

Sustainability at the KAMEDA SEIKA Group

Promoting Sustainability

Basic Policy on Sustainability

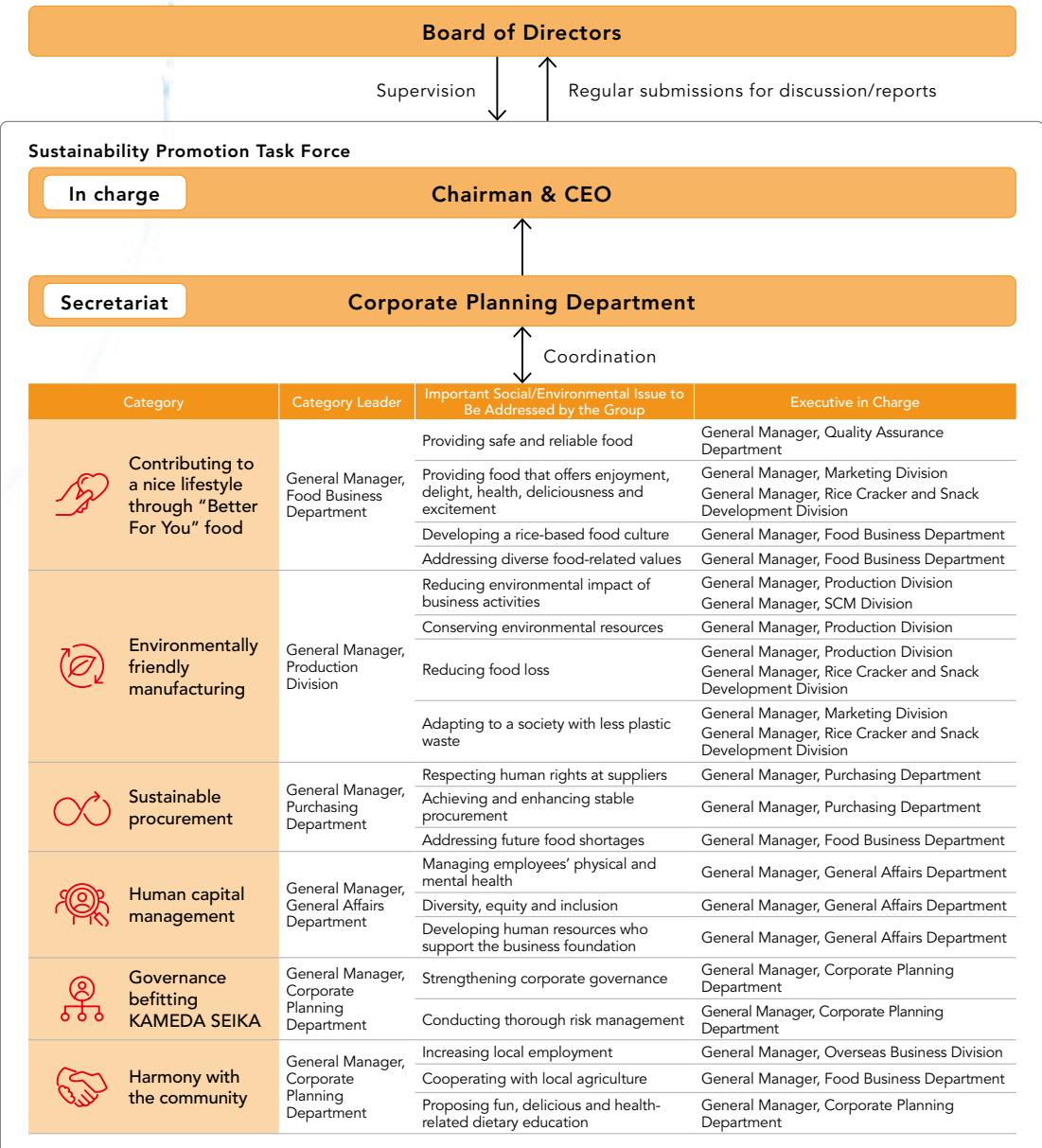
The KAMEDA SEIKA Group is a “Better For You” corporate group that contributes to a nice lifestyle with the blessings of rice to further refine the value of excellent flavor, health, and excitement. The Group will contribute to a sustainable society by becoming a “Rice Innovation Company.”

The Group recognizes that initiatives for sustainability are a key management issue from the perspective of improving corporate value over the medium to long term.

Our sustainability initiatives are wide-ranging, and it is not always efficient to discuss, consider and supervise them all directly at Board of Directors meetings. To further promote such initiatives, we therefore inaugurated the Sustainability Promotion Task Force, based on the Basic Policy on Sustainability that we formulated in 2021. The Chairman & CEO is in charge of the task force, which sets policies and detailed targets for the resolution of various issues related to sustainability, devises systems and specific execution methods for their implementation, and monitors the progress of measures being taken, among other activities. Details of the Sustainability Promotion Task Force’s activities are regularly submitted for discussion or reported to the Board of Directors. The task force will promote more objective and effective initiatives by incorporating stakeholder perspectives as necessary.

Note: In November 2023, the KAMEDA SEIKA Group revised its Basic Policy on Sustainability after restructuring the Group’s Corporate Philosophy.

Sustainability Promotion Structure

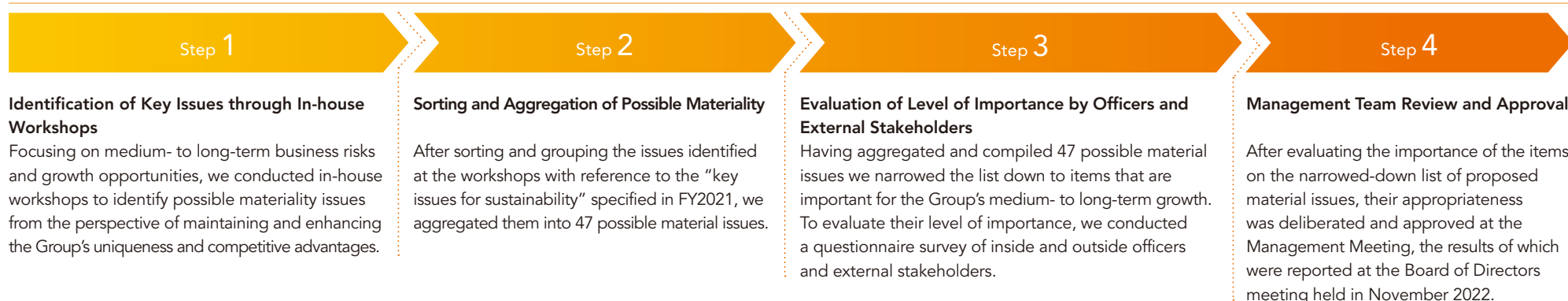


Identification of Materiality (Material Issues)


In FY2021, the KAMEDA SEIKA Group identified “key issues for sustainability” from the perspective of risks to its activities posed by the external environment. In FY2022, we conducted a materiality assessment for overall management, and organized the results of the materiality assessment into six categories and 19 specific issues.

In March 2023, the Sustainability Promotion Task Force set targets and KPIs for each category. We will continue to implement various initiatives with the aim of increasing corporate value over the medium to long term.




