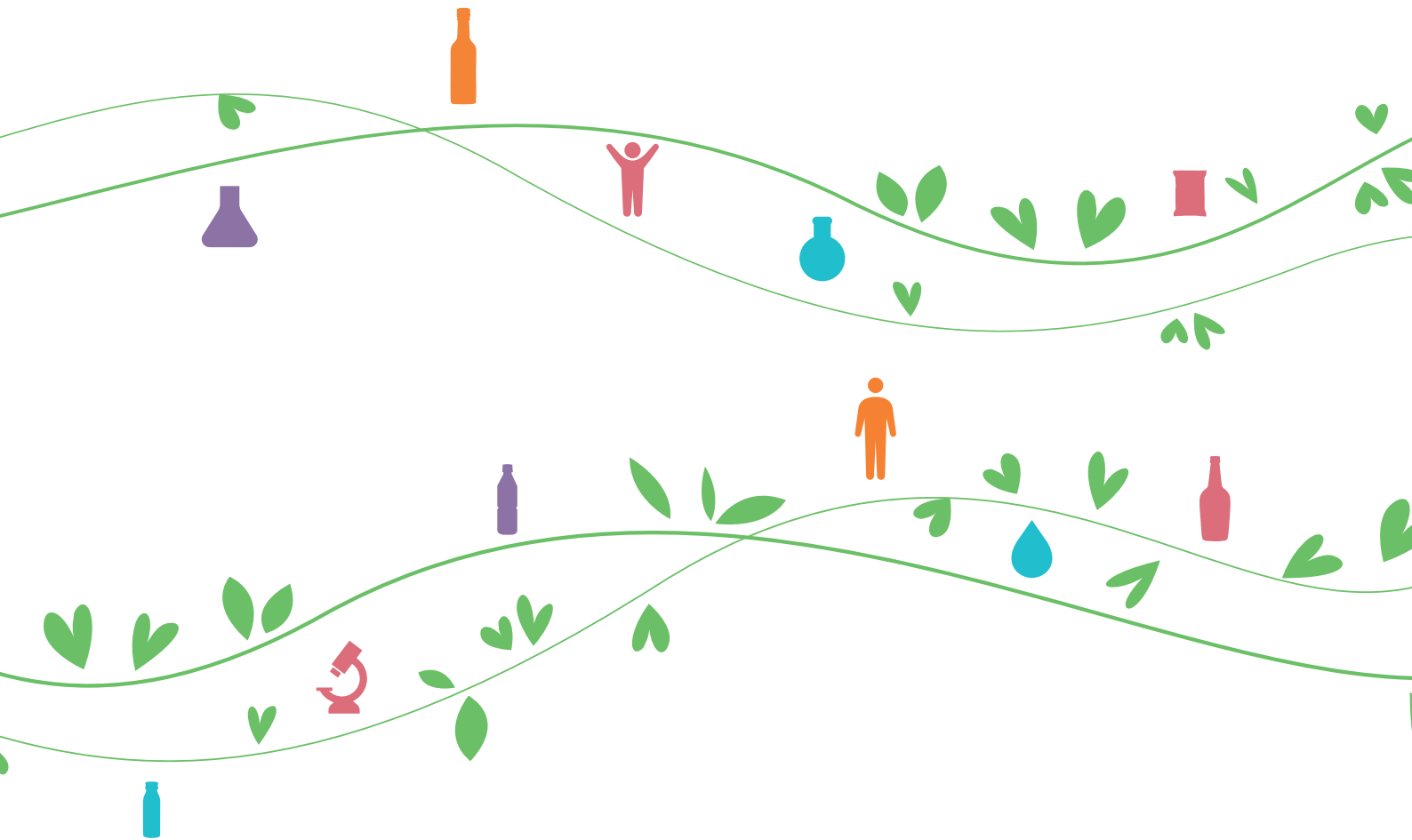




**Yomeishu** To Wellness and Beyond, One Step at a Time


Yomeishu Seizo Co., Ltd.

# Corporate Book



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With time-tested wisdom and knowhow at our back, we are indebted to the legacy that brought us here. That's what keeps us moving forward.

To Wellness and Beyond,  
One Step at a Time

Through steady devotion and tireless effort, we will continue to pursue new possibilities step by step to accompany our customers in their healthy days.

## Management Philosophy/Vision

### Management Philosophy

In response to the trust people have placed in us,  
we contribute to enriching healthy lifestyles

### Corporate Vision

Healthy, robust, and positive company

### Business Vision

Supporting people who wish for a  
healthier and better time

It is said that Yomeishu was created around 1600 by  
founder Sokan Shiozawa in the hope of good health,  
and has continued to be produced to this day.

Even though times may change, the spirit of  
contributing to the health of people's lives has been  
passed down from generation to generation, and all  
of Yomeishu Seizo Co., Ltd.'s businesses are based  
on this philosophy.

We are proud to be able to help people live a rich  
healthy life, and we will continue to strive to live up  
to your trust as much as possible.



Representative Director  
President

### Taro Shiozawa

Based on our management philosophy, we provide products and services that bring satisfaction to consumers who wish for mental and physical health and seek a rich and peaceful life.

“Yomeishu” was created more than 400 years ago in Ina valley, Shinshu (Nagano Prefecture), by founder Sokan Shiozawa, who wished to “contribute to the health and longevity of the people of the world.” In 1923, the corporate organization was established in order to benefit more people. The founder's desire to serve people's health has been passed down unbroken to the present day in the company's management philosophy of “in response to the trust people have placed in us, we contribute to enriching healthy lifestyles,” and remains the cornerstone of our business activities.

Yomeishu has been sold as a home medicine for many years, and we have continually observed household health. This is thanks to your patronage and support over the years, and we are thankful for this. In addition, our business is not confined only to Japan—we also have a history of over 50 years of sales overseas, too. We are proud that Yomeishu has fans in Japan and around the world.

Our Mid-Term Management Plan covers the five-year period from April 2022 to March 2027. As we will celebrate our 100th anniversary in 2023, we have set the fundamental strategy of

"investing in growth for the next 100 years and establishing a foundation for sustainable growth" in order to lay the foundation for the next 100 years during this five-year period.

Customer, marketing, and sustainability perspectives are critical to how we deliver the fundamental strategy. These are the customer-oriented perspective of creating customers and thoroughly pursuing customer satisfaction, the marketing strategy perspective based on a consistent consumer perspective in development, manufacturing, distribution, and promotion, and the sustainability perspective for the company's sustainable growth. Based on these three perspectives, we will aim to realize the fundamental strategy through "two-sided management." Two-sided management means achieving both the "exploration and deepening of knowledge." The exploration of knowledge is the creation of new businesses, and sometimes it is an unknown field where we need to take risks, but we see this as repeated trial and error and taking on challenges without fear of failure. The deepening of knowledge is to strengthen the profitability of existing businesses, and we will use existing assets and organizational capabilities to pursue efficiency and take solid strategies. By exploring knowledge in the CLASUWA related business and deepening knowledge in Yomeishu related business, we will work to create new corporate value by investing in growth while ensuring profitability.

