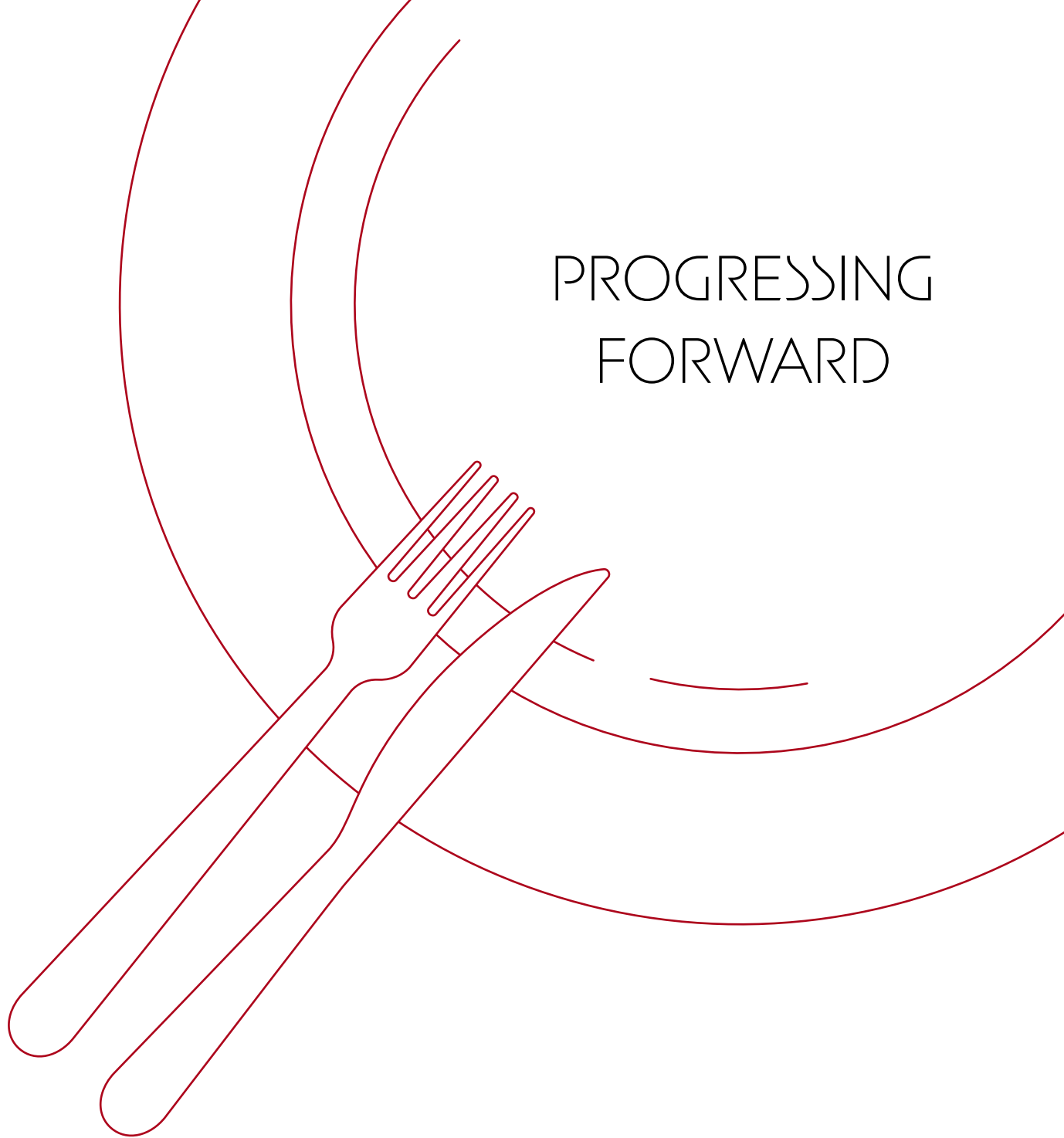


ITOHAM YONEKYU Group

INTEGRATED REPORT 2025

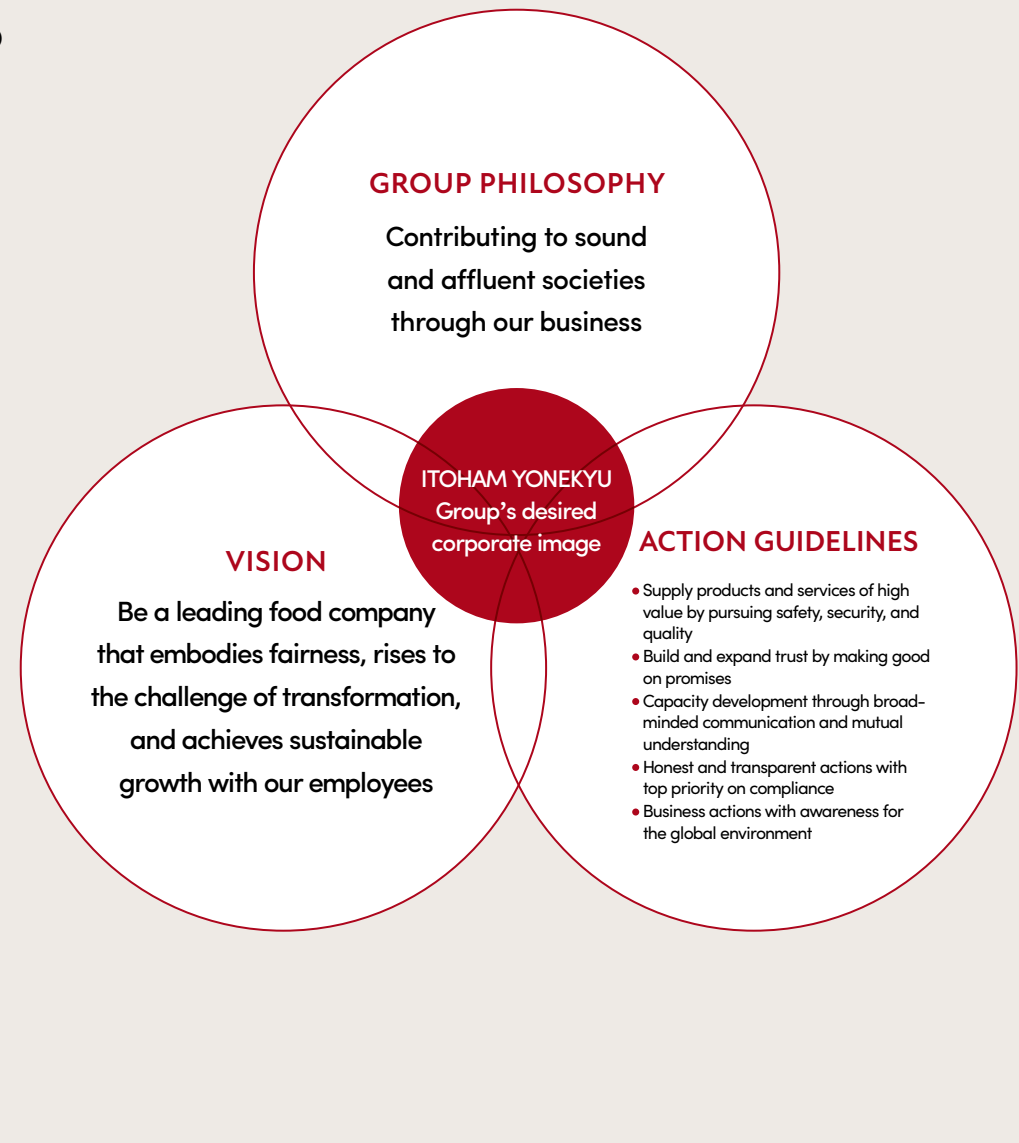
PROGRESSING
FORWARD



Where are we going?

The Future Vision of the ITOHAM YONEKYU Group

Becoming a leading food company

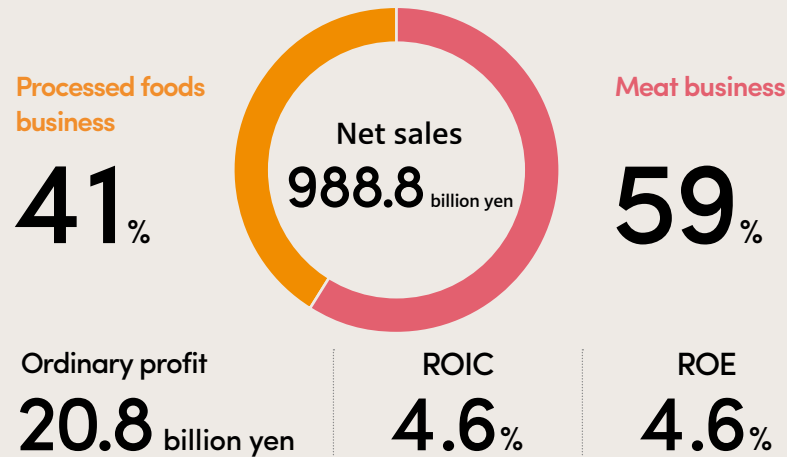


Where the ITOHAM YONEKYU Group Stands Today

We are dedicated to delivering safe, secure, and delicious products to customers, operating both domestically and internationally to fulfill this mission. As professionals in meat and processed meat production, we will continue to leverage our network of manufacturing and sales bases to provide experiences that exceed expectations and bring excitement and happiness to customers around the world.

At a glance (FY2025/3)

■ Financial highlights



■ Group highlights



■ Domestic market share highlights



Data: QPR™

Data: Our research

History of ITOHAM YONEKYU Group

Founded in 1928



Serving society through business

Denzo Ito independently founded “Ito Food Processing” in Osaka, Osaka Prefecture. From our founder’s desire to improve the Japanese diet, ITOHAM developed original processed meat products, including ham and sausages, and popularized animal protein. With the mission to communicate the joy, fun, and importance of “eating,” we continue to pursue and pass on the delicious taste of our products to new generations.



Founded in 1965

Celebrating 60 years

yonekyu

A moving food experience

Kiyokazu Shoji independently founded “Yonekyu Foods” in Numazu, Shizuoka Prefecture, to process and wholesale meat. Guided by President Shoji’s belief that “incorporating novel surprises into products will move people greatly” is the key to the company’s growth, YONEKYU launched a series of unique products. YONEKYU continues to pursue new challenges and to think unconventionally about the actions needed to create a moving food experience.



ORIGIN

2016

Establishment of ITOHAM YONEKYU HOLDINGS

Established ITOHAM YONEKYU HOLDINGS in 2016 as a joint holding company.

HOP

2016-2020
Medium-Term
Management Plan 2020

Second founding

Positioned as a second founding for the ITOHAM YONEKYU Group, we worked to execute measures in the Medium-Term Management Plan 2020 under the slogan “Think and act for yourself.” With “expansion of business” and “streamlining and enhancing competitiveness” as two basic strategies in the plan, we expanded our overseas production stakes and increased our market share in ham and sausages. At the same time, we improved operational efficiency by integrating and reorganizing the organizational functions of the corporate and logistics divisions.

FY2020
results

Net sales **842.7** billion yen Ordinary profit **27.0** billion yen

Key
measures

Expansion of business

- 2017 ANZCO FOODS became a wholly owned subsidiary
- 2018 Established the second Toride Plant, specializing in cooked processed products
- 2019 Acquired MEIJI KENKO HAM CO., LTD.

Streamlining and enhancing competitiveness

- 2016 Began reorganizing the corporate division
- 2018 Integrated and reorganized the logistics divisions of ITOHAM and YONEKYU

ANZCO
FOODS



Second Toride Plant

STEP

2021-2023
Medium-Term
Management Plan 2023

Deeper integration

Our Action Guidelines in the Medium-Term Management Plan 2023 were “defying stereotypes” and “reaffirming our strengths.” To strengthen our management and earnings bases, we reorganized functions within the sales and production divisions and reinforced our production system. We also started strengthening sustainability initiatives and launched efforts to enter new businesses and markets.

FY2023
results

Net sales **955.6** billion yen Ordinary profit **26.0** billion yen

Key
measures

Strengthening the management base

- 2023 Reorganized functions within the sales and production divisions of the ITOHAM YONEKYU Group

Strengthening the earnings base

- 2023 Began operations at Yume Plant (ITOHAM YONEKYU PLANT INC.), specializing in frozen food manufacturing
- 2023 Isa Meat Plant opened (SANKYOMEAT INC.)
- 2024 Towada Beef Plant (IH MEAT PACKER INC.) completed



IH MEAT PACKER INC.
Towada Beef Plant

New business and market initiatives

- 2021 Expanded sales of soy meat products
- 2023 Established the “Consortium for Future Innovation by Cultured Meat” through industry-academia collaboration




JUMP

2024-2026
Medium-Term
Management Plan 2026

2024-2035
Long-Term Management
Strategy 2035

New leap forward

To realize our Group Philosophy and Vision, we have defined our 2035 Approach as “meat together,” and to achieve this, we have formulated Long-Term Management Strategy 2035 and Medium-Term Management Plan 2026.

 Overview of Long-Term Management Strategy 2035 and Medium-Term Management Plan 2026 ▶ P.13

FY2026
targets

Net sales **1** trillion yen Ordinary profit **30.0** billion yen

2035
Approach

*meat
together*

ITOHAM YONEKYU HOLDINGS
Group Slogan 2035

Expanding the idea of *meat*
to bring excitement and
happiness to customers
around the world

How the ITOHAM YONEKYU Group Enhances Its Corporate Value

Our Group aims to enhance its medium- to long-term corporate value through three perspectives: “enhance earning power,” “create new value,” and “strengthen resilience.” By steadily executing the business strategies outlined in the Long-Term Management Strategy 2035 and Medium-Term Management Plan 2026, we will enhance our earning power, invest in growth using the cash generated, and create new value toward a new leap forward. Furthermore, by flexibly responding to changes in the business environment, we will strengthen our corporate resilience, which forms the foundation of our business.

We embrace transformation and challenges without fear and are committed to creating sustainable corporate value.



Enhance **earning power**

▶ P.17

We will work to improve our basic earning power by refining products and strengthening sales capabilities. By using the cash generated as capital for both stable shareholder returns and growth investments, we will drive exponential growth.

Create **new value**

▶ P.24

To ensure our long-term survival in Japan's mature market, we will focus on maximizing the value of value chains in Japan and expanding our business beyond meat and processed meat. Furthermore, we will accelerate growth of overseas businesses and create new value.

Strengthen **resilience**

▶ P.27

Even in an uncertain business environment, we are strengthening the management base to respond flexibly to changes and ensure steady growth. Furthermore, we are promoting Group-wide initiatives, such as enhancing corporate governance and resolving medium- to long-term challenges guided by our materiality.

And what do we do?

CONTENTS

Top Message

07 Top Message

Value Creation Story

- 11 ITOHAM YONEKYU Group's Value Creation Story
- 12 Strengths of the ITOHAM YONEKYU Group
- 13 Overview of Long-Term Management Strategy 2035 and Medium-Term Management Plan 2026

PROGRESS 01 Enhance Earning Power

Business Strategies

- 18 Processed Foods Business Division
- 21 Meat Business Division

PROGRESS 02 Create New Value

Special Feature: Emerging New Challenges

- 25 Processed Foods Business Division
Making greater inroads into export markets
- 26 Meat Business Division
Strengthening exports of Japanese beef

PROGRESS 03 Strengthen Resilience

Strengthening the Management Base

- 28 Transition to a Company with an Audit and Supervisory Committee
- 29 Outside Director Roundtable Discussion

- 34 Financial Strategy
- 35 Human Resource Strategy
- 37 Message from the Officer in Charge of Sustainability
- 38 Progress on Our Materiality
- 40 Sustainability Closeup

Corporate Governance

- 44 List of Directors and Executive Officers
- 46 Corporate Governance

Corporate Data

- 51 Financial Highlights
- 52 Non-financial Highlights
- 53 Financial Data / Stock Data
- 55 Corporate Data

Concerning Publication

Editorial Policy

This integrated report was created to allow shareholders, investors, and all other stakeholders to get a better understanding of the strengths the ITOHAM YONEKYU Group has cultivated, and to explain the specific value creation initiatives toward realizing our 2035 Approach of "meat together."

Scope

Period covered This report covers initiatives during FY2024 (April 1, 2024, to March 31, 2025) and includes some initiatives beyond this period as well.

Entities covered ITOHAM YONEKYU Group
Note: Scope of personnel and environmental data is listed separately.

Reference Guidelines

- The International Framework from the IIRC
- "Guidance for Collaborative Value Creation 2.0" from the Ministry of Economy, Trade and Industry
- The Environmental Reporting Guidelines 2018 from the Ministry of the Environment
- Sustainability Reporting Standards from GRI

Disclaimer

The perspectives on future strategy and results listed in this integrated report are based on current available information and include some uncertain factors. Please be aware that it is possible for actual results to differ greatly due to a variety of causes.

Main Relevant Information Disclosure Media

	Financial Data	Non-financial Data
Securities Report	●	●
Financial Statements	●	
IR Website	●	
Corporate Governance Report		●
Sustainability Website		●

TOP MESSAGE

My mission is to create a corporate culture that embraces challenges so that we can continue to be a company that transforms itself.

ITOHAM YONEKYU HOLDINGS will mark its 10th anniversary in April 2026. To date, our Group has been creating numerous synergies from having brought about the integration of ITOHAM and YONEKYU. This has strengthened our earnings base, and I believe we have built a foundation for a new leap forward. As the new management head, I will work to foster a corporate culture that embraces challenges and to achieve growth for the Group, including expanding our business domains and further expanding our overseas business.

Hiroyuki Urata

President and Chief Executive Officer



My mission is to create a corporate culture that embraces challenges

Having worked at ITOHAM from 2014 to 2016 and at YONEKYU from 2017 to 2018, I have been involved in the management of both companies both before and after their integration. I felt that this merger would allow each to demonstrate its strengths precisely because ITOHAM and YONEKYU have different characters. From those days, ITOHAM had a nationwide brand and was an honest, reliable company that did not ignore the importance of trust and credibility. In contrast, YONEKYU is a company that was built in one generation by its founder, and I gained the impression of an enterprise that has great drive and possesses the ability to surpass itself. Enjoying a strong brand presence in its local Tokai area, YONEKYU was also a unique company in other regions, utilizing its strength in commercial products to create products from scratch together with its customers, that its customers wanted.

Since the management integration, we have been consolidating overlapping functions, such as procurement, logistics, and corporate departments, and have been transforming into a leaner organization by leveraging the strengths of both companies. From now on, we will have reached the stage at which we can use the experience we have gained from streamlining and strengthening our business to add new levels to the foundation we have built so far and build up new businesses.

In the meantime, when looking at the external environment, the changes that have taken place over the past nine years have been far greater than expected. In Japan, the declining birthrate and aging population mean that the working population is continuing on a downward trend, and people's lifestyles have changed significantly since the COVID-19 pandemic. The current global cost-push inflation is also having a major impact on corporate management. As a result, many companies in the meat and processed meat industries in Japan are facing deteriorating financial conditions. I believe that we are currently able to maintain a leading position in the industry thanks to the effects of the integration. However, the external environment is changing rapidly, and we have not yet achieved the sales and profits we had initially anticipated at the time of our integration, meaning that we must adapt to these changes and continue to transform. Given these circumstances, I believe that what I must do as president is to reform the organizational culture to better confront these challenges and encourage the organization to transform itself.

Armed with our competitive advantages in the Japanese market, we will accelerate our global expansion

While we are working to strengthen our overseas business to achieve further growth in the years to come, our commitment to the Japanese market remains resolute. We

expect continued business growth in the Japanese market, where we enjoy competitive advantages. Since we can receive feedback directly from consumers, the Japanese market represents an environment that makes the likelihood of success of new products and businesses to remain high.

However, with Japan's population certain to decline, growth will slow if the Company remains only in the meat and processed meat businesses as now. I would therefore like to see our Group not confine itself to meat and processed meat products and become a wide-ranging food company. The Group operates a nationwide network that reaches most supermarkets, restaurants, convenience stores, and local butchers, which is one of our major competitive advantages. While many food companies distribute their products through wholesalers, our Company possesses the logistics capabilities to deliver products directly, which is another major advantage. I believe that there exists the possibility that companies would appreciate our sales network and logistics capabilities and become our partners. If we can create new forms of co-creation like this, we will be able to see the realization of our ideal vision of becoming a wide-ranging food company that is not limited to meat and processed meat products.

Amid shifting consumer and market needs, the important thing will be to quickly spot and respond to those trends. Previously, Japan's demand for meat had increased as eating habits became more Westernized, but more recently, as the population ages, demand for high-protein,

low-fat chicken has been on a rising trend. As a player in the entire value chain of meat and processed meat in Japan with a nationwide network of retailers, I feel that the Group is highly sensitive to change and able to constantly adapt and transform itself. Such changes can occur in any country. We aim to be a company that can respond appropriately to these changes in Japan, but likewise in our overseas operations, I would like us to become a company that can sense and respond proactively to changes in consumers and markets.

Overseas, we plan to first accelerate business development in meat and processed meat areas where we have expertise and increase the proportion of overseas sales in our Group's consolidated net sales, which currently stands at approximately 15%. As an example, for us to expand our overseas business through M&A, the prerequisite will be that we strengthen our basic earning power and remain a robust company. If we were to try to build an entire livestock industry value chain from upstream to downstream all at once when expanding overseas, the investment amount would balloon, and the risks would increase. In considering a more realistic expansion process, a local partner is essential, and from that partner's perspective, it would be easier to work with a company that has a prevalent position in Japan. To further expand our business domains overseas, I would like to strengthen our existing business in Japan and steadily improve our basic earning power.

Strengthening resilience as an organization aiming toward sustainable growth

I find the livestock industry attractive because of its connections to nature and local communities. We work with local people in the areas where our farms and factories are located to raise healthy animals that are suited to the geographical characteristics of those areas. We produce fresh, great-tasting meat from plant feed that is literally rooted in the land, such as grass and grains. By appropriately treating the by-products generated in the process, such as through bioprocessing, we can utilize them to make fertilizer, energy, and raw materials for medical products, making full use of the blessings of food. It can be described as a “self-circulating business,” which starts with the blessings of the local community and nature and eventually giving back to the earth.