Identification Process






Measures and Targets (KPIs) Based on Material Issues

Category	Category Leader	Important Social/ Environmental Issue to Be Addressed by the Group	Reasons for Selection	Executive in Charge	Measures and KPIs	Results			Targets	
						(Reference) FY2021 Results	FY2022 Results	FY2022 Progress of Initiatives	FY2026 Targets	FY2030 Targets
 Contributing to a nice lifestyle through “Better For You” food	General Manager, Food Business Department	Providing safe and reliable food	We believe that providing safe and reliable food is one of the most important responsibilities of a food manufacturer.	General Manager, Quality Assurance Department	Obtain and retain third-party certification (FSSC 22000, JFS, AIB, etc.) Note: KAMEDA SEIKA Group	Acquisition rate among KAMEDA SEIKA Group companies: 93%	Acquisition rate among KAMEDA SEIKA Group companies: 100%	<ul style="list-style-type: none"> FSSC 22000 certification for subsidiaries in the food business Continued support for Group companies to retain third-party certification 	Continuation of initiatives	Continuation of initiatives
		Providing food that offers enjoyment, delight, health, deliciousness and excitement	The KAMEDA SEIKA Group’s founding philosophy was based on the ambition to deliver enjoyment and delight to people’s lives through food. We believe that providing food that also offers health, deliciousness and excitement is related to the Group’s reason for existence (“Better For You”).	General Manager, Marketing Division	Expanding the Mirai Beika lineup (high added value, new value, and health value) Note: KAMEDA SEIKA	Rice cracker and snack composition ratio: 3.2%	Rice cracker and snack composition ratio: 3.5%	<ul style="list-style-type: none"> Formed new value creation team to realize the idea of Mirai Beika Proposed Mirai Beika concepts and product concepts at the Management Meeting 	Rice cracker and snack composition ratio: 7%	Rice cracker and snack composition ratio: 10%
		Developing a rice-based food culture	As a Group whose business originates from rice, we believe that contributing to the development of not just rice crackers but a rice-based food culture will enhance our presence and create corporate value.	General Manager, Rice Cracker and Snack Development Division	Reduce salt equivalent amount in products sold Note: KAMEDA SEIKA	Salt equivalent amount: 17.3 kg/ 1 ton of product	4.0% reduction compared with FY2021	<ul style="list-style-type: none"> Expanded sales of low-salt products Reduced salt content when renewing products 	7% reduction compared with FY2021	15% reduction compared with FY2021
		Addressing diverse food-related values	We believe that by addressing issues such as allergies, religious dietary restrictions and diverse food cultures around the world, we can achieve our goal of creating “barrier-free” foods that anyone can eat with peace of mind.	General Manager, Food Business Department	Expand overseas share in the food business	Overseas share: 0.8%	Overseas share: 1.0%	<ul style="list-style-type: none"> Concluded lactic acid bacteria agreement with Kerry (Headquarters: Ireland) Implemented initiatives to expand sales of lactic acid bacteria in Asia Implemented initiatives to expand sales of plant-based foods 	Overseas share: 8%	Overseas share: 30%
								<ul style="list-style-type: none"> Obtain Halal and Kosher certification for export lactic acid bacteria Obtain Halal certification for plant-based foods 	Obtain Halal certification for rice flour bread	Obtain Halal certification for rice flour bread

Measures and Targets (KPIs) Based on Material Issues

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						(Reference) FY2021 Results	FY2022 Results	FY2022 Progress of Initiatives	FY2026 Targets	FY2030 Targets
 Environmentally friendly manufacturing	General Manager, Production Division	Reducing environmental impact of business activities	We recognize that minimizing the impact of our business activities on the global environment and contributing to the creation of a decarbonized and circular economy are important issues that we should prioritize.	General Manager, Production Division General Manager, SCM Division	Reduce total greenhouse gas emissions (Scope 1 and 2) Note: KAMEDA SEIKA and Ajicul	3.6% reduction compared with FY2017	5.8% reduction compared with FY2017	<ul style="list-style-type: none"> Introduced clean energy at the Kameda Plant Continued energy-saving activities at all plants Introduced production equipment that reduces gas use Improved efficiency by consolidating production plants 	20% reduction compared with FY2017	40% reduction compared with FY2017
		Conserving environmental resources	We believe that conservation activities such as efficiently using water and other environmental resources and preventing air pollution are essential for sustainable business activities.	General Manager, Production Division	Reduce water use Note: KAMEDA SEIKA and domestic consolidated subsidiaries	1.8% reduction compared with FY2017	1.7% increase compared with FY2017	<ul style="list-style-type: none"> Water use increased due to increased production. However, per-unit water use decreased by 8.4% compared with FY2017. Improved efficiency by consolidating production plants Saved water during cleaning Continued energy-saving activities at all plants 	6% reduction compared with FY2017	10% reduction compared with FY2017
		Reducing food loss	As a company that handles food, and while remembering to appreciate nature's blessings, we recognize the importance of minimizing waste of raw materials and food in the supply chain from both business and environmental perspectives.	General Manager, Production Division General Manager, Rice Cracker and Snack Development Division	Initiatives to extend shelf life Note: KAMEDA SEIKA	—	Launched initiatives to extend shelf life of products in FY2022	<ul style="list-style-type: none"> Prioritized four key brands in launching initiatives to extend shelf life (built consensus within the rice cracker business and began delineating issues) 	Increase number of products with extended shelf life	Increase number of products with extended shelf life
		Adapting to a society with less plastic waste	As a manufacturer of consumer goods, we recognize that reducing the amount of plastic we use is a key issue that should be addressed as a priority.	General Manager, Marketing Division General Manager, Rice Cracker and Snack Development Division	Reduce plastic use and promote environmentally responsible packaging Note: KAMEDA SEIKA and domestic consolidated subsidiaries	0.2% increase compared with FY2017	3.9% increase compared with FY2017	<ul style="list-style-type: none"> Usage increased due to higher sales volume. However, per-unit use decreased 6.5% compared with FY2017. After reviewing product standards, changed packaging size and worked to reduce the amount of plastic used in packaging materials Reduced packaging material loss in the packaging process 	15% reduction compared with FY2017	30% reduction compared with FY2017
 Sustainable procurement	General Manager, Purchasing Department	Respecting human rights at suppliers	We believe that respecting the human rights of all people involved in the Group's business activities is a social responsibility we must fulfill.	General Manager, Purchasing Department	RSPO certified palm oil ratio Note: KAMEDA SEIKA and consolidated subsidiaries	14.2%	13.5%	<ul style="list-style-type: none"> Decreased by 0.7 points compared with FY2021 due to increased production of products using non-certified palm oil 	30%	100%
		Achieving and enhancing stable procurement	As the emergence of geopolitical risks, climate change and other factors increase procurement risks, we recognize our mission as a manufacturer to control risks and deliver safe, reliable products to our customers.	General Manager, Purchasing Department	Formulate decentralized procurement scenarios for major raw materials Note: KAMEDA SEIKA	Explored suppliers and alternative raw materials	Explored suppliers and alternative raw materials	<ul style="list-style-type: none"> Risk Management Committee launched a project to begin exploring alternatives 	Determine procurement sources and alternative raw materials and verify production feasibility	Determine and begin using alternative suppliers and raw materials
		Addressing future food shortages	We believe that addressing changes in crop yields and the global shortage of protein-rich foods caused by climate change, demographic shifts and other factors is essential for sustainable business activities.	General Manager, Food Business Department	Address the protein crisis and expand plant-based food lineup	Plant-based food sales: ¥30 million	Plant-based food sales: ¥50 million	<ul style="list-style-type: none"> Developed 100% plant-based steamed chicken Introduced new equipment Expanded sales of plant-based foods 	Plant-based food sales: ¥1.0 billion	Plant-based food sales: ¥2.0 billion
 Human capital management	General Manager, General Affairs Department	Managing employees' physical and mental health	We believe that by ensuring that our employees are healthy both physically and mentally, we can maximize the potential of every employee, which will lead to improvement in our corporate value over the medium to long term.	General Manager, General Affairs Department	Enhance self-care and mental health training for managers Establish an internal reporting system and hotline Note: KAMEDA SEIKA and certain domestic consolidated subsidiaries	<ul style="list-style-type: none"> Established an internal reporting system and hotline Continued to promote workplace monitoring by health and safety committees 	Continuation of initiatives	<ul style="list-style-type: none"> Introduced regular health checkup reservations and a unified management system Strengthened the mental health care system by establishing an internal reporting system and hotline Continued to promote workplace monitoring by health and safety committees Continued to implement corrective activities to address long working hours 	Continuation of initiatives	Continuation of initiatives