The Company has formulated four strategic issues: "Strengthening the profitability of existing businesses with a focus on efficiency,"

"Building the direct channel business based on the 'CLASUWA' brand," "Promotion of sustainability management," and "Investment in utilization of diverse human resources and intangible assets such as human capital and intellectual property to expand the business area."

With regard to sustainability, we have established five basic policies and material issues to address. As a result of considering material issues based on our business and social issues to be solved, we have decided to define one of the issues as health. In addition to physical health through sales of Yomeishu and the dissemination of health information, we will also focus on mental health by proposing healthy lifestyles through the hands-on facility under construction. Furthermore, the environment, local communities, human rights, diversity, and governance are material issues.

The quantitative targets for the final year of the Mid-Term Management Plan are sales of 20 billion yen or more, operating profit rate of 10%, and ROE of 4%. We are committed to achieving this first step toward the next 100 years, and we will make this a milestone in our efforts.

We will continue to deliver our thoughts and ideas to consumers in various ways, and will strive to be a company that is close to your well-being, and we ask for your support in this endeavor.

# The Story of the Company and the History of Yomeishu

## History of Yomeishu



Jar used to make "Yomeishu"

Established Tenryukan K.K. in Minakata-mura, Kamiina-gun Nagano Prefecture (now Nakagawa-mura)  
Succession of "Yomeishu" business from the Shiozawa family

"Yomeishu" was created by Sokan Shiozawa, the head of the Shiozawa family in Okusamura, Ina-gun (now Nakagawa-mura, Kamiina-gun, Nagano Prefecture).



Sokan Shiozawa giving people Yomeishu

1929



Large rounded bottle 400 mL



Old Plant No.1 (birthplace of "Yomeishu")

1923

Tenryukan Tokyo Branch opened in Shibuya-machi, Toyotama-gun, Tokyo (now Shibuya-ku, Tokyo) and began nationwide sales of Yomeishu.

1925



Nagoya Branch, Tenryukan K.K.

1950



Small, flat, rounded bottle 180 mL

Okaya Plant established in Kawagishi-mura, Suwagun (now Okaya-shi), Nagano Prefecture, and company name changed to Yomeishu Seizo Co., Ltd.

1951

Opened the Kansai Branch (later relocated to Osaka-shi in 1971 after Kyoto-shi, renamed to Osaka Branch) in Uji-shi, Kyoto.



Promotional activities on cows

1953

1954



Family-sized rounded bottle 900 mL

Listed on the Tokyo Stock Exchange

1955



Former Head Office Building

1957



Round large bottle 800 mL



Sales expansion activities by advertising vehicles

1961

Establishment of Technical Research Center in Okaya-shi, Nagano Prefecture

1959



Transformed family-sized bottle 1,000 mL

Saitama Plant was newly established in Tsurugashima-mura, Iruma-gun, Saitama Prefecture (now Tsurugashima-shi) (closed in 2006)



Saitama Plant

1964

Komagane Plant was newly established in Komagane-shi, Nagano Prefecture (Okaya Plant was closed in the same year).

1972



Scene during construction of Komagane Plant



Large rounded bottle 1,000 mL

1968

Opened "CLASUWA Tokyo Skytree Town Solamachi" in Sumida-ku, Tokyo and Japanese Dining CLASUWA in Matsumoto-shi, Nagano Prefecture.

2020

Established "e-Collaboration Tsurugashima," a facility for tour at the "Tsurugashima Photovoltaic Power Plant"

2014



e-Collaboration Tsurugashima (Tsurugashima-shi, Saitama Prefecture)

Established "Tsurugashima Photovoltaic Power Plant" in Tsurugashima-shi, Saitama Prefecture

2013



Tsurugashima Photovoltaic Power Plant (Tsurugashima-shi, Saitama Prefecture)

Opened the commercial facility "CLASUWA" in Suwa-shi, Nagano Prefecture

2010



CLASUWA (Suwa-shi, Nagano Prefecture)

Established an internet online shop site "Yomeishu Honpo" (renewed as Yomeishu Online Shop in 2012)

2006



Yomeishu Online Shop

Announced business and capital partnership with TAISHO PHARMACEUTICAL CO., LTD. Established "Yomeishu Healthy Forest" at the Komagane Plant

2005

Completed headquarters' new building



Headquarters' new building

Ceremony of the 400-year anniversary since the foundation of Yomeishu

2002



Yomeishu 400-year Anniversary Memorial Hall

Completion of construction of a new building in the Central Research Laboratories

1994



New building in the Central Research Laboratories

1975

1989

Established the Central Research Laboratories in Minowa-machi, Kamiinagun, Nagano Prefecture (the Technical Research Center closed in the same year) (renamed to Product Development Center in 2014)

2021



"Yomeishu"  
1,000 mL, 700 mL  
change of package

2017



"Yomeishu"  
1,000 mL, 700 mL  
Adoption of new container  
and change of package

