Calbee

Calbee Group
Integrated Report 2026














Contents

Our Value Creation Story

2 Value Creation Guided by Our Corporate Philosophy
4 CEO Message
7 CFO Message
10 Our Value Creation Journey: Where We Stand Today
12 The Next Stage of Value Creation: Leveraging Our Unique Strengths to Enhance Stakeholder Value
15 FOCUS | Global Expansion: Growing the *Harvest Snaps* Brand

Dialogue Feature

19 Management Structure and Capabilities to Deliver Our Vision
20 Delivering Our 2035 Vision: A Discussion Among the CPO, CSO, CTO, and CMO
24 Delivering Our 2035 Vision: Perspectives from the CEO and an Outside Director

Growth Strategy

26 Growth Strategy Overview
29 Strengthening Domestic Foundation
33 Accelerating Overseas Growth
37 Financial Strategy
39 Strengthening Human Capital Management
42 Promoting Sustainability Management

Governance

48 Roundtable Discussion with Outside Directors
50 Strengthening Corporate Governance
50 Evolving Governance to Support Value Creation
53 Enhancing Board Operations Through Effectiveness Evaluations
54 Succession Planning and Next-Generation Management Talent
55 Executive Compensation Linked to Medium- to Long-Term Value Creation
56 Risk Management

Company Data

58 Financial Highlights
59 Non-Financial Highlights
60 Corporate Information

Concerning descriptions regarding forward-looking statements

In addition to past and present facts about Calbee, this report includes forward-looking statements such as plans and forecasts as of the issue date. These forward-looking statements reflect our judgment based on information available at the time of writing. Various factors could cause the results of future business activities and other phenomena to differ materially from expectations.

Editorial Policy

In publishing Integrated Report 2026, our aim is to give shareholders, investors, and other stakeholders a sense of Calbee's transformation and to inspire their expectations for the Company's future. In the report, the CEO and other senior management share their own thoughts about Calbee's future, and we provide a detailed breakdown of our value creation process and growth strategy to help readers gain a better understanding of our pathway to sustainable growth. We have adopted a clear page layout that will assist those reading our report for the first time. By using it as a tool for dialogue with our stakeholders, we will continue striving to increase Calbee's corporate value.

Period covered	April 1, 2025 to March 31, 2026 (Information from outside this period is presented where appropriate.)
Organizational scope	Calbee Group, comprising Calbee, Inc. and its consolidated subsidiaries
Issue date	September 2026

Presentation of company names in the text

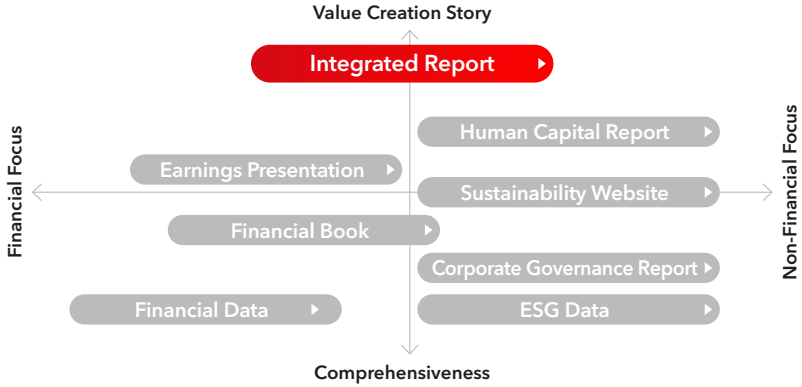
Throughout this report, "Calbee" and "the Company" refer to the Calbee Group, while "Calbee, Inc." refers to Calbee, Inc. as a standalone company.

Guidelines used for reference

Ministry of Economy, Trade and Industry (METI): Guidance for Integrated Corporate Disclosure

Information Disclosure System

This report focuses on the most important financial and non-financial information from the perspective of Calbee's value creation. For more comprehensive information, please refer to our other disclosure materials.



Value Creation Guided by Our Corporate Philosophy

As we enter a new stage of growth, we are evolving into a company that creates and delivers joy through food for more people around the world. Since our founding, Calbee has been guided by the belief that products created from nature's gifts can bring happiness to people's lives. Building on this belief, our mission is to create even greater value and use it to enrich the lives of all our stakeholders.



Founder
Takashi Matsuo

Corporate Philosophy

We are committed to harnessing nature's gifts, to bringing taste and fun, and to contributing to healthy life styles.

Group Vision

We must earn respect, admiration and love firstly of our customers, suppliers and distributors, secondly of our employees and their families, thirdly of the communities, and finally of our stockholders.



Founding Spirit

To be a company that gathers knowledge in order to create products that are healthy, safe, and affordable, while utilizing unused food resources.

Calbee was founded during the food shortages following the Second World War, with a desire to improve nutrition by turning unused resources into safe, nourishing food. Even today, this spirit continues to guide the products we make, inspired by the passion of Calbee's founder, Takashi Matsuo.

Our DNA—The Origin of the Calbee Name

The name Calbee combines "Cal" from calcium and "B" from vitamin B_1. At a time when food was scarce, our founder, Takashi Matsuo, sought to use underutilized food resources to create products that would help people lead healthier lives. His commitment to this goal remains part of Calbee's DNA to this day.

Value Creation Guided by Our Corporate Philosophy



Our 2035 Vision:

Transform from a Japanese snack maker into a Global Snacking Company

Freer, Healthier, More Personal.

As expectations regarding food continue to evolve around the world, eating habits are becoming more diverse than ever. People are increasingly choosing foods that reflect their daily moods and lifestyles, while paying closer attention to ingredients and how products are made. As food choices become more personal, these changes create significant opportunities for Calbee as we continue to deliver the joy of food by staying close to the needs and aspirations of consumers.

At Calbee, we are creating new value in the snack and light meal categories, while fostering snacking as a new and evolving eating habit. Looking ahead to 2035, we will bring greater choice and enjoyment to the future of food, contributing to healthier and more fulfilling lives for our consumers.

CEO Message

As we strive to become a global snacking company, we will bring the joy of food to people around the world while continuing to achieve strong growth.



Makoto Ehara
President & CEO

Aiming to Become a Global Snacking Company

At Calbee, we have set out to transform from a Japanese snack maker into a global snacking company. This does not simply mean expanding overseas or increasing the scale of our business. It signals a new direction for management, redefining the basis of our value creation at a time when the very nature of food is undergoing profound change.

The pace of change affecting consumers continues to accelerate. Lifestyles, including ways of working, are becoming more diverse, while advances in digitalization and other developments are leading to increasingly individualized daily routines. Along with these changes, people's expectations and values around food, including their eating habits, food culture, and preferences, are also evolving significantly. To address these structural changes, we believe that simply extending our existing business model will not be enough to deliver sustainable growth.

That is why we have positioned snacking, a way of creating joy through food, as our next area of growth and made it the basis of our vision for 2035. Snacking is no longer just about satisfying hunger. It can offer a moment to reset, time to share with others, or a chance to enjoy a moment in one's own personal way. It is emerging as a new style of eating with the power to make everyday life more positive and fulfilling.

And as snacking continues to evolve, it will increasingly be required to deliver two forms of value: "health and well-being" and "enjoyment and fulfillment." Consideration for health is a form of functional value, while enjoyment and fulfillment are forms of emotional value. We believe that creating joy through food means delivering on both at a high level, together with great taste. This is the value Calbee must provide in the years ahead.

Looking toward 2035, we aim to become a company that, while harnessing the power of natural ingredients, creates new value and brings smiles to people around the world. To realize this vision, we will work together with consumers, producers, partners, and society to nurture this value and expand it globally.

To Be Seen by Society as an Innovative Company

Our decision to create a new vision reflects not only the favorable external conditions described earlier, but also a clear recognition of the challenges we face internally. With society and consumers changing at a pace and in ways fundamentally different from the past, I feel that we need to accelerate our ability to respond to these changes even further.

Our strengths lie in the "great taste and fun" we provide,

CEO Message

and the trust we have built over many years. We will continue to uphold these qualities going forward. On the other hand, I am concerned that innovation at Calbee has lost some momentum in recent years. Although Calbee has produced one innovative product after another, I do not believe new products have generated sufficient growth in recent years. Perhaps partly as a result, people see Calbee as a reassuring, trustworthy, and approachable company, but not necessarily as an innovative one. To further enhance the value of Calbee as a company and brand, I believe we need to revive our culture of innovation.

The key to reinvigorating our spirit to challenge conventional thinking lies in our commitment to understanding our consumers and to co-creation. Both principles have been part of Calbee since our founding. By revisiting and strengthening them, I believe we can accelerate value creation in the new field of snacking and realize our 2035 Vision.

From *Change 2025* to *Accelerate the Future*

We launched our growth strategy, *Change 2025*, in the fiscal year ended March 2024, positioning it as a period of structural reform ahead of our next stage of growth. Under this strategy, we reviewed our organizational structure and how we operate. The most significant transformation was our shift to a three-region structure integrating production, sales, and logistics. This helped us shift our focus from optimizing individual functions to rebuilding collaboration across the Group. Bringing sales and production together within the same organization has also deepened their mutual understanding of frontline operations and enabled us to move toward more integrated operations, including logistics.

At the same time, restoring momentum within the organization was another important priority. We placed particular emphasis on shifting our mindset from "individualism to teamwork." Under the previous evaluation system, sales received the greatest recognition. In reality, however, sales, production, marketing, and support functions work together to create value. We therefore revised our performance evaluation system, which had emphasized individual performance, and worked to embed a set of values reflecting the nature of a manufacturing company: collaborating to achieve results. Employees now have a deeper understanding of the importance of working across functions, and this has fostered a strong sense of unity across the organization.

Our 2035 Vision sets out the future we intend to create on the foundation established through these reforms. Under the slogan *Accelerate the Future*, our growth strategy sets out how we will bring this vision to life. Three years is too short a timeframe to advance the long-term investment needed to drive growth. That is why we mapped out our future over a ten-year horizon. As we have continued to advance these reforms, the foundation for our next stage of growth has steadily taken shape. Building on this foundation, we will further accelerate our efforts toward the future we envision.

Building a Management Model Capable of Sustaining Strong Growth

The essence of our new growth strategy is clear: to create a management model capable of sustaining strong growth by improving the profitability of our domestic business and investing those profits in growth areas.



As our external environment undergoes significant change and we find ourselves in the midst of intense global competition, our traditional value proposition of simply delivering great-tasting products is no longer sufficient to secure a sustainable competitive advantage. To continue winning in the marketplace, we need a repeatable system that can consistently generate strong growth. This is the management model we aim to build.

Of course, building such a model will not be easy. However, throughout our history, Calbee has steadily developed the capabilities needed to remain the consumers' choice. These include our expertise in raw materials, unique processing technology that utilizes natural ingredients, product development capabilities that anticipate changing consumer needs, marketing and sales capabilities that create strong brand value, and the trust in our brands that we have earned over many years. By applying these strengths to each market and establishing a repeatable formula for success, we will ensure future growth.

Another key to achieving strong growth is transforming our portfolio to focus on markets where we can win. In Japan, we will sharpen our understanding of consumer needs and further

CEO Message

refine our value propositions. Overseas, we will concentrate our investments in areas where Calbee's strengths can be leveraged most effectively, particularly in North America and China. We have set a specific target for our growth areas (overseas and new category businesses) to account for 50% of our business portfolio in ten years. We will backcast from this target to determine the actions we need to take.

Market size will not be our only consideration. Just as important is whether Calbee can win decisively in each market. We will concentrate on areas where we can succeed, steadily accumulate and build on our results, and create momentum for the next stage of growth.

The source of our competitiveness has always been our frontline operations. The sincerity and perseverance of each employee, together with their commitment to understanding our consumers, are among Calbee's fundamental strengths. I will continue to engage our frontline employees and remain committed to managing the business grounded in operational reality. At the same time, through constructive dialogue with investors, we will further refine our management approach to balance both growth and capital efficiency.

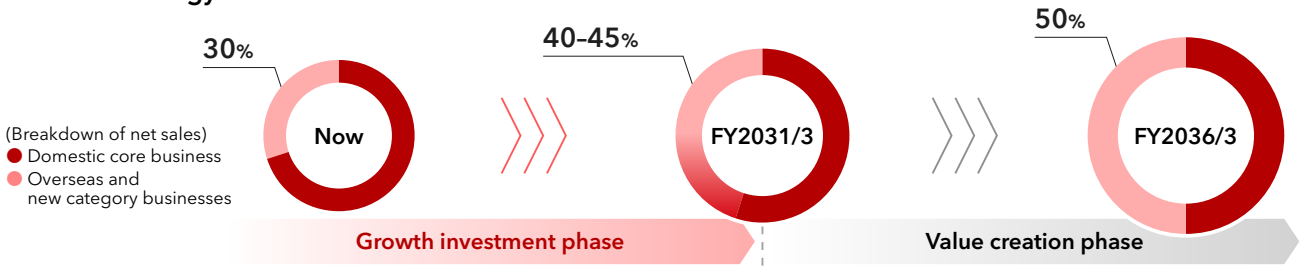
Turning Sustainability into a Competitive Advantage and a Foundation for Future Growth

Under our new growth strategy, we continue to position sustainability as a key priority. For Calbee, sustainability goes beyond social responsibility. It is essential to enhancing corporate value over the long term and strengthening the competitiveness that underpins growth.

Our business is closely tied to natural capital, particularly agriculture. We cannot achieve sustainable growth without addressing challenges such as climate change and Japan's aging population of growers. We have been strengthening the development of potato varieties, diversifying growing regions, and promoting labor-saving practices in agriculture. I view these initiatives not just as risk-mitigation measures, but as strategic investments that will build our future competitive advantage.

We also make decisions on initiatives to reduce our environmental impact and promote the circular use of resources based on their potential for long-term value creation rather than viewing them as a short-term cost. I firmly believe that sustainable natural capital is both a prerequisite for our business and a foundation for further growth.

2035 Growth Strategy: Business Growth and Portfolio Transformation



	Growth investment phase	Value creation phase
Domestic business	● Enhance added value of domestic core business and invest in developing next-generation foundation	● Leverage existing assets of domestic core business
Overseas business	● OPEX investment in foundation for growth in North American business	● Expand cash flow generation in North American business ● Business growth in Asian regions
Inorganic growth	● Conduct M&A in growth areas to enable portfolio transformation (Expansion into new domestic categories and overseas snack business)	

Continuous Change Makes Sustainable Growth Possible

We prioritize sustainable growth over short-term expansion. To continue enhancing corporate value, we must place integrity at the center of our efforts and steadily apply sound analysis with consistent execution. I believe that this unwavering commitment to maintaining consumer trust is what builds long-term competitive strength.

At the same time, we must not fear change and must continue taking on new challenges. To remain a company that society continues to value for more than 100 years, we cannot rest on past successes, but must continually renew ourselves. We believe in the potential of natural ingredients and will continue creating new value. By embracing new challenges, we will open the way to our next stage of growth. Calbee will continue to accelerate sustainable growth while creating joy through food for people around the world.



CFO Message

Building on the relationships of trust we have established with our stakeholders, we will enhance earnings power, capital efficiency, and growth expectations in an integrated manner, thereby achieving sustained growth in corporate value toward 2035.

Kazuhiro Tanabe
Director, Executive Officer,
CFO & CDXO

Strengthening Earnings Power, Capital Efficiency and Growth Expectations to Drive Our Corporate Value Enhancement Model

To realize our 2035 Vision of becoming a global snacking company, we have launched our new growth strategy, *Accelerate the Future*. To clearly communicate the strategy's objectives and intent within and outside the Company, we developed a Corporate Value Enhancement Model that illustrates how we will achieve sustainable growth (see diagram on page 8). This model is more than simply a collection of indicators. It shows how initiatives across our business and functions come together to form our company-wide growth story, presenting a comprehensive picture of how we intend to enhance value. As the model illustrates, we aim to enhance Calbee's overall corporate value by simultaneously strengthening the three pillars of earnings power, capital efficiency, and growth expectations, while preserving financial soundness.

Strengthening Earnings Power with a Focus on Capital Efficiency

To enhance corporate value, our highest priority is to strengthen our earnings power, with EBITDA growth serving as the key metric for measuring our cash-generating capability. In Japan, where the population continues to decline, we will pursue greater efficiency improvements to maximize our EBITDA margin. In overseas markets, where there is significant room for growth, we will focus on expanding business scale, using absolute EBITDA as a key metric. At the same time, by integrating inorganic growth opportunities, including through M&A, we will accelerate business expansion while transforming our portfolio into one capable of delivering sustainable growth.

To enhance our earnings power faster than ever before, we must have the resolve to make the necessary investments for growth. Historically, we have taken a cautious approach to growth investment, and we recognize that, as a result, this prevented us from fully capturing growth opportunities. Going forward, we will move beyond conventional thinking and, while also making use of financial leverage, execute on investments. At the same time, investment requires discipline. To pursue strategic growth investments with a focus on capital efficiency, we have adopted a policy of maximizing the spread between return on invested capital (ROIC) and the weighted average cost of capital (WACC). Since becoming CFO in 2023, I have worked to clarify the level of returns required from our investments. We have updated our WACC for each country and established an investment discipline requiring ROIC to exceed WACC. By achieving ROIC above WACC, we can generate sufficient returns to fund further investment. By sustaining this cycle, we aim to maximize free cash flow in the future.

To support this cycle, we have set a net D/E ratio ceiling of 0.5 to preserve financial soundness. We will also establish a financial framework to sustain investment, including by reducing the cost of capital by optimizing our capital structure.

To realize the value-enhancement scenario I have outlined, we must strengthen the corporate functions that underpin it.

CFO Message

With this in mind, over the three years of our previous growth strategy, we reorganized corporate functions such as procurement, human resources, and finance. By providing cross-functional support for individual initiatives, we strengthened our ability to execute strategy and developed a framework to implement company-wide strategy more efficiently.

Building on this framework, we will further strengthen the foundation for robust business growth in Japan and overseas. Central to this effort are human capital management and leveraging the use of DX and AI. As the executive responsible for both finance and digital transformation, I see DX and AI as an extension of human capital. By advancing human capital management and leveraging DX and AI together, we will enhance each employee's ability to create value.

In Japan, where concerns over future labor shortages are growing as the working-age population declines, we will significantly increase productivity per employee. Overseas, where we face a shortage of global talent, we will enhance the capabilities of our people so we can accelerate business growth even with leaner teams. We will also continue to prioritize sustainability initiatives as a key foundation for strengthening resilience and supporting sustainable growth.

Building Trust with Shareholders and Investors While Fostering Growth Expectations

To enhance corporate value, we must not only strengthen our earnings power and improve capital efficiency, but also clearly communicate these results to the capital markets and foster growth expectations among shareholders and investors.

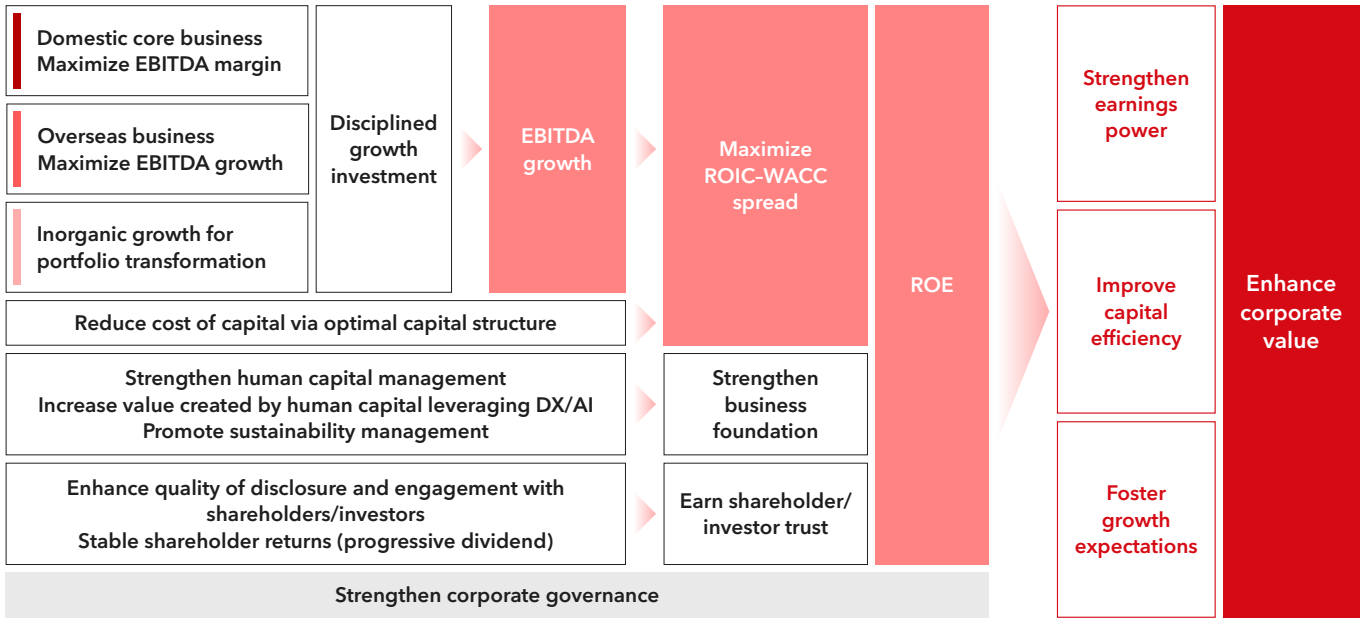
We have long emphasized dialogue with the capital markets. However, while we believe that our current share price reflects the value of our domestic business to some extent, it does not yet fully reflect expectations for inorganic growth, including in our overseas business. We have therefore refined our growth strategy to directly address the questions and interests raised by shareholders and investors. By steadily executing this strategy and building confidence in our future growth story, we believe we can further enhance corporate value.

Regarding shareholder returns, our progressive dividend policy predicated on an increase of 3 yen per share each year, introduced in the fiscal year ending March 2027, will remain our basic approach. We will also consider flexible share repurchases in line with the progress of our investments to further strengthen trust with the capital markets.

Furthermore, we are strengthening corporate governance to support our efforts to enhance corporate value. We are establishing a framework to monitor decision-making and execution transparently and objectively, ensuring that the Corporate Value Enhancement Model continues to function effectively rather than becoming a mere formality.

Together, these initiatives will improve the overall efficiency of our corporate activities, and realize a sustainable increase in corporate value through ROE growth. This is the growth story set out in our Corporate Value Enhancement Model.

Corporate Value Enhancement Model



The Group Vision Underpinning Corporate Value Enhancement: Co-Creation with Stakeholders

At the foundation of our Corporate Value Enhancement Model

CFO Message

lies our Group Vision: "We must earn respect, admiration and love firstly of our customers, suppliers and distributors, secondly of our employees and their families, thirdly of the communities, and finally of our stockholders." The values expressed in this vision are not merely ideals. They guide the daily decisions and actions of every employee and embody Calbee's corporate culture. The relationships we have built with our stakeholders over many years go beyond transactions. They are based on co-creation founded on genuine trust, and this has supported our growth. I believe these relationships are the most important driving force behind the realization of our Corporate Value Enhancement Model.

These value-based relationships are expressed through our financial statements. Sales generated by maximizing consumer value are distributed to our stakeholders through payments to producers and business partners, compensation to employees, interest payments to financial institutions, and taxes paid to society. The remaining net income is allocated to shareholder returns and reinvestment for further growth. Keeping this cycle in motion enables sustainable growth and corporate value enhancement.

But as part of this model, enhancing corporate value is not only about economic value, but also social value that cannot be quantified. One example occurred in May 2026, when an unexpected shortage of materials arising from developments in the Middle East prompted us to switch to two-color packaging for our mainstay products to maintain a stable supply. We made this decision to ensure raw materials carefully produced by growers were not wasted and to ensure they reached consumers. Underlying our determination is our unwavering commitment to fulfilling our responsibilities to all stakeholders. This commitment has been passed down through successive generations of management and employees and is at the core of Calbee's management.

The Corporate Value Enhancement Model is therefore more than a financial framework. It embodies the very values that define Calbee. My role as CFO is to ensure this model does not remain merely a concept on paper, but becomes firmly embedded throughout the Company as a system that is continuously put into practice and kept in motion. By sustaining this process, we will devote our full efforts to delivering ongoing value to our stakeholders.

With our company-wide strategy, business strategies, and financial strategy in place, we have all the key elements needed to realize our 2035 Vision. Our focus now is to execute these strategies as promised to our stakeholders and build a track record that earns their trust. To fulfill that responsibility, we will work with our stakeholders on an even broader scale to co-create value and maximize what we can achieve together, thereby further enhancing corporate value.



Calbee's Stakeholders







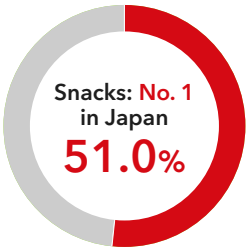


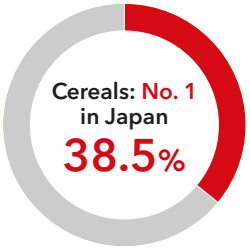


Our Value Creation Journey: Where We Stand Today

Building Brands to Achieve Category Leadership

Note: INTAGE Inc. SRI+ based on cumulative sales value for all retail formats nationwide; FY2026/3: April 2025 to March 2026; Snack market share: Total for Calbee, Inc. and Japan Frito-Lay Ltd.; Market share by snack category: Share by raw material
[Raw materials] Potato-based snacks: raw potatoes, wheat-based snacks: wheat, corn-based snacks: corn, bean-based snacks: beans





Potato-based snacks: No. 1 in Japan 72.3%

Wheat-based snacks: No. 1 in Japan 56.4%

Corn-based snacks: No. 1 in Japan 21.7%

Bean-based snacks: No. 1 in Japan 58.9%













Sales Trends by Product Group and Business

Shaping Food Culture

Guided by our founding philosophy of making use of underutilized food resources, Calbee has continued to create products that deliver great taste and enjoyment. By listening to consumers and creating new food experiences that reflect changing lifestyles and needs, we are helping to shape food culture.

1975– *Potato Chips*

Fostering Japan's Snacking Culture

With the launch of *Potato Chips Lightly Salted*, we committed fully to developing our potato business. We built a unique value chain spanning everything from potato breeding to developing products using raw potatoes. Through these efforts, we grew to become a company synonymous with Japan's snacking culture.



1991– *Frugra*

Developing the Breakfast Market

At a time when breakfast cereals were not yet widely established in Japan, we drew on our understanding of consumers to refine the taste and value of our products and expand opportunities for cereal consumption, creating a new breakfast culture centered on convenience and nutrition. By creating and growing the market, we have helped change breakfast eating habits in Japan.



2013– *Harvest Snaps*

Creating New Value in the Better For You Category

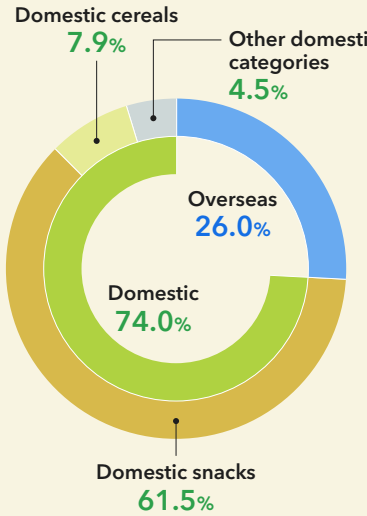
In the U.S. snack market, we are creating new value through products using ingredients rich in protein and dietary fiber, combined with a crisp texture and rich flavor. As health-conscious demand continues to grow, we are strengthening our presence in the Better For You category.



Our Value Creation Journey: Where We Stand Today

Calbee in Numbers (FY2026/3)

Breakdown of consolidated net sales*1



*1 Total domestic and overseas sales ratios are calculated after deducting rebates. The breakdown for domestic segments is based on sales before such deductions.

