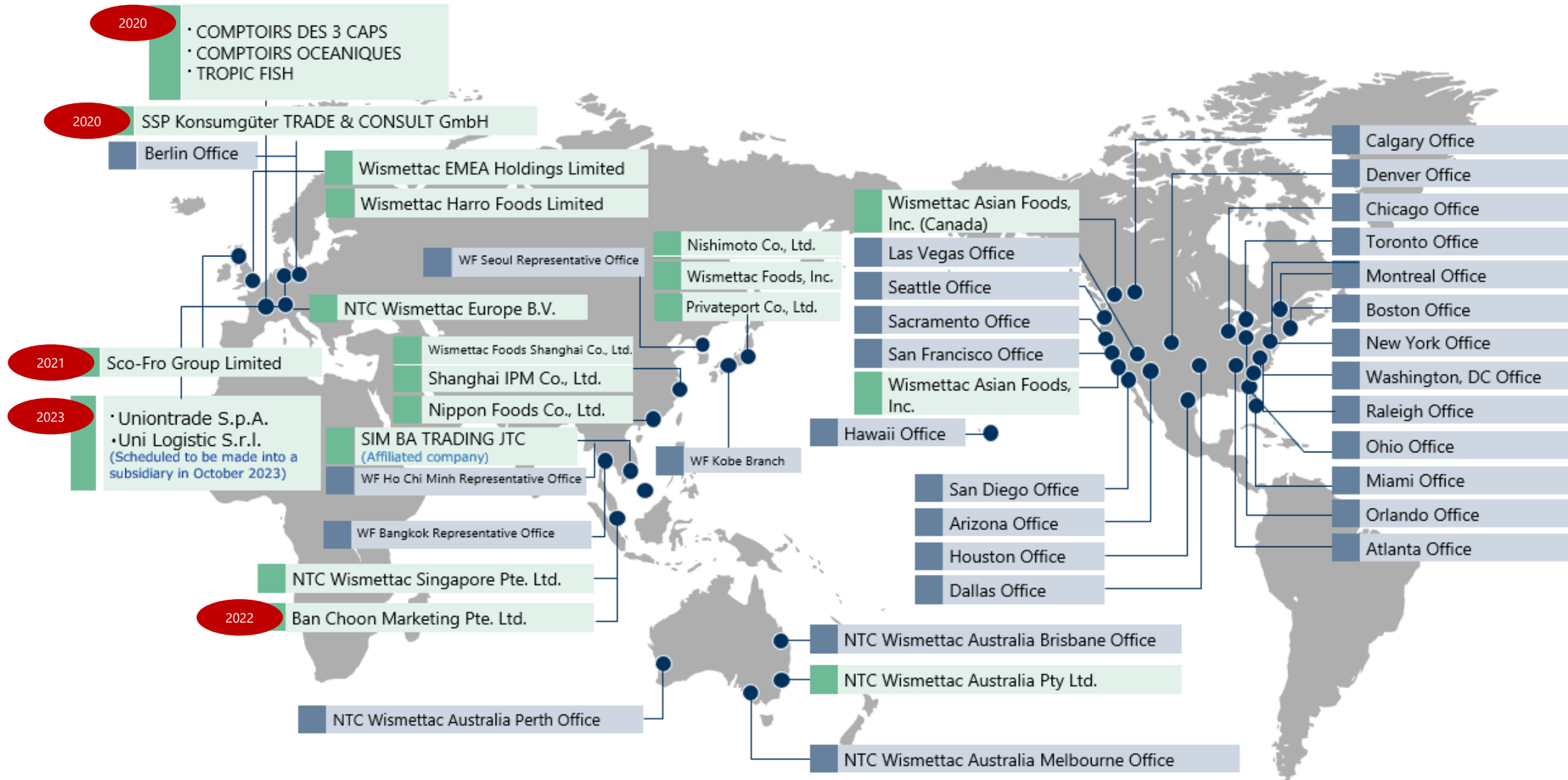
Since its establishment in 1912, the company has developed into a global company supplying food ingredients and food products to the global market.