2002



Rounded medicinal bottle  
700 mL

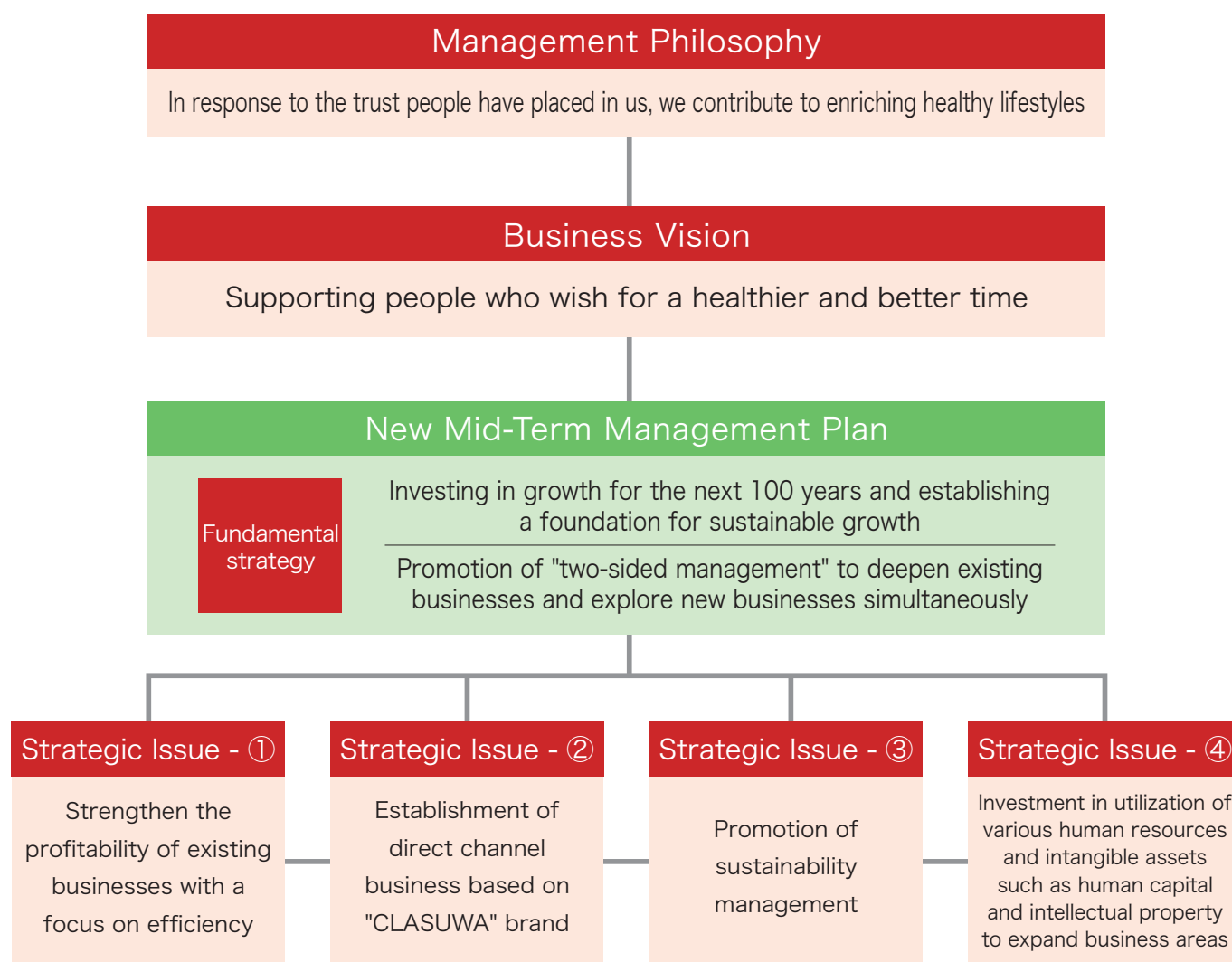
1985



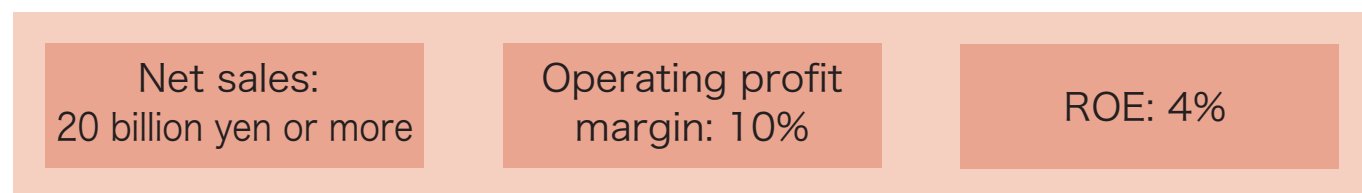
Rounded medicinal bottle  
700 mL

# Mid-Term Management Plan (April 2022 to March 2027)

## Main policies of the Mid-Term Management Plan



## The Mid-Term Management Plan final year (fiscal year ending March 2027) quantitative targets



- Sales of 20 billion yen or more, based on existing business (Yomeishu related business) of 10 billion yen or more and new business (CLASUWA related business) of 10 billion yen or more
- Operating profit margin of 10% by strengthening the profitability of existing businesses with a focus on efficiency
- Expand business while improving capital efficiency by investing in growth while paying attention to financial soundness, and achieve ROE (return on equity) of 4%



## Strategic issues

### Strengthen the profitability of existing businesses with a focus on efficiency

In the existing business centered on wholesale distribution of Yomeishu and alcoholic beverages and food, we will establish a department to formulate marketing strategies in a consistent manner for development, manufacturing, distribution, and promotion, and strive to strengthen the development of marketing strategies from a consumer-oriented perspective. In addition, we will promote business development and improvement of productivity using digital technology.

### Establishment of direct channel business based on "CLASUWA" brand

We will focus on branding "CLASUWA," which has been developed mainly in commercial facilities, based on the concept of "expanding the circle of a healthy life (delicious, enjoyable, and healthy experiences)," and will work to develop the business in tandem with online shop and gift sales by communicating with customers in actual stores and sharing the functions, world view, history, and lifestyle of the products. As part of these efforts, we plan to construct a new hands-on facility as a brand symbol on the Komagane Plant site, and we will also consider corporate acquisitions and business alliances to strengthen our brand and build a business model.

### Promotion of sustainability management

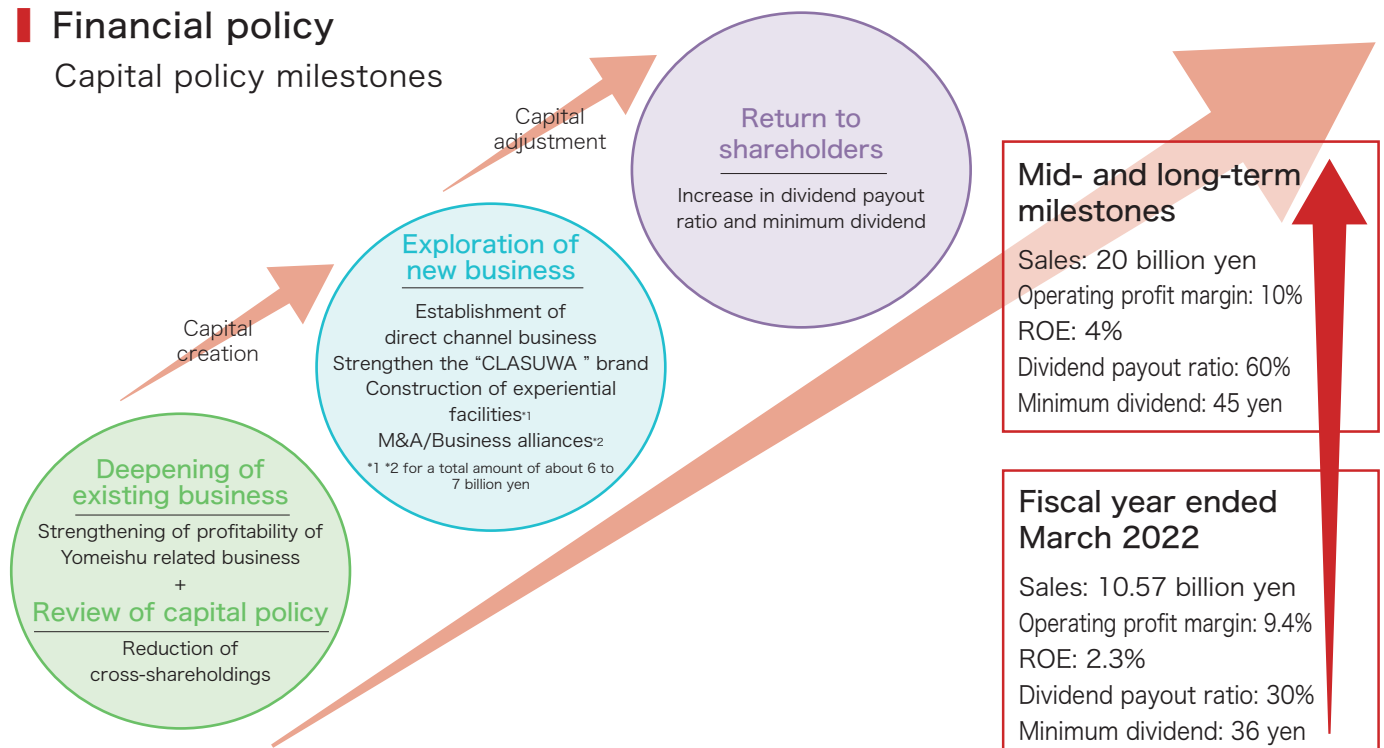
We recognize that the realization of a sustainable society is one of the important management issues for the long-term enhancement of corporate value of our company. We have established a basic policy on sustainability and will promote social health through our products and services centered on "Yomeishu," reduce environmental impact centered on our Komagane Plant, and contribute to the local community through a hands-on facility to be constructed on the Komagane Plant site as an activity to coexist with the local community and preserve the natural environment, especially in Nagano Prefecture, where we have a close relationship.

