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Securities Code of Japan: 2809

## **Kewpie Corporation**

### NOTICE OF THE 109TH ORDINARY GENERAL MEETING

Date and hour of meeting:

Friday, February 25, 2022, at 10:00 a.m.  
(Reception to start at 9:00 a.m.)

Place of meeting:

Hall A, Tokyo International Forum

Matters to be resolved:

Proposition No. 1: Election of nine (9) Directors

Proposition No. 2: Election of two (2) Corporate Auditors

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# Kewpie Corporation

1-4-13 Shibuya, Shibuya-ku, Tokyo 150-0002, Japan Tel:03-3486-3331



February 4, 2022

To the Shareholders:

## NOTICE OF THE 109TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

Please take notice that the 109th Ordinary General Meeting of Shareholders of Kewpie Corporation (the "Company") will be held as described below.

Furthermore, in the event that concern over the spread of the novel coronavirus disease (COVID-19) continues, we ask that shareholders consider exercising voting rights via the Internet or in writing (by Mail) instead of voting in person. (please refer to pages 3 to 4)

Yours very truly,

Osamu Chonan  
Representative Director  
President and Chief Executive  
Corporate Officer

Kewpie Corporation  
4-13, Shibuya 1-chome,  
Shibuya-ku, Tokyo

### Description

1. Date and hour of meeting:

Friday, February 25, 2022, at 10:00 a.m.

2. Place of meeting:

Hall A, Tokyo International Forum  
5-1, Marunouchi 3-chome, Chiyoda-ku, Tokyo

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## 3. Agenda of the meeting:

### Matters to be reported:

1. Report on the Business Report and Consolidated Financial Statements for the fiscal year 2021 (from December 1, 2020 to November 30, 2021) and the results of audit of the Consolidated Financial Statements by the accounting auditors and the Board of Corporate Auditors
2. Report on the Non-consolidated Financial Statements for the fiscal year 2021 (from December 1, 2020 to November 30, 2021)

### Matters to be resolved:

Proposition No. 1: Election of nine (9) Directors

Proposition No. 2: Election of two (2) Corporate Auditors

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#### Information Available on our Website

- If any amendment is made to the Reference Document for the General Meeting of Shareholders (including Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements), it will be publicized on the official Website of the Company.

Official Website of the Company:

<https://www.kewpie.com/en/ir/>

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## Procedures for Exercise of Voting Rights

### Exercise of voting rights via the Internet

Time frame: No later than **5:30 p.m., Thursday, February 24, 2022**

Suspension period (please be noted that voting rights cannot be exercised via the Internet due to website maintenance):

From 5:00 a.m., Friday, February 11, 2022 (public holiday) through 5:00 a.m., Monday, February 14, 2022

Please enter your "approval" or "disapproval" for each proposition.

### [Voting process via the "Website for the exercise of voting rights"]

1. Access the website for the exercise of voting rights

**<https://www.web54.net>**

Click on "次へすすむ" ("NEXT").

2. Enter the Code for the exercise of voting rights

Enter the "Code for the exercise of voting rights" (議決権行使コード) indicated at the bottom left of the Voting Form and click on "ログイン" ("Log in").

3. Enter the Password

Enter the "Password" (パスワード) indicated at the bottom left of the Voting Form and click on "次へ" ("NEXT").

\* The next screen will prompt you to set a new Password.

Please hold the updated Password in a safe manner.

4. Enter your "approval" or "disapproval" for each proposition by following the instructions displayed on the screen.

### Contact for inquires:

Sumitomo Mitsui Trust Bank, Limited

Stock Transfer Agency Business Planning Dept.

Web Support Dedicated Dial:

Phone No: 0120-652-031 (available at 9:00 a.m. through 9:00 p.m.)

Institutional investors may use the "ICJ Platform", a platform for electronic exercise of voting rights for institutional investors operated by ICJ Inc. if its application for this process were accepted by ICJ Inc. in advance.

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## Exercise of voting rights in writing (by Mail)

Time frame: Must reach us no later than **5:30 p.m., Thursday, February 24, 2022**

Please return by Mail the enclosed Voting Form after filling out your "approval" or "disapproval" for each proposition.

- Please be noted that if no "approval" or "disapproval" of each proposition is indicated in the returned Voting Form, you will be deemed to have approved it.
- Please be noted that if you intend to disapprove a particular candidate(s) in Propositions No. 1: and No. 2:  
Put  in the column of "Approve" and specify the relevant candidate number(s) you intend to disapprove.

## Treatment of multiple exercise of voting rights

- (1) Please be noted that if the voting rights are exercised both via the Internet and in writing (by Mail), the voting rights exercised via the Internet shall be treated as valid.
- (2) Please be noted that if the voting rights are exercised twice or more times via the Internet, the latest exercise thereof shall be treated as valid.

## Attendance at the General Meeting of Shareholders

Date and hour of meeting: **Friday, February 25, 2022, at 10:00 a.m.**  
Place of meeting: **Hall A, Tokyo International Forum**

Please attend with the enclosed Voting Form and present it to the receptionists of the meeting.

- Please be noted that if a shareholder attends the shareholders meeting in person, any previous exercise of voting rights (via the Internet or in writing (by Mail)) by the same shareholder will be rescinded.

Any major changes to administration of the General Meeting of Shareholders in the course of future developments will be published on the official Website of the Company.

Official Website of the Company (English language page):  
<https://www.kewpie.com/en/ir/>

(Japanese language page):  
<https://www.kewpie.com/ir/event/meeting/>

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## REFERENCE DOCUMENT FOR THE GENERAL MEETING OF SHAREHOLDERS

### **Proposition No. 1: Election of nine (9) Directors**

The term of office of all Directors currently in office (Messrs. Amane Nakashima, Osamu Chonan, Nobuo Inoue, Seiya Sato, Yoshinori Hamachiyo, Ryota Watanabe, Kazunari Uchida, Ms. Shihoko Urushi and Mr. Hitoshi Kashiwaki (nine in all)) will expire at the close of this General Meeting of Shareholders. In that regard, it is proposed that nine (9) Directors be elected.

The candidates for Director are as follows:

For information on the expected titles and assignments of each candidate after the General Meeting of Shareholders as well as his or her experience and expertise, please refer to pages 23 to 25.

For independence criteria for outside Directors, please refer to page 22.

(Outside): Outside Director  
(Independent): Independent Officer

○: Member of Nominating and Remuneration Committee

Candidate Number	Name	Title	Assignment			Number of Board of Directors' meetings attended for the fiscal year 2021
1	Amane Nakashima	Chairman and Director	Chairman of the Board of Directors In charge of Compliance and Brand	Reelection	○	12/12
2	Nobuo Inoue	Director	Executive Corporate Officer in charge of Corporate (including Medium-term Business Plan Promotion, Group Governance, Risk Management and Sustainability)	Reelection	○	12/12
3	Seiya Sato	Director	Executive Corporate Officer in charge of Retail Market Business in general	Reelection		12/12
4	Yoshinori Hamachiyo	Director	Senior Corporate Officer in charge of Research Development, Fine Chemicals and Intellectual Property, Food Culture and Health Promotion Project and Senior General Manager of R&D Division	Reelection		12/12
5	Ryota Watanabe	Director	Senior Corporate Officer in charge of Production and Quality	Reelection		(After assuming the office of Director) 10/10
6	Mitsuru Takamiya		President and Representative Director of Kewpie Egg Corporation	New election		

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Candidate Number	Name	Title	Assignment		Number of Board of Directors' meetings attended for the fiscal year 2021
7	Shihoko Urushi	Outside Director		Reelection (Outside) (Independent)	<input type="radio"/> 11/12
8	Hitoshi Kashiwaki	Outside Director		Reelection (Outside) (Independent)	<input type="radio"/> (After assuming the office of Director) 9/10
9	Atsuko Fukushima			New election (Outside) (Independent)	

(Note) The titles and assignments are those in the Kewpie Group (the "Group") at the time of the sending of this notice.

