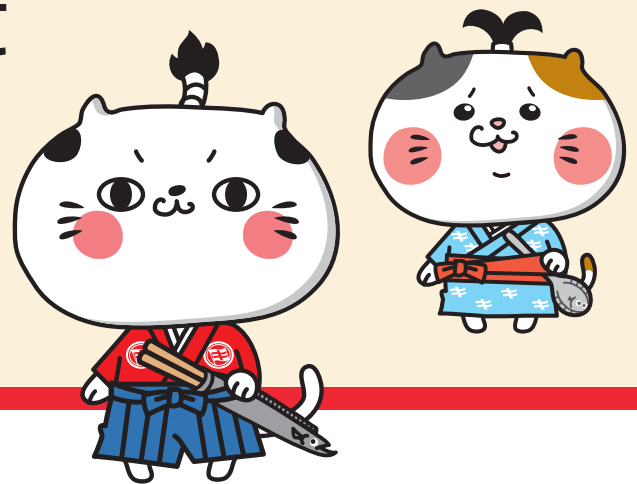




Kyokuyo Group Integrated Report



2022

Always nearby, always delicious. KYOKUYO

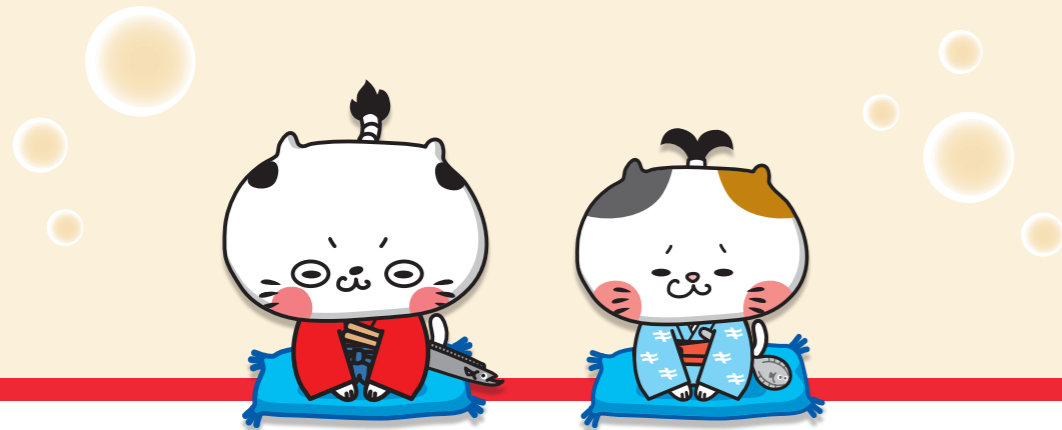
Corporate Philosophy

**Aiming to grow together with society,
contributing to a healthy and heart-enriched lifestyle and
food culture based on management of human respect.**

Kyokuyo Group Corporate Action Charter

**Everyone at the Kyokuyo Group,
from top management to each and every employee,
acts in accordance with our Corporate Action Charter,
based on our Corporate Philosophy.**

1. As a comprehensive food manufacturing group that contributes to society, we provide products and services with safety and security in order to earn the trust of our consumers and customers.
2. We comply with the law, engage in fair, transparent, and free competition, and maintain healthy and normal relationships with government and administration.
3. In addition to our consumers, customers, and shareholders, we widely communicate with society and actively disclose corporate information in a fair manner.
4. We recognize that tackling environmental problems is essential for the survival of our company and its business, and voluntarily and actively act to do so.
5. We strive to maintain an environment where it is easy to work.
6. We act as a member of the international community, and strive to contribute to the development of related regions.



Editorial Policy

In this 2022 Integrated Report, we have focused on communicating, as simply and accurately as possible, the current state of progress, future performance, and long-term outlook for our medium-term business plan "Build up Platform 2024". Furthermore, alongside financial information, we have also worked to provide detailed disclosures of non-financial information. In addition to the written information, we hope that you will be able to gain a feeling for the atmosphere within the Kyokuyo Group from sections, including the 85-year History of the Kyokuyo Group, which this year are presented in visual form (page 7), and also from the photographs of Group executives and employees included in sections such as the Message from the President (page 3), Business Strategy (pages 21-27), Creating a Comfortable Working Environment and Human Resource Development (page 43), Corporate Governance (page 46) and Board of Directors and Auditors (page 49).

As a corporate group, we are also working together to reduce usage of plastics, and we will continue to report on the progress of these efforts in our integrated report alongside the progress of our medium-term business plan.

Report Media

PDF

- ▶ **Kyokuyo Group Integrated Report 2022**/ Report Summarizing Kyokuyo Group's Financial and Non-Financial Information
- ▶ **Kyokuyo Group ESG Databook**/ Data summarizing ESG-related performance data
- ▶ **Summary earnings report**/ Documents summarizing financial statements Summary earnings report for the FY ended March 2022
<https://www.kyokuyo.co.jp/en/files/20220513.pdf>
- ▶ **Annual Securities Report**/ Report summarizing the state of the company after issuing financial statements as stipulated by the Financial Instruments and Exchange Act
Annual Securities Report for the FY ended March 2022
Japanese link: <https://www.kyokuyo.co.jp/files/202206241.pdf>
- ▶ **IR Presentation Materials**/ Materials used at the presentation to explain financial statements, materials summarizing the financial statements and the Group's business activities
Materials describing financial statements for FY ended March 2022
<https://www.kyokuyo.co.jp/en/files/20220531.pdf>

Leaflets

- ▶ **Kyokuyo Group Integrated Report 2022**
- ▶ **Corporate Profile**/ A leaflet providing a summary explanation of the business activities of the Kyokuyo Group
- ▶ **Business report**/ Report on financial statements and company business 99th Business Report
<https://www.kyokuyo.co.jp/en/files/99businessreport.pdf>

Website

- ▶ **Corporate website**/ Includes a summary of the Group's business activities, information relating to IR and ESG, introduction to the company's products and recipes that use the company's products, official online store
<https://www.kyokuyo.co.jp/en/>

Video material

- ▶ **Introduction to the Kyokuyo Group**/ A short video summarizing the Group's business activities and medium-term business plan
<https://www.kyokuyo.co.jp/en/company/movie/index.html>

Period

FY2021 (from April 1, 2021 to March 31, 2022)

* Some information from before and after the targeted period is included.

Scope

In principle, the report covers Kyokuyo's business sites and Group Companies in Japan.

Please refer to page 1 of the web version "Kyokuyo Group ESG Databook 2022" for the scope of environmental data compilation.

Publication Date

September 2022 (Next: August 2023)

Publisher / Inquiries

Division of IR, Business Management Department Kyokuyo Co., Ltd.
Sumitomo Seimei Sanno Bldg., 3-3-5, Akasaka, Minato-Ku, Tokyo 107-0052, Japan
Tel: +81(3)5545-0715

Fax: +81(3)5545-0752

Forward-looking Statements

Forward-looking statements, including forecasts, goals, and plans included in this report, are based on judgments made at the time this document was produced. Actual results may differ from these statements due to various factors such as changes in the future business environment.

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Vision for the future: Becoming “a Leading Company in Our Industry”

The Kyokuyo Group business environment

Currently, in the marine product and food industries, while Japan’s domestic market continues to shrink due to a falling population and lower fish consumption, globally, increases in income, particularly in emerging economies in Asia, are leading to an increase demand for marine products, which is in turn producing a greater competition for the raw materials used in marine products. Additionally, the pandemic has led to significant changes in lifestyles and attitudes to food consumption. As a result, it is increasingly important to respond to rapidly changing and increasingly diverse consumer needs. Furthermore, there is growing uncertainty over future economic and business trends due to factors including the rising cost of procuring raw

materials, the rapid depreciation of the yen resulting from factors such as differences in interest-rate policy among various nations, and also the emergence of further geopolitical risks.

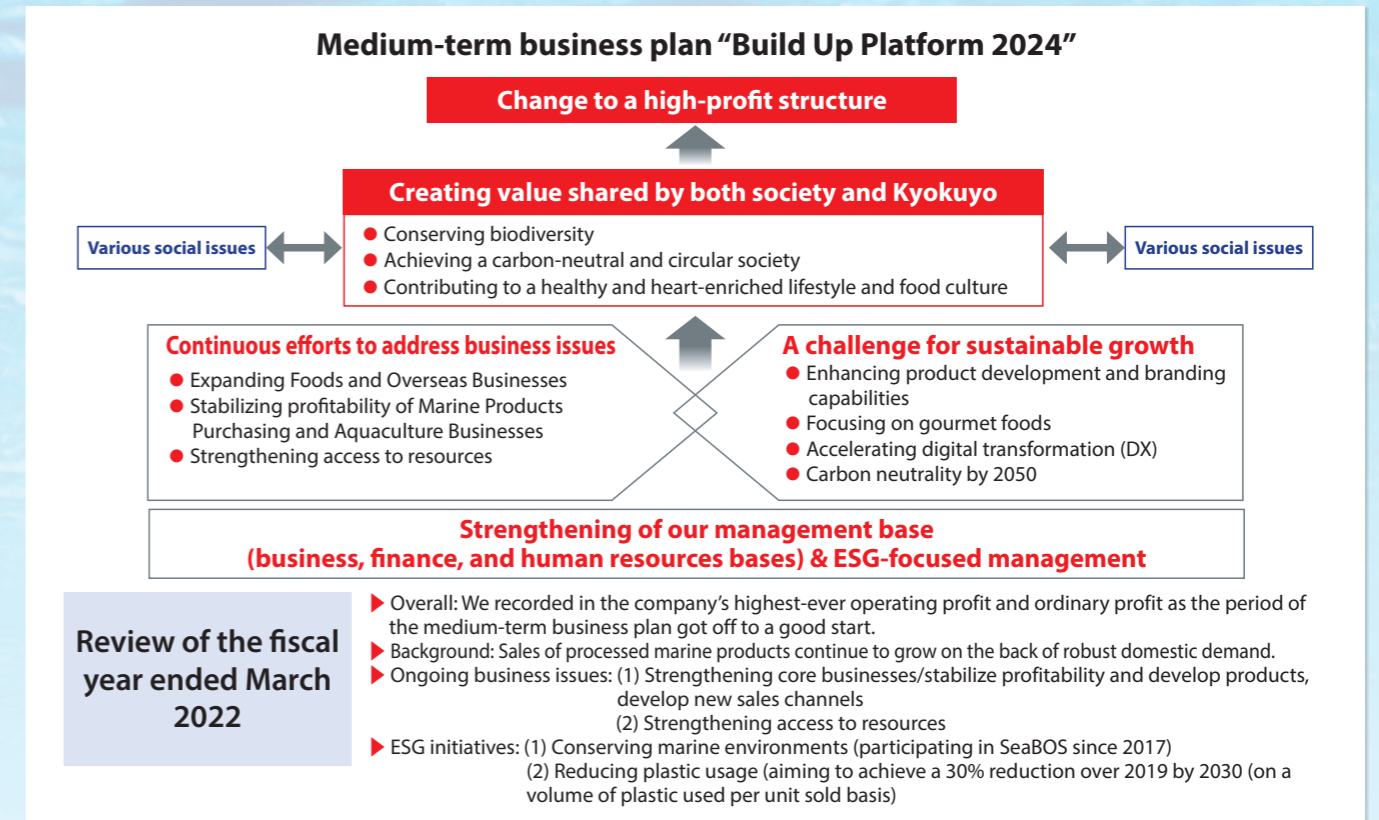
As the Japanese economy moves from 30 years of continued deflation and enters a period of inflation, determining our path forward, specifically our path in the post-pandemic society, is a major issue for the Kyokuyo Group. As we move forward, we will work to achieve our desired future vision, implementing a new business model and approach as we aim to sustainably grow the Kyokuyo Group while fulfilling our responsibilities as a manufacturer of food products at the same time as addressing social issues.

Review of the first fiscal year of our medium-term business plan



“Build Up Platform 2024”, our medium-term business plan, was launched in April 2021. Under the plan, we are aiming to “change to a high-profit structure” that will serve as a foundation for new growth, achieving this goal by creating value shared by both society and Kyokuyo through the implementation of strategies based on the core concepts of “continuous efforts to address business issues” and “a challenge for sustainable growth, as we work to strengthen our business foundations”.

During the fiscal year ended March 2022, the first year of the medium-term business plan, even as the pandemic continued, sales of processed marine products remained strong, supported by robust domestic demand, resulting in the company’s highest-ever operating profit and ordinary profit as the period of the medium-term business plan got off to a good start. At the same time however, we now have a clear review of the issues we must address to achieve continued growth and “change to a high-profit structure”.



Addressing issues

Further strengthening our marine products purchasing business

Our marine products purchasing business, based on its long history, excels in the procurement of high-quality marine products from around the world. This business is the core business of the Kyokuyo Group, but it requires further strengthening to ensure that it will continue to lead the Group’s growth as a major pillar of our business. To achieve this, we are working to build systems and develop products that ensure stable, ongoing profitability, while also developing new sales channels. While working to hedge product supply risk through diversification of procurement sources and processing centers, we are also working to further stabilize profitability by increasing the proportion of high-value added processed marine products in our product lineup, achieving this through measures such as improved production capacity at processing centers and further bolstering of the product lineup we sell through the marine products sections of mass retailers.

With regard to raw materials procurement, growing global demand for marine products together with stricter resource control and stronger fishing regulations aimed at conserving marine resources, means that procuring more raw materials for marine products is an issue. In order to continue securing a stable supply, we must work to strengthen access to marine resources by developing stronger relationships with suppliers. Further, we are working to strengthen our aquaculture business, while also securing procurement of raw materials from land-

based aquaculture, which can be expected to provide stable supply of product with a minimum effect on the environment.

Expanding our foods business

Consumption in the market for food products, particularly frozen food products, is expected to continue growing and sector is expected to contribute greatly to our Group’s future growth. We need to expand and strengthen the food products business so that it can become a major pillar of our operations alongside the marine products purchasing business. In April 2021, with the aim of integrating our production and sales structures and strengthening our ability to propose plan and develop products, we reorganized from a product-based organization to a business-type-based organization. We are beginning to see the results of that change, but this is a work in progress.

As a result of the pandemic, people’s lifestyles and behavior patterns are undergoing significant change. In addition to delivering safe and reliable products and engaging in product development that addresses the consumer needs emerging from these changes, we are aiming to achieve sustainability in our foods business and efficient use of raw materials, further reducing food wastage. We are introducing DX* to help us address these issues.

Furthermore, as a manufacturer of food products, together with the KYOKUYO GLOBAL SEAFOODS Co., Ltd., the group’s main factory, in Thailand, our various group companies, led by

Our Future Vision

Aiming to become “a leading company in our industry”,

serving as a general food company focusing on fish products

As well as to contributing to society by acting on our corporate philosophy of “contributing to a healthy and heart-enriched lifestyle and food culture”, we are also dedicated to the happiness of our employees through the following measures:

Continually working to achieve improvements in all areas including, in addition to net sales and profitability, employee welfare, salaries, the provision of comfortable working environments, participation of female employees in the workplace, and our responses to environmental issues.

Kyokuyo Shokuhin Co., Ltd.’s Shiogama Plant, and our various partner plants, we are working to achieve stable product supply. In addition, we will optimize our operations from procurement of raw materials through to production and sale, thoroughly managing our supply chain, in order to continually provide our customers with reasonably priced product of a consistent quality.

* DX (Digital transformation): delivering improvements to people’s lives through the introduction of digital technology (information and communications technology, ICT).

Expanding our overseas business

While the Japanese market is expected to continue shrinking due to a decline in population, globally, we must work to develop our business and expand our sales overseas, both in emerging economies in Asia, where demand for marine products is increasing with rising income levels, and also in countries such as the United States, where population increases are projected.

However, over the past two years, due to factors including the falling overall demand overseas resulting from the pandemic and the loss of opportunities for close communication with partners overseas for reasons including the reduced frequency of overseas business trips caused by travel restrictions, the expansion of our overseas business is lagging behind schedule. As we move forward, in order to speed up the progress of our overseas business expansion, we will be strengthening our overseas production bases and actively expanding our overseas sales network.

Further strengthening our tuna and aquaculture businesses

In our overseas purse seine fishing business, which operates in the western and central Pacific Ocean and principally catches skipjack tuna, there is increasingly fierce competition with overseas fishing fleets composed principally of large fishing boats, and we have been facing the issue of improving operational efficiency. In August 2022, our Group launched our first new overseas purse seine fishing boat in 13 years. A new large fishing boat that can compete internationally will allow us to strengthen access to resources and improve operational efficiency, securing a sustainable and stable procurement of skipjack tuna. In addition, the introduction of the new fishing boat will contribute to greater activity in the domestic skipjack tuna processing business, and the preservation of Japanese food culture including skipjack (bonito) flakes and *tataki*

products (lightly seared skipjack tuna).

In aquaculture business, we will continue to develop our business for “Hon Maguro no Kiwami TUNAGU”, a brand of Pacific bluefin tuna raised with full-life-cycle aquaculture that does not rely on natural spawning, working in cooperation with customers in Japan and overseas who prioritize sustainability.

Conservation of marine environments

As a general food company focusing on fish products, our Group’s businesses are only possible with the availability of marine resources, “the bounty of the sea”. Healthy oceans that support these resources are indispensable for the sustainability of both society and our Group, and it is extremely important that we contribute towards the 14th Sustainable Development Goal, “Life Below Water”. From this perspective, our Group, whose business activities use limited marine resources, is working to conserve marine environments. We procure raw materials through fishing and aquaculture with consideration for the sustainability of resources and maintenance of biodiversity, while also engaging in aquaculture and other businesses that take into account ecosystems and the environment surrounding fishing grounds.

However, there are many issues surrounding a sustainable marine product industry and maintaining the health of the oceans that we cannot address alone. Therefore, since 2017, we have participated in SeaBOS*, working together with the world’s major marine product, aquaculture and fishmeal companies to achieve the sustainable use of marine resources based on scientific evidence, while also working to address various issues that must be addressed to preserve the health of the oceans and the global environment. As company president, I personally take part in the organization’s annual meetings, engaging in discussions with other company CEOs and scientists, deciding the policies that shape our activities.

As a further initiative designed to secure the health of the oceans, we are working to contribute to the resolution of the ocean plastic waste issue. Under the motto of “eliminating sources of ocean plastic waste”, we are striving to reduce plastic usage (aiming to achieve a 30% reduction over 2019 by 2030 (on a volume of plastic used per unit sold basis).

* SeaBOS: An organization composed of the world’s ten largest marine product companies and scientists. Using a scientific evidence-based approach, the organization aims to promote sustainable use of marine resources and address the issues required to secure the health of the oceans and a healthy global environment.

Laying the foundations for the future

Our current medium-term business plan sets out the path towards our future vision for the Kyokuyo Group. Over the next three years, as we aim to fulfill our goal of becoming “a leading company in our industry”, we will work to solidify the foundations of our business activities and the departments that support those activities, as we aim to “change to a high-profit structure”.

To become “a leading company in our industry”, we must

achieve improvements in all areas including not only net sales and profitability, but also employee welfare, salaries, the provision of comfortable working environments, participation of female employees in the workplace, and engagement with environmental issues. We consider the funds required to address these issues not as costs, but as investments in building the future of our Group, as we strive to continue as a company that delivers happiness to its employees.

Together with our stakeholders

Creating a working environment that generates motivation

It is our employees who will build the future of the Kyokuyo Group. I hope that employees will take delight in their work and feel motivated to contribute to Kyokuyo. To achieve this, we must put in place a workplace environment that allows each individual employee to make full use of their talents. For example, we are continuing to work towards the creation of a workplace environment in which is easy for employees to take maternity and child-rearing leave, or selection options for working a shorter day. Employees are increasing taking advantage of these opportunities. As we move forward, we hope to introduce even more flexible working practices.

A fulfilling life away from work helps to create a fulfilling life at work. We need to create a workplace in which our employees feel motivated and happy. It is said that “fortune comes to a merry home”. We believe that the energy of our employees will translate into new growth for our Group.

Sharing ideas through dialogue

As the pandemic continues, we have fewer opportunities to speak face-to-face both inside and outside the company, and I can strongly feel the importance of communicating what we

are thinking to others and sharing our ideas. Even during the pandemic, I am trying as far as possible, after taking appropriate infection prevention measures, to take part in real world meetings including the Japan International Seafood Show and other such events. I will continue to stress the importance of real world meetings and direct face-to-face dialogue, while taking proper infection prevention measures.

Through dialogue with our business partners, who may also be in during difficult situations, and also with the shareholders and investors who continue to support our Group, I hope to share our ideas and plans, creating a brighter mood that can get us through these difficult times.

