







Materiality (Material Issues) Initiatives and Progress

The KAMEDA SEIKA Group recognizes that sustainability is a key management issue from the perspective of improving corporate value over the medium to long term. In 2022, we organized the results of a materiality assessment into six categories and 19 specific issues. In 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.

Category	Category Leader	Important Social/ Environmental Issue to Be Addressed by the Group	Reasons for Selection	Executive in Charge	Measures	Results			Targets	
						(Reference) FY2023 Results and KPIs	FY2024 Results and KPIs	Initiatives in FY2024 (Results)	FY2026 Targets	FY2030 Targets
 Contribute to a nice lifestyle through “Better For You” food	General Manager, Food Business Division	Provision of 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 100%	Acquisition rate among KAMEDA SEIKA Group companies 100%	• Continued support for the Company and Group companies to retain third-party certification • Continued support for the Company and Group companies to transition to FSSC 22000 certification	Acquisition rate among KAMEDA SEIKA Group companies Maintain at 100%	Acquisition rate among KAMEDA SEIKA Group companies Maintain at 100%
		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 delivers excellent flavor, health, and excitement is related to the Group's Purpose (“Better For You”).	General Manager, Marketing Strategy Department	Expand the Mirai Beika lineup (innovation through new value and new manufacturing methods¹) Note: KAMEDA SEIKA	Composition ratio in KAMEDA SEIKA rice crackers and snacks 2.3%	Composition ratio in KAMEDA SEIKA rice crackers and snacks 2.2% Number of Mirai Beika products launched¹ 2 SKUs • Spring-summer season 0 SKUs • Fall-winter season 2 SKUs	• Renewal of rice crackers that propose new value • Launch of rice crackers that propose health value: Functional food with rice-derived lactic acid bacteria	Number of Mirai Beika product launched¹ 2 SKUs or more • Spring-summer season 1 SKU or more • Fall-winter season 1 SKU or more	Number of Mirai Beika product launched¹ 2 SKUs or more • Spring-summer season 1 SKU or more • Fall-winter season 1 SKU or more
		Developing a rice-based food culture	As a Group whose business has its origins in 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 Department	Reduce salt equivalent amount in products sold Note: KAMEDA SEIKA	4.9% reduction compared with FY2021	5.6% reduction compared with FY2021	• Initiatives for expanding sales of reduced-salt products • Expansion of products with low salt equivalent amount • Launch of new products with low salt equivalent amount • Reduced salt content when renewing products • Implemented measures in line with the Strategic Initiative for a Healthy and Sustainable Food Environment (Ministry of Health, Labour and Welfare)	7% reduction compared with FY2021	15% reduction compared with FY2021
		Addressing diverse food-related values	As a Group whose business has its origins in 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, Food Business Division	Expand overseas sales share of the food business	Overseas sales share 1.0%	Overseas sales share 1.6%	• Expanded overseas sales of plant-based lactic acid bacteria • Expanded overseas sales of long-life preserved foods • Promoted initiatives to expand handling of plant-based food	Overseas sales share 3%²	Overseas sales share 15%²
 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	Reduce total greenhouse gas emissions (Scope 1 and 2) Note: KAMEDA SEIKA and Ajicul	30.3% reduction compared with FY2017	38.3% reduction compared with FY2017	• Obtained the highest rank as an excellent business operator (S class) in the Ministry of Economy, Trade and Industry's Agency for Natural Resources and Energy's "Business Operator Classification and Evaluation System" (FY2024 Submission) • Reduced energy loss associated with changing production types • Continued energy-saving activities at all plants • Established and operated solar power generation system on the roof of the Global Rice Innovation Center (GRIC) • Conducted internal training on energy-saving for supervisors and persons in charge • Replaced parts with energy-efficient components • Promoted visualization of energy usage	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	7.7% reduction compared with FY2017	9.4% reduction compared with FY2017	• Continued to reduce the number of production line item changes that necessitate cleaning • Replaced equipment with water-saving components on an ongoing basis • Continued water-saving measures at production sites • Repaired underground piping due to aging	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, Rice Cracker and Snack Development Department	Implement initiatives to extend shelf life of products Note: KAMEDA SEIKA	Extended the shelf life of 3 SKUs among key brands	Extended the shelf life of 4 SKUs among key brands	• Planned to extend shelf life of products in conjunction with addition of labeling (month and year) of existing products • Changed shelf life labeling from "year, month, day" to "year, month" format for certain rice cracker products starting with certain items manufactured in January 2025. Extended shelf life of those products as well • Conducted safety confirmation activities with the Quality Assurance Department	Expand lineup of products with extended shelf