### Investment in utilization of various human resources and intangible assets such as human capital and intellectual property to expand business areas

We recognize that human capital is the most important management capital for deepening existing businesses and moving on to explore new business areas, and we will continue to foster a vibrant corporate culture by developing human resources based on business strategies and actively appointing diverse human resources. In addition, we recognize that intellectual property, including the brand, know-how, and customer base that have been accumulated over a long history, is important to support the corporate value of our company, and will strive to further improve the value and strengthen its utilization.

## Financial policy

### Capital policy milestones



To deepen the existing business, we will reduce cross-shareholdings while strengthening the profitability of Yomeishu related business. We will utilize the capital created by these activities in our growth investment to explore new businesses, raise the dividend payout ratio and minimum dividend, and return it to shareholders.

# For a healthy daily life

We support your health while caring for your life. We are involved in the development of products such as “Yomeishu,” “alcoholic beverages,” and “foods,” as well as overseas business, real estate leasing, and the operation of solar power generation plants.



## Yomeishu Class 2 OTC drug

Staying close to consumers' health



## What is Yomeishu?

"Yomeishu" is a medicinal product that dissolves medicinal ingredients of 14 natural herbal medicines. The synergism of herbal medicines and alcohol improves blood circulation throughout the body and regulates physical condition while stimulating metabolism. It is characterized by its ability to enhance the healing power of our body and to improve various symptoms caused by a decline in this power from the inside. Taking a little at a time in your daily life will lead you to your body's inherent health.



### Seven effects of Yomeishu

Take 20 mL of "Yomeishu" in the provided cup before a meal or before bedtime. It is effective for physical fatigue, gastrointestinal weakness, chills, weak constitution, poor appetite, poor complexion, and nutritional fortification during and after illness.



### Herbal medicines contained in Yomeishu

Based on Oriental medicine, "Yomeishu" contains herbal medicines that "compensate for deficiencies in the constitution" such as ginseng, "warm the body" such as cinnamon, and "improve blood circulation" such as safflower. When several herbal medicines are used in combination, they have the characteristic of bringing out the best in each other and broadening or strengthening the range of their effects.



## Overseas business

For healthy living of people around the world

We export Yomeishu to four major markets (Hong Kong, Malaysia, Singapore, and Taiwan). We have a long history of exporting and have been selling to Hong Kong, Malaysia, and Singapore for over 50 years and to Taiwan for over 20 years, taking into account the culture and market environment of each country and region.

The export of alcoholic beverages is focused on craft gin, and we are expanding our sales channels.



### Taipei Branch

In 2020, the Taiwan Representative Office became the Taipei Branch. In addition to developing marketing and sales measures rooted in the local market, we will also work to expand new development possibilities.

## Alcoholic beverages and foods

Propose products that bring out the appeal of herbs/are easy to incorporate into daily life



### Alcoholic beverages

We make use of our many years of knowledge to produce and sell highly original alcoholic beverages that bring out the aromas and flavors woven by the herbs. In recent years, we have also been working on craft gin, and our "Kanomori" and "Kanoshizuku," which have created a refreshing aroma and deep depth, have won awards at international liquor competitions.



Kanoshizuku

Kanomori



### Foods

We develop and sell tasty and healthy products that can be incorporated into various aspects of daily life, such as throat lozenges containing herbal extracts, gummies that provide nutrients in an easy and tasty way, and functional foods that add functions to foods that have been familiar to people for a long time.



Gummy x Supplement

Yomeishu Kuromoji Cough Drops

## Real estate rental/solar power generation

Real estate rental is conducted to make effective use of assets held.

The solar power generation in Tsurugashima-shi, Saitama Prefecture, will contribute to social contribution activities such as local environmental education through the "e-Collaboration Tsurugashima" environmental education facility, in addition to measures to reduce environmental impact and power supply concerns. The expected annual volume of power generation is the equivalent of the amount of power consumed by 400 to 500 common households.



Tsurugashima Photovoltaic Power Plant

# Delicious, refreshing, and healthy experience

We are working on stores,  
online shop/external sales,  
and other sales avenues.



## About CLASUWA

CLASUWA began with the CLASUWA Flagship Shop at the lakeside of Lake Suwa in Nagano Prefecture in 2010. We provide products and services that make our customers feel healthy.

### Brand Concept

## Expanding the circle of healthy living

It takes time and effort to pick up each item and find something that satisfies you. It is difficult to choose really good things from a lot of information. Prices can be off-putting. We don't want people to give up on this as a common problem. That is why we deliver "quality authenticity" to you by arranging it in a form that many people can access. We will continue to expand the circle of healthy living wherever we go.

### Three expressive experiences

#### Delicious experience

We put our heart and soul into the selection of materials, putting in a lot of time and effort. We carefully select and deliver the best products of each locality.

#### Fun experience

We want to increase the number of enjoyable moments in daily life. Because of this notion, we also focus on the appearance and taste of the items we deliver.

#### Healthy experience

Safety and security that will lead to health. We want to be a brand that continues to support your mental and physical vitality for a healthy life.

### Brand logo



Expressing three experiences in arc of three. These are loosely connected to form a gentle circle that promotes a healthy lifestyle. The shape of the product is not a uniform circle, but rather a flexible one, expressing a sense of familiarity and security that can accompany a variety of people's lives as their shapes change.

## Establishment of direct channel business based on CLASUWA brand

Focusing on the branding of "CLASUWA," we will promote the business united with online shop and external sales through communication with customers in actual stores. As part of these efforts, we are moving forward with plans to construct a new hands-on facility as a brand symbol on the Komagane Plant site, and we will also consider corporate acquisitions and business alliances to strengthen our brand and build a business model.



## Store

Please feel comfortable about CLASUWA hospitality.