Measures and Targets (KPIs) Based on Material Issues

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						(Reference) FY2021 Results	FY2022 Results	FY2022 Progress of Initiatives	FY2026 Targets	FY2030 Targets
 Human capital management	General Manager, General Affairs Department	Diversity, equity and inclusion	We believe that mutual understanding and fair evaluation of different values, ways of thinking and diverse personalities will enable all employees to demonstrate their abilities and create a robust, competitive organization.	General Manager, General Affairs Department	Ratio of female managers and supervisors Note: KAMEDA SEIKA	Female managers: 13.1% Female supervisors: 14.2%	Female managers: 15.6% Female supervisors: 13.4%	<ul style="list-style-type: none"> Dispatched five people for training and exchanges among women from different industries Held three role model exchange meetings Received "Eruboshi" (Grade 3) certification 	Female managers: 20% Female supervisors: 20%	Female managers: 30% Female supervisors: 30%
		Developing human resources who support the business foundation	We recognize that mechanisms and systems for developing the human resources we require are indispensable for strengthening our business foundation, and that maintaining them is an important management issue.	General Manager, General Affairs Department	Invest in human resource development Note: KAMEDA SEIKA	¥41,813 per person annually	Increased 27.8% compared with FY2021	<ul style="list-style-type: none"> Implemented rank-based training, professional skill improvement training, and training for selected employees Reviewed the KAMEDA Step Up Plan educational support system Continued to operate technical school and reviewed programs 	19.6% increase compared with FY2021	30.0% increase compared with FY2021
 Governance befitting KAMEDA SEIKA	General Manager, Corporate Planning Department	Strengthening corporate governance	We believe that establishing and strengthening an effective corporate governance system is essential for achieving our ideal form of corporate management—sustainable development of the business and enhancement of corporate value.	General Manager, Corporate Planning Department	Improve corporate value through appropriate management of the Board of Directors Continue regular evaluation by a third-party organization Note: KAMEDA SEIKA	Evaluation conducted by a third-party organization	Identified issues and determined direction based on the third-party evaluation conducted in FY2021* * Next evaluation is scheduled to be conducted in December 2023	<ul style="list-style-type: none"> Implemented initiatives based on the results of the evaluation by a third-party organization in FY2021 Reduced the number of directors Ensured sufficient time for discussion at Board meetings Conducted regular plant inspections by directors 	Evaluation by third-party organization, identification of issues and ongoing improvement activities	Evaluation by third-party organization, identification of issues and ongoing improvement activities
		Conducting thorough risk management	To stabilize management, we recognize that it is necessary to identify risks that may have a critical impact on management, determine priorities and take countermeasures.	General Manager, Corporate Planning Department	Visualize and implement countermeasures using risk maps Note: KAMEDA SEIKA and consolidated subsidiaries	<ul style="list-style-type: none"> Updated risk map Risk Management Committee met four times Held two crisis management seminars 	<ul style="list-style-type: none"> Updated risk map Risk Management Committee met four times Held two crisis management seminars 	<ul style="list-style-type: none"> Risk Management Committee reviewed risk map Launched, initiated and maintained projects led by the Risk Management Committee to address raw material supply risks 	Continuation of initiatives	Continuation of initiatives
			Strengthening information security systems Note: KAMEDA SEIKA and consolidated subsidiaries	Zero occurrences of serious incidents in operations	Zero occurrences of serious incidents in operations	<ul style="list-style-type: none"> Conducted threat visualization assessment for PCs and servers throughout the Company Conducted security surveys and alerts for domestic consolidated subsidiaries Established security policy 	Zero occurrences of serious incidents in operations	Zero occurrences of serious incidents in operations		
 Harmony with the community	General Manager, Corporate Planning Department	Increasing local employment	As a company that originated in Niigata Prefecture and is expanding globally, we believe that mutual development with local communities will strengthen trust and create a virtuous cycle.	General Manager, Overseas Business Division	Add employees at overseas locations Note: Overseas consolidated subsidiaries	1,210 employees North America: 132 employees Asia: 1,078 employees	1,336 employees North America: 127 employees Asia: 1,209 employees	<ul style="list-style-type: none"> Added employees because of increased production at Southeast Asia locations 	2,000 employees	2,500 employees
		Cooperating with local agriculture	We believe that by cooperating closely with those involved in local agriculture, we will contribute to the development of the agricultural industry, improve supply chain management and reduce procurement risks.	General Manager, Food Business Department	Increased sales of rice flour bread products made from 100% rice grown in Niigata Prefecture	Amount of rice used from Niigata Prefecture: 208 tons	Amount of rice used from Niigata Prefecture: 210 tons	<ul style="list-style-type: none"> Increased sales of Okome Maru Pan Launched new products 	800 tons	1,200 tons
		Proposing fun, delicious and health-related dietary education	We believe that proposing fun, delicious and health-related dietary education will help to improve our corporate value in various ways, including by establishing a food culture and making inroads among future buyers, as well as cultivating a sense of familiarity through a deeper understanding of the KAMEDA SEIKA Group.	General Manager, Corporate Planning Department	Promoting communication through food On-site classes and factory tours for local elementary school students Note: KAMEDA SEIKA and consolidated subsidiaries	<ul style="list-style-type: none"> Promoted food education (Conducted on-site classes) 	<ul style="list-style-type: none"> Promoted food education (Conducted on-site classes) 	<ul style="list-style-type: none"> Conducted on-site classes covering topics such as manufacturing and food education 	Continuation of initiatives	Continuation of initiatives

Environment

Environmental Policy and Management

● KAMEDA SEIKA Group Environmental Policy

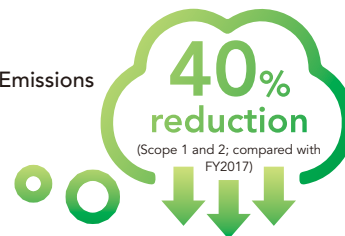
- ① Our mission is to deliver health, deliciousness and excitement to our customers.
- ② As a corporate citizen, we contribute to and exist in harmony with the communities through ecological activities.