life	Expand lineup 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, Rice Cracker and Snack Development Department General Manager, Marketing Strategy Department	Reduce plastic use and promote environmentally responsible packaging Note: KAMEDA SEIKA and domestic consolidated subsidiaries	7.8% increase compared with FY2017	13.0% reduction compared with FY2017	• Reduced overall plastic usage due to lower sales volume following price revisions • Reduced plastic packaging for existing products • Reduced the thickness of materials for rice cracker product trays • Eliminated the use of trays for some products • Reduced plastic use by changing sizes • Developed products that do not require individual packaging • Designed products without individual packaging	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 usage ratio Note: KAMEDA SEIKA³	13.5%	13.4%	• Despite plans to increase the use of RSPO-certified palm oil, overall use of RSPO-certified palm oil was 13.4% (non-consolidated basis) due to cost control measures resulting from high raw material prices in FY2024	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 multi-source procurement scenarios for major raw materials Note: KAMEDA SEIKA	Verified suppliers and alternative raw materials	Verified suppliers and alternative raw materials	• Site inspections and evaluations of potential suppliers conducted by the Purchasing Department • Product feasibility verification using diversified and alternate materials conducted by the Risk Management Committee	Determine suppliers and alternative raw materials, and verify production	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 Division	Address the protein crisis and expand plant-based food lineup	Net sales of plant-based food ¥0.08 billion	Net sales of plant-based food ¥0.07 billion	• Contracted OEM production of plant-based food • Launched renewed product featuring 100% plant-based steamed chicken • Launched new dry plant-based food products	Net sales of plant-based food ¥0.4 billion⁴	Net sales of plant-based food ¥1.8 billion
 Human capital management	General Manager, Human Resources & General Affairs Division	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, Human Resources & General Affairs Division	Enhance self-care and manager-led support Establish an internal reporting system and hotline Create a safe and comfortable workplace Note: KAMEDA SEIKA	• Employees undergoing regular health checkup 100% • Further promoted the internal reporting system and hotline • Occupational health and safety • Continued to promote workplace monitoring by health and safety committees • Severity rate 0.15	• Employees undergoing regular health checkup 100% • Further promoted the internal reporting system and hotline • Occupational health and safety • Continued to promote workplace monitoring by health and safety committees • Severity rate 0.12	• Continued to achieve 100% participation rate in regular health checkups through the use of a unified management system for reservations • Conducted stress check group analysis (once per year) • Promoted health management initiatives • Received recognition as an Outstanding Organization by the KENKO Investment for Health program • Promoted the proposal, planning, and implementation of health measures • Strengthened the mental health care system by further promoting the internal reporting system and hotline • Conducted Employee Engagement Survey and addressed issues • Continued to promote workplace monitoring by health and safety committees and held a safety award ceremony • Continued to implement corrective measures to address long working hours	• Employees undergoing regular health checkup 100% • Further promote the internal reporting system and hotline • Occupational health and safety • Continue to promote workplace monitoring by health and safety committees • Severity rate 0.05⁵	• Employees undergoing regular health checkup 100% • Further promote the internal reporting system and hotline • Occupational health and safety • Continue to promote workplace monitoring by health and safety committees • Severity rate 0.05⁵
		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, Human Resources & General Affairs Division	Ratio of female managers and supervisors Note: KAMEDA SEIKA	Ratio of female managers 13.8% Ratio of female supervisors 13.8%	Ratio of female managers 13.6% Ratio of female supervisors 18.8%	• Dispatched female employees for training and exchanges among women from different industries • Dispatched employees for cross-industry exchange and training in Niigata Prefecture • Dispatched employees to a joint training program for women (organized by food manufacturers) • Held role model exchange meetings • Diagonal mentoring system* introduced * Introduction of a mentoring system with 10 executive officers and selected female managers aimed at furthering their careers by providing support to resolve issues and dispel concerns regarding career formation	Ratio of female managers 20% Ratio of female supervisors 20%	Ratio of female managers 30% Ratio of 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, Human Resources & General Affairs Division	Investment in human resource development Note: KAMEDA SEIKA	52.2% increase compared with FY2021	135.1% (2.4 times) increase compared with FY2021	• Continued e-learning system • Continued to operate technical school • Continued