I believe that by having the talent we have working for our Group reflect on the significance of the livestock industry—and for them to remain aware that their work is linked to a variety of stakeholders as well as to society—will lead to increased job satisfaction and sustainability.

It is my belief that human resources are a company's most important management resource and a factor that determines its future. The point about being part of a large organization is that you can accomplish things as a team that you cannot do on your own. If the strengths of each and every employee can be harnessed to the fullest extent,

a company can continue to grow. Accordingly, I would like to create a company in which employees can freely and openly take on challenges and expand their areas of activity by breaking down barriers through balanced appraisals and the active encouragement of internal job transfers.

Also, even if an organization is optimal at a certain point in time, it may not be optimal in 5 or 10 years' time. Therefore, by restructuring our organization to suit the circumstances of the time, I hope to drive human capital management to increase job satisfaction and improve engagement.

As mentioned earlier, when it comes to sustainability, it is important to be aware of the links with the environment and society. Our business utilizes environmental resources such as animals, water, and grains, and it is true that this places a burden on the environment. There is no such thing as a perfect business, and doing something, even if it is for the benefit of society, will inevitably place some burden on the society. It is important that everyone in the business is fully aware of this and takes environmental and social considerations into account, for example by reducing greenhouse gas emissions and changing the way animals are treated in keeping with the times. I also think it is important for the Company to be transparent and openly disclose its thoughts.

In addition to sustainability, we are also focusing on digital transformation (DX) to strengthen our management base, which is a theme directly linked to human capital and sustainability. To give an example, for us to contribute to a

reduction in greenhouse gas emissions, we will need to improve efficiency in a number of areas, which will require efforts that utilize digital technologies. With regard to DX, we will first focus on improving efficiency, but in the years to come we will also utilize DX in areas peripheral to our business, leading to changes in our business model. For instance, I believe that our Group's logistics capabilities give us a competitive advantage, and if we can incorporate digital technology to further improve efficiency, this would be a major asset in our growth strategy of expanding our food business areas.

Accumulating daily actions to achieve steady growth

In today's world, where management is required to remain aware of market needs and capital costs, I also view the improvement of corporate value as an important management issue. In March 2025, we decided to issue a commemorative dividend to mark the 10th anniversary of our founding, and I believe it is important that we have thereby been able to convey the importance that the Company places on its shareholders. The business performance of our Group is affected by a variety of external factors, such as market fluctuations and climate change. At the same time, we must meet the expectations of our shareholders through a stable dividend policy and returns. Amidst the volatility in profitability, our basic

approach is to stably manage the capital entrusted to us by our shareholders and return it to them in accordance with the circumstances then prevailing. During the current medium-term management plan, our ordinary dividend policy is to pay a progressive dividend with a dividend on equity (DOE) of 3% or higher. The price-to-book ratio (P/B ratio) stood at 0.8 at the end of March 2024 but by August 2025 had risen to 1.1, bringing the long-standing P/B ratio of below 1.0 to an end. Not resting on our laurels, we will however continue to work to improve profitability and capital efficiency.

For us to be trusted by our shareholders and other stakeholders and to meet their expectations, it is obviously

important that we not only talk about improving profitability and taking on new business challenges but also take action. I also believe it is important to explain the underlying thinking and factors behind our decisions and to increase transparency.

I place greater value on steady growth through daily work rather than temporary results or temporary success. I will continue to work to ensure that in every interaction with our stakeholders, including business partners and customers, they feel that "this company is even better than before." In grateful anticipation, I would like to take this opportunity to ask for your ongoing support as the ITOHAM YONEKYU Group takes on challenges in the years to come.

“

I want to improve profitability and achieve growth in new areas so that our stakeholders will be able to have great expectations of us

”



ITOHAM YONEKYU Group's Value Creation Story

Our Group combines the respective strengths cultivated by ITOHAM and YONEKYU, and aims to achieve sustainable growth and enhance corporate value through the steady execution of our Long-Term Management Strategy 2035 and Medium-Term Management Plan 2026. In pursuit of realizing our Group Philosophy and Vision, we will continue to take on new challenges.

Materiality

▶ P.39



Realizing healthy
and affluent diet



Considering the
environment



Promoting sustainable
procurement and
stable supply



Pursuit of uncompromising
flavor and high quality



Creating a workplace
where each employee can
actively participate



Strengthening
corporate governance



Contributing to local
communities

Group Philosophy

Contributing to sound
and affluent societies
through our business

Vision

**Social mission we want to
achieve and our approach**

Be a leading food company
that embodies fairness, rises to the
challenge of transformation,
and achieves sustainable
growth with our employees

02 Strategy Create new value

▶ P.24

01 Management Plan Enhance earning power

▶ P.17

Long-Term Management Strategy 2035

Profit expansion through
growth investments

- Achieve superior position in the domestic market
- Capturing overseas growth

Medium- to long-term targets

Ordinary profit: 50 billion yen
ROE: 8% or higher

Aim to hit targets early

Medium-Term Management Plan 2026 Improve basic earning power

Targets for FY2027/3
Ordinary profit: 30 billion yen
ROE: 6.6%

Strength Growth drivers

▶ P.12

Brand

Domestic and
overseas
sales network

Pursuit of
high quality

Products that
meet consumer
needs

Uncompromising
flavor

Diverse
specialist
personnel

03 Resilience Strengthen resilience

▶ P.27

Reduction of medium- to long-term business risks

Cost of capital conscious management

Corporate governance

Sustainability

Human capital

DX

Domestic and overseas sales network

By leveraging our diverse sales channels, we aim to maximize profits by selling our products in the best markets. We are also able to gather the latest information on customer needs and trends as we sell directly to supermarkets, convenience stores, and restaurant chains, and we use these findings to propose and develop products.

Domestic sales offices

Approx. **130**

Overseas sales network (ANZCO FOODS)

80 countries

Brand

Our Group boasts many products that have been loved for many years. While we continuously refine our product brands, we aim to further enhance brand value by providing customers with the joy and fun of eating through our wide range of products and services.



Long-selling brands that have been loved for over 30 years

Over **13**

Products that meet consumer needs

By leveraging our wide range of products that meet diversifying consumer needs, we are able to stock an entire supermarket section, contributing to increased sales for stores. We also hold regular “customer feedback meetings,” where we incorporate the insights we receive into product improvements and progress with product development that meets consumers’ lifestyles and needs.

Customer feedback meetings

Number of meetings held per year

6 (FY2024)

Strengths of the ITO HAM YONEKYU Group

Under the Group Philosophy of “Contributing to sound and affluent societies through our business,” we have made it our mission to stably supply safe, secure, and delicious products. Over our long history, we have built up assets that have led to our current strengths, such as the passing down of technologies, brand power, and a network that spans the entire value chain. We will use the Group’s current strengths as a foundation to drive further growth.

Pursuit of high quality

To deliver safe, secure, and high-quality products to customers, our Group has acquired third-party food safety certifications at all domestic production bases. In addition to complying with laws and regulations, our Group has established its own unique standards for managing allergens and microbes related to safety, as well as traceability of raw materials and food defense. We conduct inspections and audits to ensure compliance with these standards.

Domestic production bases

44

Third-party food safety certification rate

100%

Diverse specialist personnel

Our personnel possess extensive knowledge and experience, such as production technologies and specialized knowledge of meat, and are active across all business divisions to support the Group’s business activities. We conduct a variety of job-class-specific trainings on product development, marketing, production, and meat technology, focusing on developing personnel capable of creating new value.

Training for developing personnel capable of continuously creating new value

Total participants per year
(by-division and job-class-specific training)

1,281 (FY2024)

Uncompromising flavor

“Uncompromising flavor” is a value our Group always pursues. Leveraging the technological capabilities we have developed over many years, we extract the maximum value of meat-centered ingredients and develop products that meet the tastes and preferences of each era. Our research and development offices, as well as our advanced manufacturing technology, support the realization of this flavor.

Group research and development offices

13

Holders of technical certifications as qualified ham, sausage, and bacon manufacturing and ready-made meal technicians

796

Overview of Long-Term Management Strategy 2035 and Medium-Term Management Plan 2026

ITOHAM YONEKYU Group's 2035 Approach

The environment surrounding our Group is expected to undergo significant changes that are difficult to predict due to factors such as changes in the macro environment caused by demographic trends, soaring resource and energy prices, exchange rate fluctuations, and the impact of overseas situations. Even under these circumstances, we would like to take a long-term perspective and continue to work together with all of our stakeholders to sustainably enhance corporate value. To this end, we defined “meat together” as our 2035 Approach in line with our Group Philosophy and Vision.

The concept behind “meat together”

We expand the idea of meat (m.e.a.t) by meeting the diverse lifestyles and eating preferences of customers around the world, striving to go above expectations to bring excitement and happiness to our customers by working together with all of our stakeholders.



Quantitative
Targets

Ordinary profit: **50** billion yen ROE: **8.0** % or higher ROIC: **6.8** % or higher

ITOHAM YONEKYU Group's medium- to long-term management strategy

To realize our 2035 Approach of “meat together,” we backcasted from our 2035 Approach to formulate the Long-Term Management Strategy 2035 and reflected this higher-level policy in the Medium-Term Management Plan 2026. Having completed the Medium-Term Management Plan 2023, we recognized that our challenges were “Clarifying our growth story through long-term strategy” and “Improving basic earning power.” Under the Long-Term Management Strategy 2035, we will aim for dramatic growth through “sustainable improvements in earning power” and “profit expansion through growth investments,” and while focusing on DX and sustainability, we will further strengthen the management base that supports that growth. Under the Medium-Term Management Plan 2026, we will take the initiative to improve basic earning power and use the cash generated from operations for stable shareholder returns and growth investments, which will lead to dramatic growth.

Long-Term Management Strategy 2035

Profit expansion through growth investments

- Maximizing the value of value chains in Japan
- Accelerating growth of overseas businesses and expanding into growing businesses

Strengthening the management base

- Efficiency and transformation through DX
- Sustainability

Medium-Term Management Plan 2026

Improve basic earning power

- | Business Area | Strategies |
|--------------------------|---|
| Processed foods business | <ul style="list-style-type: none"> • Increase sales through our strengths in product lineups that meet diverse needs and our marketing techniques leveraging said lineups • Revise prices in response to external environments and continue reducing internal costs to recover profits as quickly as possible |
| Meat business | <ul style="list-style-type: none"> • Enhance sales by leveraging the strength of our nationwide sales network and the ANZCO FOODS sales network that spans the world • Improve profit margins through value-added meat products and advancements in risk management |

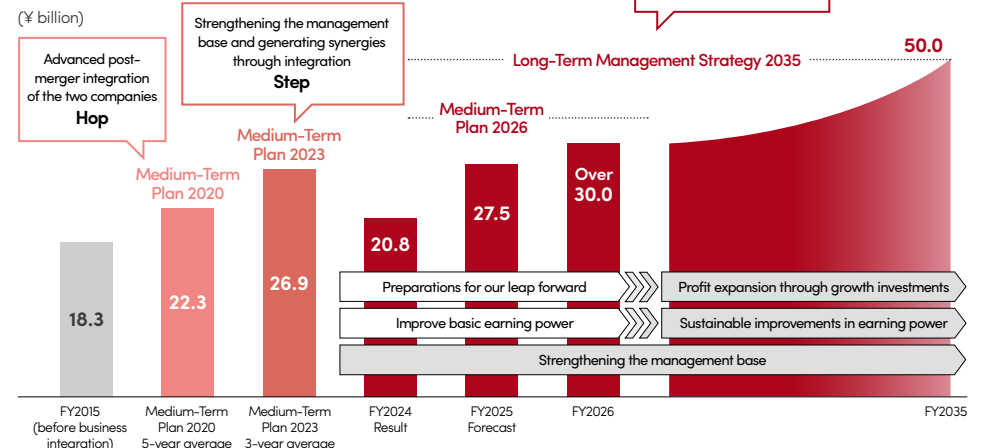
Strengthening the management base

- Establishing a sustainable logistics system
- Human capital initiatives

Financial strategy

- Shareholder returns

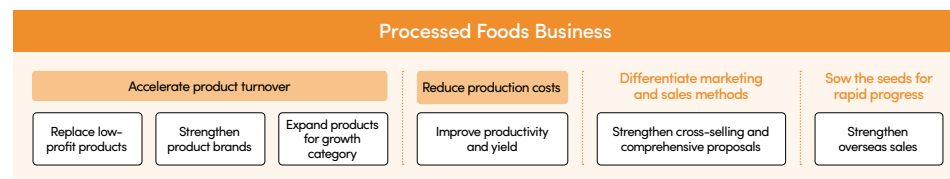
Ordinary profit targets



Overview of Long-Term Management Strategy 2035 and Medium-Term Management Plan 2026

Progress and initiatives of the Medium-Term Management Plan 2026

FY2024, the launch year of the Medium-Term Management Plan 2026, began in a challenging business environment, with soaring raw material prices and rapid market fluctuations. In the processed foods business, we implemented timely price revisions in response to the soaring raw material prices, promoted the replacement of low-profit products, strengthened product brand power, and worked to reduce



Specific initiatives and targets

Replace low-profit products

Work to improve production and logistics efficiency by consolidating items.

Reduction rate of in-house products



Expand products for growth category

We will work to strengthen sales of household frozen foods, which is a growth category. We will strengthen the development of new products that meet the diverse needs of consumers.

Sales of household frozen foods



Improve productivity and yield

A new plant is currently under construction in Mishima City, Shizuoka Prefecture, and is scheduled to begin operations in the second half of FY2026. By installing a labor-saving, next-generation production line for single-flavored products and sausages, we will realize reduction in costs and labor needs, thereby promoting cost savings.

Expected economic effects

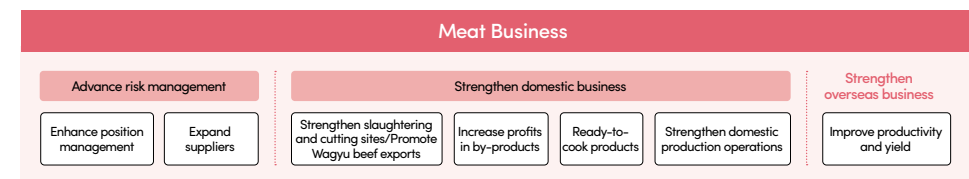
Profit before depreciation
(after full-scale operation)

Approx. +2.5 billion yen
(vs. FY2024) (plan)



External image of Mishima Plant

production costs. In the meat business, we worked to improve risk management in our domestic business, strengthen our domestic production operations, and improve productivity in our overseas businesses. In FY2025, we will continue to promote a variety of initiatives designed to improve basic earning power, as outlined in the Medium-Term Management Plan 2026.

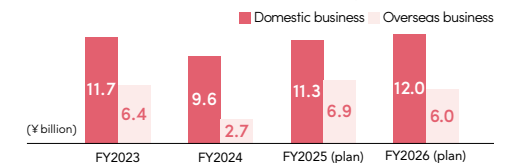


Specific initiatives and targets

Enhance position management in domestic business

Optimize procurement volume and review trading conditions for domestic pork. In addition, aim to improve profitability while minimizing unexpected losses by controlling the proportion of unconfirmed purchases for imported meat.

Planned domestic/overseas ordinary profit



Strengthen slaughtering and cutting sites for domestic beef

We aim to increase the proportion of in-house slaughtering and cutting through the IH MEAT PACKER (IHMP) INC.'s Towada Beef Plant that began full operations in April 2024.

Proportion of in-house slaughtering and cutting



Promote Wagyu beef exports

In May 2025, IHMP INC.'s Towada Beef Plant became the first in Aomori Prefecture to obtain permits for exports to Europe, North America, and Hong Kong. Together with SANKYOMEAT INC.'s Ariake Beef Plant, which had already obtained the permits, we aim to strengthen exports of Wagyu beef.

Wagyu beef export sales



Overview of Long-Term Management Strategy 2035 and Medium-Term Management Plan 2026

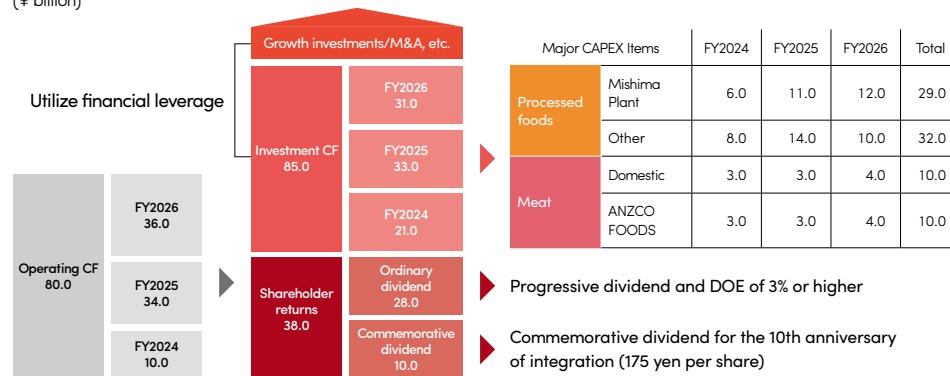
Capital allocation

Cash flow plan (Medium-Term Management Plan 2026)

On the basis of the results for FY2024, we have revised our three-year operating cash flow forecast from 120 billion yen at the time of formulating the plan to 80 billion yen. Having also made some revisions to our investments, we are now planning investment cash flow of 85 billion yen and shareholder returns of 38 billion yen. We will implement further growth investments and M&A in a flexible manner depending on the situation. With regard to any shortfall in operating cash flow to cover these initiatives, we will actively utilize financial leverage to strengthen growth investments and shareholder returns.

Cash flow allocation plan

(¥ billion)



Shareholder returns

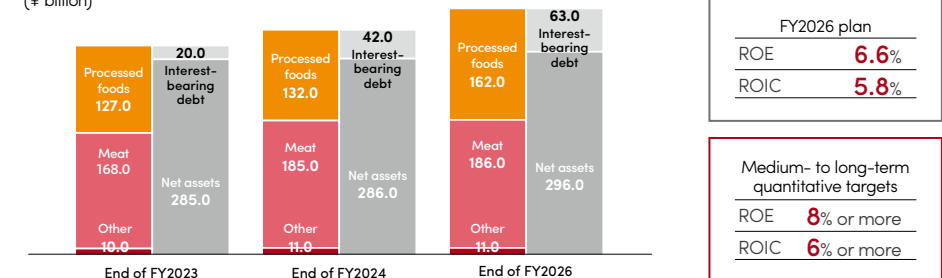
As a policy for our Medium-Term Management Plan 2026, we have introduced DOE as a shareholder return indicator, which is less susceptible to fluctuations in business performance. Specifically, we decided to maintain a DOE of 3% or more and pay progressive dividends while maintaining stable dividends and dividends per share with no reductions. We also began paying interim dividends in FY2024. In addition to the above-mentioned policy, in FY2025, we will pay a commemorative dividend of 175 yen per share (a total of approximately 10 billion yen) to mark the 10th anniversary of our business integration. Based on the foregoing, we are thus expecting the dividend per share for FY2025 to amount to 320 yen (ordinary dividend of 145 yen and the commemorative dividend of 175 yen).

Capital investment plan (Medium-Term Management Plan 2026)

The balance of capital investment at the end of FY2024 amounted to 328 billion yen, an increase of 23 billion yen from the previous fiscal year. This comprised 132 billion yen due to investments in plant reorganization and labor-saving measures in the processed foods business, 185 billion yen due to an increase in working capital burden in the meat business, and 11 billion yen from others. By the end of FY2026, we expect an increase of 30 billion yen, mainly due to construction funds for the Mishima Plant in the processed foods business, and the Company's total invested capital is expected to increase to approximately 360 billion yen. In March 2025, we also implemented sustainable financing of 20 billion yen. By strengthening the earnings base, as outlined in our Medium-Term Management Plan 2026, we are aiming to achieve our medium- to long-term quantitative targets of ROE of 8% or more and ROIC of 6% or more ahead of schedule.

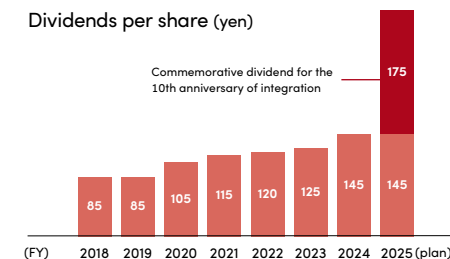
Capital investment plan

(¥ billion)

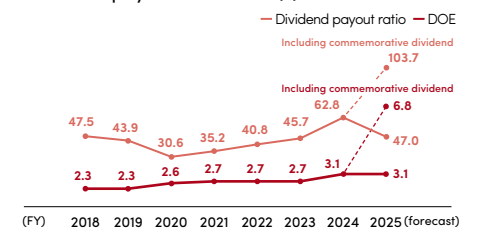


Trends in shareholder returns

Dividends per share (yen)



Dividend payout ratio/DOE (%)



Overview of Long-Term Management Strategy 2035 and Medium-Term Management Plan 2026

Non-financial initiatives

Sustainability Closeup ▶ P.40

DX

The number of workers in Japan is expected to decline 14% in 2040 compared with 2022, and 21% for workers in the manufacturing industry alone. We will use DX to address this long-term issue of a gradual declining workforce, and aim to achieve improved operational efficiency and profitability at the same time.

- **Standardization and streamlining of operations by renewing key systems**
Planning for the processed foods business's system to be fully operational from FY2025
- **As part of efforts to improve DX literacy, training was conducted primarily for those in management positions in FY2024**

Human capital

We will drive sustainable growth by raising engagement through human resource development and fostering a corporate culture. Beginning in FY2024, we set the employee engagement score* as a new KPI and incorporated it into executive compensation calculations. At the same time, to address issues at organizational and departmental levels, we will strengthen support for employees in frontline management positions and encourage supportive management at each site.