I would like to close by saying that, we at Kyokuyo Group remain dedicated to widening the scope of our business and, as a “general food company focusing on fish products”, putting into practice our corporate principle of “contributing to a healthy and heart-enriched lifestyle and food culture” through the provision of food products that embody the values of “food to enjoy life”.

I would like to ask all shareholders, investors and other stakeholders for your continued understanding and support.

Makoto Inoue

President
Kyokuyo Co., Ltd.



Ken Sakai

Vice President
Kyokuyo Co., Ltd.



The 85-year History of the Kyokuyo Group

Kyokuyo has built up strengths that have contributed to the development of a healthy and heart-enriched lifestyle and food culture by addressing the social issues of each era.

Colored text in company history: Marine Products Purchasing Business Foods Business Tuna Business Logistics Business

1937 – 1950s



Ensured a stable supply of food by securing valuable sources of protein and entering the food processing business.

1960s – 1900s



Diversified our fishing business and expanded overseas. Developed a full-scale processed foods business with the start of frozen foods production.

1980s – 1990s



Responding to changes in demand resulting from stronger regulation, with the introduction of the 200 nautical mile restriction, and from changes in lifestyle.

2000s








Made Kyokuyo into a global company.

From 2010s to the present day



Sought resources and business sustainability.

The 85-year history of the Kyokuyo Group

<p>1937 Established Kyokuyo Hogei Co., Ltd. to engage in whaling and various types of fishing using a fleet of one large and many smaller vessels, as well as the processing and sale of marine products.</p> <p>1942 Began trawl net fishing</p> <p>1949 Began manufacture of canned products</p>  <p>Manufacture of canned products at the Shioigama Plant</p>	<p>1940</p>	<p>1950</p> <p>1954 Began fishing for salmon and ocean trout in the North Pacific using a fleet of one large and many smaller vessels.</p>  <p>Products packaged in retort pouches on the lead vessel in the salmon and ocean trout fishery fleet.</p>	<p>1960</p> <p>1962 Began pelagic trawling operations</p> <p>1970 Began production of frozen foods at the Hiratsuka Plant in Kanagawa Prefecture</p>  <p>Sausage-making at the Hiratsuka Plant</p>	<p>1970</p> <p>1971 Changed company name to Kyokuyo Co., Ltd.</p> <p>1971 Established a sales company in Tokyo</p> <p>Opened a cold storage warehouse in Osaka</p> <p>Opened our first-ever overseas sales subsidiary in the United States</p> <p>1973 Began overseas purse seine fishing business using a purse seine fishing vessel</p> <p>1976 Started operating a cold storage warehouse in Ota Ward, Tokyo</p> <p>1979 Started operating a cold storage warehouse in Fukuoka City</p>	<p>1980</p> <p>1980 Established a company for manufacturing frozen food products in Shioigama City, Miyagi Prefecture</p> <p>1981 Completed frozen food product plant in Shioigama City</p> <p>1984 Established a company for manufacturing imitation crab meat in Ehime Prefecture</p>  <p>The interior of the second Shioigama Plant, completed in 1994</p>  <p>Company headquarters moved to Akasaka in 1997</p>	<p>1990</p> <p>1997 Established a company for the manufacturing and sale of tuna products in Yaizu City, Shizuoka Prefecture</p>	<p>2000</p> <p>2002 Acquired ISO14001</p> <p>2006 Acquired MSC certification for Alaskan red salmon</p> <p>2005 Established sales company in China</p> <p>2006 Established sales company in the Netherlands</p> <p>Completed a plant in Thailand specializing in the manufacture of raw frozen food products</p> <p>2007 Established a company in Sukumo City, Kochi Prefecture, for the aquaculture of Pacific bluefin tuna</p> <p>2008 Incorporated company from the manufacture of seafood delicacies as a consolidated subsidiary</p> <p>2009 Made first shipment of "Hon Maguro no Kiwami", our brand of farmed Pacific bluefin tuna</p>	<p>2010</p> <p>2010 Established a company for the aquaculture of Pacific bluefin tuna in Ehime Prefecture</p> <p>Established a company for the processing of fresh tuna in Edogawa Ward, Tokyo</p> <p>Incorporated plant for manufacturing salmon products in Ibaraki Prefecture as a consolidated subsidiary</p> <p>2012 Established an aquaculture company in Ehime Prefecture with the aim of commercializing the full-life-cycle aquaculture of Pacific bluefin tuna</p> <p>2014 Entered the market for frozen home foods</p> <p>2015 Established a company in Ibusuki City, Kagoshima Prefecture, for the manufacture of tuna products</p>	<p>2013 Announced Sea Marché as a new brand for consumer products</p> <p>Began the sales of the "Dandori Jozu" series of frozen food</p> <p>2017 Joined SeaBOS</p> <p>Became an official partner of Japan Canoe Federation</p> <p>Started Clean River Activities around river areas</p> <p>2016 Incorporated as a consolidated subsidiary a company in Himeji City, Hyogo Prefecture, manufacturing products including grilled fish</p> <p>2017 Made first shipment of "Hon Maguro no Kiwami TUNAGU", our brand of Pacific bluefin tuna raised with full-life-cycle aquaculture</p>	<p>2018 Joined Marine Eco-Label Japan Council, a certification organization for the eco-labeling of marine products</p> <p>2019 Joined CLOMA, an organization which works across all industries to resolve the issue of plastic waste in the oceans</p> <p>2019 Established a company in Thailand for the manufacture of frozen raw fish, grilled fish and simmered fish products</p> <p>Invested in an aquaculture company in Kochi Prefecture, farming red sea bream and other species, expanding the variety of farmed fish species we offer.</p>	<p>2020</p> <p>2021 Reorganized our foods business from a product-based organization to an business-type-based organization</p> <p>2022 Completed a plant in Thailand for the manufacture of raw, grilled and simmered fish products</p> <p>Finished building an overseas purse seine fishing vessel</p>
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<p>Principal economic and social trends</p>	<p>Period of rapid economic growth in Japan (1955 – 1973)</p> <p>1964 Olympic Games held in Tokyo</p>	<p>Period of stable growth in Japan (1974 – 1985)</p> <p>1970 World Expo held in Osaka</p> <p>1972 Winter Olympic Games held in Sapporo</p>	<p>Bubble economy (1985 – 1990)</p> <p>1986 Enactment of the Equal Employment Opportunity Act</p> <p>1987 Division and privatization of Japanese National Railways</p> <p>Launch of JR, a private company</p> <p>1989 Japan enters the Heisei Era</p> <p>Introduction of 3% consumption tax</p>	<p>Collapse of the bubble economy (lost decade)(1990s)</p> <p>1993 Launch of the EU</p> <p>1995 Great Hanshin Awaji Earthquake</p> <p>Subway sarin poisonings in Tokyo</p> <p>1997 Consumption tax rates increased to 5%</p> <p>1998 Winter Olympic Games held in Nagano</p> <p>1999 Birth of the single European currency, the Euro</p>	<p>Start of Japan's deflationary period (From 2000s)</p> <p>2001 September 11 terrorist attacks on New York City</p> <p>2005 World Expo held in Aichi Prefecture</p> <p>2008 Global financial crisis</p> <p>2011 Great East Japan Earthquake and tsunami</p> <p>2014 Consumption tax rates increased to 8%</p> <p>2019 Japan enters the Reiwa Era</p> <p>Consumption tax increased to 10% (with some 8% exceptions)</p> <p>2020 Start of the coronavirus pandemic</p> <p>2021 Olympic Games held in Tokyo</p>
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Aiming to fulfill our vision of becoming "a leading company in our industry"

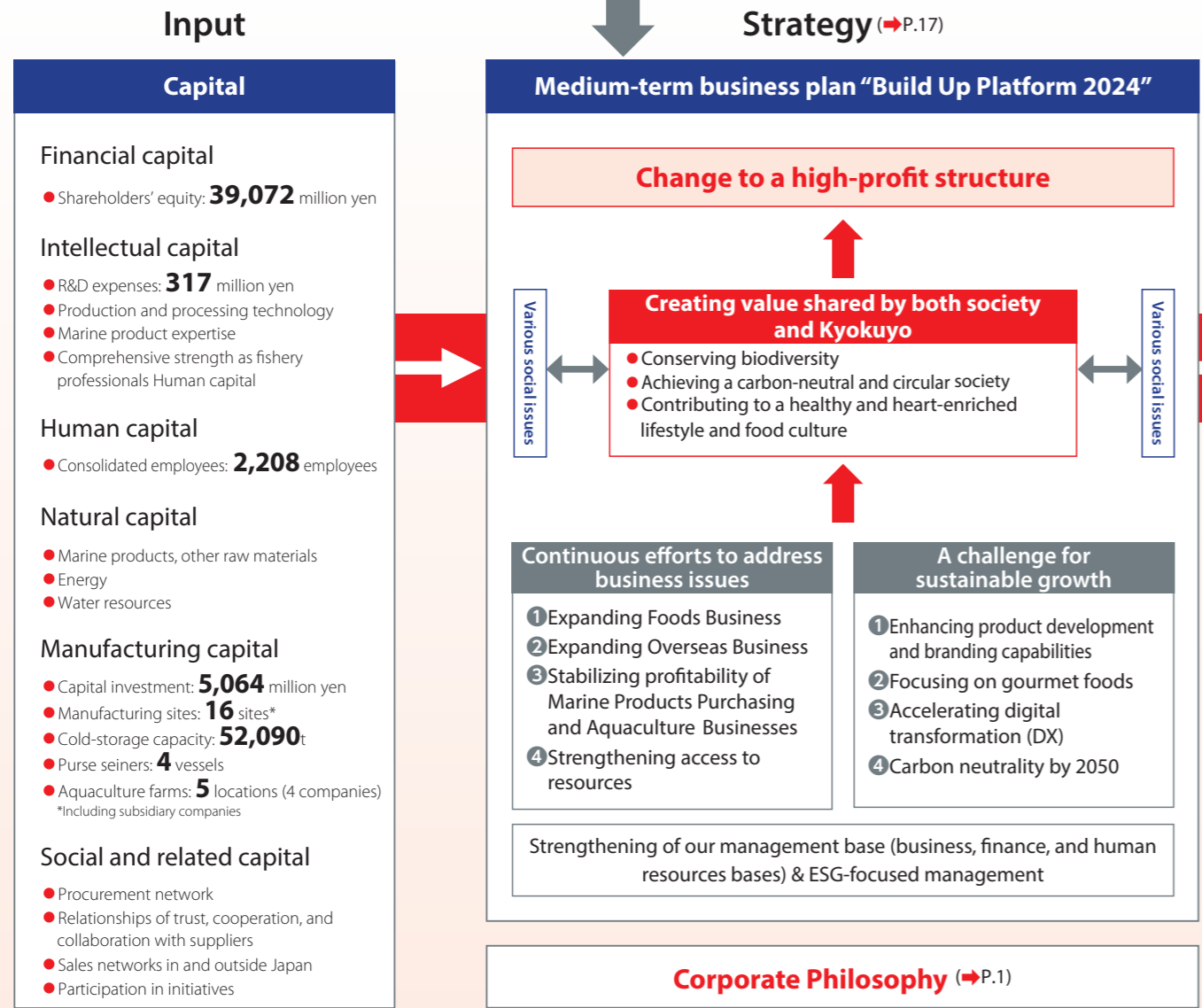
Kyokuyo Group's Value Creation Process

In order to realize its corporate philosophy, the Kyokuyo Group incorporates social issues and changes in the business environment into its medium-term business plan, and practices ESG-focused management to addresses issues through ESG-focused business activities.

We further aim to do our part to realize a sustainable society while enhancing our corporate value.

Changes in the business environment (social issues) (→P.16)

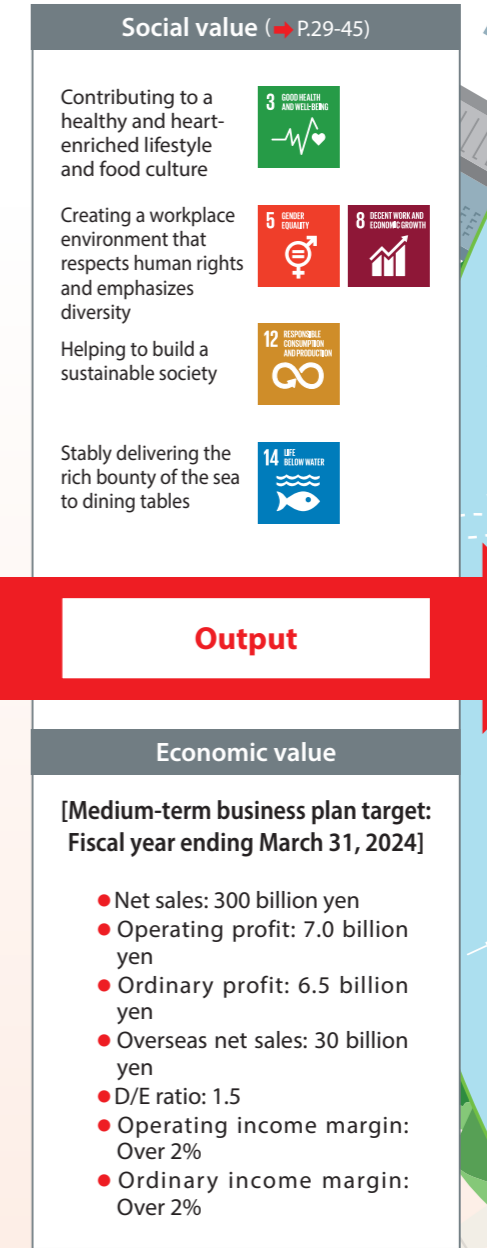
- Growing global demand for marine products
- Changes in the Japanese market due to a declining birthrate, aging population, and the growing participation of women in the labor force
- Changes in food lifestyles and the need for frozen foods
- Increasing interest in food safety and reliability
- Shortage of labor at manufacturing sites and food preparation environments
- Growing awareness of human rights and the diversity of society
- Efforts to achieve carbon-neutral status by 2050
- Worsening environmental issues, including climate change and marine pollution
- Acceleration of ESG-driven investment
- Growing requests for information disclosure based on TCFD recommendations
- Development of IT technology
- Accelerating digital transformation (DX)



Four business fields (→P.11)



Outcomes (created value)



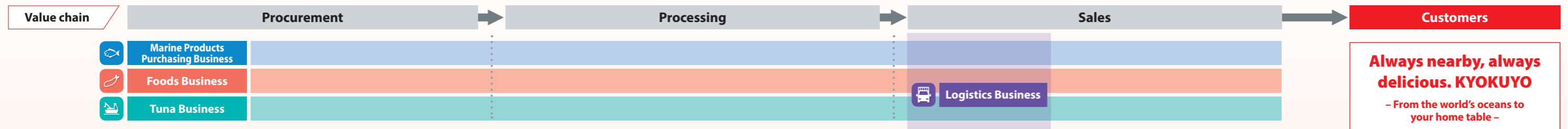
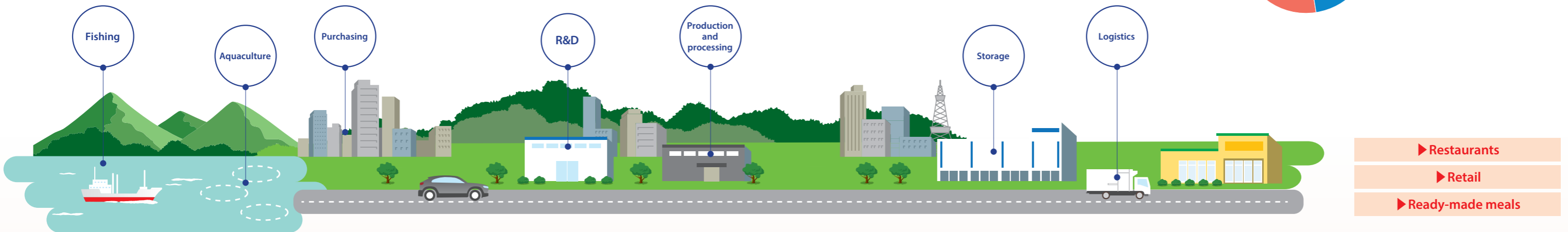
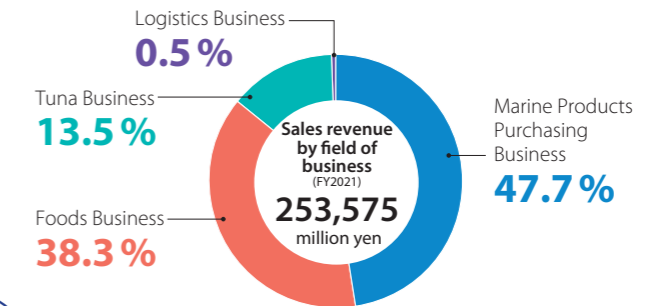
Kyokuyo Group's Vision

- A corporate group that grows together with society and contributes to a healthy and heart-enriched lifestyle and food culture
- For consumers
- Contributing to a healthy and heart-enriched lifestyle and food culture for people
- For the global environment
- Realization of sustainable fisheries
- For employees
- A vibrant company that respects the individuality and creativity of its employees

Kyokuyo Group's Business Development

As a general foods company focusing on marine products, we conduct integrated operations in all areas from procurement and processing through to sales.

Since starting out as a fishing company in 1937, we have harnessed the wide-ranging capabilities we have cultivated over many years in the marine products business to deliver the bounty of the oceans to dinner tables worldwide – from the world to Japan, and from Japan to the world.



Four business fields

Marine Products Purchasing Business

This business harnesses our global network to select the best procurement, processing and sales options

- Through mutual partnerships with domestic and foreign branches, business offices, representative offices, and subsidiaries, it achieves the stable procurement of high-quality marine products sourced from the world's oceans, also selling processed products including fillets, shelled/peeled products, and more
- Export of marine products caught in Japan, and engaging in offshore trade

Foods Business

Foodservice Business

Retail and Consumer Foods Business

This business provides a diverse product lineup that responds to the various needs of customers, focusing on saving customers time and delivering convenience

- Sales of sushi toppings and other products for raw consumption to restaurant chains and other parties
- Sale of products, designed to be eaten after heating, to medical caregiving and other institutions. This includes "Dandori Jozu" series products
- Sales of simmered fish, grilled fish, fried marine products, imitation crab meat, meat from livestock, frozen vegetables and other products via restaurants and other channels

Canned products have grown in popularity for various reasons including the nutritional value, ease of storage, and prevention of food wastage

- Sale of products under the Sea Marché consumer brand as well as other products frozen home foods including simmered fish, grilled fish, and fried marine products to convenience stores and mass retailers
- Sale of canned products, which have a long history - the manufacture of these products started in 1949
- Sale of seafood delicacies such as shredded squid in addition to health products such as glucosamine and DHA supplements

Tuna Business

Kyokuyo's strength lies in our ability to provide an integrated supply chain flow from the procurement of raw materials through to the processing and sale of finished products

- Procurement, production, and sales systems with integrated operations from fishing and farming to purchasing, processing, and sales of skipjack and other tuna
- Independent sourcing capability through operation and ownership of a purse seiner vessel, the Wakaba Maru
- In addition to "Hon Maguro no Kiwami", our original brand for farmed Pacific bluefin tuna, we also sell products under the full-life-cycle aquaculture brand "Hon Maguro no Kiwami TUNAGU", which does not rely on wild juvenile fish
- Sales of farmed fish other than Pacific bluefin tuna including farmed red sea bream and farmed yellowtail
- Processing of skipjack and other tuna into various products at Group company plants to meet the needs of the restaurant industry and supermarkets

Logistics Business

Maintaining product quality through strict control of freezing temperature

- Operation of cold storage warehouses in three locations: Ohi, Jonanjima (both in Tokyo), Fukuoka
- Providing logistics services including delivery of stock from warehouses

Always nearby, always delicious. KYOKUYO
 – From the world's oceans to your home table –

These are just some of the places where we deliver deliciousness:

- Fresh fish stores
- Sushi bars
- Restaurants
- Hotels
- Izakaya (Japanese-style pubs)
- Bento shops
- Fast food restaurants
- Drugstores
- Supermarkets (seafood, deli, frozen foods, canned products, and snacks sections)
- Convenience stores
- School lunches
- Employee cafeterias
- Hospitals
- Nursing care facilities
- Home delivery food services for the elderly

Overview by Business

In FY2021, the initial year of a medium-term business plan "Build Up Platform 2024", the lingering influence of the coronavirus pandemic produced difficult business conditions. In addition, the Group's business was affected by developments including the growing impact of geopolitical risks related to the situation in Ukraine and the rapid depreciation of the yen, factors that combined to produce growing uncertainty. In the marine products and foods business, business conditions continue to be difficult due to the increasing competition to secure marine products resulting from rebounding demand, particularly in Europe and North America, as well as reduced product supply due to the impact of the coronavirus in China, Southeast Asia another areas, conditions which combined to increase the cost of raw materials, transportation costs, and other expenses.