Over the past 10 years, the Company has maintained an **average annual sales growth of more than 10%** and now has **46 locations worldwide**<sup>(\*)</sup>

<sup>(\*)</sup> Including Uniontrade Group (scheduled to become subsidiaries by the end of Oct. 2023)



# I. Wismettac Group **Growth Milestones** - Global Network -



"WF" shown in the figure is an abbreviation for "Wismettac Foods"

**Year** Entities that have become subsidiaries in the past three years

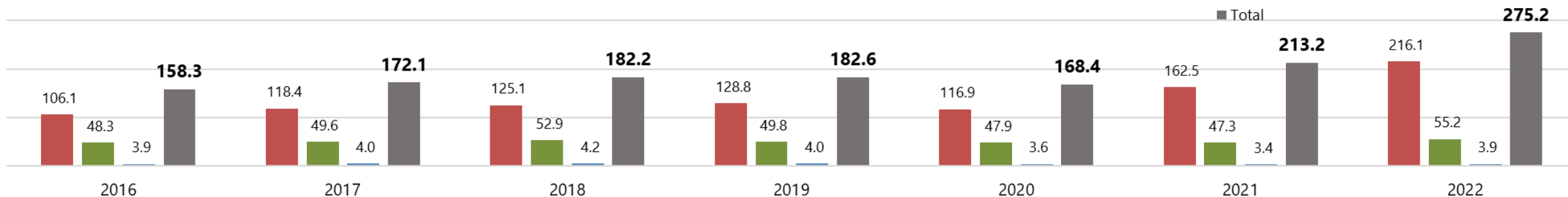
# I. Wismettac Group **Growth Milestones** - Key Figures -



(billion yen)

### Consolidated Sales (By Segment & Company total)

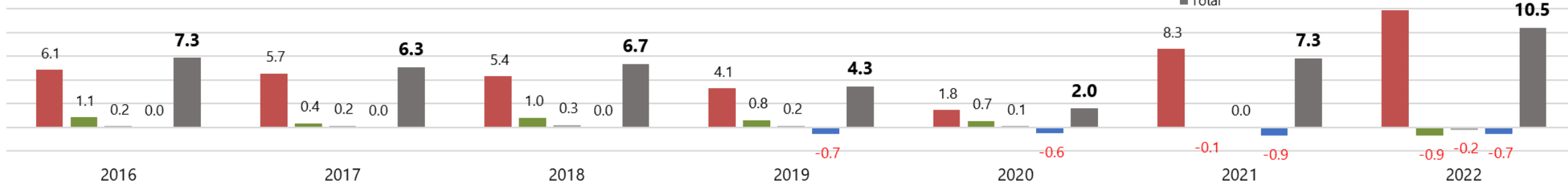
- Asian Food Global Business
- Agricultural & Seafood Products Trading Business
- Other Business
- Total



(billion yen)

### Operating Income (By Segment & Company total)

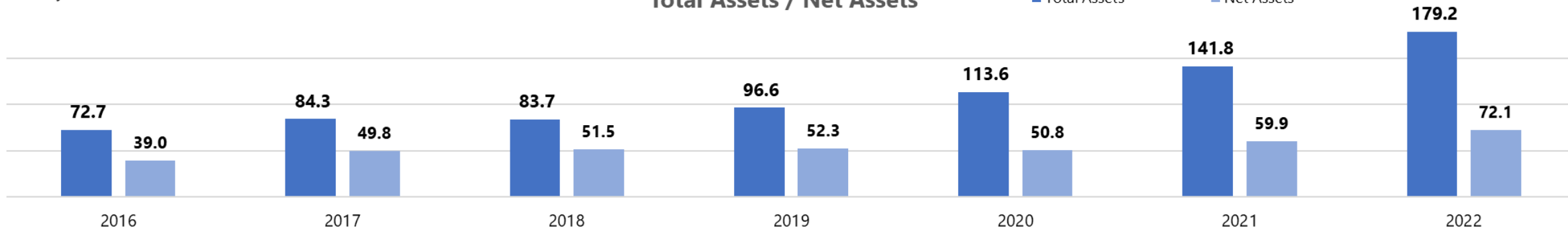
- Asian Food Global Business
- Agricultural & Seafood Products Trading Business
- Other Business
- Adjustment
- Total



