

Results Briefing Materials

for FY2020/2Q

Kagome Co., Ltd.

July 30, 2020

1. Impact of COVID-19

- Establishment of COVID-19 Task Force to accelerate decision-making and the implementation of countermeasures
- Improvement in performance of products for institutional and industrial use, which hit bottom in April. However, impact still being felt.

2. Summary of Business Results for FY2020/2Q

- Gains in revenue and profit due to growth in demand for products for home use on the back of heightened health awareness and consumption at home despite sharp decline in sales of products for institutional and industrial use both in Japan and overseas due to the COVID-19 pandemic
- Decreases in operating income and net income attributable to shareholders of parent in the absence of a one-time gain on the integration of a physical distribution subsidiary recorded the previous fiscal year

3. Reform of Earnings Structure of Domestic Agriculture Business

- Establishment of a new company, Kagome Agri-Fresh Co., Ltd., and further reform of earnings structure

4. Reform of Earnings Structure of International Business

- Plan to reform earnings structure of primary processing operations and secondary processing operations respectively

5. FY2020 Full-year Consolidated Results Forecasts and Numerical Targets under Second Mid-term Management Plan

- Downward revision of consolidated sales revenue forecast for FY2020 due to changes in business environment
- Changes to numerical targets under the Second Mid-term Management Plan

1. Impact of COVID-19

Established COVID-19 Taskforce (April 7)

Basic policy for measures against COVID-19

- 1 To prevent Kagome Group employees and our customers and suppliers from catching the virus and falling serious ill.
 - 2 To constantly check the status of the entire supply chain, giving top priority to supplying essential products as a food manufacturer.
- Organization under the President's leadership
 - Convenes regularly once a week
 - Gathers information on the status of each division
 - Makes quick decisions on virus countermeasures

Encouraged Group employees to work from home (ongoing since April)



- Various systems and infrastructure which were put in place to promote work style reform are being utilized
- The production division continues to manufacture products while using maximum caution to ensure the health and safety of its employees.



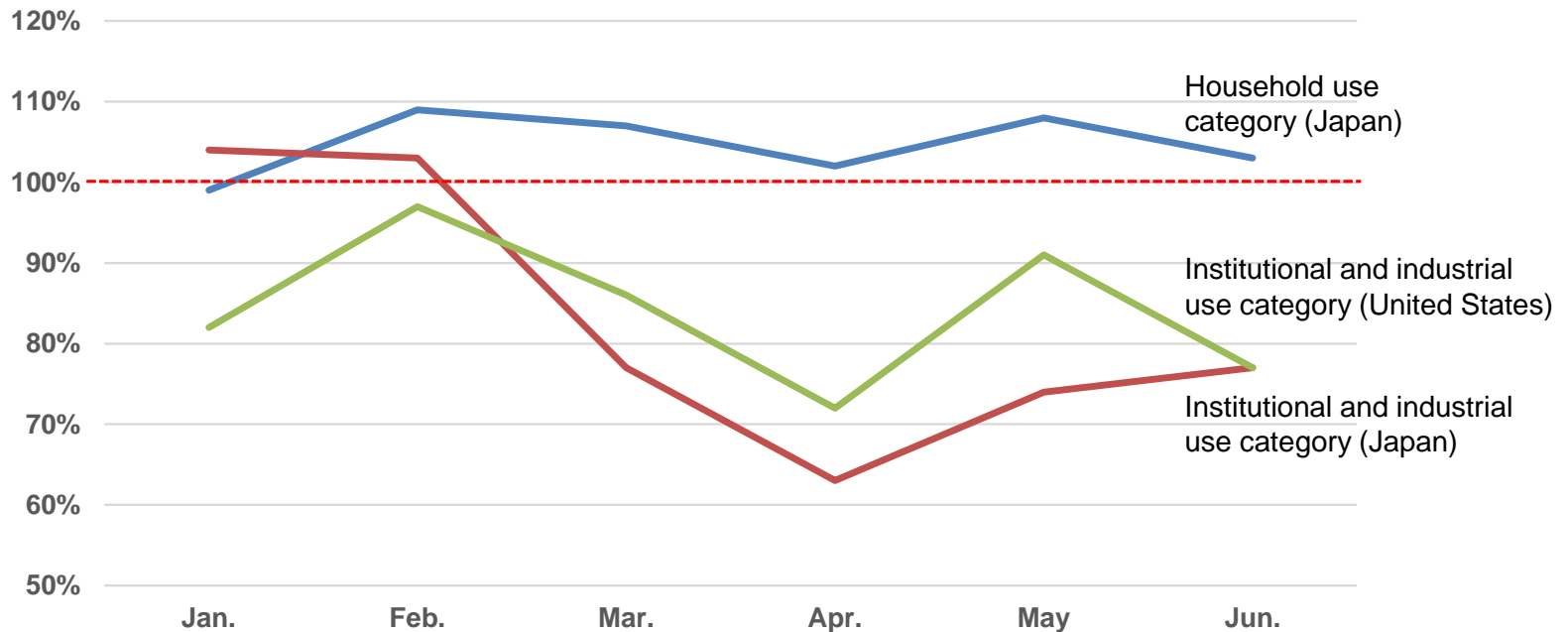
Provided around
53,000 cartons
as of June 30

Provided vegetable beverages free of charge

- To show support and gratitude to local government workers and health workers at the frontline in the fight against COVID-19

Impact of COVID-19 on Business (Timeline)

Year-on-year changes in revenue in severely affected categories



Household use category (Japan) (beverages and food from domestic processed foods)

- Sales were strong mainly due to stimulation of demand through “Let’s Eat Vegetables” campaign
- Sales held firm even after COVID-19 outbreak due to increased consumption at home

Institutional and industrial use category (Japan)

- Sales were brisk prior to the COVID-19 outbreak but have been significantly below the year-ago level since March
- Sales bottomed out in April and recovered to approx. 70% of the level of the previous year by June.

Institutional and industrial use category (United States)

- Orders already showed slow growth before COVID-19, but revenue is much lower than the year-ago level due to COVID-19
- Orders bottomed out in April and recovered 90% in May and was at the level of approx. 70% in June.