Within this difficult environment, our Group's operating profit and ordinary profit increased by approximately 40%, to reach the highest figures ever recorded in the company's history. The business conditions in each of our segments are as detailed below.

Note that from the current consolidated fiscal year onwards, we have reorganized the categories used to manage and control our products, integrating the previous categories of "frozen food products" and "shelf-stable foods products" into the "foods products". We have therefore restated data for the prior year on the basis of the new segments in order to facilitate comparison.

Note also that the "accounting standard on recognition of earnings" (corporate accounting standard number 29) has been applied from the start of the fiscal year ended March 2022, and that data for the fiscal year ended March 2022 is shown after conversion to reflect the application of the above standard.

Market environment and FY2021 performance

Marine Products Purchasing Business



Salted coho salmon fillet from Chile

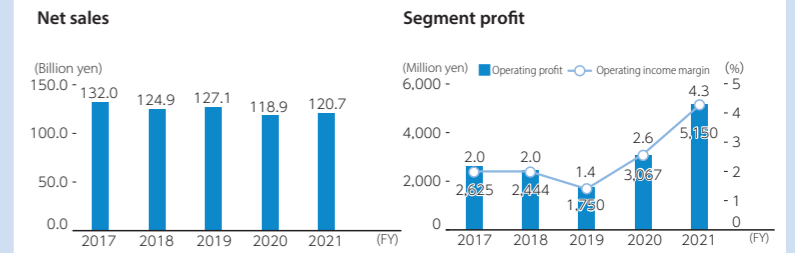
Sales up Profit up

- Robust sales of processed salmon and shrimp products to mass retailers
- Increased sales of delicacy products (crab and fish roe)
- Improved profitability through more thorough inventory control of fish caught in the North Pacific
- Increased sales of raw materials due to market expectations of higher future prices
- Larger volume of scallops exports to China
- Recovery in sales to local retail outlets in North America due to a rebound in consumption

FY2022 measures

- Expand sales of high value added products processed in-house plants
- Diversify sources of procurement and processing centers
- Accelerate sales of products manufactured at in-house plants overseas
- Build business models for complete processes overseas encompassing procurement, processing and sale

Net sales/segment profit (consolidated)



Foods Business

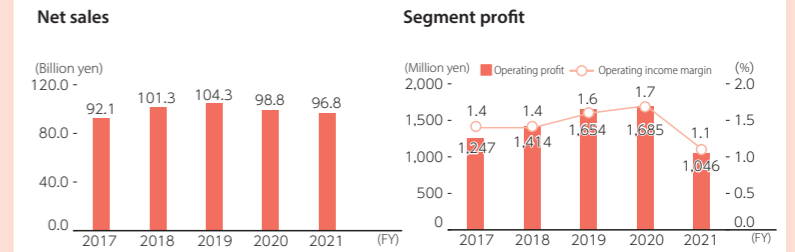


Dandori Jozu series mackerel fillets (boneless)

Sales down Profit down

- Achieved a certain degree of sales of sushi toppings and other raw food products
- Reduced sales to restaurant and catering channels, particularly for mainstay fried marine products
- Growth in sales of simmered fish and grilled fish to drugstores
- Solid sales of main delicacies at convenience stores
- Reduced sales of canned products to main mass retailers after passing the peak in demand caused by consumers remaining at home during the pandemic

- Strengthen sales systems tailored to specific users
- Focus on this sale of products manufactured at in-house plants, improving plant operating efficiency
- Push to implement sales strategies that combat increased costs



Tuna Business

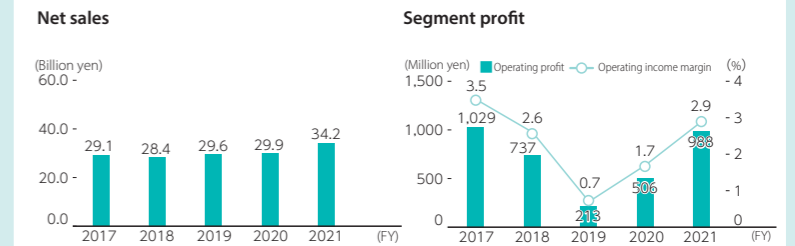


Hon Maguro no Kiwami TUNAGU

Sales up Profit up

- [Overseas Purse seine Fishing Business] ● Improvement in the balance of revenue and expenditure due to a recovery in the price of skipjack tuna
- [Aquaculture Business] ● Improved profitability due to improved product quality and stabilized systems for shipping domestically farmed Pacific bluefin tuna
- [Processing and Sales Business] ● Increase in the handled volume of imported Pacific bluefin tuna
- Solid sales of processed products, particularly to mass retailer and conveyor belt sushi restaurants
- Increased production of *negitoro* (minced tuna) at in-house plants

- [Overseas Purse seine Fishing Business] ● Improve operational efficiency of purse seine fishing overseas, improving profitability
- [Aquaculture Business] ● Stable supply of domestic farmed Pacific bluefin tuna
- Strengthen sales of farmed sea bream
- [Processing and Sales Business] ● Expand sales of products processed at in-house plants



Logistics Business



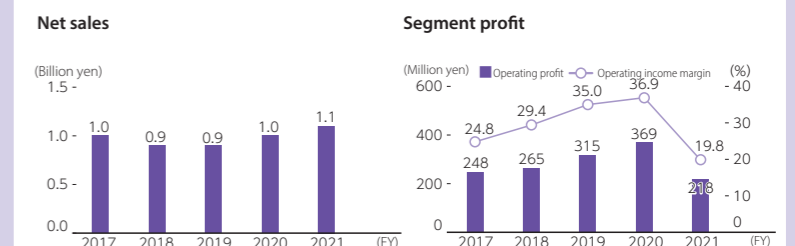
Kyokuyo Akitsu Reizo Co., Ltd.'s Tokyo cold storage

Sales up Profit down

- While the quantity of products shipped from cold storage increased, supported by robust demand for marine products, additions to cold storage were at the same level as the prior year, resulting in a fall in the volume of stock held in cold storage, which affected profitability
- We strengthened our systems in response to an increase in transportation of products along core routes within Japan, which was caused by confusion in international transportation. As a result sales grew

- Appropriate management focusing on group inventory
- Sell storage space to third parties to improve space utilization rates*
- Promote integration of delivery and storage services

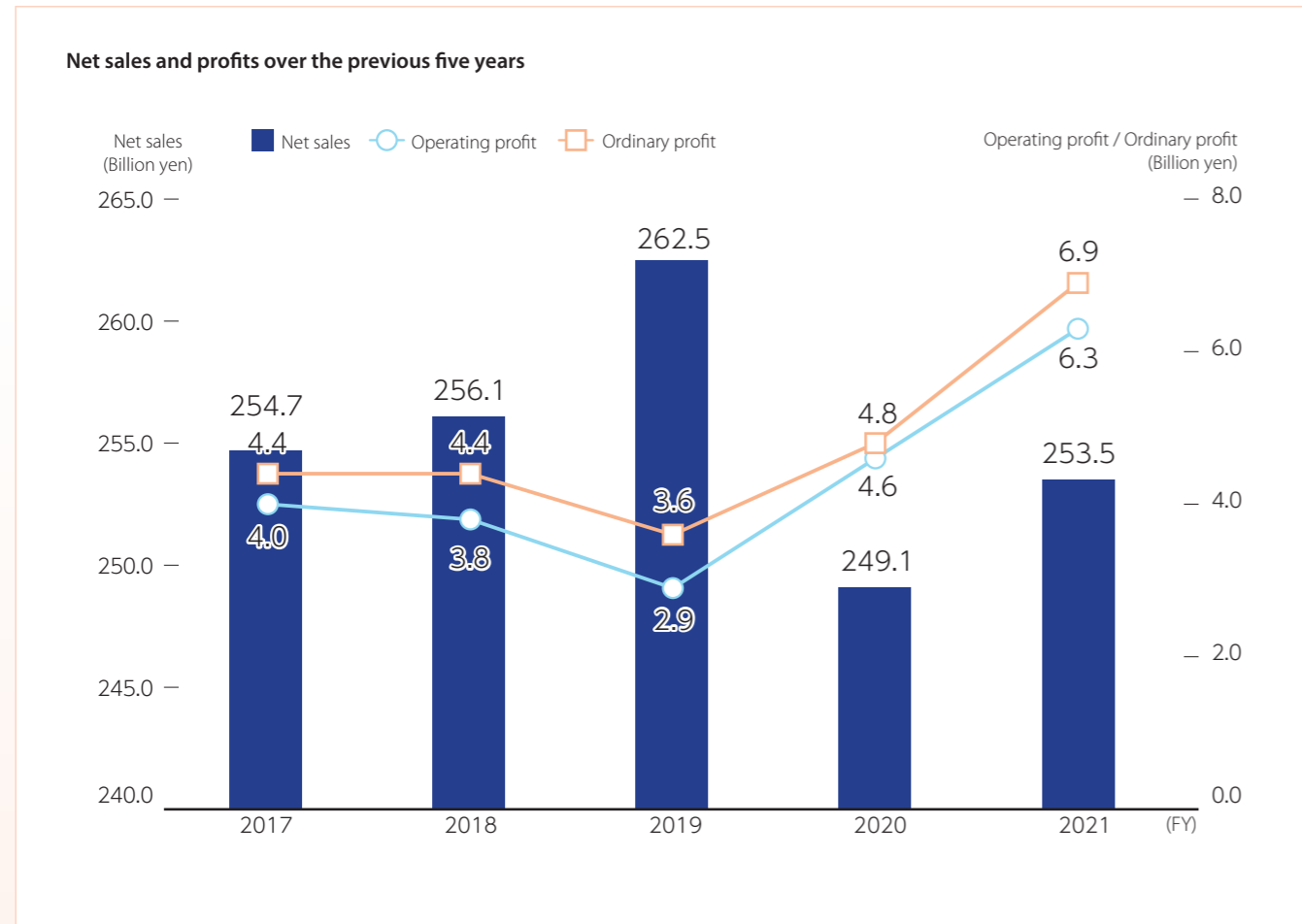
* Space utilization rate: the percentage of actual products compared to the capacity of cold storage



Overview by Business

Net sales and profits (FY2017 – FY2021)

Operating profit and ordinary profit increased by approximately 40%, reaching the highest figures recorded in the company's history.



Future issues

In the marine products and food industries, increased income around the world, particularly in emerging economies in Asia, is producing growing demand for marine products, and securing a supply of marine product is an ongoing issue. However, in Japan, it is increasingly important not only to respond to the reduction in the size of the market caused by the falling population, but also to understand changes in consumer awareness and behavior as a result of the pandemic

and respond to consumers' to be increasingly diverse needs.

Uncertainty over economic and business conditions continues to the factors including rising raw materials prices, the continued depreciation of the yen, and the emergence of various geopolitical risks, but Kyokuyo Group, as a manufacturer of food products, will continue fulfilling its responsibility to supply products as we seek sustainability in both society and our business operations.

Recognition of the Business Environment

In order to continuously improve our corporate value, we must accurately grasp changes in the business environment and identify the impact (opportunities and risks) on the Kyokuyo Group's business sustainability. We will then incorporate these changes into our strategies (medium-term business plan) and roll out ESG-focused business activities.

Unchanging demands for "food"

- Safe and reliability
- Deliciousness and quality

Lifestyle changes

- Changes in family structure
- Increase in dual-income households
- Growing number of single people
- Increase in the proportion of the elderly

In addition to safety and reliability, quality, taste, and quantity, it is becoming more important to save people's time, such as with products that reduce cooking time, are convenient and easy to eat, and facilitate logistic efficiency.

"Enjoying life". "Feeling well".

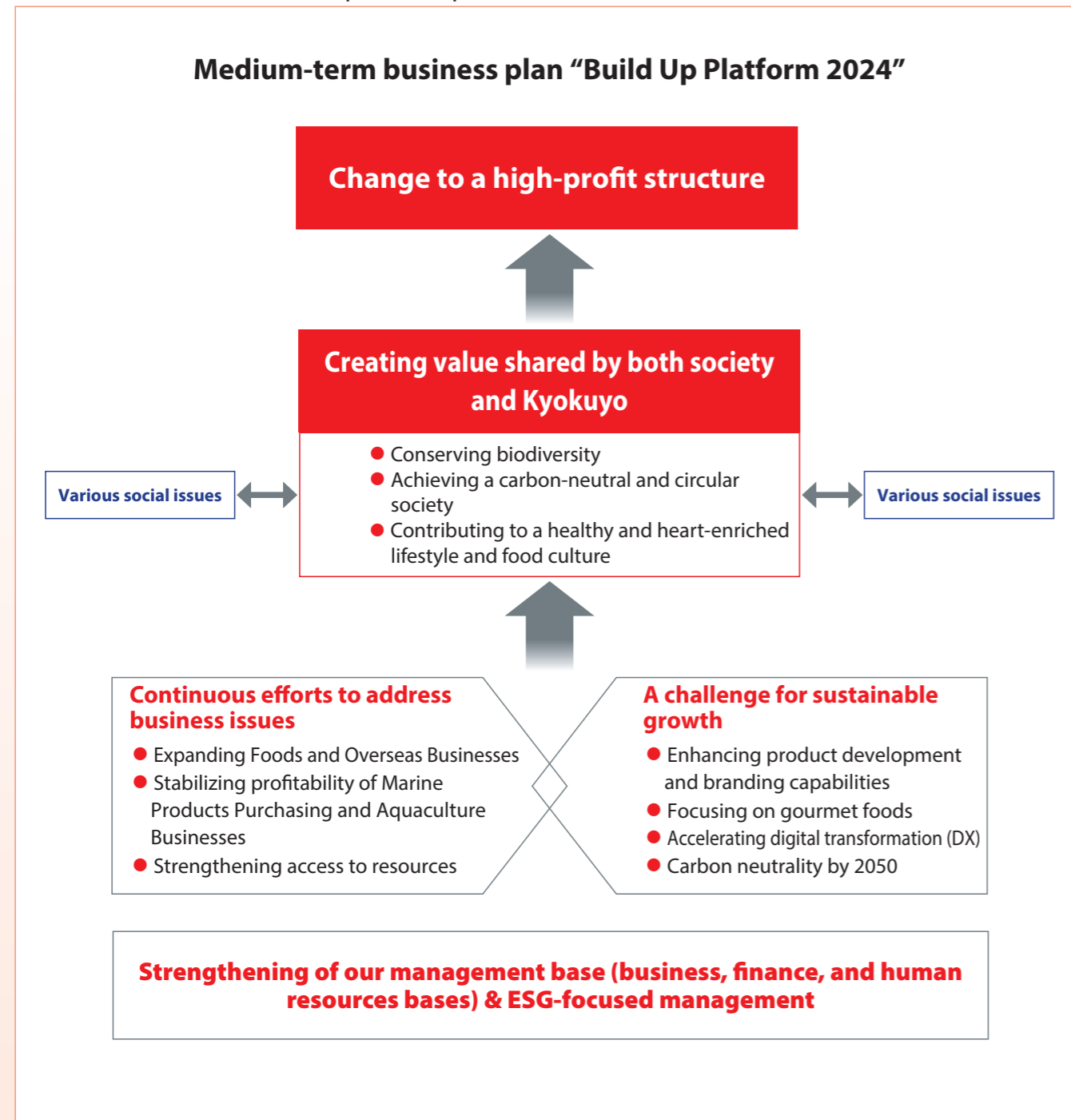
Business environment	Opportunities and risks for the Kyokuyo Group	SDGs
<ul style="list-style-type: none"> ● Growing global demand for marine products 	<ul style="list-style-type: none"> ● Growing interest overseas in Japanese cuisine, increasing demand for marine products ○ Increasing procurement costs due to intensified purchasing competition ○ Decrease and depletion of fishery resources 	
<ul style="list-style-type: none"> ● Changes in food lifestyles ● Increasing food options, including restaurants, ready-made meals, and eating at home ● Declining birthrate and aging population ● Changing need for frozen foods 	<ul style="list-style-type: none"> ● Growing need for health-oriented products and functional foods ● Growing need for foods for the elderly, such as soft foods and those that are easy to swallow ● Growing influence of personal preferences ● Expectations for rebound demand after the coronavirus pandemic ○ Decrease in the sale of loose items in supermarkets deli sections ○ Decrease and contraction in demand at fresh food markets ○ Decrease in sales due to delay in responding to changes 	
<ul style="list-style-type: none"> ● Increasing interest in food safety and reliability 	<ul style="list-style-type: none"> ● Earning customer trust by improving quality ● Earning trust by promoting accurate and prompt information to customers ○ Increase in costs for system construction ○ Decrease in customer trust due to product quality complaints and trouble 	
<ul style="list-style-type: none"> ● Shortage of labor at manufacturing sites and food preparation environments 	<ul style="list-style-type: none"> ● Significant increase in mechanization and energy-conservation ○ Impact on safety and health management and increase in risk of occupational accidents ○ Lower productivity, product quality, employee motivation and efficiency as a result of more days working long hours ○ Higher labor and logistics costs 	
<ul style="list-style-type: none"> ● Growing awareness of human rights and the diversity of society 	<ul style="list-style-type: none"> ● Increasing productivity and motivation through the creation of a comfortable workplace environment ● Increasing creativity by securing diverse human resources ● Transforming from a business that seeks human resources to a business that attracts human resources ○ Risk of human rights violations ○ Reduced employee motivation and operational efficiency due to delays in response ○ Loss of human resources due to delays in response 	
<ul style="list-style-type: none"> ● Carbon neutrality by 2050 ● Worsening environmental issues, including climate change and marine pollution 	<ul style="list-style-type: none"> ● Increased demand for sustainable marine products ● Earning the trust of society by being responsive ● Promoting the development of new technology for creating a low-carbon society and resolving plastic waste issues ○ Increase in costs for preventing pollution and reducing environmental impact, including responding to the plastics issue ○ Damage to corporate value due to a delayed response to the need for building sound supply chains ○ Impact on fishery resources, and destabilization of the supply system ○ Suspension of management activities due to natural disasters, and damage to corporate value ○ Diversification of raw materials procurement sources 	
<ul style="list-style-type: none"> ● Acceleration of ESG-driven investment ● Information disclosure based on TCFD recommendations 	<ul style="list-style-type: none"> ● Improving corporate value and performance through ESG-focused management ○ Concerns about corporate strategy resilience and risk management capabilities 	
<ul style="list-style-type: none"> ● Development of IT technology ● Accelerating digital transformation (DX) 	<ul style="list-style-type: none"> ● Improving operational efficiency and sophistication by introducing new technologies ● Visualizing production and marketing technologies, and improving sustainability through leveling (standardization) of production ○ Increase in cost of building compatible systems ○ Changes in sales channels, and loss of sales opportunities 	

Creating value shared by both society and Kyokuyo Group

Medium-term Business Plan “Build Up Platform 2024”

In April 2021, Kyokuyo launched its medium-term business plan “Build Up Platform 2024” for the period FY2021 through FY2023. Based on the basic policy shown right, we will move forward with our business while fulfilling our responsibilities to help realize a sustainable society, including ESG and the SDGs.

Overview of the medium-term business plan “Build Up Platform 2024”



Basic Policy

We are aiming to “change to a high-profit structure” that will serve as a foundation for new growth, achieving this goal by creating value shared by both society and Kyokuyo through the implementation of strategies based on the core concepts of “continuous efforts to address business issues” and “a challenge for sustainable growth, as we work to strengthen our business foundations”.

