Environment

Environmental Policy and Management

KAMEDA SEIKA Group Environmental Policy

1. Our goal is to deliver excellent flavor, health, and excitement to our customers.
2. As a corporate citizen, we contribute to and exist in harmony with communities through ecological activities.

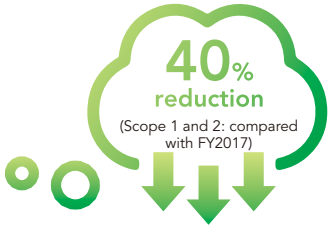
Environmental Management System

The KAMEDA SEIKA Group promotes environmental management based on its Environmental Policy mainly through the Sustainability Promotion Task Force and the EMS Secretariat. In December 2002, the Group obtained ISO 14001 certification (environmental management systems) for the headquarters, the GRIC* (Facility Development Department) of KAMEDA SEIKA CO., LTD., the Kameda Plant, the Suibara Plant, and the Shirone Plant. The Environmental Committee of each certified location meets on a monthly basis to discuss environmental issues, and the EMS Secretariat hosts a monthly EMS Meeting attended by representatives of each location to formulate environmental targets and manage progress.

* Global Rice Innovation Center

Response to Climate Change

Total Greenhouse Gas Emissions (FY2030 target)



KAMEDA SEIKA recognizes the impact of climate change on its business activities, and considers it an important management issue. We have set the goal of reducing total FY2030 greenhouse gas emissions by 40% compared with FY2017. We are working to curb emissions in the manufacturing process as well as during transportation, including through the promotion of a modal shift. This also incudes developing 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 pursued 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.

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

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

Governance

KAMEDA SEIKA is addressing sustainability issues, including climate change, through a framework led mainly by management. In June 2025, we reorganized the Sustainability Promotion Task Force to ensure that environmental, social, and governance (ESG) perspectives are fully incorporated into management. The task force is headed by the Chairman & CEO. The managing director in charge of sustainability is responsible for directing its activities with the general manager in charge of sustainability management promotion serving as the secretariat. Details of the task force's activities are submitted regularly for discussion or reported to the Board of Directors via reporting sessions and Management Meetings to ensure that the Board can monitor the status of measures.

Main Topics of Discussion and Reports in FY2024

Sep. 2024: Sustainability Promotion Task Force reporting session
Each category leader and the main persons in charge reported to the Chairman & CEO regarding the status of material issues, including those related to climate change such as total greenhouse gas emissions and progress on model shift. The session also included a discussion.

Oct. 2024: Management Meeting and Board of Directors Meeting
Members reported and deliberated on the status of issues such as progress related to material issues brought up at the Sustainability Promotion Task Force.

Other

At Management Meetings, regular reports are made regarding the status of the procurement and pricing of raw materials impacted by climate change, and work to reduce procurement risk through discussion. At the Risk Management Committee, information on risks related to climate change and response measures with regard to raw materials procurement is shared, and ongoing countermeasures are put in place.

Strategy (Scenario Analysis)

We have assessed the impact of climate change on the Group's entire value chain from procurement of products and services through to production and supply. We have considered two world views of the future: the 4°C scenario, in which the temperature continues to increase; and the 2°C scenario, in which progress is made to mitigate global warming. Based on this analysis, we identified our projected risks and opportunities for 2030.

Risks include a decrease in the quality and an increase in the price of raw materials due to abnormal weather, and rising logistics costs.

For opportunities, it appears that yields of rice—our main raw material—are expected to increase and prices to stabilize. According to projections by an external institution, the increase in CO_2 in the atmosphere will promote photosynthesis, contributing to the growth of crops, while temperature increases are likely to expand the areas where rice can be cultivated. As a result, the potential for stable raw material supply will expand, which will increase cost competitiveness. In addition, to respond to changing consumer preferences, we will accelerate product development that accommodates increasing health consciousness and interest in the environment, as well as higher awareness of disaster preparedness.

To respond to these trends, we are implementing energy-saving measures and upgrading the equipment used in our manufacturing processes, as well as reducing the amount of plastic

used. In addition, we are further promoting measures to reduce our environmental impact through steps to reduce greenhouse gas emissions during transportation (promoting a model shift and using double trailer trucks and joint deliveries with other companies). We are also working to reduce salt content in rice crackers and to offer products that contribute to solving social issues, such as plant-based foods, rice flour bread free from the 28 allergens subject to labeling under Japanese law, and plant-based lactic acid bacteria. In addition to these products, long-life preserved food, which plays a role in stockpiling for disasters and as emergency food, is important from the perspectives of social security and resilience, and represents a business opportunity for the Group.

Risk Management

Climate change-related risks are an essential consideration in the Company-wide risk management system, and are addressed mainly 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.