- **HR development initiatives**
Management talent development program, allowing of side jobs outside the Company, implementing of voluntary/selective training, activation of internal recruitment
- **Efforts to foster an organizational culture**
Female role model roundtable discussions, expansion of career return system, support for specific departments based on engagement surveys, expansion of 360-degree feedback

* Positive response rate to employee engagement awareness surveys

Instilling of the “meat together” concept

Since May 2024, when we announced our Long-Term Management Strategy 2035 and Medium-Term Management Plan 2026 with the aim of instilling the “meat together” concept, we have held a total of 51 roundtable discussions, mainly with the Senior General Manager COO of the Administration Division and the General Manager of the Corporate Strategy Department. (Roundtable discussions with senior general managers and general managers: 38 times in total, voluntary roundtable discussions: 13 times in total)

After the discussions, participants provided feedback to their respective divisions, leading to specific actions in each department aimed at achieving the goals set out in the Long-Term Management Strategy 2035 and the Medium-Term Management Plan 2026. The various opinions expressed during the roundtable discussions are reported to meetings of the Board of Directors and other bodies and are shared with management.

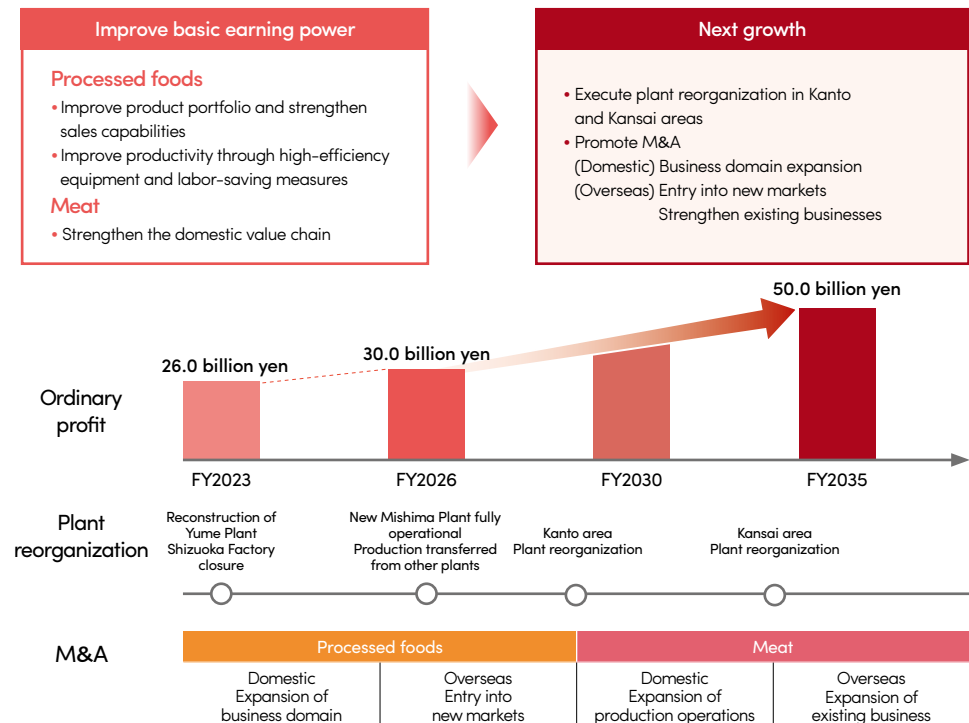


Toward the next medium-term management plan

Under the Medium-Term Management Plan 2026, we are focusing on improving the basic earning power of existing businesses. In addition to that, from the next medium-term management plan onwards, we will build a new earnings base by profit expansion through growth investments.

During the period of the Medium-Term Management Plan 2026, primarily in the processed foods business, we will promote plant reorganization, including the construction of the new Mishima Plant, and in the meat business we will work to expand our domestic production operations, focusing on chicken, for which demand is expected. In addition to the growth investments, we will also give consideration to growth opportunities through M&A, with an emphasis on creating synergies with existing businesses. Under the next medium-term management plan, we will deepen the above initiatives, while also continuing to strengthen shareholder returns and working to improve capital efficiency.

Toward next growth





CONTENTS

Business Strategies

- 18 Processed Foods Business Division
- 21 Meat Business Division



Enhance Earning Power

Business Strategies

Processed Foods Business Division

Toward becoming the leading global company of choice by refining our traditions through challenges and innovation

Koichi Ito

Director, Managing Executive Officer
Chief Operating Officer, Processed Foods Business Div.



Looking back on FY2024

FY2024 saw a return to an inflationary economy, as evidenced by the Nikkei Stock Average reaching a new all-time high and other factors. In contrast, real wages were negative throughout the year, and it can be said that the economy is still in the process of escaping from deflation. In this business environment, we implemented price revisions for three consecutive years from FY2022, while at the same time working to improve profits by reducing costs through promoting labor savings and efficiency through capital investment, and by changing product specifications. We also worked to expand sales of home-use products by expanding our frozen food brands and revamping promotions for our main brands. In logistics, we have made progress in building a sustainable logistics system, including formulating a voluntary action plan with four major ham and sausage manufacturers and launching the Chilled Logistics Study Group with nine chilled food manufacturers.

As a result, we recorded increased sales and profits in FY2024. However, to achieve sustainable growth in an environment where costs are expected to continue to rise, we will take bold and swift steps designed to further improve profitability.

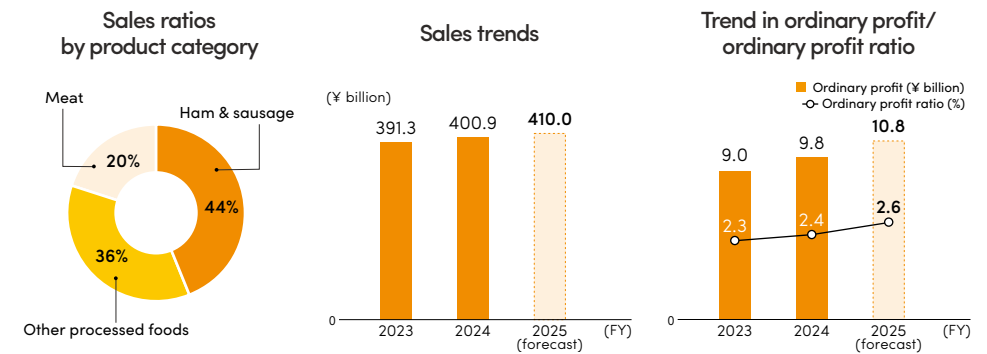
Toward an organization capable of achieving sustainable growth —Continuing to face challenges toward a new stage

FY2025 will be the second year of our Medium-Term Management Plan 2026. To achieve the targets for the final year of the plan, we will take three steps in FY2025. The first involves promoting labor-saving measures and DX. We will review existing operations and then standardize, streamline, and visualize them. In sales, we will promote labor-saving measures using digital technology in order receipt and fulfillment operations, and in production, we will actively invest in equipment that will contribute to labor-saving measures.

The second step concerns accelerating product turnover. We will promote the replacement of low-profit products, reducing our own products by 20% by FY2026 compared to FY2024, to improve productivity and operational efficiency. To enable the rapid development of new products that meet diversifying consumer needs, we will consolidate our development and marketing divisions in one location to encourage more active communication.

The third step will be to make contributions to the SDGs. We will proactively implement measures that display awareness for the global environment, such as expanding our handling of room temperature and frozen products, which will lead to a reduction in food waste, and using thinner packaging materials. At our manufacturing plants across the country, we are promoting the installation of highly efficient, energy-saving equipment and the use of renewable energy sources. To develop and grow sustainably, it is essential for a company to have management centered on human capital and to build a self-directing organization. We will provide opportunities for employees to grow, such as resuming overseas training that was canceled due to the COVID-19 pandemic and, primarily for young employees, formulate a Mishima Plant facility development project.

HIGHLIGHTS

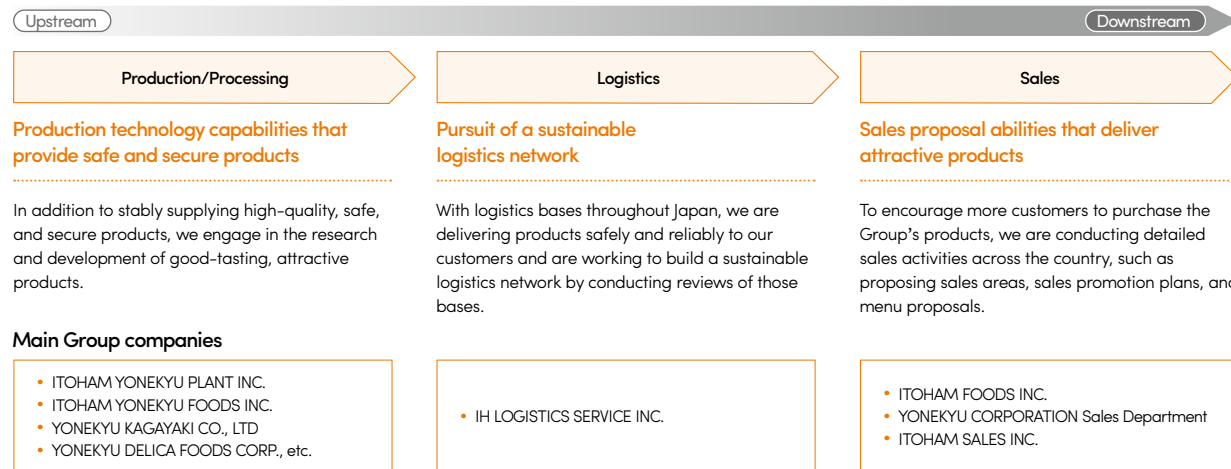


Business Strategies

Business overview

The Processed Foods Business Division develops ham, sausages, and cooked processed products under both the ITOHAM and YONEKYU brands. We possess business bases across Japan from Hokkaido to Okinawa, as well as overseas in the United States, China, and Thailand, to deliver our products to as many customers as possible. We are continuing to pursue production technology capabilities that realize high-quality, safe, and secure products, sales proposal abilities that deliver attractive products, and a sustainable logistics network.

Value chain



Strengths of the Processed Foods Business Division

- 01 » A consistent supply system from raw material procurement to manufacturing, logistics, sales, and customer support
- 02 » The brand power of both ITOHAM and YONEKYU, built up over many years, and a wide range of products
- 03 » Production technology capabilities and hygiene control systems that realize high-quality, safe, and secure products



Issues and measures

FY2024 achievements and challenges

In FY2024, we recorded increased sales and profits due to price revisions, the implementation of cost reduction measures, improved production efficiency through the consolidation of manufacturing items, and the expansion of mainstay brand products and growth category products.

In contrast, despite having implemented price revisions on a total of six occasions from 2022 to 2024, which covered increases in costs for raw materials, utilities, and logistics, the decline in sales volume remains an issue.

FY2025 key measures

- ☑ Pursuit of increased efficiency and cost reductions through labor reduction and DX
- ☑ Focus on and expansion of sales of highly profitable products by acceleration of product turnover
- ☑ Strengthening of foundation for sustainable business operations by means of contributions to SDGs

Business Strategies

TOPICS
01

Exhibiting at Expo 2025 Osaka-Kansai Expanding into development of future foods with a long-term perspective of ensuring a stable protein supply



OKONOMIYAKI-STYLE BURGER

The ITOHAM YONEKYU Group exhibited at the UTAGE BURGER booth in the ORA Gaishoku Pavilion “Utage” at Expo 2025 Osaka-Kansai, Japan, which opened in April 2025, selling soy meat hamburgers, pizza wraps, and more. Utilizing our technological capabilities, we provided soy meat-based hamburgers and pizza wraps seasoned with the essence of Osaka and traditional Japanese ingredients.

Additionally, in the Osaka Healthcare Pavilion area of the venue, the Consortium for Future Innovation by Cultured Meat, in which the Company is an operating partner, showcased actual cultured meats and meat maker. Based on the concept of transforming meat “from something to buy at a store to something to make at home,” the booth presented a vision of the “future kitchen,” where a meat maker capable of creating marbled steaks tailored to individual health and preferences forms part of everyday life.

Plant-based foods such as soy meat and cultured meat have the potential to be one of the solutions to the protein supply shortage caused by global population growth and environmental problems such as greenhouse gas emissions. The Group will continue to work to expand our scope of development into the food of the future, with a long-term perspective of ensuring a stable supply of protein.



Cultured meats

TOPICS
02

Implementing initiatives to improve logistics efficiency, promoting creation of sustainable logistics system



Press conference for the launch of the Chilled Food Logistics Study Group

The logistics industry in Japan is currently facing a serious challenge known as the “Logistics 2024 Problem,” caused by new overtime hour limits placed on truck drivers. To maintain a stable supply of products amid these changing circumstances, it is essential to improve delivery efficiency by means of collaboration with external partners and to create an environment in which it is easy for drivers to work.

We are promoting collaboration and cooperation with related industries based on a voluntary action plan formulated by four major ham and sausage companies in 2023 and the policies of the Chilled Food Logistics Study Group, which was established by nine chilled food manufacturers in 2024. We are aiming to achieve the goal of a 10% increase in truck loading rates adopted by the Japanese government.

Specifically, we are working to improve efficiency by reviewing delivery conditions, such as extending lead times*, and have commenced joint deliveries with other companies. In fact, having begun delivering to individual stores in the Shikoku region and joint deliveries with ham and sausage manufacturers to mass retailers in the Kansai region, we are beginning to see results in the form of improved truck loading rates. We are also taking on the challenge of transforming our business model by reducing the amount of additional work drivers have to do, such as by taking pre-orders for products, and by reviewing delivery frequencies.

Going forward, we will aim to achieve sustainable logistics to provide a stable supply of products to our customers while strengthening our efforts.

* The total time needed for a product or service to be delivered to the customer.

Business Strategies

Meat Business Division

**Creating new value and building
a system to generate profits
continuously over the long term**

Ken Harada

Director, Managing Executive Officer
Chief Operating Officer, Meat Business Div.



Expansion and optimization of production businesses, enhance profitability, and advancements in risk management

In FY2024, domestic business was significantly affected by delays in enhancing earnings for domestically produced pork and rising logistics costs, while overseas business was significantly affected by ANZCO FOODS' sluggish exports to China and rising local labor, utility, and logistics costs. Overall, Meat Business Division sales thus increased, but profits decreased.

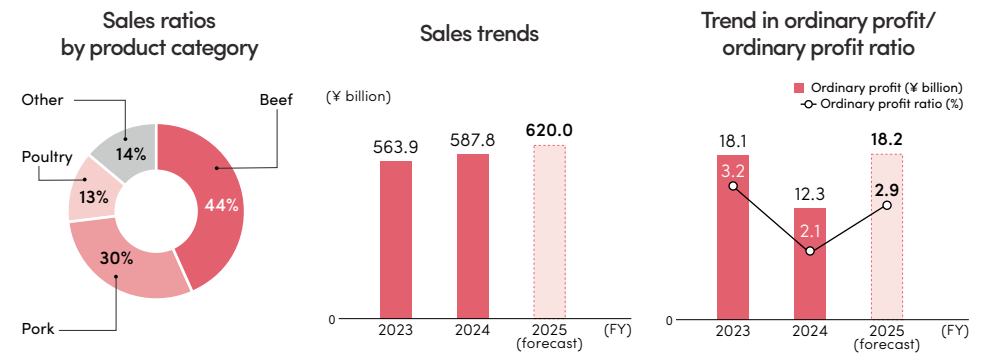
One of the policies under our Medium-Term Management Plan 2026 is to “improve basic earning power,” and the Meat Business Division is working on the “expansion and optimization of production businesses,” to “enhance profitability,” and on “advancements in risk management.” Completed last spring, IH MEAT PACKER (IHMP) INC.’s Towada Beef Plant is now fully operational, and we are working to add value to our own products. In May 2025, the Ministry of Health, Labor and Welfare approved the plant’s licenses to export to Europe, the U.S., and Hong Kong, making it the second in the Tohoku region, and the first in Aomori Prefecture, to be approved for exports to the U.S. Going forward, I would like us to develop new export brands, such as Hokkaido Wagyu beef. SANKYOMEAT INC, which has already obtained export

licenses, is located in Kagoshima Prefecture, and the structure of having major production bases in both eastern and western Japan represents a major strength for our export business. The plan is for SANKYOMEAT to also launch an extract business in FY2027. Transferred from Kyushu Extract Limited, which was established in 2019 with investment from ITOHAM YONEKYU HOLDINGS INC. and Mitsubishi Corporation Life Sciences Limited, this business involves further processing bones, a by-product generated when processing meat, into extract. Meat extracts are used in ramen soups and processed foods, and the market for them is expected to continue to see strong demand due to the diversification of culinary scenarios and labor shortages. We will utilize our know-how gained from jointly developing and manufacturing extract products, and supply fresh domestic raw materials within the Group. Leveraging our strengths in being able to carry out all processes, from production to processing, we endeavor to provide a stable supply of safe, high-quality products.

With regard to the “advancements in risk management,” we are also promoting a raft of initiatives: establish a more detailed inventory management system; diversify procurement suppliers to reduce disease and geopolitical risks; review unprofitable transactions and terms; and promote DX and sustainability. In the case of establishing a more detailed inventory management system, we set upper limits on inventory value and weight, and strictly manage positions to minimize the risk of loss. By increasing our procurement suppliers and diversifying production areas, we are able to ensure a stable supply of meat and respond to the diverse needs of our customers. In terms of DX, we are promoting business efficiency and moving away from person-dependent projects as a means of addressing the labor shortage. We are also strengthening our response to sustainability, including consideration for animal welfare.

By steadily implementing these initiatives, we will build a lean structure and create a system for generating profits over the long term.

HIGHLIGHTS

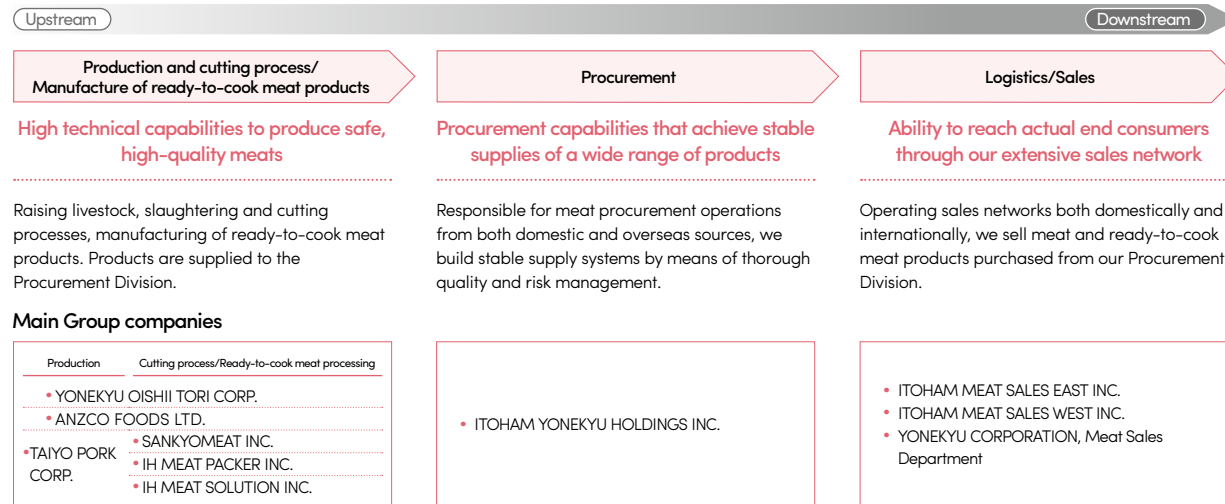


Business Strategies

Business overview

While possessing a meat value chain that encompasses everything, from the production and processing of fresh meat and ready-to-cook meat products to sales, as well as a broad product lineup, we are developing our businesses on a global basis. At the same time, we are leveraging our strengths that include our domestic and international production bases, sales network, and overseas procurement capabilities mainly through in-house imports, to take on the challenges of creating new value.

Value chain



Strengths of the Meat Business Division

- 01 » Value chain spanning meat production, handling, processing, and sales
- 02 » Wide-ranging domestic sales network and product lineup
- 03 » Overseas meat procurement capabilities through trade with various countries
- 04 » Promoting beef exports, including Wagyu beef



Issues and measures

FY2024 achievements and challenges

Aiming to improve our basic earning power, we have promoted efforts designed to expand and optimize our production businesses as well as promote added value. The IHMP Towada Beef Plant, which was newly established last spring, is operating steadily, and we are promoting increased production as well as processing margins and the addition of value to our own products. We also strengthened our efforts to expand sales of ANZCO FOODS brand products and develop and sell ready-to-cook meat products. In contrast, we must continue to address challenges such as labor shortages, rising costs, and logistics optimization.

FY2025 key measures

- ☑ Strengthening efforts to add value (strengthening export business, expanding sales in overseas markets, branded meat, ready-to-cook meat products)
- ☑ Thorough risk management (expanding suppliers to establish a stable meat supply system, minimizing losses through position management)
- ☑ Growth investments and production base optimization designed to improve basic earning power
- ☑ Addressing sustainability (animal welfare and reduction of environmental impact)
- ☑ Recruiting, training, and DX (addressing labor shortages and moving away from person-dependent projects)

Business Strategies

TOPICS
01Value differentiationby means of branded meat:Domestic pork brand *Koku-uma*

Koku-uma loin

Under its Medium-Term Management Plan 2026, the Company aims to improve basic earning power and is thus promoting the development of branded meat as a way to add value to its meat products. For domestic pork, the Company is strengthening sales of its *Koku-uma* brand. *Koku-uma* is delicious pork from pigs that for a certain period of time have been fed an original feed containing a balanced blend of six types of grains (corn, milo, soybeans, wheat, barley, and rice) but includes a large amount of wheat. Compared with regular pigs, this results in pork that has approximately 2.7 times the umami components (glutamic acid, aspartic acid) and approximately 1.6 times the richness and mellowness components (the total amount of amino acids that make up peptides). At the 2025 International Taste Institute (ITI) judging session, our *Koku-uma* Loin received the highest three stars in the Superior Taste Award category, while our *Koku-uma* Belly, Shoulder Loin, and Fillet also received two stars, earning us high praise. The pork is also processed under strict hygiene and quality control systems at our Group and affiliated factories, which have obtained third-party food safety certification, ensuring a stable supply. We will work so that even more customers recognize the value of *Koku-uma*.