### Shop

For those who wish to lead a healthy life, we offer food, beverages, daily sundries, gifts, etc., with a focus on products that can be easily incorporated into daily life.



### Bakery & Café

Enjoy a wide selection of freshly baked homemade breads with freshly ground coffee, herb tea, and other beverages.



### Restaurants

Enjoy dishes that make the most of original brand ingredients such as Shinshu Juicy Pork and seasonal vegetables and fruits grown in the rich bounty of nature.

## Online shop/External sales

Delivering "healthy" to your home

We have prepared online shop so that people throughout Japan can experience the healthy experience of CLASUWA. CLASUWA's finest products for your home. A gift for someone special. We deliver CLASUWA's healthy products to anyone, anywhere in Japan.

In addition, we will focus on external sales (channel sales by other companies).

**Yomeishu**  
オンラインショップ



## Experience-based facility CLASUWA Forest

We are constructing a hands-on facility, "CLASUWA Forest," on the Komagane Plant site to allow visitors to actually experience the CLASUWA worldview. The grand opening is scheduled for fall 2024.

## New business

In order to strengthen CLASUWA brand and build a business model, we are considering acquiring companies and conducting business alliances.

## Delivering safety and security from the green Komagane Plant

Komagane-shi, Nagano Prefecture, overlooks the two Alps, the Central Alps and the Southern Alps. Clear air and clear water are the starting points for our products.

Komagane Plant (Komagane-shi, Nagano Prefecture)

The Komagane plant was opened in 1972 as a plant with a tour line so that customers could see the production process, which was unusual at the time. In addition, we seek harmony with nature—in order to showcase the lush green landscape, all electric lines and pipes are laid in underground common ditches, and the premises are naturally sloped.

### Rich nature and water

Central Alps and South Alps, where the 3,000 m level of mountains are connected. The Tenryu river flows in between them. The Komagane Plant is located on a plateau 800 meters above sea level, surrounded by this environment. The site is approximately 360,000 m<sup>2</sup>, about 70% of which is covered by natural forest.

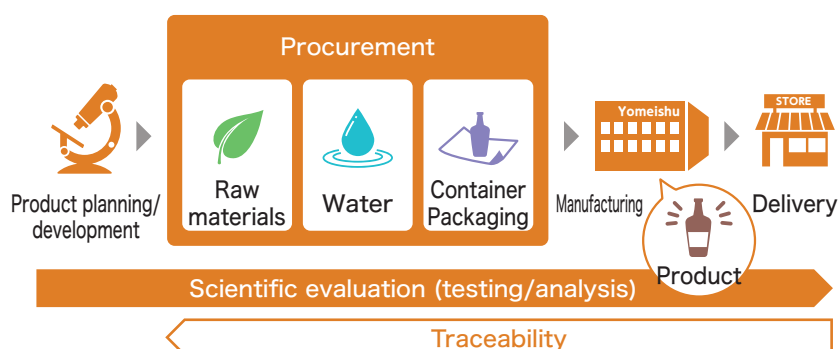
Products such as “Yomeishu” and “craft gin” are manufactured at this plant. The decisive factor for the factory location was the quality of water. Groundwater in this area is a soft water purified through the granite layers of Mt. Utsugi in the Central Alps and is said to be optimal for production.

In addition, the forest on the plant site is continuously cleared of underbrush and thinned to maintain a rich and diverse forest. We will continue our efforts from the perspective of sustainability, since well-developed forests lead to the recharge and conservation of groundwater.



### Efforts for security and safety

#### Proprietary Quality Control Standard "Y-GMP"



“Yomeishu” is manufactured in accordance with GMP (Good Manufacturing Practice), which is a standard for manufacturing and quality control of pharmaceuticals, under strict quality control for each process from raw materials to finished products.

The quality and manufacturing departments at the plant work together to ensure that better products are delivered from the plant from the perspectives of both quality control and manufacturing control.

## Plant tour

At Komagane Plant, we strive to improve quality in all processes from manufacturing of raw materials and raw liquor (Mirin Base) through adjustment, bottling and packaging.

The plant tour includes an "Entrance Zone" with a diorama map of the four seasons and photo spots, a "Discovery Yomeishu Zone" where you can learn more about Yomeishu with a life-size tank and projection mapping, a "Factory Zone" where you can see part of the production line up close, and a "Factory Tour Shop Zone" where you will be welcomed by a giant bottle and a store where you can purchase original products. No reservations required, free to visit.



## Product Development Center

The "Central Research Laboratories" established in 1975 were renamed to the "Product Development Center" in 2014 to better clarify the positioning as a department focused on new product development and research.



Product Development Center (Minowa-machi, Kamiina-gun, Nagano Prefecture)

## Product development

Utilizing the knowledge of herbs and manufacturing technology cultivated through the production of Yomeishu, we are developing products that taste good and have a healthy feel, as well as products in various categories such as for online shop and for the overseas market in recent years.

For alcoholic beverages, various herbs are immersed in alcohol to develop products that draw out the power of materials and natural flavor. In recent years, in addition to liqueur, gin (distilled liquor) has been developed to expand the range of products.

For food products, we focus on the healthiness and functionality of herbs and ingredients, and develop products that are easy to incorporate into one's daily life and easily supplement nutrients and ingredients that are often lacking.

We will continue to develop safe and reliable products that are unique to our company in order to realize our management philosophy of "in response to the trust people have placed in us, we contribute to enriching healthy lifestyles."

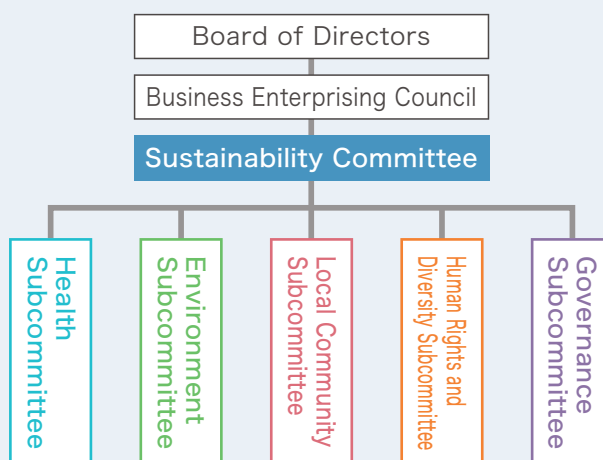
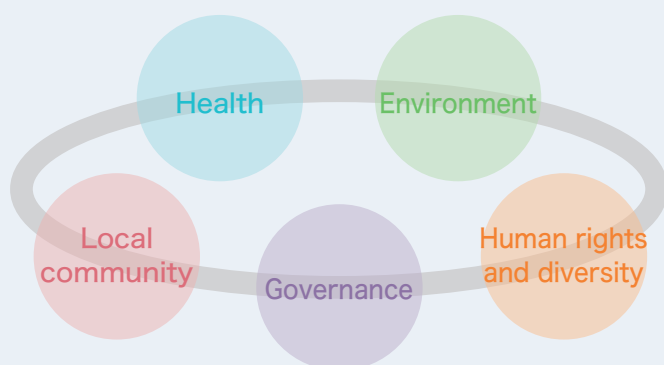
## Basic policy

### Basic Sustainability Policy

Under the management philosophy of “in response to the trust people have placed in us, we contribute to enriching healthy lifestyles,” we will proactively and positively address social, environmental, and other sustainability issues for the sake of all people who wish to have a healthy and better time. Through our business activities, we will strive to enhance our corporate value with a view to supporting a world rich in diversity, aiming to contribute to peace, sustainable living, coexistence with nature, the future of children, and local communities.