● Environmental Management System

The KAMEDA SEIKA Group conducts environmental management in accordance with its Environmental Policy, mainly through the Sustainability Promotion Task Force and the EMS Secretariat. In addition, since December 2002 the Group has acquired ISO 14001 certification of its environmental management systems at the headquarters and Global Rice Innovation Center (Facility Development Department) of KAMEDA SEIKA CO., LTD., the Kameda Plant (Danchi and Motomachi), the Suibara Plant and the Shirone Plant. The Environmental Committee of each certified location meets on a monthly basis, and the EMS Secretariat hosts a monthly EMS Meeting attended by representatives of each location to formulate environmental targets and manage progress.

Response to Climate Change

Total Greenhouse Gas Emissions
(FY2030 Target)



KAMEDA SEIKA has set a goal of reducing greenhouse gas emissions by 40% by FY2030 compared with FY2017. We are working to curb emissions in the manufacturing process as well as during transportation, including promoting a modal shift. In addition, we are designing measures to calculate and reduce emissions throughout our supply chain.

Disclosure Based on the TCFD Framework

● Endorsement of TCFD Recommendations

Since launching the medium-term business plan that began in FY2018, the KAMEDA SEIKA Group has had the goal of strengthening initiatives toward sustainability and is working to achieve sustainable growth and enhance corporate value.

As a company that uses agricultural products as its main raw materials, we believe that responding appropriately to climate change is a task of the utmost priority, because it is likely to have a serious impact on our supply chain. In November 2021, the Company announced its endorsement of the TCFD recommendations and joined the TCFD Consortium, a forum for discussion among supporting companies and financial institutions.



Initiatives for TCFD Recommendations
<https://contents.xj-storage.jp/xcontents/AS01309/fe24a744/a5ff/4683/8a16/70ee3afecb07/20220621172928555s.pdf>

● Governance

The Sustainability Promotion Task Force, which is headed by the Chairman & CEO, engages in sustainability-related initiatives including those related to climate change. The Sustainability Promotion Task Force sets policies and detailed targets for the resolution of various issues related to sustainability, devises systems and specific execution methods for their implementation, and monitors the progress of measures, among other activities.

Details of the Sustainability Promotion Task Force's activities are submitted regularly for discussion or reported to the Board of Directors so it can fulfill its role of overseeing the status of responses to key issues.

In FY2022, the Sustainability Promotion Task Force reported the following to the Board of Directors and Management Meeting.

(1) November 2022 meeting of the Board of Directors

Report on sustainability-related initiatives including those related to climate change

- Main ESG initiatives, including reduction of greenhouse gas emissions, plastic, and waste emissions, and a comparison of targets and actual results for FY2021
- Identified material issues for the Group and issues to be addressed
- Future sustainability promotion plans

(2) March 2023 Management Meeting

Discussed and reported on the organizational structure of the Sustainability Promotion Task Force as well as main action plans and KPIs for materials issues

- For the six material issue categories and 19 specific issues that were identified, we designated a category leader and main person in charge of addressing specific issues, and made enhancements to the Sustainability Promotion Task Force.
- Initiatives and KPIs for material issues have been determined by the main person in charge.
- KPIs have been set for FY2026 (interim) and FY2030 (final) in conjunction with the new medium-term business plan.
- Regular material issue progress reports will be shared by the secretariat of the Sustainability Promotion Task Force and category leaders

● Strategy (Scenario Analysis)

We have considered two world views of the future, a 4°C scenario and a 2°C scenario, covering the Group's entire value chain including procurement, production, and supply of products and services. We have examined the impact of climate change on the Group up to 2030, and identified risks and opportunities under each world view.

● Risk Management

The management of climate change-related risks is integrated into the Company-wide risk management system, and is led by the Risk Management Committee. In principle, the committee meets at least once each quarter, and reports to the Board of Directors on the content of its deliberations and the progress of discussions as part of its efforts to control and manage overall risk management.

Raw material procurement risks, including those related to climate change, are considered significant risks in the risk maps created by the Risk Management Committee. The Management Meeting in May 2023 identified procurement risks arising from poor harvests of some agricultural products used as raw materials as significant risks, and considered options including the sourcing of alternative raw materials.

Key Impacts on the Group under Each Scenario

Classification	Risk	Impact on Business	Degree of Impact	
			4°C	2°C
Transitional Risks	Introduction of carbon pricing	Operating and raw material costs will increase with the introduction of carbon taxes and emission rights trading	Low	High
	Increase in electricity prices	Electricity costs will rise with the shift to renewable energy generation	Low	Medium
	Increase in packaging costs	Cost of petroleum-based plastic packaging materials will increase due to higher fossil fuel prices and the enforcement of plastic use regulations	Medium	Medium
Physical Risks	Changes in customer preferences	Increased consumer awareness, including ethical consumption, will affect the demand for conventional products	Medium	High
	More extreme weather events	Physical losses and costs to respond will be incurred due to direct damage and disruption of logistics networks caused by typhoons and torrential rains	High	High
Physical Risks	Rising temperatures and changing weather patterns	Procurement quantity and related costs will be impacted, as well as a decline in the quality of the Group's main raw materials such as rice and peanuts	High	Medium

Specific Measures

Reducing CO₂ Emissions and Energy Consumption

Measures have included the conversion of core machinery at all four Company plants in Niigata Prefecture from fuel oil A and liquefied petroleum (LP) gas to city gas. In August 2022, the Kameda Plant introduced 100% carbon-free Yorisou renewable energy supplied by Tohoku Electric Power Co., Ltd. In addition, the Suibara Plant began using renewable energy in August 2023.

We will also work to reduce energy consumption in rice cracker manufacturing processes, including through an upgrade to baking equipment with high thermal efficiency and reuse of waste heat.



Yorisou renewable energy certificate of contract



The Kameda Plant was recognized by the Niigata Prefecture Environmental Preservation Association as an Excellent Environmental Preservation Business in 2022.

Promotion of Modal Shift

We have been promoting a shift from truck to railway freight transport, which has lower CO₂ emissions, and are certified as an Eco-Rail Mark company. In FY2022, the modal shift rate was 30.0%.

Subsidiary Niigata Yusou Co., Ltd. is certified as an Eco-Rail Mark supporting company.

Two Eco-Rail Mark Certified Products

The Eco-Rail Mark on the back of KAMEDA Kaki-no-Tane package



180 gram package of KAMEDA Kaki-no-Tane

The Eco-Rail Mark on the back of Happy Turn package

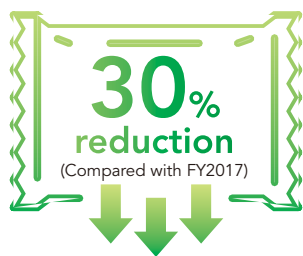


96 gram package of Happy Turn

Initiatives to Contribute to Establishing a Circular Economy

For the Group to conduct its business activities in a sustainable manner, it is essential to contribute to establishing a circular economy that effectively uses limited resources and thus reduces its environmental impact. We will contribute to establishing a circular economy by curbing the amount of waste generated in our business activities and by working to use resources efficiently.

Amount of Plastic Used
(FY2030 Target)



Use of Sake Rice

Rice is one of nature's blessings, and one measure we employ to use it without waste is to utilize the rice flour left over from polishing rice for sake as a raw material in KAMEDA Kaki-no-Tane.

Reducing Plastic Use

Awareness is growing worldwide about issues caused by single-use plastics, including the increase in marine plastic waste and the impact on the environment from greenhouse gases generated during plastic incineration.