TOPICS
02Expanding ready-to-cookmeat products to meetdiverse consumer needs

Stick Steak

We are developing and selling ready-to-cook meat products as a way to add value to our meat products. In recent years, Japan has been experiencing a declining birthrate and an aging population, while women's advancement in society is gaining pace. This has led to a growing trend of limiting the time and effort available for meal preparation at home, resulting in a rapid increase in demand for easy-to-prepare foods. Ready-to-cook meat products are easier to prepare than fresh meat, so we are strengthening our efforts to create a product group that meets the needs for time-saving and convenient cooking. By leveraging our strengths in raw material procurement and production technology, we will expand our product lineup to meet the diverse needs of consumers. The popular *Stick Steak* is a frozen product that comes in two flavors: "With Cheese," made with processed cheese, and "With Black Pepper," made with powdered black pepper. Due to its convenience and ease of preparation, which requires only one frying pan, it is easily enjoyed as a side dish for busy weekday dinners or in *bento* take-out lunch boxes. The development and sale of ready-to-cook meat products represents an important initiative for our Company, and we will strengthen our marketing efforts and focus on providing products that reflect customer needs.





02

PROGRESS

Create New Value

CONTENTS

Special Feature: Emerging New Challenges

- 25 Processed Foods Business Division
Making greater inroads into export markets
- 26 Meat Business Division
Strengthening exports of Japanese beef

Special Feature

Emerging New Challenges

Processed Foods Business Division

Making greater inroads into export markets

We are facing the challenges of expanding exports to growing overseas markets.

While building a cross-organizational export promotion system and leveraging our network of overseas bases, we will deliver our high-quality products to customers around the world.

Taking on the challenges of enhancing our presence in overseas markets

Against the backdrop of not only a weak yen and a recovery in inbound tourism, but also an increasing number of Japanese restaurants overseas, globally there is growing interest in safe, secure, and high-quality food produced in Japan. Viewing this trend as a business opportunity, the Company has established cross-divisional export strategy meetings. Together with beginning the full-scale promotion to overseas markets of our mainstay products, such as sausages, pizzas, and hamburger steak, which are highly acclaimed for their delicate and harmonious flavors and high quality, we are participating in international exhibitions and promoting product design that complies with the laws and regulations of each country. Going forward, we will work to enhance our presence in overseas markets by strengthening our proposals to local supermarkets and Japanese restaurant chains in Asia as well as by expanding and upgrading our lineup of frozen foods.



VOICES

I want to deliver our high-quality products to new customers around the world

Norimitsu Goto

Sales Strategy Office,
Sales Dept.
ITOHAM FOODS INC.



The Processed Foods Business Division positioned FY2024 as the “first year of exports” and selected the target countries and products. Researching products suited to local culture, collaborating with exporting companies, and developing products that meet local sales standards were all new endeavors, and it was by no means an easy journey. However, after much trial and error, we have finally been able to build a system that allows us to export our mainstay products.

In FY2025, the second year of the project, we will target Hong Kong and launch full-scale export sales. We are also simultaneously preparing for exports to countries other than Hong Kong. We will strive to deliver high-quality products manufactured in Japan to the world and have new customers recognize the value of our products.

I want to expand the range of exportable products and support our ventures into overseas markets

Ena Sugiyama

Quality Planning Section, Quality Control Dept.
Production Div., Processed Foods Business Div.
ITOHAM YONEKYU HOLDINGS INC.



Conducting research into the regulatory provisions placed on export products in various countries, and by confirming whether their export is permitted, my section supports our sales divisions and business partners in promoting the export of our products. We are also promoting the acquisition of export licenses for our production plants in many countries to expand exports to even more of them.

Since the items subject to regulation differ from country to country, there are difficult aspects in that individual judgments are required. However, by gathering customer product requests and export country information from our sales divisions, building exportable standards and expanding our lineup of export-compatible products, I would like us to expand our export business and make it into one of the pillars of our future business.

Special Feature

Emerging New Challenges

Meat Business Division

Strengthening exports of Japanese beef

As Japanese food culture gains attention around the world, we are working to expand exports of Japanese beef with a focus on Wagyu beef. Having built a consistent production, processing, and sales system within the Group, armed with reliable quality and trust, we are continuing to take on the challenge of delivering brand beef, including the world-renowned ITO WAGYU®.

Increase and grow sustainability of domestic businesses and grow through export expansion

In Japan, there are concerns that domestic demand will shrink due to the declining population. Globally, however, population growth and growing awareness of Japanese food are creating opportunities for exports of Japanese food ingredients.

The strength of the Group lies in our having put in place a system in which all processes, from production to processing and sales, are carried out within the Group. Based in Kagoshima Prefecture, SANKYOMEAT INC. slaughters and cuts beef and pork, and has earned a high level of trust in overseas markets through its thorough quality and hygiene management. The ITO WAGYU® beef from Japanese black cattle produced at our partner farms and exported by the Company has received high international acclaim, including winning the World's Best Wagyu Steak award at a global steak competition.

In 2024, operations commenced at IH MEAT PACKER INC.'s newly built Towada Beef Plant in Aomori Prefecture, establishing meat processing bases in both eastern and western Japan. This has put in place our nationwide export system. Going forward, we aim to leverage these strengths and further expand our market share.

VOICES

I want to contribute to strengthening the Company's
"ability to grow overseas" through expanding exports

Hisahito Hasegawa

Section Manager, Global Meat Sales Section Operations Dept.
Domestic Meat Div., Meat Business Div.
ITO HAM YONEKYU HOLDINGS INC.



Our department is working to expand export sales of beef produced in Japan, with a focus on Wagyu beef. While Wagyu beef is becoming more widely known in major cities around the world and competition is intensifying, there are also regions where Wagyu beef is still less well known, such as inland North America, South America, and Southeast Asia, where demand is expected to grow in the coming years. The challenge we are facing is to deliver our products to such markets.

To deliver our products to more overseas customers, we will advance the building of a distribution network for the global market, leverage the overseas networks of our overseas subsidiaries and Group companies, and strive for further export expansion.

Calls from eastern Japan for expanded production
of and sales channels for domestic beef

Yutaka Koizumi

President
IH MEAT PACKER INC.



Our Towada Beef Plant purchases, slaughters, and cuts domestic beef, mainly from the Tohoku region, and provides the products to each of our Group's sales offices. There are many producers in eastern Japan who have the skills to produce high-quality domestic beef, and I believe we can provide new added value to our customers. High-level hygiene and quality control is essential in meeting the wishes of producers and delivering safe, secure, and delicious beef to the world. Maintaining a hygienic factory requires a lot of time and effort for inspection work, and it is essential that each employee improves their skills. For this reason, our factory's Quality Control Division conducts on-site guidance at each stage, from delivery of live animals to cutting and processing. This will raise the overall level of the plant, and I expect to see increased customer satisfaction as we expand our domestic sales channels. Going forward, all our employees will continue to work together to realize the motto "persistence is power."



CONTENTS

Strengthening the Management Base

- 28 Transition to a Company with an Audit and Supervisory Committee
- 29 Outside Director Roundtable Discussion
- 34 Financial Strategy
- 35 Human Resource Strategy
- 37 Message from the Officer in Charge of Sustainability
- 38 Progress on Our Materiality
- 40 Sustainability Closeup

03

PROGRESS

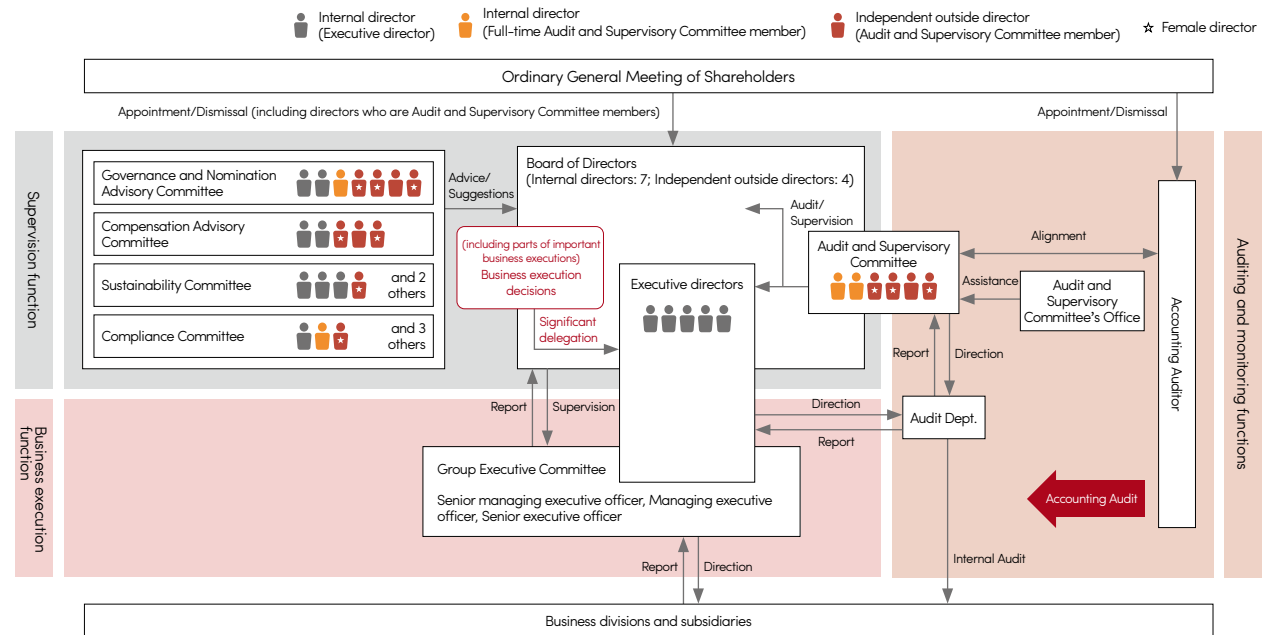
Strengthen Resilience

Strengthening the Management Base

Transition to a Company with an Audit and Supervisory Committee

The corporate governance at the ITOHAM YONEKYU Group is based on our Group Philosophy, Vision, and Action Guidelines. To resolve social issues through business and to gain the trust of stakeholders, we have set up a highly transparent system of management that enhances overall Group monitoring, supervising, and other internal control functions, while striving to make accurate business decisions and take fast action.

Based on this fundamental view, we have worked to strengthen corporate governance to achieve sustainable growth and to improve our medium- to long-term corporate value. To realize the Long-Term Management Strategy 2035 and the Medium-Term Management Plan 2026, we significantly delegated the authority to make important business execution decisions from the Board of Directors to the executive organizations and, to further accelerate decision-making and business execution, transitioned to a company with an Audit and Supervisory Committee on June 25, 2025.



Changes to the corporate governance system due to the transition

01 Strengthening the supervisory function of the Board of Directors

To enhance the effectiveness of the Board of Directors and build a more optimal governance system, the Nomination Advisory Committee and the Governance Committee were integrated and renamed the Governance and Nomination Advisory Committee. Both the Governance and Nomination Advisory Committee and the Compensation Advisory Committee will continue to have a majority of independent outside directors.

In addition, all independent outside directors serve as Audit and Supervisory Committee members, and multiple independent outside directors concurrently serve on both advisory committees. This arrangement is intended to strengthen supervision of the director nomination and compensation decision-making processes, while enabling the Audit and Supervisory Committee to more effectively form opinions on director nominations and compensation based on the recommendations of both advisory committees.

02 Faster management decision-making through delegation of authority

With the transition to a company with an Audit and Supervisory Committee, quantitative thresholds for submitting investment and financing proposals to the Board of Directors have been significantly raised, and part of the decision-making authority for important business execution, as stipulated under the Companies Act, has been delegated from the Board of Directors to the executive directors.

As a result, medium- to long-term management strategies, sustainability initiatives, key management issues, and other topics are discussed and decided by the Board of Directors, which possesses extensive experience, expertise, and diversity. Other matters are promptly and decisively decided and implemented by the executive organizations in accordance with the delegated authority regulations.

03 Establishing an effective audit system

To support the duties of the Audit and Supervisory Committee and its members, the Audit and Supervisory Committee's Office has been established as an organization directly under the committee, with its chair assigned exclusively to this role. Additionally, we established the Audit Department to serve as the overseeing body for both the Audit Office, which functions as the internal audit division, and the department in charge of internal control, supporting measures to improve internal control. The Audit Department operates directly under the Audit and Supervisory Committee to enhance the effectiveness of its audits.

While the executive side also holds authority to issue instructions to the Audit Department, the internal audit regulations stipulate that, in the event of any conflict between directives from the Audit and Supervisory Committee and the executive side, the committee's instructions take precedence.

Strengthening the Management Base

Outside Director Roundtable Discussion

Accelerating management reforms to leap to the next stage

In June 2025, the ITOHAM YONEKYU Group transitioned to a company with an Audit and Supervisory Committee. Mikiko Morimoto and Yasuko Nishimura continue to serve as outside directors, Hiroshi Matsumura, who served as an outside auditor, now serves as an outside director, and Akira Arimatsu has been newly appointed as an outside director. As we aim for the exponential growth targets set forth in our Long-Term Management Strategy 2035 and Medium-Term Management Plan 2026, we gathered these members together to share their thoughts on our progress to date, the roles they hope to play, and their expectations for the Company from their positions as outside directors.

**Akira Arimatsu**

Outside Director
Audit and Supervisory
Committee Member

**Mikiko Morimoto**

Outside Director
Audit and Supervisory
Committee Member

**Yasuko Nishimura**

Outside Director
Audit and Supervisory
Committee Member

**Hiroshi Matsumura**

Outside Director
Audit and Supervisory
Committee Member



Please share with us your thoughts on the Group's overall direction under the Long-Term Management Strategy 2035 and Medium-Term Management Plan 2026, as well as your assessment of the first year's progress.

Nishimura

The slogan in the Long-Term Management Strategy 2035 is “meat together.” It goes beyond just products to include the reason for the existence of the Company. I empathize strongly with this message, and I rate the plan very highly because of how it transitions from previous short-term plans focused on scale and efficiency to a greater focus on sustainability and creating social value. The Long-Term Management Strategy 2035 also properly incorporates issues such as global food supply and contributing to food diversity, and I also expect it to drive management reforms.

Matsumura

After the 2016 management integration of ITOHAM and YONEKYU, two medium-term management plans were formulated, however this period focused on reorganizing the corporate organization and businesses to establish a sense of unity as a Group. These two past plans represented the first “hop” and “step” for the ITOHAM YONEKYU Group, while the Long-Term Management Strategy 2035 and Medium-Term Management Plan 2026 have been formulated with the positioning of a dramatic “jump.” Toward the vision for 2035, the Group has launched its new slogan “meat together,” and I feel that it demonstrates the strong resolve to transform the overall Group.

Morimoto

I have strong expectations for the Medium-Term Management Plan 2026. It is unfortunate that the Company did not achieve its first-year targets. However, I believe that management is strongly aware of the need to improve basic earning power as well as of what has been lacking, and that the

Company is making steady progress toward achieving its targets. The Company is also focused on management with an awareness of capital costs, and its P/B ratio, which has remained low among the overall industry, is finally starting to show signs of improvement. The Company has always been aware of how to effectively use its internal resources, and that awareness is starting to take shape in the form of results. However, creating internal awareness of the slogan “meat together” is still an issue, and I believe that it is extremely important to instill the intention and significance of this message throughout the Company.

Matsumura

When looking at the various financial indicators for the first year of Medium-Term Management Plan 2026, although I feel that there is still room for improvement, I also am not worried. The resilience of the Company's management toward changes in the business environment has increased, and I believe that if they steadily instill the policies that have been set forth thus far, the results in the financial indicators will also begin to improve.

Morimoto

I think that you are exactly right. However, one area of concern is the Company's approach to human capital,

an important component of basic earning power. I believe the Company is approaching a stage where it will truly work to link its human resources strategy with its management strategy, in the sense of what kind of business portfolio it builds and what kind of human resources it needs to become the Company it aims to be.

Matsumura

Human capital is one item that the Company is tackling as a priority in its Medium-Term Management Plan 2026, and I see it as an extremely difficult theme. It is not necessarily easy to create policies in a way that is understood and accepted by employees nor to create a foundation for human capital. I plan to actively express my opinions at the Board of Directors to be able to realize these goals, and one possible direction might be to further accelerate the promotion of active roles for women.

Morimoto

I agree. I think that the Company made significant progress in that sense in FY2025, when two women became executive officers. By having role models within the Company, I expect diverse human resources, including women, to be reenergized and more greatly utilized company wide.



The Company's future issue is linking its human resources strategy and management strategy.





Q Please share your thoughts on the Company's transition to a company with an Audit and Supervisory Committee.

Morimoto I see the transition as a demonstration of the Company's commitment to working to improve corporate governance. In recent years, the practical separation of execution and supervision has become an issue with which many companies struggle, and I think that it is extremely significant that the Company has already taken steps to realize it. As an outside director and member of the Audit and Supervisory Committee, I want to work hard toward this goal and contribute to realizing an ideal Board of Directors. Part of the background behind the Company's transition to a company with an Audit and Supervisory Committee was making the Board of Directors a venue for more medium- to long-term discussions, and I look forward to that change.

Nishimura The establishment of the Audit and Supervisory Committee has further strengthened both the

transparency and control functions of management. It is important that this change does not remain limited to a simple formality and that the Company establishes it as a practical, functioning body within the Company. We will take responsibility to ensure that the Board of Directors exercises its capabilities as originally intended.

Arimatsu I was appointed as an outside director at the same time as the Company transitioned to a company with an Audit and Supervisory Committee. I believe that these structural changes are appropriate for the significant transformation that the Group expects over the medium- to long-term. I also believe that two major changes are possible now as a company with an Audit and Supervisory Committee. The first is the way supervisory functions of business execution are exercised. With the Audit and Supervisory Committee members now also involved in discussions as members of the Board of Directors, supervisory functions can now be exercised in closer proximity to management. As such, more flexible decision-making will be possible at the Board of Directors even while exercising these supervisory functions. The second change is that with greater delegation of authority from the Board of Directors to the Company's

officers, the Board of Directors will be more able to focus on discussions of important management issues. When the Company is ready to make its big leap forward, we will be called on to engage in even more important decision-making accompanying the Company's transformation, and I expect that this will be easier under the new Audit and Supervisory Committee system.

Q What are your expectations for the future of the Long-Term Management Strategy 2035 and Medium-Term Management Plan 2026?

Nishimura I feel the Company is making steady progress in investment into growth sectors in accordance with the Medium-Term Management Plan 2026. In terms of existing sectors, as it must advance structural reforms, I understand that the officers within the Company are strongly aware of the necessary transformations. I also believe that the Company is working with a common understanding of how it links sustainability with its business strategy.

Morimoto Awareness of sustainability has certainly increased among the Board of Directors in the past year. Although the Company has produced tangible results together with the contributions of the operational divisions, I believe that its awareness of sustainability could be more deeply reflected in the management strategy. Moreover, the Company's sustainability responses represent not only risk avoidance but also opportunities, and it needs to foster an awareness of sustainability to continue winning.

Matsumura The opening of the Mishima Plant in FY2026 is one example that makes me truly feel that the Company is making steady progress with tangible measures to achieve its Long-Term Management Strategy 2035. The Company has also started to

move forward with a total of 200 billion yen in growth investment, and in the future, I believe that it must focus not only on efficiency-based management indicators such as ROIC and ROE, but also on indicators that measure growth potential. Although I cannot yet say what kind of indicators would be appropriate, I believe that in any case the Company needs a system that can compare and analyze budgets and results by division and department and deploy new measures. I also believe that building this kind of structure will lead to strengthening communication with stakeholders.

Arimatsu

Although this is based on personal experience, I feel that there is plenty of room for growth and have great expectations for the expansion of the overseas business. When I studied abroad in the U.S., I felt stressed in my everyday life about the distribution and quality of fresh and processed food. In Japan, manufacturing, distribution, and retail are all high quality, and you can always find both fresh and delicious processed food. I realized this again when I became an outside director of the ITOHAM YONEKYU Group. A Group like ITOHAM YONEKYU with top-class know-how in manufacturing, distribution, and retail should have ample room to exercise its competitiveness overseas and to contribute to more abundant lifestyles for the people living there.



Please share your future expectations for the ideal form of the Board of Directors.

Matsumura

In the effectiveness evaluation of the Board of Directors, one issue was the common understanding that there was insufficient discussion from a medium- to long-term perspective. Going forward, I hope to see a Board of Directors in which members can exchange and share their opinions, either by taking a certain amount of



I hope to see discussions at the Board of Directors from a more medium- to long-term perspective.



time for the meetings or by holding them on a regular basis. By building consensus among the Board members on topics that should be discussed as a priority, I would like to see a flow created where we have an annual plan for agenda items. Another point of improvement that I would like to see, which is something that is often seen in other companies as well, is the discussion flow centered on comments from outside officers to which internal officers respond. I hope to see active discussions at future Board of Directors meetings that cover broad, essential themes among internal directors and outside directors.

There have also been many good points in the Company's initiatives thus far that I would like to continue. For example, having various people hold briefings related to the agenda items for the outside directors several days prior to the Board of Directors meeting is extremely helpful. Both the Board of Directors meetings and the briefings have an atmosphere in which members with different backgrounds can say what they please and ask what they please, and this is something that I would like to maintain in the future.

Morimoto

One point related to the evaluation of the effectiveness of the Board of Directors that Mr. Matsumura mentioned

that also emerged as a priority in our FY2024 review, and something that I feel the Company must take time to address going forward, is development and successor plans for its management personnel. With the transition to a company with an Audit and Supervisory Committee and the integration of the Nomination and Advisory Committee and the Governance Committee into the Governance and Nomination Advisory Committee, the Company has communicated its awareness of strengthening the supervisory functions of the Board of Directors, meaning that it must steadfastly address this theme as a company. Furthermore, I believe that the Company should have opportunities for members to directly express their opinions on the Company's value creation story and materiality at venues such as off-site meetings of the Board of Directors.

Nishimura

I would like the Company to deepen its discussions on marketing. In particular, I believe that the Company needs a more robust strategy that connects to sustainability. When I toured plants in various regions, I could really feel the frontline staff's passion and dedication to quality and felt that this craftsmanship was at the core of the Company's brand. I believe that clearly

communicating the new value created through the integration of the two companies both internally and externally is the key to the Company's next leap forward.

I also think that the Company should have deeper discussions on the nature of its communication with consumers. Consumers have diverse expectations for companies, and I have the impression that the perspective of how the Company responds to those expectations and how it communicates those responses has not been sufficiently incorporated into its marketing.