Raw material procurement risks are positioned as high risk on the risk map. We have taken measures such as diversifying suppliers and securing multi-year contracts for raw materials tied to specific varieties or production regions. The Sustainability Promotion Task Force has designated sustainable procurement as a material issue and is working to strengthen stable procurement. In FY2024, poor harvests of rice caused by heat damage in FY2023 triggered a significant decline in domestic inventories, which was further worsened by abnormal weather conditions in major production areas in FY2024. As market prices soared, procurement risk became apparent. Given this situation, we acted quickly to consider and implement countermeasures through ongoing reporting and discussion at Management Meetings and the Risk Management Committee. In addition, we also entered the agribusiness to respond to procurement risk of raw material rice grown in Japan, and promoted R&D into long-grain rice and substitute raw materials.

Key Impacts on the Group under Each Scenario

Classification	Risk	Impact on Business	Degree of Impact 4℃	Degree of Impact 2℃
Transitional Risks	Introduction of carbon pricing	Operating and raw material costs will increase with the introduction of carbon taxes and emissions 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
	Changes in customer preferences	Increased consumer awareness, including ethical consumption, among customers will affect the demand for conventional products	Medium	High
Physical Risks	More extreme weather events	Losses and costs to respond to these issues will be incurred due to direct damage and disruption to logistics networks caused by typhoons and torrential rains	High	High
	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 Greenhouse Gas Emissions and Energy Consumption

We converted the energy source for core machinery at all three Company plants in Niigata Prefecture from fuel oil A and liquefied petroleum (LP) gas to city gas. Carbon-free Yorisou 100% CO_2-free renewable energy generated by hydroelectric power and supplied by Tohoku Electric Power Co., Ltd. was introduced at the Kameda Plant in August 2022, the Suibara Plant in August 2023, and the Shirane Plant in April 2025. It is now used at all three plants.
We will also work to reduce energy consumption in rice cracker manufacturing processes through measures including reducing energy loss associated with production changeover, switching to energy-efficient production equipment, visualizing energy usage, and implementing energy-saving activities.

Moreover, in January 2025 we installed a solar power generation system on the rooftop of the GRIC[1] as part of efforts to promote further use of sustainable energy.


Yorisou renewable energy certificate of contract


Installed a solar power generation system at the GRIC[1]


Use of heat insulating sheets on rice cracker manufacturing equipment


Visualization of air leaks after the introduction of cameras to detect leakage

As a result of these efforts, Scope 1 and 2 greenhouse gas emissions of KAMEDA SEIKA and Ajicul Co., Ltd. (production site in Niigata) in FY2024 decreased by 38.3%[2] compared with FY2017, against the FY2030 target of a 40% reduction.

KAMEDA SEIKA obtained the highest rank as an excellent business operator (S class) in the Ministry of Economy, Trade and Industry's "Business Operator Classification and Evaluation System" (FY2024 Submission).

1. Global Rice Innovation Center
2. At the Shirane Plant, renewable energy was introduced in April 2025, so the results are not included in the fiscal year under review.

Reference: Ministry of Economy, Trade and Industry's "Business Operator Classification and Evaluation System"

https://www.enecho.meti.go.jp/category/saving_and_new/saving/enterprise/overview/institution/

Total Greenhouse Gas Emissions

Total Scope 1 and 2 Greenhouse Gas Emissions and Reduction Rate

KAMEDA SEIKA and Ajicul (Niigata Prefecture production site)

		Unit	FY2021	FY2022	FY2023	FY2024
Total		Thousand t-CO_2	72	70	52	46
	Scope 1	Thousand t-CO_2	46	46	37	35
	Scope 2	Thousand t-CO_2	26	24	15	10
Total Scope 1 and 2 emissions compared with FY2017		%	-3.6%	-5.8%	-30.3%	-38.3%

(Reference)

KAMEDA SEIKA and Domestic Consolidated Subsidiaries

		Unit	FY2021	FY2022	FY2023	FY2024
Total		Thousand t-CO_2	94	95	74	66
	Scope 1	Thousand t-CO_2	65	68	55	52
	Scope 2	Thousand t-CO_2	29	27	18	14
Total Scope 1 and 2 emissions compared with FY2021		%	–	1.1%	-21.3%	-29.4%

Promoting a Reduction in Environmental Impact in Logistics

As a measure for reducing environmental impact, we have been promoting a shift from truck to railway freight transport, which has lower CO_2 emissions, and we have been certified as an Eco-Rail Mark company. In FY2024, we continued to use railway freight transport, and expanded maritime transport using ferries for Kyushu and Hokkaido, resulting in a 30.4% modal shift rate, against our target of 30% or higher for FY2030.

In another measure to reduce environmental impact, in October 2024 we consolidated two separate warehouses into a single location and relocated operations to the Nagoya Distribution Center, which has more than three times the capacity of the previously-used facilities, thereby realizing more efficient distribution. Furthermore, by shipping products directly from the plant to our bases, and delivering them directly to customers, we are reducing intermediate transport and the total number of trucks used.