(billion yen)

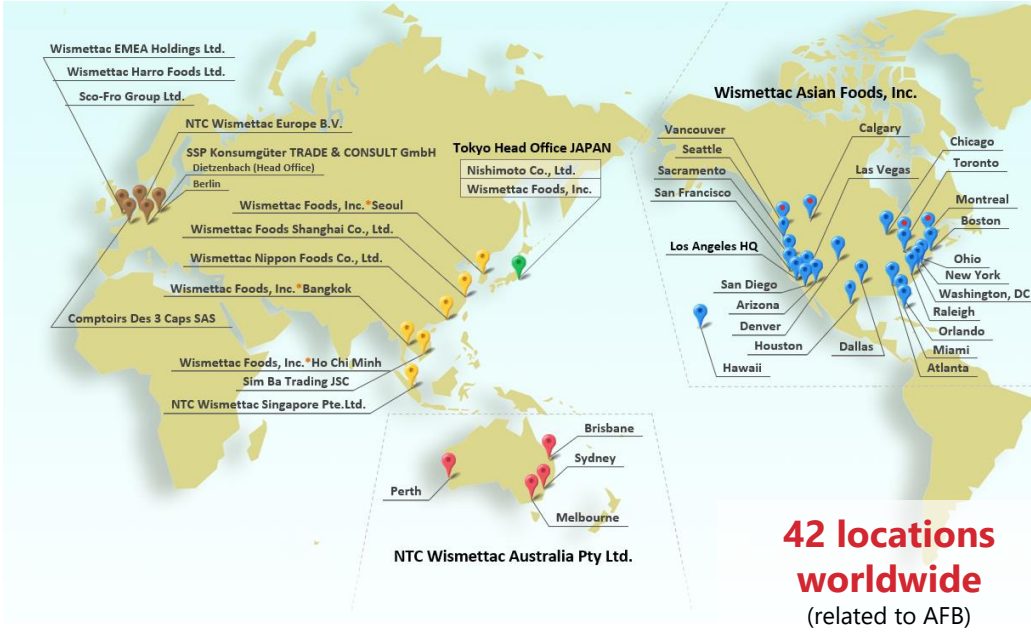
### Total Assets / Net Assets

- Total Assets
- Net Assets



# II. Introduction of Major Businesses - AFB

## Robust Supply Chain with a Global Reach

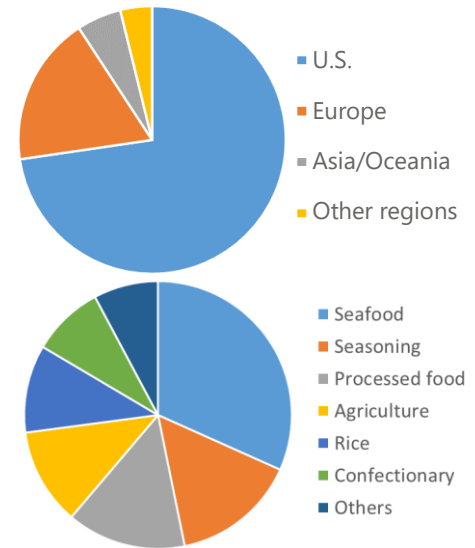
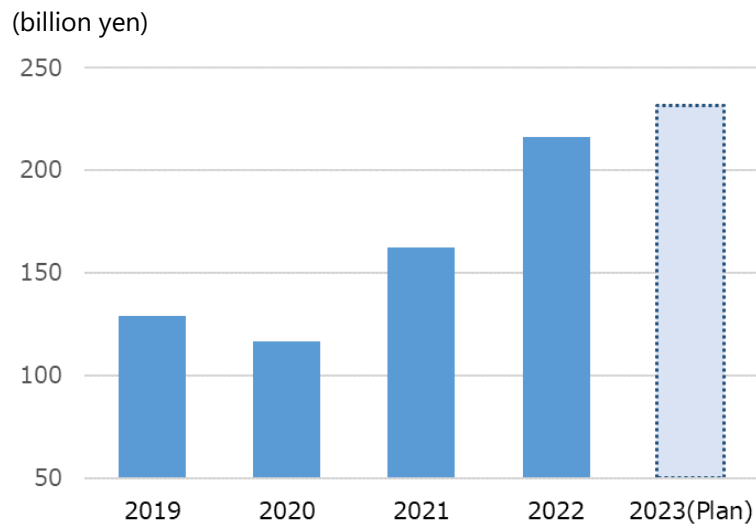


## Wide Range of Products Focused on Many Highly Profitable In-house PB Products



- The number of SKUs handled is approximately 6,000 in total.
- PB "Shirakiku" accounts for approximately 40% of total sales. (\*) (\*) Percent of sales in North America