2. Summary of Business Results for FY2020/2Q

FY2020/2Q Consolidated Results

Unit: 100 million yen

	Consolidated Results				1Q		2Q	
	Results		Year on year		Results	YoY	Results	YoY
		Margin		Rate of change				
Revenue	888	-	+3	+0%	409	+10	480	(7)
Core Operating Income	64	7%	+9	+17%	20	+4	44	+5
Operating Income	69	8%	(3)	(4)%	24	+8	45	(11)
Net Income ^{*1}	46	5%	(9)	(16)%	16	+5	30	(14)

*1 Net income attributable to owners of parent

ROE	4.2%	(1.2) pt
ROA	3.0%	+0.2 pt
EPS	51.66	(9.87)

Main factors for increase in revenue

- Increased sales of beverages, condiments and other products in domestic processed food business

Main factors for increase in income (core operating income)

- Decrease in sales promotion expenses and reduction of costs in domestic business

Main factors for decrease in income (income level below the operating income)

- Temporary profit at the time of integration of logistics subsidiaries with F-LINE in the previous year

FY2020/2Q Results by Segment

Unit: 100 million yen

		Revenue				Core Operating Income			
		FY2019	FY2020	Year on year	Rate of change	FY2019	FY2020	Year on year	Rate of change
	Beverages	353	365	+12	+3%	26	36	+10	+38%
	Food and others	276	272	(4)	(2)%	21	20	(1)	(5)%
	Domestic processed food business	629	637	+8	+1%	47	55	+9	+19%
	Domestic agriculture business	52	54	+2	+4%	0	2	+2	-
	International business	233	226	(7)	(3)%	6	4	(2)	(35)%
	Other/adjustments	(28)	(28)	+0	-	2	2	+0	-
	Total	885	888	+3	+0%	54	64	+9	+17%

Domestic processed food business

- Beverages: Gains in revenue and profit mainly due to growth in stay-at-home demand and stimulation of demand through the “Let’s Eat Vegetables” campaign
- Food and others: Declines in revenue and profit due to decreased sales of products for institutional and industrial use caused by a slump in demand in the food service sector

Domestic agriculture business

- Gains in revenue and profit mainly due to strong sales in 2Q and reform of the earnings structure

International business

- Declines in revenue and profit, reflecting decreased revenue from the industrial category in the United States

Domestic Processed Food Business (Beverages)

Gains in revenue and profit mainly due to the “Let’s Eat Vegetables” campaign and health-related demand and consumption at home because of COVID-19

Unit: 100 million yen

Domestic Processed Food Business (Beverages)	Revenue			Core Operating Income		
	FY2019	FY2020	YoY	FY2019	FY2020	YoY
	353	365	103%	26	36	138%

Year-on-year comparison of revenue by container size

	200 ml	720 ml	1000 ml	Total
Tomato juice	98%	104%	131%	103%
Yasai Seikatsu 100	104%	110%	116%	106%
Yasai Ichinichi Kore-Ippon	108%	116%	109%	109%

Yasai Seikatsu 100 includes smoothies. 250ml and 330ml container revenue is aggregated under 200ml container revenue.

Growth in consumption due to “Let’s Eat Vegetables” campaign and impact of COVID-19

- Stimulated demand through commercials linked to campaign and emphasis on value
- Expanded Kagome’s share of vegetable beverage market to 57% (up 1 pt YoY)
- Sales of large-container products were strong thanks to an increase in opportunities for consuming beverages at home



Yasai Seikatsu Soy+
Launch date: February 25

Tomato juice (Revenue of 5.7 billion yen, 103% year-on-year)

- Sales remained brisk, reflecting development of heavy users

Yasai Seikatsu 100 (Revenue of 20.5 billion yen, 106% year-on-year)

- Yasai Seikatsu 100 Apple Salad performed strongly.
- Sales of new product Yasai Seikatsu SOY+ were 130% of forecast level

Yasai Ichinichi Kore-Ippon (Revenue of 5.9 billion yen, 109% year-on-year)

- Sales of both large and personal-size containers were brisk

Factors for increase in core operating income

- An increase in sales revenue, a decrease in promotion expenses and cost reduction, which offset a year-on-year increase of 530 million yen in advertising expenses

Domestic Processed Food Business (Food and others)

Both revenue and profit decreased due to decline in products for institutional and industrial use, despite brisk sales of products for home-cooked food and direct marketing sales

Unit: 100 million yen

Domestic Processed Food Business (Food and others)	Revenue			Core Operating Income		
	FY2019	FY2020	YoY	FY2019	FY2020	YoY
		276	272	98%	21	20



Products for home cooked food (Revenue of 9.5 billion yen, 110% year-on-year)

- Demand for food products increased due to an increase in home-cooked meal opportunities
- Revenue from tomato ketchup was 4.7 billion yen (110% YoY)
- Sales of basic tomato and pasta sauces were also higher than the year-ago level



Direct marketing (Revenue of 5.6 billion yen, 109% year-on-year)

- Tsubuyori Yasai, vegetable potage and supplements all performed strongly



Products for institutional and industrial use (Revenue of 8.7 billion yen, 81% year-on-year)

- Sales were above the year-ago level through to February but fell dramatically from March
- Products such as frozen grilled vegetables plummeted because hotels and restaurants account for a large percentage of their total sales

Factors for increase in core operating income

- Although revenue from products for home-cooked food and direct marketing revenue increased, these factors for increase were offset by a sharp decline in revenue from products for institutional and industrial use and an increase in advertising expenses in direct marketing business of 0.23 billion YoY

Both revenue and profit increased , reflecting brisk sales in 2Q and reform of earnings structure

Unit: 100 million yen

Domestic Agriculture Business	Revenue			Core Operating Income		
	FY2019	FY2020	YoY	FY2019	FY2020	YoY
	52	54	104%	0	2	-