Consolidated net sales
¥340.2 billion
Domestic ¥251.5 billion
Overseas ¥88.6 billion

Consolidated operating profit
¥26.2 billion
Operating margin 7.7%
Domestic ¥22.1 billion
Overseas ¥4.1 billion

EBITDA
¥43.2 billion
EBITDA margin 12.7%
Domestic ¥35.0 billion
Overseas ¥8.2 billion

ROE
8.3%

Major Calbee products worldwide



Brands with sales of ¥10 billion or more

7



Countries and regions of operation
12

Total Group employees
6,974

Overseas Group employees
2,423

Food communication*2 participants
117,890

Received the Director-General of the Food Safety and Consumer Affairs Bureau Award at the 9th Shokuiku Activity Awards, organized by the Ministry of Agriculture, Forestry and Fisheries

食育実践優良法人
Designated as a 2026 Outstanding Corporation in Food Education Practices by the Ministry of Agriculture, Forestry and Fisheries

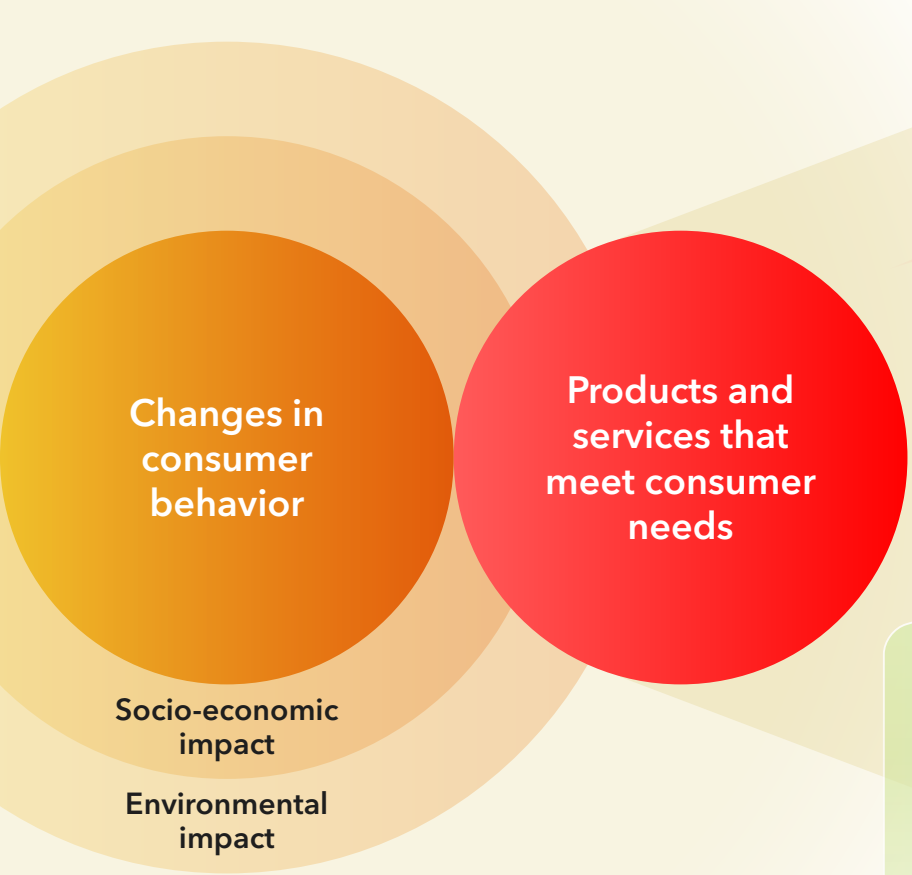
*2 Calbee Snack School, factory tours, snack contests, and other food education initiatives

Potato procurement in Japan
341,000 tonnes

Contracted potato farms
Approx. 1,600

The Next Stage of Value Creation: Leveraging Our Unique Strengths to Enhance Stakeholder Value

Social and environmental changes, including Japan's declining birthrate and aging population, growing health consciousness worldwide, and the increasing impact of climate change, are reshaping consumer values and behaviors. Amid these shifts, as consumer needs and eating occasions become more diverse, we must also broaden the value we provide. By responding to these changes, building on the strengths cultivated through our domestic business, and working together with our stakeholders, we will deliver the joy of food and extend the value we create to even more people.



- Japan's declining birthrate and aging population
- Diversification of eating habits
- Growing health consciousness
- Intensifying climate change

Products and services that meet consumer needs

Geographical expansion
Overseas development

Capturing new consumer needs
Personalization and evidence-based foods

Expansion of product portfolio
Categories beyond snacks/cereals

Co-creation with stakeholders

Strengths we have cultivated

- Marketing and sales capabilities that build strong brand value
- Product development capabilities that anticipate changing consumer needs
- Unique processing technology that utilizes natural ingredients
- Expertise in raw materials

Financial Strategy (P.37) ▸
Strengthening Human Capital Management (P.39) ▸
Promoting Sustainability Management (P.42) ▸

Value delivered (outcomes)

Expanding stakeholder value

The Next Stage of Value Creation: Leveraging Our Unique Strengths to Enhance Stakeholder Value

Capital as a Driver of Growth

Type of capital	Management resources
Financial capital	• Stable operating cash flow • Strong financial foundation supporting growth investments
Manufacturing capital	• 17 domestic production sites located near consumer markets in Japan • Domestic facilities capable of processing imported potatoes • 13 overseas production sites
Intellectual capital	• Proprietary processing technology that brings out the best in natural ingredients • Expertise in raw materials • Expertise in improving productivity • Long-standing products and brands trusted and loved across generations
Human capital	• Employees working across 12 countries and regions including Japan • A diverse workforce thriving under Active Roles for All Employees
Social and relationship capital/ Natural capital	• Consumer engagement through the Lbee program*, fan meetings, and food education activities • Collaboration and co-creation with growers, suppliers, governments, universities, and other partners • Development of new potato and sweet potato varieties • Access to stable procurement of raw materials • Sustainable supply chains

Strengths we have cultivated

Marketing and sales capabilities that build strong brand value

Calbee's brand value is built not only on the appeal of our products, but also through our marketing and sales capabilities, which enable us to anticipate changing consumer needs and position our products in the right retail channels and consumption occasions. By continuously monitoring consumer feedback and purchasing behavior, we have incorporated consumer needs and unmet needs into product and brand development, giving consumers even more reasons to choose our products. We have also worked closely with distributors and retailers to develop consumer touchpoints that ensure our products are easy to find and encourage repeat purchases. Through these ongoing interactions and our strong market presence, we have built brands that are a part of everyday life, while providing the basis for long-selling products and leading market share in Japan.

Product development capabilities that anticipate changing consumer needs

Our product development strength lies in our R&D capabilities, which combine a deep understanding of natural ingredients with expertise in raw material research, processing technology, and texture design to create great-tasting and fun products. Building on our product development capabilities, for example, we have successfully captured changes in breakfast habits and health consciousness, developing products such as *Frugra*, which helped shape a new eating occasion. Through continued commitment to quality and consistency, we have developed products that consumers choose as part of their daily lives. This accumulation of technologies and ideas has enabled us to create long-selling products while supporting the creation of new value in response to changes in society.

Unique processing technology that utilizes natural ingredients

Calbee has cultivated proprietary processing technologies that enable us to work with natural ingredients, whose quality and characteristics naturally vary, and transform their inherent flavors and textures into consistently great-tasting products. Even when using raw materials such as potatoes, whose quality depends on growing conditions, climate, and region, we have delivered consistent product quality by carefully adjusting processing and manufacturing conditions. Our ability to consistently produce great-tasting, high-quality products, the ability to make adjustments on the factory floor, and the accumulation of quality control know-how form the foundation of Calbee's manufacturing excellence and are a key source of our competitive advantage.

Expertise in raw materials

Calbee's expertise in raw materials has been developed through a deep understanding of the characteristics of natural ingredients, such as potatoes, and the ability to translate this knowledge into consistent quality and great taste. Because the condition of raw materials varies by growing region, climate, and harvest timing, we assess everything from varieties and cultivation methods to storage and processing suitability, while working closely with growers over the long term to optimize how raw materials are sourced and used. More than simply sourcing raw materials, we have developed the expertise and networks needed to unlock their full value. This capability underpins Calbee's distinctive approach to manufacturing, transforming natural ingredients into value-added products and creating a competitive advantage that is not easily replicated.

× Co-creation with stakeholders

* A program in which participants fold up product packages and scan the package information using a dedicated app to collect Lbee points, which can be used to apply for experiential events and campaigns

The Next Stage of Value Creation: Leveraging Our Unique Strengths to Enhance Stakeholder Value

Becoming a Global Snacking Company



Creating joy through food

Providing great taste, enjoyment, and wellness through more personalized and flexible snacking choices

Expanding value by leveraging our competitive advantages

Geographical expansion

Expanding our reach is about more than simply increasing the areas in which we operate. We will leverage the strengths we have cultivated in Japan to provide value tailored to local food cultures and consumer needs, bringing the joy of food to new consumers and eating occasions.

Capturing new consumer needs

In addition to growing health awareness, consumer preferences and choices are becoming increasingly personalized and evidence-based. By leveraging our expertise in ingredients, product development, and processing technologies, we will expand the value we provide to meet diverse health needs and preferences.

Expansion of product portfolio

By leveraging the marketing and sales capabilities, processing technologies, and product development expertise that we have cultivated in snacks and cereals, we will expand into new product categories beyond our existing portfolio. In addition to great taste, we will provide enjoyment and emotional fulfillment through a diverse range of products.

Value delivered (outcomes)



FOCUS

Global Expansion: Growing the *Harvest Snaps* Brand

Trends Driving Calbee's 2035 Vision

Calbee aims to pass nature's gifts on to future generations, bring the joy of food to people around the world, and contribute to healthier and more fulfilling lives. Achieving this goal requires an understanding of how people's relationship with food, from their behaviors to values, is evolving.

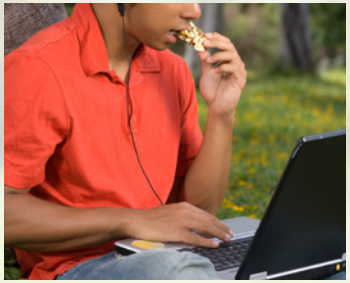
In recent years, increasingly diverse lifestyles have made eating habits more flexible. Rather than following traditional patterns such as three meals a day at fixed times and places, people are increasingly choosing snacks and light meals based on their individual needs, schedules, and preferences. What people seek from food is also changing significantly as health consciousness and environmental awareness continue to grow.

The concept of snacking outlined in Calbee's 2035 Vision reflects these shifts in the way people eat. By creating value in this emerging market, Calbee aims to support healthier and more fulfilling lives while achieving sustainable growth.

Changing Consumer Values and Snacking

Diversification of Eating Habits

As lifestyles evolve, what people value and look for in food is becoming more diverse. Moving beyond traditional eating habits, snacks and light meals are leading to smaller, more frequent eating occasions. But snacking does more than complement meals; it can provide a change of pace, offer a small personal reward, and create opportunities to connect with others, bringing moments of everyday joy. As people look for both enjoyment and satisfaction from food, they are increasingly making food choices that reflect their individual preferences.



The Evolution of Health and Wellness

Growing interest in health and wellness is reshaping food choices. In the past, consumers often felt they had to sacrifice an element of taste and enjoyment to eat healthier. Today, many want both. Interest is also growing in new approaches to nutrition, such as time-restricted eating and personalized nutrition.



Growing Environmental Awareness

As sustainability becomes a greater consideration in everyday life, people are paying closer attention to the social and environmental impact of their food choices. When selecting products, factors such as trust in ingredients, transparency in sourcing, and production and packaging methods with lower environmental impact are becoming more important. For food companies, the ability to balance great taste, health and wellness, and consideration for society and the environment has become an important source of competitive advantage.



Global Expansion: Growing the *Harvest Snaps* Brand

Harvest Snaps

Building a Distinctive Better For You Brand

What began as an adaptation of a popular Japanese pea-based snack has grown into one of Calbee's leading international brands. Originally launched as *Snapea Crisps* in 2001, *Harvest Snaps* was created by adapting *Sayaendo* for U.S. consumers seeking healthier options. As a new entrant, the Company introduced *Snapea Crisps* in the fresh produce section, highlighting both its taste and nutritional benefits. As one of the first products of its kind in the category, it established a distinctive value proposition and anticipated demand for healthier snacking before the Better For You (BFY) category became mainstream. This early decision laid the foundation for today's *Harvest Snaps* brand and continues to underpin its credibility and differentiation as a snack built around vegetables.

In 2013, Calbee renamed the brand *Harvest Snaps* to support a broader range of ingredients. Since then, the portfolio has expanded beyond peas to include lentils and, more recently, apples, strawberries and bananas. Built around vegetables and fruits, *Harvest Snaps* provides naturally occurring fiber and protein and has continued to resonate with health-conscious consumers. The brand has also expanded its appeal through distinctive flavors such as Mango Chile Lime and playful formats such as *Crunchy Loops*. In doing so, *Harvest Snaps* has helped reshape how consumers think about fruits and vegetables in snacking, elevating them from something that is simply good for you to something craveable and enjoyable.

In 2026, *Harvest Snaps* entered a new phase. After years of growth centered on the produce section, the brand is today expanding into snack aisles at major North American retailers. This expansion is expected to increase consumer reach and comes at a time when demand for snacks that combine great taste with BFY benefits continues to grow, creating new opportunities for the brand's future growth. As of today, *Harvest Snaps* is available in North America, as well as markets including the United Kingdom, Singapore and Australia. Building on the value proposition it has cultivated in the U.S., *Harvest Snaps* aims to further expand its presence in markets around the world.



Harvest Snaps

- A BFY snack made primarily from peas and lentils
- Baked rather than fried, offering a light, crispy texture with lower fat content
- Rich in plant-based protein and dietary fiber



Harvest Snaps Kids

- Natural, wholesome fruit snacks for children
- Made with fruit only, no added sugar or additives

An Established Foundation for Growth

Harvest Snaps' growth is supported by strong capabilities across operations, sales and marketing. Its production across two U.S. plants enables efficient coverage of North America's vast geography, while supporting supply resilience and the capacity to meet future growth. On the commercial side, the brand has built strong relationships with retail partners through a deep understanding of their needs and proposals designed to drive growth across both individual retail spaces and the category as a whole. This capability has supported shelf-space expansion and long-term growth. In marketing, consumer insights help the brand identify consumer needs accurately and strengthen brand loyalty. Together, these capabilities provide a distinct advantage, enabling *Harvest Snaps* to expand its retail presence while continuing to build the brand.

Meeting Evolving Consumer Needs

In North America, growing health consciousness is rapidly increasing interest in foods made with naturally derived ingredients, minimal processing, and high protein content. In addition, the increasing adoption of GLP-1 medications is expected to further support this trend. *Harvest Snaps* is a BFY brand built around vegetables and fruits, offering nutritional benefits without compromising on taste. As consumer preferences evolve, the brand's value proposition remains closely aligned with market trends, supporting continued growth.

Global Expansion: Growing the *Harvest Snaps* Brand

Creating Value in the BFY Market



Extending the *Harvest Snaps* Promise to New Segments

Harvest Snaps is built on a clear brand promise: bringing vegetables and fruits to the center of snacking through a Better For You experience that combines great taste with nutritional value. This core value has guided the brand since its beginning and remains the starting point for all product development and marketing activities.

We are now taking on a new challenge: how can we extend this value into spaces where consumers do not yet have access to it?

One of the first steps is expanding from the produce section into the salty snack aisles of major retailers. *Harvest Snaps* is made primarily from peas and lentils, offering more protein and fiber than many competing products, along with a light, crispy texture and satisfying taste. We want to bring the *Harvest Snaps* value proposition to a segment of the snacking category where those benefits are still limited.

By extending this value into traditional snack aisles and other parts of the store through a new range of products, we aim to make *Harvest Snaps* more accessible wherever consumers shop. This broader presence will be key to the brand's next stage of growth.

Changing Consumer Perceptions: Great Taste x BFY Value

Underpinning this, many consumers in North America assume that healthier snacks are less flavorful or satisfying. Our goal is to change that perception.

Harvest Snaps delivers craveability, texture and flavor while also offering Better For You benefits such as protein and fiber. By bringing these qualities together, the brand challenges the idea that consumers have to choose between great taste and better nutrition. This is one of *Harvest Snaps'* competitive strengths and a reason the brand continues to be chosen by consumers.

In response to changing lifestyles, we have evolved our approach to innovation by strengthening our insights and analytics capabilities. These capabilities help us better understand how consumers live, what mindset they are in when choosing products and why they choose one brand over another. By quickly applying these insights to R&D and marketing, we are improving product development and brand experiences in line with changing consumer needs.

This consumer understanding also informs how we innovate. In the U.S., the key has been balancing familiarity with newness. Through distinctive flavors, new textures and the right pack and portion formats, we are pursuing innovation that feels accessible, enjoyable and easy for consumers to choose.

Expanding Into New Consumers and Occasions

Another way we are extending the *Harvest Snaps* promise is by reaching new consumer groups and creating new snacking occasions. A key initiative is *Harvest Snaps Kids*.

For many parents, children's snacks often involve a trade-off between what kids want to eat and what parents feel good about giving them. *Harvest Snaps Kids* is designed to address that tension by offering fruit snacks with flavors and textures children can enjoy, while leveraging the natural nutrition of fruit. Expanding into children's products also helps broaden our connection with families and build long-term relationships with the next generation of consumers.

Fruit-based products also represent an important growth opportunity. From the beginning, our ambition has been to put vegetables and fruits at the center of snacking, making fruit a natural evolution of the *Harvest Snaps* promise. By reaching new households and new snacking occasions, we believe the brand can play a broader role in consumers' lives.

Global Expansion: Growing the *Harvest Snaps* Brand

We also see potential new access points as a result of *Harvest Snaps Kids*, including U.S. school food service*[1] and opportunities related to the Smart Snacks in School program*[2]. Through these forms of value extension, we aim to create sustainable growth for *Harvest Snaps* over the long term.

*1 Food provided to schools through U.S. school meal programs, cafeterias, and other channels
*2 Nutrition standards established by the U.S. Department of Agriculture for foods and beverages sold in schools

Strengthening Consumer Relationships to Accelerate Growth

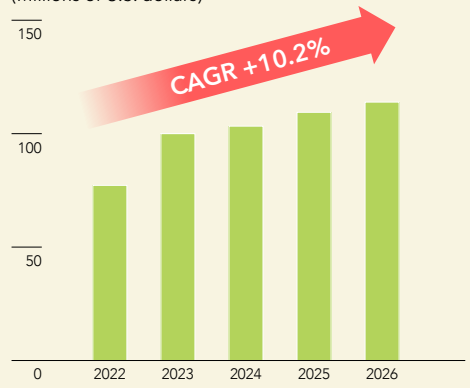
To deliver on these and future opportunities, we are strengthening the capabilities needed to support *Harvest Snaps'* next phase of growth. Marketing, R&D and sales are today working together closely, supported by new talent that is helping streamline and strengthen the innovation process.

Harvest Snaps already has clear competitive advantages, but our ambition goes further. We want to become a brand that plays a more meaningful role in consumers' lives by connecting with them not only through functional value, but also on an emotional and culturally relevant level.

To support this, we are strengthening our capabilities in cultural relevance, innovation, shopper marketing and e-commerce. These capabilities are creating more opportunities for consumers to encounter *Harvest Snaps* in stores, online, on social media, through reviews and across other touchpoints.

Harvest Snaps is on a solid growth trajectory. Our goal is to build on this momentum by strengthening consumer affinity, building brand love and becoming a brand that more consumers want to try, choose and come back to.

Harvest Snaps Sales (North America)
(Millions of U.S. dollars)



(Fiscal year ended March 31)

Evolving Calbee's Strengths in Local Markets

Strengthening Our Manufacturing Advantage in North America



Paul Dash
Senior Vice President, Manufacturing, Calbee America, Inc.

Enhancing the Quality of *Harvest Snaps* Through Local Manufacturing Excellence

One of the key strengths behind *Harvest Snaps'* growth is our ability to transform the natural variability of agricultural ingredients into consistent quality. Peas account for approximately 50% of *Harvest Snaps'* ingredients, and their characteristics can vary depending on growing region and harvest conditions. Maintaining consistent taste and quality therefore requires close collaboration with dependable suppliers, as well as integrated management from ingredient sourcing and milling through production. Calbee America's advanced technology and technical expertise help us meet this challenge. One example is our robust milling systems, which consistently produce a uniform particle size for the extrusion process. This enables us to deliver the same great taste and texture every time, a key source of *Harvest Snaps'* competitive advantage. Supporting this manufacturing capability is an organizational structure that enables us to consistently deliver high-quality products. Our manufacturing, technical services, R&D, and quality teams work closely together to drive continuous improvement and reduce quality-related complaints. We are also evolving from a traditional quality control approach focused on identifying issues after they occur to a preventive quality assurance model. To support this transition, we are incorporating best practices from Calbee Japan, including daily quality checks, enhanced training, and specification reviews. In addition, our two strategically located extrusion plants in Senatobia and Fairfield strengthen our operational resilience. By operating facilities in both the eastern and western United States, we can continue supplying products even if one site is impacted by a natural disaster or other disruption. Looking ahead, we will deepen collaboration with Calbee in Japan and incorporate technologies and expertise developed there to further enhance both quality and productivity.

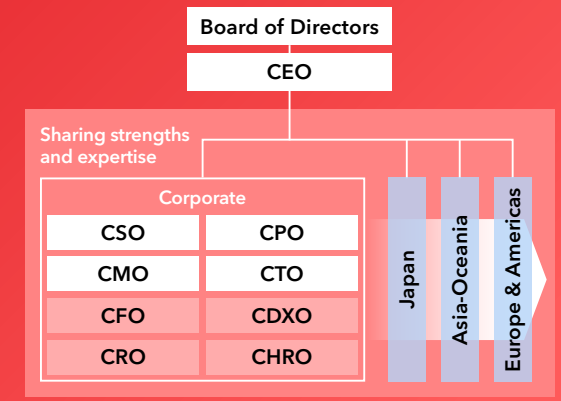
Management Structure and Capabilities to Deliver Our Vision



Evolution of Our Management Structure

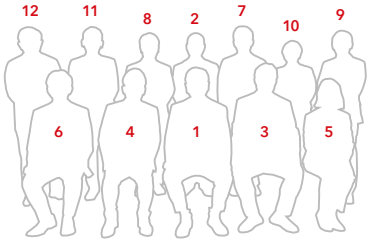
Building on our previous growth strategy, *Change 2025*, which concluded last fiscal year, we transitioned from a traditional function-based management model to a three-region structure that integrates production, sales, and logistics. This new structure enables faster decision-making and allows each region to execute strategies tailored to local market conditions while optimizing Calbee's value chain, one of the Group's strengths. At the same time, as we work to leverage the knowledge and expertise cultivated in Japan to drive overseas growth, we have strengthened the management team responsible for consumer-driven value creation and evolved into a more cross-functional organization capable of making decisions optimized for the Group as a whole. We have also continued to advance our corporate governance reforms by expanding the number of outside directors with expertise in areas such as finance, marketing, and global management, further strengthening the Board's oversight function.

Executive Management Structure



Management Team

Note:
Only selected key positions are shown.



1 **Makoto Ehara**
Chief Executive Officer (CEO)

2 **Akira Imoto**
Chief Production Officer (CPO) and President of Calbee Japan Region

3 **Keiei Sho**
Chief Strategy Officer (CSO) and President of Calbee Europe & Americas Region

4 **Teiichiro Morioka**
President of Calbee Asia-Oceania Region

5 **Masae Nakano**
Chief Technology Officer (CTO)

6 **Taketoshi Ueda**
Executive Vice President (EVP) of Calbee Japan Region

7 **Kazuhiro Tanabe**
Chief Financial Officer (CFO) and Chief Digital Transformation Officer (CDXO)

8 **Hiroshi Sakai**
Chief Risk Officer (CRO)

9 **Yasumasa Hitomi**
Chief Human Resource Officer (CHRO)

10 **Saori Watanabe**
Chief Marketing Officer (CMO)

11 **Yukio Kanamitsu**
CEO of Calbee America, Inc. and CFO of Calbee Europe & Americas Region

12 **Kazuya Tasaki**
President of Calbee Potato, Inc.

Delivering Our 2035 Vision: A Discussion Among the CPO, CSO, CTO, and CMO

Under Calbee's 2035 Vision, we will pursue global growth over the next decade. To realize this vision, we need to strengthen the capabilities of each function while bringing them together to enhance value creation across the Company.



Akira Imoto
Executive Vice President & CPO, President of Calbee Japan Region

Keiei Sho
Executive Vice President & CSO, President of Calbee Europe & Americas Region

Masae Nakano
Managing Executive Officer & CTO

Saori Watanabe
Executive Officer & CMO, General Managing Director of the Marketing Direction Center



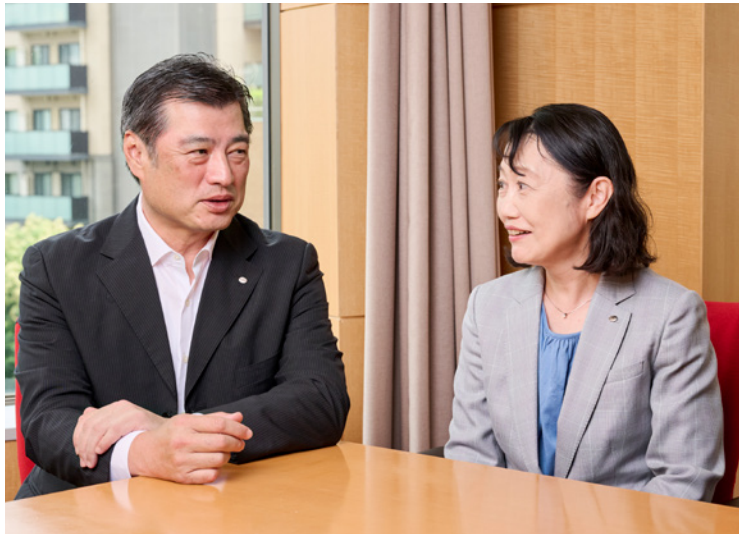
The Future of Food in 10 Years Through the Lens of Our 2035 Vision

Watanabe From a marketing perspective, I believe individuality will be one of the defining themes shaping food over the next 10 years. Consumer values will continue to diversify. At times, people will want to take their time and enjoy a meal with loved ones; at others, they will want a quick and convenient way to meet their nutritional needs while busy. They may also choose food that fits their situation or mood at a given moment, whether they want to lift their spirits, concentrate, or relax. To respond to these increasingly diverse values, great taste remains a given. I believe the challenge will be finding ways to incorporate new forms of value, such as emotional value and opportunities for self-expression.

Imoto Thinking about the Japanese market 10 years from now, changes in demographics will be just as significant as shifts in lifestyles and values. As the population ages and the birthrate declines, people are gradually shifting away from eating larger portions at once in favor of meals that are smaller, more convenient, and enjoyable. To respond to these changes in the domestic market, we will need to strengthen our ability to produce in smaller lots and provide smaller pack sizes, as well as our ability to offer a diverse product lineup more flexibly. On the other hand, the situation is different in regions such as Southeast Asia, which benefit from a demographic dividend. We will need to develop strategies tailored to each region.

Sho In overseas markets, especially North America, consumers take a much freer and more flexible approach to eating. They are less bound by traditional meal patterns or the convention of eating three meals a day, as is common in Japan. I believe the idea of snacking as a culture, as described in our 2035 Vision, has become increasingly established in this kind of environment. Snacks may still evoke the idea of something eaten in addition to three regular meals, but consumers today, especially younger people, are paying closer attention to factors such as protein and fat intake, incorporating snacks as one way to manage their overall well-being. Over the next 10 years, I believe this view of snacking will become even more widespread in Japan as health consciousness continues to rise.

Delivering Our 2035 Vision: A Discussion Among the CPO, CSO, CTO, and CMO



Nakano From an R&D perspective, we see two major themes developing over the next 10 years. One is chrononutrition, an approach that focuses on "when to eat" based on the relationship between one's body clock and metabolism. Research into eating patterns that help suppress blood glucose spikes and improve concentration and performance aligns closely with the idea of snacking, which involves eating small amounts at the right times. The other theme is personalized food. Providing food tailored to individuals can contribute not only to healthier lifestyles but also to greater emotional fulfillment. By advancing research and development in these areas, I hope we can contribute to creating products that meet the needs of society 10 years from now.

Strengthening Value Creation Across the Value Chain for the Next 10 Years

Imoto I believe Calbee's fundamental strength comes down to "great taste and fun," which is also at the heart of our corporate philosophy. No matter how diverse people's expectations and values around food become, they will not purchase a product again unless it is both delicious and enjoyable. These fundamental qualities are made possible by the 10 Processes, which constitute Calbee's unique value chain. At every step, from sourcing raw materials to delivering products to consumers, we draw on the ingenuity and know-how we have accumulated over many years. I believe these capabilities are a major asset in driving Calbee's growth.

Watanabe In addition, as symbolized by the "calcium + vitamin B_1" behind Calbee's name, I see the health-related value we offer, or what we might call "well-being," as another major strength. I believe consumers choose our products because, while maintaining "great taste and fun," we also support both physical and emotional well-being. At the same time, one area we need to strengthen is our ability to anticipate changing needs as we create new value. To do that, I believe we need to better understand what consumers are thinking and what they want. That means returning to the consumer as our starting point.

Sho The reason we place such strong emphasis on the consumer as the starting point in our new growth strategy, *Accelerate the Future*, is precisely to support this kind of value creation. Engaging with consumers directly, understanding what they value, and thinking about how to deliver that value can lead to new value creation. This is by no means limited to Japan. Every region of the world has its own food culture and eating habits, so we need to leverage a global perspective. I believe that sharing our knowledge and experience across regions, and applying those insights, will enable us to create value around the world.

Watanabe I also see sharing knowledge across the organization as an important theme. In recent years, Calbee has established cross-functional units such as the Marketing Direction Center (MDC), Global Sales Department, and Global Product Development Department, accelerating the exchange of knowledge across countries and functions. Building on this organizational foundation, I believe advanced technologies such as AI can help us structure the insights generated across different countries and functions into a shared wellspring of knowledge and make them accessible across the Company. I believe this, in turn, could enable the kind of global value creation Mr. Sho described.

