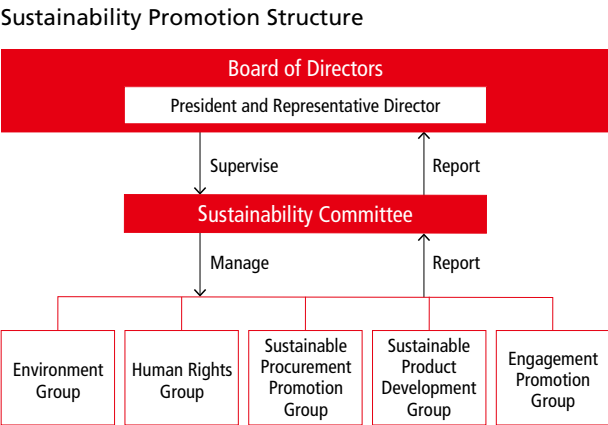


# Sustainability Promotion Structure and Materiality

At the S&B Foods Group, we have identified issues of high importance (materiality) under our Sustainability Promotion Structure. We have established the S&B Foods Mission as the goal of our activities, and set targets and KPIs for the Third Medium-Term Business Plan.

## Sustainability Promotion Structure

The S&B Foods Group’s structure for sustainability promotion is centered on the Sustainability Committee, which is under the direct control of the Board of Directors and chaired by the President and Representative Director. The committee’s five subcommittees—the Environment Group, Human Rights Group, Sustainable Procurement Promotion Group, Sustainable Product Development Group, and Engagement Promotion Group—set sustainability-related targets and evaluate progress and achievement against these targets.



## Activities of the Sustainability Committee and its Groups

In fiscal 2023, the Sustainability Committee met twice to monitor and provide instructions and advice to the Promotion Group on sustainability issues based on

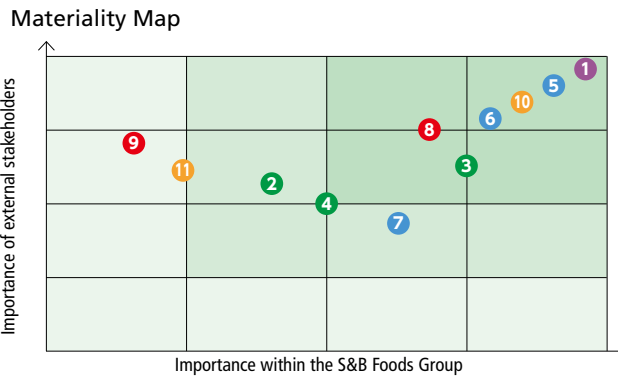
matters discussed by each group, and reported its activities to the Board of Directors. The roles of each group and their activities in fiscal 2023 are as follows.

	Role	Main Activities
Environment Group	Promoting initiatives to address environmental issues such as climate change and biodiversity (target formulation and progress management)	• Establishing a roadmap toward carbon neutrality and exploring measures to reduce emissions
Human Rights Group	Promoting the establishment and operation of a human rights due diligence framework for the S&B Foods Group	• Reconciling human rights risks in the business activities of S&B Foods • Holding dialogues with experts on human rights and internal study sessions
Sustainable Procurement Promotion Group	Promoting sustainable ingredient procurement (commitment) related to our products	• Making revisions in line with the achievement of our Sustainable Procurement Commitment and activities aimed at achieving goals
Sustainable Product Development Group	Gathering and disseminating information and promoting activities necessary for the planning and development of sustainable products	• Incorporating sustainable product development policy into the product development flow and creating a roadmap • Promoting environmental considerations in new product development
Engagement Promotion Group	Raising awareness of employees as a source of value creation and stimulating a virtuous cycle	• Exploring various measures to improve engagement

## Materiality (Key Issues) Identification Process and Establishment of the S&B Foods Mission (Activity Goal)

Through cooperation with external experts, S&B Foods has comprehensively identified social issues related to the food industry, evaluated their importance through questionnaire surveys of internal and external stakeholders, and specified the issues of high importance (materiality) for S&B Foods. When formulating the Third Medium-Term Business Plan, we revised this materiality based on a consideration of factors such as the corporate environment and changes in social conditions. We plan to revise our specification of materiality at the conclusion of the Third Medium-Term Business Plan in fiscal 2025, and will do so regularly as needed in view of social demands, with the Sustainability Committee continuing to play a central role.

We have established the S&B Foods Mission as the goal of our activities for our identified materiality. Under this activity goal, we will continuously engage in



a range of activities such as socially and environmentally minded product supply, reducing environmental impact, and promoting diversity at each stage of the value chain, aiming for social and corporate sustainability through our businesses. The S&B Foods Mission is also reflected in each strategy under the Third Medium-Term Business Plan.

### Targets Based on the S&B Foods Mission (Third Medium-Term Business Plan Non-Financial Targets)

S&B Foods Mission	Materiality (Key Issues)	KPIs	Fiscal Year 2025 Goals
Strengthen safety and reliability initiatives	① Food safety and reliability (quality, etc.)	Implementation of quality assurance council meetings between the quality assurance division and each factory	100%
Reduce environmental impact	② Food shortages and agricultural decline due to climate change ③ Global warming and climate change ④ Resource depletion	Reduction in petroleum-based plastic packaging compared to FY2020	3% reduction
Socially and environmentally minded product supply	⑤ Emergence and increase in food waste (food loss) ⑥ Environmental issues caused by food containers ⑦ The issue of marine plastic waste	Microwave compatibility of household ready-made sauces in pouch	40%
Promote diversity adapted to global society	⑧ Responding to more diverse food needs (Religions, beliefs, allergies, etc.) ⑨ Responding to increasingly diverse work styles (Balance with child-rearing, nursing, etc.; promotion of work-style reforms)	Promotion of sustainable procurement of major spices, palm oil, and paper* Proportions of male and female new graduate recruits Childcare leave take-up rate among men Annual paid leave take-up rate Improvement in employee engagement indicator (compared to FY2022)	— At least 40% each 80% 80% Up 5%
Health and safety for customers and employees	⑩ Health damage due to food (Food allergies, etc.) ⑪ Worker health and safety (Occupational accidents, etc.)	Number of reduced-salt recipes shown on the recipe site Salt reduction in curry products (curry/stew sauce mix and ready-made sauce in pouch) compared to FY2020 Implementation of lifestyle improvement programs related to “meals,” “exercise,” and “sleep” Cumulative implementation of specific health guidance by public health nurses and dietitians during the period	60 recipes 1.5% reduction 70% 100%

\*Target for 2030 under the Sustainable Procurement Commitment