

Our Material Issues

The NISSIN FOODS Group considers changes in society and our business environment and identifies material issues directly linked to our business and which affect the enhancement of the Group's medium- and long-term corporate value.

We believe that generating economic and social value through our own businesses is essential to achieve the sustainable growth of the Group. To achieve this, we approach materiality not merely as a risk response, but as an opportunity to strengthen the foundation of our existing businesses, expand profits (economic value), and create social value. We will embody the philosophy of the founder by working continuously on the identified material issues while taking on the challenge of Planetary Health and Human Well-being, which are social issues for the Group.



External Environment	Key Risks	Key Opportunities	Material Issues	Relation to Key Mid- to Long-Term Growth Strategies
• Growing demand to extend healthy life expectancy • Obesity caused by excessive caloric intake and hidden malnutrition caused by incorrect dieting methods • Hunger and chronic food shortages • Growing societal demand for reducing food loss • Stricter regulations on food labeling and traceability	• Risk of reduction in market purchasing power brought about by health and nutrition issues such as the double burden of malnutrition • Risk of higher costs necessary for responding to tighter regulations for improvement of nutrition issues	• Higher sales revenue from development and sales of products with higher nutritional value for health-conscious consumers • Market expansion from providing diverse products according to the various consumer needs and preferences • Enhanced brand loyalty by providing consistently high-quality products	Health and Nutrition Product Safety	Human Well-being Strengthen Cash Generation Capabilities of Existing Businesses Pursue New Businesses EFC2030
• Labor shortages and increasing difficulty in securing talent • Rising expectations for diversity and inclusion • Growing demand to improve work environments and implement workstyle reforms • Heightened importance of reskilling and talent development	• Risk of disruption to business activities from inability to recruit or secure human capital across the Group due to a shortage of human capital in the labor market • Risk of a shortage of future management human capital if the global planned development of next-generation leaders does not progress as intended	• Creation of innovation and improvement of competitiveness through obtaining and developing diverse human capital	Human Resources Development	
• Higher temperatures and frequency of extreme weather events • Increase in production and logistics risks due to more severe natural disasters • Higher volatility in raw material and energy prices • Stricter regulations aimed at achieving carbon neutrality	• Risk of penalties and fines arising from non-compliance with environmental laws and regulations • Risk of higher costs for complying with tighter environmental laws and regulations • Risk of lawsuits related to environmental issues within the supply chain • Risk of difficulty in procuring raw materials and supplying products due to the impacts of climate change	• Development and use of plant-derived food alternatives using food technology • Stable raw material procurement due to strengthening of supplier management • Increase in demand as stockpile products for disaster preparedness due to frequent occurrences of large-scale natural disasters	Climate Change	
• Destruction of ecosystems due to excessive resource use • Weakened production base from soil degradation and water resource depletion • Demand for human rights due diligence for stakeholders across the supply chain • Stricter environmental laws and regulations	• Risk of lawsuits arising from non-compliance with environmental laws and regulations • Higher costs for complying with tighter environmental laws and regulations • Risk of lawsuits related to environmental issues in the supply chain • Risk of disruptions to raw material procurement due to impacts such as biodiversity loss	• Development and use of plant-derived food alternatives using food technology • Stable raw material procurement due to strengthening of supplier management	Biodiversity Deforestation Sustainable Value Chain Management	
				Planetary Health

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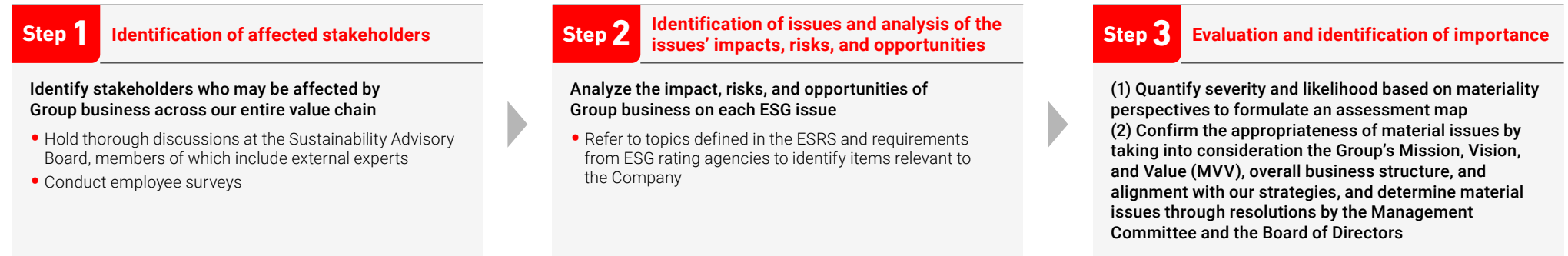
Reviewing and Determining Materiality