As a manufacturer of consumer goods, the Group recognizes that reducing the amount of plastic it uses is a key issue that should be addressed as a priority. We have set targets for FY2030 that include switching to ECO-packages for all KAMEDA SEIKA products to reduce the amount of plastic that KAMEDA SEIKA and consolidated subsidiaries in Japan use by 30% compared with FY2017. In FY2022, plastic use increased by 3.9% compared with FY2017 due to an increase in sales volume, but per-unit plastic use decreased by 6.5% compared with FY2017. Our overall progress

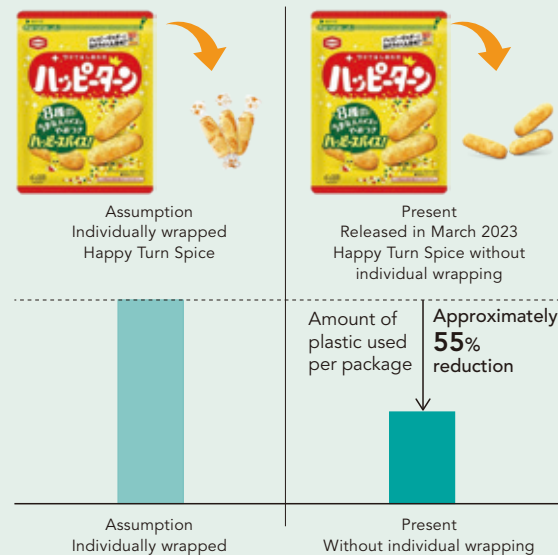
since FY2022 in transitioning to ECO packaging has involved initiatives to reduce the amount of plastic we use. This has included changing packaging sizes for our four key brands and developing products that do not rely on individual packaging.

Specific Measures

As part of our efforts to reduce plastic use, we are promoting product development that does not rely on individual wrapping.

Launched in March 2023, 73g Happy Turn Spice is not wrapped piece by piece. We calculate that we have reduced the amount of plastic used for Happy Turn Spice by approximately 55% by eliminating individually wrapped pieces.

• Examples of Initiatives



Food Waste and Final Landfill Waste

The Company conducts initiatives to reduce food loss in its manufacturing processes through eco-feed activities, in which non-sellable rice crackers are recycled as livestock and fish feed, and through donations of products to food banks. In addition, our consolidated subsidiaries in Japan and overseas are working to reduce food loss by providing rice cracker scraps as feed for livestock and birds at sanctuaries. We are also considering reusing discarded plastic packaging materials.

Water Use

Water is an essential resource for growing rice, the Group's primary raw material, and also plays an extremely important role in the manufacture of our products. When conducting business activities, the Group recognizes the importance of properly understanding the impact of climate change and other factors on water resources and the need to consider efficient water use.

Water use by the Company and its consolidated subsidiaries in Japan in FY2022 increased by 1.7% compared with FY2017 due to increased production, but per-unit water use decreased by 8.4% compared with FY2017. We are promoting efficient water use mainly by consolidating production plants, reducing the number of production line changes that require cleaning by reducing SKUs,* and minimizing water use during cleaning.

* Stock keeping units



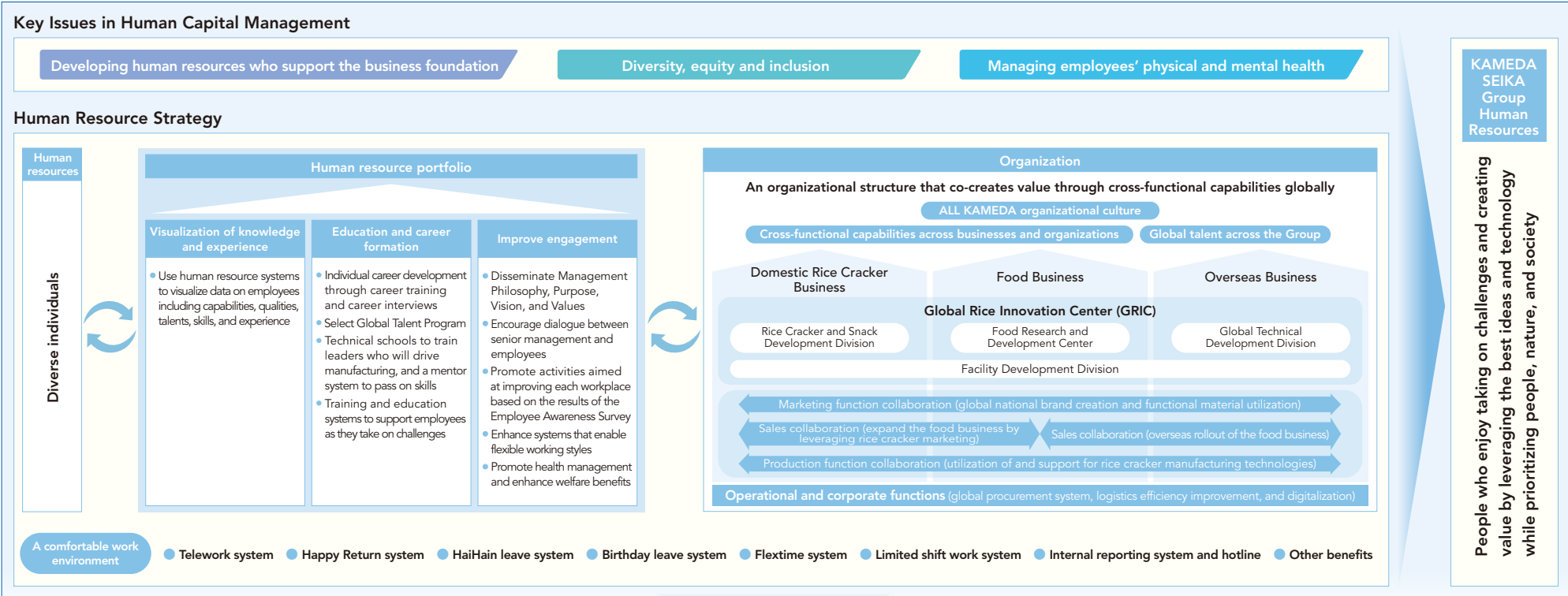
Society

Human Capital Management

Key Issues in Human Capital Management

The KAMEDA SEIKA Group aims to develop human resources who enjoy taking on challenges and creating value by leveraging the best ideas and technology while prioritizing people, nature, and society. In order to achieve our ideal organizational structure, we have identified three key issues: developing human resources who support the business foundation; diversity, equity and inclusion; and managing employees' physical and mental health.

By implementing various measures, setting KPIs, and conducting operations based on the PDCA cycle, we will increase the value of our human capital, realize our new Vision of becoming a "Rice Innovation Company," and improve our corporate value.



Becoming a "Rice Innovation Company"

Transform from a snack manufacturer into a Rice Innovation Company, maximizing the potential of rice to create new value and new markets around the world.

Developing Human Resources Who Support the Business Foundation

Investment in Human Resource Development

Basic Human Resource Policy

Increase the sense of active participation and growth among all employees.

KAMEDA SEIKA has established five major employee training systems in accordance with its basic human resource policy. We develop people and management skills through rank-based training tailored to the growth of employees. In addition, a professional skill improvement system enhances expertise through practice and training, such as training leaders who will drive KAMEDA SEIKA's future manufacturing activities. With goals that include developing young leaders, training for selected employees refines the perspective of employees and their ability to take the initiative. Furthermore, we have an educational support system that encourages a willingness to take on challenges and independent learning, and a career development support system that helps employees achieve their desired goals.