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	<p>Candidate Number <b>1</b> (Reelection) Member of Nominating and Remuneration Committee <b>Amane Nakashima</b> (Date of birth: September 26, 1959) (Note 6)</p>	<p><b>Reason for nomination for Director</b> As Chairman of the Board of Directors, Mr. Nakashima has conducted the management of board meetings in an objective manner, and based on the Company's "spirit of foundation", he has fulfilled a vital role of education and guidance in matters related to compliance and brand. We judge that, having fulfilled his duties as Director of the Company appropriately, he meets the Company's nomination policy and nominate him once again as a candidate for Director. In the event that he is reelected as Director, it is planned that he will also take on the duties of Chairman and Director.</p>
<p>Number of shares of the Company held by Candidate</p>		<p>259,681 shares</p>
<p>Number of Board of Directors' meetings attended for the fiscal year 2021</p>		<p>12/12</p>
<p>Number of years in office as a Director</p>		<p>25 years</p>
<p><b>Brief history, title, assignment and important concurrent office</b></p>		
<p>April 1983</p>	<p>Joined The Industrial Bank of Japan, Limited (currently, Mizuho Bank, Ltd.)</p>	
<p>October 1993</p>	<p>Joined NAKASHIMATO CO., LTD. General Manager, Accounting Department of NAKASHIMATO CO., LTD.</p>	
<p>February 1995</p>	<p>Director of NAKASHIMATO CO., LTD.</p>	
<p>February 1997</p>	<p>Director of the Company</p>	
<p>July 2000</p>	<p>General Manager, Legal Department of the Company</p>	
<p>February 2003</p>	<p>Vice President and Director of NAKASHIMATO CO., LTD.</p>	
<p>February 2005</p>	<p>Director of NAKASHIMATO CO., LTD. Executive Corporate Officer of the Company General Manager, Environment Office of the Company</p>	
<p>July 2005</p>	<p>General Manager, Social and Environment Promotion Office of the Company</p>	
<p>October 2009</p>	<p>Senior General Manager, CSR Promotion Department of the Company</p>	
<p>February 2010</p>	<p>President and Director of NAKASHIMATO CO., LTD.</p>	
<p>February 2014</p>	<p>Senior Executive Corporate Officer of the Company</p>	
<p>February 2016</p>	<p><b>Chairman and Director of the Company</b>, to this date</p>	
<p>February 2021</p>	<p><b>President and Representative Director of NAKASHIMATO CO., LTD.</b>, to this date</p>	
<p>Special interest with the Company</p>		
<p>The Company has business relationships, including purchase of products, sales of goods and products and expense transactions, with NAKASHIMATO CO., LTD., for which Mr. Amane Nakashima is servicing as President and Representative Director. All transactions are determined individually upon consultation by reference to market prices, etc., as with other transactions in general.</p>		



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	Candidate Number <b>2</b> (Reelection) Member of Nominating and Remuneration Committee	<b>Reason for nomination for Director</b> As the Director in charge of Corporate, in addition to promoting management reforms and the medium-term business plan, Mr. Inoue has participated in management from a broad ranging perspective. For these reasons, we judge that he meets the Company's nomination policy and nominate him once again as a candidate for Director. In the event that he is reelected as Director, it is planned that he will also take on the duties of Executive Corporate Officer.
	<b>Nobuo Inoue</b> (Date of birth: May 16, 1960) (Note 6)	
Number of shares of the Company held by Candidate		14,600 shares
Number of Board of Directors' meetings attended for the fiscal year 2021		12/12
Number of years in office as a Director		12 years
<b>Brief history, title, assignment and important concurrent office</b>		
April 1983	Joined the Company	
July 2004	General Manager, Corporate Planning Office of the Company	
October 2009	Deputy Senior General Manager, Management Promotion Division of the Company	
December 2009	Senior General Manager, Management Promotion Division of the Company	
February 2010	<b>Director of the Company</b> , to this date	
February 2016	<b>Executive Corporate Officer of the Company</b> , to this date	
February 2020	Senior General Manager, Management Promotion Division of the Company	
February 2021	<b>In charge of Corporate of the Company</b> , to this date	
Special interest with the Company None		

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	Candidate Number	<b>3</b>	<b>Reason for nomination for Director</b> As the Director in charge of the Retail Market Business of the Company, Mr. Sato has worked to enhance business value through the promotion of strategies aligned with the market and the optimization of management resources. For these reasons, we judge that he meets the Company's nomination policy and nominate him once again as a candidate for Director. In the event that he is reelected as Director, it is planned that he will also take on the duties of Senior Executive Corporate Officer.
	(Reelection)		
	<b>Seiya Sato</b>	(Date of birth: August 2, 1959) (Note 6)	
Number of shares of the Company held by Candidate		9,200 shares	
Number of Board of Directors' meetings attended for the fiscal year 2021		12/12	
Number of years in office as a Director		5 years	
<b>Brief history, title, assignment and important concurrent office</b>			
April 1982	Joined the Company		
July 2004	Branch Manager, Kanto Branch Office of the Company		
October 2008	General Manager, Household Sales Dept., Wide-Area Sales Division of the Company		
December 2009	Senior General Manager, Wide-Area Sales Division of the Company		
July 2012	Branch Manager, Osaka Branch Office of the Company		
February 2013	Corporate Officer of the Company		
February 2015	Branch Manager, Tokyo Branch Office of the Company		
February 2017	<b>Director of the Company</b> , to this date Senior Corporate Officer of the Company In charge of Salad and Delicatessen Business of the Company		
February 2019	<b>Executive Corporate Officer of the Company</b> , to this date In charge of Condiments and Processed Foods Business of the Company In charge of Group Sales in general of the Company		
February 2021	<b>In charge of Retail Market Business in general of the Company</b> , to this date		
Special interest with the Company		None	

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	Candidate Number	<b>Reason for nomination for Director</b>
	4 (Reelection) <b>Yoshinori Hamachiyo</b> (Date of birth: February 13, 1961) (Note 6)	As Director, Mr. Hamachiyo has promoted initiatives to protect brand value and create new value through the use of the Group's technology. For these reasons, we judge that he meets the Company's nomination policy and nominate him once again as a candidate for Director. In the event that he is reelected as Director, it is planned that he will also take on the duties of Senior Corporate Officer.
Number of shares of the Company held by Candidate		21,500 shares
Number of Board of Directors' meetings attended for the fiscal year 2021		12/12
Number of years in office as a Director		5 years
<b>Brief history, title, assignment and important concurrent office</b>		
April 1984	Joined the Company	
July 2010	General Manager, Intellectual Property Division of the Company	
February 2012	General Manager, Intellectual Property Office of the Company	
February 2014	Corporate Officer of the Company	
February 2015	<b>Senior General Manager, R&amp;D Division of the Company</b> , to this date	
February 2017	<b>Director of the Company</b> , to this date <b>Senior Corporate Officer of the Company</b> , to this date	
February 2020	In charge of Fine Chemicals Business of the Company	
February 2021	<b>In charge of Research Development, Fine Chemicals and Intellectual Property of the Company</b> , to this date	
Special interest with the Company		
None		

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	Candidate Number	<b>5</b>	<b>Reason for nomination for Director</b> As Director, Mr. Watanabe has promoted the enhancement of the Group's productivity and initiatives for safety and reliability. For these reasons, we judge that he meets the Company's nomination policy and nominate him once again as a candidate for Director. In the event that he is reelected as Director, it is planned that he will also take on the duties of Senior Corporate Officer.
	(Reelection)		
	<b>Ryota Watanabe</b>		
	(Date of birth: July 17, 1964)		
	(Note 6)		
Number of shares of the Company held by Candidate		4,700 shares	
Number of Board of Directors' meetings attended for the fiscal year 2021		Since assuming the office of Director: 10/10	
Number of years in office as a Director		1 year	
<b>Brief history, title, assignment and important concurrent office</b>			
April 1987	Joined the Company		
February 2012	General Manager, Production Administration Department, Division of Production of the Company		
October 2012	General Manager, Production Planning Department, Division of Production of the Company		
February 2015	Deputy Senior General Manager, Division of Production of the Company		
February 2016	Corporate Officer of the Company		
	Senior General Manager, Division of Production of the Company		
February 2021	<b>Director of the Company</b> , to this date		
	<b>Senior Corporate Officer of the Company</b> , to this date		
	<b>In charge of Production and Quality of the Company</b> , to this date		
Special interest with the Company			
None			

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	Candidate Number <b>6</b> (New election) Expected to assume position of Member of Nominating and Remuneration Committee	<b>Reason for nomination for Director</b> In addition to his experience with research institutes, marketing, and fine chemicals, Mr. Takamiya has promoted to expand demand for egg products as the President and Representative Director of Kewpie Egg Corporation, an important subsidiary of the Company, contributing to the Group. Due to his abundant experience, expertise and broad ranging insights that he has acquired thus far, we judge that he meets the Company's nomination policy and nominate him as a candidate for Director. In the event that he is elected as Director, it is planned that he will take on the duties of Representative Director, President and Chief Executive Corporate Officer.
	<b>Mitsuru Takamiya</b> (Date of birth: April 22, 1961) (Note 6)	
Number of shares of the Company held by Candidate		3,000 shares
<b>Brief history, title, assignment and important concurrent office</b>		
April 1987	Joined the Company	
July 2005	General Manager, New Product Development Department, Product Development Division of the Company	
July 2012	Senior General Manager, R&D Division of the Company	
February 2013	Corporate Officer of the Company	
February 2015	Senior General Manager, Marketing Division of the Company	
February 2017	In charge of Fine Chemicals Business of the Company	
February 2019	Senior Corporate Officer of the Company	
February 2020	<b>President and Representative Director of Kewpie Egg Corporation, to this date (scheduled to retire on February 18, 2022)</b>	
Special interest with the Company		
None		

