

DyDo Group Corporate Philosophy

Creating happiness and prosperity, together with people and with society. To achieve this goal, the DyDo Group will continue to embrace new challenges in a dynamic way.

DyDo Group Corporate Vision

Together with our customers.

With our high-quality products, we will offer our customers excitement and enhanced wellness, with distinctive delicious flavors that only DyDo can.

Together with the next generation.

We will create a "DyDo Standard" for the next generation that transcends national borders and conventional frameworks.

Together with society.

Bringing together all DyDo's resources in the entire Group's product development and corporate activities, we will help build a rich and vibrant society.

Together with our people.

We will tirelessly embrace the "DyDo Challenge" of bringing happiness to all whose lives are touched by the DyDo Group.

DyDo Group Slogan

こころとからだに、
おいしいものを。



Offering delicious products
for sound mind and body

The commitment behind our slogan

If the mind is full of energy, the body wants to be active.
If the body moves with positivity, this links to the greater happiness of the mind.
The DyDo Group is committed to bringing this joy to the minds and bodies of our customers.

The DyDo Group is unique in its ability to inspire a joyous and healthy life in our customers through a vast range of products, from drinks and foods through to pharmaceuticals.

The DyDo Group aims to be of service to people and to society through providing valuable products and carrying out corporate activities, based on its consistent vision fueled by a challenging spirit and the pursuit of ideas.



DyDo Group Philosophy System

DyDo Group Philosophy

The True Mission
of the DyDo Group

Group Slogan

Words expressing our philosophy and vision in clear terms to everyone involved with the DyDo Group.

DyDo Group Vision

The Ideal Picture of the DyDo Group

DyDo Group Code of Conduct

Basis for our conduct

Visit our website for more details

Editorial Policy

We at DyDo Group Holdings have prepared an annual Integrated Report since 2017 to deepen our stakeholders' understanding about the group, while also promoting constructive dialogue to further the group's development in the future.

The Integrated Report for 2019 outlined the thinking behind Group Mission 2030 ("For DyDo Group to create enjoyable, healthy lifestyles for people around the world"), launched in January 2019, as well as Mid-term Business Plan 2021, and described the ways in which the DyDo Group's philosophy, business models, strategies, governance practices, and ESG challenges relate to our efforts to achieve that mission.

This year's report follows on from the editorial policies of its predecessor, offering updates on progress toward achieving the targets stipulated in Mid-term Business Plan 2021, new challenges identified in the first year of the plan, and our efforts toward full implementation of ESG management.

In principle, this report covers activities in the business year ended January 2020, but some additions have been made to inform readers of our views regarding the risks and opportunities thrown up as a result of the worldwide spread of Covid-19.

We hope that this report helps investors understand the DyDo Group's management philosophies and policies, as well as our vision for the future and the strengths and strategies we will employ to achieve it. Moreover, this report is intended to contribute to constructive dialogue with stakeholders regarding our efforts to boost corporate value.

July 2020

Statement Regarding Use of Forward-Looking Statements

DyDo Group plans, outlooks, strategies, etc., that are contained in this Integrated Report and that make statements pertaining to matters other than past or present facts are forecasts of future performance and are based on reasonable judgments or hypotheses by DyDo Group Holdings management, which are made in accordance with information available as of May 26, 2020. Such statements may contain known or unknown risks, uncertainties, and other such elements, and do not guarantee the future of such plans or forecasts. Such risks, uncertainties, and other such elements include the contents of DyDo Group Holdings's latest securities reports and quarterly reports, and DyDo Group Holdings shall bear no obligation whatsoever to publish updates or corrections to forward-looking statements. Please use this Integrated Report and other materials disclosed by DyDo Group Holdings with reference to information obtained from other sources and make your own conclusions and judgments. DyDo Group Holdings bears no liability whatsoever for any damage that may arise as a result of this Integrated Report.

Compiled with reference to the *Guidance for Collaborative Value Creation* issued by the Japanese Ministry of Economy, Trade, and Industry



Contents

- 1 DyDo Group Philosophy, Group Vision and Group Slogan Learn about the thinking behind our management decisions and actions.

The Journey to Corporate Value Creation

- 5 Our Journey So Far Learn about our formidable strengths, corporate culture nurtured over many years, and our vision for the future.
- 7 Our Journey from Here

Strategy for Creating Corporate Value

- 9 Message from the President Learn about innovative changes President Tomiya Takamatsu has made since joining the company, his goals for the future, and strategies to achieve them.
For DyDo Group to create enjoyable, healthy lifestyles for people around the world

Business Model for Creating Corporate Value

- 21 Domestic Beverage Business Learn about our proven strengths and characteristics in different business segments, the sustainability challenges of our business model, and upcoming growth opportunities.
- 25 International Beverage Business
- 27 Pharmaceutical-Related Business
- 29 Food Business

Foundation for Corporate Value Creation

- 31 Stakeholder Dialogue Meeting the Challenge of ESG Management Learn about the risks and opportunities present in our efforts to implement ESG management, our strategies, and our operational framework.
- 33 Aiming for Corporate Value Creation through ESG Management
- 35 Nurturing Our Customers' Health
- 37 Taking the Lead in Social Reform
- 39 Creating New Value for Future Generations
- 41 Connecting People to People
- 43 The Launch and Role of the Group ESG Committee

- 45 Corporate Governance Learn about ongoing improvements to our corporate governance regime at the heart of our ESG management drive, as well as upcoming challenges.
- 47 Evaluation of the Effectiveness of the Board of Directors
- 49 Risk Management
- 53 Management

Financial/Corporate Information

- 55 Consolidated Summary Plot our management strategies and our progress amid a changing external environment over the past 12 years.
- 57 Management Analysis of the Financial Situation, and the Status of Business Results and Cash Flow
- 61 Our Business Segments: Achievements and Next Steps Learn about the first-year progress and challenges in implementing Mid-term Business Plan 2021, whose initiatives are designed to achieve Group Mission 2030.
- 69 Status of Shares / Rating Information / Corporate Bond Information
- 70 Corporate Data / Group Companies