I believe that comprehensively assessing individual functions such as marketing, product development, and supply chains, and reviewing the Company's overall design of value provision will be a significant driving force to move toward the next stage of growth for the ITOHAM YONEKYU Group.

Arimatsu

The ITOHAM YONEKYU Group will welcome ten years after its integration and is actively working to make a significant leap forward to achieve its Long-Term Management Strategy 2035. However, it is precisely in times like this that the Company must pay close attention to compliance, so that one of its

greatest priorities is not put off as it strives to achieve its goals. The Company needs to constantly maintain compliance as an important theme at its Board of Directors meetings. This includes ensuring that the compliance framework and checks-and-balances system that it has built does not become routine, that it has no gaps or leaks, and that its approach to the overall framework remains sound. I would like to have deeper discussions on these points with the Compliance Committee now acting as an advisory body to the Board of Directors.



Lastly, please share a message for the stakeholders.

Arimatsu

As I mentioned earlier, expanding the overseas business is one of the Group's growth strategies. While I personally focus on the overseas business, I also aim to support bold decisions in the Company's other growth areas. As an outside director, I will exercise proper supervisory oversight while encouraging the Company to take on a certain level of risk, rather than simply applying the brakes. Moreover, it is the people that work there that ultimately drive a

company. I would like stakeholders to look forward to the ITOHAM YONEKYU Group strengthening its future potential based on a policy of closely overseeing personnel development and utilization so that every one of its employees can be successful.

Matsumura

The ITOHAM YONEKYU Group is now entering a new stage, and various policies are being rolled out both in Japan and overseas. Amid this development, I recognized that the role of outside directors is to raise issues to the Company calmly and objectively, while maintaining an outside perspective and not being bound by past practices. I would like the stakeholders to look forward to continued growth and to feel at ease in supporting the ITOHAM YONEKYU Group.

Nishimura

The Company's previous president, Mr. Miyashita, should be highly praised for his success in integrating two companies with different cultures in ITOHAM and YONEKYU, and producing significant results. The outside directors will now closely watch over and support the direction of the new management team to which the baton has been passed.

Although there are many issues in realizing Medium-Term Management Plan 2026 and Long-Term Management Strategy 2035, both the management team and the frontlines are well aware of these issues. I greatly look forward to the Company's diversity being transformed into a strength and driving its further evolution.

Morimoto

Outside directors are involved in management in many ways in their position representing outside voices, starting with general shareholders, and while I have at times raised some difficult opinions, they have always been addressed sincerely. In challenging the Company to carry out proactive change toward its leap forward, as represented in the "meat together" approach, I would like to offer my support as the Company works together with all its stakeholders.



Financial Strategy



“By strengthening our financial strategy, we will give impetus to our growth strategy while aiming to further enhance our corporate value”

Shuhei Nakao

Managing Executive Officer
General Manager, Corporate Strategy Dept./
Deputy Senior General Manager, Administrative Div.

Capital market-conscious management

In my previous position, an executive told me, “Excellent finances don’t make a good company; it’s excellent strategies that make a good company.” It may seem obvious that a company cannot grow just by being financially healthy, but this is something I have taken to heart. It is my belief that the finances must give impetus to growth while maintaining soundness.

Through the raft of measures under our medium-term management plan, we are aiming to achieve ROE of 6.6% and ROIC of 5.8% by FY2026. We have also adopted medium- to long-term quantitative targets for ROE and ROIC of 8% or more and 6% or more, respectively, which we hope to achieve as soon as possible. To achieve ROE that exceeds ROIC, we need to make appropriate use of financial leverage, and I keep in mind that my mission is to firmly support our growth strategy.

Our most important task is to strengthen the profitability of businesses that form the base cargo of operating cash flow. On the one hand, we are working to improve our product portfolio and reorganize our core factories in the processed foods business, as well as strengthening the domestic value chain in the meat business. On the other hand, since growth will not come from simply surviving in the highly competitive domestic market, it is essential that we capture the burgeoning demand for animal protein overseas, the plan is to proactively progress and take advantage of considerations with regard to M&A and other opportunities.

By achieving both stronger profitability and improved capital efficiency, we aim to further increase our corporate value.

Growth investments and shareholder returns that leverage our highly robust financial soundness

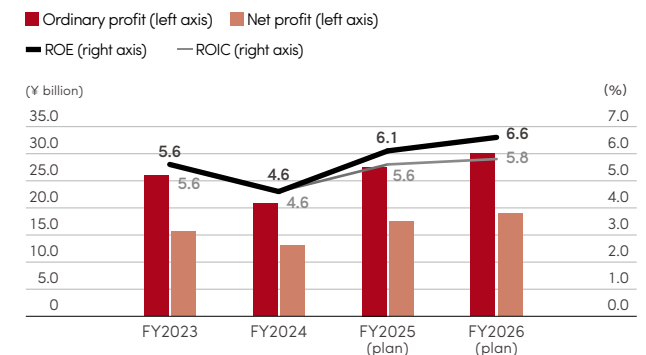
To balance growth investments with shareholder returns, the plan is to increase our ability to generate operating cash flow by strengthening our earnings base and utilizing financial leverage. First, in March 2025, we raised 20 billion yen through sustainable finance to invest in the Mishima Plant (in Mishima City, Shizuoka

Prefecture), which is scheduled to begin operations in the second half of FY2026. Even including this fund procurement, our net debt/EBITDA is only 1.1 times, and our net DER is only 0.2 times, so I recognize that there is still scope for further fundraising.

With regard to shareholder returns, we have introduced a DOE indicator that is less susceptible to fluctuations in business performance, and our policy for the current medium-term management plan is to pay progressive dividends at a DOE of 3% or higher. To mark the 10th anniversary of the business integration at the end of FY2025, we have decided to pay a commemorative dividend of 175 yen per share, totaling approximately 10 billion yen, in addition to our regular dividends. This demonstrates the Company’s commitment to prioritizing shareholder returns.

To diversify our sources of funding and clarify our creditworthiness, we obtained a new credit rating in October 2025 (R&I: long-term “A,” short-term “a-1”). Through these efforts, we will advance the process of optimizing capital allocation and aim to further enhance our corporate value.

Trends in ordinary profit, net profit, ROE, and ROIC



Human Resource Strategy



“Implementing strategic investments to promote the creation of a strong organization geared toward new value creation”

Katsumi Nozawa

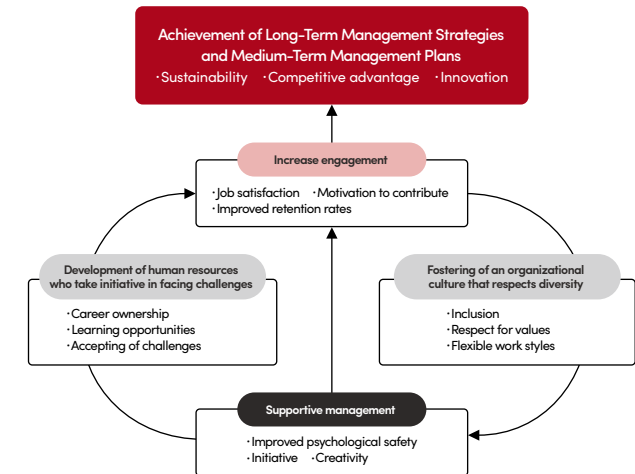
Director, Managing Executive Officer
Senior General Manager Administration Div.

Positioning of human capital in the ITOHAM YONEKYU Group

I believe that human capital forms an important element in steadily implementing the Long-Term Management Strategy 2035 and Medium-Term Management Plan 2026 that the Group has adopted. In recent years, the changes in the external environment have intensified and consumer needs have also become more diverse. For the Group to achieve sustainable growth under these circumstances, it will be necessary to make the most of our human capital to lead to the creation of new value. Going forward, we will strengthen strategic investment in human capital, encourage the self-directed taking on of challenges through the creation of rewarding workplaces and learning opportunities, work to build a strong organization that can flexibly respond to change, and improve the vitality of the entire organization.

Human resource strategy for realizing Long-Term Management Strategy 2035 and Medium-Term Management Plan 2026

Calling its vision under Long-Term Management Strategy 2035 “meat together,” the Group is aiming to achieve dramatic growth through the twin pillars of profit expansion through growth investments and sustainable improvements in earning power. In carrying out this strategy, we will work to further strengthen our management base through DX-driven improvements in operational efficiency and structural reforms as well as through the promotion of sustainability. To steadily advance these initiatives, it is essential that we strengthen our human capital, the entity that will execute our strategies. I believe that continually improving the intangible assets that our employees possess, such as their skills, knowledge, and experience, will enable us to create new value and contribute to the sustainable growth of our Group. To strengthen a company’s competitiveness, it is essential not only to establish systems that support employees in realizing their careers but also to promote frontline implementation and changes



in awareness. This calls for us to create environments in which employees can work with peace of mind and be themselves through management development and providing opportunities for dialogue, and for us to maximize the value of our human capital. As part of this, having made engagement scores a KPI from FY2024, the Group has also introduced them into the evaluation indicators for executive compensation and promote company-wide efforts to improve human capital.

I also recognize that the future labor shortages due to the decline in the working population and the aging of the workforce represent an important issue for the Group. We need to promote the creation of an attractive company through efforts to secure diverse talent and increase engagement to prevent employee turnover. To accelerate the overseas expansion of our business, it will also be important to develop human resources who understand local cultures and markets and can work with a global perspective. I rate this as an essential element in our future growth strategy.

Taking such factors into account, I recognize that the “development of human resources who take initiative in facing challenges,” the “fostering of an organizational culture that

Human Resource Strategy

respects diversity,” and “putting supportive management into practice” will be the important elements of our human resources strategy going forward.

Development of human resources who take initiative in facing challenges

The development of human resources who take initiative in facing challenges lies at the core of strengthening the human capital that will underpin the Group’s growth strategy. In a rapidly changing environment, the ability of employees to independently identify issues, learn, and take action will be key to the success of growth investments such as DX promotion, new business development, and overseas expansion.

To achieve that, it is firstly important that employees pursue “career ownership,” taking active responsibility for their own careers. At our Group, once a year, employees declare their career visions by means of a career sheet and then have interviews with their superiors. Through this interview, we aim to foster a sense of career ownership by providing an opportunity to verbalize work

values and proactively plan future careers. Moreover, we will create an environment in which employees can choose their own growth opportunities. In addition to selective and hands-up training, we will promote measures to support and enhance employee autonomy and motivation to learn, such as “learning communities,” where employees can share knowledge with each other, and the strengthening of “e-learning,” which allows employees to learn regardless of time or place. To provide opportunities for employees who have grown to take on new challenges, we will provide opportunities for them to actively take on new challenges, such as job rotations, side job experiences outside the Company, and work experience in other departments through an internal side job system. By implementing this cycle of establishing a career vision, supporting skill development, and supporting career autonomy, we will promote the development of human resources who take initiative in facing challenges.

Fostering of an organizational culture that respects diversity

The fostering of an organizational culture that respects diversity forms an essential foundation for a company’s sustainable growth and innovation. To develop “human resources who take initiative in facing challenges,” it is necessary to create environments in which people with diverse values and experiences can thrive. To achieve this, it is important to incorporate diversity in terms of age, gender, nationality, and work history into the organization. In terms of recruitment, in addition to revitalizing mid-career recruitment, in the previous fiscal year, we have expanded and upgraded our system that allows employees who have left their jobs for childcare or elderly care to return to work, to enable employees to return to work regardless of the reason for having left their jobs. Particularly in our efforts to promote the active participation of women, we are working to improve our systems. These efforts include the holding of regular roundtable discussions with role models to alleviate concerns about working styles and making childcare leave partially paid, with the goal of increasing the proportion of women in managerial and section chief positions.

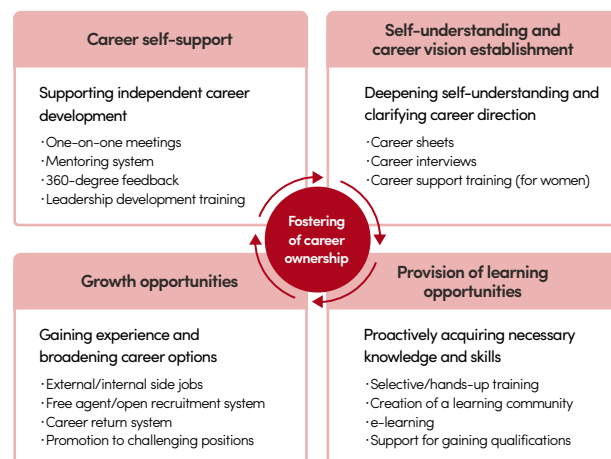
To increase flexibility in working styles, we will utilize flextime and telecommuting, introduce hourly paid leave, and lend support to working styles that suit individual lifestyles and career aspirations. These moves will enable employees to both achieve self-fulfillment and work toward making greater contributions to the Company.

Putting supportive management into practice

In promoting human resource development and the fostering of culture, it is important to put supportive management into practice in the workplace. By shifting from the traditional command-and-control management style to one that supports the growth of, and challenges faced by subordinates, a psychologically safe work environment is created, bringing out employee initiatives and creativity, and ultimately leading to increased engagement and performance throughout the organization. Specifically, we will promote the introduction of training to strengthen one-on-one dialogue and 360-degree feedback for managers, helping them build trusting relationships with their subordinates and acquire appropriate feedback skills. We will also provide departmental support based on engagement survey results and leadership training to enable managers to utilize the strengths of diverse human resources and maximize the effectiveness of their teams.

These measures will enable managers to play the role of “supporters” and instill a culture of encouragement and growth throughout the organization. It is my belief that the value of human capital will increase as a result, leading to the sustainable strengthening of corporate competitiveness.

Going forward, the Group will continue to view employees as the source of its corporate value. Through continuous investment in its human capital and the reform of its organizational culture, the Group will promote the creation of an environment in which all employees can take initiative in facing challenges and demonstrate diverse value. As a company that is resilient to change and capable of sustainable growth, the ITOHAM YONEKYU Group will continue to provide new value to society.



Message from the Officer in Charge of Sustainability



“Having each and every employee address sustainability as their own challenge will lead to the creation of future business opportunities”

Chihiro Akimitsu

Executive Officer
General Manager, Public Relations and Sustainability Dept.

Sustainability challenges toward realization of our vision for 2035

Sustainability initiatives form an essential element of sustainable business activities, and they are gaining in importance year by year as various environmental and social issues, such as climate change and biodiversity loss, become more apparent. During the course of its Medium-Term Management Plan 2023, the Group has put in place a system designed to promote Group-wide sustainability initiatives through the establishment of a Sustainability Committee and specialized teams, and has been identifying and addressing priority issues. To further strengthen these efforts, under our Long-Term Management Strategy 2035, which we announced last year, we positioned sustainability as the foundation that supports our management strategy. We are working from a long-term perspective not only to ensure the sustainability of our business but also to enhance the Group's competitiveness.

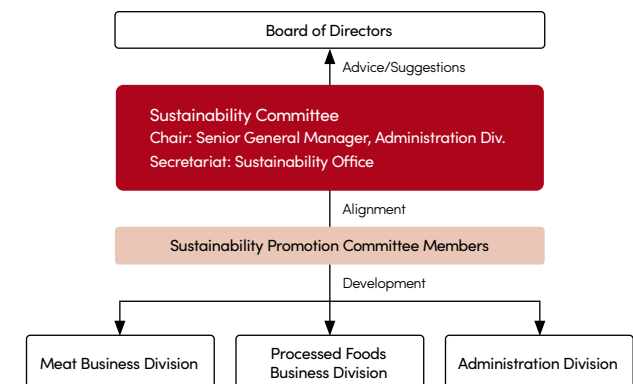
In the environmental field, reducing greenhouse gas (GHG) emissions has become an urgent global issue. Since setting a target in FY2022 of halving its GHG emissions (Scope 1, 2) by FY2030 (compared with FY2016), the Group has been focusing on raising awareness within the Company and implementing reduction measures. The effects are gradually becoming apparent, and during FY2024, we reduced energy-related emissions through the installation of solar power facilities, fuel conversion, and the procurement of renewable energy. In addition, from FY2024, we incorporated non-financial indicators into executive compensation, one of which is the reduction of GHG emissions. In recognition of the transparency and effectiveness of its efforts in this regard, the Company received an “A-” rating in the area of climate change from the external assessment organization CDP. Looking ahead, to further accelerate the reduction of GHG emissions, we will establish a new decarbonization investment framework and put in place a system to strategically support capital investment and the introduction of new technologies. In parallel with these efforts, we will also begin work on reducing emissions from livestock and Scope 3 emissions, which are issues to be addressed. Given the characteristics of the meat industry, which is deeply connected to natural capital, we

have also begun responding to the Task Force on Nature-related Financial Disclosures (TNFD) and intend to further expand our information disclosure going forward.

In the social area, we are working in cooperation with human resource and compliance departments to ensure that the human rights of our Group employees and stakeholders in the value chain are respected through the carrying out of human rights due diligence. In building a sustainable society, it will be essential to think and take action together with our business partners. We are therefore also working to improve engagement through dialogue with our business partners, with the aim of building a sustainable procurement system.

To advance these initiatives, it is important to foster employee awareness, and in FY2023 and FY2024, we have been conducting training sessions geared toward senior management. Going forward, we will continue to promote sustainability initiatives across the Group, so that each employee who drives business on the frontlines will not only reduce risk but also take the lead in creating business opportunities toward our vision for 2035.

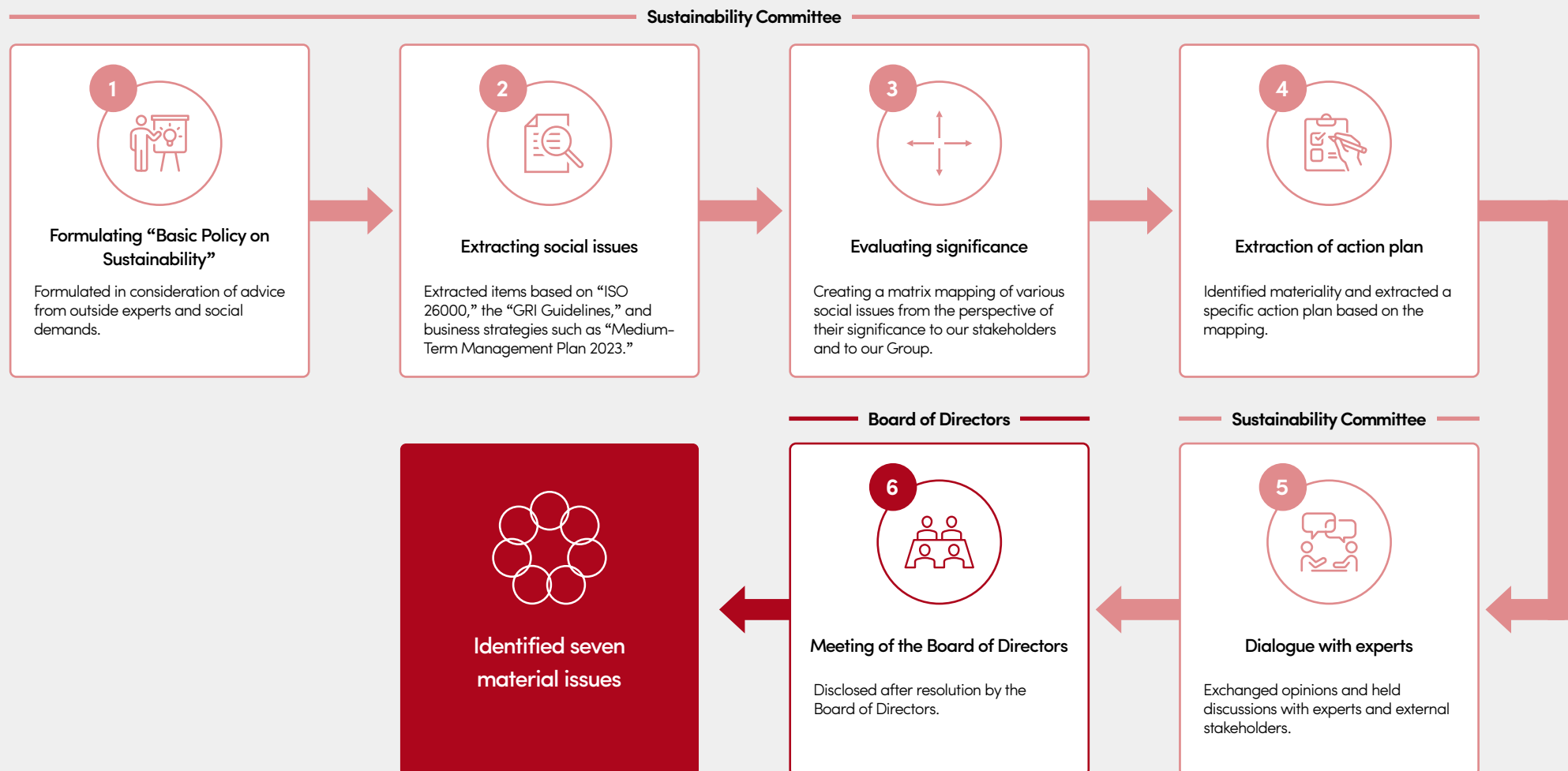
Sustainability promotion structure



Progress on Our Materiality

We identified important social issues from the perspectives of their significance to our stakeholders and their significance to the ITOHAM YONEKYU Group. From among these issues, we selected matters of particular importance as Group materiality. We incorporate materiality into our business strategy and endeavor to contribute to a sustainable society through our businesses.

Materiality identification process



Progress on Our Materiality

Materiality and KPI

Among the KPIs related to “Considering the environment,” the target years for energy consumption, service water consumption, and waste emissions will conclude in FY2024. Therefore, beginning in FY2025, we have set new targets for service water consumption and waste emissions (per unit): a 3% reduction per unit by FY2030, from FY2024 levels.