technical school short courses • Kaizen (improvement) school • Maintenance school • English language education for engineers • Beginner program • Intermediate program • Overseas dispatch program • Self-development and education support program • Promoted development planning aligned to the human resource portfolio	2.4 times or higher⁶ compared with FY2021	2.4 times or higher⁶ 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	Conducted evaluation by third-party organization and responded to issues identified	• Conducted evaluation by third-party organization and responded to issues identified • Started review of corporate executive structure and executive remuneration framework in collaboration with external specialists	• Effectiveness evaluation by third-party organization conducted in December 2024 • Considered and implemented improvement measures to increase effectiveness based on the evaluation • Started review of corporate executive structure and executive remuneration framework in collaboration with external specialists	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	Risk map-based visualization and countermeasure implementation Note: KAMEDA SEIKA and consolidated subsidiaries	• Updated risk map • Risk Management Committee met four times • Held two crisis management seminars • Convened the Crisis Management Response Headquarters	• Updated risk map • Risk Management Committee met four times • Held two crisis management seminars • Convened the Crisis Management Response Headquarters	• Risk Management Committee reviewed the Group's risk map • Reviewed system for checking on safety of employees in the event of a natural disaster and conducted testing four times • Promoted projects to address raw material procurement risks • Responded to food safety and quality risks	Continue to visualize risks through risk mapping and implement action plan and review based on internal regulations and manuals	Continue to visualize risks through risk mapping and implement action plan and review based on internal regulations and manuals
					Reinforce information security systems Note: KAMEDA SEIKA and consolidated subsidiaries	Occurrences of serious incidents in operations 0	Occurrences of serious incidents in operations 0	• Conducted security measures • Held security training courses on initial response to incidents and containment of impact • Strengthened systems and reinforced awareness of internal rules to prevent information leaks • Strengthened infrastructure • Revamped domestic network • Supported infrastructure environments of overseas Group companies	Occurrences of serious incidents in operations 0	Occurrences of serious incidents in operations 0
 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 Department	Expand number of employees at overseas sites Note: Overseas consolidated subsidiaries	1,498 employees U.S.: 119 employees Asia: 1,379 employees	1,504 employees U.S.: 122 employees Asia: 1,382 employees	• Expanded employment by strengthening local sales business at sites in China and Vietnam • Reinforced production at sites in Thailand and Cambodia	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 Division	Increase sales of rice flour bread products made from rice grown 100% in Niigata Prefecture	Amount of rice used from Niigata Prefecture 223 tons	Amount of rice used from Niigata Prefecture 286 tons	• Enhanced brand recognition for the subsidiary specializing in rice flour bread production • Responded to increases in repeat users of existing products	Amount of rice used from Niigata Prefecture 450 tons²	Amount of rice used from Niigata Prefecture 950 tons²
		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 consumers, as well as cultivating a sense of familiarity through a deeper understanding of the KAMEDA SEIKA Group.	General Manager, Corporate Planning Department	Promote communication through food Conduct on-site classes and factory tours for local elementary school students Note: KAMEDA SEIKA and consolidated subsidiaries	• Promoted food education (Conducted on-site classes) • Social studies program	• Promoted food education (Conducted on-site classes) • Social studies program	• Conducted on-site classes for kindergartens, elementary schools, and after-school childcare centers on topics such as manufacturing and food education • Conducted factory tours for local elementary school students, other students, and foreign trainees	Continue food education	Continue food education

1. Changed definition, KPIs, and targets for Mirai Beika products: In conjunction with the medium- to long-term growth strategy (update), changed the definition of Mirai Beika to “innovation through new value and new manufacturing methods” and changed the KPI and targets from sales composition ratio to number of products launched. 2. Change in targets: Revision of targets in conjunction with medium- to long-term growth strategy (update) 3. Change in reporting scope: Due to changes in consolidated subsidiaries, the reporting scope has been temporarily revised to include only KAMEDA SEIKA on a non-consolidated basis. 4. Change in targets: Based on FY2024 results, FY2026 targets were revised downward. 5. Addition of target Addition of target for severity 6. Change in target Target added. 7. Change in target: Review of rice flour bread sales and sales volume adjustment in response to raw material supply conditions