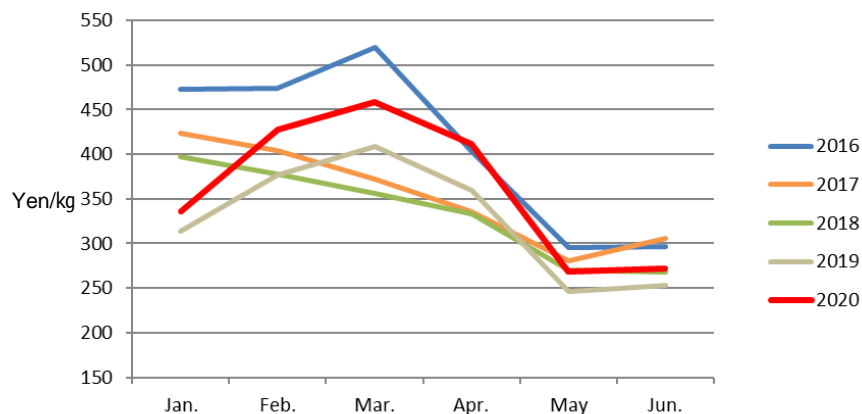
Trends in fresh tomato sales

(1Q)

- Tomato procurement volume fell mainly due to lack of sunshine at Iwaki Onahama Green Farm, and sales volume were also below the year-ago level

(2Q)

- Revenue increased, reflecting higher utilization rates due to expansion in sales channels of plantations
- Income increased mainly due to reduction of fixed costs



Trend in market price of fresh tomatoes

- Market prices rose sharply from March through April due to growing demand for home-cooked food
- Prices returned to normal year levels from May when the availability of tomatoes increased

Domestic Business Implementation of “Let’s Eat Vegetables” campaign

Stimulation of demand for vegetables by putting a full-page ad in a national paper and on product packages

Newspaper ad



Promotion using TV ad and packages





Announcement at press conference



Sales revenue in June:
125% of sales revenue in June 2019

Domestic Business Implementation of “Let’s Eat Vegetables” campaign

Progress of measures taken

Measures	Details	Results
Communicate information via vegetable ambassadors	Information about vegetables spread by well-known people	Six Vegetable Ambassadors shared information on how they themselves eat vegetables on social media
Vegetable Maestro Skills Test 	Tests taken by employees capable of learning basic knowledge, who become vegetables evangelists	1,406 employees of approx. 2,500 in the company have been certified as “Class 3.”
Collaboration with other companies and organizations (vegetable promotion project)	Collaboration with companies and organizations from other sectors to communicate the benefits of vegetables	Progress was delayed in the first half of the fiscal year due to the impact of COVID-19, yet a kick-off meeting will be held on July 31.
“Veggie Check” experiences 	Have consumers experience “Veggie Check,” a vegetable intake estimation machine, in stores and events.	Use at supermarkets and events across Japan was delayed due to COVID-19.

**Let’s Eat Vegetables campaign will continue in and after FY2021.
Stimulate demand for vegetables and encourage consumption
of an additional 60 g of vegetables.**

Decrease in both revenue and profit due to restrictions on the business in the U.S. restaurant industry

Unit: 100 million yen

International Business	Revenue			Core Operating Income		
	FY2020	YoY	YoY (excl. exchange rate impact)	FY2020	YoY	YoY (excl. exchange rate impact)
U.S.: Kagome Inc.	92	(18)	(17)	0	(3)	(3)
Portugal: HIT	54	+8	+10	(0)	(1)	(1)
Kagome Australia Pty Ltd.	31	(2)	+1	1	(0)	(0)
U.S.: UG	23	+2	+2	4	+2	+2
Other, adjustments	25	+4	+4	(1)	+1	+0
International Business total	226	(7)	+0	4	(2)	(2)



U.S.: Kagome Inc.

- Revenue and profit both decreased mainly due to the slump in food service demand caused by COVID-19

Portugal: HIT

- Although revenue increased on the back of growth in demand for home-cooked food due to COVID-19, profit decreased, reflecting an increase in the sales component ratios of products with low profit rates

Kagome Australia Pty Ltd.

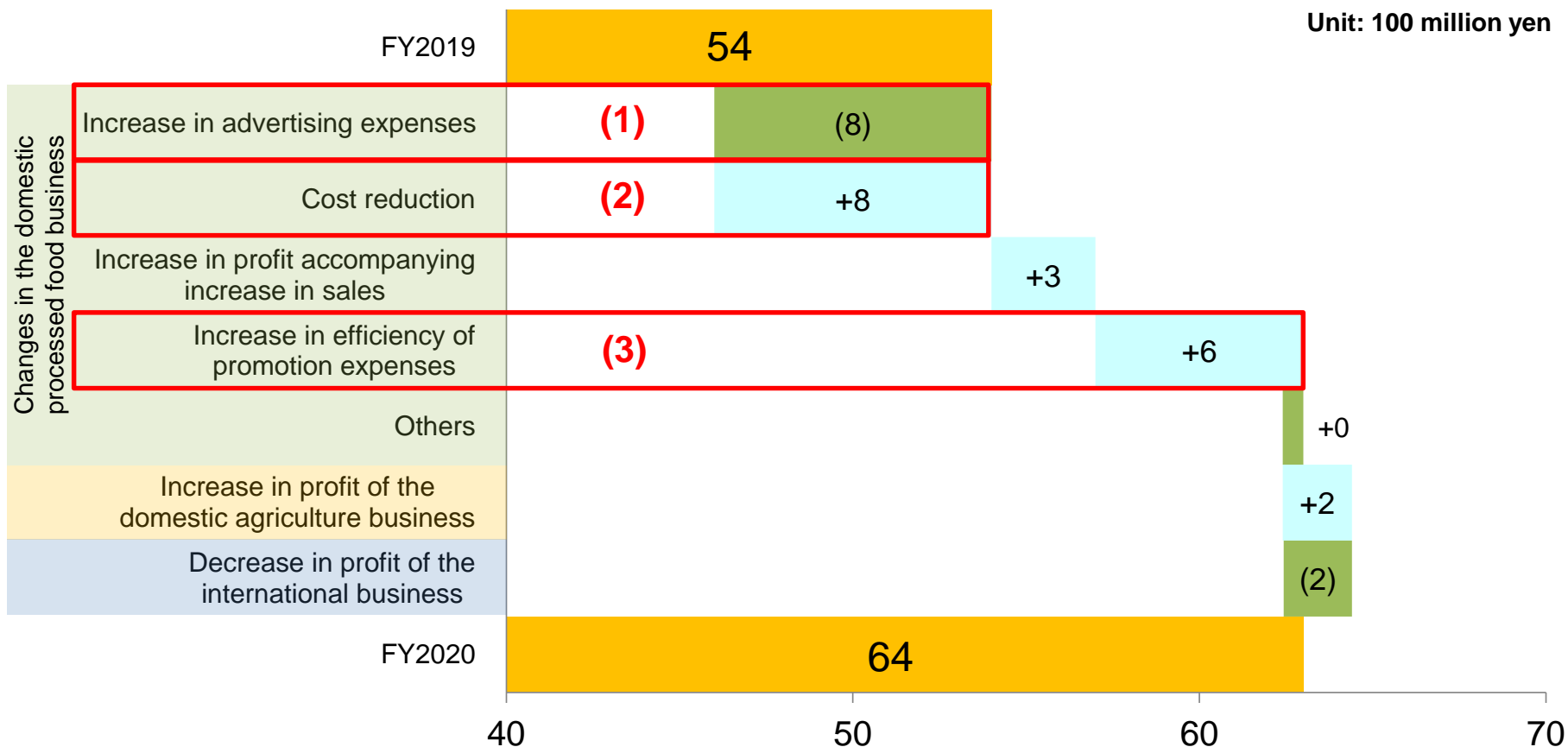
- Almost at the same level of the previous year