By appropriately addressing issues related to the “Environment,” “Social,” and “Governance,” we strive to continuously improve corporate value by reducing business risks and expanding business opportunities, thereby contributing to the realization of a sustainable society for SDGs.

## Material issues and organization chart



## Strategy

Health	Promotion of physical and mental health
<b>Why</b> Why we work on it	Since its establishment, Yomeishu Seizo has long been committed to providing products and services, including “Yomeishu,” based on its desire to contribute to the healthy lifestyles of consumers. We believe that health is not only a state of physical well-being, but also a state of mental wellbeing, which includes the joy and healing that we experience in our daily lives. We aim to create a world in which people are healthy in body and mind, and to achieve this goal, we will address the social issues of “extending healthy life expectancy,” “improving quality of life,” and “improving the quality and safety of our products and services.”
<b>What</b> What we work on	Basic policy: Promote human health through products and services developed and produced through research of Yomeishu and our company ●Healthy body ●Healthy mind ●Quality improvement and safety ・Contribution to extension of healthy life expectancy    ・Commitment to quality of life (QOL) improvement    ・Quality improvement of products and service
SDGs target	

Environment	Reduction of environmental burden
<b>Why</b> Why we work on it	Yomeishu Seizo is built on harmony and symbiosis with the natural environment. “Yomeishu” is still produced in an environmentally friendly manufacturing method with low energy consumption thanks to the blessings of nature and water. We believe it is our responsibility to pass down this rich natural environment to the next generation. Under our Basic Sustainability Policy, we are committed to “addressing climate change” and “building a resource-recycling society.”
<b>What</b> What we work on	Basic policy: Work on “addressing climate change, sustainable containers and packaging, water resources, and building a resource-recycling society” as the foundation of our business activities to achieve harmony and coexistence with the environment. ●Addressing climate change and realization of a resource-recycling society ・Reduction of CO <sub>2</sub> emissions    ・Realization of renewable biological resources and sustainable containers and packaging    ・Reduction of water use, preservation of water sources, recycling of food waste and reduction of food loss    ・Reduction of materials and waste, improvement of recycling rate, and resource saving
SDGs target	




## Local community Contribution to local community

<p><b>Why</b> Why we work on it</p>	<p>We recognize that it is essential for us to continue our business activities in Nagano Prefecture, where our company was founded and where we still have production plants and commercial facilities, to maintain ties with the local community and to protect the natural blessings of the area.</p> <p>In the future, we will contribute to the revitalization of the community through the CLASUWA business in particular and the creation of a sustainable network where people can gather and live with peace of mind.</p>
<p><b>What</b> What we work on</p>	<p>Basic policy: Expand the contribution to the local community through CLASUWA business</p> <ul style="list-style-type: none"> <li>●Regional revitalization             <ul style="list-style-type: none"> <li>・Development of community through employment, tourism, etc.</li> <li>・Purchasing and procurement leading to revitalization of the regional economy</li> </ul> </li> </ul> <p>Basic policy: Contribute to the creation of a sustainable community where people gather and live with peace of mind</p> <ul style="list-style-type: none"> <li>●Create sustainable communities             <ul style="list-style-type: none"> <li>・Conservation of the natural environment in the region</li> <li>・Coexistence with local communities</li> </ul> </li> </ul>
<p>SDGs target</p>	

## Human rights and diversity Utilization of diverse human resources

<p><b>Why</b> Why we work on it</p>	<p>Yomeishu Seizo strives to improve corporate value with the aim of contributing to peace, sustainable life, coexistence with nature, and the future of children, and local communities under the management philosophy of "in response to the trust people have placed in us, we contribute to enriching healthy lifestyles." In order to achieve these objectives, we believe it is necessary to create a vibrant corporate culture through the active use of diverse human resources and to create an organizational climate that respects human rights and diversity. We will strive to build an organizational structure in which employees can play an active role and build fair relationships with stakeholders.</p>
<p><b>What</b> What we work on</p>	<p>Basic policy: Contribute to the realization of a society where everyone can work easily and actively through business activities that protect human rights and peace and consider diversity</p> <ul style="list-style-type: none"> <li>●Creating a culture that respects diversity             <ul style="list-style-type: none"> <li>・Pursuit of work-life balance</li> <li>・Deepening internal communication</li> <li>・Human resource development</li> </ul> </li> <li>●Strengthen the organizational structure toward the promotion of CLASUWA business             <ul style="list-style-type: none"> <li>・Execution of human resources strategy based on business strategy</li> <li>・Improvement of working environment</li> </ul> </li> <li>●Responding to internal and external human rights due diligence             <ul style="list-style-type: none"> <li>・Protection of human rights of stakeholders (employees and suppliers)</li> <li>・Building fair relationships with stakeholders</li> </ul> </li> </ul>
<p>SDGs target</p>	

## Governance Strengthening governance

<p><b>Why</b> Why we work on it</p>	<p>In order to continuously enhance our corporate value and contribute to the realization of a sustainable society, we will build a strong corporate governance system by strengthening and accelerating our management decision-making structure and management supervision functions, while taking autonomous actions through thorough legal compliance, respect for social norms, establishment of corporate ethics, and promotion of risk management.</p>
<p><b>What</b> What we work on</p>	<p>Basic policy: Strengthen governance as an organization that conducts business fairly, and fulfill accountability to society</p> <ul style="list-style-type: none"> <li>●Governance             <ul style="list-style-type: none"> <li>・Promotion of sustainability management</li> <li>・Enhancement of compliance</li> <li>・Risk management</li> <li>・Information management</li> </ul> </li> </ul>
<p>SDGs target</p>	

## Corporate governance system

In order to further enhance our ability to meet the demands of society and the market, and to practice management in line with the expectations of our stakeholders, we have implemented measures focusing on three key points in particular.