The goals of Medium-term business plan “Build Up Platform 2024” and our performance during FY2021

Group (consolidated) (Billion yen)	Target for final (third) year of medium-term business plan	Forecast for FY2022, second year of medium-term business plan	FY2021 performance
Net sales	300.0	275.0	253.5
Operating profit	7.0	7.0	6.3
Ordinary profit	6.5	7.0	6.9
Operating income margin	Over 2.0%	2.5%	2.5%
Ordinary income margin	Over 2.0%	2.5%	2.7%
Overseas net sales	30.0	—	18.3
Debt-to-equity ratio (D/E ratio)	1.5 times	—	1.5 times

Performance by segment (Billion yen)	Target for final (third) year of medium-term business plan		Forecast for FY2022, second year of medium-term business plan		FY2021 performance	
	Net sales	Segment profit	Net sales	Segment profit	Net sales	Segment profit
Marine Products Purchasing Business	142.0	3.6	130.0	4.5	120.7	5.1
Foods Business	124.0	3.0	109.0	2.3	96.8	1.0
Tuna Business	33.0	1.4	35.0	1.4	34.2	0.9
Logistics Business	1.0	0.2	1.0	0.2	1.1	0.2
Other		(1.2)		(1.4)	0.4	(1.0)
Total	300.0	7.0	275.0	7.0	253.5	6.3

Medium-term business plan “Build Up Platform 2024”

Progress of our medium-term business plan Build Up Platform 2024 and future initiatives

<Background>

Global Affairs

- ▶ Stronger control of resources and stronger regulations on fishing in order to conserve marine resources
- ▶ New global developments including the situation in Ukraine and the coronavirus pandemic

<Background>

Economy

- ▶ Increased demand for marine products around the world
- ▶ Continue depreciation of the yen
- ▶ Rising raw materials prices
- ▶ Rising expenses for fuel and feed

ESG

- ▶ Global warming
- ▶ Climate change risk
- ▶ Ocean plastic waste issues
- ▶ Thorough compliance
- ▶ Stronger governance

Issues	Progress of Medium-Term Business Plan Build Up Platform 2024	Major Initiatives
Stabilize profitability of marine products purchasing business	<ul style="list-style-type: none"> ● Solid performance in sales of processed salmon and shrimp products to mass retailers ● Increased sales of crab and fish roe products ● Improved profitability through more thorough inventory control of fish caught in the North Pacific ● Increased sales of raw materials due to market expectations of higher future prices ● Stable supply of raw materials through cooperation with suppliers 	<ul style="list-style-type: none"> ● Expand sales of value-added processed products ● Increase capacity to manufacture process products in Japan and overseas (including at a new plant in Vietnam) ● Hedge risks by diversifying and sources of procurement and centers of processing
Stabilize profitability of the aquaculture business	<ul style="list-style-type: none"> ● Improved profitability due to improvements in the quality of domestically-produced Pacific bluefin tuna and stabilization of shipment infrastructure ● While the sales price of sea bream is increasing, production is below expectations, and improving profitability remains an issue 	<ul style="list-style-type: none"> ● Ensure stable supply of farmed Pacific bluefin tuna and stronger sales of farmed sea bream
Strengthening access to resources	<ul style="list-style-type: none"> ● Increased profitability from overseas purse seine fishing business due to increased price of skipjack tuna 	<ul style="list-style-type: none"> ● Achieving efficient operations and increasing profitability with the launch in August of a new internationally-competitive purse seine fishing vessel ● Expanding the available range of farmed fish species ● Cooperation with the inland aquaculture businesses
Expanding foods business	<ul style="list-style-type: none"> ● Reorganized from a product-based organization to a business type-based organization ● Diversified sales channels to respond flexibility to changes in the environment, expand the scope of in-house plants Frozen commercial food business ● Achieved a certain volume of sales of sushi toppings and other raw food products ● Reduced sales, particularly for mainstay fried marine products sold through the restaurant and catering channels Frozen consumer food business ● Increased sales of simmered fish and grilled fish to drugstores Canned products ● Reduced sales to mass retailers after the demand caused by people staying at home during the pandemic past its peak Overall ● Pressure on profitability due to the increase in price of raw materials and higher ocean freight fees 	<ul style="list-style-type: none"> ● Focus on sales of products from in-house plants, particularly the core plants of KYOKUYO GLOBAL SEAFOODS Co.,Ltd., a subsidiary in Thailand, and Kyokuyo Shokuhin Co., Ltd.'s Shiogama Plant, so as to stabilize plant productivity. ● Strengthen sales of processed marine products ● Proposals for new product development ● Flexible changes to sound sales structure in response to changes in the market for raw materials
Expanding overseas business	<ul style="list-style-type: none"> ● Strengthened center for overseas sales by eliminating office for overseas staff and switching to a sales company structure 	<ul style="list-style-type: none"> ● Engaged in sales activities rooted in local markets ● Expanded overseas sales based on KGS as a hub plant
Strengthening human resources base	<ul style="list-style-type: none"> ● Implemented organizational transformation in administration department in April 2021 	<ul style="list-style-type: none"> ● Transform human resources systems and strength and management planning ● Accelerating digital transformation (DX)
ESG-focused management initiatives	<ul style="list-style-type: none"> ● Formulated Kyokuyo Group Basic Sustainability Policy ● Formulated Kyokuyo Group Human Rights Policy ● Published a statement of agreement with the TCFD recommendations ● Conducted Clean River Activities ● Established a Nomination and Remuneration Committee ● Appointed independent external directors as more than a third of the company directors 	<ul style="list-style-type: none"> ● Thorough implementation of compliance ● Promotion of diversity ● Reduction of ocean plastic waste (aiming to achieve a 30% reduction over 2019 by 2030) (on a usage intensity basis) ● Reducing CO₂ emissions in order to achieve carbon neutral status by 2050 ● Analyze the risks and opportunities presented by climate change and evaluate and disclose the potential financial impact ● Continue with Clean River Activities

Marine Products Purchasing Business



Strengths of our Marine Products Purchasing Business

- "Group-wide integrated system" from procurement to processing and sales
- Networks in and outside Japan
- Knowledge and know-how accumulated in each of the Group's segments

In FY2021, net sales and profit in Japan and overseas both exceeded prior fiscal year. In FY2022, we will continue with various policies for stabilizing the profitability of marine products purchasing business, strengthening access to resources, and expanding our overseas businesses.

Shigeru Kondo
Senior Managing Director
Responsible for Marine Products
Purchasing segment,
Foods segment



Business overview by segment (April 2021 to March 2022)

In Japan, under the influence of the pandemic, robust sales continued for processed products including mainstay products such as salmon and shrimp, with particularly strong sales to mass retailers. In addition, sales for delicacy products including crab and fish roe also increased during the period of seasonal demand at the end of the calendar year. In addition, profits on fish caught in the North Pacific also increased due to more thorough inventory control. Furthermore, due to the rebound in demand for marine products as policies for living together with the coronavirus were implemented in various countries in Europe and North America, the market increasingly began to expect higher future prices, leading to stronger sales for raw materials for processed products, a trend which also occurred in Japan. From the above, we were able to secure profit that greatly exceeded projections.

In our overseas business, the volume of sales handled in China decreased due to fewer purchases of raw materials by processing companies worried about the risk of sudden port

closures due to China's zero coronavirus strategy, but in North America, where policies for living together with coronavirus have led to the relaxation of movement restrictions, local sales have rebounded, and net sales exceeded the prior fiscal year.

As a result, the marine products purchasing segment recorded net sales and profit in excess of the prior fiscal year.

FY2021 performance	
Net sales:	120,796 million yen (up 1.6% year-on-year)
Operating profit:	5,150 million yen (up 67.9% year-on-year)

Main products handled



Frozen fish



Salmon/trout



Crab



Shrimp

FY2022 policies

Under the current environment surrounding the group's marine products purchasing business, the stable procurement of marine products remains an issue for reasons including an increase in the global demand for marine products, reduced production resulting from the pandemic, increased procurement costs including an increase in the cost of marine shipping due to a lack of containers, and also as a result of restrictions on trade with Russia.

In this environment, we will work during FY2022 to achieve "a change to a high-profit structure" which is the major theme of a medium-term business plan, engaging in important policies including expanding our overseas business, "stabilizing the profitability of the marine products purchasing business", and "strengthening access to resources".

In our overseas business, alongside the acceleration of sales in Kyokuyo Group products, we will also work to expand the scope of our overseas business, actively engaging in the merger and acquisition of production centers in order to build a turnkey business model including of procurement, processing and sales.

In order to stabilize profitability of the marine products purchasing business, we strengthened the production capacity of in-house plants in Japan and overseas, and worked to expand the sales of high value-added products processed within our Group. In addition, in order to respond rapidly to the needs of the market, we cooperated together with our partner plants, in an effort to expand our productivity capacity in Japan.

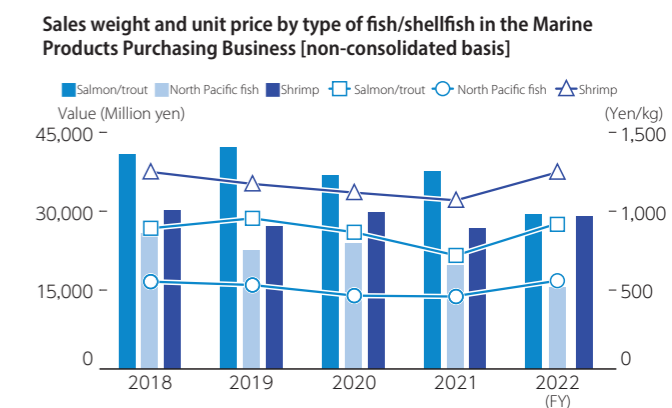
In order to strengthen access to resources, we not only secured sales rights to salmon produced in Japan through inland aquaculture, which will become available from 2025 onwards, we also moved forward with a collaboration with a major aquaculture company with the aim of stabilizing the supply of coho salmon

from Chile.

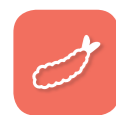
Through the above policies, we will continue providing safe and reliable products, ensuring a stable supply to the market of high-quality processed products.

FY2022 forecast	
Net sales:	130.0 billion yen
Operating profit:	4.5 billion yen

FY2023 forecast (Target for final year of medium-term business plan)	
Net sales:	142.0 billion yen
Operating profit:	3.6 billion yen



*Note also that data for FY2020 is recorded prior to the application of the "accounting standard on recognition of earnings".
Note also that data for FY2021 is recorded after the application of the same standard.



Foods Business

(Foodservice Business Division, Retail and Consumer Business Division)



Strengths of our Foods Business

- A broad range of sophisticated manufacturing technology
- Global processing bases and procurement capabilities
- Product development capabilities and organizational strength for safe and trustworthy products
- Extensive product lineup

In FY2021, we reorganized our businesses on a business-type basis, further strengthening our organizational capabilities. In FY2022, in addition to accelerating the development of Kyokuyo brand products, we will also increase the efficiency of operations at our in-house plants, focusing on improving how capacity to generate profits.

Keizo Yamaguchi

Director responsible for Retail and Consumer Business Division
Retail and Consumer Business Dep.1 and Dep. 2,
Research and Development Division
Research and Development & Laboratory



Business overview by segment (April 2021 to March 2022)

In the foods business segment, we, in April 2021, reorganized our businesses from a product-based organization to a business-type based organization, establishing new Foodservice Business Division and Retail and Consumer Business Division headquarters. Establishing these new separate divisions allows us not only to strengthen the sales capability of each individual branch, but also to work towards improved operational efficiency at our in-house plants. In order to expand sales of our mainstay Kyokuyo brand products, we are also working to respond flexibly to the changes in market environment and consumer preferences resulting from the pandemic, through measures including the development of high-value-added products that focus on "food to enjoy life".

In our frozen commercial food business, we were able to achieve a certain volume of sales of raw food products, particularly sushi toppings, but due to factors including the growing spread of the coronavirus pandemic, sales decreased, particularly sales of our mainstay fried marine products to restaurants and catering.

In our frozen consumer food business, while the volume

of production of simmered fish and grilled fish at our plant in Southeast Asia decreased temporarily, we were able to increase the volume of sales to drugstores. We introduced new health-conscious products into our range of canned products and worked to drive sales of canned blue-skinned fish, including mackerel and sardine, and also canned tuna, but as the increased demand from people spending more time at home passed its peak, and sales to major mass retailers decreased.

Overall, profitability was adversely impacted by increased raw materials prices and rising marine transport costs. As a result, both net sales and operating profit fell below the prior year.

FY2021 performance

Net sales: **96.883 billion yen**
(down 1.9% year-on-year)

Operating profit: **1.046 billion yen**
(down 37.9% year-on-year)

Main products handled



Frozen commercial food



Frozen consumer foods



Shelf-stable foods, health products



Seafood delicacies

FY2022 policies

In FY2022, we will continue to prioritize expanding our foods business, strengthening our product development, and developing our brand.

We will tailor our sales structures, not only through division into consumer and retail sales structures, but also by strengthening our systems to handle finer divisions of business category including, in retail sales, a division between restaurants and mass retail outlets. In addition, we will also focus on development of value-added Kyokuyo brand products, principally selling products manufactured in our own plants, which will improve plant operational efficiency and profit-generating capability. We will also implement the product strategies required in response to the increase in raw materials prices and distribution costs.

Our goal is to further expand sales of imitation crab meat, one of the Kyokuyo Group's core products, to develop products that customers can serve at home as a main dish, and to boost our lineup of prepared food products, which centers around fish.

We hope that regular levels of pre-pandemic economic activity will soon return, but the rising price of various raw materials since last year is increasing the cost of certain key lifestyle essentials, and changes in consumer sentiment and behavior are expected. Even in such a business environment, we will aim to continue providing delicious, enjoyable food and high-quality, value-added products.

FY2022 forecast

Net sales: **109.0 billion yen**

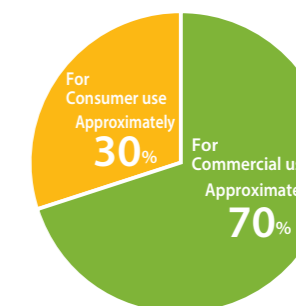
Operating profit: **2.3 billion yen**

FY2023 forecast (Target for final year of medium-term business plan)

Net sales: **124.0 billion yen**

Operating profit: **3.0 billion yen**

FY2021 net sales by business type



Tuna Business



Strengths of our Tuna Business

- A seamless system within the Group from fishing to aquaculture, purchasing, processing, and sales
- Global procurement and processing capabilities cultivated over many years
- Substantial processing system (with HACCP certifications for the U.S. and EU)
- Initiatives in fisheries to produce and raise fish, enabling high quality and a stable supply

In FY2021, we were able to record robust sales results. In FY2022, prices for raw materials, feed and fuel are expected to increase, but by enacting various policies, and with the operation of the large fishing vessel “Wakaba Maru No.11”, which was completed in summer 2022, we are aiming to increase profitability.

Ken Sakai
Representative Director and Vice President
Responsible for Tuna segment, Logistics service segment
Business headquarters



Business overview by segment (April 2021 to March 2022)

In the fiscal year ended March 2022, the sales and processing division handled an increasing volume of imported frozen Pacific bluefin tuna and fresh farmed Pacific bluefin tuna, and sales of processed products, particularly processed *tataki* products (lightly seared tuna) to mass retailers and conveyor-belt sushi restaurants, were robust.

The aquaculture division contributed to improvements in profitability through improvement in the quality of Pacific bluefin tuna and stabilization of delivery systems. For red sea bream, prices were rising, but issues over the control of fishing grounds remain.

In the overseas purse seine fishing business, while the volume of catch decreased, the balance of revenue and expenditure improved due to a rebound in the price of skipjack tuna. As a result, both net sales and profit exceeded the prior fiscal year.

FY2021 performance
Net sales: 34,295 million yen (up 14.6% year-on-year)
Operating profit: 988 million yen (up 95.2% year-on-year)

Main products handled

Tuna products

Skipjack tuna products

Farmed red sea bream and other species (shipped chilled)

FY2022 policies

In FY2022, business conditions are expected to be difficult for reasons including increasing prices for imported raw materials and feed used for aquaculture, as well as the increasing cost of operating overseas purse seine fishing vessels due to rising fuel costs, but we will make solid progress towards our goals of “stabilizing profitability in the agriculture business” and “strengthening access to resources”.

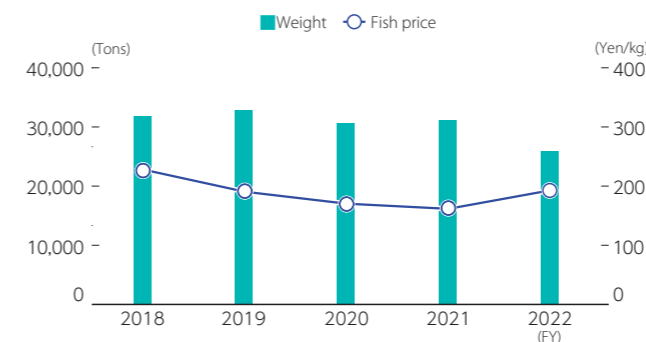
In the sales and processing division, we will focus on expanding sales of processed products produced at in-house plants, including skipjack tuna products, with a particular focus on imports of unprocessed frozen Pacific bluefin tuna.

In the overseas purse seine fishing business, “Wakaba Maru No.11”, an internationally-competitive large fishing vessel, left port for the first time in August. Its fishing fleet, which was composed of four vessels, will aim to improve operational efficiency and contribute to higher profitability.

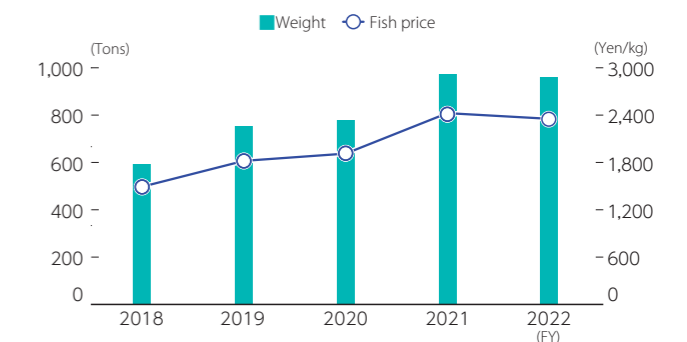
In the agriculture business, we will work to improve the quality of domestic farmed Pacific bluefin tuna and achieve stable supply, while also strengthening our sales of farmed red sea bream.

FY2022 forecast	
Net sales: 35.0 billion yen	Operating profit: 1.4 billion yen
FY2023 forecast (Target for final year of medium-term business plan)	
Net sales: 33.0 billion yen	Operating profit: 1.4 billion yen

Overseas purse seine fishing business: Catches



Pacific bluefin tuna aquaculture business: Sales trend



Logistics Business



Kyokuyo Akitsu Reizo Co., Ltd.

Strengths of our Logistics Business

- Accumulated know-how for “safe, reliable, and accurate delivery of products”
- Logistics network throughout Japan

Business overview by segment (April 2021 to March 2022)

In our distribution business, as a result of strengthening the systems required to deal with the increase in transportation on core routes in Japan due to confusion in the marine transport business, net sales increased. On the other hand, our cold storage business was supported by a robust demand for marine products, which resulted in an increase in the volume of products delivered from cold storages, but since the volume of inventory entering cold storages was the same as in the prior year, the amount of stock held in cold storages decreased, impacting profitability.

As a result of the above, net sales exceeded the prior fiscal year, but profit fell below the prior fiscal year.

FY2021 performance	
Net sales:	1,176 million yen (up 8.9% year-on-year)
Operating profit:	218 million yen (down 41.0% year-on-year)

FY2022 policies

In addition to working towards the management of appropriate inventory levels, particularly the inventory held within the Kyokuyo Group, we will also work to attract business from third parties in accordance with the projections for future cold storage in order to increase the cold storage rate. Furthermore, we will make progress on the implementation of integrated distribution and storage services, securing contracts with new customers.

In addition, we are focusing on integrating the different logistics systems that exist in our various segments in order to achieve greater operational efficiency across the group as a whole.

FY2022 forecast	
Net sales:	1.0 billion yen
Operating profit:	0.2 billion yen

FY2023 forecast (Target for final year of medium-term business plan)

Net sales:	1.0 billion yen
Operating profit:	0.2 billion yen

The Foundation of Our Value Creation

In order to realize its corporate philosophy, the Kyokuyo Group incorporates social issues and changes in the business environment into its medium-term business plan, and practices ESG-focused management to address issues through ESG-focused business activities.

In this way, we will add greater competitiveness to the Kyokuyo Group's strengths and reinforce our foundation for value creation that contributes to the sustainable development of society.



Kyokuyo Group's Approach to Sustainability

Formulating Kyokuyo Group Basic Sustainability Policy

In November 2021, the Kyokuyo Group formulated Kyokuyo Group Basic Sustainability Policy in order to encourage progress on addressing sustainability, an important managerial issue from the perspective of the achieving the Group's sustainable growth and also increasing the Group's medium- to long-term

corporate value.

Our Group, based on this policy, will move forward with responsible business activities, working through our business operations to resolve social problems, contributing to the development of a sustainable society.

Kyokuyo Group Basic Sustainability Policy

As a general food company with a focus on fish, the Kyokuyo Group aims to achieve sustainable growth while solving social issues and contributing to the sustainable development of society, by creating social and economic value in our business activities based on the following five themes aligned with our Corporate Philosophy.

1. Creation and Sharing of Value

We solve various social issues and contribute to healthy and prosperous lifestyles and culinary culture by creating and sharing value for society via the provision of safe and reliable products and services.