In addition, we have also changed all of the forklifts used at the distribution center to electric models, and are phasing in LED lighting at our distribution warehouses. These steps are part of our ongoing efforts to reduce environmental impact at our facilities. In June 2025, consolidated subsidiary Niigata Yusou Co., Ltd. started regular operations using double-trailer trucks. In this way, we are working to increase transportation efficiency and to reduce environmental impact.


Double-trailer trucks


Maritime transport


Exterior view of Nagoya Distribution Center (The center is outlined in red)

Initiatives to Contribute to Establishing a Circular Economy

To realize sustainable business activities, the Group recognizes that it is essential to establish a circular economy that effectively uses limited resources and reduces its environmental impact. As a company that handles food and as such appreciates nature's blessings, we recognize the importance of minimizing waste of raw materials and food throughout the supply chain. By working to make efficient use of resources, we will contribute to the realization of a circular economy.

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. The Group has made reducing the amount of plastic it uses a material issue. By FY2030, we aim to reduce the amount of plastic used by the Company and its domestic consolidated subsidiaries by 30% compared with FY2017 through measures such as the adoption of ECO-packages for all products. In FY2024, we achieved a 13.0% reduction in the amount of plastic used compared with FY2017, reflecting a decrease in the number of units sold following a price revision, as well as the impact of measures such as reducing the thickness of plastic trays, eliminating trays, reducing packaging sizes, and developing and promoting sales of products that do not rely on individual packaging.

We will continue our efforts to reduce plastic usage by reviewing the amount of plastic used in packaging and innovating product design.

Reducing the thickness of trays

Eliminating the use of trays

Initiatives to Extend Shelf Life of Products

As part of our efforts to reduce food loss, we are working to extend the shelf life of rice crackers. In FY2024, we extended the shelf life of four more SKUs among key brands, following three SKUs in FY2023. For certain products, the labeling was changed from "year, month, day" to "year, month."

Reference: Notice regarding change of use-by date labeling to "year, month" and extension of shelf life
https://www.kamedaseika.co.jp/wp-content/uploads/2025/01/NR2501_ (Japanese only)

Reduction of Food Waste and Final Landfill Waste

The Group continues working to reduce food waste generated in manufacturing processes. We participate in eco-feed activities, in which rice crackers broken during manufacturing are recycled as livestock feed or donated to food banks, or sold cheaply in factory outlet stores. Through these efforts we are reducing food loss.

In addition, to promote the use of by-products generated during the rice cracker manufacturing process, we launched the upcycling project "Re Kameda" in May 2024, and are promoting the development of products offering new value.


KAMEDA SEIKA factory outlet (Konan-ku, Niigata-shi)

Efficient Use of Water Resources

Water is an essential resource for growing rice and a critical element of our manufacturing process. Given the impact of climate change on water resources, we have positioned efficient use of water as an important issue. By FY2030, the Company and its domestic consolidated subsidiaries aim to reduce water use by 10% compared with FY2017. In FY2024, water use by the Company and its domestic consolidated subsidiaries decreased 9.4% compared with FY2017, mainly due to initiatives such as a decrease in the number of production line item changes that require cleaning, efforts to save water during cleaning, a switch to components that require less water at production sites, and maintenance of aging water pipes.

In addition, for wastewater generated during manufacturing processes, we aim to reduce the impact on the environment while ensuring full compliance with applicable laws and regulations.

Specific Measures

Upcycling Initiatives

In our upcycling project "Re Kameda" launched in May 2024, we created "rice business cards" using paper made from rice that had become inedible as well as "rice paper bags." Furthermore, using non-standard dough generated in the manufacturing process of our signature product, Happy Turn, we developed "antibacterial wipes made from Happy Turn."

Upcycled product symbol

Non-standard dough for Happy Turn generated in the manufacturing process cannot be used for products and was previously recycled as animal feed. However, with this project, it has been upcycled into an item that offers new value in the form of antibacterial wipes.

Reference: Upcycling Project "Re Kameda"
https://www.kamedaseika.co.jp/sustainability/re-kameda/ (Japanese only)

Rice business cards


Rice paper bags


Antibacterial wipes made from Happy Turn

Reference: Non-standard Happy Turn Turned into "Antibacterial Wipes" in KAMEDA SEIKA's "Re Kameda" Upcycling Initiative
https://www.kamedaseika.co.jp/news/20240522_21550/ (Japanese only)

Reference: KAMEDA SEIKA CO., LTD.'s "Re Kameda" Upcycling Initiative Launched: Rice Reborn as Business Cards
https://www.kamedaseika.co.jp/news/20241129_22688/ (Japanese only)