U.S.: UG

- Revenue and profit both increased due to brisk sales of seeds and seedlings to Turkey and Italy



Factors Contributing to Core Operating Income Changes



- (1) Increase in advertising expenses: Mainly TV commercials linked to “Let’s Eat Vegetables” campaign
- (2) Cost reduction: Improvement of procurement strategy and shift to in-house production of PET bottles helped achieve cost reduction despite an increase in raw material cost due to market conditions
- (3) Increased efficiency of sale promotion expenses: Fewer sales promotion opportunities due to COVID-19

Factors Contributing to Operating Income and Profit Changes

Unit: 100 million yen

	FY2019	FY2020	
Core operating income	54	64	
Total other income (expenses)	18	5	
Breakdown			
Gain on sales of non-current assets	0	9	(1)
Loss on disposal of non-current assets	(0)	(2)	(2)
Gain on sale of businesses	17	-	(3)
Other	1	(2)	
Operating income	72	69	
Profit before income tax	72	69	
Income tax expense	17	23	
Effective tax rate	24%	33%	(4)
Profit	55	46	

- (1) Increase due to disposal of investment property for leasing
- (2) Loss on disposal of non-current assets for line renewal of the Fujimi Plant
- (3) Gain on sale of businesses to F-LINE, a new logistics company, in previous fiscal year
- (4) Increase in the effective tax rate for the FY under review due to the absence of tax payment for the gain on sale of businesses in the previous fiscal year

Changes to Statement of Financial Position

Assets/liabilities and equity

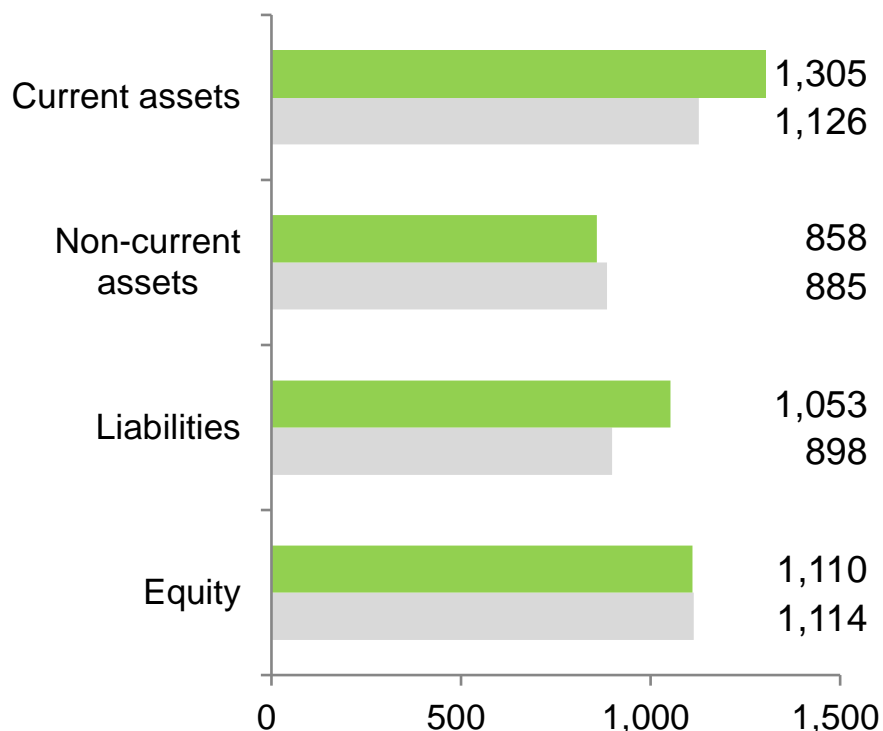
¥216.3 B (up ¥15.1 B from the end of FY2019)

Equity attributable to owners of parent to total assets:

49.9% (down 4.0 points from the end of FY2019)

Unit: 100 million yen

Unit: 100 million yen



■ : Dec. 31, 2019 ■ : Jun. 30, 2020

Current assets: up 178

Cash and cash equivalents +181: Increase in time deposit corresponding to borrowings, etc.

Operating and other receivables +17, Inventories (21), etc.

Non-current assets: down 27

Other non-current assets (28): Sale of Investment property, etc.

Liabilities: up 155

Borrowings + 154: Increase in preparation for tightness of financing conditions due to the spread of COVID-19, etc.

Equity: down 3

Net income attributable to owners of parent +46, dividends (31), purchase of treasury stocks (13), etc.

Changes in Cash Flow

Unit: 100 million yen

	FY2019	FY2020	Change
Cash flows from operating activities (A)	68	74	6
Cash flows from investing activities (B)	(60)	1	61
Free cash flows (A+B)	7	75	68
Cash flows from financing activities	(94)	106	200

Factors contributing to changes in cash flows

<Cash flows from operating activities>

- Profit before income taxes (3), depreciation and amortization +2, loss (gain) on sales and retirement of non-current assets (7), increase (decrease) in operating and other receivables +4, income taxes paid +14, etc.