Imoto There are two approaches to creating new value. One is to identify needs by listening to consumers and the marketplace. The other is to work backwards from bold and unconventional ideas generated in R&D. To make both approaches work in tandem, we need to establish a framework that enables sales, marketing, and R&D to work closely together and test hypotheses quickly. In recent years, advances in DX have made it easier to conduct proof-of-concept initiatives with retailers, allowing us to test ideas on a small scale and quickly assess their potential. I would like us to use these capabilities to accelerate value creation.

Nakano Listening to everyone today has made me realize that we in R&D also need to engage more with other functions. We work closely with Mrs. Watanabe and the marketing team on a day-to-day basis, but our interaction with sales is still limited. Going forward, I think we need to communicate more proactively to incorporate the perspectives of consumers and the marketplace. At the same time, it is also important

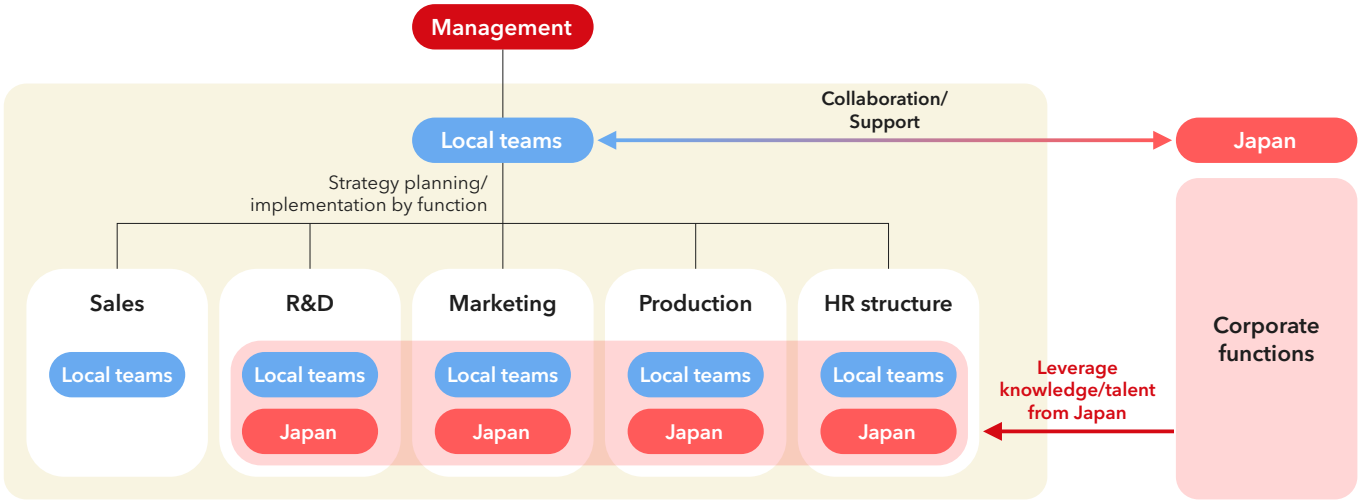
Delivering Our 2035 Vision: A Discussion Among the CPO, CSO, CTO, and CMO

to create an environment that encourages the kind of bold and unconventional ideas Mr. Imoto mentioned. Recently, day-to-day responsibilities have been taking up more of the time we need for creative work, and we have tended to lose sight of the joy of bringing new ideas to life. By creating opportunities to develop new product ideas together with marketing and sales, I would like to strengthen our capacity to generate new ideas and contribute to strengthening Calbee's ability to create value across the Company.

Leveraging "What Makes Calbee Unique" with "Local Adaptation" to Drive Global Growth

Sho Expanding globally is essential to Calbee's future growth. The question is how we can apply the unique strengths we have developed in Japan to overseas markets. At the same time, our experience overseas has taught us that simply taking products and know-how from Japan and bringing them to other markets unchanged will not work. "Overseas" is not a single market. Food cultures, preferences, market conditions, and other factors differ from one region to another. Understanding what consumers in each region value and translating this into products that deliver that value is not something we can achieve by simply directing things from Japan. Japan, with its technology and know-how, and local teams, with their understanding of each market, need to communicate closely, clearly articulate what consumers are looking for, and build confidence that we have the right approach to succeed, before implementing the right development and sales structures. I believe marketing and R&D should be key to increasing the likelihood of success.

Proactive Strategic Framework to Connect Japanese and Local Operations



Watanabe From a marketing perspective, I believe the MDC mentioned earlier will play a key role in improving our chances of success. Until now, our three regions—Japan, Europe & Americas, and Asia-Oceania—have managed their brands independently, with limited visibility into developments in other regions. By having the MDC provide cross-regional support and foster greater collaboration, I hope each region can learn from others to introduce the most effective approaches for its own markets. To enable this, we need to establish a framework to capture and organize the strengths and insights identified in each region. This will help us determine which capabilities to deploy in which markets. Rather than simply sharing information, we will work to "reconstruct knowledge" to maximize the efficiency of value creation across our global business.

Nakano I see the role of R&D in global expansion as taking the technologies and know-how Calbee has built up over many years and adapting them to the tastes and preferences of each country and region. In terms of quality, for example, applying Japanese standards as they are can result in a level of quality that exceeds what some markets require. In terms of taste, consumers in Japan tend to enjoy the natural flavor of ingredients, but taking that same approach overseas may lead people to find the flavor too subtle. While working closely with our overseas operations, we established the Global Product Development Department in April 2026 to accelerate the development of products tailored to local markets. Under this framework, we will further strengthen our ability to develop products that preserve the core elements we value while adapting flexibly to the cultures and preferences of each region.

Delivering Our 2035 Vision: A Discussion Among the CPO, CSO, CTO, and CMO



Imoto I am confident that the technologies we have developed in Japan can also create substantial value in overseas markets. In Europe & Americas, for example, products with a "healthy" image are popular, but a closer look at their ingredients and production methods can leave you wondering whether they really are healthier. Calbee, by contrast, can offer high-quality products that bring out the best in the natural ingredients used to make them, so I believe the appeal of our products gives us a strong competitive edge. The challenge, however, is how we sell them. It remains to be seen whether we can leverage our sales know-how in Japan directly in overseas markets, where company scale and market structures differ, but there are likely elements we can apply. In fact, in our dealings with global retailers, the newly established Global Sales Department within the Japan region has begun supporting efforts to bring Calbee products from Japan and overseas markets to different consumers around the world.

Sho As Mr. Imoto said, we have come up with many successful approaches in Japan, but much of that remains tacit knowledge at present. By having the Global Sales Department serve as a hub for global retailers, I hope we can make that knowledge more widely available and put it to use, as well as spark new forms of synergy. Alongside strengthening these organizational capabilities, another major challenge in Calbee's globalization is building our talent base. Over roughly 10 years, we have at times instituted a stopgap approach by bringing in people with overseas experience from outside the Company. Going forward, however, developing talent internally will be important. In collaboration with the CHRO and HR function, I would like us to establish a pipeline for developing talent.

Becoming a Global Snacking Company Loved by People Around the World

Imoto This discussion between functional leaders, prompted by our 2035 Vision, has reaffirmed our shared belief that Calbee must continue to be an indispensable presence in consumers' lives, while staying true to our corporate philosophy: "We are committed to harnessing nature's gifts, to bringing taste and fun, and to contributing to healthy life styles." That made this a particularly meaningful discussion. Over the next 10 years, society and lifestyles are likely to change even more dramatically. As we respond to these changes, I want us to remain committed to being a food manufacturer that draws on our distinctive strengths, including ingredient processing and production technologies, to address consumers' unmet needs.

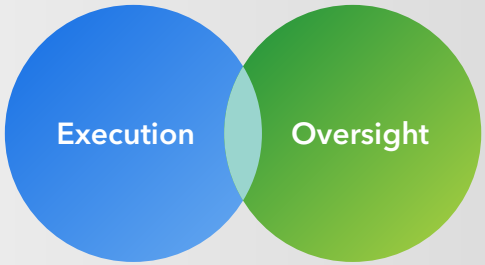
Watanabe The vision of becoming a global snacking company set out in our 2035 Vision reflects our expectation that the snacking and light meal markets will continue to expand. In addition to "great taste and fun," consumers will increasingly seek out values such as "well-being" and "individuality." Such values may appear new at first glance, but in fact they are values Calbee has cherished since its founding. In that sense, you could say that "the times have caught up with Calbee." I believe Calbee has the potential to lead the global snacking market, not by forcing itself to adapt to the changing times, but by building on the foundation we have developed over the years and creating new forms of value.

Nakano From an R&D perspective, I see our ambition to become a global snacking company as going well beyond just being "a company that provides snack foods." It means delivering value such as health and emotional well-being, backed by solid evidence, through snacking experiences that can fit different times, places, and eating occasions. Snacking is not simply a product category. It is a new way of eating, and a food culture, that responds closely to the physical needs and moods of consumers. Calbee aims to support that style and culture through a diverse range of products, and I believe the role of R&D is to make that possible through our technology.

Sho As everyone has said, snacking is not something tangible. Rather, it is a way of eating that naturally fits into consumers' everyday routines and becomes part of their daily habits. I believe that the global snacking company Calbee aims to become 10 years from now will likewise be recognized as a familiar, approachable presence that blends naturally into consumers' lives. Our goal—and I would say even our mission—is to build a brand that people around the world feel is genuinely friendly and continue to love for years to come.

Delivering Our 2035 Vision: Perspectives from the CEO and an Outside Director

With its sights set on evolving into a snacking company, Calbee has embarked on a new phase of growth. In this dialogue, Calbee's CEO and an outside director discuss the challenges and opportunities involved in enhancing corporate value over the medium to long term from their respective positions in management and oversight.



Makoto Ehara
President & CEO

Yoshihiko Miyauchi
Independent Outside Director



Creating Value Requires Innovation and a Willingness to Take Risks

Miyauchi People often equate the word innovation with technological advances, but that is only one aspect of it. The essence of innovation, and a fundamental principle of management, is to break free from existing frameworks and create new value. The reason Calbee has continued to grow is precisely because it creates new value. It is important to continue enhancing the value of the potato business, but I feel it is becoming increasingly difficult to uncover new growth opportunities by building on that alone.

Ehara Calbee has built value over the years through its commitment to potatoes. More recently, however, the impact of climate change has become impossible to ignore, creating greater uncertainty around our ability to secure stable supply. Our potato business remains the foundation of Calbee, but solely relying on it could become a risk as we pursue stable growth. To sustainably create corporate value, we need innovation that broadens the scope of our business and that will not come from conventional thinking. What Calbee needs now is to find new ways to create value. That is why we are transforming into a snacking company.

Miyauchi I believe Calbee is now at an important crossroads. Setting a course to becoming a snacking company reflects a clear intention to broaden the scope of the business, and I see that as a very natural decision. Going forward, I believe Calbee faces two key challenges: whether it can take the risks needed to realize this new direction, and whether it can do so while continuing to deliver value that reflects consumer choices.

Ehara The word "snacking" itself expresses our intention to move beyond the traditional boundaries of snacks. The value consumers seek from food, and the ways we deliver that value, can and should be more diverse. Calbee is responding to changing preferences across generations to successfully meet consumer demand, while also strengthening initiatives that broaden the value of snacks. One example of this is bringing the food education programs we have long conducted in Japan to North America. Even as we broaden consumers' choices, we remain steadfast in our commitment to providing products that people can trust. Because of Calbee's deep commitment to how its products are made, I believe we are well placed to meet both the demand for healthier choices and the desire for something new and enjoyable.

Delivering Our 2035 Vision: Perspectives from the CEO and an Outside Director



Strengthening Corporate Governance and Deepening Macro-Level Discussions

Miyauchi I believe Calbee is a very well-managed company, and I value this highly. At the same time, I believe the Company could take more risks. That requires the Board of Directors to spend more time discussing issues from a broader, strategic perspective. Under Japan's corporate governance framework, boards often find themselves getting pulled into the details. At Calbee as well, major topics such as our overseas strategy should be discussed not as isolated issues but from a broader and more strategic perspective.

Ehara We have consistently been encouraged to take more risks, and I feel that advice has given us a push in the right direction. We have also heeded the call for more medium- to long-term discussion from a more macro-level perspective, and from this fiscal year, we have adjusted our approach to deepen those discussions. Through our recent corporate governance enhancements*, I believe we have established a healthy structure in which executive management takes responsibility for day-to-day operations, while the Board of Directors provides oversight on medium- to long-term direction and major decisions.

* For details, see "Strengthening Corporate Governance" on page 50.

Miyauchi I already regarded Calbee's governance as advanced by Japanese corporate standards, and through these latest changes, the Nominating Committee now consists solely of outside directors, while outside directors chair both the Nominating Committee and Compensation Committee, increasing the independence of both. Outside directors also now set the agenda, which has brought in new perspectives and encouraged more robust discussions. In other words, governance is evolving not only in form, but also in effectiveness.

Creating a Culture and Environment That Encourages People to Take On Challenges to Growth

Miyauchi People often say that developing talent is essential to enhancing corporate value over the medium to long term. I don't dispute this, but we need to get the order right. A company does not exist to develop people; it exists to create value through the capabilities of the people it has developed. That means establishing systems and creating an environment in which employees can grow naturally and reach their potential. Personally, I believe the same applies to management succession. Rather than developing successors through a highly structured process, they should emerge naturally from within the organization. Japan does not have an executive talent market like the United States, and external leadership appointments do not have a strong track record. If there is even one strong internal candidate, that is enough. The key is to create an environment in which that individual can thrive.

Ehara From that perspective, among Calbee's greatest strengths are its people and its workplace culture. Roughly half of our employees join as new graduates and half as mid-career hires, and people who join from outside the Company are accepted naturally into the organization. At the same time, Calbee has a deeply rooted culture of being conscientious and careful. Over time, even newly hired talent can begin to adopt the same mindset, and their willingness to take on new challenges can diminish. To become a winning organization, we need to foster a culture that is not afraid of setbacks. That is why I believe we need to encourage employees to engage in more experimentation and learning from failure.

Miyauchi To continue creating value, we need a culture that encourages people to embrace new challenges and accepts the possibility of failure. As more examples of this take root across the organization, people will naturally become more willing to step up. Calbee has been able to grow over many years precisely because it has kept creating new value. Now that we are at a turning point, it is becoming difficult to grow by simply building on the past. We need to identify new directions and move forward, even when that means taking risks. That makes it even more important to create an environment in which employees feel empowered to take those risks.

Ehara Exactly. I see it as my responsibility to create the environment and culture that allow employees to continue to grow by taking on new challenges. To do that, people need to develop a stronger sense of urgency. Younger employees are experiencing the changes in the domestic market firsthand, and there is growing recognition that it will be difficult to maintain our previous pace of growth. I believe that sense of urgency is fostering a willingness to pursue growth opportunities overseas. Going forward, we will continue to inspire people to embrace challenges, and with "growth" as our theme, build greater momentum across the entire organization.

Growth Strategy

2035 Growth Strategy Slogan

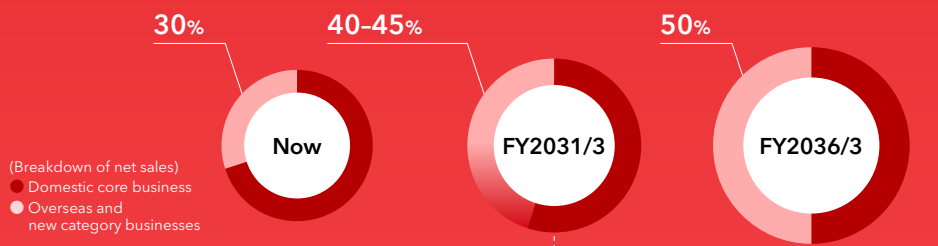
Accelerate the Future

—Smiles from all our stakeholders—

The Calbee Group aims to enhance corporate value by expanding our product and service offerings and creating new value, thereby continuing to bring smiles to people worldwide.

We are committed to achieving sustainable growth and strengthening resilience across the Group.

2035 Growth Strategy: Business Growth and Portfolio Transformation



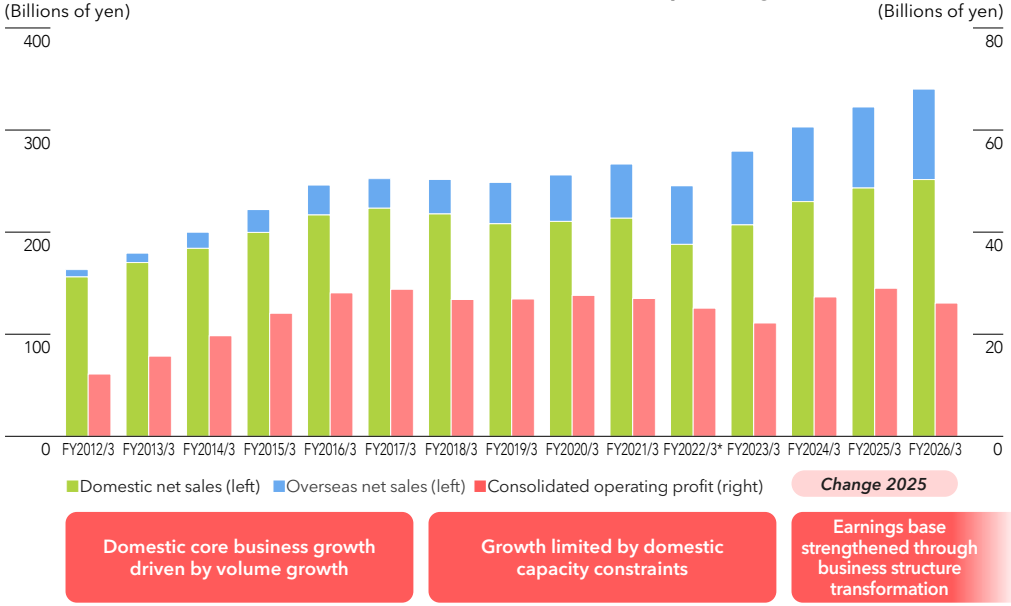
	Growth investment phase	Value creation phase
Domestic business	● Enhance added value of domestic core business and invest in developing next-generation foundation	● Leverage existing assets of domestic core business
Overseas business	● OPEX investment in foundation for growth in North American business	● Expand cash flow generation in North American business ● Business growth in Asian regions
Inorganic growth	● Conduct M&A in growth areas to enable portfolio transformation (Expansion into new domestic categories and overseas snack business)	

Growth Strategy Overview

Our Growth Trajectory and Shift Toward Qualitative Growth

Since going public, we have pursued growth by evolving our strategy to meet the needs of each stage of development. We rebuilt our domestic earnings base, expanded our overseas footprint, and invested in priority regions and M&A. From FY2012/3 to FY2017/3, our domestic core business drove our growth, supported by stronger sales capabilities and improved factory utilization. At the same time, we expanded our overseas operations, steadily increasing net sales. From FY2018/3, we accelerated investments and M&A in our four priority regions overseas, thus increasing the share of net sales generated in international markets. However, growth in operating profit was constrained by changes in our business environment, including the impact of the COVID-19 pandemic and rising raw material costs. These challenges highlighted a structural issue in our domestic core business: the limitations of an earnings model driven primarily by volume expansion. Against this backdrop, under our previous growth strategy, *Change 2025*, we worked to strengthen profitability, transform our business portfolio, and reinforce our business foundation. We also began to transform our business structure to support sustainable growth.

Domestic and Overseas Net Sales and Consolidated Operating Profit



* Effective from FY2022/3, the Company adopted the Accounting Standard for Revenue Recognition (Accounting Standards Board of Japan (ASBJ) Statement No. 29). As a result, certain selling expenses previously recorded in selling, general and administrative expenses (SG&A), including rebates, are now deducted from net sales.

Growth Strategy Overview

Change 2025: Achievements and Challenges

Under the growth guidance set out in *Change 2025*, we achieved our three-year organic net sales growth rate target, while our consolidated operating profit growth rate came close to its target. However, we fell short of our ROE target for FY2026/3. Despite delivering record-high results in FY2024/3 and FY2025/3, we were unable to fully offset the impact of a smaller potato harvest in Hokkaido in FY2026/3 through our overseas business.

In our domestic core business, we worked to strengthen profitability by shifting our focus from volume to quality through timely price revisions and initiatives to enhance brand value. Overseas, we strengthened our business foundations across regions and expanded our regional portfolio, but growth fell short of expectations, and we did not establish the management foundation needed to drive medium- to long-term growth. As a result, our portfolio transformation remains a work in progress. In new business areas, we made steady progress in expanding awareness of *Body Granola* within our Food and Health business.

Growth Guidance Under *Change 2025* and Key KPI Results

	FY2024/3	FY2025/3	FY2026/3	FY2024/3 to FY2026/3	Growth guidance (3 years)	Achievement status
Organic net sales growth rate	+8%	+6%	+5%	+6.8%	**+4–6%**	Exceeded
Consolidated operating profit growth rate	+23%	+6%	–10%	+5.6%	**+6–8%**	Partially achieved
ROE	10.9%	10.5%	8.3%	–	**10% or higher**	Not achieved
Domestic operating profit growth rate	+22%	+9%	–15%	+4.0%	**+6–8%**	Not achieved
Overseas sales ratio	24%	25%	26%	–	**30–35%**	Not achieved
New areas sales ratio	4.3%	4.3%	4.8%	–	**5%**	Partially achieved

Our Roadmap to 2035 Under *Accelerate the Future*

We launched our new growth strategy, *Accelerate the Future*, in April 2026. Under this strategy, we will accelerate the pace of transformation, expand the scope of our products and services, and create new value in order to enhance corporate value. As a company that delivers value globally, we will pursue the creation of both economic and social value.

While preserving financial soundness, we will work to enhance our earnings power, capital efficiency, and growth expectations to sustain growth in corporate value. EBITDA margin will be the primary performance indicator for our domestic core business, while EBITDA will serve as the key indicator for our overseas business. By improving profitability, we will support future growth investments and reinforce our business foundations.

Growth Guidance Under *Accelerate the Future*

			FY2024/3–FY2026/3 results	FY2027/3–FY2031/3 (growth investment phase)	FY2032/3–FY2036/3 (value creation phase)
Economic value	Strengthen earnings power	Organic net sales growth rate	+7%	+7% or higher	+7% or higher
		EBITDA growth rate	+8%	+10% or higher	+10% or higher
		EBITDA margin	12.7% (FY2026/3)	14% or higher (FY2031/3)	16% or higher (FY2036/3)
	Portfolio transformation	Growth areas (overseas/new categories) sales ratio	31% (FY2026/3)	40–45% (FY2031/3)	50% (FY2036/3)
	Improve capital efficiency	ROE	8.3% (FY2026/3)	10% or higher (FY2031/3)	15% (FY2036/3)
		Net profit growth rate	+5%	+10% or higher	+14% or higher
		ROIC	8.0% (FY2026/3)	8% or higher (FY2031/3)	13% or higher (FY2036/3)
Social value	Employees	Strengthen human capital management	Calbee human capital index 79.90 (FY2025/3) → 81.28 (FY2031/3)		
	Society	Promote sustainability management	Priority themes based on five material issues (see "Materiality List (Opportunities and Risks)" on page 44)		

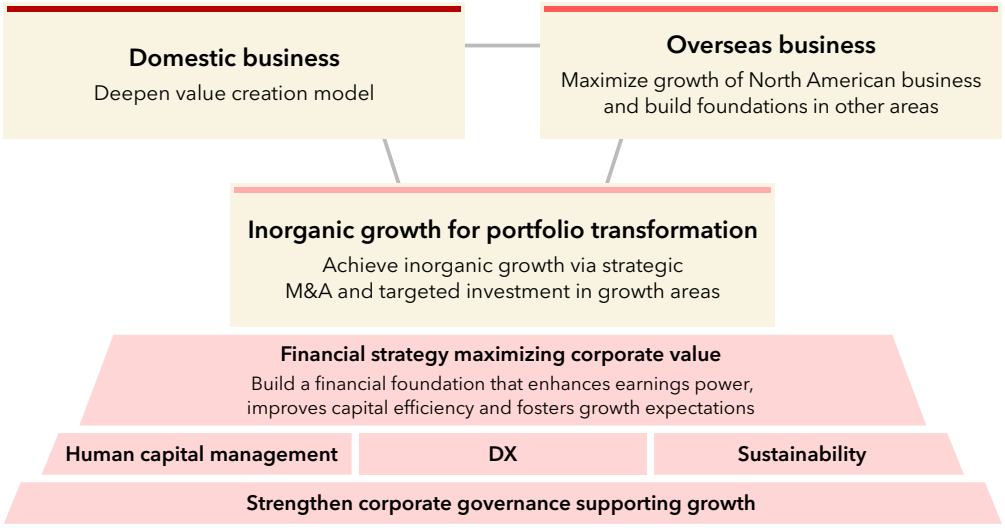
Growth Strategy Overview

Priorities for Business Growth and Portfolio Transformation

To achieve our 2035 Vision of becoming a global snacking company, we will expand the ways we deliver the joy of food to people, extending our traditional focus on snacks and cereals to the broader snacking and light meal markets. This transformation begins by shifting to an approach focused on creating value from the consumer's perspective. Moving away from our previous product-driven approach, we will deepen our understanding of consumer needs and eating occasions, and sharpen our brand positioning to strengthen our brands, while enhancing our operational capabilities. By creating new value across regions, consumer needs, and product categories, we will strengthen our existing businesses and drive new growth.

Through these initiatives, we will shift from a Japan-centered business structure to a portfolio driven by overseas and new category businesses. We aim to increase the share of net sales generated by these businesses to 40–45% by FY2031/3 and 50% by FY2036/3. To achieve these targets, we will position the five-year period beginning in FY2027/3 as the growth investment phase. During this phase, we will continue to shift our domestic product portfolio toward high-value-added, high-margin offerings, thereby enhancing our cash-generating capabilities. In our overseas business, we will focus on North America, where snacking demand is strong and where we can leverage our strengths. By reinvesting cash generated in Japan into our North American business, we will strengthen our foundation for growth and expand our business operations. In addition, we will leverage inorganic growth opportunities, including M&A, to achieve sustainable growth and strengthen our resilience.

Five-Year Priority Policies (FY2027/3–FY2031/3)

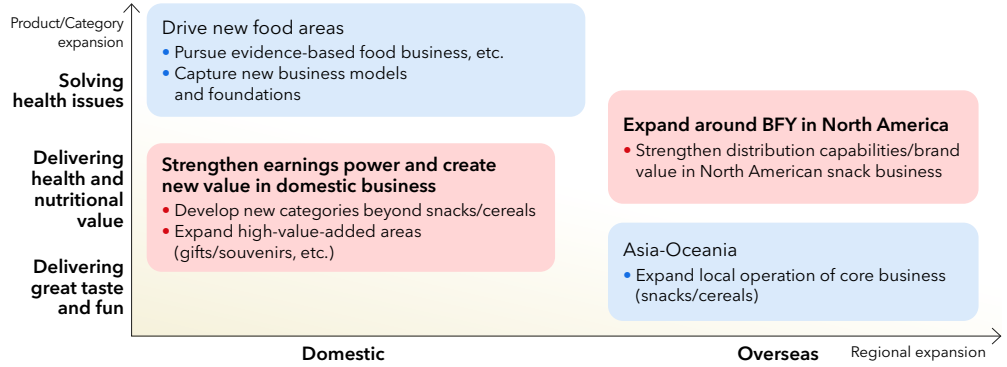


Basic Policy for Inorganic Growth and M&A

While growing our existing businesses, we will actively leverage M&A as a means to accelerate growth. Over the next five years, we plan to invest more than ¥100 billion on a cumulative basis (see "Financial Strategy" on page 37), with priority areas including strengthening our Better For You (BFY) snack business in North America and expanding our domestic business through new categories and gifts and souvenirs. In these areas, we will focus on opportunities that complement our existing businesses and offer meaningful synergies, enabling us to capture inorganic growth opportunities.

Furthermore, to improve investment outcomes and returns, we will strengthen our investment execution framework and our investment decision-making and monitoring processes. We will enhance the quality of investment decisions by forming and developing an M&A team, conducting rigorous review and discussions at Investment Evaluation Committee and Management Council meetings, and conducting reviews with the Board of Directors. At the same time, we will establish a management framework capable of effectively executing post-merger integration (PMI) to maximize investment value.

Priority Areas for Inorganic Growth



Investment Decision/Monitoring Process

- **Execute M&A transactions that strengthen and complement existing businesses and create synergies**
- **Strengthen M&A process to maximize ROI**
  - Form and develop an M&A team
  - Conduct rigorous review and discussions at Management Council and Investment Evaluation Committee meetings
  - Board of Directors review
- **Establish a management framework to ensure effective post-merger integration (PMI)**

Strengthening Domestic Foundation

Basic Strategy for Our Domestic Business

Calbee's domestic business boasts numerous long-selling brands with strong consumer support. However, from a medium- to long-term perspective, we expect the market to slow due to factors such as market maturity and population decline. In response to these changes in our business environment, we have shifted our focus from volume-based growth to enhancing profitability. Over the three years under our previous growth strategy, *Change 2025*, we advanced three transformation initiatives: our company-wide marketing reform, profit structure reform, and sales reform, thereby establishing a foundation for more profitable growth.

Under our new growth strategy, *Accelerate the Future*, we will build on this foundation while pursuing three initiatives: value creation based on consumer needs, strengthening operational capabilities, and expanding into new categories. By further evolving our value creation model, we aim to maximize profit margins.