2. Communication with Society

We promote active communication with various stakeholders to respond to the demands and expectations of society, fulfill our social responsibilities, and thereby contribute to the creation of a prosperous society.

3. Creating an Environment where Diverse Human Resources Can Flourish

We strive to respect the diversity of human resources, which are the source of new value creation, and create an environment where everyone can flourish.

4. Harmony with the Environment

We strive to conduct business activities in harmony with the environment, via efforts such as reducing environmental impact, mitigating climate change, and conserving biodiversity and ecosystems.

5. Enhancing Corporate Governance

We strive to conduct fair business activities based on swift and highly transparent management, ensure compliance, and enhance risk management.

Kyokuyo Group Basic Sustainability Policy
 URL https://www.kyokuyo.co.jp/en/environment/sustainability_policy/index.html

Kyokuyo Group's Relationship with Stakeholders

The Kyokuyo Group believes that incorporating the requests and expectations of stakeholders into its business strategies and activities is an essential part of sustainable corporate management. While improving communication with stakeholders, we strive to fulfill information disclosure and accountability, build good relationships, and utilize stakeholders' perspectives in our management.



Tools and opportunities for communication with stakeholders, results and evaluation of this communication

Stakeholders	Methods and opportunities for communication	Results / evaluation
Customers 	In order to gain the trust of our customers, we value communication, think from the customer's point of view, and respond to customer feedback. <ul style="list-style-type: none"> Daily sales activities Customer Relations Center Product introductions at new product presentations Exhibiting at Japan International Seafood & Technology Expo and other exhibitions Cooperation with campaigns Introduction of products and recipes on our websites; television commercials 	<ul style="list-style-type: none"> Developing and selling products that reflect customers' needs Communicating within the company opinions received via Customer Relations Center, and using those opinions to improve our products Proposals for a healthy and heart-enriched lifestyle (including "karushio" products with reduced salt content, and products with additional lactic acid bacteria.)
Business Partners (suppliers, partner companies) 	We are committed to all forms of compliance with our business partners, conduct fair and equitable transactions, build relationships of trust, and fulfill our social responsibilities together. <ul style="list-style-type: none"> Daily procurement activities Kyokuyo-kai Customers' Association at each branch office Regular plant visits and guidance Kyokuyo Cooperation Association Technical Research Meeting Technical Exchange Workshop in China 	<ul style="list-style-type: none"> Sharing information on market movements and fishing grounds (daily procurement activities, Kyokuyo-kai Customers' Association at each branch office) Sharing information on manufacturing safe products and methods for hygiene management (Kyokuyo Cooperation Association Technical Research Meeting and Technical Exchange Workshop in China)
Shareholders / Investors 	We place importance on highly transparent management and communication, achieve accountability, and make use of shareholder and investor feedback in management. <ul style="list-style-type: none"> Fair, continuous, and accurate information disclosure to shareholders and investors Active information dissemination and dialogue at general meetings of shareholders, IR Presentation, etc. Business reports 	<ul style="list-style-type: none"> Use of the website for the timely disclosure of financial and non-financial information Reflecting the opinions of investors into future IR activities
Employees 	Based on the principle of respect for human dignity, we will create workplace environments that consider fairness, impartiality, and human rights, where employees can play an active role with a job satisfaction. <ul style="list-style-type: none"> Human resources consultations Internal company newsletter, Intranet (bulletin boards, boards for internal communications) Stress checks Various types of e-learning Harassment consultation hotline Consultation with labor union; Occupational Safety Committee 	<ul style="list-style-type: none"> Consultations between human resources offices and individual employees Carrying out stress checks Displaying important notices at group companies in both Japanese and local languages Support for employees taking childcare leave
Local communities 	We will advance activities that contribute to the development of local communities and work to solve social issues through communication and collaboration with various related organizations. <ul style="list-style-type: none"> Sponsorship as an official partner of Japan Canoe Federation Clean River Activities Acceptance of internships Technology development through cooperation between industry, government and academia Timely and appropriate reporting and provision of information to the government Participation in industry development and the realization of a sustainable society through industry associations 	<ul style="list-style-type: none"> Support for canoe slalom Japan Cup Kyokuyo Series Carrying out cleaning activities in the area around the canoe competition venue (Clean River Activities) Exchange events involving foreign technical trainees and junior high school students in Shiogama (Kyokuyo Shokuhin Co., Ltd.'s Shiogama Plant) Receiving company interns from Kagawa Nutrition University (Research and Development)
Global environment 	We are working to conserve the global environment through sustainable resource use and efforts to reduce environmental burden. <ul style="list-style-type: none"> Promoting environmental conservation activities in line with environmental policies Use of environmentally friendly raw materials Initiatives for "Eco Label" products (MSC, ASC, MEL, etc.) Participation in SeaBOS (Seafood Business for Ocean Stewardship) and CLOMA (Clean Ocean Material Alliance) 	<ul style="list-style-type: none"> Supporting the MSC Japan campaign for World Oceans Day President Makoto Inoue attended SeaBOS keystone dialog.

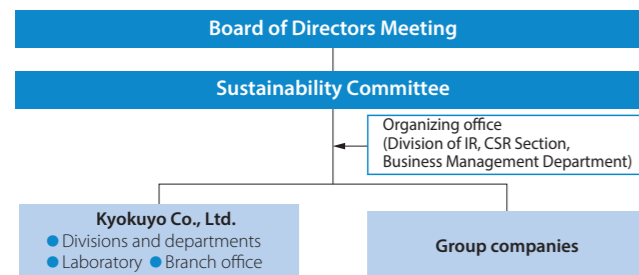
Kyokuyo Group's Promotion of ESG-focused Management

Kyokuyo Group is working to address various contemporary issues including growing public awareness of the need for safe, reliable and healthy products, in addition to issues such as climate change, sustainable use resources, and the reduction of ocean plastic waste.

Systems for promoting sustainability

Kyokuyo Group is working to address various sustainability-related issues including environmental conservation, climate change, responsible procurement and respect for human rights. In order to tackle initiatives that go beyond the scope of "the environment", and clarify our contribution to society, the name of the Environmental Conservation Committee was changed to the Sustainability Committee in April 2022. The Sustainability Committee, led by President of Kyokuyo Co., Ltd., and with the attendance of every Director, division and department leader, and group company president, meets twice a year, to set sustainability-related targets, and evaluate and report on sustainability-related activities.

Diagram of our sustainability-related organizations



Participation in initiatives

Participating in SeaBOS: Seafood Business for Ocean Stewardship

SeaBOS is a global initiative in which 10 of the world's leading seafood companies across the wild capture, aquaculture, and feed production sectors work with scientists to address the challenges toward involved



in the sustainable utilization of marine resources and the realization of a healthy ocean and global environment through scientifically based approaches. Kyokuyo has been participating in this initiative since April 2017. In October 2021, SeaBOS' sixth keystone dialogue (meeting between CEOs of member companies and scientists) was held online, with Kyokuyo Co., Ltd. President Makoto Inoue representing the Kyokuyo Group. At the meeting, members discussed initiatives and activities and set policies relating to various important

issues including illegal, unreported and unregulated (IUU) fishing, the elimination of slave labor in the fisheries industry, reduction of antibiotic usage in aquaculture, the impact of greenhouse gases, and ocean plastic waste.

SeaBOS specifically aims to contribute to the achievement of the United Nations' 14th Sustainable Development Goal (SDG): the conservation and sustainable use of oceans and marine resources. Through initiatives at SeaBOS, we will help to resolve social issues such as the realization of a sustainable fisheries industry and the conservation of a healthy marine environment, addressing matters including ocean plastic waste, while also improving our own sustainability.

Participating in Japan Clean Ocean Material Alliance (CLOMA)

CLOMA was established in January 2019 with the support of Japan's Ministry of Economy, Trade and Industry and the participation of companies from various industries with the aim of preventing marine pollution caused by plastic waste. Kyokuyo group joined the organization in April of the same year. With the participation of more companies, the Alliance is engaged in initiatives such as business matching between companies, sharing information on case studies, monitoring the latest technology trends, collaborating with international organizations and overseas research institutes, and promoting diverse business-to-business collaboration.



We make use of new information on new materials and alternative products acquired through the alliance and pursue activities that aim to reduce plastic waste.

Topics Stocks that make up the ESG investment index Kyokuyo selected for the FTSE Blossom Japan Sector Relative Index

In April 2022, Kyokuyo Co., Ltd. was selected by FTSE Russell, one of the London Stock Exchange group of companies, for inclusion in the newly-established FTSE Blossom Japan Sector Relative Index.

Kyokuyo's selection as one of the index's constituent companies is a strong endorsement of our sustainability initiatives and information disclosure. We will continue working to address various sustainability related issues, particularly those related to the UN's SDG14 (Life below water), including the need to reduce plastic usage and promote sustainable usage of marine resources.

The Kyokuyo Group Environmental Policy

Environmental Philosophy

Kyokuyo's corporate mission is "Aiming to grow together with society, contributing to a healthy and heart-enriched lifestyle and food culture based on management of human respect." Based on this corporate mission, the management will take leadership to contribute to sustainable social development by considering environmental impacts, including climate change, throughout all our business activities and meeting the needs of the international society. As a global seafood company, we are committed to ensuring food safety and security by efficiently using natural resources to conserve biodiversity and ecosystems.

Basic Policies

1. Contribute to Sustainable Social Development throughout Our Business Activities
2. Commit to Improving Our Environmental Performance
3. Comply with Environmental Laws and Regulations
4. Share Our Environmental Education beyond the Kyokuyo Group to Help People Understand Our Environmental Policy

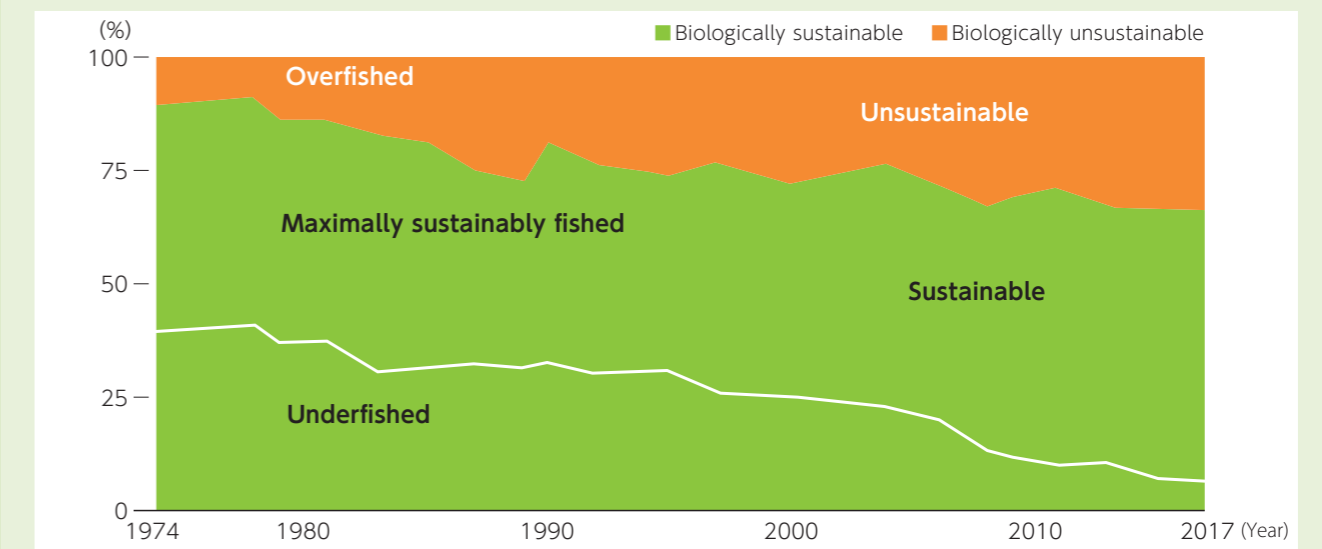
For further information on The Kyokuyo Group Environmental Policy, please refer to our website.
URL <https://www.kyokuyo.co.jp/en/environment/management/index.html>

Topics Global trends in fishing resources (1974-2017)

According to the Food and Agriculture Organization of the United Nations (FAO), the percentage of sustainably-fished resources is gradually decreasing.

In 1974, approximately 90% of marine resources were fished at an appropriate level or lower (a sustainable level), by 2017, that percentage had reduced to 65.8%. Of the world's marine resources, 59.6% were being maximally sustainably fished, while the percentage of resources fished below appropriate levels (abundant resources with room to increase catch) was only 6.2%.

GLOBAL TRENDS IN THE STATE OF THE WORLD'S MARINE FISH STOCKS, 1974-2017



Source: FAO: The State of World Fisheries and Aquaculture 2020

Conserving Biodiversity



Social issues (background)

- Preventing pollution of the marine environment
- Sustainable and efficient use of marine resources
- Overfishing, illegal fishing methods, and excessive catches due to operations

Kyokuyo Group's approach

- Conservation of the marine environment
- Preventing excessive catches
- Appropriate conservation and effective use of fishery resources, and full-life-cycle aquaculture of Pacific bluefin tuna
- Handling of standard-approved / certified products for conserving biodiversity

Kyokuyo Group's position and policy

As the demand for marine products increases due to the growing global population and the wider diffusion of a culture of eating fish, it is becoming increasingly important to use limited fishery resources in a sustainable fashion. In particular, the appropriate management and control, based on scientific evidence, of fishery resources used internationally is a global issue. Therefore, the fishing industry must respect ecosystems and prevent overfishing, ensuring the appropriate conservation of fishery resources and their effective use. Kyokuyo Group, as a company that handles marine products, is working to ensure this sustainable and efficient use of fishery resources and the active conservation of biodiversity and ecosystems.

Initiatives for reducing the environmental impact of the aquaculture business

In our aquaculture business, which focuses on fish including Pacific bluefin tuna and red sea bream, we are engaged, from the perspective of respecting nature and conserving biodiversity, in the following activities, with the aim of reducing the impact on the world's ocean environment.

(1) Reducing leftover feed

- We work to adjust volumes of food provided according to the season, age of the fish and the volume of feed provided on the previous day. We are also switching over to solid mixed feed.
- We also use moist pellets (semi-solid feed), which are reported to produce a lower volume of waste

(2) Cleaning fish farming cages

- Nets are cleaned regularly using a net-cleaning robot



Net-cleaning robot

Initiatives for sustainable fishing, preventing by-catch, and preventing the outflow of ocean waste

Kyokuyo Suisan Co., Ltd., a member of Japan Far Seas Purse Seine Fishing Association, is based on the guidelines of the Fisheries Agency (which belongs to The Western and Central Pacific Fisheries Commission (WCPFC)), working to manage fishery resources in order to ensure sustainable fishing.

In order to prevent overfishing, we have established a fishing season in which we do not use fish aggregating devices (FADs), a type of device used to aid fishing. We are also promoting free school fishing* in which adult fish swimming at high speed are located using a helicopter and caught in an effort to prevent by-catch of young fish with less swimming power. When by-catch includes endangered species other than tuna including whales, sharks, rays, seabirds and other species, we act in accordance with regulations.

We carefully control the use of our fishing aids. We attach sonar satellite buoys marked with an identification number and the name of their affiliated vessel to prevent the loss of FADs. We recover these FADs after use. Fishing nets are managed with a priority on preventing damage. When damage occurs, we work to repair nets on board our vessels. Any artificial waste objects caught in our fishing nets are taken back to port and disposed of after we land our catch.

*Free school fishing: A method of catching skipjack and tuna that swim at high speed in a school by following the sardines and other prey on which they feed.



Initiatives for the sustainable use of fishery resources

In order to help appropriately conserve and effectively use fishery resources, demand for MSC*- and ASC*-certified marine products is expected to significantly increase in the future, both in Japan and abroad. The Kyokuyo Group began handling MSC- and ASC- certified marine products in 2006, and since then has steadily increased its number of registered fish species and handling volumes, while expanding the scope of certification.

In addition, Kyokuyo Co., Ltd. and Kyokuyo Suisan Co., Ltd. are members of the Marine Eco-Label Japan (MEL) Council, which is the scheme owner of the Japanese Fisheries Eco- Label "MEL", and our affiliates are also preparing to obtain MEL certification.

Through these initiatives, the Kyokuyo Group strives to increase its handling of MSC / ASC and MEL certified products, contributing to conservation of biodiversity and the sustainable use of fishery resources.



MSC-C-51738



ASC-C-00459



Kyokuyo Group's acquisition of CoC certification from MSC / ASC; MSC / ASC registered fish species

	Certification number
MSC	MSC-C-51738
ASC	ASC-C-00459

	Registered fish species
MSC	Sablefish
	Arrow-tooth flounder
	Snow crab
	Herring
	Walleye pollock
	Pacific cod
	Atlantic cod
	Rex sole
	Flathead sole
	Pacific halibut
	Southern rock sole
	Northern rock sole
	Yellowfin sole
	Argentine hoki
	Hoki
	Arctic surf clam
	Capelin
	North Pacific hake
	Blue whiting (=Poutassou)
	Pink salmon
Chum salmon	
Coho salmon	
Sockeye-red salmon	
Chinook salmon	
Northern prawn	
Yesso scallop (Mizuhopecten yessoensis)	
Alaska plaice	
Saithe(=Pollock)	
Mackerel	
Atka mackerel	
Pacific ocean perch	
Yellowfin tuna (Thunnus albacares)	
Greenland halibut	
European sprat (Sprattus sprattus)	
ASC	Whiteleg shrimp
	Coho salmon
	Tilapia (Nile)
	Pangasius (Pangasius hypophthalmus)
	Giant tiger prawn
	Rainbow trout (Oncorhynchus mykiss)

as of June 2022

*MSC: Abbreviation of the Marine Stewardship Council. An international non-profit organization established in 1997 and headquartered in the United Kingdom. The MSC blue fish label is awarded only to natural marine products caught using sustainable fishing methods.

*ASC: Abbreviation of the Aquaculture Stewardship Council. An international non-profit organization established in 2010 and headquartered in the Netherlands. ASC manages a system of certification that recognizes only products grown through environmentally and socially responsible aquaculture.

Environment Achieving a Carbon-Neutral Society



Social issues (background)

- Climate change countermeasures
- Reducing environmental impact factors associated with business activities

Kyokuyo Group's approach

- Reducing CO₂ emissions
- Accurate understanding and analysis of energy consumption
- Efficient use of energy resources

Kyokuyo Group's position and policy

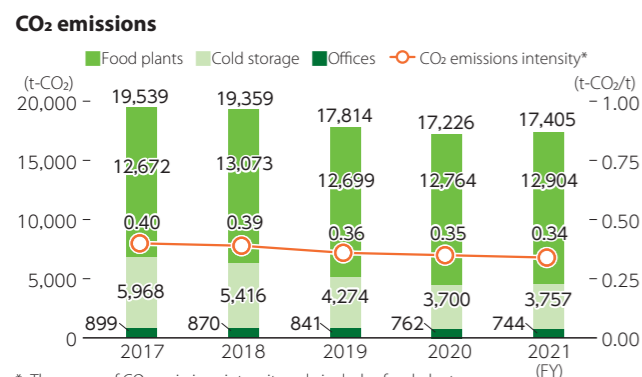
Global warming, mainly due to an increase in CO₂ emissions, is a factor that causes rising sea levels and water temperatures, and unstable weather. In order to realize sustainable production and consumption in the future, it is essential to reduce the environmental impact of business activities and mitigate the risks that will occur as a result of climate change. In these circumstances, Kyokuyo will strive, by reducing greenhouse gas emissions and efficiently using energy resources, to help create a carbon-neutral society.

Reducing CO₂ emissions

Kyokuyo Group's CO₂ emissions during FY2021 were 17,405 tons, up 1.0% on the prior year.

In addition, CO₂ emissions intensity, a standard for resource efficiency, was 0.34 t-CO₂/t in FY2021 an improvement of 2.9% on the prior year. One reason for the decrease is the efforts to improve operational efficiency at each plant.

As we move forward, increasing our production capacity, we will implement thorough control off CO₂ emissions intensity at food plant sites and cold storage sites, aiming to reduce CO₂ emissions and achieve effective use of energy resources through measures including daily inspections and maintenance, harnessing AI technology, and active investment in facilities including switching over to energy-conserving equipment.



* The scope of CO₂ emissions intensity only includes food plants.

Climate-related financial information disclosure Agreement with the task force (TCFD)

On May 27, 2022, Kyokuyo Co., Ltd. issued a declaration agreeing with the statement made by the task force on climate related financial disclosure*, an organization founded by Financial Stability Board.