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	Candidate Number <b>7</b> (Reelection) (Outside) (Independent) Member of Nominating and Remuneration Committee	<b>Reason for nomination for outside Director and outline of expected roles</b> Ms. Urushi has both abundant experience as an educator and a willingness to take on challenges as a manager, and has proactively provided useful opinions and suggestions on overall management including human resources development, sustainability, overseas expansion, and marketing at the Board of Directors' meetings and Nominating and Remuneration Committee meetings. We judge that Ms. Urushi will fulfill her duties as an outside Director established by the policy for nomination of outside Director candidates and nominate her once again as a candidate for outside Director.
	<b>Shihoko Urushi</b> (Date of birth: April 4, 1961) (Notes 1, 2, 5 and 6)	
Number of shares of the Company held by Candidate		0 shares
Number of Board of Directors' meetings attended for the fiscal year 2021		11/12
Number of years in office as a Director		6 years
<b>Brief history, title, assignment and important concurrent office</b>		
April 1986	Worked at a combined private junior high and high school for girls in Tokyo	
April 1989	Worked at Shinagawa Joshi Gakuin	
April 2006	Principal of Shinagawa Joshi Gakuin	
February 2016	<b>Outside Director of the Company</b> , to this date	
April 2017	<b>President of Shinagawa Joshi Gakuin</b> , to this date Principal of Shinagawa Joshi Gakuin Junior High School	
April 2018	<b>Outside Director of Culture Convenience Club Co., Ltd.</b> , to this date	
June 2019	Outside Director of Nisshin Fire & Marine Insurance Co., Ltd., to this date	
June 2021	<b>Outside Audit &amp; Supervisory Board Member of Tokio Marine &amp; Nichido Fire Insurance Co., Ltd.</b> , to this date <b>Outside Director of JAPAN POST BANK Co., Ltd.</b> , to this date	
July 2021	<b>Member of Administrative Reform Promotion Council</b> , to this date	
Special interest with the Company None		

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	Candidate Number <b>8</b> (Reelection) (Outside) (Independent) Member of Nominating and Remuneration Committee	<b>Reason for nomination for outside Director and outline of expected roles</b> As an experienced manager of operating companies that develop human resources and media-related businesses, Mr. Kashiwaki has abundant experience and a high level of insight including overseas business development and has proactively provided useful opinions and suggestions on overall management including business strategy, human resources development, overseas expansion, and marketing at the Board of Directors' meetings and Nominating and Remuneration Committee meetings. We judge that Mr. Kashiwaki will fulfill his duties as an outside Director established by the policy for nomination of outside Director candidates and nominate him once again as a candidate for outside Director. Furthermore, in the new structure, Mr. Kashiwaki will be appointed as Chair of the Nominating and Remuneration Committee and will lead discussion at the committee.
	<b>Hitoshi Kashiwaki</b> (Date of birth: September 6, 1957) (Notes 1, 3, 5 and 6)	
Number of shares of the Company held by Candidate	600 shares	
Number of Board of Directors' meetings attended for the fiscal year 2021	Since assuming the office of Director: 9/10	
Number of years in office as a Director	1 year	
<b>Brief history, title, assignment and important concurrent office</b>		
April 1981	Joined of Japan Recruit Center Co., Ltd. (currently, Recruit Holdings Co., Ltd.)	
April 1994	General Manager, Finance Division of Recruit Holdings Co., Ltd.	
June 1997	Director of the Board of Recruit Holdings Co., Ltd.	
June 2001	Director of the Board and Managing Corporate Executive of Recruit Holdings Co., Ltd.	
April 2003	Representative Director of the Board and Managing Corporate Executive (COO) of Recruit Holdings Co., Ltd.	
June 2003	COO, President, and Representative Director of the Board of Recruit Holdings Co., Ltd.	
April 2004	CEO, President, and Representative Director of the Board of Recruit Holdings Co., Ltd.	
April 2012	Director of the Board and Advisor of Recruit Holdings Co., Ltd.	
December 2012	Outside Director of Suntory Beverage & Food Limited	
March 2016	<b>Outside Director of ASICS Corporation</b> , to this date	
May 2016	<b>Outside Director of Matsuya Co., Ltd.</b> , to this date	
June 2018	<b>Outside Director of Tokyo Broadcasting System Holdings, Inc. (currently, TBS HOLDINGS, INC.)</b> , to this date	
February 2021	<b>Outside Director of the Company</b> , to this date	
Special interest with the Company	None	

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	Candidate Number <b>9</b>	<b>Reason for nomination for outside Director and outline of expected roles</b> In addition to her many years of experience as a journalist and abundant knowledge related to corporate management gained through dialogues with the top members of many companies, Ms. Fukushima has gained an understanding of the Company's philosophy, culture, and business characteristics through her activities on the Management Advisory Board. As such, we expect that she will proactively provide opinions and suggestions from an objective, medium-to-long-term perspective on overall management, including diversity and sustainability. We judge that Ms. Fukushima will fulfill her duties as an outside Director established by the policy for nomination of outside Director candidates and newly nominate her as a candidate for outside Director.
	(New election) (Outside) (Independent) Expected to assume position of Member of Nominating and Remuneration Committee <b>Atsuko Fukushima</b> (Date of birth: January 17, 1962) (Notes 1, 4, 5 and 6)	
Number of shares of the Company held by Candidate		0 shares
<b>Brief history, title, assignment and important concurrent office</b>		
April 1985	Joined CHUBU-NIPPON BROADCASTING CO., LTD.	
April 1988	Contract newscaster of Japan Broadcasting Corporation	
October 1993	Contract newscaster of Tokyo Broadcasting System, Inc. (currently Tokyo Broadcasting System Television, Inc.)	
April 2005	Economics program newscaster of TV TOKYO Corporation	
April 2006	<b>Management Council Member of National University Corporation Shimane University, to this date</b>	
December 2006	Management Advisor of Matsushita Electric Industrial Co., Ltd. (currently Panasonic Corporation)	
July 2012	<b>External Director of Hulic Co., Ltd., to this date</b>	
June 2015	<b>Outside Director of Nagoya Railroad Co., Ltd., to this date</b> <b>Outside Director of Calbee, Inc., to this date</b>	
March 2020	<b>Member of Forestry Policy Council of Ministry of Agriculture, Forestry and Fisheries, to this date</b>	
Special interest with the Company		
None		

- (Notes) 1. Ms. Shihoko Urushi, Mr. Hitoshi Kashiwaki and Ms. Atsuko Fukushima are candidates for outside Director. Should the election to the position of outside Director be approved for the three (3) candidates, the Company plans for them to become independent officers in accordance with the provisions of Tokyo Stock Exchange, Inc.
2. The current term of service as an outside Director of the Company of Ms. Shihoko Urushi shall be six (6) years as of the closing of this General Meeting of Shareholders. She is Outside Director of Culture Convenience Club Co., Ltd. and JAPAN POST BANK Co., Ltd., and Outside Audit & Supervisory Board Member of Tokio Marine & Nichido Fire Insurance Co., Ltd. There is no special interest between the Company and the said companies. She satisfies the Company's "Independence Criteria for Outside Corporate Officers" as well. Consequently, there is no risk of this having an impact on her independence.
3. The current term of service as an outside Director of the Company of Mr. Hitoshi Kashiwaki shall be one (1) year as of the closing of this General Meeting of Shareholders. He is an Outside Director of ASICS Corporation, Matsuya Co., Ltd. and TBS HOLDINGS, INC. There is no special interest between the Company and the said companies. He satisfies



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the Company's "Independence Criteria for Outside Corporate Officers" as well. Consequently, there is no risk of this having an impact on his independence.

4. Ms. Atsuko Fukushima is an External Director of Hulic Co., Ltd. and Outside Director of Nagoya Railroad Co., Ltd. and Calbee, Inc. There is no special interest between the Company and the said companies. She satisfies the Company's "Independence Criteria for Outside Corporate Officers" as well. Consequently, there is no risk of this having an impact on her independence.
5. The Company has entered into an agreement to limit liability for damages with Ms. Shihoko Urushi and Mr. Hitoshi Kashiwaki pursuant to Article 427, paragraph 1 of the Companies Act of Japan (the "Companies Act") and Article 28 of the Articles of Incorporation of the Company. If their election as outside Directors is approved, the Company intends to continue such agreements. The amount of maximum liability stipulated in the agreement is determined by each of the respective items under Article 425, paragraph 1 of the Companies Act, and this limitation of liability shall apply only when the above outside Directors have acted in good faith and without gross negligence in performing the duties giving rise to the liability. Furthermore, if Ms. Atsuko Fukushima's election is approved, the Company plans to enter into the same agreement to limit liability for damages with her.
6. The Company has entered into a directors and officers liability insurance policy with an insurance company as provided for in Article 430-3, paragraph 1 of the Companies Act. The policy covers losses and such costs as related litigation expenses incurred from claims for damages borne by the insured where they receive a claim for damages from a shareholder or third party. In the event that the elections of the candidates are approved, each candidate will become an insured person in the policy. Furthermore, at the time of the next renewal, the Company plans to renew it with the same terms as the current policy.

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## Proposition No. 2: Election of two (2) Corporate Auditors

Among the Corporate Auditors currently in office, the term of office of Mr. Kiyotaka Yokokoji and Mr. Kazumine Terawaki will expire at the close of this General Meeting of Shareholders. In that regard, it is proposed that two (2) Corporate Auditors be elected.

The Board of Corporate Auditors has consented to this proposition.

For information on the expected Board of Corporate Auditors Structure after the General Meeting of Shareholders as well as the experience and expertise of each Corporate Auditor, please refer to pages 23 to 25.


For independence criteria for outside Corporate Auditor, please refer to page 22.