Value Creation Based on Consumer Needs

Progress and Challenges Under the Previous Growth Strategy

As population decline and market maturity make the quality of growth increasingly important, we need to move beyond price competition by clearly communicating the value of our products and the appeal of our brands, as well as by building lasting relationships that encourage consumers to continue choosing our products. With this in mind, during the three years under our previous growth strategy, we began to shift from a product-led approach to a consumer-centric one as part of our company-wide marketing reform.

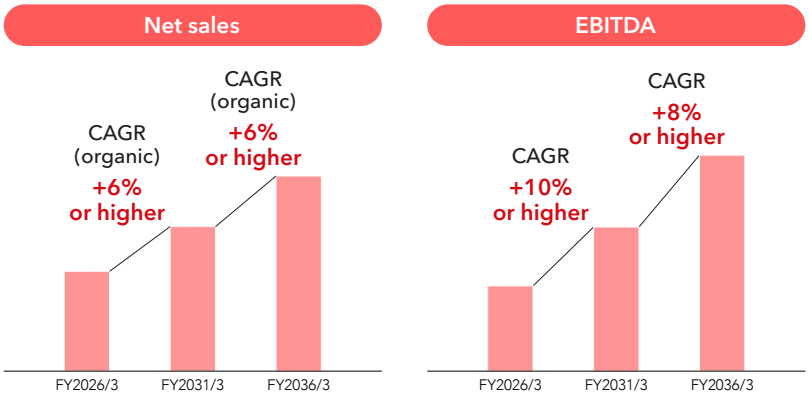
Our traditional product-led approach was based on the premise of volume growth. Although new product launches and promotional activities drove sales, several limitations became increasingly apparent. First, our interactions with consumers were often limited to the point of purchase, making it difficult to build ongoing relationships. Second, our understanding of consumers, including their needs, wants, and reasons for purchasing, often remained superficial. Third, sales growth primarily depended on increasing the number of products and promotional initiatives, making it difficult to improve the quality of growth. Based on these three challenges, we concluded that for consumers to continue choosing Calbee, we would require a shift in our mindset and behavior, starting with the value we create for consumers.

As one example, we have launched the Lbee program* (1.37 million app downloads as of the end of July 2026). By extending the experience beyond the point of purchase and consumption, the program has evolved into a platform that enables us to maintain ongoing engagement with consumers. Through the Lbee program, we can better observe consumer behavior and capture feedback, enabling us to move from a fragmented view of consumers to a more continuous and well-rounded understanding. In addition, we are increasing opportunities for dialogue with highly engaged consumers by expanding digital touchpoints through social media and fan sites, while also strengthening connections through in-person engagements such as fan meetings. Through these initiatives, we are developing a system to incorporate consumer feedback into product development and marketing, and to co-create value with our consumers.

Although we have expanded our touchpoints with consumers and deepened our understanding of them, challenges remain in systematically analyzing the information we collect to uncover latent consumer values and emerging consumption occasions. To achieve further growth, we believe it is important not only to understand consumer behavior and feedback, but also gain deeper insights and use this to create new value.

* A program in which participants fold up product packages and scan the package information using a dedicated app to collect Lbee points, which can be used to apply for experiential events and campaigns

Domestic Business Growth Guidance



Deepen our value creation model through three initiatives to maximize profitability

- Transform product portfolio through **value creation based on consumer needs**, strengthening domestic business resilience
- **Strengthen operational capabilities** by evolving business models, including through DX
- **Expand into new categories** beyond our existing snacks and cereals by leveraging our strengths

Key Initiatives Under Our New Growth Strategy

Under our new growth strategy, we have identified four priority markets based on consumer insights and anticipated changes in the snacking and light-meal market.

The first is our existing market, built around the concept of "fun and easy." In response to trends such as declining leisure time and growing information fatigue, we aim to maintain our leading market share by expanding our lower-priced offerings

Strengthening Domestic Foundation

and broadening format options, such as multipacks. The second is "special occasions": the "small indulgences" market. We defined this market in response to growing fatigue with and declining interest in standard products, and aim to create high-value-added, high-margin products that serve as a small treat consumers can indulge in. The third is "healthy living": the health-focused market. To respond to growing health awareness, we will offer products with benefits that support both physical and mental well-being. The fourth is "for people you care about": the gift and souvenir snack market. As people place renewed importance on in-person engagement, including gift-giving, we will develop products that provide greater appeal as gifts while also exploring new sales channels.

By defining these markets based on consumers' needs and usage situations, we have been able to develop a more detailed understanding of what we previously viewed collectively as the snack market. As a result, we have gained greater clarity on the type of value we should deliver in each market, which we believe will lead to a more sophisticated approach to product development, sales, and promotional activities.

Going forward, we will continue to deepen our presence in the existing market while stepping up our efforts in the other three markets, where we have yet to fully capture demand. Through this approach, we will shift toward a portfolio of products with higher margins and greater profitability. To support this effort, we will strengthen our product development and marketing capabilities, starting with consumer insights for each of the above markets. In addition, we will continue to analyze consumer feedback and behavioral data, while enhancing our high-value-added product offerings and developing new sales channels.

For developing specific initiatives, we have developed a structure in which the relevant divisions, such as marketing, sales, production, and logistics, coordinate to increase mutual understanding and alignment. This enables a consistent approach to value creation, from product development to in-store execution.

Four Market Strategies Built Around Consumer Value

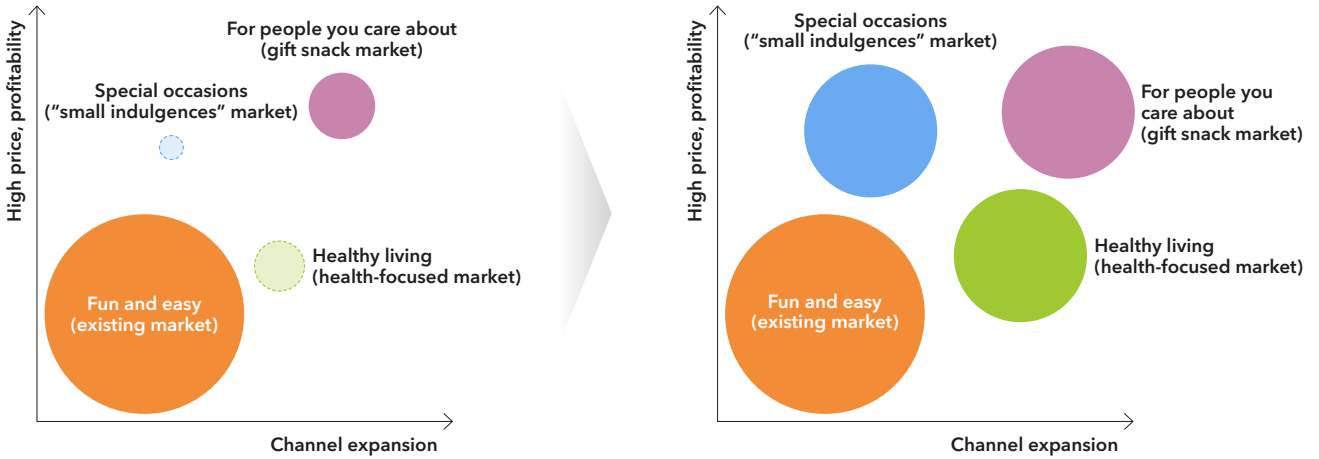
Issues/Changes in Japan	4 market strategies in response to snacking demand	
• Less time to relax and spend with family • Fatigue from constant exposure to complex information	Fun and easy (existing market)	**Maintain dominant share** • Expand lower-price offerings and packaging formats, e.g., multipacks
• Fatigue with conventional products • Declining interest in snacks	Special occasions ("small indulgences" market)	**Develop high-margin products** • Expand premium product lines for self-reward occasions
• Rising awareness of health, well-being, and self-care	Healthy living (health-focused market)	**Offer new functional value** • Expand offerings that support snacking habits
• Place greater value on in-person communication	For people you care about (gift snack market)	**Develop new channels** • Develop new savory gift snacks and cultivate channels

Marketing/sales reform

- Transform from product-focused to consumer-centric approach (i.e., where and how we sell)
- Expand occasions through Calbee's value proposition (taste, fun, health)
- Build product planning/development framework to create new products

Our Target Product Portfolio for 2035

Expand from existing market to domains where we provide value, grow portfolio of high-price, high-profitability products → **Increase sales price per kg**



Strengthening Domestic Foundation

Strengthening Operational Capabilities

Progress and Challenges Under the Previous Growth Strategy

Under our previous growth strategy, we pursued profit structure reforms aimed at improving our earning power. The key driver behind these efforts was DX. Through DX initiatives across both sales and production, including the introduction of S&OP*1 to optimize the entire value chain, and Factory DX to improve manufacturing productivity, we have strengthened our operational capabilities across the Company and are improving profitability.

*1 S&OP: Sales and Operations Planning

(1) Improving Our Profit Structure Through S&OP

By establishing the S&OP system, we have gained visibility into our profit structure at the SKU*2 level, enabling us to manage each product based on its profitability. Specifically, for low-profitability SKUs, we implement improvements through one of three measures: changing manufacturing method or production site, revising prices, or discontinuation. We have also set a target number of SKUs and are reducing the overall number accordingly, resulting in improvements in unit prices and gross profit across our entire domestic business.

In addition, we developed C-BOSS*3, a simulation platform that supports S&OP by optimizing the entire process, from raw material procurement through sales. With capacity utilization at our factories already reaching its upper limit, maximizing profitability while making effective use of limited equipment and raw materials requires more precise decision-making that takes both demand fluctuation and profitability into account. With C-BOSS, we can compare multiple scenarios, enabling us to make better-informed management decisions more quickly.

To further enhance S&OP, we need to improve demand-forecasting accuracy and strengthen our ability to execute in stores based on those forecasts. While the initial development of C-BOSS is now complete, we need to enhance its accuracy and effectiveness through full-scale implementation.

*2 SKU: Stock Keeping Unit, the minimum management unit for receiving or writing orders and managing inventories
*3 C-BOSS: Calbee Business Optimization Simulation System

(2) Improving Productivity Through Factory DX

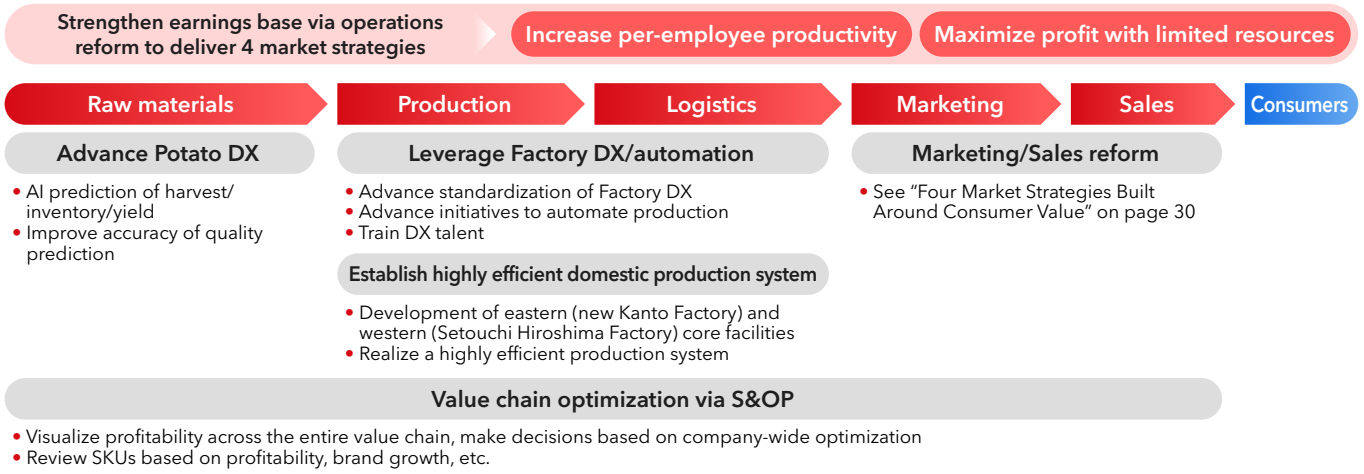
At Calbee, Factory DX is not simply about digitizing tasks, but a means to transform our operating model. By pursuing both labor savings and greater efficiency while creating a more comfortable working environment, we aim not only to improve productivity but also to address the risk of future labor shortages.

Under our previous growth strategy, we expanded initiatives proven through a PoC*4 model case conducted at the Kansai Biwako Factory to other factories. Today, multiple factories have implemented initiatives such as collecting operational data using an IoT platform, automating the management of production metrics, and digitizing daily reports. These initiatives are beginning to be used in a series of continuous improvement efforts led by frontline employees. In addition, we are combining DX-driven data analysis with continuous improvement practices and developing DX talent capable of solving challenges at production sites.

Through these initiatives, digital technologies now support manual checking processes, helping prevent errors and reducing employees' mental workload. At the same time, we face two challenges. The first is integrating data across the Company and making it available in real time. Currently, data is used primarily within each individual factory and on a daily basis, leaving room to further optimize operations as a whole by connecting production, supply and demand, and logistics. The second is alignment of frontline operations. While C-BOSS is improving our planning capabilities, there is still room to improve the accuracy with which these plans are aligned with equipment capacity, workforce availability, and other operating constraints. Another challenge going forward is to expand the operating model being developed at our state-of-the-art Setouchi Hiroshima Factory, which is designed around data utilization and automation, to other factories.

*4 PoC: Abbreviation for "Proof of Concept," referring to the limited-scope testing of the effectiveness of a new technology or idea

Operations Reform in Our Value Chain



Strengthening Domestic Foundation

Key Initiatives Under Our New Growth Strategy

To execute the aforementioned market strategies, we will strengthen our earnings base through operational reforms, building on the foundation established under our previous growth strategy. We will continue advancing DX, with the next phase focused on creating systems that directly connect management decision-making with frontline operations.

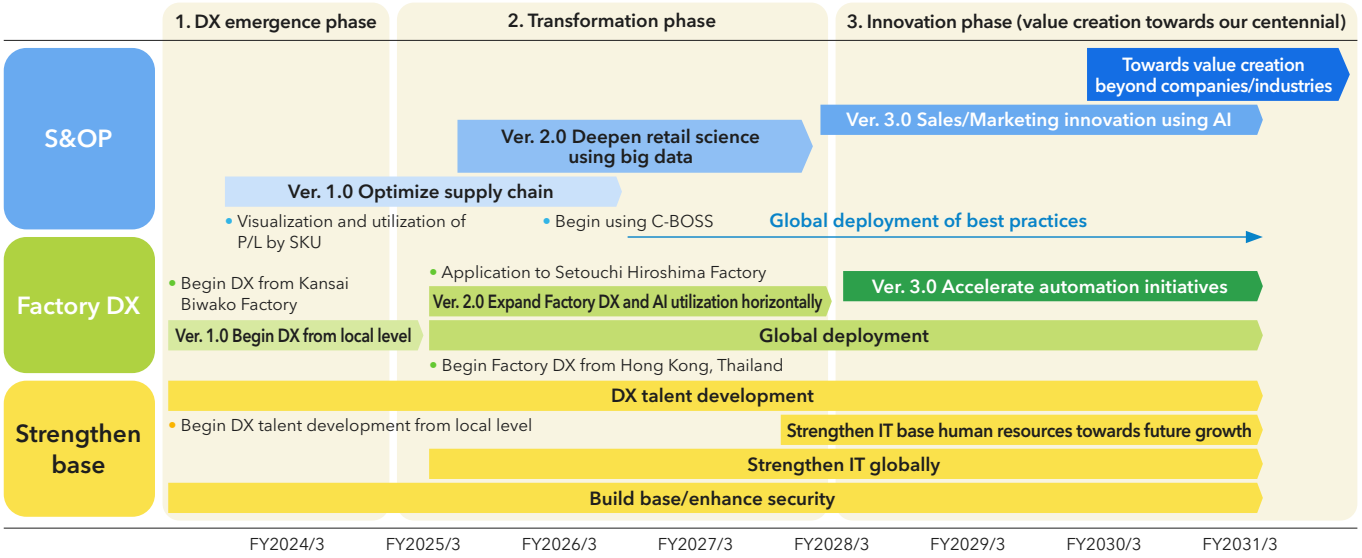
The scope of our operations reform encompasses the entire value chain, from raw material procurement and production to delivering products to consumers. In raw material procurement, we are strengthening Potato DX initiatives to address upstream risks such as climate change and changes in agriculture. By leveraging AI-driven forecasts, we aim to optimize potato yields and quality.

In production, we will further advance Factory DX by integrating data on equipment, quality, and employee tasks. This will enable us to better detect abnormalities and expand automation capabilities. We will also automate daily reports and other administrative tasks, transforming our operations from "factories that have relied on experience and intuition" to "data-driven factories that identify potential issues and opportunities for improvement and support optimal decision-making." In addition, we will also establish a highly efficient production system centered on the two strategically located production hubs: the new Kanto Factory in eastern Japan and the Setouchi Hiroshima Factory in western Japan. This will strengthen supply capacity and improve logistics efficiency by reducing the supply-demand imbalance between eastern and western Japan.

In logistics, we will optimize supply and demand operations to improve loading rates and reduce stockouts and excess inventory. We will also address changes in the logistics environment through initiatives such as automated warehouse operations and the use of AI to improve labor productivity.

Beyond these initiatives in each area, we will leverage S&OP to optimize the entire value chain, thereby increasing productivity per employee and maximizing profitability while making the most effective use of limited resources.

DX Strategy Roadmap to 2030



Expansion into New Categories

Under our new growth strategy, we will accelerate our expansion into new categories where we can leverage our strengths to achieve sustainable growth in our domestic business. As consumer preferences become increasingly diverse, particularly around personalization and health consciousness, we will strengthen our ability to deliver products and services based on individual needs and supported by scientific evidence. One example is *Body Granola*, a subscription-based personal food program (D2C service) that recommends granola based on an individual's gut microbiome test results. Through services such as *Body Granola*, we are creating new consumer value by addressing growing health and wellness needs. We will also broaden our product portfolio beyond traditional snacks and cereals, growing our sweet potato and frozen food businesses while expanding into new business areas through partnerships and M&A. Furthermore, we will expand our markets and consumer reach through co-creation with other companies. These initiatives include an exclusive distribution agreement with Perfetti Van Melle, whose brands enjoy strong consumer recognition in Japan.

Business Expansion Leveraging Our Strengths

Capture new consumer needs
Personalization and evidence-based foods



Body Granola



Pote Cera

Expansion of product portfolio
Categories beyond snacks/cereals



Baked and dried sweet potatoes



Sweet potato beverage



Breath mints and candy



Frozen food products

Accelerating Overseas Growth

Growth Shaped by Our Overseas Experience

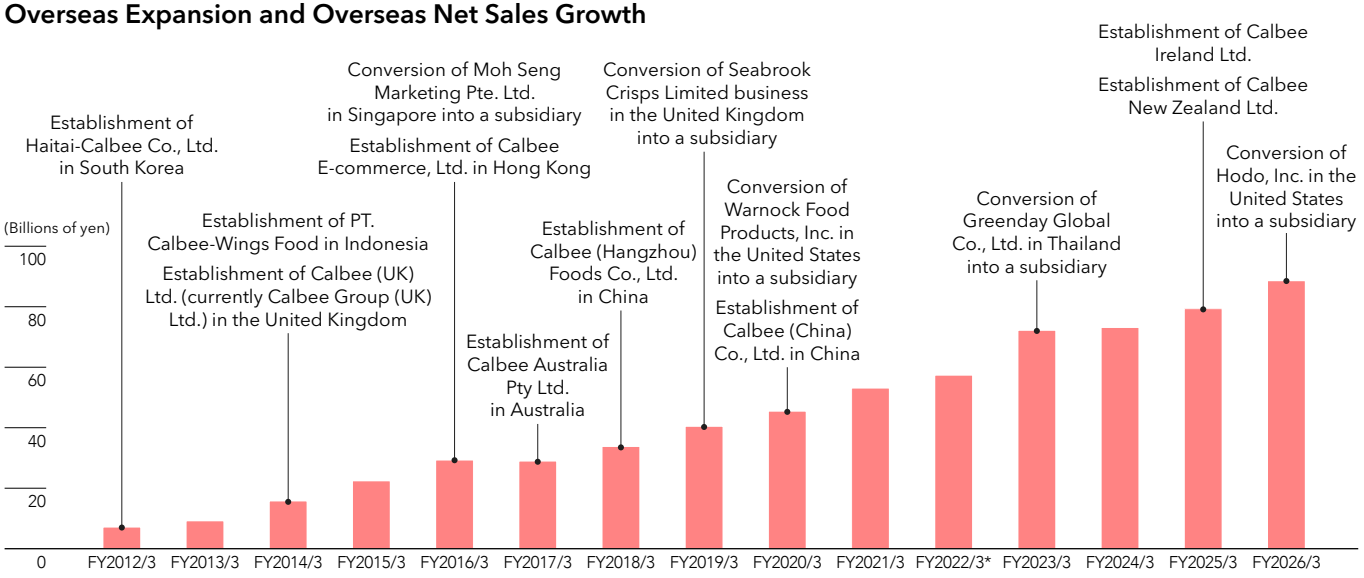
Since 2011, Calbee has accelerated its overseas growth using cash generated by its domestic business and expanded its business base by working with local partners in each country. At times, however, our results have been constrained by talent shortages and resources being spread too thinly across our businesses. In response, we have restructured our business portfolio by consolidating operations with limited growth potential and focusing resources on priority areas ("selection and concentration"). In the United States and the United Kingdom, for example, we expanded our product portfolio through M&A and other measures, while in China, following the dissolution of a joint venture, we reestablished our presence through an e-commerce business. At the same time, we shifted our focus from optimizing individual regions to optimizing our global operations, such as by leveraging Thailand as a manufacturing hub for export products. By applying the insights gained through these efforts across our markets, further strengthening our core capabilities, and optimizing resource allocation, we aim to now evolve into a global company capable of delivering sustainable growth.

Basic Strategy for Overseas Business

We have positioned North America as a key growth driver of our overseas business in the coming decade. The region's large market size and growing demand for snacking provide significant opportunities for further expansion. Moreover, generally high health awareness has driven growing demand for products that emphasize ingredients and quality. Calbee's longstanding focus on natural ingredients and quality is well aligned with these market needs, making North America a market where we can leverage our strengths.

Based on this assessment, we have clarified resource allocation priorities under our new growth strategy and designated North America as a priority market, reflecting the region's growth potential and our competitive strengths. During the first five years of our 2035 growth strategy, we will prioritize investment in North America, including through M&A, to maximize sales and drive growth of the overseas

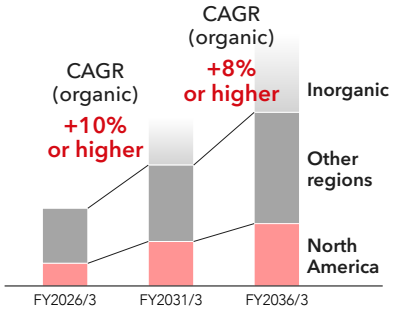
Overseas Expansion and Overseas Net Sales Growth



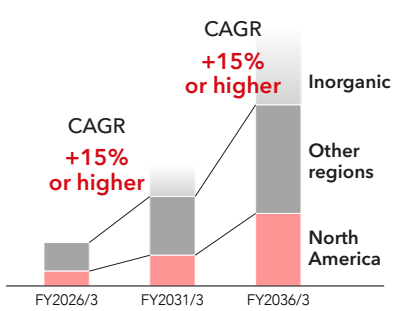
* Effective from FY2022/3, the Company adopted the Accounting Standard for Revenue Recognition (Accounting Standards Board of Japan (ASBJ) Statement No. 29). As a result, certain selling expenses previously recorded in selling, general and administrative expenses (SG&A), including rebates, are now deducted from net sales.

Growth Guidance for the Overseas Business

Net sales



EBITDA



Asset/resource investment

North America ▶ Asia

Position North America as a focal region to maximize sales growth based on its significant market opportunities and our ability to fully leverage our strengths

- Position North America, where snacking demand is high and Calbee's strengths can be fully leveraged, as a key growth region
- **Concentrate asset/resource investment in North America** over the next 5 years, including M&A to acquire functions, prioritizing maximization of sales
- In other regions including China, **maximize utilization of existing assets to build a foundation** and create medium-term growth opportunities

business overall. Meanwhile, in other regions such as China, we will focus on efficiently leveraging existing assets to pursue medium- to long-term growth opportunities.

North America

Accelerating Growth Through Two Target Markets

Focusing on Two Markets with High Growth Potential

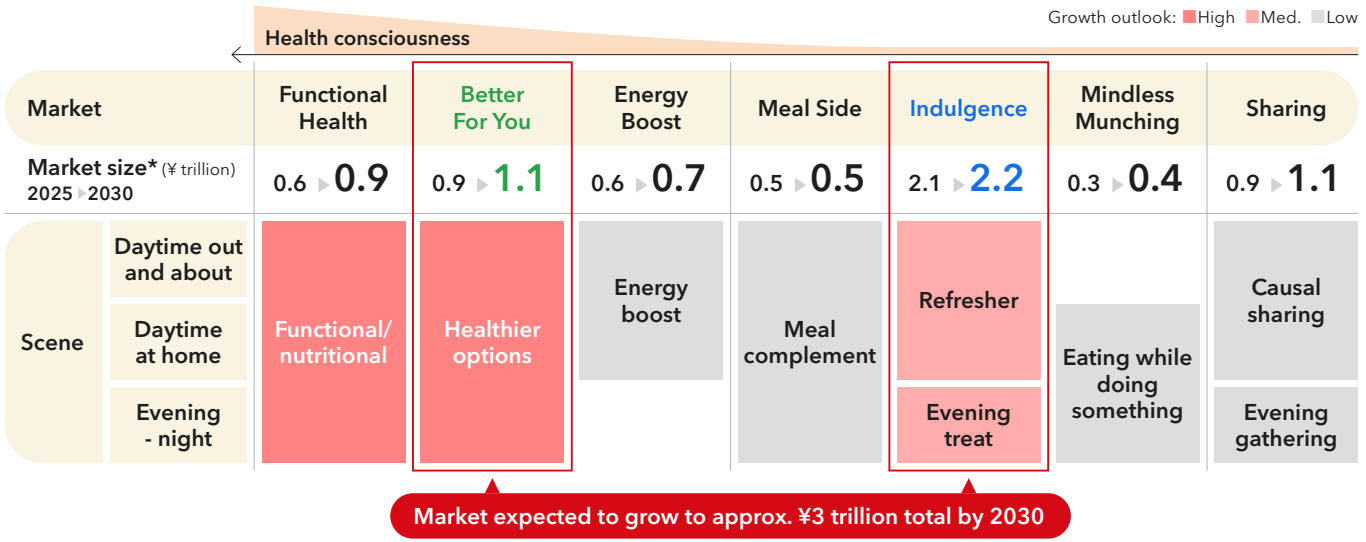
In recent years, lifestyles and eating habits in North America have evolved significantly, particularly among younger generations, with snacking becoming increasingly common as people eat smaller portions more frequently throughout the day. As part of this trend, demand is increasing for both more health-conscious choices as well as products that provide moments of refreshment or personal indulgence. In response to these shifts, our new growth strategy focuses on two target markets, Better For You and Indulgence, where we can respond to changing consumer needs by leveraging the strengths we have developed over time.

Better For You refers to products that respond to health-conscious needs more directly than conventional snacks, for example, by taking salt, sugar, and oil content into consideration. Taking a broader view of this market, we will target consumers who want to make even slightly healthier choices, highlighting our focus on health benefits and quality ingredients alongside great taste. Specifically, we are developing products with added dietary fiber and protein, as well as products made with nutrient-rich avocado oil.

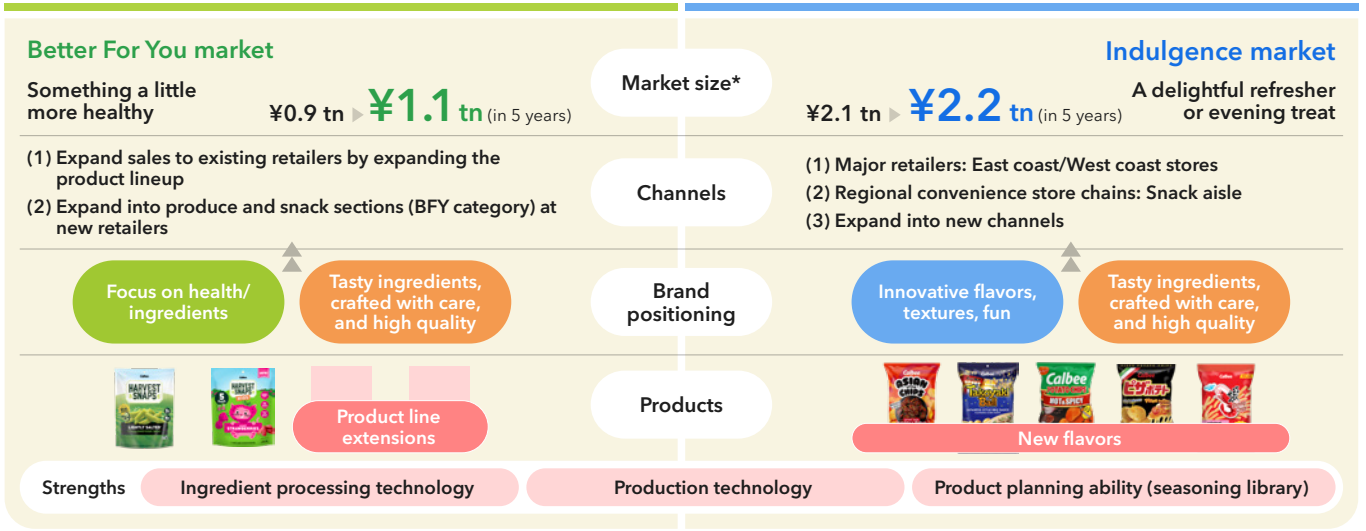
Indulgence is a major category of snacks in the North American market, where products are often consumed as a pick-me-up or as a treat at the end of the day. For Gen Z and Millennial consumers, whose preferences are evolving beyond traditional flavors to include Asian and Latin-inspired offerings, we will introduce innovative flavors, textures and fun experiences that create new ways to enjoy food.