Kyokuyo Co., Ltd engages in business activities that take environmental concerns into account, employing ESG-focused management to reduce our impact on the environment and mitigate global warming. Through these activities, we aim to contribute to a sustainable society and achieve the sustainable growth of the Group, increasing corporate value over the medium- to long-term. As we move forward, and we continue working to address climate change, we will, based on the TCFD recommendations, analyze the risks and opportunities climate change will bring to our business, evaluating its financial impact and disclosing related information.

* Task force on Climate-related Financial Disclosure
The Financial Stability Board established this task force in 2015 following request from the G20. The task force evaluates the financial impact on business management of the risks and opportunities associated with climate change, encouraging companies to disclose information related to corporate governance, strategy, risk management and related indices and targets

TCFD website
URL <https://www.fsb-tcfd.org/>

Environment Achieving a Circular Society



Social issues (background)

- Reducing environmental impact associated with business activities

Kyokuyo Group's approach

- Efficient use of food waste
- Sustainable use and management of water

Kyokuyo Group's position and policy

The Kyokuyo Group's business is supported by and based on nature's bounty. It is therefore essential that we operate our business by making effective use of limited natural resources. We will strive to reduce food waste by effectively utilizing food and other resources through our product development, introduction of AI technology, promotion of recycling, and more. At the same time, we will also strive to make effective use of food waste to reduce the environmental impact of our business activities and achieve a circular economy.

Effective use of waste food

Since 2003, Kyokuyo Foods Co., Ltd., which produces imitation crab meat, has been using microbes to dispose of waste food generated during the production process. The compost produced by these processes is distributed free of charge to local farmers.

Processed volume of waste food and volume of compost produced (Kyokuyo Foods Co., Ltd.)

	FY2019	FY2020	FY2021
Treated food waste weight (tons)	140.3	129.2	114.9
Production compost weight (tons)	16.8	17.0	18.2

Ibusuki Shokuhin Co., Ltd., which principally manufactures skipjack tuna-based products, uses material removed during the processing of skipjack tuna to produce *neribushi*, a product sold commercially as soup stock.

Volume of removed material and volume of *neribushi* produced (Ibusuki Shokuhin Co., Ltd.)

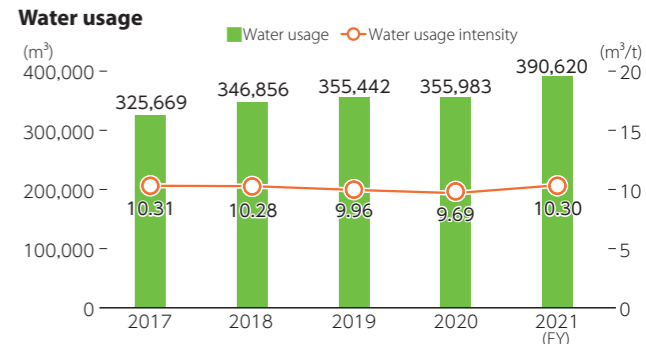
	FY2019	FY2020	FY2021
Volume of removed material (tons)	409	458	503
Volume of <i>neribushi</i> (tons)	135	151	166

Management of water usage

In FY2021, the volume of water used at food plant sites increased by approximately 20% in comparison to FY2017, due to the expansion of production facilities in order to support stronger sales.

Water use intensity has been improving over the prior year every year from 2017 through 2020, but in FY2021, it increased by 0.61 points, and the efficiency of water resource usage declined. The major reason for this change was a change in operational procedures.

We are working to improve the efficiency of water resource usage not only through daily inspection and cleaning, but also improving our operational procedures and promoting water reuse.



Management of wastewater quality

The production of salmon roe at the Kyokuyo Shokuhin Co., Ltd.'s Hitachinaka Plant was transferred to the Kyokuyo Shokuhin Co., Ltd.'s Shiogama Plant. This transfer was expected to result in an increase in daily water usage of 50m³ at the Shiogama Plant, producing required wastewater processing capacity of approximately 1.2 times the capacity of existing facilities, but it was possible to achieve the required wastewater processing capacity by activating bacteria and efficiently mixing the wastewater.

Kyokuyo Group will continue to use knowledge from our Laboratory and the latest technology in an effort to reduce all kinds of impacts on the environment.

Kyokuyo Group's Efforts to Reduce Plastic Waste

Activity Report

The Kyokuyo Group works on prevention, reduction, and control from the time plastic is on land to stop the outflow of plastic to the ocean.



Kyokuyo Group's position and policy

Approximately 8 million tons of plastic reportedly enter the world's oceans every year, and ocean plastic waste is currently a major global issue. While ultraviolet light, waves and other factors reduce the size of plastic particles, plastic continues to drift in the ocean, without breaking down. As a result, the volume of plastic continues to grow.

Kyokuyo Group's business depends on the oceans, which cover 70% of the earth's surface. If ocean plastic waste continues to increase at current rates, not only will the health of the ocean be compromised, but it will also cause a major problem for the sustainability of our Group's business.

Our Group plants, which use plastic packaging materials in the manufacturer of their products, and our Group aquaculture companies, which use plastic buoys, fishing nets and other equipment, are working from the product design stage to consider appropriate materials, assess product safety, and review manufacturing processes, and are, while carrying out daily maintenance and inspection work, making an effort to reduce the volume of plastic used and the amount of plastic waste entering the oceans.

Reference: National Consumer Affairs Center of Japan website
 URL: https://www.kokusen.go.jp/wko/pdf/wko-202102_07.pdf

Commitment to reduce plastic usage

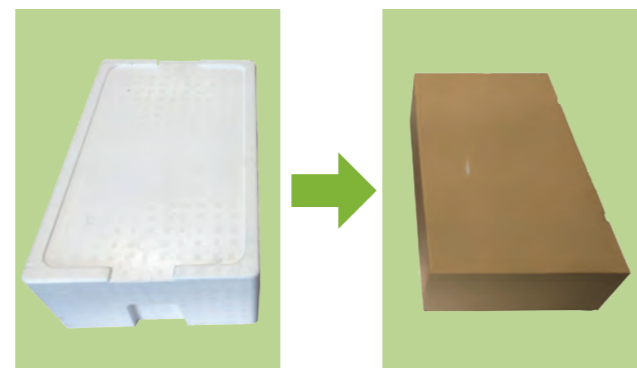
The majority of ocean plastic waste is generated in urban areas and reaches the ocean via rivers. To eliminate the sources of plastic waste, we, in 2022, identified the goal of reducing the volume of plastic used by 2030 (reference year: 2019, on a plastic usage intensity basis). Our whole Group is working together to achieve this goal.

Our efforts to reduce plastic usage focus on three areas: replacing materials, using non-tray packaging, and downsizing. In future, we need to collaborate with our business partners, promoting various initiatives as we take on board new methods.

Replacing packaging materials

Kyokuyo Shokuhin Co., Ltd.'s Hachinohe Plant

Material used in boxes for salt-cured coho salmon was switched from expanded polystyrene (Styrofoam) to paper (cardboard).



Prior to the change

After the change

Non-tray packaging

Jokki Co., Ltd.

Jokki Co., Ltd., which manufactures delicacies, no longer places products in plastic trays, but instead places products directly into bags.

The weight of packaging material has been reduced from 4.1g to 2.5g, reducing the volume of plastic used to package each product by 39%.



Packaging material (bag and tray) shown with product



Bag and tray

Downsizing

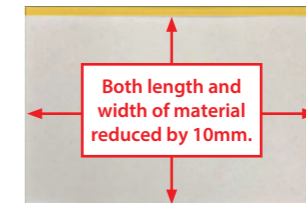
Kyokuyo Shokuhin Co., Ltd.'s Hitachinaka Plant

The amount of plastic used for a shock-absorbing urethane mat used to package Alaska pollock roe products for business customers was reduced by 10mm in both dimensions.

Reducing the width of the package in by 10mm reduces the amount of plastic required by 8%.



Product



Downsized urethane material (shown in yellow)

330mm × 200mm

↓
320mm × 190mm

Inserted as shock-absorbing material between the box and product

Preventing plastic from reaching the oceans: Regular replacement of fishing nets

Group companies in Shikoku responsible for the aquaculture of tuna (Kyokuyo Marine Ehime Co., Ltd., Kyokuyo Marine Farm Co., Ltd., Kyokuyo Feed One Marine Co., Ltd.) conduct repairs and maintenance in the course of their daily work to prevent plastic components of fishing nets and buoys used

in agriculture facilities from getting damaged and entering the ocean. In addition, nets are removed from the water for regular inspection every three years, and are replaced in the ninth year.



Checking buoys for damage



Aquaculture fish cages and buoys

Social Contributing to a Healthy and Heart-Enriched Lifestyle and Food Culture



Social issues (background)

- Changes in food lifestyles (increased demand for “time-savings”, such as quicker and easier preparation) and changes in household structure
- New lifestyles choices resulting from the coronavirus pandemic (the new normal) and an increased tendency to eat at home
- Growing demand for food safety and increasing health needs



Kyokuyo Group’s approach

- Contributing to popularization of eating fish and reduction of labor at food preparation sites through efforts such as the development of products that meet consumer needs
- Contributing to a healthy food culture through product development that meets the needs of the growing numbers of health-conscious people
- Delivering wellness to more people through deliciousness by making use of customer feedback in an effort to create products for the elderly and nursing care food markets
- Focusing on food that is not only quicker and easier to prepare, but also on “Food to Enjoy Life” and food that promotes “Feeling well”

Kyokuyo Group’s position and policy

In Japan, people are eating less fish than before due to changes in lifestyle and household structure. However, seafood contains high-quality animal protein, and is low in calories and rich in nutrients such as vitamins and essential minerals. It also contains functional ingredients such as DHA and EPA.

Kyokuyo Group, as a general food manufacturer focused particularly on fish, is working to make rapid progress in Research and Development, and product development, to provide time-efficient, convenient solutions to meet customers demands for time saving. Through the expansion of the Sea Marché brand, which has been designed with a focus on great ingredients and taste, and also through the sales of products that meet consumers strongest needs for health-conscious products, we are focused on providing products that represent “food to enjoy life”, aiming to put in practice our corporate policy of contributing to a healthy and heart-enriched lifestyle and food culture.

Food to enjoy life

The impact of eating fish on health

Functional nutrients contained in marine products

Fish and shellfish provide much that our bodies require, including a range of nutrients such as vitamins (D, E, B12), necessary minerals (calcium, potassium, magnesium), and a diverse range of functional elements including highly unsaturated fatty acids (DHA: docosahexaenoic acid, EPA: eicosapentaenoic acid). Research demonstrates that increasing fish consumption reduces the risk of myocardial infarction, and eating marine products has clear health maintenance benefits.

Kyokuyo Group contributes to a healthy food culture through the stable supply of marine products.

Major functional nutrients found in marine products

Functional nutrients	Species containing significant amounts of the nutrient	Brief explanation of nutrient / expected benefits
DHA	Fatty meat from Pacific bluefin tuna Salted salmon roe, Yellowtail, Mackerel	<ul style="list-style-type: none"> • Highly unsaturated fatty acids found in significant amounts in fish oil • Promotes brain development, prevents dementia, prevents deterioration of vision, prevents and improves arteriosclerosis, anti-carcinogenic action, other effects
EPA	<i>Maiwashi</i> , a type of sardine (<i>Sardinops melanostictus</i>) Fatty meat from Pacific bluefin tuna Mackerel, Yellowtail	<ul style="list-style-type: none"> • Highly unsaturated fatty acids found in significant amounts in fish oil • Tension of thrombosis, anti-inflammatory activity, prevention of high blood pressure, other effects
Astaxanthin	Salmon, Krill, Sakura shrimp, Red sea bream	<ul style="list-style-type: none"> • A type of carotenoid • Antioxidant effect in vivo, benefits for the immune system
Taurine	<i>Turbo sazae</i> (type of shellfish), Oyster, Cuttlefish, Dark tuna meat	<ul style="list-style-type: none"> • A type of amino acid • Preventing arteriosclerosis, preventing cardiac conditions, preventing gall stones, preventing anemia, improved liver detoxification, restoration of eyesight, and other effects
Anserine	Tuna, Skipjack tuna, Salmon, Shark meat	<ul style="list-style-type: none"> • Dipeptide created through the combination of two amino acids • Anti-oxidant effect, reduction of uric acid, pH buffering effect, other effects
Balenine	Whale meat	<ul style="list-style-type: none"> • Dipeptide created through the combination of two amino acids • Anti-fatigue effect due to antioxidant action

Source: based on data taken from “principal functional nutrients included in marine products”, Ministry of Agriculture, Forestry and Fisheries website
 URL Japanese link: https://www.maff.go.jp/j/pr/aff/1401/spe1_01.html

Sale of products produced from opah (moonfish), which includes balenine, a nutrient with anti-fatigue properties

Balenine is a dipeptide, created through the combination of two amino acids. It is known to prevent fatigue. There are also some reports that it may work to prevent dementia. As such, balenine is drawing attention for its potential to help improve quality of life among Japanese people, who are living in a high stress, rapidly-aging society*¹. Only a limited number of marine species contain significant volumes of balenine. Previously, only in baleen whales were thought to contain balenine. However, our research and development and laboratory, in cooperation with Fisheries Technology Institute, Japan Fisheries Research and Education Agency, analyzed the flesh of an opah (moonfish) by-catch from the long line of an oceangoing fishing vessel, and discovered the presence of balenine at a higher concentration span in baleen whales*².

By providing opah (moonfish), which contains significant volumes of balenine, a nutrient with fatigue-reducing and dementia-prevention properties, we hope that we can make some contribution to improve quality of life in our high-stress rapidly-aging society.

*1 Source: Fisheries Technology Institute, Japan Fisheries Research and Education Agency; Research Trends, Major research results published by Fisheries Technology Institute, No. 16 (2017)
 URL Japanese link: http://nriifs.fra.affrc.go.jp/ugoki/pdf/ugoki_016_011.pdf

*2 Source: Fisheries Science, Vol. 86, No. 6 Analysis of balenine in muscle extract of opah *Lampris guttatus* with automatic amino acid analyzer
 URL English abstract, paper in Japanese: https://www.jstage.jst.go.jp/article/suisan/84/6/84_18-00010/_pdf/-char/ja



Simple and delicious low-salt diets

Excess salt consumption leads to high blood pressure, which in turn causes conditions including cerebrovascular disease, cardiac disease, and kidney disease. In Japan, there are more than 10 million people with high blood pressure. Blood pressure does not rise suddenly when reaching a certain age, and it is believed that reducing salt intake from a younger age can prevent high blood pressure*³.

Currently, the recommended daily volume of salt intake for a healthy Japanese adult is below 7.5g for men and below 6.5g for women, but recent studies suggest that consumers are generally exceeding these limits for approximately 3g per day.

Therefore, Japan’s National Cerebral and Cardiovascular Center is currently promoting the new concept of *karushio* (“light on the salt”), which focuses on reducing salt usage to bring out the taste of ingredients. In accordance with this

campaign, Kyokuyo Group is continually supplying customers with healthy products containing a lower salt content.



Dishes from the National Cerebral and Cardiovascular Center’s *karushio* (“light on the salt”) campaign (example servings)

*3 Source: Consumer Affairs Agency website: Harnessing food nutrition labeling to help create a low-salt society
 URL Japanese link: https://www.caa.go.jp/policies/policy/food_labeling/health_promotion/pdf/food_labeling_cms206_20191126_09.pdf

Food with added Lactobacillus paracasei, which is thought to provide immune system benefits

One variety of imitation crabmeat sold by our company includes added Lactobacillus paracasei*⁴. Lactobacillus paracasei® is lactic acid bacteria selected from among several thousand bacteria strains. The heat-killed bacteria improve immune system function by acting on immune cells in the intestine. Kyokuyo are committed to the continued development of healthy products that address consumers’ increasing awareness of health issues as society ages rapidly.



(Serving example)

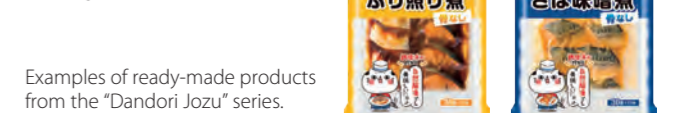
*4 Lactobacillus paracasei®, under the motto “supporting your health” is heat-killed lactic acid bacteria selected Morinaga Milk Industry Co., Ltd. from among thousands of strains of bacteria stocked by the company.

Creating time value

Helping to solve problems in the elderly food and nursing care markets by creating products that take into account customer feedback

In recent years, the shortage of labor in medical, nursing care, and welfare facilities has become a serious social problem. Food preparation sites at these facilities require quicker and easier preparation, as well as products that are easy for the elderly to eat and swallow.

We have exhibited seven times at the Care Show Japan exhibition. At this event, we have received valuable in-person feedback from nutritionists and others working at medical and nursing care facilities. By making efforts to create products based on this feedback, we will continue contributing to solutions for social problems in medical care, nursing care, and welfare.



Examples of ready-made products from the “Dandori Jozu” series.



Social Providing Safe and Reliable Products

Social issues (background)

- Increasing interest in food safety and reliability
- Initiatives to Improve Quality

Kyokuyo Group's approach

- Creating a system for safety and reliability
- Disseminating accurate product information
- Improving the environment at production sites

Basic Policy for Quality Assurance

- **Providing Products with Safety and Security**
We give highest priority to providing safe and secure products to customers, and construct, maintain, and continuously review systems to achieve this goal.
- **Complying with the Law**
We comply with all laws related to food, such as food sanitation law. We also comply with voluntary rules that are separately defined.
- **Providing Accurate Information**
We accurately convey information on our products to customers in a manner that is easy to understand.
- **Sincere Customer Support**
If an incident or complaint should occur with one of our products, we swiftly and sincerely prevent the spread of damage, investigate the cause, plan countermeasures, and report to the customer, etc.

Enhancing Food Defense and Food Safety at Processing sites

- Major Categories of Kyokuyo Food Defense Guidelines**
- Organization Management
 - Facility Management
 - Human Factor of Employees
 - Management of Storage and Retrieval
 - Human Factor of Outsiders

Initiatives to Improve Quality

In February each year, Kyokuyo holds meetings of the Kyokuyo Cooperation Association Technical Research Meeting, which brings together the partner companies contracted to process our products. These meetings have been held since 1986, and a meeting was held for the 48th time in 2022. In 2022, the meeting was held online due to the influence of the pandemic (as it was in 2021), but in order to improve product quality at each plant in the same way as previous years, information was exchanged on a wide range of topics through a program which included lectures on topics directly related to actual plant work such as basic product quality control, the elimination of insects

and mice, inspection equipment, and microbe inspections.

Specifically, we share explanations and requests related to reports of complaints that have been addressed to the company, requests we have received, and our response to changes in food-related laws and regulations and food labeling laws, while also exchanging and sharing information on topics such as sanitation management methods at each plant, as well as examples of successful and unsuccessful practice.

We also invite speakers from outside the Group to give lectures on specialist topics, working to ensure that the individual is responsible for product quality control at each manufacturing plant can acquire the knowledge they need.

Improving the environment at production sites

Kyokuyo works to achieve quality assurance. These activities center on our Quality Assurance Department and prioritize the procurement of safe and reliable foods. In order to manufacture safe and reliable products, members of staff from our Quality Assurance Department directly visit processing subcontractors in Japan, as well as processing subcontractors overseas that do not have onsite quality control staff, in order to conduct audits and provide guidance.

At processing subcontractors in China, Vietnam and Thailand, Japanese and local product quality control specialists are permanently stationed on-site, where they work to provide for product quality and sanitation management. During the coronavirus pandemic, we suspended our program of regular training in Japan for local staff and our program of education required for food testing for the Japanese market, but we plan to restart those programs in the future.



Product inspections



Final confirmation of packaging



Swabbing test



Social Supply Chain Management

Social issues (background)

- Realizing a sustainable society
- Increasing interest in food safety and reliability
- Growing awareness of human rights and the diverse societies

Kyokuyo Group's approach

- Formulating Kyokuyo Group Basic Procurement Policy
- Building a sustainable supply chain
- Ensuring traceability

"Responsible procurement" based on Kyokuyo Group Basic Procurement Policy

At present, various social and environmental issues are driving a growing interest in corporate social responsibility (CSR) for the realization of a sustainable society. Companies are now required not only to pursue "economic value" such as sales and profits, but also "social value" that helps to resolve social issues.

The Kyokuyo Group is determined to fulfill its social responsibility and to do its part to realize a sustainable society through ESG-focused business activities, based on its Corporate Philosophy and the Kyokuyo Group Corporate Action Charter. Accordingly, we have formulated Kyokuyo Group Basic Procurement Policy in line with ISO 26000, an international standard for social responsibility, and are promoting responsible procurement activities.