	Candidate Number <b>1</b> (New election)	<b>Reason for nomination for Corporate Auditor</b> In addition to his broad operational experience in sales, corporate planning, and IR, recently as the General Manager of the Internal Audit Office of the Company, Mr. Oda has led and driven internal auditing and compliance throughout the Group in Japan and overseas and the evaluation of the effectiveness of internal control over financial reporting. For these reasons, we judge that he meets the Company's nomination policy and newly nominate him as a candidate for Corporate Auditor.
	<b>Hidekazu Oda</b> (Date of birth: January 5, 1963) (Note 4)	
Number of shares of the Company held by Candidate		1,000 shares
<b>Brief history, title and important concurrent office</b>		
April 1986	Joined the Company	
August 2007	General Manager, Operation Management Department of the Company	
August 2013	General Manager, Stock and Investor Relations Department, Management Promotion Division of the Company	
February 2019	<b>General Manager, Internal Audit Office of the Company, to this date</b>	
Special interest with the Company		
None		

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	Candidate Number <b>2</b>	<b>Reason for nomination for outside Corporate Auditor</b>
	(Reelection) (Outside) (Independent) Member of Nominating and Remuneration Committee	Mr. Terawaki has expertise and broad insight as a legal expert and has secured sufficient time to provide valuable suggestions and opinions on overall management including compliance and risk management in the Company's internal governance system. For these reasons, we judge that he meets the Company's nomination policy and nominate him once again as a candidate for outside Corporate Auditor.
	<b>Kazumine Terawaki</b> (Date of birth: April 13, 1954) (Notes 1 to 4)	
	Number of shares of the Company held by Candidate	900 shares
	Number of Board of Directors' meetings attended for the fiscal year 2021	12/12
	Number of Board of Corporate Auditors' meetings attended for the fiscal year 2021	13/13
	Number of years in office as a Corporate Auditor	4 years
<b>Brief history, title and important concurrent office</b>		
April 1980	Appointed as Public Prosecutor	
April 1998	Deputy Chief, General Affairs and Planning Department, the Research and Training Institute of the Ministry of Justice	
September 2003	Director-General, Criminal Affairs Division of the Nagoya District Public Prosecutors Office	
June 2007	Chief Public Prosecutor of the Fukui District Public Prosecutors Office	
July 2008	Deputy Superintending Prosecutor of the Sendai High Public Prosecutors Office	
January 2014	Director-General of Public Security Intelligence Agency	
January 2015	Superintendent Public Prosecutor of the Sendai High Public Prosecutors Office	
September 2016	Superintendent Public Prosecutor of the Osaka High Public Prosecutors Office	
June 2017	<b>Admitted as attorney at law (Tokyo Bar Association),</b> to this date	
February 2018	<b>Outside Corporate Auditor of the Company,</b> to this date	
June 2018	<b>External Audit &amp; Supervisory Board Member of The Shoko Chukin Bank, Ltd.,</b> to this date	
June 2019	<b>Outside Director of TOSHIBA MACHINE CO., LTD. (currently SHIBAURA MACHINE CO., LTD.),</b> to this date	
	<b>Outside Audit &amp; Supervisory Board Member of KAJIMA CORPORATION,</b> to this date	
Special interest with the Company		
None		

- (Notes) 1. Mr. Kazumine Terawaki is a candidate for outside Corporate Auditor. If his election as outside Corporate Auditor is approved, the Company plans for him to become an independent officer in accordance with the provisions of Tokyo Stock Exchange, Inc.
2. The current term of service as an outside Corporate Auditor of the Company of Mr. Kazumine Terawaki shall be four (4) years as of the closing of this General Meeting of Shareholders. He is an outside Director of SHIBAURA MACHINE CO., LTD., external Audit & Supervisory Board Member of The Shoko Chukin Bank, Ltd., and outside Audit & Supervisory Board Member of KAJIMA CORPORATION. There is no special interest between the Company and the said companies. He satisfies the Company's "Independence

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Criteria for Outside Officers" as well. Consequently, there is no risk of this having an impact on his independence.

3. The Company has entered into an agreement to limit the liabilities for damages with Mr. Kazumine Terawaki pursuant to Article 427, paragraph 1 of the Companies Act and Article 38 of the Articles of Incorporation of the Company. If his election as outside Corporate Auditor is approved, the Company intends to continue such agreement. The amount of maximum liability stipulated in the agreement is determined by each of the respective items under Article 425, paragraph 1 of the Companies Act, and this limitation of liability shall apply only when the above outside Corporate Auditor has acted in good faith and without gross negligence in performing the duties giving rise to the liability.
4. The Company has entered into a directors and officers liability insurance policy with an insurance company as provided for in Article 430-3, paragraph 1 of the Companies Act. The policy covers losses and such costs as related litigation expenses incurred from claims for damages borne by the insured where they receive a claim for damages from a shareholder or third party. In the event that the elections of the candidates are approved, each candidate will become an insured person in the policy. Furthermore, at the time of the next renewal, the Company plans to renew it with the same terms as the current policy.

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## Policies and Procedures for Election of Directors and Corporate Auditor

### <Policy for nomination of Director candidates>

The Board of Directors of the Company, in working to follow the mandate of the shareholders, shall have responsibilities to respect corporate philosophy, promote sustainable corporate growth and the improvement of corporate value over the medium to long term, and enhance earnings power and capital efficiency. Concerning the election of Directors, the Board of Directors has set forth the following criteria through which the persons deemed capable of fulfilling these responsibilities are nominated as candidates.

#### *Inside Director*

- 1) Must respect the corporate philosophy of the Company and embody these values.
- 2) Must possess abundant knowledge on domestic and international market trends concerning the Group business.
- 3) Must possess excellent competency in objective managerial judgment and business execution that contributes beneficially to the Group's management direction.

#### *Outside Director*

- 1) Must provide a guiding role in particular fields, such as corporate management, legal affairs, overseas, human resource development, and ESG and possess abundant experience and expertise in such fields.
- 2) Must have high affinity with the corporate philosophy and business of the Company, and possess the ability to express opinions, provide guidance and advice, and carry out supervision with respect to the inside Directors when deemed timely and appropriate to do so.
- 3) Must secure sufficient time to perform duties as an outside Director of the Company.

### <Policy for nomination of Corporate Auditor candidates>

The Corporate Auditors, in working to follow the mandate of the shareholders, shall have responsibilities to strive to prevent occurrences of infringements of laws and regulations and the Articles of Incorporation and maintain and improve the soundness of the Group's management and its trust from society. Concerning the election of Corporate Auditors, the Board of Directors has set forth the following criteria through which the persons deemed capable of fulfilling these responsibilities are nominated as candidates.

#### *Inside Corporate Auditor*

- 1) Must respect the corporate philosophy of the Company and embody these values.
- 2) Must maintain a stance of fairness and possess the capability to fulfill auditing duties.
- 3) Must have an overall grasp of the Group operations and be able to propose management tasks.

#### *Outside Corporate Auditor*

- 1) Must provide a guiding role in particular fields, such as corporate management, accounting, legal affairs, overseas, human resource development, and ESG and possess abundant experience and expertise in such fields.
- 2) Must have high affinity with the corporate philosophy and business of the Company, and possess the ability to express opinions, provide guidance, and carry out supervision with respect to the Directors from an objective and fair standpoint.
- 3) Must secure sufficient time to perform duties as an outside Corporate Auditor of the Company.

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## <Procedures for nomination of Corporate Officer candidates>

Concerning the nomination of candidates for Directors and Corporate Auditors, the Board of Directors will deliberate and decide after discussions in a meeting of the Nominating and Remuneration Committee.

As for candidates for Corporate Auditors, election propositions for the General Meeting of Shareholders must be approved by the Board of Corporate Auditors pursuant to stipulations in the Companies Act.

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## Independence Criteria for Outside Corporate Officers

To judge the independence of outside Directors and outside Corporate Auditors as stipulated in the Companies Act, we check the requirements for independent officers stipulated by Tokyo Stock Exchange, Inc. as well as checking whether the following apply.

- 1) A major shareholder of the Group (holding 10% or more of voting rights either directly or indirectly), or a person who executes business for a major shareholder of the Group (\*1)
  - 2) A person/entity for which the Group is a major client, or a person who executes business for such person/entity (\*2)
  - 3) A major client of the Group or a person who executes business for such client (\*3)
  - 4) A person who executes business for a major lender of the Group (\*4)
  - 5) A representative employee or employee of the accounting auditor for the Group
  - 6) A provider of expert services, such as a consultant, attorney at law, or certified public accountant, who receives cash or other assets exceeding ¥10 million in one business year other than Director/Corporate Auditor compensation from the Group
  - 7) A person/entity receiving contributions from the Group exceeding ¥10 million in one business year, or a person who executes business for such person/entity
  - 8) A person to whom any one of 1) to 7) above has applied in the past three business years
  - 9) Where any of 1) to 8) apply to a key person, the spouse or relative within two degrees of kinship of such person (\*5)
  - 10) A person with a special reason other than the preceding items that will prevent the person from performing their duties as an independent outside corporate officer, such as the potential for a conflict of interest with the Company
- \*1 A person who executes business means an executive director, executive officer, executive, or other employee, etc.
- \*2 A person/entity for which the Group is a major client means a person/entity who receives payments from the Group amounting to at least the higher of either 2% of their consolidated net sales or ¥100 million.
- \*3 A major client of the Group means a client that makes payments to the Group amounting to at least 2% of the Group's consolidated net sales.
- \*4 A major lender of the Group means a lender named as a major lender in the Group's Business Report.
- \*5 A key person means a director (excluding outside directors), corporate auditor (excluding outside corporate auditors), executive officer, executive, or other person in the rank of senior general manager or above, or a corporate officer corresponding to these positions.