Results

Annual Investment in Education per Employee (FY2022)

27.8% increase compared with FY2021

● Employee Training Systems

1. Rank-based Training

Before entering the Company, new university graduate hires engage in e-learning to acquire the basics as a businessperson. After entering the Company, they learn the basics of their work, including business etiquette, roles in the Company and working procedures, and undergo training at production sites. After new employees are assigned to a department, senior employees offer guidance through the Big Brother/Big Sister system. We also provide support for second- and third-year employees to look back and develop skills they will need going forward. Thereafter, we conduct training according to rank in order to cultivate management skills and resourcefulness others can rely on.

2. Professional Skill Improvement Training

We improve employees' professional skills through on-the-job training, external lectures, and external training in order to improve problem solving ability. We also opened a technical school to cultivate the leaders who will drive KAMEDA SEIKA's manufacturing. Employees learn through classes, on-site hands-on training, and in the laboratory to acquire a wide range of theoretical and practical skills related to rice cracker production and manufacturing.

3. Training for Selected Employees

The KAMEDA Challenge Program is designed so that participants learn the wide-ranging knowledge and problem-solving methods necessary for management, and gain the high-level perspective, ability to take the initiative and resourcefulness necessary to become future managers. In addition, by actively utilizing external training to attain more advanced knowledge and enhanced problem-solving techniques and team building capabilities, we create opportunities for participants to be inspired through exchanges with professionals outside the Company and in different industries, thus supporting their growth.

4. Learning Support (Educational Support System)

We have established the KAMEDA Step Up Plan system to boost motivation and opportunities for growth through self-study by providing support for employee self-actualization including support for acquisition of qualifications, incentives to take the TOEIC or Nikkei Test, subsidies for correspondence courses and book purchases, and support for language courses.

5. Career Development

We offer training for employees to think about their careers and lay out their vision for the future, and in-house internships to learn about other departments for application in their own careers. We have established an in-house recruiting system and a short-term overseas dispatch (overseas trainee) system to facilitate practical career development that goes beyond training.

Respect for Human Rights

We believe that respecting the human rights of all people involved in business activities is a social responsibility we must fulfill as a corporation.

The Group has established the KAMEDA SEIKA Group Code of Conduct, along with the KAMEDA SEIKA CO., LTD. Code of Conduct and Bylaws as a set of internal regulations. We are instilling the idea of respecting human rights as expressed in these codes among our employees.

Furthermore, in supply chain management, we have established a Procurement Policy and a Code of Conduct for implementing the Procurement Policy, and are working to inculcate the idea of respecting human rights. (Details on page 40)

KAMEDA SEIKA Group Code of Conduct

4. We respect human rights and do not discriminate or engage in sexual or power harassment.

KAMEDA SEIKA CO., LTD. Code of Conduct and Bylaws

4. Respect for Human Rights and Prohibition of Discrimination and Harassment

4-1. Respect for Basic Human Rights

We respect basic human rights, and do not discriminate against anyone because of gender, age, nationality, race, ethnicity, ideology, beliefs, religion, educational background, or physical or mental disability, etc.

4-2. Prohibition of Harassment

We respect the individuality of others, take care to ensure that our words and behavior do not cause discomfort or fear, and do not engage in sexual harassment or power harassment.

4-3. Privacy Protection

We do not disclose the personal information of employees that we have learned at work or through work without their consent, neither inside nor outside the Company.

4-4. Healthy Labor-Management Relations

We respect the rights of workers and strive to maintain healthy labor relations.

4-5. Ensuring Good Workplace Morale

We do not engage in acts that run contrary to public order and morals, or that disrupt the good morals, environment, and order of the workplace.

Diversity, Equity and Inclusion

In order to realize our new vision of becoming a “Rice Innovation Company,” we are creating an environment where diverse human resources can demonstrate their abilities.

Naoko Koizumi

Managing Director, in charge of Group Companies and Diversity



Status of Measures (KAMEDA SEIKA CO., LTD.)

Indicators	FY2021 Results	FY2022 Results	FY2026 Target	FY2030 Target
Ratio of Female Managers	13.1%	15.6%	20%	30%
Ratio of Female Supervisors	14.2%	13.4%	20%	30%
Ratio of Male Employees Taking Childcare Leave	39.3%	51.7%	60%	80%
Gender Wage Gap	67.0%	68.1%	75%	80%
Employment Rate for Seniors*	98.1%	96.2%	100%*	100%*
Employment Rate for People with Disabilities	2.3%	2.4%	2.7%	3.0%

* Target of 100% re-employment rate for those who wish to continue working after retirement

Initiatives to Promote the Advancement of Women

As a food manufacturer, we believe that the values and ideas of women are important in realizing our goals, and we aim to increase the percentage of women in managerial and supervisory positions. In addition, in March 2023 we received the 3-star Eruboshi Certification (Grade 3) as a company that promotes women’s participation and advancement in the workplace. We have also received Kurumin certification as a company that supports child rearing.



Female managers at role model exchange event



Promoting the active participation of women!



Kurumin

Results

Ratio of Female Managers (FY2022)

15.6%

Ratio of Female Supervisors (FY2022)

13.4%

Initiatives for the Advancement of Non-Japanese Employees

To accelerate business development overseas and diversity, equity and inclusion initiatives, we have increased the number of non-Japanese employees to 18 as of March 31, 2023 from 6 in 2015, and we are continuing to secure suitable human resources. As a global company, we also communicate proactively with local employees overseas.

Specific Measures

Kameda Global Joint Meetings

We regularly hold remote meetings with our overseas locations called Kameda Global Joint Meetings with the primary purpose of further enhancing the sense of unity among Group companies operating overseas.



Kameda Global Joint Meeting

Technical Trainees from Overseas

In June 2022, the first group of 12 technical trainees from Vietnam arrived at the Suibara Plant and began practical training on the production line. In July 2023, the second group of 17 technical trainees arrived from Vietnam.



Technical trainees from overseas listening to an explanation at the Suibara Plant

Diversity, Equity and Inclusion (DE&I) Lecture

In February 2023, as part of a role model exchange event, Outside Director Mackenzie Clugston presented a lecture on DE&I for inside directors, executive officers, and managers.



DE&I lecture by Outside Director Mackenzie Clugston

● **Employment of People with Disabilities and Seniors**

We appropriately deploy people with disabilities and senior human resources over the age of 60 to make them a vital force in our corporate growth.

Results

Employment Rate for People with Disabilities (FY2022)

2.4%

Employment Rate for Seniors over the Age of 60 (FY2022)

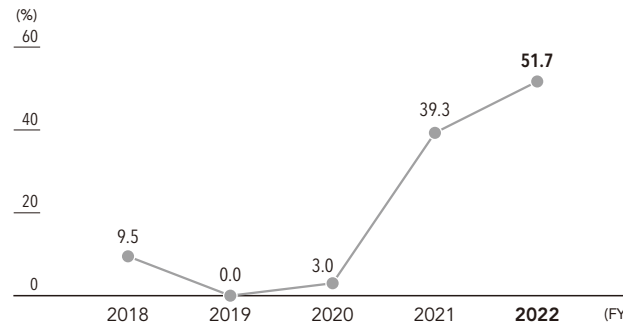
96.2%

Employment Rate for People Who Wish to Work After Retiring
100%

● **Work Style Reform and Support for Work-Life Balance**

We are working to create an environment that harmonizes work and life so that employees can feel satisfaction and fulfillment in their work and lead healthy and prosperous lives.