As one of the world's largest markets, North America offers substantial growth opportunities in both segments. Given our relatively low market share today, we see considerable room for growth. By leveraging the insights and technological

North American Snacks Market



Value Creation in the North American Market



* Source: Company research

Accelerating Overseas Growth

capabilities we have developed to date, we will expand our share in these markets and drive significant long-term growth.

Strengthening Our Organization to Drive Sales

A key feature of Calbee's North American business is the presence of all major capabilities, including marketing, product development, production, and sales. In addition, over the past few years we have improved coordination with the CSO and Corporate Planning Division at headquarters, while strengthening support from Japan across functions such as production, R&D, and HR. We have also increased the presence of expatriate employees from headquarters, enabling us to leverage the insights and expertise developed in Japan to enhance our execution capabilities. By combining our local capabilities with our global support framework, we aim to accelerate growth in both target markets.

As a first step, we are strengthening our marketing division as we transition from a conventional push strategy to a marketing-led growth model. As part of this, we have reorganized the division into two dedicated teams with local leaders, each responsible for developing medium- to long-term growth strategies for their respective target markets. In line with this, we will also reorganize the sales division from a region-based structure to a customer-focused structure, enhancing our ability to engage customers.

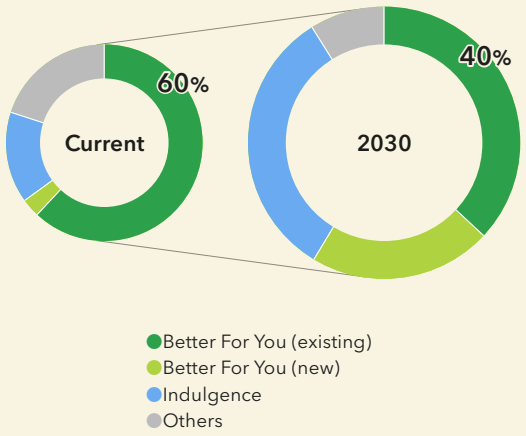
Specific to our brand strategy, we will enhance brand recognition of *Harvest Snaps*, our flagship brand in the Better For You market, while clarifying the brand positioning of our Japanese legacy brands such as *Potato Chips* and *Kappa Ebisen*. To this end, we will strengthen our consumer insight-driven marketing capabilities and focus investments in these areas. We will also track the growth of each brand by adopting leading indicators on top of sales and profits, including brand recognition and inventory turnover rate by region.

In product development, we are strengthening local talent and assigning personnel from Japan. By giving these employees dual responsibilities within the North American business and Global R&D function at headquarters, we are developing an organization that can more flexibly draw on the expertise of our R&D organization while accelerating product development. We are also increasing investment in R&D to support product innovation aligned with the strategies developed by the marketing division.

Strategic Shift in the North America Business

	Until now	Going forward
Target/Needs	• Market size of ¥0.4 trillion - *Harvest Snaps*: Better For You core segment (¥0.2 trillion) - Legacy brands (brands of Japanese origin): Focus on Asian food sections at supermarkets on both coasts (¥0.2 trillion)	• **Expand the target market size to ¥3 trillion**
Brand positioning	• *Harvest Snaps* have strong presence in produce sections • As there are many legacy brands, they lack a clear focus	• **Raise recognition of *Harvest Snaps* and increase their profile in snack sections** • **Rebuild strengths in legacy brands and clarify brand positioning**
Marketing and sales	• Sales-driven, push-based strategy with limited consumer insight • Challenges with snack inventory allocation and turnover • Lack of sustained investment in raising brand awareness and encouraging repeat consumers	• **Shift to a marketing-driven growth model** • **Make targeted marketing investment**
Organizational capabilities	• Organizational structure designed to support *Harvest Snaps* (¥20 billion), primarily through the North American subsidiary	• **Strengthening sales and digital marketing capabilities to support consumer-centric initiatives**

Sales growth and composition in North America



Accelerating Overseas Growth

China and Other Markets

Refining Our Business Model and Strengthening Our Foundation

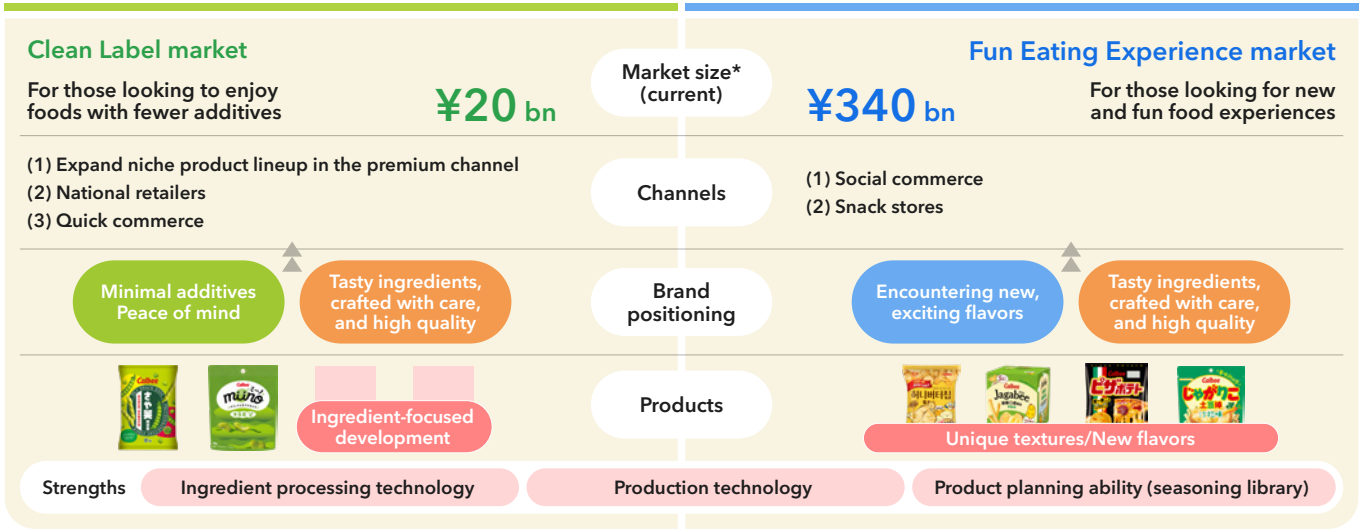
China Business Strategy

Sustained global growth will depend on expanding our business in China, given the significant scale of its market. At the same time, due to the market's considerable volatility and risks, we must reduce our dependence on imports from Japan and further localize our operations. Under our new growth strategy, therefore, we will continue developing and expanding our locally sourced supply networks through OEM (contracted manufacturing) partnerships, leveraging this period to prepare for full-scale growth in the future.

However, leveraging OEM while protecting intellectual property, such as manufacturing methods, presents challenges. In addition, relying on local companies can also limit our ability to respond flexibly to growing demand. To address these challenges, we will therefore diversify our supply base while also evaluating opportunities requiring limited capital investments. In terms of sales, rather than relying too heavily on membership-based distribution models, which have become popular recently, we will also broaden our product offerings to meet the needs of different channels, as well as strengthen distribution through general retail channels and snack chains, with the goal of expanding our presence throughout China.

Our product strategy focuses on target markets where we can leverage our strengths over the short, medium and long term. In the "Fun Eating Experience" market, which is expected to expand over the short term, we will grow our market share by leveraging our expertise in diverse food textures and flavors to deliver value to younger generations seeking new, fun eating experiences. Meanwhile, in the "Clean Label" market, which we view as a medium- to long-term opportunity, we will respond to the growing number of middle- to high-income consumers looking for foods with fewer additives. By leveraging the quality and product development expertise cultivated in Japan, we aim to enhance the value of our brands by providing high-quality products that offer peace of mind.

Value Creation in the China Market



* Source: Company research

Strategy for Other Regions

In other regions, we aim to grow sales by employing strategies tailored to local market characteristics and evolving consumer needs. We also aim to improve Group profitability by optimizing our production and supply network from a broader perspective.

A key focus of our new growth strategy is applying successful initiatives and expertise across regions. For example, as in North America, demand for healthier products as well as new flavors and textures is growing in markets such as the United Kingdom. This creates an opportunity for us to apply the expertise we have developed in Japan and North America. In particular, we aim to leverage the product and brand development expertise we have built in North America in the Better For You and Indulgence categories to accelerate growth in these markets. As part of this, we have already introduced products in both categories in the United Kingdom and will consider local production as the business grows, depending on demand trends. In Australia and New Zealand, *Harvest Snaps* has also gained market recognition. By leveraging our relationships with major distributors, we aim to develop new supply channels and expand our market share.

In Thailand and Indonesia, we will strengthen existing brands to capture market growth driven by population growth. We will also expand the region's role as a global product supply hub, including exports to neighboring countries. In Thailand in particular, we will lower supply costs through factory-level initiatives to improve gross profit and increase capacity utilization, supporting profit and earnings growth across the Group and improving investment efficiency. At the same time, to address low domestic market share, we will increase our presence by expanding sales channels tailored to local needs. In Indonesia, improving costs remains a priority due to intensifying price competition. We will dispatch and conduct exchanges with specialized personnel from Japan, drawing on their expertise, while also advancing the development of highly profitable and differentiated products.

Financial Strategy

Positioning Our Financial Strategy Within Our Corporate Value Enhancement Model

We have established a Corporate Value Enhancement Model (see the "CFO Message" on page 8) as the overarching framework for *Accelerate the Future*, our growth strategy for achieving our 2035 Vision. Through this model, we aim to enhance corporate value by implementing management that is conscious of cost of capital and stock price, and by strengthening earnings power, improving capital efficiency, and fostering growth expectations. Our financial strategy serves as the foundation for realizing this model, focusing on three areas: accelerating growth through disciplined investment, providing stable and disciplined shareholder returns, and earning the trust of shareholders and investors and fostering growth expectations.

To date, our strong business foundation has enabled us to consistently generate profits and build a sound financial position. At the same time, realizing our 2035 Vision will require us to effectively capture growth opportunities in Japan and overseas and accelerate investment. To support these efforts, we will pursue growth investments using the cash we generate and retained earnings, as well as financial leverage where appropriate.

Going forward, we will continue to preserve financial soundness while enhancing corporate value through strategic investment and capital allocation.

Accelerating Growth Through Disciplined Investment

To enhance corporate value, we aim to maximize the ROIC–WACC spread through both our business and financial strategies. We have positioned ROIC as a company-wide management metric and EBITDA growth as a key indicator of business growth, as we pursue both growth and capital efficiency.

Management Framework for Disciplined Investment in Growth

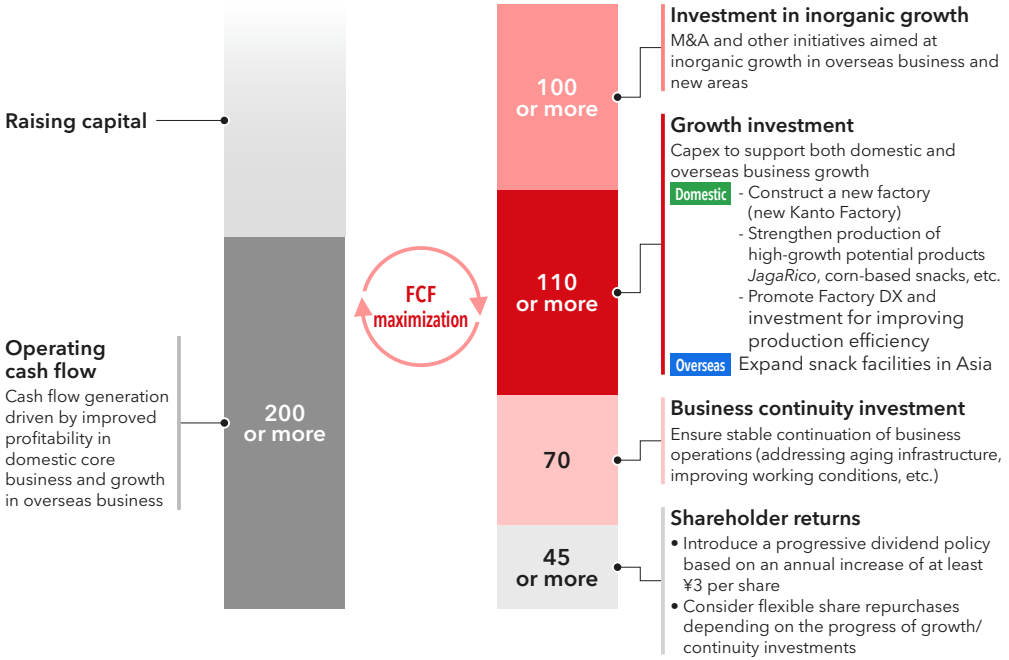
We will actively invest to accelerate growth. At the same time, expanding investment requires disciplined decision-making. To support this, we have established a management framework that reinforces investment discipline, improves the effectiveness of growth investments, and supports sustainable cash generation. With a clear awareness of the cost of capital, we updated WACC for each country in 2025 and made ROIC exceeding WACC an explicit criterion for investment decisions. For inorganic growth investment such as M&A, we have established a separate review process from the one used for capital investments. Before making an investment, we conduct thorough discussions, including an assessment of potential synergies. Following an investment, we seek to maximize results through disciplined PMI implementation and ongoing monitoring. We also plan to review businesses, including the possibility of exit, if their returns remain below WACC and we determine that they are unlikely to contribute to future growth.

Cash Allocation to Drive a Virtuous Cycle of Investment and Growth

We will reinvest cash generated by our domestic and overseas businesses in growth areas to further strengthen our cash-generating capability. By channeling the resulting gains to fund further growth investment, we aim to establish a virtuous cycle that supports sustainable growth. We will also make appropriate use of financial leverage, pursuing M&A in growth areas and investing to strengthen the competitiveness of our domestic business, with the goal of maximizing free cash flow in the future.

Five-Year Cash Allocation Policy (FY2027/3–FY2031/3)

(Billions of yen)



Financial Strategy

Capital Structure Optimization While Preserving Financial Soundness

To support continued growth investment, we manage financial risk appropriately. In using financial leverage, we have set a net D/E ratio ceiling of 0.5x to preserve financial soundness. We have also defined an equity ratio of around 55% as our optimal capital structure over the medium to long term. By achieving this structure, we aim to reduce our current cost of capital of approximately 7% by around one percentage point and maximize the ROIC–WACC spread.

Providing Stable and Disciplined Shareholder Returns

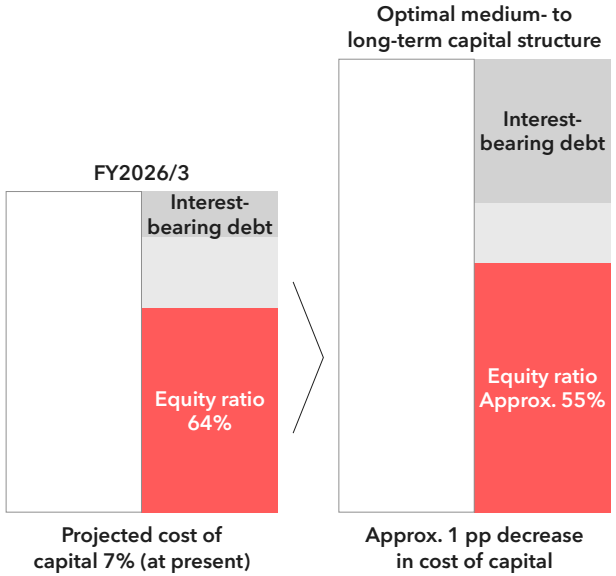
We regard returning profits to shareholders as one of our key management priorities. To date, we have worked to enhance shareholder returns through consistent dividend increases. Going forward, we will provide more stable and disciplined returns while balancing them with growth investment. For the five years from FY2027/3 through FY2031/3, we will adopt a progressive dividend policy under which dividends will increase at least ¥3 per share each year. We will also consider flexible share repurchases based on the progress of growth and continuity investments.

Earning the Trust of Shareholders and Investors and Fostering Growth Expectations

Enhancing corporate value requires not only steady execution of our growth strategy, but also building relationships of trust with shareholders and investors while fostering growth expectations. We aim to do this by communicating our growth story and its progress clearly and consistently, while steadily delivering results. Through our IR and SR activities, we are enhancing disclosure and expanding communication to promote understanding of our initiatives. We also incorporate the views and insights gained through constructive dialogue with shareholders and investors into management. By using this feedback to improve the quality of our management strategy and change employee mindsets, we are strengthening our ability to execute our growth strategy. We are also strengthening our corporate governance framework, which supports corporate value enhancement, by increasing the number of directors with expertise in finance and accounting and a deep understanding of the capital markets (see “Strengthening Corporate Governance” on page 50).

Going forward, we will continue to deepen mutual understanding with shareholders and investors and earn their trust. By fostering expectations for future growth, we aim to enhance corporate value over the medium to long term.

Optimal Capital Structure



Implementation measures

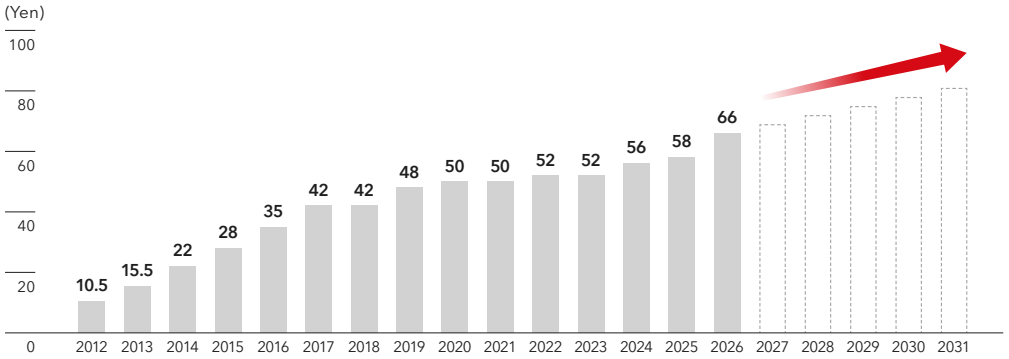
- Leverage debt for growth investment and M&A (Ensure financial soundness with a net D/E ratio cap of 0.5x)
- Provide shareholder returns through progressive dividends

Shareholder Return Policy

Five-year period (FY2027/3–FY2031/3)

- Introduce a progressive dividend policy based on an annual increase of at least ¥3 per share
- Consider flexible share repurchases depending on the progress of growth/continuity investments

Dividend per share over time



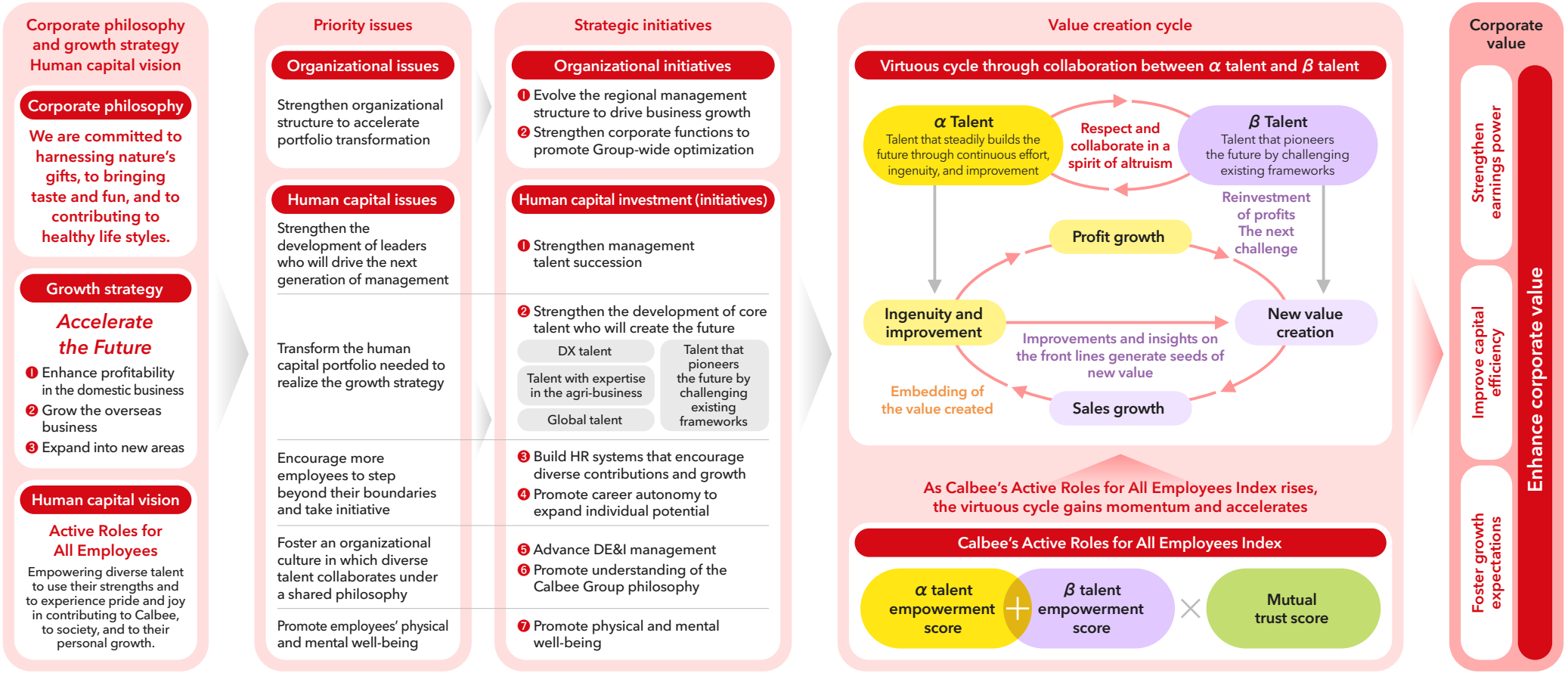
(Fiscal year ended March 31)

Strengthening Human Capital Management

For more details, please refer to Human Capital Report 2026 (HCR 2026).
Priority Issues and Strategic Initiatives — Please see page 19 of HCR 2026 for details.
Virtuous Cycle Through Collaboration Between α Talent and β Talent — Please see page 6 of HCR 2026 for details.

To realize the Calbee Group growth strategy, *Accelerate the Future*, we have made Active Roles for All Employees the most important policy for our human capital management, building on the spirit of altruism that has guided Calbee since its founding. We systematically advance initiatives to transform our people and organization in response to the priority issues derived from the growth strategy. Through these initiatives, we aim to create a value creation cycle in which α talent (talent that steadily builds the future through continuous effort, ingenuity, and improvement) and β talent (talent that pioneers the future by challenging existing frameworks) work together in a spirit of altruism. This value creation cycle drives profit growth and sales growth. We have also defined Calbee's Active Roles for All Employees Index as a measure of the conditions that accelerate this virtuous cycle. By raising the index, we will further accelerate the value creation cycle and achieve the goals set out in the growth strategy of strengthening earnings power, improving capital efficiency, and fostering growth expectations, ultimately enhancing corporate value.

Creating Value Through Human Capital



Strengthening Human Capital Management

Visualizing the Human Capital Needed to Execute the Growth Strategy

Calbee's Active Roles for All Employees Index (human capital index) is our unique KPI that shows how far we have progressed toward realizing Active Roles for All Employees, the most important policy for our human capital management.

We calculate the index by adding together empowerment scores for α talent and β talent and multiplying the total by the mutual trust score. The empowerment scores measure each employee's sense of growth and contribution through their day-to-day efforts from three perspectives: Active Roles for All Employees status, career autonomy, and psychological safety. The mutual trust score measures the extent to which employees respect one another and collaborate in a spirit of altruism.

As the empowerment score rises, employees become more active in demonstrating ingenuity, making improvements, and taking on new challenges. As the mutual trust score rises, the culture of collaboration grows stronger and the virtuous cycle accelerates.

The index reached 80.67 in FY2026/3, marking its third consecutive annual increase. The improvement in the mutual trust score was the main driver of the overall increase. Empowerment scores increased for both α talent and β talent. However, the career autonomy score remained relatively low for both groups, and we will address this as a priority issue going forward.

α Talent

Talent that steadily builds the future through continuous effort, ingenuity, and improvement

Empowerment score

FY2024/3	10.06
FY2025/3	10.24
FY2026/3	10.30 +0.06 pp

β Talent

Talent that pioneers the future by challenging existing frameworks

Empowerment score

FY2024/3	11.79
FY2025/3	11.71
FY2026/3	11.74 +0.03 pp

	Active Roles for All Employees status score	Career autonomy score	Psychological safety score
FY2024/3	3.55	3.11	3.40
FY2025/3	3.62	3.15	3.47
FY2026/3	3.64	3.17	3.49

	Active Roles for All Employees status score	Career autonomy score	Psychological safety score
FY2024/3	4.04	3.72	4.03
FY2025/3	4.05	3.66	4.00
FY2026/3	4.06	3.70	3.98

Active Roles for All Employees status score + Career autonomy score + Psychological safety score = Empowerment score

Note: Calculated using the engagement survey score

Mutual trust score

FY2024/3	3.58
FY2025/3	3.64
FY2026/3	3.66 +0.02 pp

We believe that true value creation and Active Roles for All Employees are achieved when both α and β talent demonstrate their strengths in their respective roles while working together—not apart—with a spirit of altruism, mutual respect, and collaboration.

Calbee's Active Roles for All Employees Index

FY2024/3	78.22
FY2025/3	79.90
FY2026/3	80.67 +0.77 pp

Target score: **81.28**
Passing line: **73.50**

We have set a benchmark of 3.50 for each of Active Roles for All Employees status score, career autonomy score, psychological safety score, and mutual trust score. Scores above 3.50 are considered to indicate strong positive responses. Our 2030 target is to raise all scores that were below 3.50 as of FY2025/3 to at least that level.

Strengthening Human Capital Management

Identifying Core Talent to Support Sustained Growth

The Calbee Group's businesses face an increasingly challenging environment in which conventional approaches to growth are no longer sufficient, due to factors such as market contraction from Japan's declining population, falling birth rate and aging society, growing health consciousness, diversifying eating behaviors, and increasing raw material procurement risks caused by climate change.

In response to these changes in the business environment, under our 2035 growth strategy, *Accelerate the Future*, we have established three strategic directions: enhance the profitability of our domestic business, grow our overseas business, and expand into new areas. We are pursuing a transformation of our business portfolio with the goal of increasing the sales ratio of overseas and new category businesses to 50%. To successfully achieve this transformation, it is essential that we also transform our human capital portfolio in alignment with our strategy.

Based on this approach, we have identified four types of core talent that we need to prioritize in securing: DX talent, talent with expertise in the agri-business, global talent, and talent that pioneers the future by challenging existing frameworks (β talent). Through the systematic acquisition and development of these types of talent, we are building a human capital portfolio that supports sustainable growth.

Four Types of Core Talent to Be Secured

Enhance profitability in the domestic business | Grow the overseas business | Expand into new areas

	DX talent	Talent with expertise in the agri-business	Global talent	Talent that pioneers the future by challenging existing frameworks (β talent)
Dependencies on and impacts of human capital	Dependence on talent with expertise in DX and AI	Dependence on talent with expertise in the agri-business	Dependence on talent who can transfer Calbee's unique value and strengths overseas	Dependence on talent who can envision the future and step beyond boundaries
Human capital-related opportunities and risks	**Opportunities** Improvement of quality and productivity through the use of DX **Risks** Decline in productivity and competitive advantage due to a shortage of DX talent	**Opportunities** Stable supply and sustained business operations through accumulation of raw material expertise and strengthening of procurement capabilities **Risks** Instability of raw material supply due to climate change, shortages of specialists, and delays in knowledge transfer	**Opportunities** Acceleration of overseas growth through an increase in global talent **Risks** Loss of growth opportunities due to a shortage of talent to transfer knowledge overseas	**Opportunities** Creation of new value and growth areas **Risks** Stagnation of value creation due to a shortage of talent for challenge and transformation
Human capital strategy	• Investment in DX talent development • Establishment of a DX talent certification system	• Definition of requirements for agri-business specialists in potato operations and establishment of a development framework	• Investment in global talent development • Linkage with succession planning	• Acquisition of new experiences and knowledge • Identification of potential talent (development of α/β talent assessments)
Human capital-related metrics and targets	**Number of DX talent** FY2031/3: 500 people (including 182 certified talent) FY2041/3: 1,000 people (including 400 certified talent)	To be determined	**Key position fulfillment rate** Identify overseas positions required in five years ⇒ Triple the talent pool	**Ratio of β talent** Increase in the percentage of talent demonstrating β capabilities Specific metrics to be determined going forward

For more details, please refer to HCR 2026.