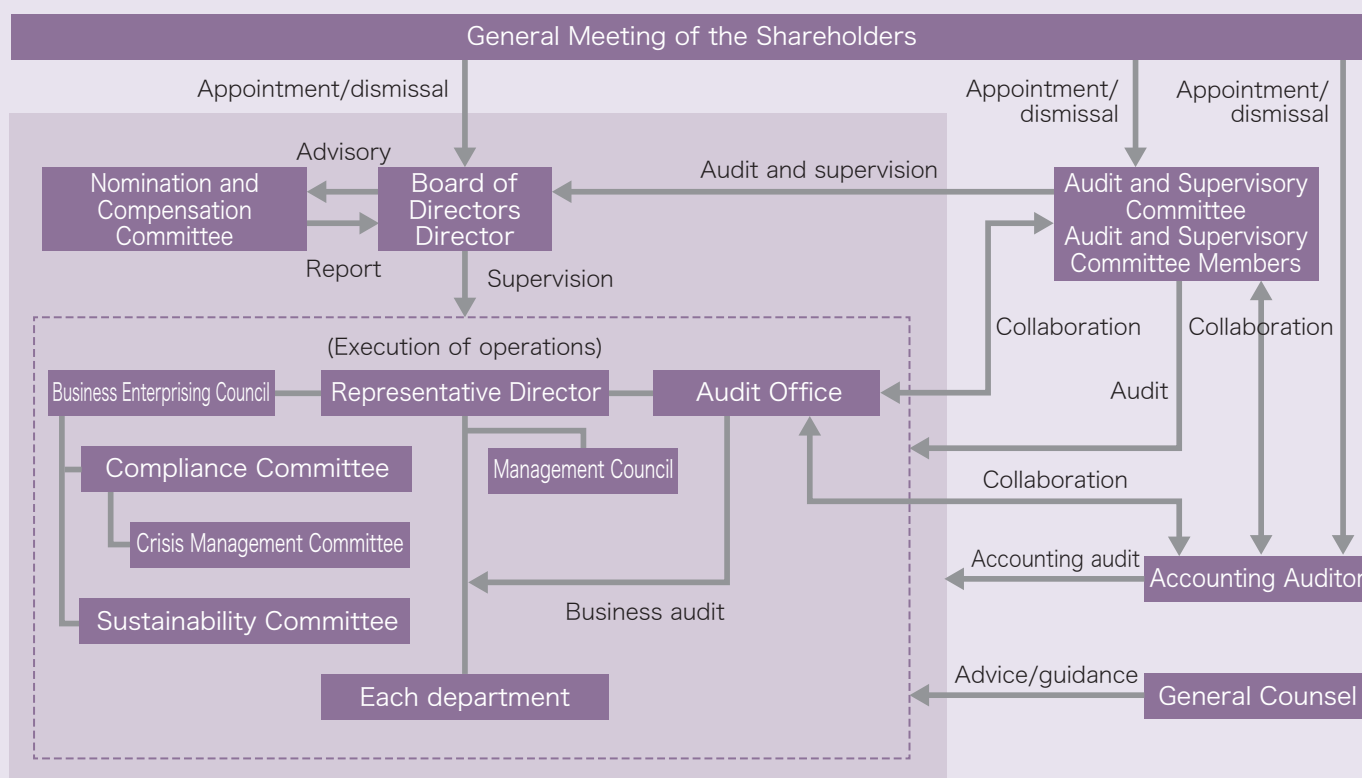
- Implementing management with a greater awareness of capital markets and shareholders
- Strengthening and speed improvements of the decision-making system of management
- Strengthening of management supervision function

In order to ensure that the corporate governance system is more effective, the corporate officer system has been introduced, the number of directors has been optimized, and the management meetings have been improved. We believe that these measures are effective.

Yomeishu Seizo Co., Ltd. is a company with Audit and Supervisory Committee, and there are three outside directors as Audit and Supervisory Committee members. Outside directors provide management supervision or perform efficient audits utilizing experience, insights, etc. from an independent standpoint, and also provide advice and exchange of opinions on overall management.

Additionally, with regard to the compliance system, based on the understanding that it is the foundation of corporate governance, we will not only comply with laws and regulations but also establish business ethics with an awareness of corporate social responsibilities while respecting social norms.

## Organization chart



## Internal control system

In accordance with the Companies Act, the Board of Directors has adopted a resolution on the "Basic Policy for Establishment of Internal Control System" and is striving to improve the system. The Company's basic approach to the internal control system and the status of the system are disclosed in the "Corporate Governance Report."

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Basic concept of internal control system and its maintenance status (excerpt)

### 1. System to ensure that the execution of duties by directors and employees complies with laws and regulations and the Articles of Incorporation

- (1) In order to ensure that the execution of duties by directors and employees complies with laws and regulations and the Articles of Incorporation, the Company shall establish a code of conduct, promote compliance by individual officers and employees, and establish a "Compliance Committee" to spread compliance awareness and raise awareness.
- (2) The execution of duties by employees shall be checked by each relevant department for conformity with laws, regulations, and the Articles of Incorporation, and shall be promoted to receive guidance from the department in charge of legal checks or a legal advisor as necessary.
- (3) The Internal Audit Department, which reports directly to the President and Representative Director, conducts internal audits to ensure compliance with relevant laws and regulations, management policies, internal rules and other norms in the execution of duties.
- (4) The "Internal Reporting System Operation Regulations" shall be established, and directors and employees shall internally report any occurrence or threat of occurrence of illegal, improper, or unethical acts, and if the fact is confirmed, report to the President and Representative Director.
- (5) The code of conduct stipulates that we will have no relationship with antisocial forces, and we will take a firm stand against antisocial forces and groups that threaten the order and safety of civil society, in cooperation with the police and legal advisors, etc.

### 2. System for the storage and management of information related to the execution of duties by directors

Minutes of meetings of the Board of Directors, the Management Council, the Business Enterprising Council, and other meetings related to the execution of duties by directors and executive officers, approval documents, and other important information shall be properly stored and managed in accordance with internal regulations. In addition, these documents shall be submitted promptly upon request of the Director.

### 3. Regulations and other systems concerning the management of risk of loss

- (1) Regarding risk management in all business activities, each relevant department establishes rules and guidelines and conducts training, while the "Compliance Committee," an advisory body to the Business Enterprising Council, and the "Crisis Management Committee," a subordinate body of the Compliance Committee, identify risks and verify risk countermeasures based on internal rules.
- (2) The internal audit department under the direct control of the President and Representative Director evaluates the effectiveness of risk countermeasures based on the audit plan.
- (3) If any risk occurs and any serious damage is expected, the "Compliance Committee" shall respond and report the matter to the Representative Director, the Audit and Supervisory Committee, the Board of Directors, and the Business Enterprising Council.

## Risk management

We are building a system to respond to a wide variety of possible social, environmental, and economic risks, including understanding compliance risks, crisis management for business continuity, and the risk of leaks of confidential information such as customer information. To strengthen our risk management system, we have established a "Risk Management Committee" as a subordinate body of the "Compliance Committee" to manage various anticipated risks and establish a system of responsibility and prompt response, including disclosure.

If any risk actually occurs and any serious damage is expected, the "Compliance Committee" shall respond and report the matter to the Representative Director, the Audit and Supervisory Committee, the Board of Directors, and the Business Enterprising Council. For risk management in all business activities, each relevant department has established regulations and guidelines, and conducts training to familiarize employees with these regulations and guidelines, while the "Risk Management Committee" identifies risks and verifies risk countermeasures in accordance with internal regulations.