- Eight points of Kyokuyo Group Basic Procurement Policy**
- 1 Compliance with laws and social norms
 - 2 Respect for human rights
 - 3 Safe and employee-friendly workplace environment
 - 4 Consideration for the global environment
 - 5 Fair business practices
 - 6 Safe and reliable products and services
 - 7 Coexistence with local communities
 - 8 Information security

Building a sustainable supply chain

In order to build a sustainable supply chain based on responsible procurement, we need to address not only the operations of our Group, but also the operations of all contractors providing services to the Group including raw materials, products, equipment and machinery.

To ensure an understanding of our Group's approach, and seek cooperation with our responsible procurement activities, we have drawn up guidelines for our suppliers, with the aim of contributing to the creation of a sustainable society through efforts across our supply chain.

For further information on Kyokuyo Group Basic Procurement Policy and Supplier Guidelines, please see the website below.
URL: <https://www.kyokuyo.co.jp/en/environment/client/index.html>

Acquiring chain of custody (CoC) certification from MSC / ASC as part of our supply chain management efforts; promoting the handling of certified marine products

In order to handle MSC- and ASC- accredited marine products, processing and logistics operations must meet the standards of the CoC management certification, and CoC certification must be acquired.

This certification is primarily aimed at establishing traceability by preventing certified and noncertified marine products from mixing through from certified fisheries and aquaculture farms to product sales. Certification also requires in its stipulated principles and precautions that there is no connection to forced labor, child labor, and vessels deemed to engage in illegal, unreported, and unregulated (IUU) fishing. In order to sell marine products as certified, they must be procured from suppliers that have obtained the same certifications that have been obtained by Kyokuyo Group.

Kyokuyo Group supports the management and control methods defined under this certification and, as part of our efforts towards responsible procurement, we will continue working to handle certified products.

Viewpoint ASC marine product certification initiatives

The ASC accreditation system certifies marine products produced through environmentally-friendly aquaculture, taking into account both the local community and the global environment. Under the system, certified products are delivered to the market and consumers with an easily-identifiable label attached, clarifying that the products are responsibly produced. As this initiative chimes with Kyokuyo Group Basic Procurement Policy 4- "Consideration for global environment" and 7- "Coexistence with local communities", Kaiyo Foods Co., Ltd., one of our food processing contractors, in May 2022 underwent assessment for and received the ASC accreditation in order to sell products made with ASC-accredited coho salmon from Chile.



Makoto Ishihara
General manager
Marine Products
Business Dept.2

While confirming the preferences of our business partners, we will continue working to expand sales of MSC and ASC accredited marine products.

Social Creating a Comfortable Working Environment and Human Resource Development



Social issues (background)

- Promoting productive and rewarding employment with decent work
- Providing opportunities for women to participate in decision-making in various areas of society

Kyokuyo Group's approach

- Fair and equitable employment regardless of nationality or gender
- Creating workplaces that respect the diversity of work styles and are conscious of work-life balance
- Promoting women's empowerment

Kyokuyo Group's position and policy

Kyokuyo believes that creating a comfortable workplace has many benefits, including motivating employees to work and encouraging them to demonstrate their abilities. This results in improved productivity and efficient management, while helping to prevent mental health issues. Therefore, we are working to introduce and operate systems that conform to laws and regulations and which are consistent with our Corporate Philosophy and the principle of "human respect".

Creating a comfortable working environment

Two-way communication between the company and its employees

In-depth two-way communication between the company and its employees is indispensable for the creation of a working environment that reflects a diverse range of values and provides support to all employees. From 2008, we have been providing

individual consultation sessions, attended by the head of human resources and one other HR employee, for each individual employee at headquarters, branch offices and Group companies. A communication sheet that is filled in advance by the employee guides these discussions. The requests received by the company through this procedure are harnessed to create a supportive workplace that benefits both the employee and the company.

Diversity Management Initiatives

We implement various programs to ensure that the talents of female employees are fully reflected into our company's work including training and consultation for potential future female leaders, a job rotation system designed to provide a wide range of experience for career building and improve motivation, and a system of re-employment for employees who left the company for reasons including taking time away to look after their children. Through these programs, we aim to increase the percentage of female executives, create an environment that supports female employees, and foster personnel development.

We encourage the active participation of male employees in housework and childcare and we raise awareness of this issue through pamphlets and internal company newsletters, working to create environment in which it is easy for male employees to take time off to look after the children.

Introduction of mental healthcare measures and stress checks

Mental health refers to someone's psychiatric and psychological wellbeing. Ensuring that employees can maintain good mental health is an important part of creating a supportive workplace. We have been working to promote psychological and mental health among employees since even before 2015, when stress checks were made compulsory, hiring third-party experts to provide consultation services. This system allows employees to receive information and advice from a third-party. Since 2015, we have in place of system under which each employee each year completes a stress check to understand their own level of stress, which they use to help monitor their future health. In addition, undertaking education and training on mental health management is now a necessary condition of promotion to executive positions, and we are working, not only as individuals but also as an organization, to create a workplace in which employees can engage smoothly in their work.

Harassment prevention and expert support

We are working to create safe and comfortable workplaces that are harassment-free and where all employees can respect each other. At the start of each year, we send out notifications on the prevention of harassment while also taking measures, by contracting with experts holding qualifications such as clinical psychologist and psychiatric social worker, to respond to any possible incidents of harassment in the unlikely event that they occur, including sexual harassment and bullying by of employees by supervisors.

Creating a supportive working environment

At Kaiyo Foods Co., Ltd., a company accepting technical trainees from Vietnam under the technical trainee system, notices in the workplace are posted in both Japanese and Vietnamese. Previously, in order to encourage camaraderie among employees and trainees, meals were organized several times a year although these social events have now been postponed due to the coronavirus pandemic.

Through these measures, we are working to create workplaces that provide a pleasant environment for all employees.



Improving working and living environments on overseas purse seine vessels

The overseas purse seine skipjack tuna fishing vessel Wakaba Maru No. 11, which was ordered by the fisheries company Kyokuyo Suisan Co., Ltd., and scheduled to leave port for the first time in August 2022, was built with more spacious working areas, as a result of an overall increase in the vessel's size, and through design improvements. These improvements aim to maintain a highly safe working environment while reducing the physical burden on crew members, who spend approximately one and a half months at sea each time they leave port.

The new vessel is equipped with convenient high-speed internet and Wi-Fi to help our younger crewmembers continue their usual lifestyles. Living quarters and dining areas have also been enlarged to provide for a living environment equivalent to living environments on land.

Viewpoint Diverse working practices: Taking childcare leave

I applied for and took childcare leave for one month in August 2021 after my wife gave birth. Since very few men in the company take childcare leave and my work carries a heavy responsibility – it involves areas such as managing the production of tuna products and plant management – I was concerned about a possible negative reaction to my application, but management were positive about it. While I was away on childcare leave, a more senior employee took on the majority of my work, and I was concerned that that employee suddenly had an increasing amount of work to do. However, after returning to work, I was able to restart smoothly, and I am very grateful for the support I received. As I was able to take childcare leave, I could truly appreciate the difficulty involved in looking after children, and this made me feel even more grateful to my wife. With that feeling in mind, I will try to work as efficiently as possible so as to fulfill my responsibilities first at work and at home.



Yaizu Tuna Operation Section
Yaizu Office
Tuna Business Dept

Comment from department leader

In future, I think that, both at our company and in society more widely, it will become increasingly commonplace for men to take childcare leave. We have a system in place for ensuring that there is enough time to implement a handover when an employee takes childcare leave, and it is surprising how smoothly we are able to respond as a workplace. When someone is away, it is important to try and spread their work among as many individuals as possible so as not to create excessive burdens.



Shinsuke Ikeda
Manager
Yaizu Office
Tuna Business Dept

Viewpoint Hiring employees with diverse backgrounds: Mid-career hires

At my previous job, I was involved in the development of food products, but after joining Kyokuyo Co., Ltd. as a dispatch agency employee in 2019, I started working in Research and Department with principal responsibility for the development of shelf-stable products (canned products and retort pouches), proposing recipes and sales promotion strategies for canned food products.



Retail and Consumer Department Section
Research and Development

As the company has a small number of employees, tasks allocations are not finely divided into different areas and employees can enjoy the positive experience of wide-ranging duties. This is appealing because it gives me broader perspectives, encourages me to take on challenges, and keeps me active. I then decided to apply for a full-time position. After gaining for practical experience and passing the registered dietitian's exam, I was able to feel more confidence in my work and I hope to continue using my career and knowledge to fulfill my responsibilities as a full-time employee and develop products that satisfy our customers.

Comment from (then) department leader

In Research and Development, she mainly worked on tasks including the development of new canned products and proposing related recipes, as well as preparing presentation materials. A considerable amount of knowledge and experience is required in order to fulfill these tasks to a level that satisfies the customer, but as a result of her previous job in product development, she was fully able to perform the required work. Most importantly, she approached her work with an extremely positive attitude, and I recommended her for a full-time position so that she could make greater use of her talents from the more stable position of full-time employee. I am sure she will continue to play a central role in the development of new canned products and other work.



Masahiko Hashimoto
General manager
Retail and Consumer Business Dept.1

Social Contributing to the Community



Social issues (background)

- Ocean plastic waste issues
- Realizing a sustainable fisheries industry
- Diversity

Kyokuyo Group's approach

- Cleaning rivers leading to the sea
- Developing next-generation human resources to implement the SDGs
- Cross cultural communication

Kyokuyo Group's position and policy

We are working to promote greater cooperation and communication between our companies and the communities in which they are based, encouraging understanding and respect for local cultures, customs and traditions. Engaging proactively in events that bring us closer to local communities helps to build mutual trust. Through our businesses, we aim to address issues that affect the lifestyles of local people and the global environment, contributing to the development of each community.

Cross-cultural communication events that bring together technical trainees and junior high school students in Shiogama City

On December 5, 2021, as part of the "Shiogama City junior high school student international cultural exchange education project", five junior high school students from the city, who were unable to take part in an overseas education project due to travel restrictions imposed by the coronavirus pandemic, took part in an event at the Shiogama city hall together with Vietnamese technical trainees working at the Kyokuyo Shokuhin Co., Ltd.'s Shiogama Plant.

The event began with welcoming remarks from Shiogama Mayor Koki Sato, before the Miyagi Prefecture International Association and the Shiogama International Exchange Association gave speeches on the foreign technical trainee system and on international exchange and living together with people from different cultures. The trainees presented information on Vietnam's population, area, currency, flag and other facts in a quiz format. Students then tried on the traditional Vietnamese áo dài, before the students and technical trainees sat in a circle for a session of cross-cultural communication in which the students learned about the Vietnamese language and both groups swapped stories about their daily lives.

As of 2021, the population of the Shiogama City was approximately 53,000. 245 technical trainees were based in the city. As a company receiving a large number of foreign technical trainees, we are committed to continued involvement in international exchange amount of cultural events.



Canoe Slalom Japan Cup Kyokuyo Series / Clean River Activity

From the standpoint of our environmental activities, in which we communicate to the community with a focus on living together with nature and the importance of water resources, we have, since 2017, supported the activities of Japan Canoe Federation as one of the Federation's official partners.

Kyokuyo Group is the main sponsor of Canoe Slalom Japan Cup Kyokuyo Series and after each series event, we work together with event organizers and volunteers from among the event spectators to clean the area around the canoe competition courses. These Clean River Activity events are held across the country.

In FY2021, as in FY2020, only one series event (and one accompanying Clean River Activity event) was held due to the influence of the coronavirus pandemic. Up until 2021, Clean River Activities have been held a total of 23 times, attracting 1585 participants. We intend to continue with activities designed to address the problem of ocean plastic waste.



Commitments presented at the United Nations Food Systems Summit (FSS)

The United Nations Food Systems Summit was held in New York in September 2021. In order to introduce initiatives designed to promote sustainable food systems, systems which were designed through public-private cooperation in Japan and which contribute to the achievement of SDGs, one example of our Group's efforts was presented at the summit. For further information please visit the website of the Ministry of Agriculture, Forestry and Fisheries.



Ministry of Agriculture, Forestry and Fisheries United Nations Food Systems Summit
 URL Japanese link: https://www.maff.go.jp/j/kokusai/kokusei/kanren_sesaku/FAO/fss.html

Governance Corporate Governance



Basic approach

The Kyokuyo Group's basic corporate governance policy is to conduct highly transparent management for shareholders and other stakeholders, and to perform swift and decisive decision-making to achieve sustainable growth and improve our corporate value over the medium- to long-term. In addition, we also uphold our company's Corporate Philosophy, Group Corporate Action Charter, and Basic Sustainability Policy, building appropriate audit and monitoring systems to ensure thorough implementation of compliance, as we work to achieve and maintain efficient, fair operations.

Corporate governance system

Board of Directors

The Board of Directors convenes regularly, with extraordinary meetings convened as necessary, as the basis of a system for ensuring that the duties of the Kyokuyo Group's board of directors are carried out efficiently. In order to clarify the management responsibilities of directors and establish a management system that can swiftly respond to changes in the business environment, we set a one-year term of office for directors. In addition, we have appointed four independent external directors, who account for at least one third of the total number of directors, so by strengthening our oversight systems.

Please refer to the link below for further information on our corporate governance guidelines
 URL Japanese link: <https://www.kyokuyo.co.jp/files/20211119.pdf>
https://www.kyokuyo.co.jp/en/ir/corp_gov/index.html

External directors

External directors are expected to conduct effective management supervision and to provide frank and constructive advice regarding the Group's management from an independent and objective standpoint, with a practical perspective that draws on abundant experience, knowledge, and expertise.

When selecting candidates for external directors, in addition to meeting the regulations on independence established by the Tokyo Stock exchange, we also select only those candidates who can provide frank and constructive advice on our company's business management. The concrete reasons for the selection of the four external directors are as described right.



Masayo Miura
External Director

Masayo Miura researches food and nutrition science, and other related subjects, at Kagawa Nutrition University. She has long years of experience and a wealth of knowledge as an expert in food and nutrition, and as a member of the Board of Directors, she provides appropriate opinions from a neutral standpoint. We hope that, in future, as we make decisions at Board of Directors meetings, we can continue to receive appropriate advice, based on her long years of experience and knowledge.



Mika Shirao
External Director

Mika Shirao researches food hygiene science and nutritional education at Jissen Women's University. With a wealth of experience in a high level of specialist knowledge, she is able, as a member of Board of Directors, to provide appropriate advice from a specialist standpoint. We hope that, in future, we can continue to reflect her knowledge and experience into the management of our business, and that she will continue to play a valuable role in our oversight functions.



Katsuhiro Machida
External Director

Katsuhiro Machida has a wealth of knowledge and experience acquired through long years of work as an official of the Ministry of Agriculture, Forestry and Fisheries and at a research institution. He is able to provide advice and direction from a specialist standpoint. We also hope that he will continue to exercise appropriate supervision over our business operations from a neutral standpoint.



Eiji Yamada
External Director

Through his work, including his many years as Director and President of Japan Information Processing Service Co., Ltd., Eiji Yamada has a wide range of knowledge as a business leader, backed by experience and a track record in systems development. We hope that, in addition to supervising our company's operations, he can continue to provide advice across all of our operational scope, contributing to stronger corporate governance.

Board of Auditors

The Board of Auditors is composed of four individuals: two external auditors who supervise the company's management, and two internal auditors. At the start of each fiscal year, each auditor, in accordance with the audit policy and audit plan drawn up by the Board of Auditors, investigates and understands details of the company's internal controls including the execution of the company's business management, internal check and balances, compliance, and our internal audit, conducting their audit with a principal focus on confirming efficiency in these areas.

Governance Corporate Governance

Nomination and Remuneration Committee

Our company has established a Nomination and Remuneration committee as an advisory organ to the Board of Directors. The committee is composed of three or more members and the majority of the members shall be independent external directors. The committee shall deliberate matters related to directors' nomination and remuneration based on consultations and requests from the board of directors.

The March 2022 meeting of the Nomination and Remuneration Committee discussed the candidates for the post of company director from June 2022 onwards.

The June 2022 meeting of the Nomination and Remuneration Committee discussed the remuneration for individual directors for the period July 2022 onwards.

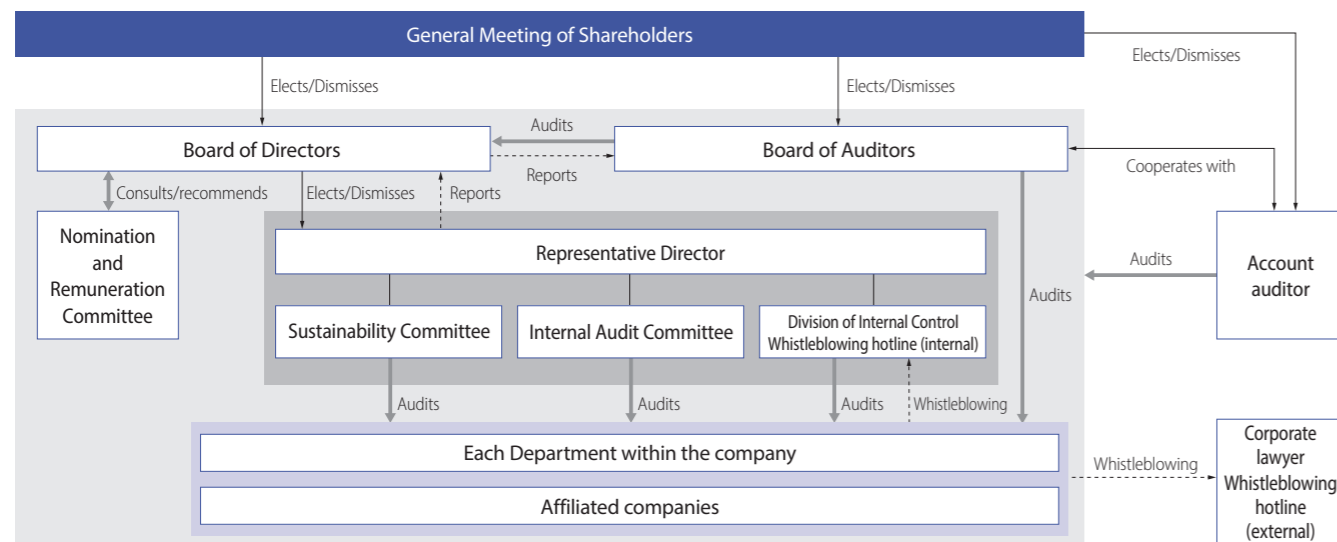
As of the end of June 2022, the members of the Nomination and Remuneration Committee were as follows.

Chair	Makoto Inoue (President)
Committee member	Masayo Miura (Independent external director)
Committee member	Katsuhiro Machida (Independent external director)

Evaluating the effectiveness of the Board of Directors

We give an annual questionnaire to all directors and auditors regarding the effectiveness of the Board of Directors as a whole. The results are reported to the Board of Directors, leading to improvements. The questionnaires have been returned with generally positive evaluations of the composition and operation of the Board of Directors, the mechanism of governance, etc.

Corporate governance system



We are working to further improve the effectiveness of the Board of Directors by securing time for consideration of agenda items, such as by simplifying income and expenditure reports.

Policy of training for directors and auditors

Newly appointed internal directors attend external seminars to acquire necessary knowledge as directors. We also promptly provide explanations of the Group's business to newly appointed external directors and newly appointed external auditors at the time of their appointment.

In addition to regular executive training sessions for directors and auditors, we recommend that directors and auditors participate in external seminars and other training sessions as necessary, with the company paying all expenses.

Executive remuneration

Policy for deciding executive remuneration

Our basic policy on remuneration for directors is to have a balanced remuneration system, the purpose of which is to motivate directors to contribute more to improving performance and increasing corporate value from a medium- to long-term perspective.

Under the above policy, directors' remuneration consists of fixed basic compensation and performance-based stock compensation, both of which are paid within the total amount of remuneration set at the Ordinary General Meeting of Shareholders.

Fixed basic compensation is determined based on each director's responsibilities. For performance-linked stock compensation, the points to be awarded to each director for each fiscal year are determined according to the degree of achievement of consolidated sales and consolidated operating profit, with the Company's shares being paid through a trust upon a director's retirement.

Since the remuneration of external directors is independent of business execution, they are only paid fixed basic compensation with no performance-based stock compensation.

Internal controls

We have established a basic policy on internal control systems and have put in place related rules to develop and operate an internal control system. With the Internal Controls over Financial Reporting, as stipulated by the Financial Instruments and Exchange Act, we evaluate the status of the development and operation of our internal control system. We reported that the Group's internal control system was effective in fiscal 2021, as in the past.

Cross-shareholdings

Recognizing the risk of price fluctuations associated with holding shares, we hold shares other than those for investment purposes, taking fully into account the rationality of the holding purpose, such as maintaining and stabilizing business relationships and fostering mutual trust.