Materiality	Action Plan	KPIs	Targets	FY2022 Results	FY2023 Results	FY2024 Results
Realizing healthy and affluent diet	<ul style="list-style-type: none"> Supplying quality protein Product development and supplying health value in response to diverse lifestyles Expanding products that lead to a reduction in food loss 	Frozen food sales	FY2026: 20.0 billion yen	15.3 billion yen	16.7 billion yen	17.8 billion yen
Considering the environment	<ul style="list-style-type: none"> Reducing GHG emissions Reducing the consumption of energy and service water consumption Reducing waste emissions Preserving biodiversity Reducing the amount of plastic used 	GHG emissions (CO ₂ equivalent) ^{*1}	50% reduction from the FY2016 level by FY2030, net zero by 2050	3.3% reduction (363,000t)	5.0% reduction (357,000t)	12.7% reduction (327,000t)
		Energy and service water consumption (per unit) ^{*1}	1% reduction each year, 3% reduction over three years, from FY2021 levels	Energy: 2.5% reduction (9.55GJ/t) Service water: 3.5% reduction (16.9m ³ /t)	Energy: 1.8% reduction (9.62GJ/t) Service water: 2.0% reduction (17.2m ³ /t)	Energy: 8.2% reduction (9.00GJ/t) Service water: 0.8% increase (17.4m ³ /t)
		Waste emissions (per unit) ^{*1}	1% reduction each year, 3% reduction over three years, from FY2021 levels	3.4% reduction (90.9kg/t)	9.6% reduction (85.1kg/t)	6.1% reduction (88.5kg/t)
Creating a workplace where each employee can actively participate	<ul style="list-style-type: none"> Improving job satisfaction Respecting diversity Promoting a healthy work-life balance Occupational health and safety, health management, and respect for human rights 	Engagement score	FY2026: 60% or over	52.0%	—	48.0%
		Percentage of women in management positions ^{*2}	FY2030: 10%	5.4%	6.0%	7.1%
		Percentage of women in chief positions ^{*2}	FY2030: 20%	11.5%	11.8%	14.0%
		Paid leave usage rate (per capita per year)	FY2025: 70%	69.7%	70.9%	67.9%
Promoting sustainable procurement and stable supply	<ul style="list-style-type: none"> Contributing toward a sustainable livestock industry Promoting procurement that respects human rights Animal welfare considerations 	Animal waste recycling rate	Maintain 100%	100%	100%	100%
		Sales of the healthcare business	FY2025: 105 million Australian dollars	54 million Australian dollars	97 million Australian dollars	104 million Australian dollars
		Supplier survey coverage rate	Implement annually from FY2022, ensuring that the amount procured from the surveyed suppliers represents 80% of the total procurement value	155 suppliers surveyed (total procurement value 80% or above)	163 suppliers surveyed (total procurement value 80% or above)	162 suppliers surveyed (total procurement value 80% or above)
		Elimination of gestation stalls (for pigs)	When building or rebuilding pigpens for pregnant sows, eliminate gestation stalls and adopt a loose housing system to keep a sow or a group of sows	No pigpens were built or rebuilt	No pigpens were built or rebuilt	No pigpens were built or rebuilt
Contributing to local communities	<ul style="list-style-type: none"> Promoting environmental conservation and beautification activities Contributing to revitalizing local communities 	—	—	—	—	—
Strengthening corporate governance	<ul style="list-style-type: none"> Adhering to and promoting compliance Risk management 	—	—	—	—	—
Pursuit of uncompromising flavor and high quality	<ul style="list-style-type: none"> Safe and reliable supply of food Developing human resources that can continue to create new value Passing on the founders' ideals and the technologies that have been cultivated over the years 	Number of sites certified by a third party for food safety	Maintain 100%	98%	100%	100%

^{*1} All environmental data have been carefully reviewed and updated to the latest version ^{*2} Domestic consolidated subsidiaries

Sustainability Closeup

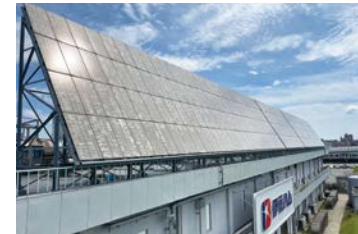
Environment

The ITOHAM YONEKYU Group is aware that maintaining the global environment is the most critical issue shared by the entire world. We take the environment into account in our business activities, as we declare that actively working to achieve a sustainable society is our environmental philosophy.

Operating a meat and meat processing business, the Company's business activities are made possible by the varied blessings of nature. We recognize that if the deterioration of the natural environment due to global warming and the loss of biodiversity were to continue, it could have a direct impact on the continuity of our business, including our raw material procurement, production, and logistics systems. Since climate change and biodiversity issues are closely related, we will work to promote sustainable business activities by taking an integrated approach to these environmental challenges and reflecting them in our business strategies.

Based on the recommendations of the TCFD and the TNFD, we will also proactively disclose information to stakeholders in a highly transparent manner.

Please visit our
website for details.

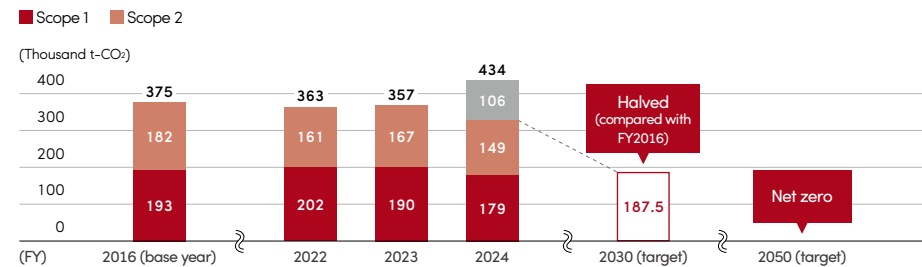


Solar panels at our Nishinomiya Plant



Boiler fuel conversion at our Hokuriku Plant

Trends and reduction targets in GHG emissions (Scope 1, 2)

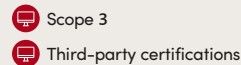


Initiatives designed to reduce GHG emissions

Aiming to address climate change issues on a consolidated basis, our Group has formulated targets of halving (compared with FY2016) Group GHG emissions (Scope 1, 2) by FY2030 and achieving net zero emissions by 2050.

In FY2024, we advanced emission reduction initiatives, such as installing solar power facilities at the ITOHAM YONEKYU FOODS INC. Toyohashi Plant; YONEKYU KAGAYAKI CO., LTD. Kagayaki Plant; ROYAL DELICA CO., LTD. Okayama Plant; and YONEKYU OISHII TORI CORP. Tottori Office; replacing the type of fuel used at processed foods factories and ANZCO FOODS; and procuring renewable energy at the ITOHAM YONEKYU PLANT INC. Tohoku Plant and ROYAL DELICA CO., LTD. Okayama Plant. In FY2025, we will establish a company-wide investment framework for decarbonization investment projects and promote further efforts to achieve our GHG emission reduction targets for FY2030.

Please visit our
website for details.



Reducing the amount of plastic used

We are working to reduce the amount of plastic used by changing the size of our product packaging to a more compact, environmentally friendly format. In 2025, we have switched to new trays for our Range de Gochiso® series products (microwave meals) and reducing plastic usage by approximately 25%. Additionally, by reducing the size of the packaging for The GRAND Alt Bayern®, we expect to reduce plastic usage by approximately 10%. For each product, we have reduced the size of the packaging and trays while keeping the content volume the same, thereby reducing the amount of plastic used while maintaining product quality.



Sustainability Closeup

■ Biodiversity

As the Group engages in business that is closely related to natural capital, we believe that ascertaining the biodiversity-related risks and opportunities will be useful in enhancing our sustainability. In accordance with the LEAP (Locate, Evaluate, Assess, Prepare) approach advocated by the TNFD, we conducted analyses of the relationships (dependencies and impacts) between our businesses and nature, as well as the risks and opportunities, for our raw material production (cattle, pig, and poultry production and rearing) and meat processing and food processing businesses.

Assessment of nature dependency and impact of business activities

Having assessed the dependencies and impacts on nature of each business in our Group's value chain, we selected the production of raw materials with the greatest dependencies and impacts (cattle, pig, and poultry production and rearing) as the businesses to be subjected to analyses. We also analyzed meat processing and food processing, which are our main businesses alongside raw material production, and utilized ENCORE* to create a heat map.

In the case of cattle production, the industry is highly dependent on resources (feed) used during rearing, as well as soil and water, and it was found that, were the natural environment to deteriorate, it would have a major impact. We also recognized the significant impact on the natural environment caused by land use during breeding, waste pollution, and GHG emissions. In the meat and food processing (manufacturing) sector, the dependence and impact on water resources were high due to the large amounts of water used in plant operations.

* A tool developed by Global Canopy, UNEP FI, and UNEP-WCMC to ascertain the extent of a company's impact and dependency on nature

	Dependencies										Impacts												
	Provisioning services	Regulation and maintenance services								Land use	Climate change	Resource use	Pollution	Disturbance									
Businesses	Genetic material	Water resources	Global climate regulation	Local climate regulation	Air filtration	Soil quality regulation	Soil and sediment retention	Solid waste remediation	Water purification	Water flow regulation	Flood mitigation	Storm mitigation	Pest and disease control	Land	Freshwater	Water resources	GHG emissions	Air pollution	Toxic pollutants	Nutrient pollutants	Solid waste	Invasive alien species	Disturbance
Meat and food processing																							
Cattle production																							
Lamb production																							
Pig production																							
Poultry production																							

■ : Very High ■ : High ■ : Medium

Evaluation of risks and opportunities

Based on the results of the assessments of our dependence and impact on nature, we identified risks and opportunities for our businesses and evaluated the importance of each, taking into account the likelihood of occurrence and their financial impact on our businesses. Of the risks and opportunities we identified, those deemed to be of particularly high importance are set out below. While continuing to monitor the external environment and the status of natural disasters around the world, we will promote initiatives designed to address nature-related issues.

Risks and opportunities in cattle production

Types of risks and opportunities	Causes	Influence on business	Financial impacts
Transition risks	Deforestation	Damage to brand image due to involvement in sourcing of beef that contributes to deforestation and costs associated with complying with deforestation regulations	Decline in sales, increase in direct costs
Physical risks	Water shortages	Decreased cattle productivity	Increased production and procurement costs
	Increasing severity of abnormal weather events	Damage to cattle and feed production caused by natural disasters	Increased production and procurement costs
Opportunities	Reduction of environmental impact	Improvement of brand image and increase in demand through low environmental impact beef production	Increased sales

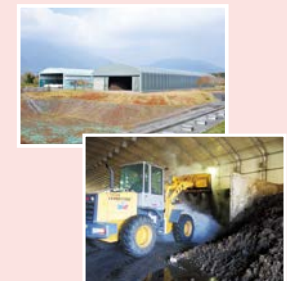
Risks and opportunities in meat and food processing

Types of risks and opportunities	Causes	Influence on business	Financial impacts
Physical risks	Climate change, such as rising temperatures	Damage to plants due to natural disasters	Increased direct costs

Examples of initiatives

Food waste recycling

As one initiative designed to reduce its environmental impact, the Group conducts food waste recycling activities at the Yonekyu Eco-Project Center (Fujinomiya City, Shizuoka Prefecture). The center recycles food waste generated by our own plants and partner companies, producing approximately 500 tons of high-quality fertilizer (Compost Power) per year. The fertilizer produced is used for a variety of purposes, including by contracted farmers, thereby helping to reduce environmental impact.



Views of Yonekyu Eco-Project Center and compost stirring work

Sustainability Closeup

Human rights

The ITOHAM YONEKYU Group believes that respect for human rights should be the basis of all our decisions and actions. In order to respect the human rights of all people involved in our business and to fulfill our social responsibilities as a company, in line with the “ITOHAM YONEKYU Group Human Rights Policy” formulated in FY2021, we will collaborate with stakeholders and work toward realizing a sustainable society where human rights are respected.

Please visit our website for details. Human rights

■ Human rights due diligence

The ITOHAM YONEKYU Group conducts human rights due diligence in line with the process outlined in the UN “Guiding Principles on Business and Human Rights.” In FY2022, we identified the “negative impacts to be tackled as a priority” in the Group’s supply chain and are implementing countermeasures to address each of them.

Recognizing that Japan’s foreign technical intern training system is facing scrutiny from the international community, we began efforts in FY2023 to ensure that the rights of foreign technical intern trainees undergoing training at each of our Group’s bases are being respected. Having adopted the goal of visiting all bases that accept trainees within three years under Medium-Term Management Plan 2026, in FY2024, the first year of the plan, we visited 30% of the locations to accurately ascertain the actual situation with regard to practical training.

When visiting each base, we provide human rights training to the person in charge and also conduct individual interviews not only with foreign technical intern trainees but also with the person in charge and the relevant human resource department to confirm the actual working conditions at the base and whether measures are being taken that go beyond what is required by law. We also visit the sites where foreign technical intern trainees are undergoing their training at each base to conduct verifications of their actual working conditions. As a result, thus far, it was found that appropriate management systems, including cooperation with supervisory organizations, have been established at each site, and that no adverse impacts on human rights requiring immediate action were identified. After the interviews, we prepare a report for each base visited, identify issues and consider future initiatives, and work to improve operations and strengthen the system through feedback interviews with each base.



Interviews with foreign technical intern trainees

■ Harassment prevention initiatives

In FY2024, the Group continued to hold compliance training for all employees and conducted a compliance awareness survey, including for foreign technical intern trainees and specified skilled foreign nationals, with the aim of improving the working environment.

The survey results are shared with management and each workplace to help maintain and strengthen the ongoing compliance system. The survey in question did not reveal any insufficient initiatives or serious problems, but we will continue to promote the creation of a more comfortable working environment through ongoing training, surveys, and individual responses. Through these kinds of ongoing measures, the Group will continue to promote the creation of a work environment and corporate culture in which human rights are respected.

Negative impacts to be tackled as a priority



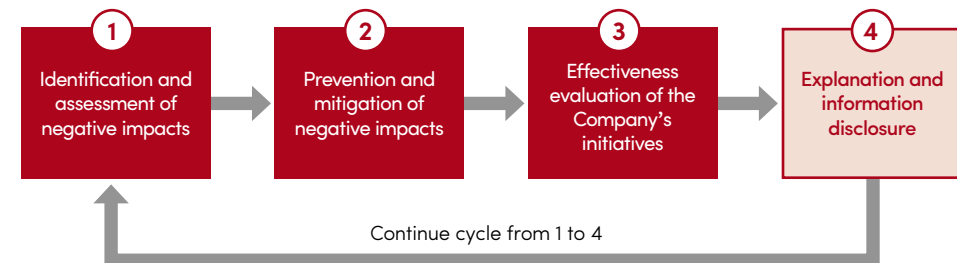
〈Suppliers〉

Excessive and unreasonable working hours, occupational health and safety, discrimination and harassment, the rights of foreign workers, forced labor, and child labor

〈Our Group〉

Discrimination and harassment, and the rights of foreign technical intern trainees

Promotion of human rights due diligence initiatives



Sustainability Closeup

Supply chain management

Recognizing that sustainable procurement is increasingly being demanded internationally, the Group also recognizes that it has a responsibility to address social issues such as human rights and the environment through its suppliers and thus formulated the “ITOHAM YONEKYU Group Procurement Policy” and the “Supplier Procurement Guidelines.” Going forward, we will work with our suppliers to build up a sustainable supply chain.

Please visit our website for details. Sustainable procurement

Animal welfare

Based on our Animal Welfare Policy, which was formulated in FY2021, we respect the lives of livestock and poultry (“livestock”) while promoting initiatives that take into consideration animal welfare in each process of the Group’s livestock management, transportation, and meat processing. To make the policy more specific and to work on the clarification of its operation, we formulated Group-wide common animal welfare guidelines, which stipulate the basic policies and matters to be observed regarding livestock management, in line with “Farm Animal Management in Consideration of Animal Welfare,” issued by the Ministry of Agriculture, Forestry and Fisheries.

Please visit our website for details. Animal welfare

■ Efforts to build up a sustainable supply chain

We have been conducting surveys by questionnaire of our Group’s top suppliers (cumulatively representing 80% or more of our total procurement value) since FY2022. For the FY2024 survey, we added and expanded questions relating to human rights, asked 162 suppliers, and received responses from all of them. The results of the responses showed that there were no risks to the extent that an attended follow-up investigation was required, and the responses regarding human rights and the environment showed a more positive trend than the previous year. Going forward, we will consider expanding the scope of the survey while striving to devise ways to further improve its effectiveness.

In FY2024, we visited two suppliers and shared our thoughts on the human rights and environmental issues we face, as well as having meetings and exchanging opinions on the initiatives of the two suppliers. Moving forward, we will continue working to enhance supplier engagement through such dialogues, and promoting responsible procurement activities across the supply chain by valuing communication with our suppliers.

Supplier surveys

		FY2021 Announcement	FY2022 Communication	FY2023 Identification of issues	FY2024 Identifying and digging deeper into issues
Phase		<ul style="list-style-type: none"> Clarifying the Company’s philosophy and stance Disclosure of compliance requirements 	<ul style="list-style-type: none"> Communicating the Company’s philosophy and stance Requesting of compliance with guidelines Establishment of communication channels 	<ul style="list-style-type: none"> Communicating the Company’s philosophy and stance Confirming sustainability initiatives Considering the logic of risk concentration assessments Improving engagement 	<ul style="list-style-type: none"> Communicating the Company’s philosophy and stance Confirming sustainability initiatives Considering the logic of risk concentration assessments Improving engagement
Policies, Guidelines, etc.		<ul style="list-style-type: none"> Formulating a procurement policy Formulating supplier procurement guidelines 	<ul style="list-style-type: none"> Setting KPIs 		<ul style="list-style-type: none"> Incorporation of procurement into Code of Corporate Ethics
Survey	Target	Not yet implemented	Target: Tier 1 Top Suppliers of Goods by Procurement Amount (Cumulative procurement amount: 80% or more)	Target: Tier 1 Top Suppliers of Goods by Procurement Amount (Cumulative procurement amount: 80% or more)	Target: Tier 1 Top Suppliers of Goods by Procurement Amount (Cumulative procurement amount: 80% or more)
	Content		155 companies <ul style="list-style-type: none"> Survey design Questionnaire content formulation 	163 companies <ul style="list-style-type: none"> Questions upgraded Expansion of questions regarding foreign workers and animal welfare 	162 companies <ul style="list-style-type: none"> Questions upgraded Expansion of questions regarding foreign workers and animal welfare
	Response rate		100%	98%	100%
Visits (Inspections)			Not conducted	Target: Tier 1, 2 domestic companies	Target: Tier 1, 2 domestic companies







■ Initiatives that take animal welfare into consideration

All of our Group’s mooring facilities are equipped with drinking water facilities, monitoring cameras, mist sprayers, showers, and fans to mitigate the summer heat, and SANKYOMEAT INC.’s Ariake Beef Plant has been certified as an export facility, meeting the high standards of Europe, where there are countries that are leaders in animal welfare. IH MEAT PACKER INC.’s Towada Beef Plant, which began operations in April 2024, also obtained the same certification in May 2025. On our farms, we are working to improve our livestock management methods and systems to guarantee and improve our animal welfare standards while adapting to the unique characteristics of livestock and the climate.

We will continue to promote animal welfare awareness initiatives through dialogue with stakeholders and ongoing internal training for Group employees.

① Attendance at the Board of Directors/Audit and Supervisory Board meetings (FY2024) ② Reason for appointment

Directors (excluding directors who are Audit and Supervisory Committee members,

Shin Takahashi (4 years)		Director Chairperson, Audit and Supervisory Committee Full-time Audit and Supervisory Committee Member Auditor, ITOHAM FOODS INC. Auditor, YONEKYU CORPORATION		①100% (15/15)/100% (13/13) ②Leveraging the insights and extensive experience in finance and accounting gained through his duties and career as the person in charge of the Group's Accounting & Finance Department, as well as the insights and broad experience cultivated through audit activities, he provides appropriate supervision and auditing of business execution from an objective and practical perspective. As a full-time Audit and Supervisory Committee member, he conducts audits of directors' execution of duties in accordance with audit plans.	●					●								●
Akihisa Horiuchi (2 years)		Director Full-time Audit and Supervisory Committee Member Auditor, ITOHAM FOODS INC. Auditor, YONEKYU CORPORATION		①100% (15/15)/— ②Leveraging the insights and extensive experience cultivated through his service as Senior General Manager COO of the Meat Business Div., Chief Executive Officer of YONEKYU CORPORATION, and various other key positions within the Group, he provides appropriate supervision and auditing of business executions from an objective and practical perspective. As a full-time Audit and Supervisory Committee member, he conducts audits of directors' execution of duties in accordance with audit plans.					●	●		●						●
Mikiko Morimoto (2 years)		Independent Officer Outside Director Audit and Supervisory Committee Member	President and Chief Executive Officer, karna Ltd.	①100% (15/15)/— ②In addition to her proven record and extensive experience as a corporate manager, she leverages her expertise as a sustainability consultant, along with the insight and broad experience gained through her career as an outside director of a listed company, to provide the Company with advice on management and to ensure appropriate supervision and auditing of business executions from an objective and professional perspective. As a member of advisory committees, she actively participates in meetings and offers input, making significant contributions to the supervision of business executions from an independent perspective.	●	●	●			●		●	●					
Yasuko Nishimura (1 year)		Independent Officer Outside Director Audit and Supervisory Committee Member	Judicial scrivener Senior Partner, Tsukasa Judicial Scrivener Corporation Chief Executive Officer, CREA FARM Co., Ltd. Chief Executive Officer, Fujinokuni Trading Japan Corporation Outside Director, Akasaka Diesels Limited	①100% (12/12)/— ②In addition to her proven record and extensive experience as a corporate manager, she leverages her insight and broad experience gained through her career as a management consultant, a legal consultant, and an outside director of a listed company to provide the Company with advice on management and to ensure appropriate supervision and auditing of business executions from an objective and professional perspective. As a member of advisory committees, she actively participates in meetings and offers input, making significant contributions to the supervision of business executions from an independent perspective.	●	●				●		●						●
Hiroshi Matsumura (2 years)		Independent Officer Outside Director Audit and Supervisory Committee Member	Certified public accountant Hiroshi Matsumura Certified Public Accountant Office Auditor, G.D S.p.A.	①100% (15/15)/100% (13/13) ②Leveraging his expertise and extensive experience in finance and accounting as a certified public accountant, as well as the insight and broad experience gained through his audits as the Company's auditor, he provides the Company with advice on management and ensures appropriate supervision and auditing of business executions from an objective and professional perspective. As a member of advisory committees, he actively participates in meetings and offers input, making significant contributions to the supervision of business executions from an independent perspective.	●	●				●				●				● ●
Akira Arimatsu (—)		Independent Officer Outside Director Audit and Supervisory Committee Member	Lawyer Partner, Nishimura & Asahi (Gaikokuho Kyodo Jigyō)	①—/— ②Leveraging her expertise and extensive experience in general corporate legal affairs as a lawyer, as well as the insights and experience gained through her secondment to the Consumer Affairs Agency, she provides the Company with advice on management and ensures appropriate supervision and auditing of business executions from an objective and professional perspective. As a member of advisory committees, she actively participates in meetings and offers input, making significant contributions to the supervision of business executions from an independent perspective.	●				●		●							●

Notes: 1. Years in office includes the period served as an auditor (as of the end of June 2025).