Ratio of Male Employees Taking Childcare Leave



Managing Employees' Physical and Mental Health

● **Aiming to Create an Organizational Culture in Which Employees Can Make the Most of Their Individual Strengths**

In order to promote KAMEDA SEIKA's unique human resources strategy, we must create an organizational culture in which all employees of the KAMEDA SEIKA Group can work actively and express their ideas without hesitation. We believe that valuing each employee's individuality will help in maximizing performance, and will also enable us to respond to contemporary change. Human resources underpin the foundation of our business.

By understanding each employee's individuality and aspirations and helping them achieve their individual career plans, we will become a strong and competitive organization. This will ultimately lead to sustainable growth for the KAMEDA SEIKA Group.

KAMEDA SEIKA launched a new management structure in June 2022. In conjunction with the launch, we held Top Caravan 2022, a meeting for dialogue among all KAMEDA SEIKA employees and executives as well as employees of subsidiaries in Japan and overseas. We also distributed a video message from senior management to encourage all employees working in the KAMEDA SEIKA Group, and have undertaken initiatives to change the mindset of our employees. Furthermore, with the announcement of the new medium-term business plan in August 2023, the CEO, COO, and other internal directors and executive officers have been working to communicate the new plan through direct dialogue with employees. Responsibility for promoting this initiative at KAMEDA SEIKA and consolidated subsidiaries in Japan and overseas is shared among the officers.

In addition, we conducted an Employee Awareness Survey. Based on the results, we launched a project to foster job satisfaction and fulfillment among employees and improve engagement. We formerly conducted an Employee Awareness Survey once every three years. We now conduct it every year, and are working to improve engagement by turning the PDCA cycle into a continuous system for activities that increase organizational vitality.



A Company-wide presentation about the new medium-term business plan

Specific Measures

1. Happy Return System (Reinstatement Registration System for Employees Who Left the Company)

This system is for people returning to work after leaving, which supports diverse work styles. It gives employees who have left due to reasons including marriage, pregnancy, childbirth, childcare, nursing care, personal injury or illness, or the workplace transfer of his/her spouse, the opportunity to return.

2. HaiHain Leave System

This system gives male employees whose spouses have given birth three days of special leave for childcare, in addition to their paid annual leave. The leave can be used to care for children, bring the spouse home from the hospital or attend medical examinations.

3. Limited Shift Work System

This system allows employees who are unable to work within the three-shift system due to childcare, nursing care, personal injury or illness to choose a work style with limited shifts. In the case of childcare, the system is available to employees providing childcare up to the end of the third year of elementary school.

4. Encouraging Childcare Leave

We have created and posted publicity posters to encourage employees to take childcare leave, with the aim of creating an environment by 2030 in which 80% of men take childcare leave and all women can take childcare leave.



Specific Measures

1. KAMEDA Award Festival (Award Ceremony Held Annually)

Based on award regulations, we hold the KAMEDA Award Festival once per year with the aim of promoting and rewarding employees' social and organizational contribution activities and improving employee and customer satisfaction.



2. Volunteer Cleanup of KAMEDA SEIKA (Niigata Head Office) Premises and Surrounding Areas

In order to create a safe and comfortable workplace, the Niigata head office regularly conducts volunteer cleanup activities before work. Many employees participate from early in the morning, exchanging greetings and cleaning the premises and surrounding areas in an effort to create a comfortable workplace.



3. Activities of the Association to Revitalize KAMEDA SEIKA (Genki Project)

The Association to Revitalize KAMEDA SEIKA (Genki Project), launched in FY2017, is a Company-wide project centered on young employees that participate voluntarily. It is a forum for learning how to realize the future and achieve the ideal KAMEDA SEIKA. The project promotes food education activities and product development through teamwork that transcends organization- and position-related boundaries.



Food education activities by the Association to Revitalize KAMEDA SEIKA (FY2022)

4. Implementation of Smart Meal Lunch Program at the Employee Cafeteria

The employee cafeteria at KAMEDA SEIKA's Niigata head office provides a nutritionally balanced Smart Meal Lunch* every day as one of our initiatives to promote the health of our employees.

* The Smart Meal Lunch menu meets criteria based on the Ministry of Health, Labour and Welfare's Guidelines for Meals Provided for the Purpose of Lifestyle Disease Prevention and Other Health Promotion.



5. Birthday Leave System

We have introduced the birthday leave system with the aim of creating a comfortable work environment and helping employees achieve a good work-life balance. This system allows employees to take one day of special leave in their birthday month. The usage rate in FY2022 was 74.8%.

6. Distribution of Guidebook about Welfare Benefits

We have created a guidebook called the KAMEDA SEIKA Life Support Guidebook, which summarizes support systems for balancing work and life. It is distributed to all our employees. Some of the systems and benefits that are available from joining KAMEDA SEIKA until retirement are summarized in an easy-to-understand manner.



7. The "San" Campaign

Since April 2015, in order to improve customer satisfaction and achieve our goals, KAMEDA SEIKA has implemented a campaign for all employees to address one another using the honorific "san" regardless of whether they are superiors or subordinates. Our aim is to create a work environment that empowers honest discussions. This campaign is also a way of promoting healthy and good communication.

Occupational Health and Safety Initiatives

Occupational Health and Safety Initiatives

We recognize that ensuring a work environment where employees can work safely and with peace of mind is a corporate responsibility we must fulfill.

We have established health and safety committees at each of our business sites, and work for thorough implementation of our health and safety management plan. The focus is on the three areas of safety, health and traffic safety.

Accident Severity Rate*

FY	Accident Severity Rate
2018	0.07
2019	0.01
2020	0.04
2021	0.00
2022	0.07

* KAMEDA SEIKA CO., LTD.

Quality and Product Safety

The Group considers it to be its mission as a food company to ensure safety at all stages from raw material procurement to consumption in order to deliver safe and reliable products to customers, and has established policies for quality and product safety. We are developing a quality assurance framework to ensure that we can deliver consistent deliciousness, and are working to further improve quality and safety.

● Quality Policy/Product Safety Policy

- ① Taking the point of view of our customers, we provide products that meet the legal and regulatory requirements for food supply chains from raw material procurement to consumption.
- ② To deliver safe and reliable products to our customers, we are developing a quality assurance framework based on the application of international standards such as FSSC 22000 certification.
- ③ To be able to provide products that our customers can enjoy safely and with peace of mind, we work to improve quality in cooperation with the quality assurance departments of each Group company.
- ④ By communicating with our customers about the safety of our products and making improvements based on their feedback, we will increase customer satisfaction.