## Sales Trends and Portfolio



Food Safety and Related Regulatory Compliance  
Production and quality control systems in compliance with laws and regulations



## II. Introduction of Major Businesses - Agricultural Business (Import Business)

### Fruit and Vegetable Business



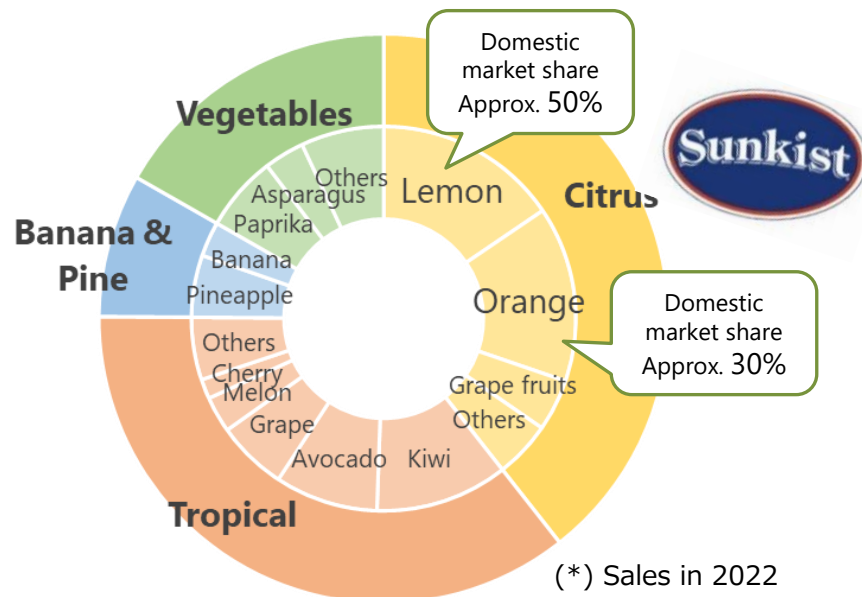
- Domestic wholesale sales of imported fruits and vegetables
- Wholesale sales of fruits and vegetables in China and Singapore
- Export of Japan-grown fruits and vegetables (overseas export business)

