






Company Name: Warabeya Nichiyo Holdings Co., Ltd.
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 (Securities code: 2918, Tokyo Stock Exchange, Prime Market)
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Notice Regarding Identification of Materiality (Key Challenges)

Warabeya Nichiyo Holdings Co., Ltd. (hereinafter the “Company”) established a Sustainability Committee in December 2021, and through this body the Company and its corporate group (the “Group”) have been conducting group-wide sustainability initiatives.

Today, the Group announces that it has identified its materiality as described below with the aim of achieving sustainable growth of the Group while contributing to the realization of society through its business activities under the Group Philosophy—. While striving to find solutions to these challenges, we plan to achieve sustainable growth for the entire Group.

1. Materiality

Materiality	Challenge and vision	Measures to solve challenge
<p>Contribution to a recycling society</p> 	Promote decarbonization, reduce environmental burden and aim to realize a recycling society.	<ul style="list-style-type: none"> • Reduce CO2 • Eliminate plastic • Reduce food loss, etc.
<p>Promote the joy of food</p> 	Contribute to safe food lifestyles for our customers	<ul style="list-style-type: none"> • Pursue delicious taste • Stringently manage quality • Develop healthy products • Contribute to abundant lifestyles through provision of home meal replacements, etc.
<p>Realize a sustainable supply chain</p> 	Procure and supply food stably, accommodating climate change and change to social attitudes	<ul style="list-style-type: none"> • Procure and supply safe food • Revitalize agriculture through procurement volume • Establish dependable procurement and supply of food including overseas sourcing
<p>Provide rewarding work, and respect human rights and diversity</p> 	Establish frameworks that enable every employee the opportunity to play important roles	<ul style="list-style-type: none"> • Provide workplace environments that enable the full diversity of human resources to play important roles • Promote diversity • Strengthen investment into human resources through education, etc.
<p>Establish strong business foundation</p> 	Strengthen ability to respond flexibly and agilely to changes in the business environment	<ul style="list-style-type: none"> • Strengthen governance • Utilize partnerships • Utilize IT and AI

2. Process of Identifying Materiality

(1) Extraction of challenges for review

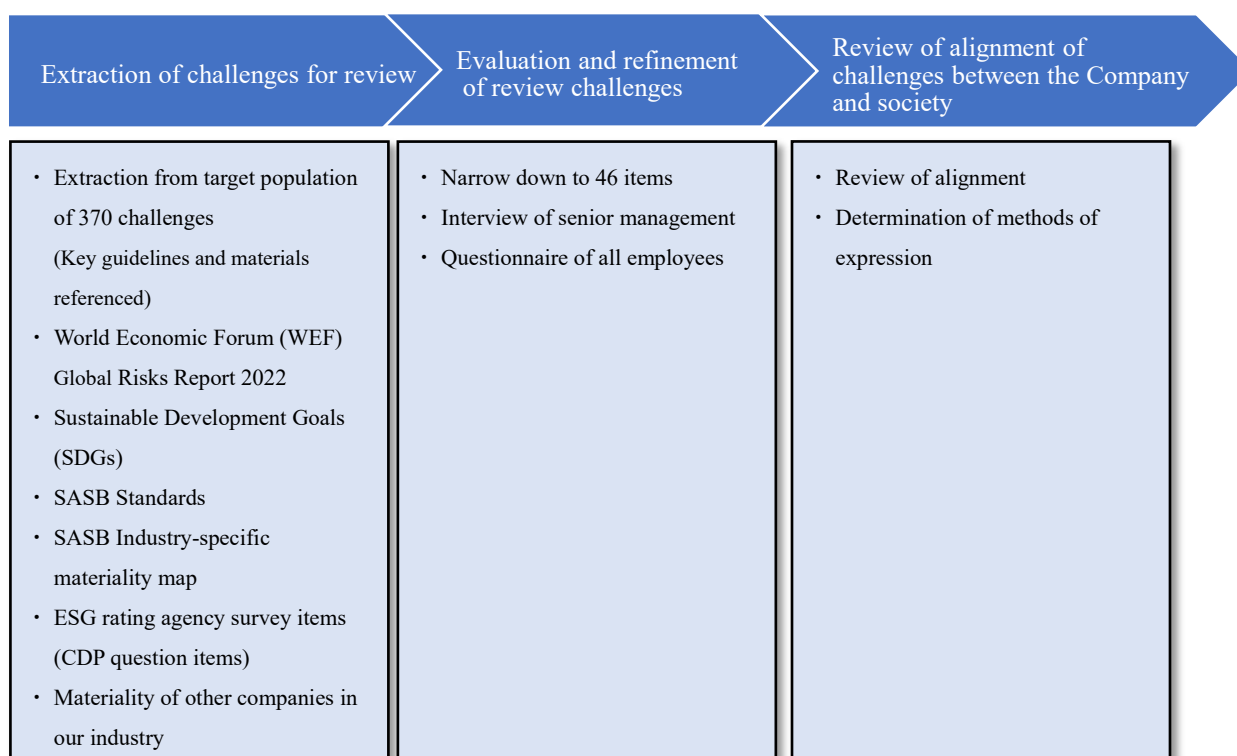
In order to identify materiality, we extracted a broad range of 370 challenges that the Company should tackle from a target population, taking into account our corporate philosophy, the World Economic Forum (WEF) Global Risks Report 2022, Sustainable Development Goals (SDGs), SASB Standards, SASB industry-specific materiality maps, ESG rating agency survey items (CDP question items), and initiatives of other companies in our industry.

(2) Evaluation and refinement of review challenges

A target population of challenges was narrowed down to 46 items through an evaluative process based on a scale of material significance for society and the Company. Interviews were held with the members of senior management and questionnaires were implemented to all employees. By providing all employees with the opportunity to consider matters in terms of each one's own actions, it was possible to gain the high level of engagement of a 96% questionnaire return rate.

(3) Review of alignment of challenges between the Company and society

Reviews were conducted into the material significance of challenges for the Company's medium to long term management, and the alignment with the Company of challenges faced by society at large. As a result, the issues were categorized into five key challenges of materiality.



Note: This English translation is provided solely for information purposes. Should there be any discrepancies between this translation and the Japanese original, the latter shall prevail.