<Cash flows from investing activities>

- Purchase of property, plant and equipment, and intangible assets +32
- Proceeds from sales of property, plant and equipment +38
- Payments for acquisition of businesses (5), etc.

<Cash flows from financing activities>

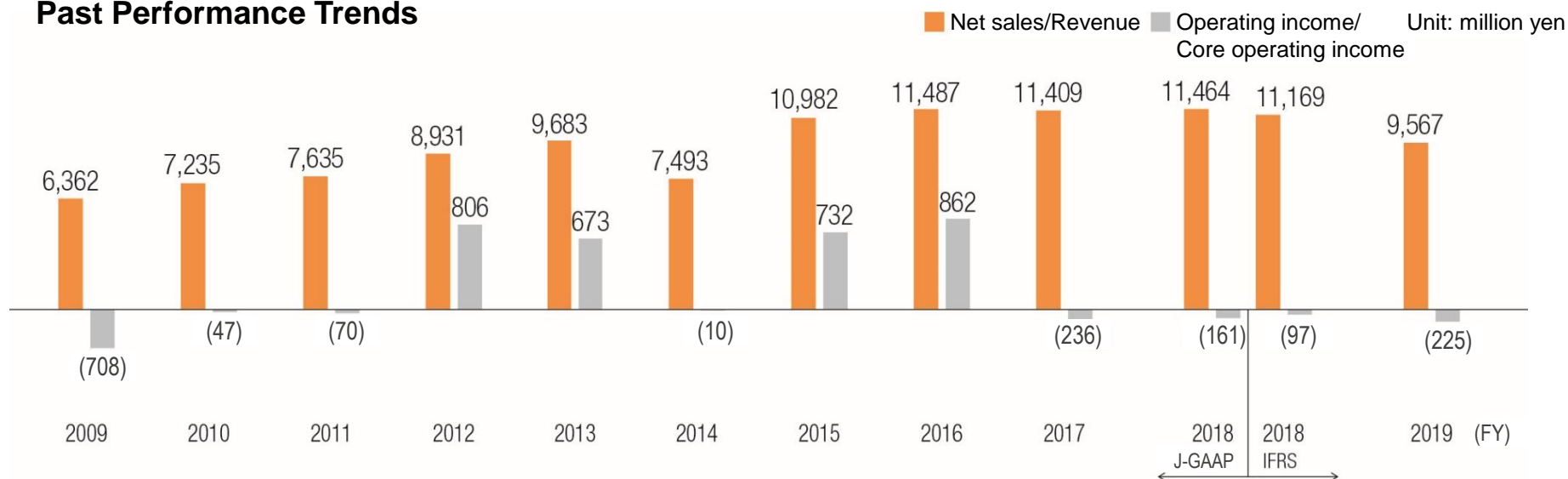
- Net increase (decrease) in short-term borrowings +210, net decrease (increase) in treasury shares (14), cash dividends paid +4, etc.

3. Reform of Earnings Structure of Domestic Agriculture Business

Current Status and Challenges of Domestic Agriculture Business

Performance has been poor since FY2017 and efforts to reform the earnings structure will continue

Past Performance Trends



- Business was launched in 1998, turned profitable in FY2012 and revenue topped 10 billion yen in FY2015
- From FY2017, competition intensified due to market entry by large-scale plantations and the market price of fresh tomatoes fell
- Performance has been poor since FY2017 and efforts to reform the earnings structure will continue

Establishment of New Company in Domestic Agriculture Business

Establishment of Kagome Agrifresh Co., Ltd. (KAF)

- Plan to establish new company (as wholly-owned subsidiary) on October 1, 2020
- Plan to transfer domestic agriculture business to KAF in January 2021 through company split (simplified absorption-type split)

Aims of Establishment of New Company

(1) To speed up decision-making

- To create a more autonomous, agile organization by spinning off the business
- To speed up decision-making to be able to adapt to a dramatically changing environment

(2) To improve productivity

- To develop human resources specializing in the agriculture business and achieve more sophisticated plantation management and cultivation technology
- To recruit employees specifically for KAF and consider establishing working conditions more suited to the business in the future
- To manage profitability more carefully and strengthen cost competitiveness

(3) To promote alliances

- To actively acquire knowledge from external parties in order to transform ourselves into a “vegetable company”
- To actively promote alliances with other companies, including capital tie-ups

(4) To strengthen governance

- To strengthen the governance framework of the agriculture business through delegation of business management of each plantation to KAF

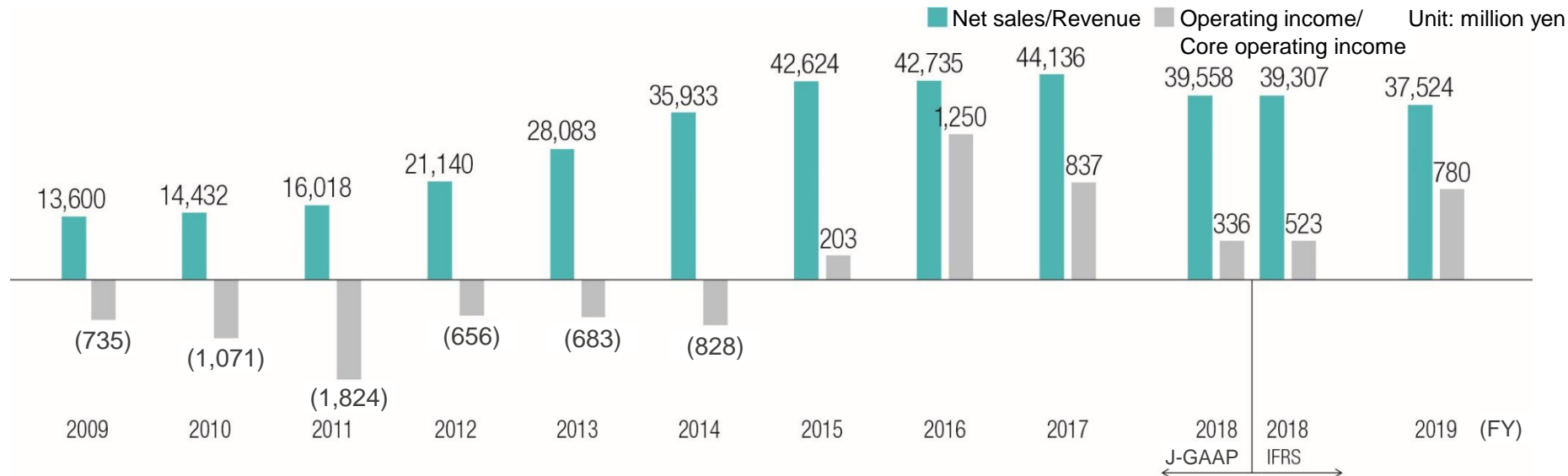
Strengthen the revenue base and expand the domestic agriculture business