## Compliance

In addition to compliance with laws and regulations, we have established a code of conduct to establish corporate ethics with respect for social norms and awareness of corporate social responsibility, and promote compliance by individual executives and employees. We are also promoting the establishment of a comprehensive compliance system for the establishment of corporate ethics based on corporate social responsibilities, by strengthening compliance management and establishing "Compliance Committee" and "Internal Reporting System Operation Regulations."

## Fair trade

In order to ensure fair and transparent transactions with our suppliers, as well as compliance with procurement laws and rules, the "Yomeishu Seizo Code of Conduct" states, "We will engage in fair, transparent, free competition and appropriate transactions with our suppliers, and will not pursue profits through unfair or improper means."

## Information security

In order to secure and improve the confidentiality, integrity, and availability of all information assets, we have established an information security management system based on regulations and standards related to information security, and we are committed to implementing appropriate security measures according to information assets and implementing training for all executives and employees.

## Proper information disclosure

As part of our responsibility to our shareholders, investors, and all other stakeholders, we strive to disclose management information and information on our business activities in a fair, proactive, timely, and appropriate manner. The Company's basic stance on information disclosure is stipulated in the "Yomeishu Seizo Code of Conduct" as "to communicate extensively with shareholders and other stakeholders as well as society, and to actively disclose fair and transparent corporate information," and the President and Representative Director ensures that all executives and employees are aware of this stance.

In disclosing information, we pay attention to promptness and comprehensiveness at the information gathering stage, and strive for timeliness, legality, accuracy, and formality in analyzing and judging information, as well as fair and proactive disclosure at the announcement stage.

# Company Information

## Company profile

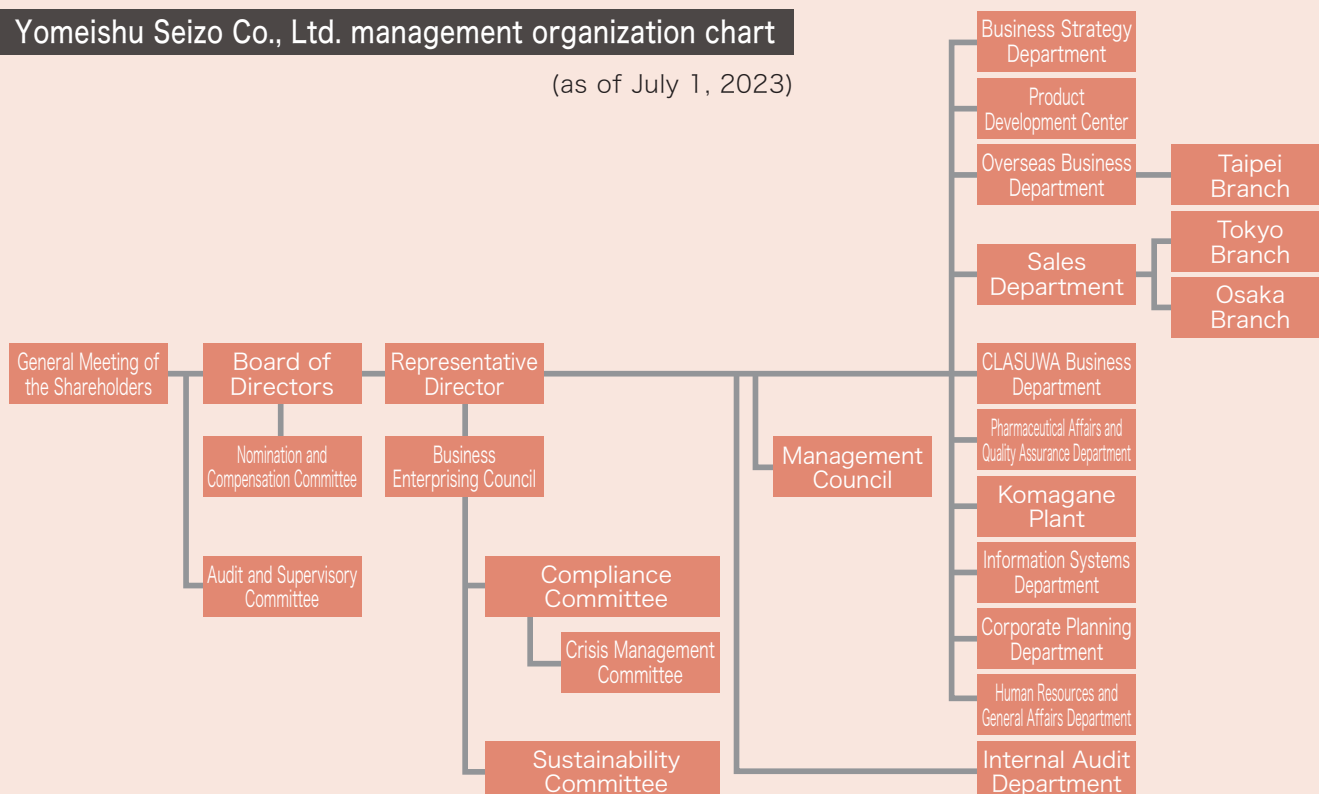
Company name	YOMEISHU SEIZO CO., LTD.
Address	16-25 Nanpeidaicho, Shibuya-ku, Tokyo
Established	June 20, 1923
Capital	1.65 billion yen
Business	Manufacture and sale of Yomeishu, alcoholic beverages, drugs, etc. Management of restaurants and stores, rental of real estate Power generation from renewable energy sources, etc. Services related to electricity supply, sales, etc.
Business year	From April 1 of each year to March 31 of the following year
Website address	<a href="https://www.yomeishu.co.jp/">https://www.yomeishu.co.jp/</a>

## Business offices

Head office	16-25 Nanpeidaicho, Shibuya-ku, Tokyo 150-8563	Tel: +81-3-3462-8111
Osaka Branch	4F Osaka Ando Hazama bldg., 6-2-6 Fukushima, Fukushima-ku, Osaka-shi, Osaka 553-0003	Tel: +81-6-6455-5700
Komagane Plant	16410 Akaho, Komagane-shi, Nagano 399-4117	Tel: +81-265-82-3311
Product Development Center	2132-37 Nakaminowa, Minowa-machi, Kamiina-gun, Nagano 399-4601	Tel: +81-265-79-5678
CLASUWA Flagship Shop	3-1-30 Kogandori, Suwa-shi, Nagano 392-0027	Tel: +81-266-52-9630
Tsurugashima Photovoltaic Power Plant	331-1 Tsurugaoka, Tsurugashima-shi, Saitama 350-2204	Tel: +81-3-3462-8118
Taipei Branch	14F, No.51, Sec.2, Keelung Rd., Xinyi Dist. Taipei 11052, Taiwan	Tel: +886-2-2736-9588

## Yomeishu Seizo Co., Ltd. management organization chart

(as of July 1, 2023)



To Wellness and Beyond, One Step at a Time



Note: This document has been translated from the Japanese original. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.