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## The Board of Directors and Board of Corporate Auditors Structure (Planned) After the General Meeting of Shareholders

(Outside): Outside Director or Outside Corporate Auditor

(Independent): Independent Officer

○: Member of Nominating and Remuneration Committee (●: Chair)

Name	Title	Assignment		
Amane Nakashima	Chairman and Director	Chairman of the Board of Directors In charge of Compliance and Brand		○
Mitsuru Takamiya	Representative Director	President and Chief Executive Corporate Officer in charge of Overseas		○
Seiya Sato	Director	Senior Executive Corporate Officer in charge of Retail Market Business in general		
Nobuo Inoue	Director	Executive Corporate Officer in charge of Corporate (including Medium-term Business Plan Promotion, Group Governance, Risk Management and Sustainability)		○
Yoshinori Hamachiyo	Director	Senior Corporate Officer in charge of Research Development, Fine Chemicals and Intellectual Property, Food Culture and Health Promotion Project and Senior General Manager of R&D Division		
Ryota Watanabe	Director	Senior Corporate Officer in charge of Production and Quality		
Shihoko Urushi	Outside Director		(Outside) (Independent)	○
Hitoshi Kashiwaki	Outside Director		(Outside) (Independent)	●
Atsuko Fukushima	Outside Director		(Outside) (Independent)	○
Norimitsu Yamagata	Corporate Auditor	Full-time		
Hidekazu Oda	Corporate Auditor	Full-time		
Emiko Takeishi	Outside Corporate Auditor		(Outside) (Independent)	
Kazumine Terawaki	Outside Corporate Auditor		(Outside) (Independent)	○
Mika Kumahira	Outside Corporate Auditor		(Outside) (Independent)	

(Note) The titles and assignments are those at the Group.



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## Experience and Expertise of Directors, Corporate Auditors and Certain Corporate Officers

The experience and expertise possessed by Directors, Corporate Auditors, and senior Corporate Officers with special titles after the closing of the General Meeting of Shareholders are shown in the below skill matrix.

Also, please see 1) to 4) below for the Company's policy regarding the necessary skills, diversity, and scale for the Board of Directors.

An outside Corporate Officer may concurrently serve as an officer at other companies, and such concurrent officer positions at the listed companies other than the Company shall be limited to three (3) or less companies in principle.

- 1) The Company aims at a well-balanced composition of officers as a whole (including Directors and Corporate Auditors) in terms of experience, expertise, attributes, etc., and works on making up for insufficient factors by those of non-officers.
- 2) Inside Directors are composed mainly of Corporate Officers who can take a broad view of the overall Group.
- 3) The maximum term of service of an outside Corporate Officer is 10 years in order to maintain their independency; however, we make efforts to keep three years or more average term of service for all outside Corporate Officers, given the importance of their understanding of the food business and the Company.
- 4) The number of Directors shall be up to twelve (12), and outside Directors shall make up one third or more of the total number of Directors.

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		Age	Number of years in office	Experience & Expertise							
				Corporate management Management strategy	ESG Risk management	Finance & Accounting	HR	IT/Digital	Overseas experience	Sales and marketing	Production Research and development
Director	Amane Nakashima	62	25	○	○	○		○	○		
	Mitsuru Takamiya	60	–	○						○	○
	Seiya Sato	62	5							○	
	Nobuo Inoue	61	12	○	○	○	○			○	
	Yoshinori Hamachiyo	61	5								○
	Ryota Watanabe	57	1	○							○
	Shihoko Urushi	60	6	○	○		○			○	
	Hitoshi Kashiwaki	64	1	○		○	○			○	
	Atsuko Fukushima	60	–	○	○		○				
Corporate Auditor	Norimitsu Yamagata	62	3							○	○
	Hidekazu Oda	59	–	○	○					○	
	Emiko Takeishi	62	7		○		○				
	Kazumine Terawaki	67	4		○						
	Mika Kumahira	61	2	○	○		○		○		
Corporate Officer with special titles	Toshimasa Shirai	62	–							○	
	Masami Fujita	63	–					○			○
	Kaori Fujiwara	47	–						○	○	
	Shinya Hamasaki	57	–						○	○	

- (Notes) 1. The ages of each person are current as of February 25, 2022.  
 2. A circle has been placed for the experience and expertise of each person which is particularly expected by the Company.  
 3. Mr. Shinya Hamasaki will be promoted to Senior Corporate Officer on February 25, 2022.

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## Consolidated Financial Statements

### Consolidated Balance Sheets

	(Millions of yen)	
	Previous fiscal year (As of November 30, 2020)	Current fiscal year (As of November 30, 2021)
<b>Assets</b>		
Current assets		
Cash and deposits	56,835	58,343
Notes and accounts receivable-trade	73,783	56,875
Securities	10,000	10,000
Purchased goods and products	16,214	18,277
Work in process	1,398	1,369
Raw materials and supplies	9,609	10,419
Other current assets	6,696	2,303
Allowances for doubtful accounts	(523)	(137)
Total current assets	174,012	157,451
Fixed assets		
Tangible fixed assets		
Buildings and structures	191,496	157,939
Machinery, equipment and vehicles	183,338	149,308
Land	53,504	30,850
Lease assets	12,106	5,562
Construction in progress	5,352	2,488
Other tangible fixed assets	17,247	12,497
Accumulated depreciation	(250,243)	(212,114)
Total tangible fixed assets	212,802	146,532
Intangible fixed assets		
Goodwill	1,676	552
Software	9,383	10,979
Other intangible fixed assets	4,084	1,771
Total intangible fixed assets	15,144	13,303
Investments and other assets		
Investment securities	27,110	43,629
Assets for retirement benefits	9,601	11,128
Deferred tax assets	3,791	2,981
Other investments and other assets	12,002	6,096
Allowances for doubtful accounts	(188)	(120)
Total investments and other assets	52,316	63,715
Total fixed assets	280,263	223,552
Total assets	454,276	381,003

(Note) Figures are stated by discarding fractions of one million yen.

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(Millions of yen)

	Previous fiscal year (As of November 30, 2020)	Current fiscal year (As of November 30, 2021)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable-trade	41,828	28,015
Short-term loans payable	12,153	11,591
Accounts payable-other	14,480	17,908
Accrued income taxes	3,901	4,182
Reserves for sales rebates	747	741
Reserves for bonuses	1,817	1,442
Reserves for directors' bonuses	163	86
Other reserves	52	58
Other current liabilities	11,228	7,172
<b>Total current liabilities</b>	<b>86,373</b>	<b>71,199</b>
<b>Non-current liabilities</b>		
Bonds	10,000	10,000
Long-term loans payable	51,861	16,356
Deferred tax liabilities	6,223	5,856
Liabilities for retirement benefits	3,619	2,750
Other non-current liabilities	8,842	5,538
<b>Total non-current liabilities</b>	<b>80,546</b>	<b>40,502</b>
<b>Total liabilities</b>	<b>166,920</b>	<b>111,702</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Paid-in capital	24,104	24,104
Capital surplus	28,647	28,632
Earned surplus	201,705	194,015
Treasury stock	(15,865)	(5,838)
<b>Total shareholders' equity</b>	<b>238,592</b>	<b>240,913</b>
<b>Accumulated other comprehensive income</b>		
Unrealized holding gains (losses) on securities	8,882	8,690
Unrealized gains (losses) on hedges	(4)	8
Foreign currency translation adjustments	(3,411)	(962)
Accumulated adjustments for retirement benefits	(4,315)	(3,008)
<b>Total accumulated other comprehensive income</b>	<b>1,151</b>	<b>4,727</b>
<b>Non-controlling interests</b>	<b>47,612</b>	<b>23,660</b>
<b>Total net assets</b>	<b>287,356</b>	<b>269,301</b>
<b>Total liabilities and net assets</b>	<b>454,276</b>	<b>381,003</b>

(Note) Figures are stated by discarding fractions of one million yen.

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## Consolidated Statements of Income

(Millions of yen)

	Previous fiscal year (From December 1, 2019 to November 30, 2020)	Current fiscal year (From December 1, 2020 to November 30, 2021)
Net sales	531,103	407,039
Cost of sales	405,790	282,807
Gross profit	125,313	124,232
Selling, general and administrative expenses	97,009	96,260
Operating income	28,303	27,972
Non-operating income		
Interest and dividends income	605	532
Equity in earnings of affiliates	116	998
Other	1,303	995
Total non-operating income	2,024	2,527
Non-operating expenses		
Interest expenses	337	241
Other	1,001	560
Total non-operating expenses	1,338	801
Ordinary income	28,989	29,698
Extraordinary gains		
Gains on sales of fixed assets	102	459
Other	580	1,026
Total extraordinary gains	682	1,486
Extraordinary losses		
Impairment losses	1,950	1,097
Losses on disposal of fixed assets	1,880	1,087
Other	2,545	138
Total extraordinary losses	6,376	2,323
Profit before income taxes	23,296	28,860
Income taxes	8,664	8,329
Income taxes - deferred	159	260
Profit	14,471	20,269
Profit attributable to non-controlling interests	2,880	2,255
Profit attributable to owners of parent	11,591	18,014

(Note) Figures are stated by discarding fractions of one million yen.

