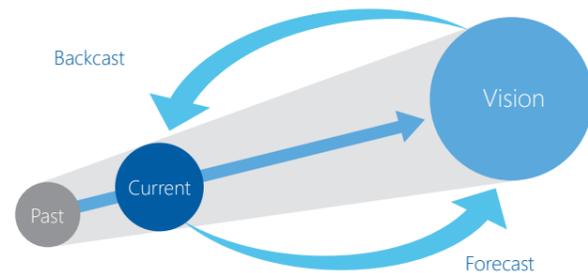


Materiality Toward Realization of Vision

The Hoshizaki Group has identified materiality toward achieving our Long-term Vision based on our 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

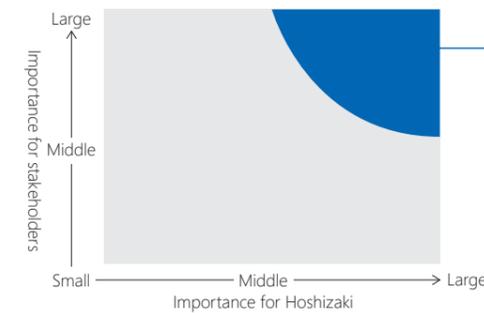
In 2022, the Hoshizaki Group discussed and considered various social issues with diverse employees and then extracted and identified six material issues, considering the opinions of Outside Directors and others.

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

Material issues, how they relate to sustainability, accountable executives, and KPIs

Material issues	Relevance to the Vision	Accountable executives	KPI	Target/Year	FY2024 results	Related pages
Response to climate change	In response to the global climate changes, contribute to resolution of environmental issues through the provision of comfortable food environment (business).	Kazuhiro Nagashima Executive Officer (in charge of Legal Department and General Affairs Department)	Reduction of CO ₂ emissions from our business activities with the aim of building a decarbonized society	Reduce CO ₂ emissions (Scope 1 and 2) 30% by 2030 (compared with 2023)	Scope 1 and 2 CO ₂ emissions: -2.4% (compared with 2023)* *Figure does not include overseas sales companies or associated companies accounted for by the equity method	pp.53-56
Sustainable supply chain management	With a supply chain considering the environment and human rights, minimize waste emissions and promote healthy and safe working conditions.	Hidehiko Furuhashi Executive Officer (in charge of Head Office Plant)	1. Supplier surveys on sustainability, including environmental protection (waste, etc.) and human rights and labor (safety) 2. Ongoing communication with suppliers to improve outcomes of related initiatives	1. Develop a questionnaire (in 2023) and achieve a 95% or more response rate among major suppliers (in 2026) (Hoshizaki) 2. Achieve 95% or more attendance rate of major suppliers at annual plant policy briefing (in 2026) (Hoshizaki)	1. Response rate among major suppliers: 100% 2. Attendance ratio of major suppliers to an annual plant policy briefing at 98%	p.58
Creation of new customer value	Manufacture products flexibly responding to changes and create a service business, quickly catching up with changes in the environment surrounding customers.	Makoto Sasaki Executive Officer (in charge of research and development)	1. Serving customers in the various non-restaurant markets into which we aim to expand 2. Providing eco-friendly and sustainable products and services to a diverse range of customers	1. Non-restaurant market sales: 100 billion yen (in 2026) (in Japan) 2. Sales of products using natural refrigerants (in Japan): 26 billion yen (in 2026)	1. Non-restaurant market sales (in Japan): 95.3 billion yen 2. Sales of products using natural refrigerants (in Japan): 11.3 billion yen	pp.36-38
New proposals for the creation of a safe and secure food environment	In response to changes in the diversifying food environment, provide safe and secure products and services to help people lead a good life.	Yasushi Ieta Director, Senior Managing Executive Officer (in charge of domestic sales)	Taking advantage of the Japan-wide coverage provided by our many business locations to deliver safety and security to our customers through product maintenance and service calls	Service sales: 52.2 billion yen (in 2026) (in Japan)	Service sales (in Japan): 49.3 billion yen	pp.36-38
Improving employee engagement	Evolve toward a vital workplace culture where all employees share diverse values, respect each other, and work with pride.	Toshikazu Tanjima Director, Senior Executive Officer (Head of R&D, in charge of manufacturing and Corporate Planning & Strategy Department)	1. Supporting development of women in managerial positions and developing and retaining future women candidates for managerial positions 2. Improving employee engagement on an ongoing basis 3. Continuing to expand participation in our employee engagement survey overseas	1. 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) 2. Improve scores in employee satisfaction surveys (in Japan) 3. Increase proportion of overseas sites taking part in employee engagement survey (global)	1. Women in positions at or above section manager level: 37; women in positions at or above assistant manager level: 251 2. Employee satisfaction survey scores (in Japan): +1.68 points 3. Carried out employee engagement surveys at five companies in the Americas and two in Europe	pp.43-49, p.59
Enhancement of management foundation	Implement socially reliable management, by enhancing corporate governance and thoroughly complying with laws and regulations.	Ryuichiro Seki Director, Senior Executive Officer (in charge of Accounting Department and Global Administration Department)	1. Strengthening of compliance management foundation 2. Continuation of extensive compliance education for employees	1. No substantial compliance violations (global) 2. Provision of compliance education for all employees (global)	Compliance and Risk Management Committee meetings held (11 times) Compliance training held for all Group companies in Japan and overseas (758 times, attended by all employees)	pp.65-76

Materiality assessment



We identified 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 a safe and secure food environment
- Improving employee engagement
- Enhancement of management foundation

Materiality of the Hoshizaki Group

Taking into account shareholder and investor expectations emerging through dialogue and engagement with these groups and with the aim of responding more effectively to our material issues, the Hoshizaki Group has established a working group (WG) for each of these material issues. As a general rule, these WGs are chaired by Executive Officers, as appointed by our Sustainability Committee. Progress is regularly reported to the Committee, which engages in thorough discussions.

In 2024, with the aim of further enhancing sustainability initiatives in response to the changing business environment, and following discussions at the Sustainability Committee, the Hoshizaki Group introduced additional KPIs related to our material issues. Progress on these KPIs is assessed and monitored annually, allowing us to spread awareness of these issues within the Company and integrate them into our business strategies. We will also consider reviews of our material issues as necessary with reference to changing environments both within and beyond the Company.

The Hoshizaki Group aims to create value for our stakeholders through SX and GX (see p.18).