4. Reform of Earnings Structure of International Business

Current Status and Challenges of International Business

Performance has been poor since FY2017 and efforts to reform the earnings structure will continue

Past Performance Trends



- The aim was a vertically integrated business model covering all stages from the development of seeds to the production, processing and sale of agricultural products based on the assumption of growth in global demand for tomato paste
- The business, which was unprofitable until 2015, was made profitable
- In recent years, performance has deteriorated, especially in the primary processing domain, due to a slowdown in demand for tomato paste
- The secondary processing domain of Kagome Inc., the core company in this segment, is also facing a challenging business environment due to COVID-19

Direction of Earnings Structure Reform of International Business

Focus on reforming the earnings structure of primary processing and strengthen secondary processing particularly in the U.S.



Portugal-based HIT, which is core company in primary processing domain

- Focus on structural reform at an appropriate size and reduce performance volatility rather than chasing expansion in scale
- Specific measures for the above are currently under consideration



U.S.-based Kagome Inc., which is core company in secondary processing domain

- Reduce fixed costs in response to dramatic deterioration in performance
- Introduce measures such as putting staff on temporal leave to minimize losses during the first half
- Concentrate on the U.S. rather than pursuing global development

Primary processing: Work on HIT reform and reduce performance volatility
Secondary processing: Verify the growth potential of Kagome Inc. in the U.S.

5. FY2020 Full-year Consolidated Results Forecasts and Numerical Targets under Second Mid-term Management Plan

FY2020: Revision of Full-Year Results Forecasts

Unit: 100 million yen

	Revenue				Core Operating Income			
	FY2019	FY2020			FY2019	FY2020		
	Results	Initial forecast	Revised forecast	Change	Results	Initial forecast	Revised forecast	Change
Domestic processed food business	1,325	1,364	1,338	(26)	112	102	110	+8
Domestic agriculture business	96	108	105	(3)	(2)	4	3	(1)
International business	444	458	424	(34)	8	14	8	(6)
Others/adjustment	(56)	(62)	(54)	+8	5	4	3	(1)
Total	1,808	1,867	1,814	(53)	123	124	124	—

* As of FY2020 the export beverage business has been transferred from the "Other" segment to the "international business" segment. Corresponding figures for FY2019 have been converted.

Consolidated

- Initial forecast for core operating profit is expected to be reached although downward revision was made for sales revenue

Domestic Processed Food Business

- Forecast for sales revenue was revised since a decrease in sales of institutional/industrial-use products will continue throughout the year
- Forecast for core operating profit was revised upward based on the increased efficiency of promotion expenses

Domestic agriculture business

- A decrease in revenue in the first quarter will be recovered in the second half of the fiscal year. Will turn a profit

International Business

- Sales revenue of Kagome Inc. is expected to remain at approx. 70% of the level in the previous year
- Revenue and core operating income forecasts have both been lowered

Priority Strategies for Second Half of FY2020

Stimulate demand for vegetables through the “Let’s Eat Vegetables” campaign



AsahiKASEI
旭化成ホームプロダクツ

ANA Sales

ABC Cooking Studio

ONO 小野薬品

OMRON

cookpad

全農

ANA

大和総研グループ

タ本のタキイ

東急

Orchestrating a brighter world
NEC

Panasonic

Benesse

星野リゾート

YANMAR

LE CREUSET

NEVER SAY NEVER
ロート製薬

Stimulate demand for vegetables through the “Let’s Eat Vegetables” campaign

- Continue the promotion focusing on the “Let’s Eat Vegetables” campaign
- Promote demand for vegetables and help establish the daily habit of vegetable consumption

Launch Vegetable Consumption Promotion Project in cooperation with other companies and organizations

- Launch full-scale cooperation with other companies and organizations, which has been delayed due to COVID-19, and start a big movement
- Hold an online kick-off meeting on Friday, July 31

Priority Strategies for Second Half of FY2020



Launch date: October 28
Foods with functional claims
 Yasai Seikatsu 100 Care+

Domestic Processed Food Business (Beverages)

- Expand retailers selling large-sized containers, which are in increasing demand
- Make seasonal health proposals in response to heightened health awareness
- Introduce foods with functional claims for the first time under the Yasai Seikatsu brand
 Generate demand using the functions “to protect skin moisture” and “keep the body warm”
- Launch campaigns using popular characters again this year

Pasta



Hotpot



Examples of proposals of recipes combining fresh tomatoes and condiments

Domestic Processed Food Business (Food and others)

- Meet growing demand for home-cooked meals by strengthening proposals for tomato ketchup as a general-purpose condiment
- Propose recipes which help consumers manage their health and increase their vegetable intake
- In the institutional and industrial use category, focus on making proposals for meal replacement and industrial use products

Domestic Agriculture Business

- Stimulate demand through proposal of recipes using fresh tomatoes
- Achieve profitability through expansion of procurement from summer and autumn production areas

International Business

- Continue efforts to reform the earnings structure
- Focus on sales of vegetable beverages in Asia