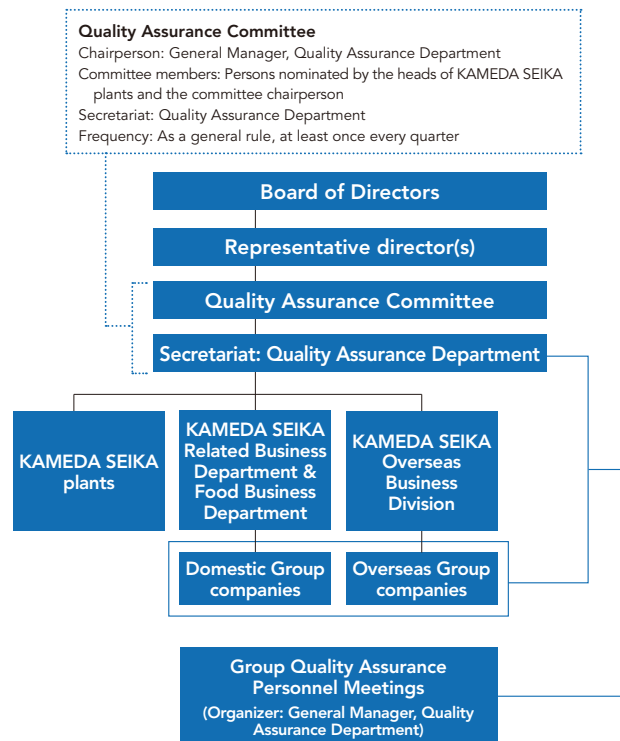
● Quality Assurance System/Measures to Ensure Traceability

We obtain documentation of raw material specifications for all products and raw materials we purchase. These documents specify the usage records of agricultural products, including the production area and any pesticides or antibiotics used, and the raw materials, additives and contaminants from the manufacturing process for processed products. In addition, we conduct our own inspection and analysis both in-house and externally. For rice used as a raw material, its place of origin is labeled on the back of the applicable product, based on the Ministry of Agriculture, Forestry and Fisheries' Traceability System for Rice/Rice Products.

The KAMEDA SEIKA Group is working to enhance its quality assurance system, mainly through the Quality Assurance Committee, based on the KAMEDA SEIKA Group Quality Assurance Management Regulations. The committee meets at least once each quarter, in principle, to deliberate on basic quality assurance policies, raise issues for ensuring quality and safety, and to verify the effectiveness of improvement measures. The Quality Assurance Committee met four times in FY2022. To enhance the quality assurance systems at Group companies, we hold a meeting of quality assurance staff from Group companies to gain understanding of issues at other companies and consider countermeasures.

As an additional initiative to improve our food safety management system, we are working to meet and maintain international standards such as FSSC 22000 certification at each Group plant.

Quality Assurance System



Supply Chain Management

To deliver safe and reliable products to customers, the KAMEDA SEIKA Group has established a Procurement Policy and a Code of Conduct for implementing the Procurement Policy, and is promoting measures throughout the supply chain by collaborating with suppliers through the dissemination of the Procurement Policy.

● Procurement Policy

As a "Better For You" company that contributes to a nice lifestyle with the blessings of rice to further refine the value of excellent flavor, health, and excitement, we build relationships of mutual trust with our suppliers to deliver safe and reliable products and to procure raw materials and services that are friendly to the environment and to society.

● Code of Conduct for Implementing the Procurement Policy

- ① We will conduct stable and continuous procurement of safe and reliable, high-quality raw materials to deliver excellent flavor, health, and excitement to our customers.
- ② To preserve the global environment, we will proactively work to use environmentally friendly materials, save energy and reduce greenhouse gas emissions.
- ③ We will comply with laws, regulations and rules, and conduct fair procurement in accordance with social common sense.
- ④ We will respect human rights and diversity, and promote procurement with consideration for improving working conditions, safety and health.
- ⑤ We will provide our suppliers with fair, impartial and transparent access to business opportunities, and build long-term relationships of trust while working for mutual prosperity and continuity through good faith transactions based on contracts.
- ⑥ Together with our suppliers, we will help to realize a sustainable society by working for coexistence and harmony with the communities.
- ⑦ By conducting CSR surveys and audits of our suppliers, we will confirm the status of our efforts to ensure sustainability and strive to fulfill our mutual social responsibilities toward the realization of a sustainable society.

● **Initiatives for Sustainable Procurement**

Use of RSPO-certified Palm Oil

KAMEDA SEIKA and its consolidated subsidiaries joined the Roundtable on Sustainable Palm Oil (RSPO) in March 2019. KAMEDA SEIKA CO., LTD., Onisi Foods Co., Ltd. and Mary's Gone Crackers, Inc. have been using certified palm oil since FY2020. In FY2022, the ratio of certified palm oil used by KAMEDA SEIKA and its consolidated subsidiaries was 13.5%.

Use of FSC-certified Cardboard

We have switched to FSC-certified cardboard for use in the packaging of all KAMEDA SEIKA products. We will also gradually do so at Group companies.

Procurement of Peanuts

For procurement of peanuts, in 2019 we opened a development center in Weihai, China, and have established a quality control system with thorough pre-shipment inspections. In addition, we check directly with producers every two months to ensure that no child labor or low-wage labor is being utilized, and confirm that there are no other related problems.

Harmony with the Communities

● **Initiatives for Coexistence with Society**

We conduct dietary education and other initiatives for coexistence with society based on our belief that revitalizing local communities through activities that make the most of our businesses and cooperation with local governments and community organizations leads to improvement of the business environment.

● **Expansion of Local Employment**

We are working to increase the number of employees at overseas locations. In particular, we are increasing our workforce at Singha Kameda (Thailand) Co., Ltd. in Thailand and THIEN HA KAMEDA, JSC. in Vietnam due to the upward trend in production.

● **Cooperating with Local Agriculture**

Located in Tainai City, Niigata Prefecture, TAINAI Co., Ltd. is working to expand sales of rice flour bread made from rice grown only in Niigata Prefecture. Additionally, Maisen Co., Ltd. in Sabae City, Fukui Prefecture, sells rice produced in Fukui Prefecture.

● **Initiatives for Dietary Education**

Our Kameda, Suibara and Shirone plants conduct tours for local elementary school students, and we have been offering classroom lessons at elementary and junior high schools.

We also visit kindergartens and nursery schools to conduct activities that convey the appeal of rice and rice crackers through quizzes and other methods.

● **Initiatives for Achieving the SDGs**

KAMEDA SEIKA participates in the SDGs' Niigata Regional Revitalization Platform, which promotes corporate activities and regional development based on the SDGs. In addition, subsidiaries Maisen Co., Ltd. and Maisen Fine Foods Co., Ltd. have formulated the "Maisen SDGs" and both are registered as a Fukui SDGs Partner (sponsored by Fukui Prefecture) and in the Sabae SDGs Glocal Club (sponsored by Sabae City).



Our regional revitalization platform
SDGs Niigata



Fukui SDGs Partner

Initiatives for Contributing to a Nice Lifestyle through "Better For You" Food

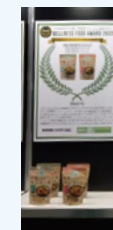
Received the JSH Salt Reduction Promotion 10 Year Award

At the 10th Clinical Hypertension Forum sponsored by the Japanese Society of Hypertension (JSH) held in Sapporo, Hokkaido in June 2022, KAMEDA SEIKA received the JSH Salt Reduction Promotion 10 Year Award for reduced salt Kaki-no-Tane.



Received the Wellness Food Award 2022

Maisen Fine Foods Co., Ltd.'s "Soybean and Brown Rice Veggie Mince" and "Veggie Fillet with Soybeans and Brown Rice" won bronze awards in the Sustainable & Food Tech Category of the Wellness Food Awards 2022.



Display of products that received recognition at the event

Launch of Plant-based Green Chicken, Steamed Chicken Made from 100% Plant-based Ingredients¹

Maisen Fine Foods Co., Ltd. launched Japan's first² steamed chicken made from 100% plant-based ingredients in October 2023.

1. Excluding salt and additives
2. In-house data (as of September 2023)



Plant-based Green Chicken (pepper and herbs)