### Processing and Agricultural Business

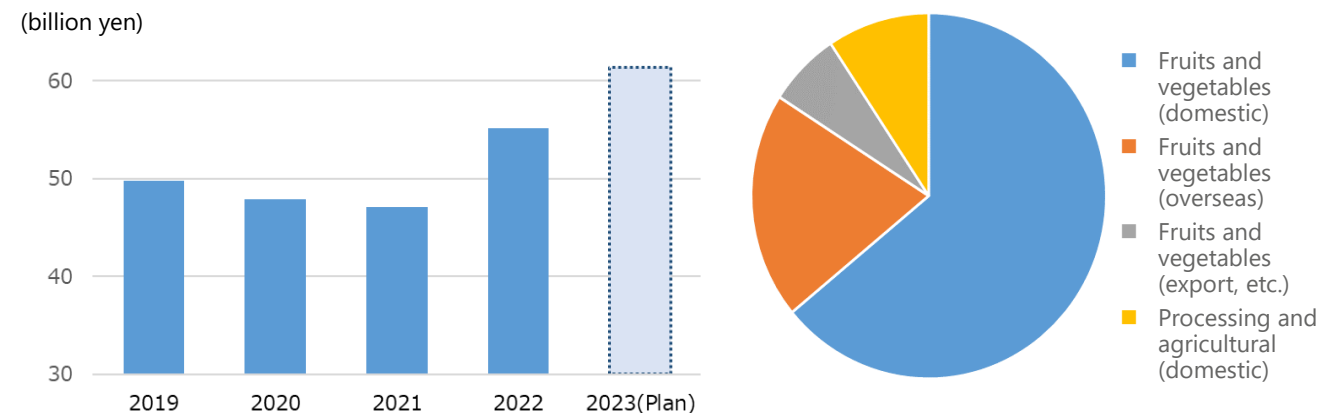


- Import and sales of more than 100 frozen fruit and vegetable items
- Management of production area development for production, quality control, and shipping

Main products in Domestic wholesale sales of imported fruits and vegetables



### Agricultural Business Sales Trends and Portfolio (2022)



# II. Introduction of Major Businesses - Amenity Business, Other (Import Business)

## Amenity Business

Brands/Products			Customers
<p>Special Chocolate</p>	<p>Regular Brands</p>	<p>Character Brands</p>	<p>Specialty Stores (Miscellaneous /Medical)</p> <p>Mass Retailers</p> <p>Department Stores</p>

In-house EC site

Pop-up Store (Valentine's Day)

Special booths for branded chocolates at department stores for a limited time

## Supplement Business

Products

- Medical supplements recommended by physicians for full-fledged medical institutions
- In addition to supplements, sales of protein soups and other health foods that make it easy and delicious to consume protein in a single serving

EC channel

NATUMEDICA (Medical supplement)

Medical service provider

Medical institutions

Beauty salons, etc.

In-house EC site



## Global EC Business (Agricultural business)

Products

- Mainly sales of American cherries and other citrus fruits
- Additional sales of fish, meat, wine, fresh flowers, etc.

