

KOKUBU Group Sustainable foods Category

As a food wholesaler, KOKUBU Group provides **food** to the nation. One key area for KOKUBU Group is **food production**. The group supports sustainable food production and aims to create a world where all people involved in its production can be suitably compensated. We are working to achieve these goals with **the new creation of a Sustainability Category in the market**.

Definition of KOKUBU Group's Sustainability Category

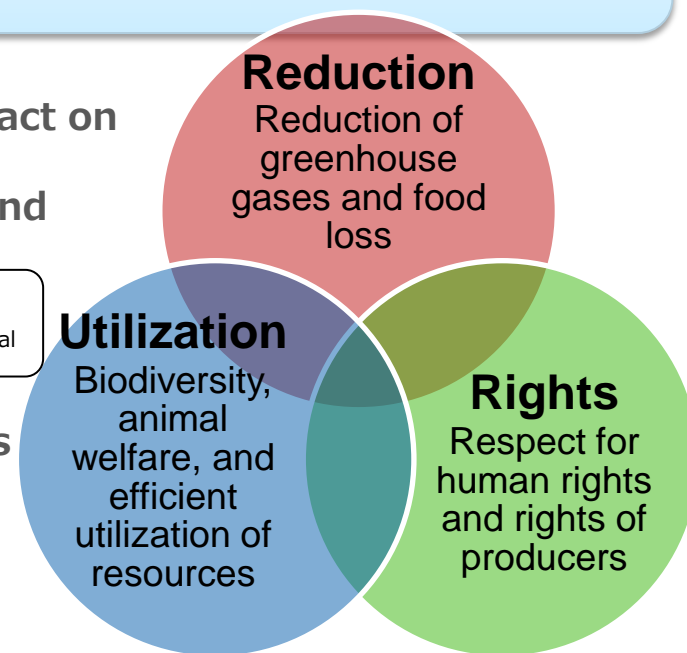
All products and initiatives will provide a sustainable, positive impact on the environment, society, and economy, make clear sustainability intentions from production to disposal, and encourage changes in consumer behavior

Component Breakdown

1. **Reduction** of greenhouse gases and food loss
2. Biodiversity, animal welfare, and efficient **utilization** of resources
3. Respect for human **rights** and **rights** of producers

Goods

- Certified products
- Alternative protein sources
- Utilization of unused resources
- Animal welfare
- Fair trade
- Reduction of environmental impact and protection of natural resources
- Included donations
- Etc.



Current Issues

- It is not only corporations that want to contribute to the SDGs ⇒ There are also many consumers
- At present, information provided at branches and through various media is insufficient



KOKUBU Group Activities

- Define sustainable products
- Push for development and discovery of even better products
- Create marketplace and media with properly communicated information
- Establish environment where consumers can select products based on their own judgment

KOKUBU Group Goals

CREATE A NEW MARKET THROUGH THESE ACTIVITIES THAT IS WORTH MORE THAN 10 BILLION YEN

KOKUBU Group Sustainable Category Products (Examples)

■ Kantsuma Series – Canned Iseshima Turban Shell

The method used in Shima City to collect turban shells is centered on the Ama divers and **designated as Japan Heritage “Toba and Shima – the town where you can meet Ama Divers; The women who make a living from free diving”** by the Agency for Cultural Affairs. This product contains turban shells collected using this fishing method, supporting the Ama divers*, the women who use the traditional fishing methods that protect natural resources, and the local community.



*Ama divers

A fishing method in which women freedive to collect turban shells, etc. It started 2000 years ago and is one of the rarest form of fishing in the world. The divers check the size of each turban shell they collect, and by doing so, ensure that they do not overfish and protect the resources.

■ Tony’s Chocolonely



The KOKUBU Group became an import agency for Tony’s Chocolonely and began domestic sales in November 2020.

Tony’s Chocolonely Nederland B.V. uses cacao and other ingredients that meet the **international fair trade standards***. Their mission is to achieve chocolate that is made from **cacao that does not rely on forced or illegal child labor** at all, not only for their own products, but for all chocolate across the world.



*Fair trade

A trade system that aims to improve the livelihoods of producers and laborers from developing countries in vulnerable positions by continually purchasing ingredients and products from those countries at a fair price.



KOKUBU Group's Frozen/Chilled Logistics

The KOKUBU Group is **contributing to the reduction of food loss** through its **Frozen/Chilled (FroChill) initiative** in the distribution process. FroChill is the sale of products that have been stored and distributed in a frozen state, and then defrosted and sold chilled. Through this process, **it becomes necessary to change the best before and use by date** of the product from its frozen date to its chilled date. At the KOKUBU Group Distribution Center, we use this highly-versatile FroChill method for all commercial and business products.

[Factory]



[KOKUBU Group Three Temperature Zone Center]



We defrost the necessary number of products according to the order and stick a new best before or expiry date on the product

[Our client stores]



No need for defrosting, less time used in preparation

Reducing the burden in manufacturing

By freezing the products, it becomes possible to store them temporarily at the KOKUBU Group Distribution Center, which contributes to the reduction of the burden and speed of distribution by the manufacturers as the products can be **manufactured and shipped in a planned manner**.

Contributing to the reduction of food loss in the distribution process

Reducing the burden in store operations

By defrosting and shipping only the necessary amount, **the workload and loss at stores is reduced**. For products that need to be prepared inside the store, defrosting the items at the Distribution Center before shipping saves the time needed to prepare. Also, for highly-processed ingredients, defrosting and shipping eliminates the need for cooking entirely.

FroChill makes it possible to handle foodstuffs from produced in distant areas with short shelf lives, guaranteeing product diversity and delivering the wishes of the producers to the consumers.