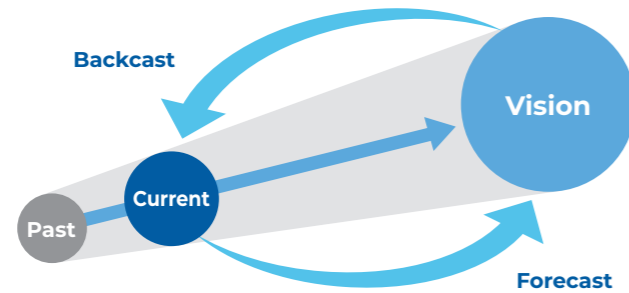


# Materiality Toward Realization of Vision

The Hoshizaki Group has identified materiality toward achieving its Long-term Vision based on its Purpose and is undergoing various initiatives to resolve those issues. The five-year management vision backcasts from our Long-term Vision, and we aim not only to set targets for economic value and enhance them but also to improve social and environmental value.



## Process of Extracting/Identifying Materiality

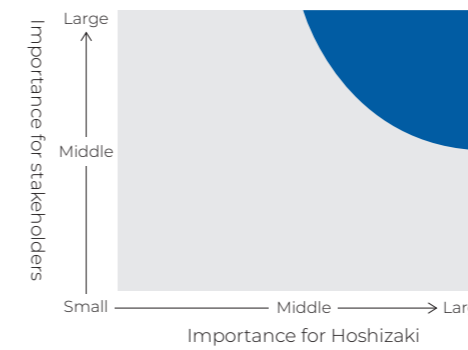
In 2022, the Company discussed and considered various social issues with diverse employees and then extracted and identified six material issues, considering opinions of Outside Directors and others.

<b>Step 1</b>	<b>Extraction of themes for sustainability issues</b>	Extract a candidate theme through reviews of competitors, ESG ratings agencies, economic trends, the industry, and experts as well as data analysis
<b>Step 2</b>	<b>Evaluation of degree of importance and mapping</b>	Work on a mapping through evaluations of the Hoshizaki axis (analysis of internal documents, interview with the management, internal workshop) and the stakeholders axis
<b>Step 3</b>	<b>Verification of validity</b>	Through discussion with Outside Directors, verify the properness from outside perspective.
<b>Step 4</b>	<b>Identification, approval</b>	Identify issues to be addressed first among candidate themes and approve them through discussion at the Board of Directors.

## Relationship between materiality and sustainability, relevant SDGs, and KPIs

Materiality	Conductive SDGs	Relevance to the vision	KPI	Target/year	Results of FY2023	Related pages
<b>Response to climate change</b>		In response to the global climate changes, contribute to resolution of environmental issues through provision of comfortable food environment (business).	Reduce CO2 emissions in business activities to realize a decarbonized society.	Reduce CO2 emissions (Scopes 1 and 2) 30% by 2030 (compared with 2023).	Scopes 1 and 2 CO2 emissions: +3.2% (compared with 2022)* *Hoshizaki Head Office Factory and Shimane Factory ▶ Please see Page 10 as well.	<b>Page 54</b>
<b>Sustainable supply chain management</b>		With a supply chain considering the environment and human rights, minimize waste emissions and promote healthy and safe working conditions.	1. Supplier survey on sustainability, such as environmental protection (waste, etc.), human rights, and labor (safety) 2. Ongoing communication with suppliers to enhance results of the initiatives	1. Development of a questionnaire (in 2023), response ratio of major suppliers at 95% or more (in 2026) (Hoshizaki) 2. Attendance ratio of major suppliers to an annual factory policy briefing at 95% or more (in 2026) (Hoshizaki)	Attendance ratio of major suppliers to an annual factory policy briefing at 98%	<b>Page 59</b>
<b>Creation of new customer value</b>		Manufacture products flexibly responding to changes and create service business, quickly catching up with changes in environment surrounding customers.	Contribution to customers in various non-restaurant markets into which we aim to expand.	Non-restaurant market sales: 100,000 million yen (in 2026) (in Japan)	Non-restaurant market sales (in Japan): 89,400 million yen	<b>Page 57</b>
<b>New proposals for the creation of secure and safe food environment</b>		In response to changes in diversifying food environment, provide safe and secure products and services to help people lead a good life.	Product maintenance that takes advantage of the large number of sites across Japan, provision of the safety, and security through call center support service	Service sales: 52,200 million yen (in 2026) (in Japan)	Service sales (in Japan): 46,300 million yen	<b>Page 58</b>
<b>Increasing employees' job satisfaction</b>		Evolve toward the vital workplace culture where all employees share diverse values, respect each other, and work with pride.	Nurturing female managers and development and retention of candidates for female managers	Women in positions at or above section manager level: 50 employees, and women in positions at or above assistant manager level: 300 employees (in 2025) (in Japan)	Women in positions at or above section manager level: 28 employees Women in positions at or above assistant manager level: 219 employees	<b>Pages 61-64</b>
<b>Enhancement of management foundation</b>		Implement socially reliable management, by enhancing corporate governance and thoroughly complying with laws and regulations.	1. Strengthening of compliance management foundation 2. Continuation of extensive compliance education for employees	1. No substantial compliance violation (global) 2. Provision of compliance education for all employees (global)	Compliance and Risk Management Committee meetings held (12 times) Compliance and Risk Review Committee meetings held (32 times) Establishment of a study group for regulatory trends Compliance training held for all group companies in Japan and overseas (Held 731 times, 14,679 participants)	<b>Pages 76-78</b>

## Materiality Assessment



Identify six material issues based on social issues that are important for the Group and its stakeholders.

- Response to climate change
- Sustainable supply chain management
- Creation of new customer value
- New proposals for the creation of secure and safe food environment
- Increasing employees' job satisfaction
- Enhancement of management foundation

## Materiality of the Hoshizaki Group

With the Group's six material issues, we are contributing to achieving 10 of the 17 goals that make up the Sustainable Development Goals (SDGs). In 2023, working groups (WGs) were established for each material issue to increase effectiveness in view of requests gained through dialogue and engagement with shareholders and investors. Progress by the WGs are reported at Sustainability Committee meetings and discussions held. KPIs, such as targets and dates for achievement, were set for all material issues based on relevance with the Long-term Vision in 2023 after discussions were held by the Sustainability Committee to definitively carry out sustainability strategy. By evaluating and monitoring progress each year, we are working for dissemination internally and integration with business strategies. Revision of materiality will be examined as required, considering changes to the environment within and outside the company.

The Hoshizaki Group will aim for value creation for its stakeholders through sustainability transformation (SX).