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Matters to be disclosed on the Internet  
pursuant to laws and regulations, and the Articles of Incorporation

## Consolidated Statements of Changes in Net Assets

## Notes to Consolidated Financial Statements

For the Fiscal Year 2021  
(December 1, 2020 to November 30, 2021)

Kewpie Corporation

These matters are made available by publication on the Internet website of Kewpie Corporation (the "Company") pursuant to laws and regulations and its Articles of Incorporation.

(<https://www.kewpie.com/en/ir/>)

\* The contents of the consolidated statements of changes in net assets and the notes to consolidated financial statements are those audited by the accounting auditors by January 19, 2022.

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## Consolidated Statements of Changes in Net Assets

(From December 1, 2020 to November 30, 2021)

(Millions of yen)

	Shareholders' equity				
	Paid-in capital	Capital surplus	Earned surplus	Treasury stock	Total shareholders' equity
Balance at the beginning of the current fiscal year	24,104	28,647	201,492	(15,865)	238,379
Effects of finalization of provisional accounting treatment			213		213
Balance after reflecting the above effects	24,104	28,647	201,705	(15,865)	238,592
Changes of items during the fiscal year					
Dividends from surplus			(5,665)		(5,665)
Profit attributable to owners of parent			18,014		18,014
Purchase of treasury stock				(10,004)	(10,004)
Cancellation of treasury stock			(20,031)	20,031	-
Change in ownership interest of parent due to transactions with non-controlling interests		(15)			(15)
Change of scope of consolidation			(8)		(8)
Net changes of items other than shareholders' equity					
Total changes of items during the fiscal year	-	(15)	(7,690)	10,026	2,320
Balance at the end of the current fiscal year	24,104	28,632	194,015	(5,838)	240,913

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	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Unrealized holding gains (losses) on securities	Unrealized gains (losses) on hedges	Foreign currency translation adjustments	Accumulated adjustments for retirement benefits	Total accumulated other comprehensive income		
Balance at the beginning of the current fiscal year	8,882	(4)	(3,408)	(4,315)	1,153	45,844	285,377
Effects of finalization of provisional accounting treatment			(2)		(2)	1,768	1,979
Balance after reflecting the above effects	8,882	(4)	(3,411)	(4,315)	1,151	47,612	287,356
Changes of items during the fiscal year							
Dividends from surplus							(5,665)
Profit attributable to owners of parent							18,014
Purchase of treasury stock							(10,004)
Cancellation of treasury stock							-
Change in ownership interest of parent due to transactions with non-controlling interests							(15)
Change of scope of consolidation							(8)
Net changes of items other than shareholders' equity	(192)	12	2,448	1,306	3,576	(23,952)	(20,376)
Total changes of items during the fiscal year	(192)	12	2,448	1,306	3,576	(23,952)	(18,055)
Balance at the end of the current fiscal year	8,690	8	(962)	(3,008)	4,727	23,660	269,301

(Note) Figures are stated by discarding fractions of one million yen.



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## **Notes to Consolidated Financial Statements**

### I. Notes on the matters forming the basis of preparation of consolidated financial statements

#### 1. Consolidated subsidiaries

The Company has forty-six (46) consolidated subsidiaries. The significant consolidated subsidiaries are Kewpie Egg Corporation, Deria Foods Co., Ltd., Kewpie Jyozo Co., Ltd., Salad Club, Inc. and Aohata Corporation.

In the current fiscal year, K.R.S. Corporation ("KRS") and its fourteen (14) subsidiaries listed below have changed from being consolidated subsidiaries to being affiliated companies accounted for by the equity method, as the Company sold part of the shares of KRS.

- |                                      |                                     |
|--------------------------------------|-------------------------------------|
| 1. K. Tis Corporation                | 8. KAT Corporation                  |
| 2. S. Y. PROMOTION Co., Ltd.         | 9. Fresh Delica Network Corporation |
| 3. Kewso Services Corporation        | 10. Hisamatsu Transport Corporation |
| 4. KLQ Corporation                   | 11. PT Kiat Ananda Cold Storage     |
| 5. San-ei Logistics Corporation      | 12. PT Ananda Solusindo             |
| 6. San Family Corporation            | 13. PT Manggala Kiat Ananda         |
| 7. Osaka Sanei Logistics Corporation | 14. PT Trans Kontainer Solusindo    |

On the other hand, Kewpie Trading Europe B.V., which was a non-consolidated subsidiary not accounted for by the equity method, has been included in the scope of consolidated subsidiaries, since the said company has become material. Furthermore, one company has been included in the scope of consolidation as a result of its establishment, and one company has been excluded from the scope of consolidation due to the sale of its shares. As a consequence, two companies were added and sixteen (16) companies were excluded.

Among the ten (10) non-consolidated subsidiaries, the principal one is Kewpie-Egg World Trading U.S.A. Inc. These companies are excluded from consolidation, because each of the amount of their total assets, net sales, profit and loss and earned surplus (based on the Company's ownership percentage) does not have a significant effect on the consolidated financial statements of the Company.

#### 2. Application of the equity method

An equity method is applied to the investments in eighteen (18) affiliated companies. The significant affiliate under the equity method is KRS.

The investments in Kewpie-Egg World Trading U.S.A. Inc. and nine other non-consolidated subsidiaries, as well as EGG TRUST JAPAN K.K. and eight other affiliated companies are not accounted for by the equity method, since each of the amounts of profit and loss and earned surplus (based on the Company's ownership percentage) did not have a significant effect on the consolidated financial statements of the Company.

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## 3. Fiscal years of consolidated subsidiaries

Among consolidated subsidiaries of the Company, the fiscal year end of nine foreign consolidated subsidiaries is September 30 and that of six foreign consolidated subsidiaries is December 31.

Six foreign subsidiaries whose fiscal year end is December 31 are consolidated based on their provisional financial statements based on a provisional settlement of accounts as at September 30. Other nine foreign subsidiaries are consolidated based on the financial statements as at their fiscal year end. However, significant transactions of those subsidiaries recognized during the period after their settlement of accounts (September 30) to the fiscal year end of the Company's consolidated financial statements (November 30) are reflected.

## 4. Accounting policies

### (1) Basis and method of valuation of significant assets

#### (a) Securities

- i) Held-to-maturity bonds are stated at amortized cost (by the straight-line method).
- ii) Shares in subsidiaries and affiliated companies not accounted for by the equity method are stated at cost, determined by the moving average method.
- iii) Other securities with market value are stated at market value, determined by market prices, etc. as of the closing of the fiscal year. (Revaluation differences are all transferred directly to net assets. Selling costs are determined by the moving average method.) Those without market value are stated at cost, determined by the moving average method.

#### (b) Derivatives

Stated at market value.

Hedge accounting is applicable to hedge transactions that meet the requirements thereof.

#### (c) Inventories

Purchased goods and products, work in process, raw materials and supplies are principally stated at moving average cost (the value method to devalue a book value for decreasing profitability).

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## (2) Depreciation and amortization of significant depreciable and amortizable assets

### (a) Tangible fixed assets (excluding lease assets)

Tangible fixed assets are depreciated by the straight-line method.  
The main useful lives are as follows.

Buildings and structures: 2–50 years

Machinery, equipment and vehicles: 2–10 years

### (b) Intangible fixed assets (excluding lease assets)

Intangible fixed assets are amortized by the straight-line method.  
The main useful life is as follows.

Software: 5–10 years

### (c) Lease assets

Lease assets in finance lease transactions other than those which are deemed to transfer the ownership of lease assets to lessees are calculated by the straight-line method by considering the lease period to be useful life and the residual value to be zero.

Foreign consolidated subsidiaries that adopted IFRS have applied IFRS 16 "Leases". Due to this application, lessees, in principle, record all leases as assets and liabilities on the balance sheets, and the right-of-use assets recorded under assets are depreciated using the straight-line method.

## (3) Method of treatment of significant deferred assets

Business commencement expenses are recorded as expenses in full at the time of payment.

## (4) Accounting standards for significant allowances

### (a) Allowances for doubtful accounts

To provide for losses on bad debts, the Company sets aside an estimated uncollectable amount, by taking into consideration the possible credit loss rate in the future based on the actual loss rate in respect of general credits, and the particular possibilities of collection in respect of possible non-performing credits and other specific claims.

### (b) Reserves for sales rebates

To provide for payments for sales rebates to be borne during the current fiscal year, reserves for sales rebates are provided based on an accrual basis in accordance with each company's policy (rate of the estimated payments for sales rebates to sales).

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## (c) Reserves for bonuses

To provide for the payment of bonuses to employees, reserves for bonuses are provided according to the expected amount of the payment which attributes to the current fiscal year.

## (d) Reserves for directors' bonuses

To provide for the payment of bonuses to directors, reserves for directors' bonuses are provided according to the estimated amounts payable at the end of the current fiscal year.