DX Talent

Please see page 9 of HCR 2026 for details.

As DX advances through the use of cutting-edge technologies, including AI, a shortage of DX talent capable of leveraging these technologies to lead problem-solving efforts directly translates into a decline in the Company's competitiveness. Particularly in Japan, where population decline is expected, enhancing productivity and profitability through initiatives such as Factory DX and supply chain optimization using S&OP* is essential. This requires the development of talent who can drive these initiatives.

* S&OP: Sales & Operations Planning

Talent with Expertise in the Agri-Business

Please see page 10 of HCR 2026 for details.

For Calbee, which operates businesses utilizing natural ingredients, talent with expertise in the agri-business who support stable harvest volumes through initiatives such as developing new potato varieties, labor-saving cultivation, and the advancement of storage and transportation technologies are an important foundation supporting sustainable business operations. We will first focus on potatoes, a key raw material, and proceed with defining the requirements for these specialists and establishing a development framework.

Global Talent

Please see page 11 of HCR 2026 for details.

To accelerate the growth of our overseas business, it is essential to establish an active strategic execution framework that works in close collaboration with local organizations in each region, leveraging the technologies, expertise, and brand value cultivated in Japan. To achieve this, we are strengthening the development of global talent who can deploy Calbee's unique value and strengths across overseas locations and lead growth in each market.

β Talent

As changes in the business environment and society accelerate, realizing sustainable growth requires not only strengthening the competitiveness of our existing businesses but also creating new value and growth opportunities. To achieve this, we will focus on identifying and developing β talent—individuals who embrace unknown areas and change with a positive mindset and who pioneer the future by challenging existing frameworks, including through market development and the creation of new technologies and systems.

Promoting Sustainability Management

The Future We Aim to Create Through Our Sustainability Strategy

Our goal is to sustain nature's gifts for future generations while continuing to bring the joy of food and well-being to people around the world.

A healthy and thriving natural environment is fundamental to how we create value. That's why we are committed to protecting and restoring natural capital, strengthening its long-term sustainability, and building lasting relationships of trust with the people and communities connected to our business.

By building safe, resilient and sustainable food value chains, and by pursuing innovation rooted in Calbee's unique strengths, we aim to create a future where sustainability and business growth go hand in hand.

Our business environment strongly demands that we address various social issues, such as global warming, biodiversity loss, and supply chain human rights issues, and take initiatives to realize a sustainable society. Since its foundation, Calbee has bridged the gap between nature and people, working to resolve various social issues in line with its corporate philosophy. Our approach to sustainability management is to take global environmental and social issues seriously and address them by creating new value and building a sustainable future through co-creation with society. These initiatives will strengthen our business foundation by increasing our stable procurement of raw materials and productivity and reducing the cost of capital, leading to sustainable growth and increased corporate value.

Integrated Initiatives on Climate and Nature

Our products rely on natural capital such as soil, water, climate, and biodiversity. Protecting these resources is essential to both the stable growth of our business and the realization of a sustainable society. In line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), we have assessed the business risks and opportunities associated with climate change, and actively advanced initiatives to reduce greenhouse gas emissions, including energy-saving activities and the adoption of renewable energy. At the same time, climate change and biodiversity are closely interconnected. Shifts in temperature and rainfall patterns can affect crop yields, while the destruction of ecosystems can undermine the stable supply of food through soil degradation and water scarcity. Preventing biodiversity loss and working toward its recovery require not only conserving and restoring ecosystems, but also addressing climate change, promoting sustainable production, and reducing consumption.

Against this backdrop, Calbee has provided integrated disclosures on our dependence and impact on natural capital, and related risks and opportunities, in line with both the Taskforce on Nature-related Financial Disclosures (TNFD) and the TCFD. As a company closely connected to agriculture, this process has provided us the opportunity to consider more deeply the relationship between climate change and all forms of natural capital, and to identify new possibilities.

Please refer to our website for integrated disclosure based on the TCFD/TNFD frameworks.
https://www.calbee.co.jp/sustainability/en/tcfd_tnfd.php

Transition Risks

Risk	Impact on business	Impact*				Risk countermeasures
		2030		2050		
		2°C	4°C	2°C	4°C	
Increase in carbon pricing	If carbon taxes are introduced, costs related to factory operations and raw materials will increase	Small	Small	Medium	Small	Use renewable energy, utilize hydrogen, etc., and promote decarbonization across the entire value chain
Consumer behavior change due to increased environmental awareness	As climate change progresses, consumer demand is expected to shift further toward environmentally responsible products	Medium	Medium	Large	Large	Promote environmentally responsible and certified products
Regulation on use of petroleum-based plastics	Increase in packaging prices due to regulation on petroleum-based materials Growing consumer awareness and increase in selection of biomass-based plastics	Medium	Small	Large	Small	Reduce petroleum-based plastic packaging while maintaining product quality; shift to alternative raw materials and promote recycling

* Operating profit High: Over ¥5.0 billion, medium: ¥2.0–5.0 billion, low under ¥2.0 billion

Promoting Sustainability Management

Initiatives to Create the Future of Potatoes

Calbee's main raw material is potatoes, which can be harvested only once a year. This means that establishing stable procurement through cooperation with growers is an important management priority. By improving cultivation and storage techniques, and promoting better varieties, we have been working to improve the quality of our raw materials and stabilize supply.

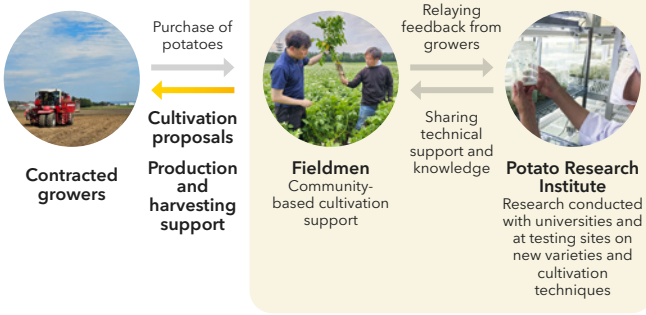
We have also been focused on the development of new products that showcase the appeal of agricultural products, aiming to create an environment where growers can conduct sustainable agriculture. In our collaboration project with the Shiretoko Shari Agricultural Cooperative ("JA Shiretoko Shari"), we procure 40,000 tonnes of raw potatoes annually and utilize the cooperative's frozen processing facility to explore new product possibilities such as frozen foods. In this way, we are building a mutually beneficial co-creation relationship that enables us to widen our business domains while offering opportunities for growers to have stable buyers and improve their profitability.

Materiality Identification and Promotion Structure

Considering the growing importance of natural capital and demands related to climate change and sustainable procurement, we reviewed our materiality in 2022 and identified five material issues and 13 priority themes (currently 12 priority themes, following the integration of two themes into one—Maximization of human capital toward realizing Active Roles for All Employees—in June 2026). The Board of Directors supervises our promotion of these issues, which is carried out mainly by the Sustainability Committee. The committee is chaired by the CEO and meets twice a year in principle. It identifies material issues, sets priority themes, deliberates and reviews the progress of roadmaps developed by subcommittees, and regularly reports its findings to the Board of Directors, thereby enhancing the effectiveness of our initiatives.

For details regarding the Group's materiality identification and review process, please refer to the following web page.
https://www.calbee.co.jp/sustainability/en/materiality.php

Contributing to Sustainable Agriculture



Support for contracted growers

Support for potato cultivation
Development of disease-resistant varieties and promotion of science-based cultivation techniques

Support for labor-saving in agriculture to counter aging and the declining population of farmers
Contractor business (contracted cultivation and harvesting operations, etc.) and support for introduction of highly efficient harvesting machines, etc.

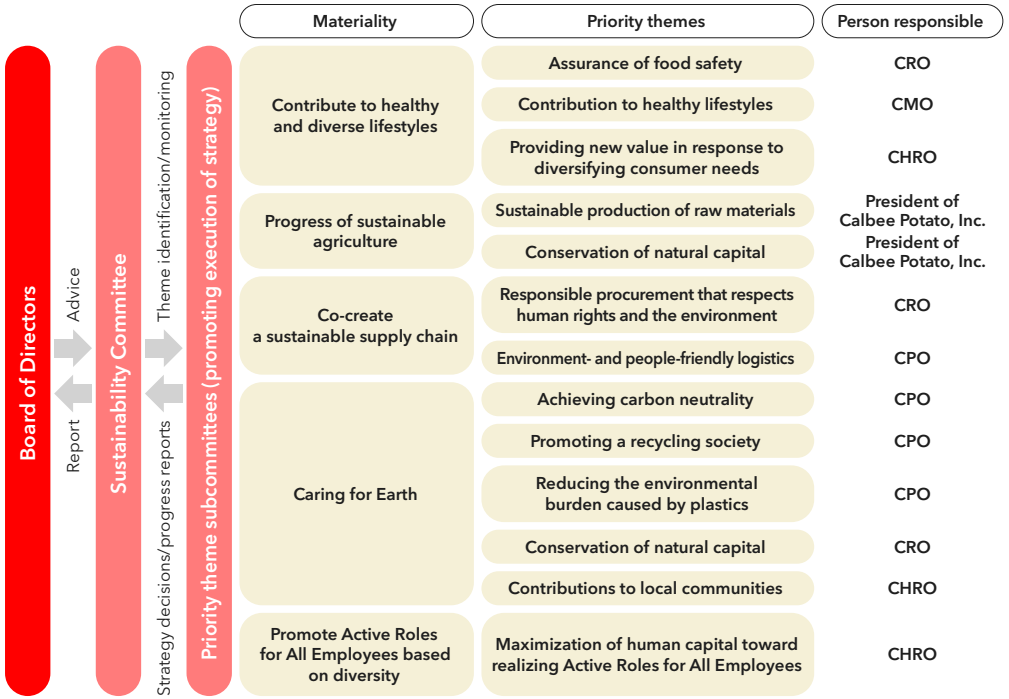
Development of products that add value to raw materials

Development, manufacture, and sale of high-quality products derived from nature
Sustainable growth through long-selling brands

Expansion into the frozen foods business
Opening new markets and ensuring stable procurement through collaboration with JA Shiretoko Shari

Application of expertise to other ingredients
Leveraging expertise in stable procurement of high-quality raw materials acquired through the potato business, and expanding it to other ingredients such as sweet potatoes

Sustainability Management Framework



Materiality	Priority themes	Person responsible
Contribute to healthy and diverse lifestyles	Assurance of food safety	CRO
	Contribution to healthy lifestyles	CMO
	Providing new value in response to diversifying consumer needs	CHRO
Progress of sustainable agriculture	Sustainable production of raw materials	President of Calbee Potato, Inc.
	Conservation of natural capital	President of Calbee Potato, Inc.
Co-create a sustainable supply chain	Responsible procurement that respects human rights and the environment	CRO
	Environment- and people-friendly logistics	CPO
Caring for Earth	Achieving carbon neutrality	CPO
	Promoting a recycling society	CPO
	Reducing the environmental burden caused by plastics	CPO
	Conservation of natural capital	CRO
	Contributions to local communities	CHRO
Promote Active Roles for All Employees based on diversity	Maximization of human capital toward realizing Active Roles for All Employees	CHRO

Promoting Sustainability Management

Materiality List (Opportunities and Risks)

Materiality (Correspondence with SDGs)	Priority themes	Opportunities for promoting business growth	Risks to business sustainability	Promoted themes	KPIs (targets) and process indicators: Indicator	Achievement timeframe	Target	FY2026/3 results
Contribute to healthy and diverse lifestyles	Path to 2050	Increased food safety and security awareness and health consciousness are driving rapid diversification in lifestyles and enjoyment of food. We will meet consumers' needs by delivering new products and value that exceed expectations, supporting everyone in leading a healthy lifestyle with confidence and ease.						
	Assurance of food safety	• Consumers all over the world are able to confidently access products • Receive support from consumers who value safety and quality	• Loss of credibility with consumers and costs incurred due to product recalls, etc. • Administrative measures such as suspension of operations and restrictions on business expansion due to regulatory differences in each country	• Prevention and monitoring for safety and quality • Initiatives for providing peace of mind	• Steady promotion of stronger quality assurance across the entire value chain from production areas to consumers			
	Contribution to healthy lifestyles	• Against a backdrop of rising health consciousness, creation of new markets for not only nutrition and functionality, but also speed and convenience • Provision of products and services that are full of great taste and fun while also supporting mental health • Technological and planning capabilities for providing healthy and delicious products • Deep knowledge of raw materials such as potatoes and sweet potatoes • Development and use of unused resources	• Loss of sales opportunities due to insufficient response to consumer needs • Reduced competitive advantage as differentiation from other companies becomes difficult • Spread of negative image of snacks • Social phenomena such as popularity of so-called "weight-loss drugs" • Tighter regulation of salt and fat content, etc. (intake and advertising)	• Reduction in product salt content and provision of protein-rich products	Amount of salt-free/low-salt/reduced-salt products*2 sold (compared with FY2023/3)*1	FY2031/3	**200%**	**121.8%**
					Amount of protein-rich products*3 sold (compared with FY2023/3)*1	FY2031/3	**200%**	**126.2%**
	Providing new value in response to diversifying consumer needs	• Increased consumer motivation for purchasing environmentally responsible and certified products • Communication of the importance of food and the transparency of our manufacturing process through food education and factory tours enhances consumers' sense of familiarity and gains their trust	• Incorrect understanding of the importance of food and healthy diets • Persistent misconception that snacks are bad	• Expand Calbee Snack School (food education) • Invigorate and promote factory tours	Annual food communication participants*4	Every year	**100,000 people or higher**	**117,890**
Progress of sustainable agriculture	Path to 2050	Maintaining and expanding domestic agriculture is essential for food security, and the importance of securing agricultural land and increasing productivity is unchanged. Stable procurement of raw materials such as potatoes is a top priority for the Company. By cooperating with growers and others to conserve and restore natural capital, we contribute to sustainable agriculture.						
	Sustainable production of raw materials	• Ability to stably procure high-quality potatoes, our main raw material • Reduce logistics burden by shifting to domestic production of raw materials • Retention and spread of knowledge about sustainable agriculture • Promotion of sound crop rotation systems and expansion to crops other than potatoes	• Decline in potato quality and yields due to weather pattern changes, resulting in higher procurement costs • Unstable potato procurement making operations impossible to maintain (loss of sales opportunities) • Decrease in harvests due to declining farmer population and worker shortages	• Promote scientific cultivation to support sustainable procurement of domestically grown potatoes • Develop new varieties • Reduce agricultural labor • Diversify production areas	• Development of varieties with heat and disease resistance • Expanded contracting business • Diversified production areas in Hokkaido and expanded to new production areas in Tohoku and Northern Kyushu			

*1 Applies to Calbee, Inc.
*2 Reference value of Nutrition Claims (Food Labeling Standard, Article 7, Paragraph 1, Appended Tables 12 and 13)
*3 Products selected based on Calbee's criteria, reference value of Nutrition Claims (Food Labeling Standard, Article 7, Paragraph 1, Appended Tables 12 and 13)
*4 Calbee Snack School, factory tours, snack contests, and other food education activities

Promoting Sustainability Management

Materiality (Correspondence with SDGs)	Priority themes	Opportunities for promoting business growth	Risks to business sustainability	Promoted themes	KPIs (targets) and process indicators: Indicator	Achievement timeframe	Target	FY2026/3 results
	Conservation of natural capital	• Stable procurement of raw materials enabled by promoting sustainable agriculture • Accumulation and spread of efficient, low-environmental-impact agricultural technologies	• Increase in cost of countermeasures and procurement due to stronger regulation on farmland development and use of pesticide/herbicide and chemical fertilizers • Heavy reliance on chemical fertilizers increases susceptibility to geopolitical turmoil and supply disruption • Loss of natural capital, which is the foundation of farming	• Fertilize appropriately based on soil analysis	Usage rate of low-phosphate fertilizer (Hokkaido area)	FY2028/3	**80%**	**45.0%**
Co-create a sustainable supply chain	Path to 2050	As supply chains become more diverse and complex, the challenges around them are also becoming more complex and widespread. We will build sustainable, robust supply chains by forging responsible relationships with our suppliers to address emergent risks such as climate change, natural disasters, human rights issues, and labor shortages.						
	Responsible procurement that respects human rights and the environment	• Secure long-term stable supplies of raw materials • Receive consumer support through the provision of products that are trusted by society	• Insufficient raw material procurement • Inadequate identification of human rights violations and environmental damage due to insufficient supplier engagement, and attendant loss of public trust • Delayed response to tighter regulations and growing public concern over environmental damage, human rights issues, and other matters	• Engage with suppliers through supply chain assessments and promote procurement that takes into account the environment and human rights	• Assessment and investigation conducted regarding the status of human rights, the environment, and legal compliance (over 100 suppliers in Japan and overseas) • Switch to, and continued use of, RSPO-certified palm oil using the mass balance method as part of responsible palm oil procurement • Expansion of lineup carrying the RSPO certification label			
	Environment- and people-friendly logistics	• Pursuit of efficiency gains focused on loading rates leads to logistics business growth • Increasing logistics worker job satisfaction and motivation secures high-quality human resources and maintains logistics systems	• Logistics service requirements, including cost, time, and delivery requirements, are expected to become more stringent, and failure to adapt could make it difficult to secure logistics workers	• Improve work environments by increasing logistics efficiency • Reduce greenhouse gas emissions (Scope 3, categories 4 and 9)	• Pursuit of optimal logistics operations, including rebuilding of logistics hub and reviewing transportation routes • Continued efforts to keep driver standby time at in-house centers inside 30 minutes			
Caring for Earth	Path to 2050	An abundant and stable natural environment is essential to our lives, society, and the economy. We will accurately identify the relationship between economic activities and natural capital, and work to reduce environmental impacts and restore biodiversity with a view to protecting and regenerating natural capital while growing the Company.						
	Achieving carbon neutrality	• Establishment of a production system using efficient energy with low environmental impact • Development and sale of new products using raw materials and manufacturing processes with low environmental impact • Realize sustainable procurement across the supply chain and secure stable supplies	• Cost increase driven by carbon tax introduction • Operating restrictions due to tighter environmental regulation	• Scope 1, 2 reductions - Switch energy suppliers, promote energy-saving activities and on-site power generation at plants, etc. • Scope 3 reductions - Change sizes of cardboard boxes, reduce delivery frequencies, improve loading rates - Supplier engagement - Visualization of CO_2 emissions from potatoes	Total greenhouse gas emissions (compared with FY2019/3)*1	FY2031/3	**30% reduction**	**11.9% reduction**

*1 Applies to Calbee, Inc.

Promoting Sustainability Management

For details regarding the Group's priority themes and key initiatives based on materiality, please refer to the following web page.
https://www.calbee.co.jp/sustainability/en/materiality.php

Materiality (Correspondence with SDGs)	Priority themes	Opportunities for promoting business growth	Risks to business sustainability	Promoted themes	KPIs (targets) and process indicators			FY2026/3 results
					Indicator	Achievement timeframe	Target	
	Promoting a recycling society	• Maintain sustainable production systems that enable water recycling, reuse of waste as a resource, and waste reduction • Utilization of unused resources	• Reduction of production volume due to water use restrictions • Increase in water cost • Increase in cost of waste treatment	• Reduce product food losses • Reduce water consumption • Promoting the "3Rs"	Reduction of product food losses (compared with the three-year moving average from FY2021/3)*1	FY2031/3	**30% reduction**	**13.8% reduction**
					Reduction of water usage*2 (compared with FY2019/3)*1	FY2031/3	**10% reduction**	**13.5% increase**
					Reduction of total waste generated*2 (compared with FY2019/3)*1	FY2031/3	**10% reduction**	**16.3% increase**
	Reducing the environmental burden caused by plastics	• Differentiation from other companies by realizing packaging with low environmental impact • Contribution to building a circular plastics society	• Increase in packaging cost due to tightening of virgin plastic regulations • Raw materials are finite petroleum resources; however, plastic performance is needed to maintain quality and ensure shelf life over long periods	• Reduce use of plastic packaging • Use environmentally friendly materials	Replacement and reduction of plastic packaging (compared with FY2019/3)	FY2031/3	**50% replacement or reduction**	**1.4% replacement or reduction**
	Conservation of natural capital	• Ability to clarify approach to natural capital and policy on initiatives • Leverage potato expertise to develop new business as an agricultural produce platform provider	• More susceptible to the power of natural capital than other companies due to using large amounts of agricultural produce as a main raw material	• Implement risk assessment according to the TNFD framework (present a roadmap)	• October 2025 Made integrated information disclosures based on the TCFD/TNFD frameworks			
	Contributions to local communities	• Maintain cooperative relationships with local communities and strengthen collaboration • Employees sense the social significance of their company, increasing motivation	–	• Promote individual activities to contribute to society • Cultivate a social contribution mindset (promote sustainability management test) • Expand activities to environmental fields (water resource conservation, biodiversity protection, etc.)	• Watershed conservation activities conducted at Calbee Nuppuku Riverbank (Obihiro City, Hokkaido) • Promotion of Mangrove Conservation Project in Thailand			
Promote Active Roles for All Employees based on diversity	Path to 2050	The business environment is changing dramatically, with population decline and aging, the diversification of eating habits, the advance of DX, and climate change. By realizing Active Roles for All Employees, Calbee aims to enable its diverse human resources to demonstrate their strengths and collaborate effectively, realizing consistent value in the future while continuing to create new value.						
	Maximization of human capital toward realizing Active Roles for All Employees	• Acceleration of a virtuous cycle of value creation through collaboration between α talent, who steadily build the future through continuous effort, ingenuity, and improvement, and β talent, who pioneer the future by challenging existing frameworks • Rebuilding of the talent portfolio to realize the business portfolio transformation in our growth strategy	• Increasing difficulty in stable business continuity due to staff shortages associated with decrease in working population and increase in hiring costs • Stall in business transformation and sustainable growth due to delayed talent portfolio transformation required for our growth strategy	• Strengthen management talent succession • Strengthen the development of core talent who will create the future • Build HR systems that encourage diverse contributions and growth • Promote career autonomy to expand individual potential • Advance DE&I management • Promote understanding of the Calbee Group philosophy • Promote physical and mental well-being	Calbee's Active Roles for All Employees Index (human capital index)*3	FY2031/3	**81.28**	**80.67**

*1 Applies to Calbee, Inc. and Japan Frito-Lay Ltd.
*2 Changed to management per unit of main raw material usage
*3 Applies to Calbee, Inc.

Promoting Sustainability Management

Initiatives To Address Respect for Human Rights

Strengthening Human Rights Management Through the Human Rights Committee

Calbee recognizes that all its business activities may directly or indirectly affect human rights, and is committed to fulfilling its responsibility to respect the rights of all people involved in its business. In 2024, we established the Calbee Group Human Rights Policy and identified human rights issues in the supply chain, the rights of foreign workers, and harassment as priority issues. We continue to conduct human rights due diligence on these issues.

In April 2025, we established the Human Rights Committee, chaired by the CEO, to strengthen our company-wide human rights management structure. The committee meets twice a year in principle. It addresses priority issues, formulates a roadmap for human rights initiatives as a whole, and clarifies its role in corporate governance. It also promotes the development of grievance mechanisms, dialogue with stakeholders, and education and awareness-raising activities.

For details on our human rights due diligence, please see our website:
https://www.calbee.co.jp/sustainability/en/humanrights.php

Progress on Priority Human Rights Issues

For human rights issues in the supply chain, we continued exploring how to use the results of the CSR self-assessments launched in 2022 for major suppliers and how to operate the initiative on a sustainable and stable basis. Since 2024, the Procurement Department has supplemented the self-assessment results through direct dialogue with suppliers, requested improvements from suppliers whose responses were insufficient, and followed up with them individually. We also interviewed around 10 other companies to develop a clearer vision for future system use and the operating framework needed to support it. In light of risks associated with palm oil procurement, including deforestation, forced labor, and child labor, we continue to engage in dialogue with suppliers, obtain mill lists, and conduct on-site inspections of plantations and palm oil mills. For the rights of foreign workers, as part of human rights due diligence covering domestic factories and affiliated companies, we review working hours, working conditions, the technical intern training program, discrimination, and other matters. We also interview workers and their supervisors and provide explanations in multiple languages. For harassment, we have established internal and external reporting and consultation channels and work to prevent incidents and detect them at an early stage through human rights training and internal awareness-raising activities, including email magazines and newsletters.

Calbee's Identified Priority Issues

Calbee priority issues

Human rights issues in the supply chain:
child labor, forced labor at suppliers, harassment between business partners

Rights of foreign workers:
discriminatory treatment in wages, working hours, or other conditions

Harassment*:
sexual harassment, workplace bullying, maternity/paternity harassment, etc.

General human rights issues

Inadequate wages	Working hours	Occupational health and safety	Right to social security	**Harassment**
Forced labor	Freedom of residence and movement	Freedom of association	**Rights of foreign workers**	Child labor
Human rights issues related to technology and AI	Right to privacy	Consumer safety and right to know	Discrimination	Gender-related human rights issues
Freedom of expression	Rights of indigenous peoples and local communities	Human rights issues related to environment and climate change	Intellectual property rights	Bribery and corruption
Human rights issues in the supply chain	Right to access remedies			

Source: Prepared by Calbee based on response to *"Business and Human Rights" Issues Required of Enterprises: "Business and Human Rights Survey and Research" Report (Digest Version)*, March 2021, Ministry of Justice

* Harassment includes sexual harassment, workplace bullying, maternity and paternity harassment, caregiving harassment, etc.

Human Rights Activity Roadmap

Our aspiration
Respecting the human rights of all people as we strive to become a company that earns the respect, admiration, and love of its stakeholders

FY2026/3	FY2027/3	FY2028/3
Embed the Human Rights Policy and conduct human rights due diligence		
• Establish a framework to promote human rights initiatives • Establish a grievance mechanism	• Conduct a deeper examination of human rights issues • Strengthen the grievance mechanism	• Review priority human rights issues
Enhance stakeholder engagement		

Roundtable Discussion with Outside Directors

As Calbee looks ahead to 2035, it has established a new vision and growth strategy. The outside directors who were closely involved in shaping them share their perspectives on the Company's medium- to long-term challenges and outlook.



(From left)
Hatsunori Kiriyama
Independent Outside Director
Takako Suzuki
Independent Outside Director
Hiroaki Sugita
Independent Outside Director

Calbee's Strengths and Challenges from an Outside Perspective

Sugita My impression of Calbee was that it had strong brands and was well loved by consumers. What stood out to me was the depth of its involvement in agriculture. The unique value chain it has built, connecting producers to consumers, has created a barrier to entry for competitors and supported the Company's leading market share in Japan. However, the situation is different in overseas markets, which we see as the foundation for future growth. We cannot simply follow the same path as in the past. We need to define an agenda to succeed overseas, and the Board of Directors intends to remain actively involved in that process.

Suzuki From the outside, Calbee struck me as a company with strong marketing capabilities. After joining the Board as an outside director, however, I came to see it more as a manufacturer with a genuine commitment to quality, great taste, and reliable supply. The robust manufacturing base Calbee has established over its long history is a major strength in terms of sustaining its operations over the long term as a manufacturer. At the same time, however, I am concerned that the Company may have become too product-led and rely too heavily on in-house capabilities. To achieve a step change in growth, we need to become more marketing-oriented, consider from the consumer's perspective what kinds of products will be needed in the coming era, and consider how to make up for any internal shortcomings. I believe one of my roles as an outside director is to offer observations and provide advice in these areas.

Kiriyama Calbee's supply chain is certainly a significant strength that has helped us establish ourselves as the industry leader. However, having maintained the top market share in Japan for many years, we have had relatively little exposure to external pressure, and at times, I feel we lack a sufficient sense of urgency. To achieve sustainable growth, we will need the resolve to take risks and make clear choices on where to focus our efforts. In fact, in our overseas markets to date, we have at times moved forward without sufficient clarity on which markets and segments we want to compete in. I believe this could be one reason we have not seen the results we expected in our overseas expansion. The structural reforms undertaken as part of our previous growth strategy, *Change 2025*, have led to improvements through initiatives such as S&OP. However, when it comes to delivering tangible results, I feel that we are only partway there. At the same time, the considerable room for improvement also points to considerable room for growth. As an outside director, I believe it is my responsibility to continue providing the executive team candid feedback and supporting its efforts.

Sugita Introducing S&OP and gaining visibility into our profit structure was a significant step forward. However, I feel we have yet to examine the issues it brought to light in sufficient depth. Reforms are progressing at each stage, but further work is needed before we can confidently say they will improve profitability. Given our strategy focuses on strengthening domestic earnings power and linking this to overseas growth, I think the challenge we face in our new growth strategy lies in balancing the two.