EC channel

Nishimoto World Gift

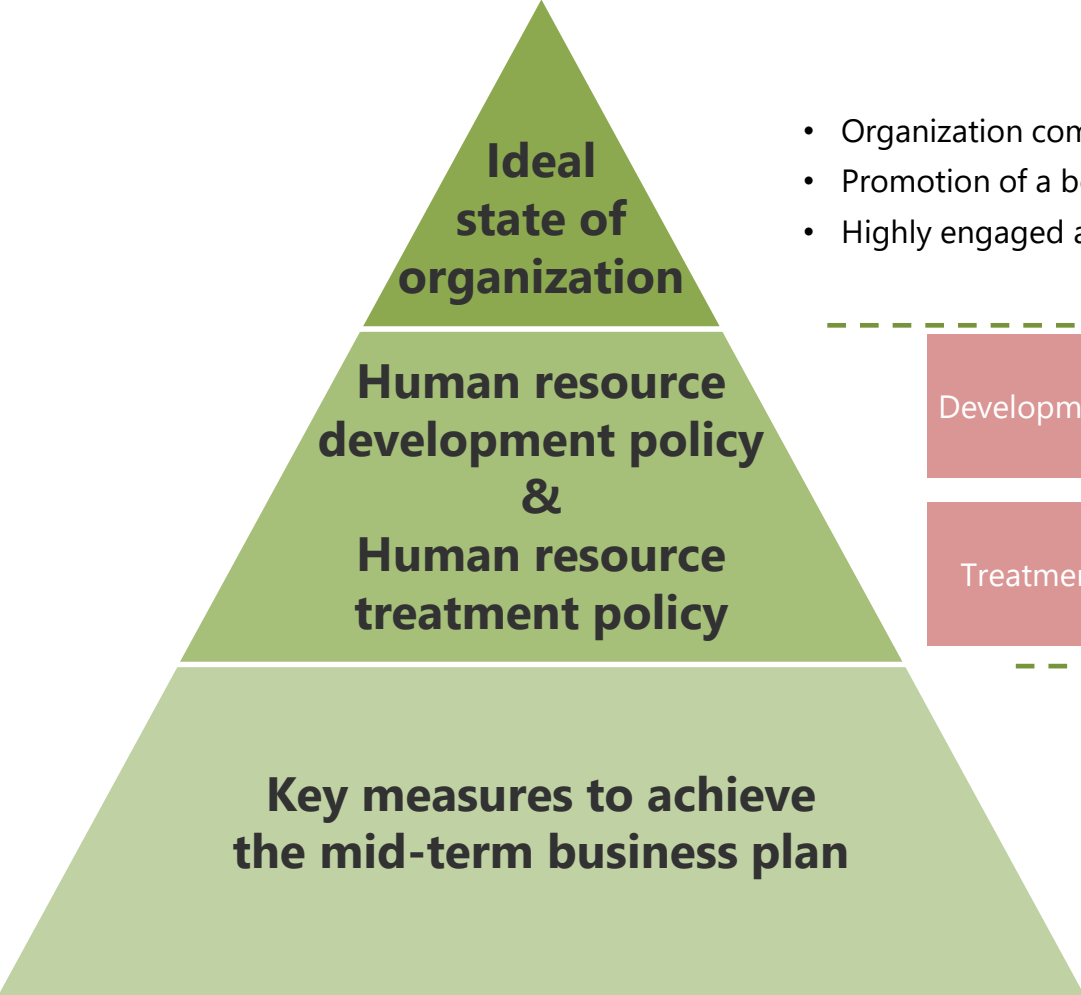
Other EC sites

In-house EC site



# III. Human Resources **Vision & Policies**

To continue to evolve as an **organization trusted** by all stakeholders in the field of **food × global × solutions**, to strengthen and expand each business, to create and establish new businesses, and to continue to enhance human capabilities to **lead value creation** through inter-organizational collaboration



- Organization composed of personnel with extremely high levels of expertise
- Promotion of a borderless and multi-ethnic organization (truly global organization)
- Highly engaged and motivated organization

Development

- Organizational culture that supports individual growth and leverages the characteristics and abilities of diverse individuals
- Early selection and development of leaders (global level + regional level)
- Strengthen individual and organizational expertise

Treatment

- Competitive compensation level in the market + wellbeing
- Mixture of external recruitment of various talented and qualified personnel and internal human resource development and retention (Responding to an ever-changing environment and building and strengthening the long-term trust of stakeholders)

- Strengthening global talent management (Global mobility, training, placement, succession planning, enhancement of assessments, etc.)
- Enhance internal and 1-on-1 communication
- Strengthen recruiting capabilities (promote the external hiring of various talented and qualified personnel)

# IV. ESG Initiatives

Established the "**Basic Sustainability Policy**" aiming to contribute to a **sustainable society** through our food business  
 Define and promote key issues (Materiality) and initiatives

## ESG

## Key issues (Materiality) and initiatives

## Sustainable development goals

## Examples of Initiatives

### E Environment



#### Contributions to the global environment

- Mitigate and adapt to climate change
- Support circular economy
- Support biodiversity
- Provide environmentally friendly products