## (5) Accounting for retirement benefits

### (a) Periodic allocation method for projected retirement benefits

In calculating retirement benefit obligations, the method of allocating the projected retirement benefits to the period up to the end of the current fiscal year is the benefit formula basis.

### (b) Method of accounting for actuarial gains or losses and prior service costs

Prior service costs are amortized by the straight-line method principally over twelve (12) years based on the average remaining employees' service years at the time of accrual.

Actuarial gains or losses are amortized by the straight-line method principally over twelve (12) years based on the average remaining employees' service years at each fiscal year, and their amortizations start from the next fiscal year of the respective accrual years.

In addition, if the amount of pension fund assets exceeds that of retirement benefit obligations for benefit pension plan, it is provided as assets for retirement benefits on the consolidated balance sheets.

## (6) Significant methods of hedge accounting

(a) Deferral hedge is adopted in hedge accounting. Appropriation processing is adopted for transactions that meet the requirements for that method.

(b) Hedging instruments are forward exchange contracts.

(c) Hedged items are purchase transactions in foreign currencies.

(d) The Company enters into forward exchange contracts to hedge risks from fluctuations in foreign exchange rates.

In addition, the Company never makes use of them for the purpose of speculative transactions.

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## (e) Assessment of the effectiveness of hedge accounting

Control procedures of hedge transactions are executed according to the Company's internal rules. The effectiveness of the hedge is analyzed by comparing movements in the fair value of hedged items with those of hedging instruments, assessed and strictly controlled.

## (7) Amortization of goodwill

Goodwill is amortized on a straight-line basis over its estimated useful life during which its effect will be realized. However, trivial goodwill is fully amortized in the fiscal year in which it is incurred.

## (8) Other important matters forming the basis of preparation of consolidated financial statements

Consumption taxes are treated on a net-of-tax basis.

## II. Notes on changes in presentation

(Application of "Accounting Standard for Disclosure of Accounting Estimates")

The Company has applied the "Accounting Standard for Disclosure of Accounting Estimates" (ASBJ Statement No. 31, March 31, 2020) from the current fiscal year, and a note titled "III. Notes on accounting estimates" is included in the Notes to Consolidated Financial Statements.

## III. Notes on accounting estimates

(Valuation of fixed assets of Kewpie Egg Corporation)

For fixed assets on certain asset groups of Kewpie Egg Corporation, an indicator of impairment was identified, reflecting the effects of a decrease in demand due to COVID-19 and a rise in the price of eggs used as an ingredient. However, no impairment losses were recognized, since undiscounted future cash flows of these asset groups exceeded the book value of the fixed assets in determining whether impairment losses are recognized.

### 1. Amount recorded in consolidated financial statements for the current fiscal year

Book value of fixed assets on relevant asset groups      ¥10,896 million

### 2. Information on the content of significant accounting estimates for identified items

#### (1) Method for calculating estimates of undiscounted future cash flows and major assumptions

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In determining whether impairment losses are recognized, undiscounted future cash flows were calculated based on business plans, which was formulated incorporating sales volume and gross margin per unit as major assumptions, on the premise of a modest recovery of demand in the restaurant sector in conjunction with a subsiding trend of COVID-19 and stable balance between egg supply and demand as a result of a decrease in occurrence of avian influenza.

## (2) Impact on consolidated financial statements for the next fiscal year

If business performance declines due to the re-spread of COVID-19 and the effects of avian influenza, and consequently actual results deviate from an estimated amount of undiscounted future cash flows, impairment losses could be recorded.

## IV. Notes to consolidated balance sheets

Contingent liabilities

Guarantee obligations

¥189 million

## V. Notes to consolidated statements of changes in net assets

### 1. Classes and total numbers of shares issued and outstanding and shares of treasury stock

	Class of shares issued and outstanding	Class of shares of treasury stock
	Shares of common stock	Shares of common stock
Number of shares as of December 1, 2020	150,000,000 shares	6,959,200 shares
Increase in the number of shares during the year	–	4,035,890 shares
Decrease in the number of shares during the year	8,500,000 shares	8,500,000 shares
Number of shares as of November 30, 2021	141,500,000 shares	2,495,090 shares

(Note 1) The increase of 4,035,890 shares in the number of shares of treasury stock includes an increase of 4,034,000 shares due to the purchase of treasury stock in accordance with the resolution of the Board of Directors, and an increase of 1,890 shares due to the acquisition of shares less than one unit.

(Note 2) The decrease of 8,500,000 shares in the number of shares of treasury stock is due to cancellation of treasury stock in accordance with the resolution of the Board of Directors.

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## 2. Distribution of surplus

### (1) Amount of dividends paid

(a) At the meeting of the Board of Directors held on January 20, 2021, a resolution was adopted as follows:

- Matters concerning dividends on shares of common stock
  - i) Total amount of dividends ¥2,860 million
  - ii) Amount of dividend per share ¥20.00
  - iii) Record date November 30, 2020
  - iv) Effective date February 5, 2021

(b) At the meeting of the Board of Directors held on June 28, 2021, a resolution was adopted as follows:

- Matters concerning dividends on shares of common stock
  - i) Total amount of dividends ¥2,804 million
  - ii) Amount of dividend per share ¥20.00
  - iii) Record date May 31, 2021
  - iv) Effective date August 10, 2021

(2) Dividends whose record date fell during the current fiscal year but whose effective date will fall during the next fiscal year

A proposition is planned to be submitted to the meeting of the Board of Directors to be held on January 21, 2022 as follows:

- Matters concerning dividends on shares of common stock
  - i) Total amount of dividends ¥3,753 million
  - ii) Fund of dividends Earned surplus
  - iii) Amount of dividend per share ¥27.00
  - iv) Record date November 30, 2021
  - v) Effective date February 7, 2022

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## VI. Notes on financial instruments

### 1. Matters relating to the status of financial instruments

#### (1) Policy in relation to financial instruments:

The Group raises required funds through bank loans and bond issues according to its equipment investment plan. Floating money is invested in high-security financial assets and short-term operating funds are provided by bank loans. The Group uses derivatives to hedge risks, as described below, and has a policy not to conduct speculative trading.

#### (2) Details of financial instruments and related risks:

Notes and accounts receivable - trade, which are operating receivables, are exposed to clients' credit risks. Securities and investment securities, which principally consist of shares in the client companies related with the Group's business, are exposed to market risk.

Substantially all of notes and accounts payable - trade, which are operating payables, have payment due dates within one year. Some operating payables in relation to import of raw materials are denominated in foreign currencies and exposed to foreign currency risk, which is hedged by using forward exchange contracts when necessary. Short-term loans payable are funds raised principally in relation to business transactions and long-term loans payable and bonds are funds raised principally for necessary equipment investment.

Derivatives are forward exchange contracts to hedge foreign currency risk involving payables in foreign currencies. With regard to hedging instruments, hedged items, hedge policies, the method of assessment of the effectiveness of hedges, etc., please refer to the above "I. Notes on the matters forming the basis of preparation of consolidated financial statements: 4. Accounting policies: (6) Significant methods of hedge accounting".

#### (3) Risk management system relating to financial instruments:

##### (i) Management of credit risk:

The Company, through its operation management division and accounting and financing division, periodically monitors the conditions of its major clients and manages the due dates and balances of its operating receivables by client to early detect or reduce credits that may become uncollectable due to the deterioration of its financial position or other reasons. Likewise, its consolidated subsidiaries manage their operating receivables.

With regard to derivatives, the Company perceives very little credit risk as it enters into transactions solely with financial institutions with high ratings.



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## (ii) Management of market risk:

The Group uses forward exchange contracts to hedge foreign currency risk involving payables in foreign currencies. The Company's risk management relating to such derivatives is conducted by its Division of Production and Financial Department pursuant to its internal rules and all of the trading results are reported to the General Manager of the Financial Department. With regard to its consolidated subsidiaries, such risk management is conducted principally by their respective administration divisions and the trading results are reported to the respective directors of the subsidiaries responsible therefor.

With regard to securities and investment securities, the Company periodically gains information on the market values and financial standings of the issuers (client companies) and reviews the holding of securities other than those held to maturity on a continuous basis by taking into consideration the market conditions and the relationships with the client companies.

## (iii) Management of liquidity risk relating to financing:

The Group prepares and revises cash flow projections on a timely basis and keeps current cash flow at a specified level through overdraft agreements with several banks and a cash management system to manage liquidity risk.

## (4) Supplementary explanation of matters relating to the fair values of financial instruments, etc.:

The fair values of financial instruments include market prices and reasonably estimated values if there are no market prices. As the estimation of fair values incorporates variable factors, adopting different assumptions may change the values.