Suzuki I agree with both of you. At the same time, I see the swift decision to switch to two-color packaging in anticipation of supply risks as an encouraging sign. It reflects a growing awareness that we must change. However, this is still only the starting point. Going forward, I believe it is important for Calbee to evolve into an organization that proactively takes strategic risks, rather than only when forced to by external conditions.

Roundtable Discussion with Outside Directors

New Vision and Growth Strategy Refined Through Continual Dialogue

Sugita I also see signs of change in our discussions around strategy. Our 2035 Vision and the new growth strategy are clear examples of that. In particular, I was encouraged to see snacking emerge as our new strategic direction. To me, the idea of creating positive opportunities for consumers reflects Calbee's willingness to evolve its positioning and the value it provides.

Suzuki I think the most significant outcome of the discussions on the new growth strategy was reaching an agreement that North America should be a priority region in our overseas strategy. While outside directors were aligned on this from the outset, the executive side tended to approach this issue from a more traditional perspective. Through our discussions, however, we reached a shared understanding that we need to be more selective and focused on how we allocate resources. There is still room to further refine our strategy for winning in North America, but I see this as a major step forward. We are also making progress on M&A through greater visibility into the process and more extensive discussion at the Board level, including through initiatives such as the development of a long list of candidates and the prioritization of opportunities. I believe these developments reflect a growing recognition within the Board that inorganic growth opportunities require thorough discussion upfront.

Kiriyama Formulating the vision and strategy is not the end of it. We are now entering a phase in which we need to strengthen the substance of both. Alongside executing strategy, another priority is addressing inefficient non-core assets. We will facilitate decision-making to ensure that these assets are reviewed at the right time and that appropriate actions are taken when necessary. For overseas growth, one of our strategic priorities, it is essential to monitor our execution framework, including human resources. We should not simply stop at sending people abroad or allocating a budget. We need to continuously monitor whether the right people are working within the right structure.

Sugita One concern I have is that we are still too Japan-focused when it comes to talent allocation. I believe we need to shift our mindset from "Japan" to "global." Japan has a strong competitive position, supported by secure access to raw materials and well-established brands. We should therefore be able to commit more resources to overseas growth without difficulty. I think it is imperative that we proactively send more of our top talent overseas and give them opportunities to gain experience.

Kiriyama To strengthen our global talent base, we need to start by reassessing our approach from the recruitment stage. We need to reexamine whether the type of talent Calbee has traditionally sought aligns with our future vision and growth strategy. We should also systematically give employees stretch assignments early in their careers to help them realize their potential. At the same time, including through our evaluation and compensation systems, we need to transform Calbee into an organization that can compete both in Japan and overseas.

Expectations for Sustainable Growth and the Role We Must Play

Kiriyama For Calbee to successfully compete in global markets, we need to further advance our governance. Starting with how we set the Board's agenda, we intend to engage in more substantive discussions. In addition, as an outside director, I also intend to become more deeply involved in the Company's strategic choices and decisions. We are committed to tackling a range of important challenges, including following through on actions regarding non-core assets, even when



doing so requires taking risks, strengthening marketing in growth markets, and strengthening human capital.

Suzuki If I were to add one more challenge, it would be that the pace at which we are moving is falling short of expectations. As an outside director, the pace of progress will also be a key focus of my oversight. One aspect of our talent strategy that I am particularly encouraged by is the introduction of two talent profiles, α talent and β talent, under the new HR system. I believe that strategically developing this system can further enhance our growth potential.

Sugita Going forward, the key for Calbee will be maximizing corporate value over the medium to long term. Financial targets such as sales and profits alone will not be sufficient; we also need to present the capital markets with a concrete and convincing growth scenario. I view the inclusion of total shareholder return (TSR) in executive compensation evaluations as a significant step toward governance with greater emphasis on corporate value. The first few years will be critical in determining whether we can establish a foundation for growth and a winning formula under the new growth strategy. I therefore hope to be even more actively involved and help drive the reforms needed to break away from traditional ways of thinking.

Strengthening Corporate Governance

Evolving Governance to Support Value Creation

The Calbee Group's vision is to earn the respect, admiration, and love, firstly of customers, suppliers, and distributors, secondly of employees and their families, thirdly of the community, and finally of stockholders. We believe that management that prioritizes consumers and business partners will ultimately maximize profits for our shareholders, and we place great importance on meeting the trust and expectations of all stakeholders. We regard corporate governance as a vital management foundation for realizing this vision and creating sustainable value. While complying with laws and regulations and the Corporate Governance Code, we work to enhance management transparency and strengthen our internal control and compliance systems. We also continuously review and evolve our governance system in response to the expectations of markets and society.

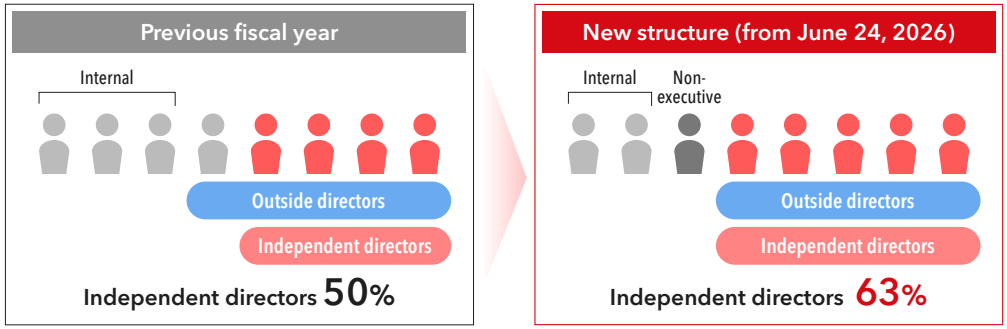
Review of the Board Structure and Strengthening of Independence

To ensure that the Board of Directors fully exercises its supervisory function in enhancing corporate value, we define the roles and expertise expected of directors in a skill matrix and review it as appropriate. In March 2026, we redesigned the Board structure to further strengthen its monitoring function by revising the skill matrix and promoting an appropriate separation between the Board and the executive management team.

As part of this review, we added HR/human capital development as an essential skill for executing and supervising the new growth strategy, recognizing the importance of evaluating human capital strategy and monitoring its progress in ways that directly contribute to enhancing corporate value. We also added two directors with practical experience in corporate finance and engagement with capital markets, areas we also consider important. This strengthened our ability to appropriately evaluate and supervise the progress and results of the growth strategy from the perspective of shareholders and investors.

As a result of these initiatives, following the Ordinary General Meeting of Shareholders in June 2026, the proportion of independent directors rose from 50% through the previous fiscal year to 63%, further strengthening the Board's independence.

Clarifying the Separation of Supervision and Execution



Expected Skills Matrix (Roles and Areas of Specialization)

❶ Corporate management	In order to enhance the corporate value of the Company, it is necessary for the Board of Directors, composed of members with deep knowledge of corporate management, to perform its oversight function over business execution and make appropriate strategic decisions.
❷ Global	In order for the Company to achieve growth in overseas business, it is necessary for the Board of Directors to have a thorough understanding of domestic business, be well-versed in overseas business, and appropriately oversee and make decisions regarding the execution of overseas business strategies based on a global perspective and a deep understanding of diverse values and cultures.
❸ Marketing/ Brand strategy	In order for the Company to respond quickly to customer needs and provide high-value-added products and services, it is necessary for the Board of Directors to have an understanding of domestic and overseas markets and knowledge of brand management, and appropriately oversee and make decisions regarding the execution of marketing and brand strategies.
❹ New area/ Innovation/DX	In order for the Company to expand its business domain, it is necessary for the Board of Directors to have experience in creating new businesses, as well as knowledge of digital technologies and AI, and appropriately oversee and make decisions regarding the execution of new areas and DX strategies.
❺ HR/ Human capital development	In order for the Company to implement its growth strategy, it is essential to create an environment and management system that allows diverse talent to demonstrate their abilities. This requires the Board of Directors to possess knowledge of human capital and to appropriately oversee and make decisions regarding the execution of strategies.
❻ Sustainability	In order for the Company to achieve sustainable growth, it is essential to engage in co-creation with stakeholders, such as society, local communities, and the global environment, through business activities. This requires the Board of Directors to possess knowledge of sustainability management and to appropriately oversee and make decisions regarding the execution of strategies.
❼ Finance/ Investment	In order for the Company to enhance corporate value, it is essential to implement financial strategies and growth investments that balance capital efficiency and financial soundness. This requires the Board of Directors to possess knowledge of finance and accounting, as well as a deep understanding of the capital markets, and appropriately oversee and make decisions regarding the execution of financial strategies and growth investments.
❽ Legal/Risk management	In order for the Company to improve the resilience of its operations, it is necessary for the Board of Directors to have a deep understanding of relevant laws and regulations, establish an appropriate governance system, possess knowledge and experience in risk management, and appropriately oversee and make decisions regarding risk management policies.

Strengthening Corporate Governance

Board of Directors and Audit & Supervisory Board Members (As of June 24, 2026)

Directors










Audit & Supervisory Board Members





Name	Position/Background	Years in office	Members of each institution (● is the head of the institution)				Expected roles and expertise							
			Board of Directors	Nominating Committee	Compensation Committee	Audit & Supervisory Board	Corporate management	Global	Marketing/ Brand strategy	New area/ Innovation/DX	HR/Human capital development	Sustainability	Finance/ Investment	Legal/Risk management
1 **Makoto Ehara**	President & CEO, Representative Director	7 years	●				○	○	○	○	○	○		
2 **Kazuhiro Tanabe**	Director, Executive Officer, CFO & CDXO	New	○				○	○		○			○	○
3 **Weiwei Yao** Non-executive	President, International Beverages, Franchise & Greater China, PepsiCo, Inc.	1 year	○		○		○	○	○					
4 **Yoshihiko Miyauchi** Outside Independent	Senior Chairman, ORIX Corporation	9 years	○	●	○		○	○			○		○	
5 **Hatsunori Kiriyama** Outside Independent	Representative Director, for GL Inc.	3 years	○	○	●		○	○	○		○			
6 **Hiroaki Sugita** Outside Independent	Professor, Graduate School of Business and Finance, Waseda University	1 year	○	○			○	○		○	○			
7 **Takako Suzuki** Outside Independent	Chair, S.T. CORPORATION	1 year	○	○			○	○	○			○		
8 **Sachio Matsumoto** Outside Independent	Former Chairman, LIXIL Corporation	New	○		○		○	○					○	○
1 **Yumiko Okafuji**	Full-Time Audit & Supervisory Board Member	4 years	○			●		○				○	○	○
2 **Nagako Oe** Outside Independent	Partner, TMI Associates	10 years	○			○		○						○
3 **Yutaka Usami** Outside Independent	Representative Director, Management Power Exchange Ltd.; President, Usami Certified Public Accountant Office	3 years	○			○		○					○	○

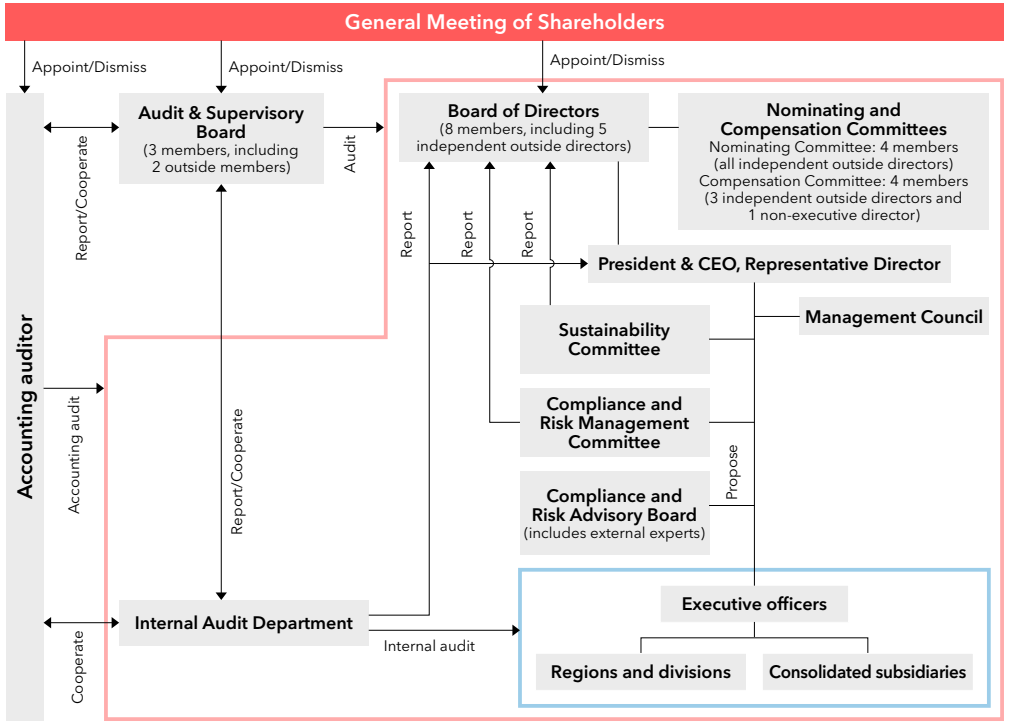
Strengthening Corporate Governance

Corporate Governance System

Calbee's corporate governance system includes a Board of Directors with eight members, including five outside directors, and an Audit & Supervisory Board responsible for supervising and monitoring management. By introducing an executive officer system, we separate business execution from supervisory functions, enhance management transparency, clarify management responsibilities, expedite decision-making, and strengthen the management oversight function.

Our framework functions as follows: the General Meeting of Shareholders serves as the highest decision-making body; executive officers are responsible for business execution; the Board of Directors supervises execution; and the Audit & Supervisory Board audits and monitors the performance of directors.

Overview of Framework



Main Agenda Items for the Board of Directors and Each Committee

Board of Directors

In addition to deliberating and deciding on important management matters, including management policies and investment projects, the Board of Directors discusses and considers the progress of the growth strategy from a medium- to long-term perspective and the formulation of new growth strategies. It also receives reports on issues related to the management foundation, including sustainability, and deliberates on measures to strengthen its supervisory function.

Discussion details: Development of the growth strategy

In formulating the new growth strategy, *Accelerate the Future*, which we announced in March 2026, the Board of Directors devoted considerable time to repeated discussion and consideration.

The main opinions were as follows:

- When developing the growth strategy, Calbee must clearly identify where it intends to compete, including the segments, categories, countries, and regions it will target.
- To clarify the gap between the current situation and the desired future state, Calbee needs to define clearly what it aims to become in five and ten years.
- Calbee can create new value by pursuing forms of differentiation unique to the Company. The strategy should incorporate elements such as channel policies tailored to consumers' lifestyles and usage occasions.
- Looking at the types of eating occasions in which Calbee can offer differentiated value will reveal market opportunities.
- To earn recognition from the capital markets, Calbee needs to present a clear vision of what it aims to become three to ten years from now. From a financial perspective, it must define its desired position in areas such as ROE, credit ratings, accounting standards, and governance structure, and thoroughly discuss the overall framework.
- To achieve the level of corporate value targeted in the new growth strategy, Calbee must strengthen and evolve its governance.

Nominating and Compensation Committees

The Nominating Committee deliberated on the skills directors need to strengthen the Board of Directors' monitoring function and enhance corporate value. It also selected director candidates, including outside director candidates; evaluated whether to reappoint the CEO; considered the composition of the Nominating and Compensation Committees; and deliberated on the appointment of executive officers and the executive management structure.

The Compensation Committee deliberated on revisions to the executive compensation system so that it would provide incentives to realize the medium- to long-term growth strategy while also reflecting alignment with the capital markets.

Strengthening Corporate Governance

Enhancing Board Operations Through Effectiveness Evaluations

We evaluate the effectiveness of the Board of Directors once a year. The evaluation focuses primarily on whether the Board makes decisions from the shareholders' perspective that contribute to enhancing corporate value and whether it independently exercises an effective supervisory function over the executive management team. We conduct questionnaires and individual interviews with directors and Audit & Supervisory Board members, analyze the results, and use the findings to strengthen the Board's supervisory function.

Evaluation process

- A third-party organization conducted a questionnaire of all directors and Audit & Supervisory Board members
- The organization aggregated and analyzed the questionnaire results
- The Board of Directors' Secretariat and Audit & Supervisory Board members conducted individual interviews of directors

Main focus areas of the questionnaire and interviews

- Board composition (size, number of members, expertise, and diversity)
- Board operations (quality and volume of reporting materials, time allocated for deliberation, etc.)
- Board agenda (content of agenda items submitted and effectiveness of discussions)
- Other matters (effectiveness of the Nominating Committee and Compensation Committee, etc.)

Specific Outcomes of the Effectiveness Evaluation: Strengthening the Nominating Committee's Functions

The FY2025/3 effectiveness evaluation identified the need to deepen discussions on the succession plan within the Nominating Committee and make the executive nomination process more transparent. In response, during FY2026/3, the committee deliberated on whether to reappoint the CEO based on an evaluation of performance under the growth strategy and regularly reviewed progress in developing successors, thereby strengthening the resilience of the management structure. Calbee also redefined the skill matrix and established a structure that enhances the Board of Directors' independence and transparency while strengthening its supervisory function over business execution.

To further strengthen the Nominating Committee's functions, Calbee has made all committee members independent directors, enhancing the committee's effectiveness and transparency.

FY2026/3 Evaluation Results and Future Initiatives

Based on the third party's analysis of the questionnaire and the results of the interviews, we concluded that the Board of Directors is effective. Key findings and future initiatives are outlined below.

Key issues and initiatives from the FY2025/3 effectiveness evaluation	FY2026/3 effectiveness evaluation	Key Issues and Future Initiatives
❶ We will optimize the selection of agenda items and provide an environment that enables sufficient deliberation of medium- to long-term strategies as well as areas related to the business foundation, such as organizational and human capital strategy, risk management, and internal controls	❶ Allocation of Board time and agenda items • Although agenda items requiring a short-term response remain important, the Board needs to secure sufficient time to deliberate on important matters related to medium- to long-term corporate value. • The Board should also consider how to reflect directors' views in setting its agenda.	❶ Transition to a more independent and transparent organization and Board composition • Maintain a Board composition in which independent outside directors constitute a majority. • Exclude internal directors who concurrently serve as executive officers from the Nominating Committee and Compensation Committee.
❷ We will improve the accuracy of proposed agenda items and enhance the provision of information such as market intelligence	❷ Improving opportunities for discussion and the quality and content of explanations • The Company needs forums separate from formal Board agenda items where directors can deepen their understanding of markets and discuss how to capture market opportunities. • The Board should discuss how to shift the mindset regarding business operations that are greatly impacted by raw material procurement. • The Company should clarify whether it has identified and addressed the issues that it must resolve to improve TSR. • For investment strategy, the Company should present the overall picture and explain how each investment fits within it, together with the cost of capital and future cash flows.	❷ Enhance Board agenda items and opportunities for discussion • Establish agenda items and forums for discussing the enhancement of corporate value throughout the year, including forums outside Board meetings. • Streamline monthly financial reporting and review agenda items that the Board can delegate to the executive management team. • Deepen discussions on growth investment projects and enhance the decision-making process.
❸ For M&A and large-scale investment projects, we will optimize the scheduling of discussions to ensure thorough deliberation, while enhancing financial discussions with a clear focus on cost of capital	❸ Functions of the Nominating Committee • The Nominating Committee appropriately conducts the director candidate selection process, which plays an important role in governance. • The Company needs criteria for the management talent it seeks and must establish a process that emphasizes human capital, including succession planning.	❸ Promote more active discussion by the Nominating Committee and Compensation Committee • Discuss the succession plan. • Implement a highly transparent and effective director candidate selection process.
❹ We will continue to examine the composition of the Board of Directors and the design of our organization. Within the Nominating Committee, we will deepen succession plan discussions to ensure greater transparency in the executive nomination process		

Strengthening Corporate Governance

Succession Planning and Next-Generation Management Talent

To strengthen management continuity and sustainable competitiveness, Calbee has established a company-wide succession plan and systematically selects, develops, and evaluates the talent who will lead the next generation of management. The Nominating Committee deliberates on whether to reappoint the CEO based on qualitative and quantitative evaluations of performance under the growth strategy and regularly reviews progress in developing successors, thereby strengthening the resilience of the management structure.

Policy and Framework for Developing Management Talent

Calbee regards the development of management talent as an important management issue in achieving sustainable growth and enhancing corporate value over the medium to long term. The Nominating Committee deliberates on the CEO succession plan and systematically manages the entire process, from selecting successor candidates and formulating development plans to implementing development initiatives and conducting assessments.

For executive officer (CxO) succession plans, the Talent Development Meeting, which comprises Managing Executive Officers and above, including the President, follows the same process to continuously strengthen the management talent pipeline.

Development Process Based on Management Talent Requirements

Calbee has defined six management talent requirements that describe the talent needed to lead the Company now and in the future: (1) envision the future and connect generations, (2) apply intellectual curiosity to formulate strategy, (3) take risks and make decisive choices, (4) focus on value and drive progress, (5) win people's hearts and minds, and (6) strengthen organizational capabilities.

Based on these requirements, Calbee selects and evaluates successor candidates with a 10-year horizon in mind, then formulates and implements development plans to close identified gaps.

Priority Areas for Development Initiatives

Our most important development initiative is providing stretch experience opportunities. Global experience, secondments and experience at other companies, and experience across diverse functions help participants develop a management perspective. Experience at different stages of a business also strengthens their decision-making capabilities and ability to drive transformation.

Calbee also sends participants to external programs, including MBA programs, to help them develop a management perspective and build networks outside the Company, thereby developing talent who will lead management in the future.

Securing Core Talent Who Will Create the Future (Management Talent Development)

Management talent requirements

Knowledge and behavioral attributes required of Calbee management

- Envision the future and connect generations
- Apply intellectual curiosity to formulate strategy
- Take risks and make decisive choices
- Focus on value and drive progress
- Win people's hearts and minds
- Strengthen organizational capabilities

Overall succession planning framework



	Advisory body	Transfers and assignments	Off-the-job training
CEO / Executive officers (CxOs)	Nominating Committee	• Provide opportunities for stretch experiences	• Executive coach
General managing directors / Directors / Managers and mid-level employees	Talent Development Meetings	**Multiple areas** • Global experience • Secondments/experience at other companies • Diverse work experience **Different business stages** • Launch • Growth • Wind-down	• Calbee Next Executive Program (Talks by external business leaders and other activities) • Participation in external programs • Calbee Next Leader Program (Selective program designed to develop global leaders)

Strengthening Corporate Governance

Executive Compensation Linked to Medium- to Long-Term Value Creation

Calbee's executive compensation system is designed to encourage contributions to continuous business growth and the advancement of sustainability management, and to clearly reflect those contributions, as the Company works to realize its growth strategy, *Accelerate the Future*. Specifically, the Board of Directors determines executive compensation in accordance with the policies below, following deliberation by the Compensation Committee, to enhance transparency and objectivity.

- The compensation system should incentivize both short-term performance and medium- to long-term performance and the enhancement of corporate value
- Compensation should be directly tied to management strategy and vary significantly based on Company performance and corporate value
- Compensation should align the interests of management with shareholders
- Compensation should be set at a level that allows Calbee to recruit and retain top talent with diverse capabilities

In addition, to further strengthen their commitment to contributing to medium- to long-term corporate value enhancement, directors other than outside directors and non-executive directors will endeavor to continuously hold Calbee shares with a value at or above a specified level. Specifically, including potential shareholdings represented by vested points under the stock benefit trust, the President and Representative Director will aim to hold shares worth at least 2.0 times base compensation, while other directors will aim to hold shares worth at least 1.0 time base compensation.

Background and Key Points of the Executive Compensation System Revision

The launch of the new growth strategy prompted us to review the entire executive compensation system, following approval at the June 2026 Ordinary General Meeting of Shareholders. Calbee's executive compensation is determined after consultation with the Compensation Committee, which is chaired by an outside director and consists of a majority of outside directors.

The review focused most heavily on further strengthening the sharing of both the benefits of share price increases and the risks of share price declines with shareholders, and on strengthening incentives that contribute to medium- to long-term corporate value.

Category	Main revisions
Bonuses	• Revised the system so that the Board of Directors can make decisions after consulting the Compensation Committee, enabling flexible responses to changes in economic conditions and the business environment • Revised the system so that bonuses reflect achievement against the growth strategy's performance indicators and individual performance targets based on each officer's rank and responsibilities
Performance-linked stock compensation	• Discontinued retirement bonuses and redirected the associated funds to performance-linked stock compensation to strengthen the link with the share price • Introduced relative TSR as an evaluation indicator to strengthen alignment of interests with shareholders • Introduced performance indicators from the growth strategy to strengthen commitment to medium- to long-term corporate value enhancement

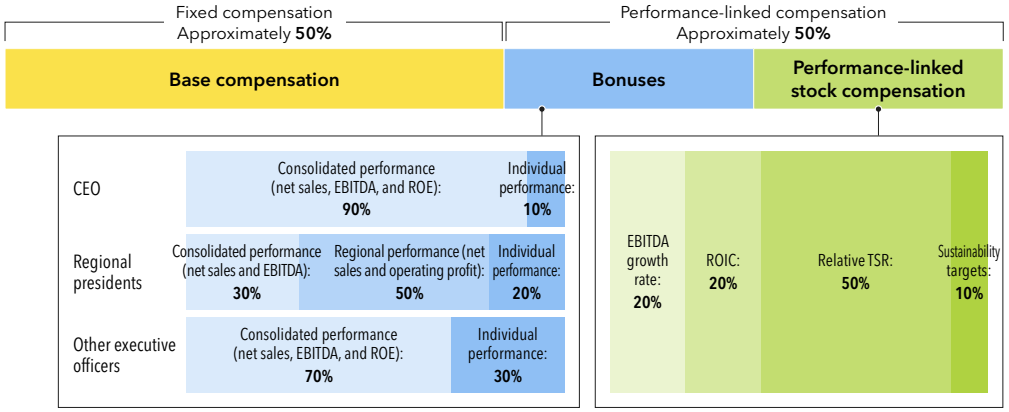
Overview of Executive Compensation

Calbee's executive compensation consists of fixed base compensation and performance-linked compensation, including bonuses and performance-linked stock compensation. Outside directors and non-executive directors receive compensation composed entirely of fixed base compensation.

Types of compensation		Overview
Fixed	**Base compensation**	• This remuneration is paid monthly as a fixed amount as compensation for the execution of duties corresponding to each position
Variable	**Bonuses**	• Bonuses are paid annually in line with each officer's role and achievement against the performance targets for the evaluation indicators • Evaluation indicators comprise consolidated performance targets (consolidated net sales, EBITDA, and ROE) and individual performance targets • Vary from 0% to 192% depending on achievement against the targets
	Performance-linked stock compensation	• Upon retirement, officers receive Calbee shares and cash equivalent to the proceeds from converting Calbee shares into cash, in line with each officer's role and achievement against the performance targets for the evaluation indicators • Evaluation indicators comprise consolidated performance indicators (EBITDA, ROIC, and relative TSR) and sustainability indicators • Calbee sets the achievement thresholds for EBITDA and ROIC at the target levels established at the beginning of each fiscal year • The benchmark for relative TSR is the growth rate of TOPIX, including dividends • The sustainability indicators are the human capital index and total greenhouse gas emissions, with achievement thresholds set at the target levels established at the beginning of each fiscal year • Vary from 0% to 145% depending on achievement against the targets for each evaluation indicator

For actual executive compensation paid in FY2026/3, please refer to Calbee's latest Annual Securities Report (available only in Japanese).
https://www.calbee.co.jp/ir/library/fs/

Structure of Executive Compensation



Strengthening Corporate Governance

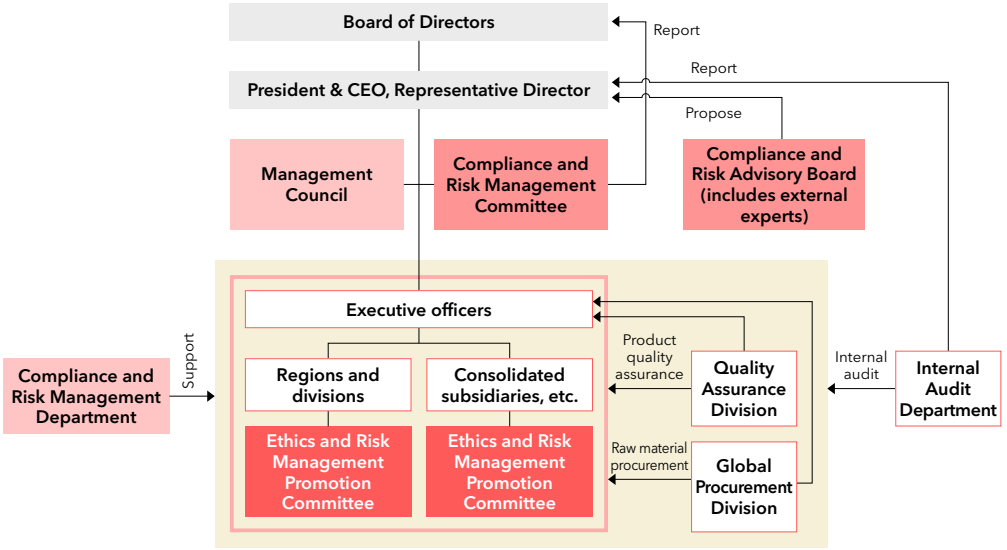
Risk Management

To address the wide range of management risks surrounding the Company—such as product safety and quality, raw material procurement, natural disasters, pandemics, information security, and compliance—we have established crisis management regulations. Also, as part of the process of building our internal control system, each division and Group company identifies and assesses management risks. We promote a business continuity framework that aims to preempt risks, minimize damage when risks materialize, and facilitate rapid recovery. In particular, the Quality Assurance Division and Global Procurement Division take the lead in implementing preventive measures and establishing systems for rapid response to risks related to product safety and raw material procurement. To address cyberattacks and other information security risks, we have established the Computer Security Incident Response Team (CSIRT). At the same time, we continue to educate and raise awareness among employees, implementing both system-based and human-centered prevention and response measures.