#### ■ Introduction of organic polymer

EFPOLYMER



- Invested in Series A round
- Start trial sales to farmers in the USA market

#### Ensure food safety and quality

- Continual improvement in food safety

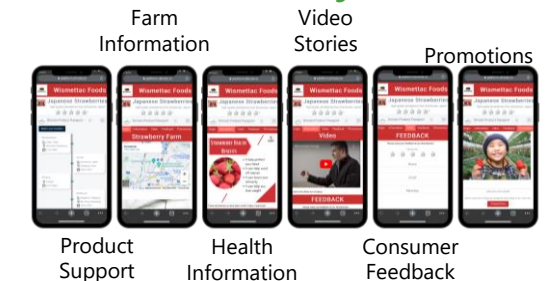


#### Solving issues related to food and well-being

- Address aging society and promote healthier, better quality of life through introducing foods that improves physical fitness and prevents illnesses
- Provide digital food platforms and other services that meet the needs of changing lifestyles and create new business opportunities
- Promote diversity, equity, and inclusion and provide energetic work environment that fosters good employee work-life balance



#### ■ Food traceability initiative



#### ■ Global introduction of Dysphagia Foods



### S Social



# IV. ESG Initiatives

## ESG

## Key issues (Materiality) and initiatives

## Sustainable development goals

## Examples of Initiatives

### S Social



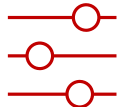
#### Diversity in workplace

- Promote diversity, equity, and inclusion and provide energetic work environment that fosters good employee work-life balance
- Recruitment, development, and promotion of global human resources to support sustainable business development

#### Contribute to a sustainable society

- Support sustainable regional development
- Supply chain management

### G Governance

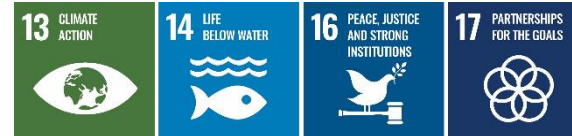


#### Strengthen governance and compliance

- Strengthen corporate governance
- Ensure compliance
- Enhance risk management and information management

#### Continuous improvement of food compliance system

- Continual update to comply with various regional food regulations



#### Health and Productivity Management Outstanding Organization



- Certified for 3 consecutive years

#### Donation to Food Banks



- Approx. 120 million yen over three years from 2020 to 2022

#### Disclosure in accordance with TCFD Recommendations



#### Strengthen Food Safety



## Disclaimer

These materials are intended to provide financial information, management information, etc. of Nishimoto Co., Ltd. and its affiliated companies (hereinafter collectively referred to as "the Company"), but the Company makes no representation or warranty regarding the content of these materials.

The plans, strategies, operating results forecasts, etc. of the Company in these materials may include information on forward-looking statements, which are based on information currently available to the Company, and include risks and uncertain elements in relation to economic trends, competition in the industry, market demand, foreign exchange rates, taxation system, various systems, etc. Therefore, actual operating results that will be published in the future may differ due to these elements, and the Company does not assume any liability for any damage arising from the use of information in these materials. Furthermore, the Company is under no obligation to revise and publish future forecasts in these materials based on new information or future events.

The Company pays close attention when preparing these materials; however, please note:

- The Company does not assume any liability for any damage arising from any causes including, but not limited to, any errors in the information presented, falsification of data by a third party, and any failure arising from download of data; and
- If there is a discrepancy between the Japanese version and the English version (if any) of published materials, the Japanese version shall take precedence, and the Company does not assume any liability for any damage arising from misunderstanding due to translation.

This document is not intended as an investment solicitation. When making investment decisions, please refrain from relying entirely on the information in this document, and make investment choices based on your own judgment.

[Contact] Nishimoto Co., Ltd. Corporate Management Office  
TEL: 03-6870-2015  
ir\_wismettac@wismettac.com