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## 2. Matters concerning fair values, etc. of financial instruments

The following table shows amounts for items recorded in the consolidated balance sheets as of November 30, 2021, along with their fair values and the variances. Items for which determining the fair values is recognized as being extremely difficult are not included in the table. (See Note 2)

(Millions of yen)

	Balance sheet amount	Fair value	Variance
(1) Cash and deposits	58,343	58,343	—
(2) Notes and accounts receivable - trade	56,875		
Allowances for doubtful accounts (*1)	(135)		
	56,740	56,740	—
(3) Securities and investment securities	38,366	39,002	635
Total assets	153,450	154,085	635
(4) Notes and accounts payable - trade	28,015	28,015	—
(5) Short-term loans payable	1,305	1,305	—
(6) Accounts payable - other	17,908	17,908	—
(7) Accrued income taxes	4,182	4,182	—
(8) Bonds	10,000	10,020	20
(9) Long-term loans payable (*2)	26,642	26,697	54
Total liabilities	88,054	88,130	75
Derivatives (*3)	27	27	—

(\*1) Allowances for doubtful accounts of notes and accounts receivable - trade are excluded from the notes and accounts receivable - trade.

(\*2) Long-term loans payable include the current portion of long-term loans payable that are included in short-term loans payable.

(\*3) Net receivables and payables resulting from derivatives are presented in net amounts.

(Note 1) Matters concerning the calculation method of the fair values of financial instruments, as well as securities and derivatives:

### Assets

(1) Cash and deposits and (2) Notes and accounts receivable - trade:

The book value is used for these items, as the fair value is nearly equal to the book value as a result of their short settlement periods.

(3) Securities and investment securities:

The fair value of stocks is determined by the price thereof traded on an exchange. For bonds, the value is determined by the price on an exchange or the price announced by the counterparty financial institutions. For money in trust or otherwise, the book value is used, as the fair value is nearly equal to the book value as a result of its short settlement periods.

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## Liabilities

(4) Notes and accounts payable - trade, (5) Short-term loans payable, (6) Accounts payable - other and (7) Accrued income taxes:

The book value is used for these items, as the fair value is nearly equal to the book value as a result of their short settlement periods.

(8) Bonds

The fair value of bonds with fixed interest rates is measured as the present value of the total principal and interest discounted at a rate that would be applied for a new similar issuance.

(9) Long-term loans payable:

The fair value of long-term loans payable is calculated from the present value of the total principal and interest discounted at a rate supposing newly conducted similar borrowings.

## Derivatives

Fair values with respect to derivative transactions are calculated based on prices indicated by counterparty financial institutions and other such entities.

(Note 2) Financial instruments for which determining the fair values is recognized as being extremely difficult:

Category	Balance sheet amount (Millions of yen)
Unlisted shares	15,263

The item has no market price. Accordingly, as determining the fair value is recognized as being extremely difficult, it is not included in "(3) Securities and investment securities".

## VII. Note on leased and other real estate properties

Note on leased and other real estate properties are omitted as the total amount thereof is insignificant.

## VIII. Note on information per share

Net assets per share	¥1,767.14
Earnings per share (basic)	¥128.17

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## IX. Notes on business combination

(Finalization of provisional accounting treatment for business combination)

For the business combination of KRS, which was the Company's consolidated subsidiary, and KIAT ANANDA Group (PT Kiat Ananda Cold Storage, PT Ananda Solusindo, PT Manggala Kiat Ananda and PT Trans Kontainer Solusindo) on November 2, 2020, a provisional accounting treatment had been applied in the previous fiscal year and it was finalized in the current fiscal year.

Following the finalization of the provisional accounting treatment, the significant revisions have been reflected to initial allocation of acquisition costs. The revised allocations were as follows:

Item	(Millions of yen)			
	PT Kiat Ananda Cold Storage	PT Ananda Solusindo	PT Manggala Kiat Ananda	PT Trans Kontainer Solusindo
Goodwill before revision (figures in parentheses indicate gains on negative goodwill)	755	445	41	(3)
Revisions:				
Land	(883)	(116)	–	–
Customer-related assets	–	(627)	(1,161)	(180)
Deferred tax liabilities	194	163	255	39
Foreign currency translation adjustments	–	–	–	(2)
Non-controlling interests	528	445	695	99
Profit attributable to non-controlling interests	–	–	(201)	(56)
Total revisions	(160)	(135)	(412)	(100)
Goodwill after revision (figures in parentheses indicate gains on negative goodwill)	595	310	(370)	(103)

This resulted in respective increases of ¥1,000 million for land, ¥1,969 million for customer-related assets, ¥653 million for deferred tax liabilities, ¥1,768 million for non-controlling interests, ¥471 million for gains on negative goodwill, and ¥257 million for profit attributable to non-controlling interests, and resulted in decreases of ¥337 million for goodwill and ¥2 million for foreign currency translation adjustments.

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## (Business divestiture)

The Company resolved, at the meeting of its Board of Directors held on January 7, 2021, to sell part of the shares of the Company's consolidated subsidiary, KRS, and a share sale was implemented by off-auction distribution on January 18, 2021. As a result of this share sale, KRS and its fourteen (14) subsidiaries listed below (collectively the "KRS Group") have changed from being consolidated subsidiaries of the Company to being affiliated companies accounted for by the equity method of the Company, effective from the beginning of the current fiscal year.

- |                                      |                                     |
|--------------------------------------|-------------------------------------|
| 1. K. Tis Corporation                | 8. KAT Corporation                  |
| 2. S. Y. PROMOTION Co., Ltd.         | 9. Fresh Delica Network Corporation |
| 3. Kewso Services Corporation        | 10. Hisamatsu Transport Corporation |
| 4. KLQ Corporation                   | 11. PT Kiat Ananda Cold Storage     |
| 5. San-ei Logistics Corporation      | 12. PT Ananda Solusindo             |
| 6. San Family Corporation            | 13. PT Manggala Kiat Ananda         |
| 7. Osaka Sanei Logistics Corporation | 14. PT Trans Kontainer Solusindo    |

### 1. Outline of the business divestiture

#### (1) Name of successor company

Because shares were sold by off-auction distribution, this information is omitted.

#### (2) Content of the divested business

Consolidated subsidiaries	KRS and its fourteen (14) subsidiaries
Content of the business	Warehousing and transportation services

#### (3) Main reason for business divestiture

KRS was established in 1966 upon the reorganization making the Company's warehouse division to its newly incorporated subsidiary and thereafter it has contributed to the Kewpie Group's progressive business development through its highly qualified and competitive food logistics services.

In these years, amidst dramatic changes in food products and logistics business environment, the Company and KRS have discussed and examined their future business developments from the perspective of sustained growth of both companies.

As a result, KRS concluded that its corporate value would be enhanced by dissolving the parent-subsidary relationship with the Company, so that KRS may be able to speed up its decision-making and independent judgment on strategic investments, and reinforce its comprehensive food logistics operations in the domestic market and aggressively expand its businesses in overseas markets promoting more innovative growth strategies than ever.

On the other hand, the Company has determined that its corporate value would be

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enhanced for the future towards "Our Ideal"<sup>(Note)</sup> through further concentration of management resources in the domestic and overseas food businesses.

Taking the above into account, in spite of the sale of shares, the Company and KRS will keep sharing a common idea of highly qualified food distribution system that covers from manufacturing to delivery of products, and KRS will bear responsibility for the Kewpie Group's logistics duties.

The Company and KRS will continue a strong partnership in the food manufacturing and logistics operations and work together for sustained growth in corporate value for both companies.

(Note) We aim to be a group contributing to the food culture and health of the world through "great taste, empathy, and uniqueness".

(4) Date of business divestiture

January 18, 2021 (Date of share sale)  
December 1, 2020 (Deemed date of divestiture)

(5) Outline of the transaction including its legal form

Partial sale of issued shares of KRS whereby the consideration received is only property including cash

(6) Number of shares sold and share ownership after the sale

Number of shares sold	253,600 shares
Share ownership after the sale	5,420,402 shares (Percentage of voting rights: 43.6%)

2. Outline of the accounting treatment implemented

(1) Amount of gain or loss on the sale of shares

Gain on sales of shares of subsidiaries and associates ¥291 million

(2) Appropriate book value and major breakdown of the assets and liabilities related to the business transferred

Current assets	¥32,347 million
<u>Fixed assets</u>	<u>¥72,916 million</u>
Total assets	¥105,264 million

Current liabilities	¥32,314 million
<u>Non-current liabilities</u>	<u>¥29,926 million</u>
Total liabilities	¥62,241 million

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## (3) Accounting treatments

The difference between the book value of the sold shares in the consolidated accounts of KRS Group and the sale price of the share sale was recorded as losses on sales of shares of subsidiaries and associates. On the other hand, a gain was realized as a result of this share sale, in connection with "unrealized gains on the land sales to KRS by the Company and its consolidated subsidiaries" which had been implemented in prior fiscal years. This gain was accounted for as an adjustment to loss (gain) on sales of shares of subsidiaries and associates. As a consequence, a gain on sales of shares of subsidiaries and associates was recorded as extraordinary gains.

## 3. Reporting segment in which the divested business was included

Distribution Business

## 4. Approximate amounts of profit or loss of the divested business included in consolidated statement of income for the current fiscal year

Since a divestiture of business came into force as of the beginning of the current fiscal year (as the deemed divestiture date), "net sales" and "operating income" associated with the divested business are not included in the consolidated statement of income for the current fiscal year.

Profit or loss associated with the divested business is recorded in "Equity in earnings of affiliates" in the consolidated statement of income for the current fiscal year.

Equity in earnings of affiliates      ¥902 million

## X. Notes on material subsequent events

Not applicable.

(Note) Figures are stated by discarding fractions of one million yen.