Risk Management Structure

The Calbee Group has built a compliance and risk management structure based on its Basic Policy on the Development of Internal Control Systems. The Compliance and Risk Management Committee deliberates and decides on countermeasures and manages progress on those actions. Furthermore, if the likelihood of a risk materializing increases or if a risk does in fact materialize, we will establish an emergency response headquarters as necessary to mitigate the risk.

Compliance and Risk Management Structure



Major Risks and Responses

Risk		Potential risk	Response
1 **Product safety**		• Product recalls and suspension of sales • Loss of trust	• Build quality assurance systems • Achieve traceability across the entire supply chain
2 **Product development**		• Inability to develop products in a timely manner due to failure to respond properly to needs of consumers and business partners	• Systematically conduct new product development, refresh brands, improve quality, reduce costs, and engage in R&D activities in fundamental research fields
3 **Raw material procurement**	**(1) Potato procurement risk** (weather instability and decrease in number of potato growers)	• Loss of sales opportunities due to inability to secure volume of potatoes • Cost increase driven by urgent procurement	• Build a procurement system through contracted growers and diversify production areas • Support cultivation and harvesting and assist with labor-reduction measures • Build factories that can handle imported potatoes
	(2) Potato procurement risk (spread of potato cyst nematodes)	• Failure to develop and popularize new varieties that meet requirements • New varieties fail to achieve widespread adoption in production areas • Faster-than-expected spread of potato cyst nematodes	• Promote a switch to nematode-resistant potato varieties
	(3) Other foodstuff and raw material procurement risks	• Higher-than-expected increases in prices of raw materials and supplies • Increased procurement costs due to changes in import sources and routes	• Establish a network of multiple and diverse suppliers • Reinforce efforts to maintain appropriate inventory levels

Strengthening Corporate Governance

Risk	Potential risk	Response
4 **Product supply in Japan**	• Inability to secure appropriately priced transportation vehicles • Higher-than-expected transportation costs • Excesses/shortages of raw materials due to climate change and sudden changes in sales	• Use automation and AI to reduce wait times through supply chain management reforms • Promote "white logistics" by reducing delivery frequency, consolidating delivery destinations, and using pallets • Establish value chain optimization systems and processes
5 **Information security**	• Cyber terrorism and computer virus infection • Loss of information due to unauthorized access and data tampering • Leakage of personal information or confidential company information • Power outages, disasters, and software or equipment failures	• Establish an incident response system centered on CSIRT • Conduct appropriate security countermeasures for information management
6 **Securing global human resources**	• Significant difficulties recruiting global human resources due to changes in employment conditions • Significant delays in global human resource development	• Promote global talent management that achieve systematic recruitment, placement, development, and evaluation
7 **Compliance**	• Actions that violate laws or social norms that could result in penalties, revocation of permits and licenses, lawsuits, and loss of trust	• Established the Calbee Group Code of Conduct and promoted compliance through level-based training and other educational activities to ensure employee compliance with ethical and social norms, laws and regulations, internal rules, etc.
8 **Intellectual property rights**	• Illegal use of Calbee's intellectual property by third parties • Pursuit of the Company by third parties for intellectual property right infringements	• Establish a department dedicated to thoroughly protecting and managing various intellectual property rights • Work to avoid third-party intellectual property right infringements
9 **Geopolitical impacts on overseas expansion**	• Risks becoming greater and more protracted than expected, causing supply shortages	• Consider and implement advance measures to address geopolitical risks, such as anticipated conflicts, decoupling, and pandemics
10 **Climate change**	• Introduction of carbon taxes, based on the progress of initiatives to reduce greenhouse gas emissions • Changes in consumer purchasing behavior • Potential deterioration in potato quality • Damage to production equipment, interrupted operation, and supply chain disruptions due to typhoons, torrential rain, etc.	• Energy conservation and use of renewable energy • Support the TCFD recommendations and analyze risks and opportunities related to climate change
11 **Natural disasters and pandemics**	• Prolonged disruption of the supply chain resulting in inability to supply products • Long lead times and significant costs incurred for repairs or upgrades of machinery, equipment, and facilities • Sharp increases in raw material prices and difficulty in securing raw materials	• Promote diversification of suppliers for production sites and raw materials, as well as multiple sourcing • Strive for early restoration of supply systems based on an all-hazards business continuity plan (BCP)
12 **Major shareholders**	• If changes occur in PepsiCo, Inc.'s management policies or business strategies, it may not be possible to realize the synergies of the alliance • If the agreement is terminated, a competitive relationship may arise with the PepsiCo Group within Japan • Changes may occur in PepsiCo, Inc.'s shareholding ratio in Calbee	• Maintain the strategic alliance with PepsiCo, Inc.

Financial Highlights

Please refer to the following website for details on performance and financial data.
https://www.calbee.co.jp/en/ir/finance/

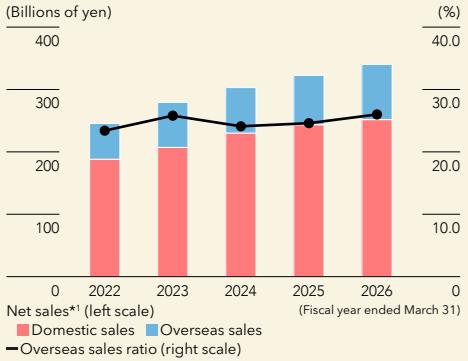
Operating Results for FY2026/3

In FY2026/3, net sales were ¥340.2 billion (up 5.5% year on year) and operating profit was ¥26.2 billion (down 10.0% year on year). Profit attributable to owners of parent was ¥17.3 billion (down 17.0% year on year) due to a rebound from application of tax benefits in the previous fiscal year.

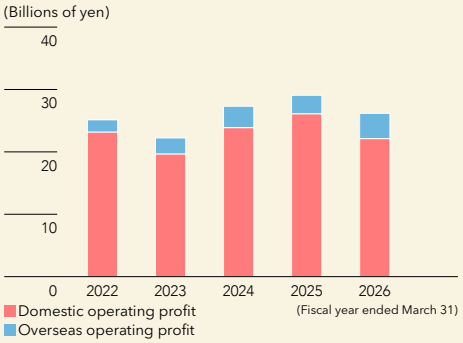
The domestic business continued to achieve growth in sales in a business environment affected by inflation, high temperatures, and drought by implementing product development tailored to consumer needs, enhancement of brand value through marketing measures, strategic product price and content revisions, and proactive sales activities. Although the use of DX contributed to improved earnings, operating profit decreased due to the burden of fixed costs associated with the phased startup of operations at the Setouchi Hiroshima Factory, and the impact of a smaller potato harvest in the second half of the fiscal year. The overseas business achieved increased sales in all regions, and reached new record highs in net sales and operating profit due to strengthening the regional portfolio. In new business areas, sales of *Body Granola*, a personalized food program, also grew.

Total assets amounted to ¥327.6 billion, mainly due to an increase in property, plant and equipment including the acquisition of land for the new Kanto Factory, and cash flows from operating activities amounted to ¥35.6 billion.

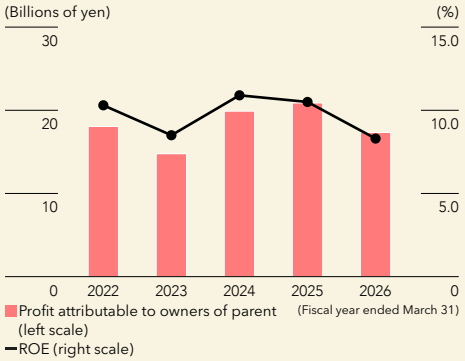
Net Sales, Overseas Sales Ratio



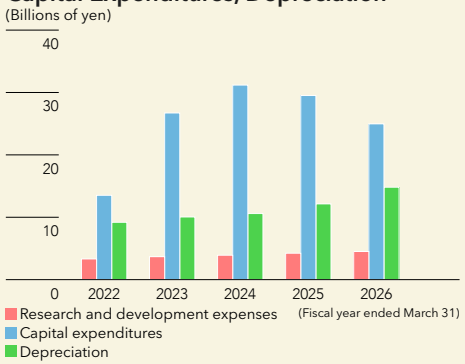
Operating Profit



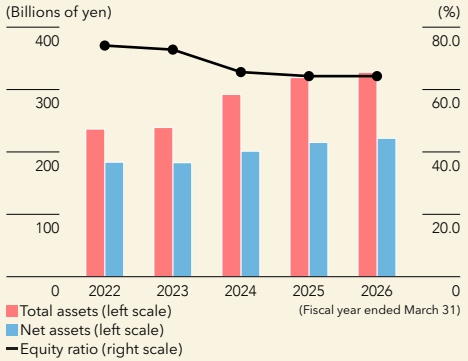
Profit Attributable to Owners of Parent, ROE



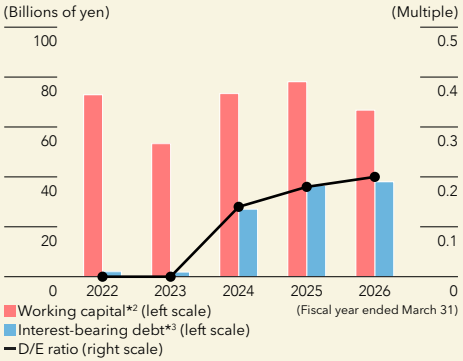
Research and Development Expenses, Capital Expenditures, Depreciation



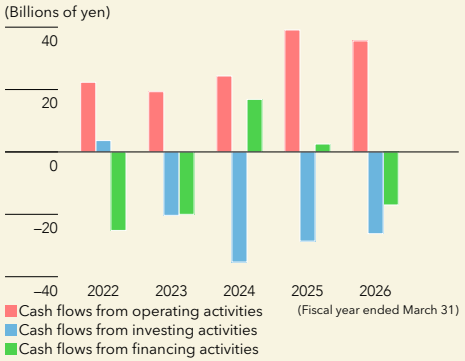
Total Assets, Net Assets, Equity Ratio



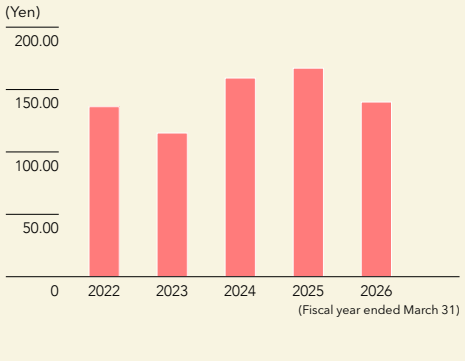
Working Capital, Interest-Bearing Debt, D/E Ratio



Cash Flows



EPS

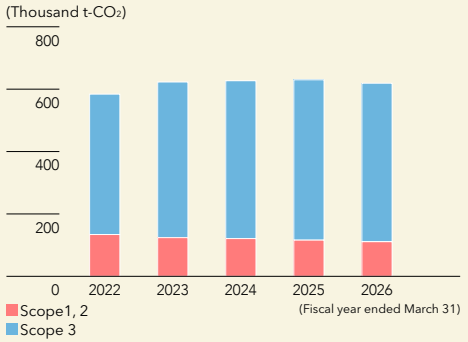


*1 Effective from FY2022/3, the Company adopted the Accounting Standard for Revenue Recognition (Accounting Standards Board of Japan (ASBJ) Statement No. 29). As a result, certain selling expenses previously recorded in selling, general and administrative expenses (SG&A), including rebates, are now deducted from net sales.
*2 Current assets less current liabilities *3 Includes long-term and short-term borrowings, lease obligations, and other interest-bearing debt

Non-Financial Highlights

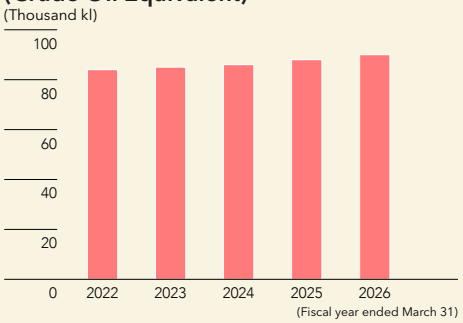
Please refer to the following website for details on ESG data.
https://www.calbee.co.jp/sustainability/en/esg-data.php

GHG Emissions*1



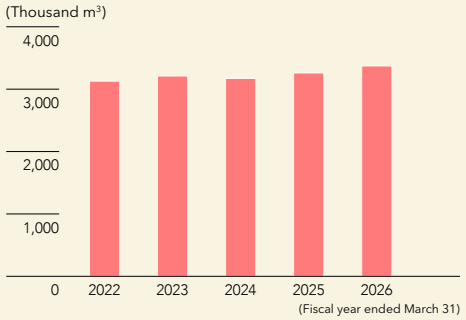
The shift to renewable energy has led to reductions in Scope 1 and 2 emissions, while more precise calculations of transportation distances for raw materials have resulted in a reduction in Scope 3 emissions.

Energy Consumption (Crude Oil Equivalent)*2



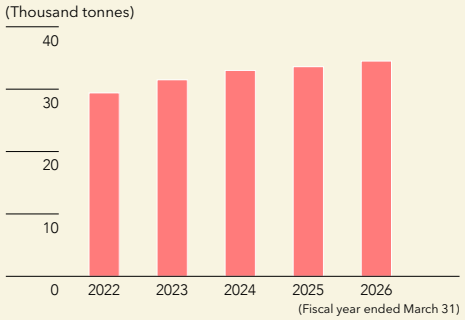
We aim for highly efficient energy use centered on manufacturing sites, such as participation in energy saving projects across business sites.

Water Consumption*2



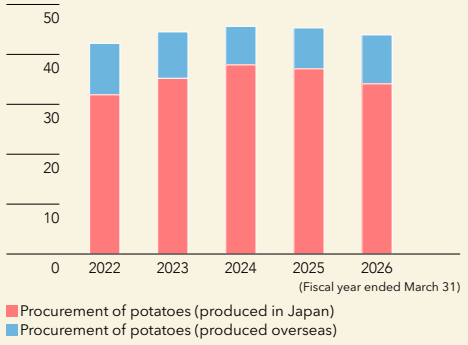
Headed by the Drainage Management Committee organized in each factory, we are conducting visualization and improving efficiency of water consumption of each manufacturing facility to promote optimized use and recycling.

Volume of Waste*2



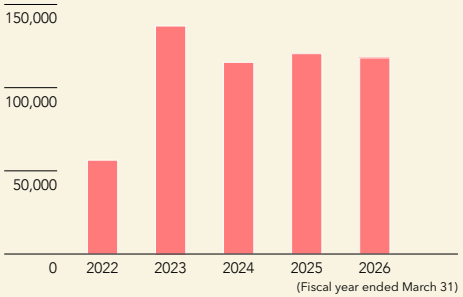
Our first priority is to prevent waste from being generated due to problems in the production process by improving product yield. Although we are working to monetize and reduce the volume of waste that is generated, overall waste volume is trending upward.

Procurement of Potatoes*3



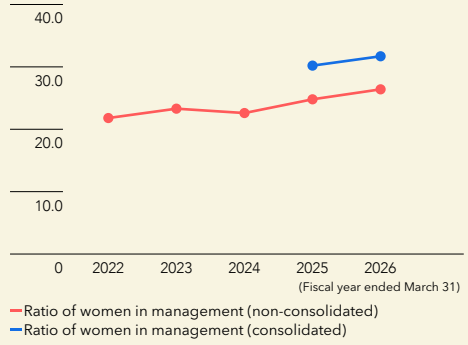
We are developing new uses for domestically grown potatoes and working to improve the sustainability of agriculture through potatoes by developing new varieties and promoting science-based cultivation.

Food Communication*1



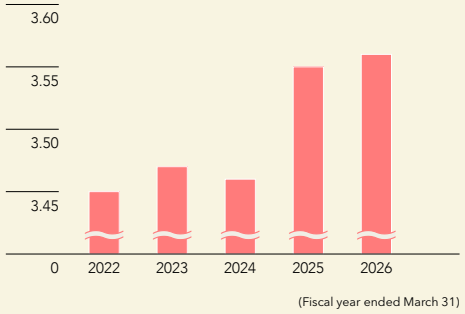
We engage with people of all generations through our "food communication" initiatives, sharing knowledge and creating joy related to food, such as through outreach classes on nutrition, factory tours, and snack contests.

Ratio of Women in Management



We have set a target of increasing the ratio of female managers to over 30% by FY2031/3, aiming to bring this in line with our ratio of female employees, who make up about half of our workforce.

Overall Engagement Survey Score*1



The overall score was maintained at a high level and reached a new record high (up +0.01 year on year) as a result of continuing initiatives such as management-led *Kurumaza* Meetings and on-site organization improvements.

*1 Covers Calbee, Inc. *2 Covers Calbee, Inc. and Japan Frito-Lay Ltd. *3 Covers domestic Group companies, including primary processed products and commodities

Corporate Information

Company Data (as of March 31, 2026)

Company Name	Calbee, Inc.
Head Office	Marunouchi Trust Tower Main, 22F, 1-8-3 Marunouchi, Chiyoda-ku, Tokyo
Date of Establishment	April 30, 1949
Business	Production and sales of snacks and other food products
Fiscal Year-End	March 31
Paid-In Capital	¥12,046 million
Number of Employees	Consolidated: 6,974 Non-consolidated: 3,711

External Evaluations

2026 Sompo Sustainability Index

Sompo Sustainability Index
Sompo Asset Management's index of companies with high ESG (Environmental, Social and Governance) ratings (As of June 2026)

2026 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)

MSCI Japan Empowering Women Index (WIN)*1
MSCI's index of companies selected for their gender diversity (As of November 2025 update)

2026 CONSTITUENT MSCI NIHONKABU ESG SELECT LEADERS INDEX

MSCI Japan ESG Select Leaders Index*1
MSCI's index of companies with high ESG (Environmental, Social and Governance) ratings (As of November 2025 update)

MORNINGSTAR GenDi J Japan ex-REIT Gender Diversity Tilt Index TOP CONSTITUENT 2026

Morningstar® Japan ex-REIT Gender Diversity Tilt Index℠*2
Morningstar's index of companies with the highest ratings for gender and diversity initiatives (As of June 2026)

STOXX INDICES Member 2026/2027 Platinum Career Index

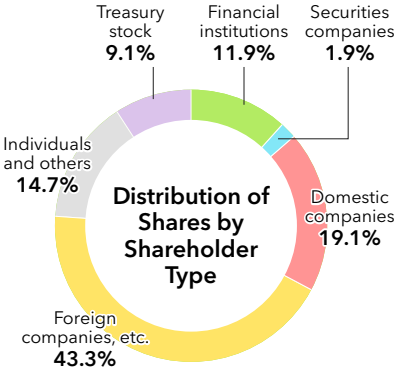
iSTOXX® MUTB Japan Platinum Career 150 Index
Index jointly developed by Mitsubishi UFJ Trust and Banking Corporation and STOXX Limited to select companies that are proactive in building employee careers (As of June 2026)

*1 Disclaimer
THE INCLUSION OF CALBEE, INC. IN ANY MSCI INDEX, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF CALBEE, INC. BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.

*2 Disclaimer
Morningstar, Inc. and/or its affiliates (individually and collectively, "Morningstar") has authorized Calbee, Inc. to use the Morningstar® Japan ex-REIT Gender Diversity Tilt logo (the "Logo") to reflect the fact that Calbee, Inc. "ranked in the top quantile of stocks comprising the Morningstar® Japan ex-REIT Gender Diversity Tilt Index (the "index") for gender diversity in the workplace in the specified ranking year." Morningstar has authorized the use of the Logo by Calbee, Inc. for informational purposes only. Use of the Logo by Calbee, Inc. does not constitute an endorsement by Morningstar of Calbee, Inc. or a recommendation, offer, or solicitation to purchase, sell, or subscribe for any securities related to Calbee, Inc. While the Index is designed to reflect gender diversity in the Japanese workplace, Morningstar does not guarantee the accuracy, completeness, or timeliness of the Index or the data contained in the Index. Morningstar makes no express or implied warranties with respect to the Index or the Logo, and expressly disclaims any warranties of merchantability and fitness for a particular purpose or use with respect to the Index, the data contained in the Index or the Logo. Without limiting any of the foregoing, in no event shall Morningstar or its third-party content providers be liable for any damages (whether direct or indirect) resulting from use of or reliance on the Index or Logo by either party, even if Morningstar has been made aware of the possibility of such damages. The Morningstar name, Index name, and Logo are trademarks or service marks of Morningstar, Inc. Past performance is no guarantee of future results.

Stock Information (as of March 31, 2026)

Securities Code	2229
Stock Listing	Tokyo Stock Exchange Prime Market
Number of Shares per Unit	100 shares
Fiscal Year	From April 1 of each year to March 31 of the following year
Ordinary General Meeting of Shareholders	Held every June
Total Number of Shares Authorized	176,000,000 shares
Total Number of Shares Issued	133,929,800 shares
Total Number of Shareholders	49,587



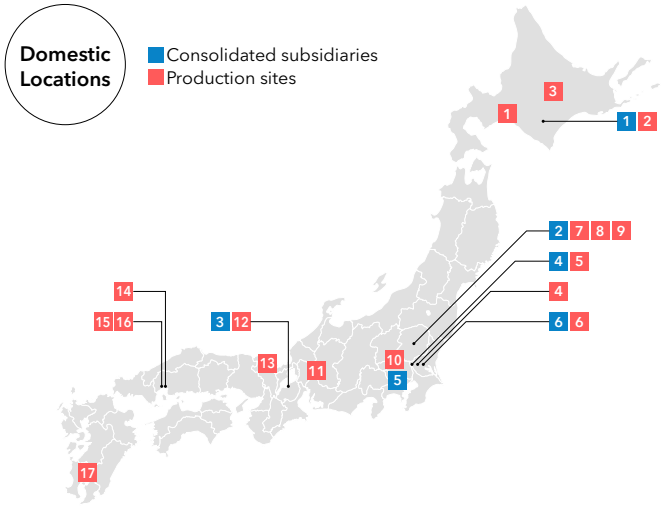
Major Shareholders

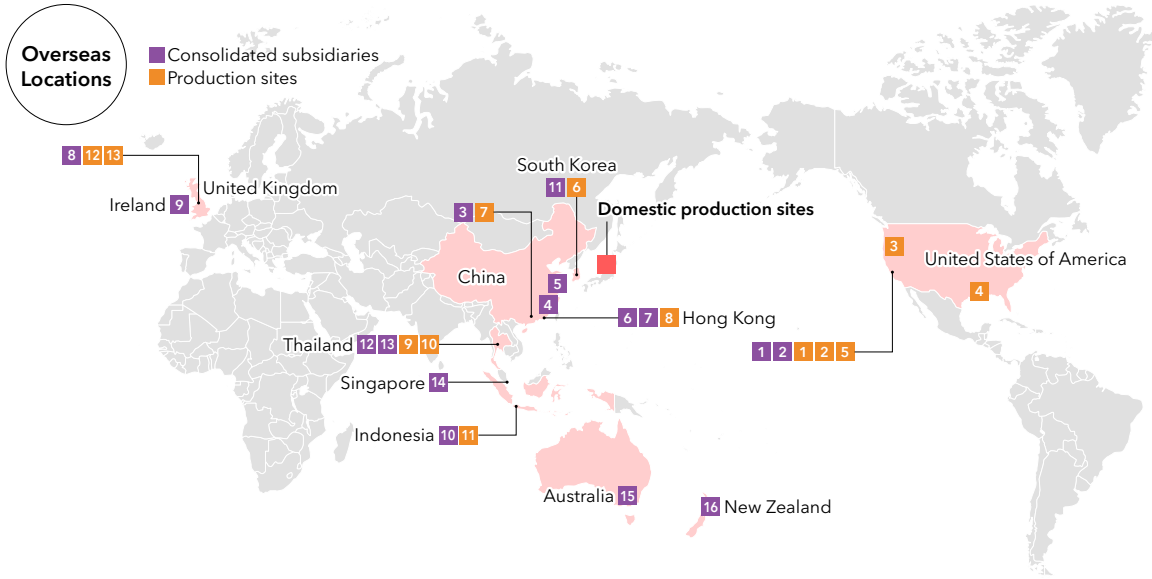
Name of shareholder	Number of shares (thousands)	Ownership ratio (%)*4
Frito-Lay Global Investments B.V.*3	26,800	22.01
General Incorporated Association Miki-no-Kai	17,510	14.38
The Master Trust Bank of Japan, Ltd. (Trust Account)	9,868	8.10
JP MORGAN CHASE BANK 385642	4,160	3.42
Custody Bank of Japan, Ltd. (Trust Account)	3,825	3.14
NOMURA PB NOMINEES LIMITED OMNIBUS-MARGIN (CASHPB)	2,321	1.91
CGML PB CLIENT ACCOUNT/COLLATERAL	2,267	1.86
Calbee Employees Shareholding Association	2,017	1.66
THE TORIGOE CO., LTD.	1,936	1.59
STATE STREET BANK AND TRUST COMPANY 505103	1,824	1.50

*3 Frito-Lay Global Investments B.V. is a wholly owned subsidiary of PepsiCo, Inc.
*4 Ownership ratios are calculated excluding treasury stock (12,148,871 shares). The ownership ratios are calculated including 46,775 shares held by the Employee Stock Ownership Plan (ESOP) trust account and 146,300 shares held by the Board Incentive Plan (BIP) trust account.

Corporate Information

Group Companies and Production Sites (as of April 1, 2026)





Consolidated Subsidiaries

1 Calbee Potato, Inc.
2 Calbee Logistics, Inc.
3 Calbee Eatalk Co., Ltd.
4 Japan Frito-Lay Ltd.
5 Studio Socio Inc.
6 Calbee Kaitsuka Sweet Potato, Inc.

Production Sites

1 Hokkaido Factory
2 Obihiro Factory
3 Factory (Hokkaido Foods Co., Ltd.)*
4 Shimotsuma Factory
5 Koga Factory (Japan Frito-Lay Ltd.)
6 Factories 1-4 (Calbee Kaitsuka Sweet Potato, Inc.)
7 Shin-Utsunomiya Factory
8 Kiyohara Factory
9 R&D Center
10 Higashimatsuyama Factory (Potato Foods Co., Ltd.)*
11 Gifu Kakamigahara Factory
12 Kansai Biwako Factory
13 Kyoto Factory
14 Setouchi Hiroshima Factory
15 Hiroshima Miyajima Factory
16 Hiroshima Hatsukaichi Factory
17 Kagoshima Factory

*Factories operated in cooperation with the Calbee Group

Consolidated Subsidiaries

1 Calbee America, Inc. (United States)
2 Hodo, Inc. (United States)
3 CFSS Co. Ltd. (China)
4 Calbee (Hangzhou) Foods Co., Ltd. (China)
5 Calbee (China) Co., Ltd. (China)
6 Calbee Four Seas Co., Ltd. (Hong Kong, China)
7 Calbee E-commerce, Ltd. (Hong Kong, China)
8 Calbee Group (UK) Ltd. (United Kingdom)
9 Calbee Ireland Ltd. (Ireland)
10 PT. Calbee-Wings Food (Indonesia)
11 Haitai-Calbee Co., Ltd. (South Korea)
12 Calbee Tanawat Co., Ltd. (Thailand)
13 Greenday Global Co., Ltd. (Thailand)
14 Calbee Moh Seng Pte. Ltd. (Singapore)
15 Calbee Australia Pty Ltd. (Australia)
16 Calbee New Zealand Ltd. (New Zealand)

Production Sites

Calbee America, Inc.
- 1 Fairfield Factory (California, United States)
- 2 Madera Factory (California, United States)
- 3 Boardman Factory (Oregon, United States)
- 4 Senatobia Factory (Mississippi, United States)

5 Hodo, Inc. (California, United States)
6 Haitai-Calbee Co., Ltd.
Munmak First Factory, Munmak Second Factory (South Korea)
7 CFSS Co. Ltd. (Guangdong, China)
8 Calbee Four Seas Co., Ltd. (Hong Kong, China)
9 Calbee Tanawat Co., Ltd. (Thailand)
10 Greenday Global Co., Ltd. (Thailand)
11 PT. Calbee-Wings Food (Indonesia)
Calbee Group (UK) Ltd.
- 12 Deeside Factory (United Kingdom)
- 13 Bradford Factory (United Kingdom)

Calbee

Harvest the Power of Nature.

Calbee, Inc.

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Tokyo 100-0005, Japan

https://www.calbee.co.jp/en/