The Board of Directors carefully examines the purpose of holding, transaction status, dividends, capital costs, and other matters related to cross-shareholdings individually each year to determine whether they are to be held or reduced.

In principle, when exercising voting rights, we respect the judgment of the Board of Directors of the share issuer and vote in the affirmative.

Amounts of remuneration for directors and auditors (fiscal 2021)

Executive classification	Total amount of remuneration (millions of yen)	Total amount by type of compensation (million yen)			Number of eligible executives
		Basic compensation	Performance-based stock compensation	Non-monetary compensation	
Directors (excluding external directors)	269	236	33	—	9
Auditors (excluding external auditors)	13	13	—	—	3
External executives	81	81	—	—	6

(Notes) 1. The amount of basic compensation for each director and auditor is within the compensation framework established at the General Meeting of Shareholders.
 2. Performance-based stock compensation was established at the 98th Ordinary General Meeting of Shareholders.
 3. Directors' pay does not include the employee salary portion for directors who are concurrently employees.

However, when exercising voting rights on matters that may have an adverse impact on the relationship with all transactions with our Group, or matters that may negatively affect the common good of shareholders, we will decide whether to vote in favor of the motion after careful consideration.

Dialogue with shareholders and investors

IR policy
 We believe that maintaining transparent and fair management is fundamental to corporate governance with the aim of achieving sustainable growth of the company and increasing corporate value over the medium- to long-term. To this end, we recognize that it is important to actively engage in dialogue with shareholders and reflect their opinions and requests in our management.

Based on this recognition, we disclose accurate corporate information required by shareholders and investors fairly and promptly in clear language. As well as providing disclosure consistent with regulations, including the regulations for public companies set out under the Financial Instruments and Exchange Act and by the Tokyo Stock Exchange, we also strive to provide timely and proactive disclosure.

Promoting shareholders' and investors' understanding of Kyokuyo












In order to provide shareholders with a deeper understanding of the current state of Kyokuyo, we send a Business Report to people who are shareholders as of the end of March every year. In addition, at our twice-yearly IR Presentations for analysts and institutional investors, the president himself explains our financial results and future measures, and successively conducts dialogues (interviews) at the request of analysts and institutional investors.







BUSINESS REPORT

Governance Board of Directors and Auditors

Directors Ⓞ Independent director *Attendance at Board of Directors meetings is for FY2021.

 <p>Makoto Inoue President</p> <p>Attendance at Board of Directors meetings Attendance rate 100% Meetings attended 17/17</p>	 <p>Ken Sakai Vice President</p> <p>Attendance at Board of Directors meetings Attendance rate 100% Meetings attended 17/17</p>
 <p>Shigeru Kondo Senior Managing Director</p> <p>Attendance at Board of Directors meetings Attendance rate 100% Meetings attended 17/17</p>	 <p>Shuichi Kiyama Senior Managing Director</p> <p>Attendance at Board of Directors meetings Attendance rate 100% Meetings attended 17/17</p>
 <p>Hitoshi Higaki Managing Director</p> <p>Attendance at Board of Directors meetings Attendance rate 100% Meetings attended 17/17</p>	 <p>Yutaka Tanaka Directors</p> <p>Attendance at Board of Directors meetings Attendance rate 100% Meetings attended 17/17</p>
 <p>Keizo Yamaguchi Director</p> <p>Attendance at Board of Directors meetings Attendance rate 94% Meetings attended 16/17</p>	 <p>Masayo Miura External Director (part-time) Ⓞ</p> <p>Attendance at Board of Directors meetings Attendance rate 100% Meetings attended 17/17</p>
 <p>Mika Shirao External Director (part-time) Ⓞ</p> <p>Attendance at Board of Directors meetings Attendance rate 100% Meetings attended 17/17</p>	 <p>Katsuhiro Machida External Director (part-time) Ⓞ</p> <p>Attendance at Board of Directors meetings Attendance rate 100% Meetings attended 14/14</p>
 <p>Eiji Yamada External Director (part-time) Ⓞ</p> <p>Attendance at Board of Directors meetings Attendance rate 100% Meetings attended 14/14</p>	

Supervisory Board Members *Attendance at Board of Directors and Board of Auditors meetings is for FY2021.

 <p>Masaji Tamura External Auditor (full-time)</p> <p>Attendance at Board of Directors meetings Attendance rate 100% Meetings attended 17/17</p> <p>Attendance at Board of Auditors meetings Attendance rate 100% Meetings attended 13/13</p>	 <p>Yoichi Kanno External Auditor (full-time)</p> <p>Attendance at Board of Directors meetings Attendance rate 100% Meetings attended 17/17</p> <p>Attendance at Board of Auditors meetings Attendance rate 100% Meetings attended 13/13</p>
 <p>Masayuki Nishihama Auditor (part-time)</p> <p>Attendance at Board of Directors meetings Attendance rate 100% Meetings attended 14/14</p> <p>Attendance at Board of Auditors meetings Attendance rate 100% Meetings attended 10/10</p>	 <p>Norio Suzuki Auditor (part-time)</p> <p>Attendance at Board of Directors meetings Attendance rate Newly appointed Meetings attended Newly appointed</p> <p>Attendance at Board of Auditors meetings Attendance rate Newly appointed Meetings attended Newly appointed</p>

Executive expertise and experience (skill matrix) Our Board of Directors consists of members with the following skills.

Name	General management	Industry insight	IT	Legal and compliance	Finance and accounting	Government and academic research	Experience in business outside Japan
Makoto Inoue	●	●					
Ken Sakai	●	●					
Shigeru Kondo	●	●					●
Shuichi Kiyama	●		●	●	●		
Hitoshi Higaki			●		●		
Yutaka Tanaka		●					
Keizo Yamaguchi		●					●
Masayo Miura						●	
Mika Shirao						●	
Katsuhiro Machida	●	●				●	
Eiji Yamada	●		●				

The above list shows areas where members have more specialized knowledge based on each individual's experience, etc., and does not represent their complete knowledge.

Governance Risk Management



Basic approach

Kyokuyo has established basic risk management rules for the Kyokuyo Group and maintains a risk management system in order to conceive all risks that could affect the entire Group's business activities, to prevent the occurrence of such risks, and to minimize the impact of any risks that actually materialize.

Each department and group company manages on a daily basis the risks faced in their own work, and Kyokuyo's head office departments, as supervisory departments, cooperate with the foregoing departments and group companies

to manage risks throughout the Group. Furthermore, as the department in charge of overall risk management, the Business Management Department of Kyokuyo Co., Ltd. shares risk information with the supervisory departments to manage risks throughout the entire Kyokuyo Group.

In addition, we are prepared to respond to crises and emergencies by organizing level-specific response organizations including countermeasure headquarters, countermeasure projects, and response teams.

Risk management system

We recognize the major risks that could have a material impact on metrics including the financial condition and business results of the whole Kyokuyo Group, and we share the status of risks and countermeasures with the Board of Directors.

Our Internal Audit Team, which is organized by our Division of Internal Control conducts audits of the risk management systems of Kyokuyo and the Kyokuyo Group, reporting the results to the Internal Audit Committee.

Key risks and countermeasures

Risk	Countermeasures
Food safety issues	<ul style="list-style-type: none"> Establishment and maintenance of a quality assurance system by the Quality Assurance Department Product-liability insurance and other forms of insurance
Rapid changes in the sales environment	<ul style="list-style-type: none"> Diversification of sales channels Employing a diverse range of business partners across various sales channels (including mass retailers, restaurants, convenient stores, discount stores, industrial catering, wholesalers).
Risks related to overseas business	<ul style="list-style-type: none"> Diversification of procurement areas Holding of appropriate inventory in according with procurement risk
Fluctuations in raw material prices	<ul style="list-style-type: none"> Forecasting raw material market conditions based on supply and demand assumptions Holding of the strategic inventory required to respond to the market environment Enhancing sales of value-added products
Risks in the aquaculture business	<ul style="list-style-type: none"> Making use of Fishery Mutual Aid Insurance Thorough facility management
Exchange rate fluctuations	<ul style="list-style-type: none"> Risk hedging through yen-denominated settlements, exchange contracts, etc.
Crude oil prices fluctuations	<ul style="list-style-type: none"> Efficient business operations
Countermeasures against natural disasters	<ul style="list-style-type: none"> Fire insurance, domestic comprehensive general cargo insurance, and other forms of insurance Establishment of a business continuity plan (BCP)
Risks related to information systems	<ul style="list-style-type: none"> Use of antivirus software Continual uninterrupted monitoring of the network, regular security diagnostics Multiple backups



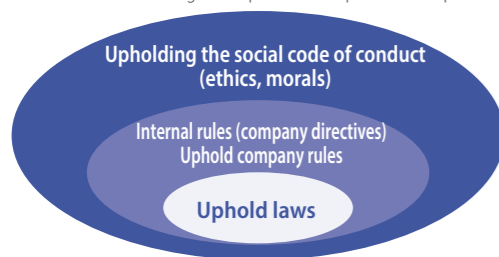
Governance **Compliance**

Basic approach

Kyokuyo and the Kyokuyo Group adopt compliance (compliance with laws and regulations, the Corporate Philosophy, Action Guidelines, Corporate Action Charter, internal rules, and corporate ethics) as a basic policy of management in accordance with our Corporate Philosophy, Action Guidelines, and Corporate Action Charter. Thorough compliance is an essential element of Kyokuyo's ESG-focused management.

Current interpretations of compliance

The original meaning of compliance is to comply with the law.
 ↓
 The current meaning of compliance has expanded in scope.



Compliance education

Education and management systems

Since FY2021, we have strengthened the authority of the department responsible for compliance, moving it out of the Division of Internal Control, and establishing a direct reporting line to the President.

In addition, since FY2022, we are conducting compliance education at every division and department within the Group, particularly for management personnel. The education uses examples of potential compliance violations to encourage participants to think once again about "how problems occurred and developed, and whether the issues the occurred represented compliance violations that could cause a major issue for the company and were not simply a matter of personal responsibility". The education functions to prevent compliance violations in advance.

Whistleblowing system

In accordance with the rules on whistleblower protection, we have established system for receiving notification or consultation regarding organizational or individual compliance violations and other issues committed by our company's executives and employees. The direct recipients of any submitted information are the Division Chief of Division of Internal Control and a law firm that advises the company.

We are working to further raise awareness of the system of among Kyokuyo Group employees, while also providing an environment in which it is easy for employees to consult with the company about compliance matters.

Thorough compliance with implementing order of the Act against Delay in Payment of Subcontract Proceeds, Etc. to Subcontractors (Subcontract Act)

With an awareness that fairness in contractual conditions between contracted counterparties is at the foundation of supply chain management, our Group works to ensure that our employees have a more thorough understanding of the Subcontract Act by encouraging employees to take part in seminars on the Act. As we uphold the Act, we are working to build sound and stable relationships with our business partners and strengthen our own compliance.

Responsible procurement

In February 2020, we formulated Kyokuyo Group Basic Procurement Policy in order to contribute to the achievement over sustainable society by fulfilling our social responsibility through responsible procurement activities.

As responsible procurement activities are essential throughout the supply chain, we have established a 10-item set of Kyokuyo Group supplier guidelines based on Kyokuyo Group Basic Procurement Policy. These guidelines specify our obligations to uphold laws, regulations and social code of conduct, and to engage in fair business practices. We aim to gain the understanding of our suppliers for Kyokuyo Group's approach to responsible procurement, and will work to achieve a fair and sustainable supply chain through our responsible procurement activities.

Kyokuyo Group Basic Procurement Policy
 URL <https://www.kyokuyo.co.jp/en/environment/client/index.html>

Financial Data Highlights

Consolidated basis

	Unit	FY2017	FY2018	FY2019	FY2020	FY2021
Net sales	(Million yen)	254,783	256,151	262,519	249,197	253,575
Operating profit	(Million yen)	4,066	3,831	2,918	4,657	6,392
Operating income margin	(%)	1.6	1.5	1.1	1.9	2.5
Ordinary profit	(Million yen)	4,437	4,434	3,608	4,879	6,904
Ordinary income margin	(%)	1.7	1.7	1.4	2.0	2.7
Profit attributable to owners of parent	(Million yen)	3,211	2,914	2,037	3,838	4,634
Total assets	(Million yen)	106,297	114,673	111,184	116,331	130,460
Net assets	(Million yen)	29,243	31,996	32,593	39,975	42,174
Net assets per share	(Yen)	2,679.00	2,941.26	3,046.26	3,753.90	3,969.73
Net profit per share	(Yen)	304.29	269.63	188.53	356.95	430.83
Equity ratio	(%)	27.2	27.7	29.4	34.7	32.7
Return on equity (ROE)	(%)	11.9	9.6	6.3	10.5	11.2
Return on assets (ROA)	(%)	4.4	4.0	3.2	4.3	5.6
Interest-bearing debt	(Million yen)	51,476	58,023	55,173	51,174	58,121
D/E ratio	(Ratio)	1.8	1.9	1.7	1.4	1.5
Cash flows from operating activities	(Million yen)	3,201	(4,118)	9,410	5,997	(1,128)
Cash flows from investment activities	(Million yen)	(1,179)	(2,494)	(2,931)	(527)	(5,225)
Cash flows from financial activities	(Million yen)	255	5,958	(4,817)	(4,627)	5,743
Cash and cash equivalents at end of period	(Million yen)	4,977	4,621	6,313	7,097	6,539
R&D expenses	(Million yen)	290	304	343	336	317
Capital investment	(Million yen)	1,543	2,201	3,160	2,456	5,064
Dividend payout ratio	(%)	19.7	26.0	37.1	22.4	20.9
Total shareholder return	(%)	131	101	93	114	126

Corporate Data and Stock Information (as of March 31, 2022)

Corporate profile

Company name	Kyokuyo Co., Ltd.
Headquarters address	3-3-5, Akasaka, Minato-ku, Tokyo, 107-0052, Japan
Established	September 3, 1937
Stated capital	¥5,664 million
Major businesses	Export, import, domestic purchasing, and sales of marine products, and manufacture and sales of processed and frozen foods
Employees	2,208 (consolidated) / 695 (nonconsolidated)
Number of consolidated companies	25

Stock information

Total number of shares the company is authorized to issue	43,700,000
Total number of shares issued	10,928,283
Number of shareholders	28,937

Distribution of shares by shareholder type

	No. of shares held (thousands)	Equity position (%)
Financial institutions	3,157	28.9
Securities companies	167	1.5
Other companies	1,262	11.6
Foreign companies and individuals	950	8.7
Individuals and others	5,270	48.2
No. of shares of treasury stock	119	1.1

Major shareholders

Shareholder's name	No. of shares held (thousands)	Number of shares held as a percentage of the total number of outstanding shares (excluding treasury stock) (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	954	8.83
Resona Bank, Limited	523	4.84
The Norinchukin Bank	445	4.11
Custody Bank of Japan, Ltd. (Trust account)	316	2.92
Toyo Seikan Group Holdings, Ltd.	315	2.91
Mitsui Sumitomo Insurance Co., Ltd.	250	2.31
Tokio Marine & Nichido Fire Insurance Co., Ltd.	224	2.07
Kyokuyo Akitsukai	149	1.38
SCBHK AC LIECHTENSTEINISCHE LANDESBANK AG	143	1.32
Noriaki Nakamura	140	1.30

List of Group Companies

■ Kyokuyo Akitsu Reizo Co., Ltd.

2-6-1 Jonanjima, Ota-ku, Tokyo 143-0002, Japan
Tel: +81 (3) 3799-1701
Business: Cold storage business

■ Kyokuyo Shoji Co., Ltd.

Sumitomo Seimei Akasaka Bldg., 3-3-3 Akasaka, Minato-ku, Tokyo 107-0052, Japan
Tel: +81 (3) 6234-4400
Business: Purchasing and sale of marine, agricultural and meat products

■ Kyokuyo Shokuhin Co., Ltd.

3-20-1 Shinjima-cho Shioyama, Miyagi 985-0001, Japan
Tel: +81 (22) 364-6111
Business: Manufacturing of frozen and chilled food products

■ Kyokuyo Suisan Co., Ltd.

1441-1 Habuchi, Yaizu, Shizuoka 421-0213, Japan
Tel: +81 (54) 622-5111
Business: Overseas purse seine fishing business, processing skipjack tuna and other tuna, cold storage business

■ Kyokuyo Sougou Service Co., Ltd.

Sumitomo Seimei Akasaka Bldg., 3-3-3 Akasaka, Minato-ku, Tokyo 107-0052, Japan
Tel: +81 (3) 5545-0770
Business: Insurance agent business, facilitating sales of various products

■ Kyokuyo Feed One Marine Co., Ltd.

392-2 Hisayoshi, Ainan-cho, Minamiuwa-gun, Ehime 798-4353, Japan
Tel: +81 (895) 73-7180
Business: Operations include producing nursery stock, aquaculture and sale of tuna and other marine products

■ Kyokuyo Foods Co., Ltd.

830 Nobenono, Matsuno-cho, Kitauwa-gun, Ehime 798-2102, Japan
Tel: +81 (895) 42-1600
Business: Manufacture of frozen and chilled products (imitation crab meat, etc.)

■ Kyokuyo Fresh Co., Ltd.

3-3-2 Rinkai-cho, Edogawa-ku, Tokyo 134-0086, Japan
Tel: +81 (3) 3878-4611
Business: Operations include processing and sale of tuna and other marine products

■ Kyokuyo Marine Ehime Co., Ltd.

392-2 Hisayoshi, Ainan-cho, Minamiuwa-gun, Ehime 798-4353, Japan
Tel: +81 (895) 72-6661
Business: Operations include aquaculture, processing and sale of tuna and other marine products

■ Kyokuyo Marine Farm Co., Ltd.

2198-4 Obukaura, Sukumo, Kochi 788-0034, Japan
Tel: +81 (880) 65-5617
Business: Operations include aquaculture, processing and sale of tuna and other marine products

■ Ibusuki Shokuhin Co., Ltd.

1-42 Shinei-cho, Yamagawa, Ibusuki, Kagoshima 891-0501, Japan
Tel: +81 (993) 35-2335
Business: Processing and sale of skipjack tuna, other tuna, other marine products, and agricultural and livestock products

■ Integrate System Service Co., Ltd.

Nihon Building Bldg. No. 2, 1-2-5 Nihombashi-Kayabacho, Chuo-ku, Tokyo 103-0025, Japan
Tel: +81 (3) 5652-8600
Business: General services for computer systems

■ Apex Kyokuyo Co., Ltd.

3246 Nakashima, Shikama-ku, Himeji, Hyogo 672-8035, Japan
Tel: +81 (79) 234-2670
Business: Processing and sale of assorted grilled fish products

■ Kaiyo Foods Co., Ltd.

2831-15 Sunayama, Kamisu, Ibaraki 314-0255, Japan
Tel: +81 (479) 46-3851
Business: Processing and sale of products including salt-cured salmon, fillet, and fish flakes

■ Kuroshio Suisan Co., Ltd.

373 Tomariura, Otsuki-cho, Hata-gun, Kochi 788-0353, Japan
Tel: +81 (880) 73-1105
Business: Aquaculture and sale of marine products

■ Jokki Co., Ltd.

3-28-5 Kamishakujii, Nerima-ku, Tokyo 177-0044, Japan
Tel: +81 (3) 3920-6885
Business: Processing and sale of seafood delicacies

■ Kyokuyo America Corporation

1200 Fifth Avenue, Suite 1575, Seattle, WA, 98101-3131, U.S.A.
TEL: +1 (206) 405-2670
Business: Purchase and sale of marine products

■ QINGDAO KYOKUYO INTERNATIONAL CO., LTD.

Room No. 1013, Crowne Plaza Qingdao No.76, Xiang Gang Zhong Road, Qingdao, 266071 China
TEL: +86 (532) 8578-1350
Business: Purchasing and sales in mainland China and overseas

■ Kyokuyo Europe B.V.

Tower-B, 7th Floor, WTC Schiphol Airport Schiphol Boulevard, 193 1118 BG Schiphol, Netherlands
TEL: +31 (20) 405-9060
Business: Purchase and sale of frozen food products

■ KYOKUYO GLOBAL SEAFOODS Co., Ltd.

55/237 Moo. 6 Tsasai, Mueang Samut Sakhon, Samut Sakhon, 74000, Thailand
TEL: +66 (3) 444-0828
Business: Manufacturing products including sushi toppings, simmered fish and grilled fish products



Effective use of marine resources to create a low-carbon society.

Kyokuyo Group supports Fun to Share.



Kyokuyo Co., Ltd.

3-3-5, Akasaka, Minato-ku, Tokyo, 107-0052, Japan

Website <https://www.kyokuyo.co.jp/en>