2. In advisory committee(s) they serve on, ◎ refers to the chairperson and ● refers to the committee members.

3. In addition to the directors listed in the table above, the Sustainability Committee includes two executive officers.

4. In addition to the directors listed in the table above, the Compliance Committee includes the General Manager of the Human Resources Department, the General Manager of the Quality Assurance Department, and an outside lawyer.

Executive officers

Tomoyuki Ushimaru
Yuko Nakajima
Shuhei Nakao
Shinji Horiuchi
Hirohiko Yoshino
Akira Maeda
Shinyo Tou
Tadanobu Kujime

Managing Executive Officer
Managing Executive Officer
Managing Executive Officer
Senior Executive Officer
Senior Executive Officer
Executive Officer
Executive Officer
Executive Officer

Deputy Chief Operating Officer, Processed Foods Business Div./Senior General Manager, Sales Div.
Chief Marketing Officer/Deputy Chief Operating Officer, Processed Foods Business Div.
General Manager, Corporate Strategy Dept./Deputy Senior General Manager, Administrative Div.
Executive Chairman, ANZCO FOODS LTD.
Deputy Chief Operating Officer, Meat Business Div./Chief Executive Officer, YONEKYU CORPORATION
General Manager, Accounting and Finance Dept., Administration Div.
In charge of Logistics
Chief Executive Officer, ITOHAM YONEKYU PLANT INC.

Hiroyuki Tamai
Hideki Matsumoto
Yukihiro Tashiro

Executive Officer
Executive Officer
Executive Officer

Hiroki Kubo
Seiji Kashiwagi
Chihiro Akimitsu

Executive Officer
Executive Officer
Executive Officer

General Manager, New Business Development Office, Processed Foods Business Div.
Senior General Manager, Meat Sales Div., Meat Business Div./Chief Executive Officer, ITOHAM MEAT SALES WEST INC.
Senior General Manager, Production Div., Processed Foods Business Div./In charge of Purchasing Dept./In charge of Central Research Institute/Chief Executive Officer, ITOHAM YONEKYU FOODS INC./Chief Executive Officer, ITO FRESH SALAD INC.
General Manager, Audit Dept./Audit and Supervisory Committee's Office
Chief Information Officer/General Manager, IT Management Office, Administration Div.
General Manager, Public Relations and Sustainability Dept.

Corporate Governance

Board of Directors

The specific matters considered by the Board of Directors in FY2024 are listed in the table below. Following the transition to a company with an Audit and Supervisory Committee, the Board has significantly delegated its decision-making authority over business executions to the business execution body, including the Group Executive Committee, executive directors, and executive officers.

Going forward, the Board of Directors will also utilize venues outside of Board meetings, such as off-site meetings, to enhance deliberations and discussions on medium- to long-term management strategies, sustainability, and highly important management issues.

Board of Directors' activities in FY2024

Number of meetings held	Meeting duration	Attendance rate
15	1 hour and 25 minutes on average	Directors 99.1% Auditors 98.3%

Specific matters considered (52 items resolved, 62 items reported)

- Progress on the formulation of the Long-Term Management Strategy 2035 and the Medium-Term Management Plan 2026, including their development and the advancement of related initiatives
- Shareholder return measures (dividends)
- Initial and mid-term budgets, capital expenditure plans
- Settlement of accounts
- Restructuring of production bases, new plant construction, business investments
- Transition to a company with an Audit and Supervisory Committee
- Evaluation of the effectiveness of the Board of Directors
- Corporate governance reports
- Business risk map
- Verification of cross-shareholdings
- IR initiatives
- Sustainability initiatives
- Review of KPIs related to materiality
- Formulation of anti-bribery and anti-corruption policy
- Measures to enhance engagement
- Compliance awareness survey results
- Organizational culture survey results

Information-sharing systems for independent outside directors

All of our Company's outside directors are independent and concurrently serve as Audit and Supervisory Committee members. To ensure the effectiveness of the Board of Directors' supervision, and to enable outside directors to obtain and share the information

necessary for their auditing and supervisory duties, we have established a variety of information-sharing systems for outside directors.

Support and information-sharing systems

Briefings for outside directors	Prior to meetings of the Board of Directors, opportunities are provided for the Board Secretariat and business divisions to explain agenda items to outside directors. In addition, information that contributes to more substantive deliberations is appropriately provided in a timely manner.
Interviews with directors	Provide an opportunity for exchanging views on business policies and strategies with each executive officer, including the President and Chief Executive Officer.
Off-site meetings	Held as an informal forum for discussing the overall direction of the Group's management strategy, as well as drafts for succession plans.
Independent outside directors' meetings	Held regularly as a forum for independent outside directors to freely discuss a wide range of topics. Sessions are also organized in which officers in charge of business execution and others are invited to exchange views on the topic.
Debriefing with the accounting auditor	Regular debriefings are held with the accounting auditor, with full-time Audit and Supervisory Committee members also participating.

Advisory bodies to the Board of Directors

We have established four committees as advisory bodies to the Board of Directors. Of these, the Governance and Nomination Advisory Committee and the Compensation Advisory Committee are composed of a majority of independent outside directors. The

Sustainability Committee includes an independent outside director who serves as a sustainability consultant. The Compliance Committee is composed of an independent outside director with expertise in corporate law, as well as an outside lawyer.

Governance and Nomination Advisory Committee	(1) Proposals concerning the appointment and dismissal of directors and executive officers (2) Establishment, amendment, and abolition of basic policies, rules, and procedures necessary for deciding appointments and dismissals	(3) Supervision of succession and managerial personnel development plans (4) Operational plans for the Board of Directors (5) Establishment of the corporate governance system, etc.
Compensation Advisory Committee	(1) Compensation systems for directors and executive officers (basic compensation, performance compensation, share-based compensation, etc.)	(2) Performance-based (performance evaluation indicators, target values, ranges of variation, etc.) (3) Compensation levels (comparison with competitors)
Sustainability Committee	(1) Formulation of basic policies, strategies, and initiatives for promoting sustainability, as well as monitoring progress of the plans	(2) Identification of materiality (key issues) (3) Setting KPIs (key performance indicators) for materiality and monitoring progress
Compliance Committee	(1) Review and evaluation of policies and basic plans for compliance, as well as key initiatives, formulated by the Compliance Supervisor Meeting	(2) Review of the management status of quality and compliance risks, and evaluation of operational effectiveness (3) Instructions for improvement to the Compliance Supervisor Meeting or other relevant bodies regarding cases assessed or judged to have significant deficiencies or defects in the context of item (2) above

Corporate Governance

Evaluation of the effectiveness of the Board of Directors

We evaluate the effectiveness of the Board of Directors each year between September and December to create and maintain an optimal governance system, clarifying issues and continuing to address them through self-assessment. A summary of the FY2024 evaluation results of the effectiveness of the Board of Directors is as follows:

Effectiveness evaluation process

The Governance Committee conducted a questionnaire consisting of eight evaluation items, 20 questions, and an open-ended section, with all directors and auditors, to assess the status of the issues identified in the previous effectiveness evaluation (FY2023) and to evaluate whether the Board has been effectively fulfilling its roles and responsibilities.

Evaluation process



Eight evaluation items

- ❶ Structure of the Board of Directors
- ❷ Administration of the Board of Directors
- ❸ Discussions of the Board of Directors
- ❹ Supervision by the Board of Directors
- ❺ Appointment and dismissal of managers
- ❻ Compensation for directors and officers
- ❼ Discussions with shareholders
- ❽ Composition, roles, and operations of advisory committees

Evaluation results and addressing priorities

Four of the issues identified in the previous evaluation results were designated as priorities to be addressed in more detail. The table below outlines the priorities and approaches.

Priorities	Summary of initiatives (January to December 2024)
Sustainability linked to long-term strategy	In formulating the Long-Term Management Strategy 2035, multiple discussions were held at the Board of Directors and off-site meetings. The strategy seeks to achieve dramatic growth by balancing profit expansion through growth investments with sustainable improvements in earning power, while strengthening the management base to support this growth, based on DX and sustainability.
Discussion on human and intellectual capital at the Board of Directors	Discussions on human capital were held multiple times at the Board of Directors and off-site meetings. In the Medium-Term Management Plan 2026, “human capital initiatives” aim to enhance corporate value by improving employee engagement through the development of human resources who create new value and take initiative in facing challenges to transform the future, and by fostering a corporate culture that respects diverse values and encourages growth through new challenges.
Enhancing discussions on managerial personnel development	The development of managerial personnel was addressed in an off-site meeting, where discussions were held based on an explanation provided by the chairperson of the Nomination Advisory Committee.
Initiatives “to implement management with an awareness of cost of capital and share price”	Having conducted a comparative analysis of our cost of capital, capital efficiency, and P/B ratio, we have identified two key issues: (i) profitability and capital efficiency, and (ii) future sustainable growth expectations. To address these issues, the Medium-Term Management Plan 2026 aims to increase ROE through initiatives such as “improve basic earning power,” “business management using ROIC as an indicator,” and “pursue optimal financial leverage.” Additionally, the Long-Term Management Strategy 2035 aims to improve PER and enhance corporate value by steadily executing “profit expansion through growth investments” and efforts to “strengthen the management base to support sustainable growth.”

FY2025 priorities

Of the issues identified in the evaluation of the effectiveness of the Board of Directors in FY2024, the three items listed on the right have been identified as priorities to be strengthened.

- ❶ Deepening discussions on human capital and start discussions on intellectual capital
- ❷ Analysis of progress on initiatives “to implement management with an awareness of cost of capital and share price”
- ❸ Review of the role and composition of the Governance and Nomination Advisory Committee, the Managerial Personnel Development Policy, and succession planning

Corporate Governance

Audit system

Audit and Supervisory Committee	The committee consists of six members: two full-time members and four outside members (independent outside directors). Audits are conducted based on the audit policies and plans determined by the committee, through activities such as attending key internal meetings, holding interviews with executive directors and executive officers, and conducting on-site visits to the Group business locations.
Audit and Supervisory Committee's Office	To assist the Audit and Supervisory Committee and its members in performing their duties, the Audit and Supervisory Committee's Office has been established as a directly reporting organization to the committee, staffed with one dedicated member and one part-time member.
Audit Department	The Audit Department is composed of the Internal Auditing Office, which serves as the internal audit division, and the officer in charge of internal controls, who supports improvements to internal controls. From an independent standpoint, the department evaluates and reports on the effectiveness of the Company's risk management and controls, while also playing a role in enhancing the effectiveness of audits conducted by the Audit and Supervisory Committee.

Message from an Audit and Supervisory Committee Member



Shin Takahashi

Full-time Audit and Supervisory Committee Member

Contributing to corporate growth through effective audits by the Audit and Supervisory Committee

The Audit and Supervisory Committee, in close cooperation with the accounting auditor and the Audit Department, conducts thorough audits of the soundness and appropriateness of the Group's business execution. By fulfilling its role in supporting the supervisory function of the Board of Directors, the committee seeks to further strengthen corporate governance and contribute to the Group's sustainable growth.

Compliance system

Compliance Committee	Please see "Advisory bodies to the Board of Directors" on p.46.
Compliance Supervisor Meeting	The meeting is held twice per year with the executive officer in charge of compliance serving as chair. It formulates compliance policy and action plans, as well as reports on and verifies countermeasures and improvement related to compliance matters and other issues raised by the Compliance Committee.
Compliance Promotion Committee	Committee members are assigned to each workplace within the Group. Under an education and training program, the members work to acquire compliance-related knowledge and take the initiative in promoting compliance in their respective workplaces. They ensure that all employees are thoroughly familiar with relevant laws, regulations, and internal rules related to their work.
Consultation hotline (Internal reporting)	We have set up an internal consultation hotline (Compliance Office) and an outside consultation hotline (with outside lawyers) to handle compliance-related consultations and internal reporting for all Group employees. In addition, our internal reporting regulations maintain strict confidentiality of consultation details and prohibit any disadvantageous treatment of whistleblowers for reporting or seeking consultation, thereby ensuring the protection of those who come forward.

Risk management system

Basic stance and promotion system

Based on our key risk management policy, we specify, analyze, and evaluate risks related to the achievement of Group management targets and business activities, and establish a risk management system to ensure long-term trust and confidence from society.

Information security

One of the risks we have identified is information security. The status of our response to this risk is as follows.

Formulation of a privacy policy and information security regulations

We appropriately handle the personal information of customers and other stakeholders in accordance with the Group's "Privacy Policy." We have also formulated information security regulations with the goal of ensuring all "Group employees are fully aware that the Company's information assets are critical management resources, that their effective use is a source of increased corporate value, and that the information security necessary to use information assets is guaranteed." We have determined the measures to ensure security regarding information systems used for various operations, and have implemented cyberattack countermeasures.

Information security initiatives

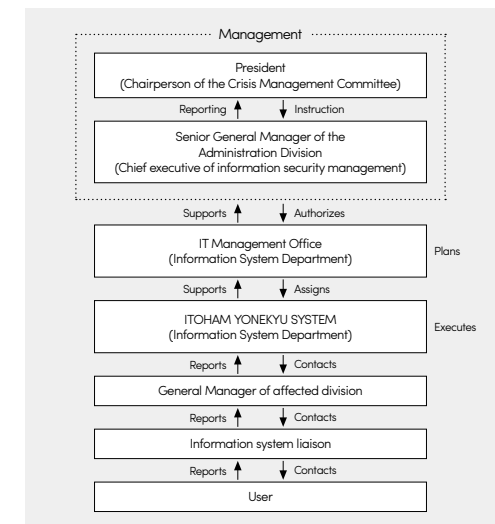
Every year, we conduct targeted attack e-mail and cyber literacy training for all employees.

We constantly monitor unauthorized external communications, and all computer terminals are equipped with a standard system that automatically detects unauthorized behavior. In addition, we conduct regular security audits by third-party organizations and implement appropriate countermeasures in response to any issues identified by these audits.

Security incident system

Under the Crisis Management Committee headed by the President, the Senior General Manager of the Administration Division is designated as the chief executive of information security management, establishing a system that ensures appropriate countermeasures.

Security incident system diagram



Corporate Governance

Compensation for directors and officers

Compensation for directors

The overall executive compensation system, including compensation ratios, individual compensation standards, and the methods for calculation and payment, is determined by the Board of Directors following deliberation by the Compensation Advisory Committee, in which the majority of members are independent outside directors. Compensation for directors (excluding outside directors and Audit and Supervisory Committee members) consists of basic compensation, performance-based compensation as a short-term incentive, and share-based compensation (shares with restrictions on transfer) as a medium- to long-term incentive.

To ensure objectivity and appropriateness, the composition ratios of basic, performance-based, and share-based compensation, as well as the standard total compensation for each position, are set after comparing and reviewing the compensation ratios and levels for each position at numerous other companies in the same industry and of similar size, while also taking the Company's financial situation into account. As for performance-based compensation, in addition to "performance-based bonus" and "additional performance bonus," in FY2024, we introduced a "non-financial evaluation bonus," which reflects non-financial (ESG) evaluations. The non-financial (ESG) evaluations are determined by the Board of Directors following a comprehensive evaluation by the Sustainability Committee and deliberation by the Compensation Advisory Committee. The evaluations are based on using three of the materiality initiative items as indicators, which have a high priority in management strategy. These items are 1) GHG emissions; 2) percentage of women in management positions; and 3) employee engagement awareness survey scores.

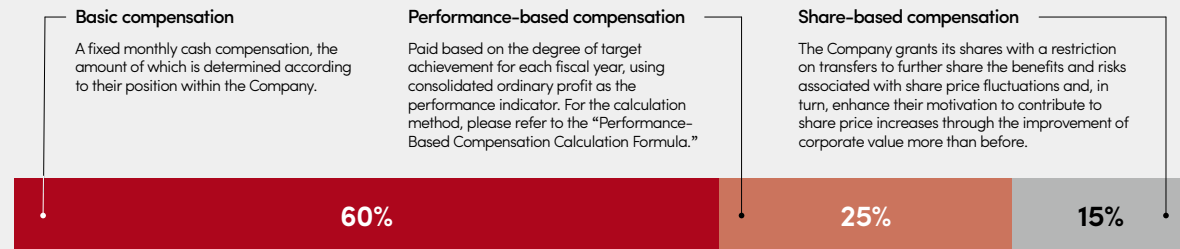
Compensation for outside directors consists solely of basic compensation and is not linked to their business performance, as their main roles are to supervise and make management recommendations from an independent and objective position.

Compensation for directors who are Audit and Supervisory Committee members

Compensation is determined through discussions among Audit and Supervisory Committee members. To ensure a high degree of independence, it also consists solely of basic compensation and is not linked to their business performance.

Overview of the compensation system

Directors (excluding outside directors and Audit and Supervisory Committee members)*



* The composition ratio is a model based on standard performance and may fluctuate depending on the Company's performance and other factors.

Performance-Based Compensation Calculation Formula

Performance-based bonus: performance-based compensation source x multiplier by position (performance portion)

Additional performance bonus: performance-based compensation source x multiplier by position (individual evaluation portion) x individual evaluation multiplier x adjustment ratio

Non-financial evaluation bonus: performance-based compensation source x multiplier by position (non-financial evaluation portion) x non-financial evaluation multiplier

* Performance-based compensation source = "consolidated ordinary profit" x 0.01%

* If consolidated ordinary profit is 40 billion yen or more, it is calculated as 40 billion yen. If it is less than 5 billion yen, there is no payment.

* Individual performance evaluation multiplier ranges from 0.0 to 2.0.

* Adjustment ratio is a multiplier to correct for fluctuations in the additional performance bonus payment source, which is determined by consolidated ordinary profit based on individual performance evaluations. The formula is as follows:

$$\text{Adjustment ratio} = \frac{\text{Total sum of the additional performance bonus multiplier by position for the directors concerned}}{\text{Total sum of the additional performance bonus multiplier by position multiplied by individual performance evaluation multiplier of the directors concerned}}$$

* The non-financial evaluation multiplier is determined by assessing each of the following three items on a six-level scale (5-0): (i) GHG emissions, (ii) percentage of women in management positions, and (iii) employee engagement awareness survey scores. The total score (15-0) then determines a multiplier ranging from 0.8 to 1.2.

* The non-financial evaluation multiplier is applied uniformly to all positions.

Multiplier by position table

Position	Multiplier by position			
	Performance portion	Individual evaluation portion	Non-financial evaluation portion	Total
Chairperson	5.040	—	1.260	6.300
President	6.640	—	1.660	8.300
Vice-president	5.040	—	1.260	6.300
Senior managing executive officer	2.880	0.960	0.960	4.800
Managing executive officer	2.880	0.760	0.760	3.800
Senior executive officer	1.800	0.600	0.600	3.000

Non-financial evaluation multiplier conversion table

Total score	0~3	4~7	8~10	11~13	14~15
Non-financial evaluation multiplier	0.8	0.9	1.0	1.1	1.2

Outside directors (excluding Audit and Supervisory Committee members)

Only basic compensation (fixed monthly compensation) is paid

Directors who are Audit and Supervisory Committee members

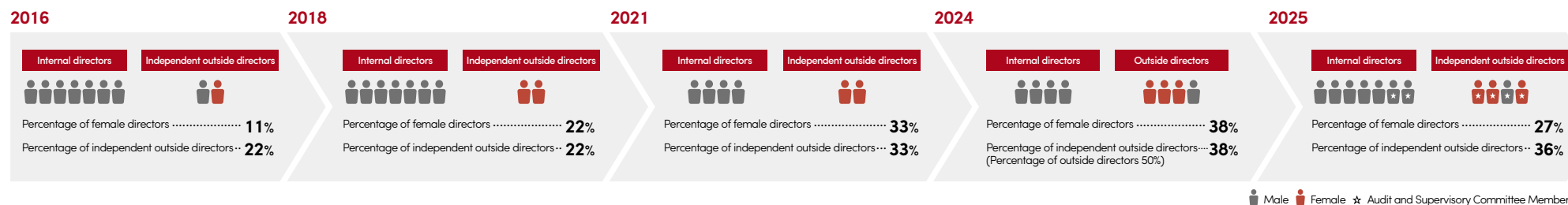
Basic compensation (fixed monthly compensation) is determined through discussions among the Audit and Supervisory Committee members

Corporate Governance

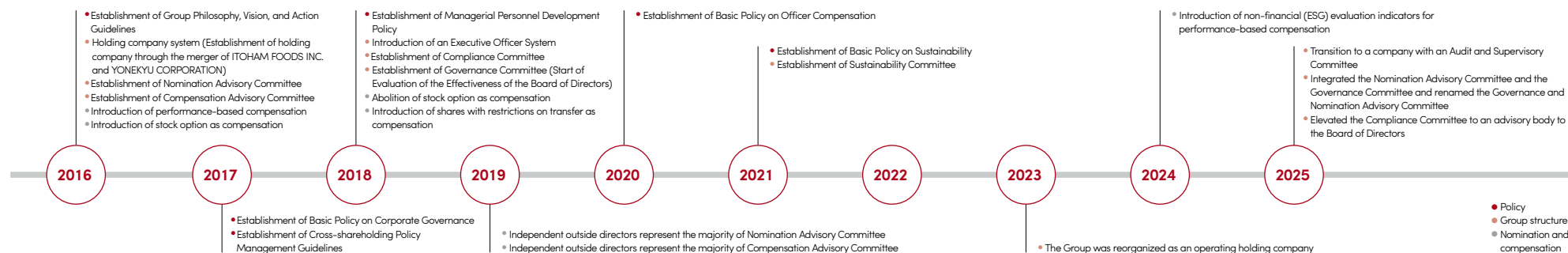
Initiatives to reinforce the corporate governance system

Since its inception in April 2016, the Company has been continuously working to reinforce corporate governance with the aim of achieving sustainable growth and increasing corporate value over the medium to long term. We will continue to pursue and enhance the best corporate governance practices for the Company to maximize the functions of the Board of Directors.