Numerical Targets under Second Mid-term Management Plan

Revised Targets for Final Year of (FY2021) Second Mid-term Management Plan

Unit: 100 million yen

		Final Year of First Mid-term Management Plan		Final Year of Second Mid-term Management Plan				
		FY2018		FY2021 Initial target		FY2021 Revised target		Change
		Results	Profit margin	Target	Profit margin	Target	Profit margin	
Domestic processed food business	Revenue	1,340	-	1,480	-	1,374	-	(106)
	Core Operating Income	119	8.9%	124	8.4%	108	7.9%	(16)
Domestic agriculture business	Revenue	112	-	140	-	106	-	(34)
	Core Operating Income	(1)	(0.9)%	8	5.7%	5	4.7%	(3)
International business	Revenue	394	-	500	-	380	-	(120)
	Core Operating Income	6	1.5%	30	6.0%	12	3.2%	(18)
Consolidated	Revenue	1,846	-	2,120	-	1,860	-	(260)
	Core Operating Income	124	6.7%	162	7.6%	125	6.7%	(37)

Future Direction

	Before	After
Domestic processed food business (Beverages)	Strengthen functional, plant-based and target-specific beverages	In addition to the strategies on the left, respond to heightened health awareness and home-cooked food opportunities (Stress health benefits of routinely drinking vegetable beverages and promote large-sized containers, etc.)
Domestic processed food business (Food and others)	Strengthen meal replacement and food service markets	In addition to the strategies on the left, respond to the home-cooked food opportunities (recipes using condiments, etc.)
Domestic agriculture business	Achieve revenue growth through completion of reform of earnings structure	Achieve reform of earnings structure and revenue growth through new company
International business	Achieve revenue growth through completion of reform of earnings structure	Structural reform focusing on Kagome Inc. and HIT

2025 Goal

**“Become a strong company
that can achieve sustainable growth
resolving social issues through foods.”**

2025
Long-term Vision

**Transform from a “tomato company”
to a “vegetable company”**



**Survive in the “food and health” domain
through the power of vegetables**

**Growing consumer interest in a healthy
diet and increasing immunity**

Note

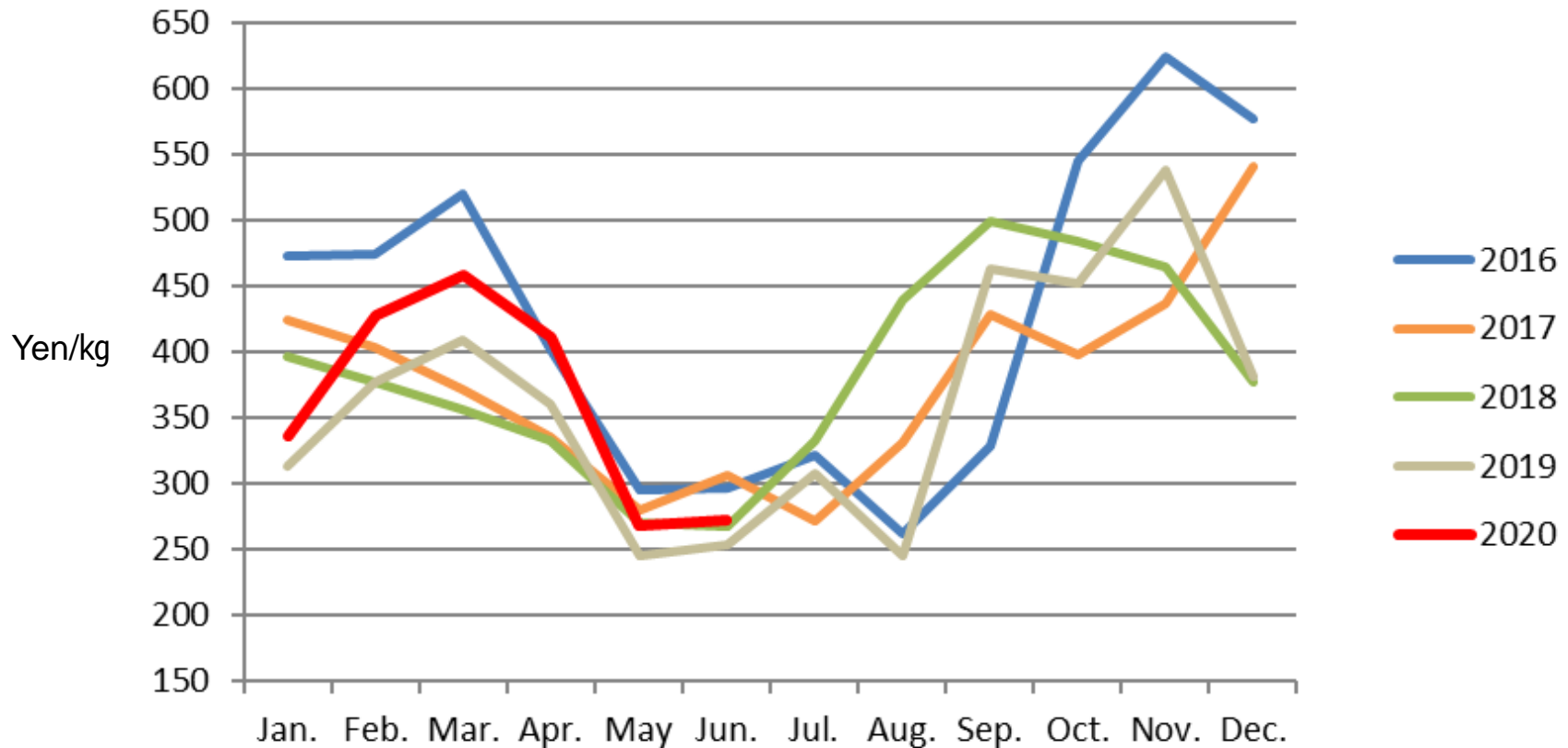
All information contained herein on the current plans, forecasts and strategies of Kagome that does not consist of historical facts is based on judgments made by Kagome's management from currently available information. We therefore request that you refrain from relying comprehensively and solely on these forecasts. Please note that actual results may differ materially from these forecasts due to various important factors that could have an impact on actual results, including but not limited to (1) weather, particularly low temperatures in summer, (2) product accidents such as contamination by foreign substances, (3) economic conditions, particularly consumer trends, surrounding the business domains of Kagome, and (4) Kagome's capability of continuing to plan and develop products and services that will be accepted by customers in the market exposed to fierce competition that is characterized by rapidly changing customer preferences. The purpose of these materials is to promote a greater understanding of Kagome, and not necessarily to solicit investment in Kagome. Market data, etc. stated herein are also prepared based on information that the Company deems to be reliable and accurate. However, please note that these data, including future as well as past data, could change without prior notice due to revisions, etc.

Reference

Fresh Tomato Market Prices

Trends in the fresh tomato market

- A downward trend in market prices has continued since 2017.
- Market structure tends towards excessive supply, due to factors such as the increase in the number of large-scale glasshouse plantations.



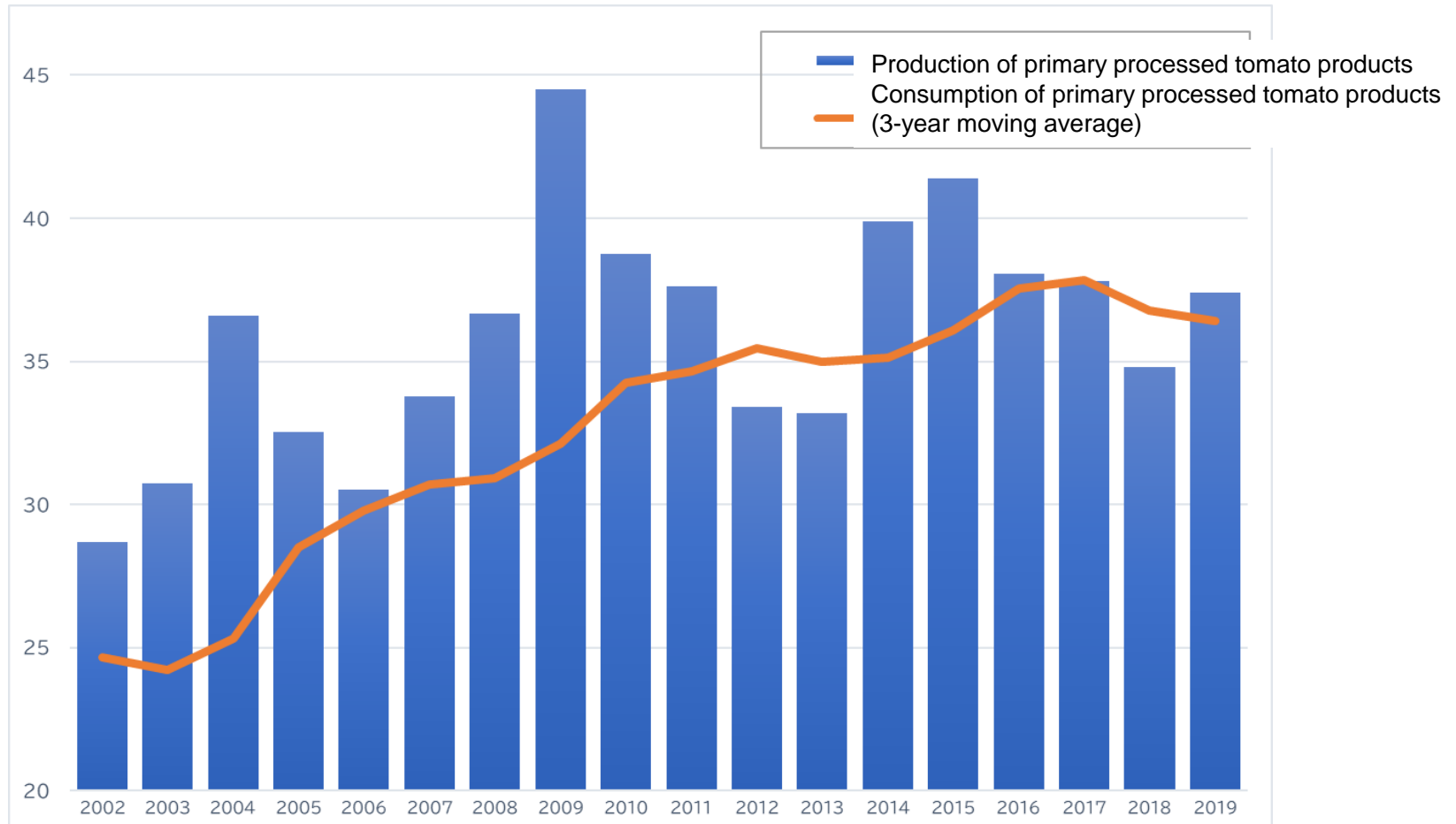
Source: Created based on market statistics data obtained from the Tokyo Metropolitan Central Wholesale Market website

Worldwide Production and Consumption of Primary Processed Tomato Products

Trends in worldwide production and consumption (3-year moving average) of primary processed tomato products(*)

(*) Primary processing: Tomato paste, whole tomatoes, and diced tomatoes

- Both production and consumption have slowed since around 2016



Produced by Kagome based on *Tomato News*, worldwide consumption of tomato products

Key Activities to Protect the Environment in FY2020

Jan.	Established Kagome Plastic Policy to reduce environmental load Goal 1: By 2030, stop using all straws made of oil-based materials attached to beverages in paper containers Goal 2: By 2030, switch at least 50% of beverage PET bottles to recycled, plant-based materials
Apr.	Started to shift from plastic caps on paper containers of beverages to plant-based materials (pictured below)
	Started to shift from straws attached to paper containers to ones containing 5% of plant-based materials.
Jul.	Started to consider biodiversity preservation at Kagome Yasai Seikatsu Farm Fujimi (Nagano Prefecture)
Sep.	Will start to shift from 265 g PET bottles for tomato juice to 100% recycled materials.
Oct.	Will start “month year” display for best-before dates, aiming to reduce food waste

Compliance with TCFD (Task Force on Climate-related Financial Disclosures) Recommendations

- We conducted a climate change scenario analysis in accordance with TCFD (Task Force on Climate-related Financial Disclosures).
- Please refer to p42-43 of the Integrated Report for further details.

https://www.kagome.co.jp/library/company/ir/data/integratedreport/2020/pdf/report_1.pdf

Shift to plant-based materials