Composition of directors



Initiatives to reinforce the corporate governance system



Cross-shareholdings

Our basic policy is not to hold any cross-shareholdings unless they meet certain conditions and are considered to help maintain and develop business relationships. At the end of each financial year, we conduct a rapid review of the appropriateness of all cross-shareholdings. The results of the review are verified by the Group Executive Committee and reported to the Board of Directors. Shares that are deemed inappropriate to hold are sold after dialogue and negotiation with the issuing company. To vote for or against a proposal, we make a comprehensive assessment of whether the proposal will contribute to the sustainable growth of the issuing company and increase its corporate value.

When a company that holds the Company's shares as cross-shareholdings expresses an intention to sell such shares, we will not take any action that would prevent them from doing so.

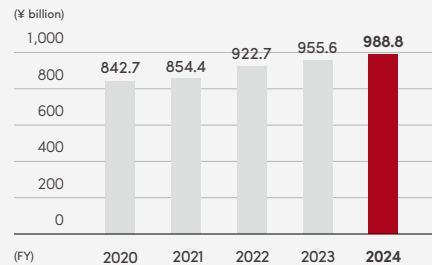
The price of sold shares and number of sold issues

	2016	2017	2018	2019	2020	2021	2022	2023	2024
Price (million yen)	2,975	1,863	971	195	791	106	96	579	602
Number of issues	25	28	41	13	30	24	25	30	23

Financial Highlights

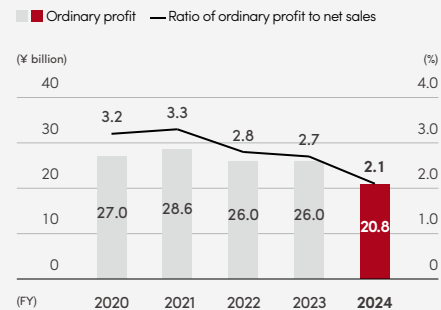
Financial data

Net sales^{*1, 2} **¥988.8 billion**



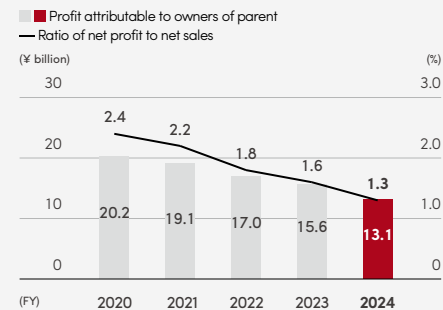
Ordinary profit^{*1, 2} **¥20.8 billion**

Ratio of ordinary profit to net sales **2.1%**



Profit attributable to owners of parent^{*1, 2} **¥13.1 billion**

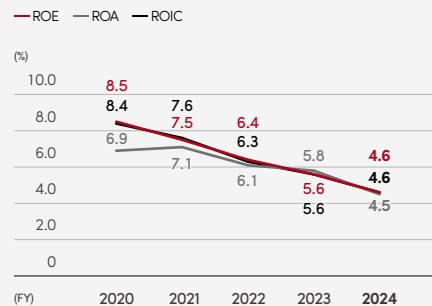
Ratio of net profit to net sales **1.3%**



Return on equity (ROE) **4.6%**

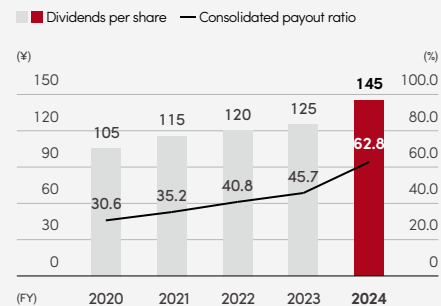
Return on assets (ROA) **4.5%**

Return on invested capital (ROIC^{*3}) **4.6%**

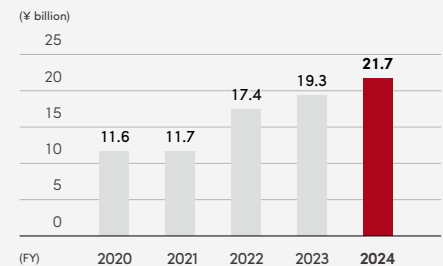


Dividends per share^{*4} **¥145.0**

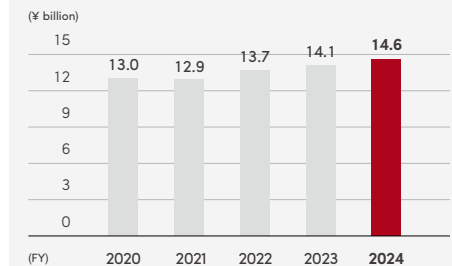
Consolidated payout ratio **62.8%**



Capital expenditures^{*1} **¥21.7 billion**



Depreciation and amortization of goodwill^{*1} **¥14.6 billion**



*1 Rounded to the nearest 0.1 billion yen.

*2 The Accounting Standard for Revenue Recognition and other standards have been applied from the beginning of FY2021.

*3 Profit before interest expense and after tax / (Net interest-bearing debt + Equity capital).

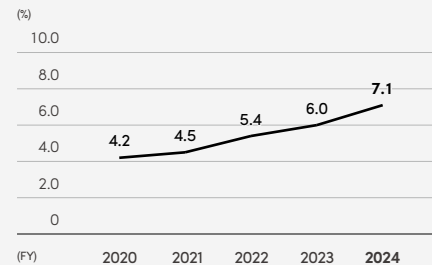
*4 The Company conducted a share consolidation on October 1, 2023 (consolidated five shares of common stock into one share). Dividends per share are calculated on the assumption that the share consolidation took place at the beginning of FY2020.

Non-financial Highlights

Personnel data

Percentage of women in management positions^{*1}

7.1%



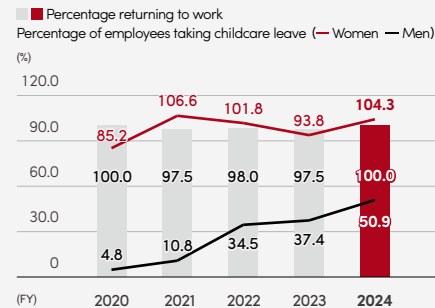
Percentage of employees returning from childcare leave

100.0%

Percentage of employees taking childcare leave^{*2}

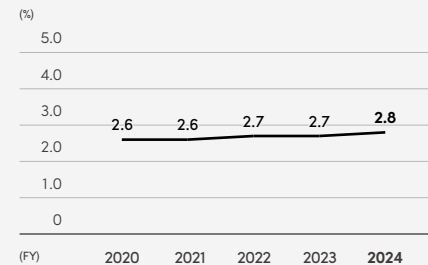
Women **104.3%**

Men **50.9%**



Employment rate of people with disabilities^{*3}

2.8%



^{*1} The percentages of women in management positions, employees taking childcare leave, and employees returning from childcare leave represent the totals for all consolidated subsidiaries in Japan.

^{*2} The percentage of employees taking childcare leave is calculated based on the Act on Child Care and Family Care Leave. The percentage may exceed 100% in some fiscal years because an employee may give birth in one fiscal year but take childcare leave in another. Conversely, the percentage may fall below 100% even if all employees take childcare leave.

^{*3} The percentage of employees with disabilities was calculated for the following companies until FY2021, as they were subject to reporting requirements under the Act to Facilitate the Employment of Persons with Disabilities: ITOHAM, YONEKYU, ITOHAM DAILY, ITOHAM WEST FOODS, ITOHAM FOOD SOLUTION, ITOHAM SALES, TSUKUSHI FACTORY, ROYAL DELICA, ITOHAM BUSINESS SUPPORT, IH LOGISTICS SERVICE, YONEKYU KAGAYAKI, YONEKYU DELICA FOODS, ITOHAM MEAT SALES EAST, ITOHAM MEAT SALES WEST, SANKYOMEAT, IH MEAT SOLUTION, IH MEAT PACKER, YONEKYU OISHII TORI, I-PORK, and the EASTERN HIROSHIMA PIG FARMER COOPERATIVE. The percentage of employees with disabilities for FY2022 was calculated by adding the following companies to the companies covered through FY2021: ITOHAM YONEKYU HOLDINGS, ITOHAM YONEKYU HUMAN SERVICE, ITOHAM YONEKYU SYSTEM, KIKUSUI, ASAKUSA HAM, ITO FRESH SALAD, MARUFUJI, and TAIYO PORK.

^{*4} Scope:

- The calculation covers ITOHAM YONEKYU HOLDINGS and its subsidiaries (including 100% of the subsidiaries' emissions and usage amount).
- Various environmental data have been reviewed, updated, and published.
- Waste emissions data from some overseas subsidiaries for FY2016-FY2020 were not collected.
- From FY2024, emissions from livestock that had not previously been accounted for in some overseas subsidiaries have been added to the scope of GHG emissions calculations.

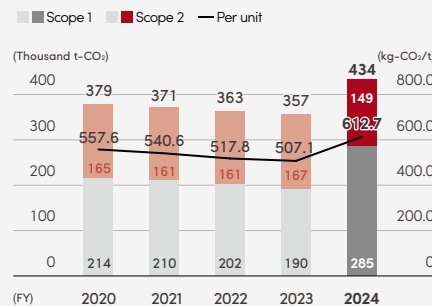
Environmental data^{*4}

GHG emissions (CO₂ equivalent)

434,000t-CO₂

Per unit produced

612.7kg-CO₂/t

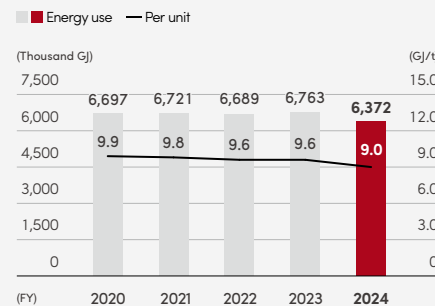


Energy use

6,372,000GJ

Per unit produced

9.0GJ/t

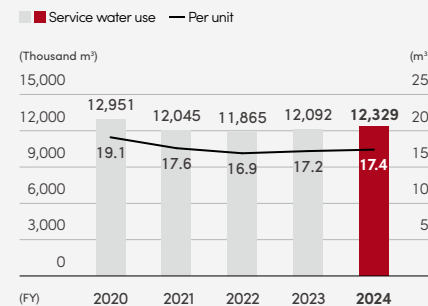


Service water use

12,329,000m³

Per unit produced

17.4m³/t

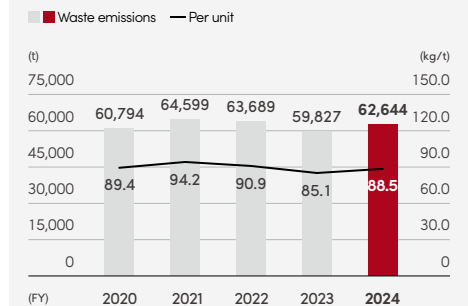


Waste emissions

62,644t

Per unit produced

88.5kg/t



Financial Data / Stock Data

Trends in key management indicators

(¥ million)

	2016	2017	2018	2019	2020	2021	2022	2023	2024
Net sales	792,564	831,865	850,721	852,450	842,675	854,374	922,682	955,580	988,771
Gross profit	128,212	130,649	126,821	133,548	139,979	131,904	130,126	132,554	133,272
Selling, general and administrative expenses	106,756	109,087	112,326	116,281	115,961	107,292	107,131	110,218	113,695
Operating profit	21,455	21,562	14,494	17,266	24,018	24,611	22,994	22,336	19,576
Ordinary profit	24,884	24,423	15,679	19,534	27,000	28,596	26,044	26,036	20,750
Profit attributable to owners of parent	18,038	15,784	10,588	11,439	20,204	19,118	16,975	15,553	13,097
Earnings per share (EPS) (yen)	303.34	266.12	179.11	193.60	343.03	326.72	294.07	273.24	230.88
Return on equity (ROE) (%)	8.8	7.3	4.8	5.1	8.5	7.5	6.4	5.6	4.6
Return on assets (ROA) (%)	6.8	6.5	4.1	5.0	6.9	7.1	6.1	5.8	4.5
Return on invested capital (ROIC) (%)	9.9	7.1	4.6	4.9	8.4	7.6	6.3	5.6	4.6
Ratio of operating profit to net sales (%)	2.7	2.6	1.7	2.0	2.9	2.9	2.5	2.3	2.0
Ratio of ordinary profit to net sales (%)	3.1	2.9	1.8	2.3	3.2	3.3	2.8	2.7	2.1
Ratio of net profit to net sales (%)	2.3	1.9	1.2	1.3	2.4	2.2	1.8	1.6	1.3
Total assets	373,632	378,687	393,392	389,426	394,086	413,123	436,763	462,570	467,009
Net assets	220,033	219,861	224,074	229,178	247,648	262,740	269,261	285,326	286,318
Capital to asset ratio (%)	56.9	57.7	56.6	58.5	62.7	63.4	61.5	61.5	61.1
Current assets	215,349	216,705	229,580	226,498	226,384	243,405	256,463	272,036	277,227
Current liabilities	121,294	127,808	139,456	138,106	123,041	126,533	152,941	161,234	144,439
Book value per share (BPS) (yen)	3,573.68	3,698.83	3,770.71	3,866.31	4,217.61	4,488.29	4,717.02	5,018.37	5,033.02
D/E ratio (times)	0.25	0.22	0.28	0.23	0.16	0.14	0.17	0.15	0.22
Interest coverage ratio (times)	22.5	6.3	19.2	44.7	113.3	57.9	4.9	16.2	4.4
Cash flow from operating activities	21,187	5,521	15,114	31,847	40,862	18,473	3,947	29,392	10,016
Cash flow from investing activities	(8,756)	(8,183)	(19,879)	(7,855)	(10,837)	(11,251)	(22,926)	(16,014)	(20,642)
Free cash flow	12,431	(2,661)	(4,765)	23,991	30,025	7,221	(18,979)	13,378	(10,625)
Cash flow from financing activities	(8,996)	(20,004)	10,084	(16,390)	(21,097)	(10,653)	(6,844)	(13,278)	7,468
Cash and cash equivalents at end of period	52,785	29,284	34,643	41,771	50,651	47,690	22,359	22,917	20,581
Capital expenditures	13,106	12,674	20,560	9,838	11,580	11,699	17,425	19,306	21,736
Depreciation and amortization of goodwill	11,058	10,304	11,666	12,524	13,003	12,903	13,707	14,090	14,618
Dividends per share (yen)	85.0	85.0	85.0	85.0	105.0	115.0	120.0	125.0	145.0
Consolidated payout ratio (%)	28.0	31.9	47.5	43.9	30.6	35.2	40.8	45.7	62.8
Dividend on equity ratio (DOE) (%)	2.5	2.4	2.3	2.3	2.6	2.7	2.7	2.7	3.1

Notes: 1. The Accounting Standard for Revenue Recognition and other standards, have been applied from the beginning of FY2021.

2. The Company conducted a share consolidation on October 1, 2023 (consolidated five shares of common stock into one share). EPS, BPS, and dividends per share are calculated on the assumption that the share consolidation took place at the beginning of FY2016.

3. DOE = Total dividends / Average shareholders' equity at beginning and end of period

Financial Data / Stock Data

Segment information

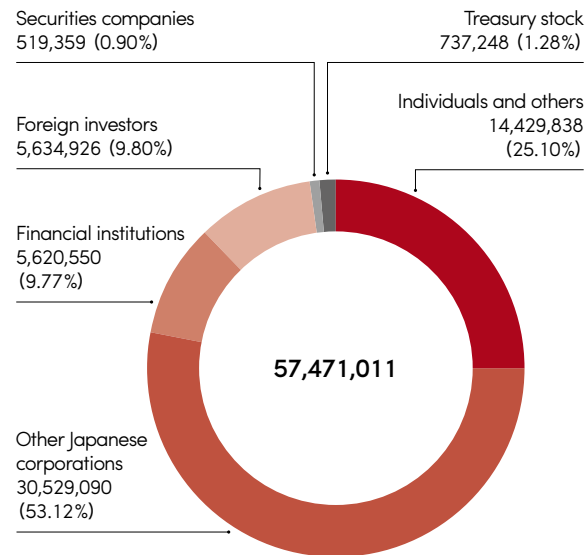
(¥ million)

		2016	2017	2018	2019	2020	2021	2022	2023	2024
Processed foods segment	Net sales	281,404	287,502	291,939	300,209	307,041	302,309	371,165	391,336	400,872
	Net sales ratio (%)	35.5	34.6	34.3	35.2	36.4	35.4	40.2	41.0	40.5
	Segment profit	11,536	10,764	7,914	6,730	12,397	11,086	5,954	9,051	9,775
Meat segment	Net sales	511,067	540,107	554,576	548,184	531,581	547,843	547,145	564,227	587,883
	Net sales ratio (%)	64.5	64.9	65.2	64.3	63.1	64.1	59.3	59.0	59.5
	Segment profit	10,844	11,432	7,364	11,284	13,443	14,860	21,465	18,131	12,215

Notes: 1. Starting in FY2022, segment reporting has switched from product- and service-based classification to organization-based classification.
2. Segment profit represented operating profit until FY2021, but represents ordinary profit from FY2022 onward.

Stock information (as of March 31, 2025)

Listed stock exchange	Prime Market of Tokyo Stock Exchange
Stock ticker code	2296
Number of authorized shares	200,000,000
Number of issued shares	57,471,011
Number of shares per unit	100
Number of shareholders	71,129
Shareholder registry administrator	Sumitomo Mitsui Trust Bank, Limited

Distribution of shares by shareholder type
(as of March 31, 2025)

Major shareholders (as of March 31, 2025)

Name	Owned shares (thousand shares)	Ownership ratio (%)
Mitsubishi Corporation	23,155	40.81
The Master Trust Bank of Japan, Ltd. (Trust account)	3,598	6.34
The Ito Foundation	2,400	4.23
S Planning Inc.	2,055	3.62
Ito Bunka Foundation	1,240	2.18
Custody Bank of Japan, Ltd. (Trust account)	1,015	1.78
STATE STREET BANK AND TRUST COMPANY 505001	628	1.10
Koichi Ito	551	0.97
Nippon Life Insurance Company	549	0.96
STATE STREET BANK AND TRUST COMPANY 505103	449	0.79

* ITOHAM YONEKYU HOLDINGS is excluded from the above list of major shareholders, even though it owns 737,000 shares of treasury stock.
* Ownership ratio is calculated after deducting treasury stock.

Corporate Data

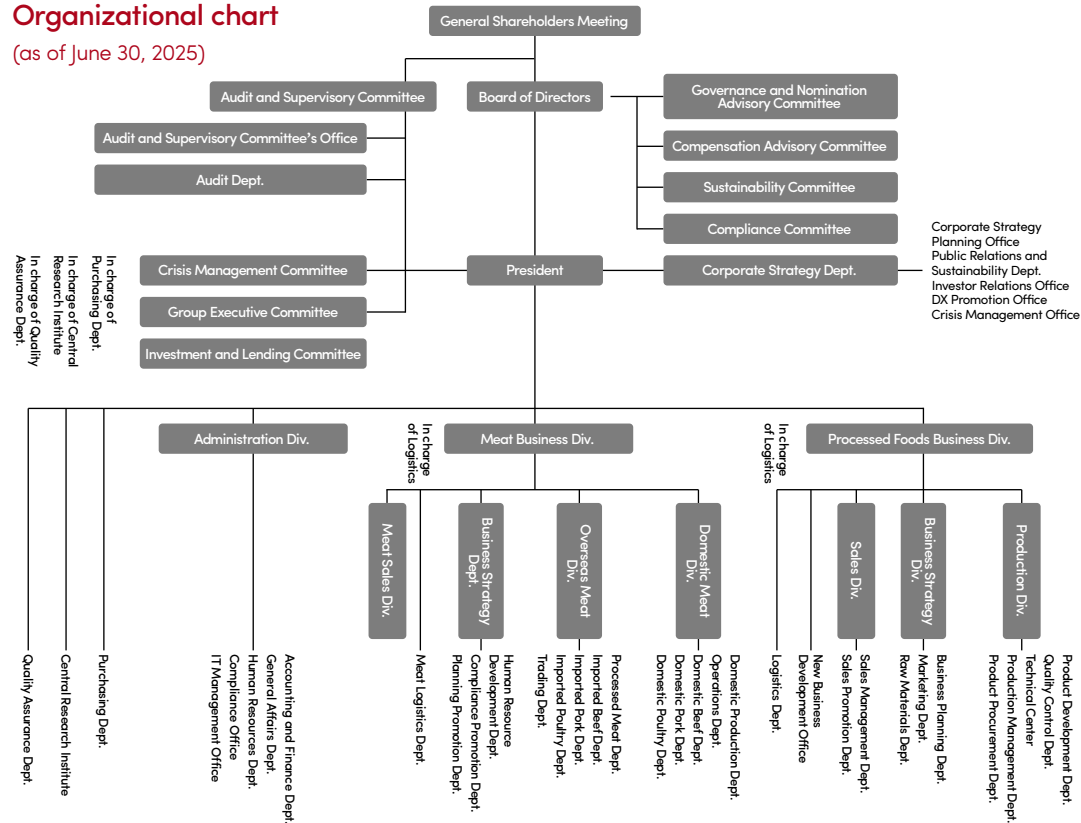
Corporate information (as of June 30, 2025)

Trade name	ITOHAM YONEKYU HOLDINGS INC.
Representative	Hiroyuki Urata, President and Chief Executive Officer
Location of head office	1-6-21 Mita, Meguro-ku, Tokyo
Established	April 1, 2016
Capital	30 billion yen

Business description	Business management, meat processing, and procurement and sale of meat, etc.
Number of employees	7,989 (consolidated)
Fiscal year	From April 1 each year to March 31 the following year
Accounting auditor	KPMG AZSA LLC

Organizational chart

(as of June 30, 2025)



Group companies (as of March 31, 2025)