Based on the ESG-related topics stipulated by CSRD/ESRS^{*1}, we analyze both the impacts our business activities have on changes in the environment and society (impact materiality), and the impacts those changes have on our business (financial materiality). We then identify our material issues based on this analysis. Beginning in FY 3/2026, performance evaluations for officer remuneration, including directors, reflect the degree of achievement of targets for the material issues of climate change, sustainable procurement, and human capital development^{*2}.

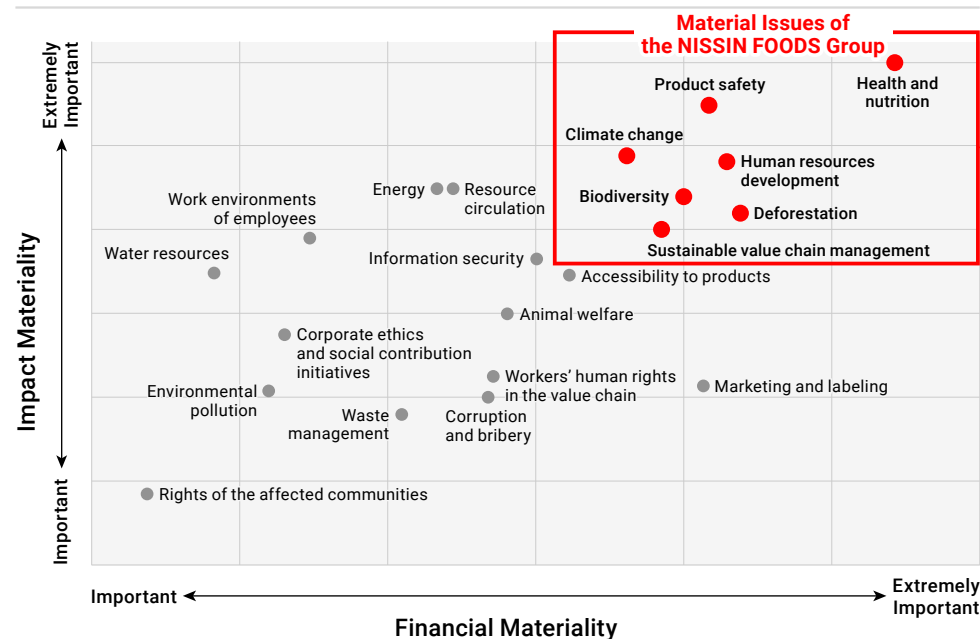
^{*1} Corporate Sustainability Reporting Directive/European Sustainability Reporting Standards

^{*2} The performance-linked basic remuneration for directors fluctuates from 0 to 50%, while that for executive officers fluctuates within a maximum range of 40%, from -20% to +20%. The weight of the evaluation of ESG-related objectives differs for each officer.

Identification Process



Materiality Map



Major Metrics and Initiatives by Materiality

Refer to the corresponding website for more details.

Health and Nutrition	Increase the percentage of products with improved nutritional value through NISSIN Nutrient Profiling System (NISSIN-NPS[®]) to 50% (compared to 2020) by 2030
Product Safety	>> Health and Nutrition NISSIN FOODS Group
Human Resources Development	- Achieve 10% or higher for the percentage of female managers by the end of FY 3/2026 - Achieve 15% or higher for the percentage of female managers by the end of FY 3/2031 - Achieve 200% of the current level of immediate successors for key global positions by the end of FY 3/2029 Achieved FY 3/2026 target
Climate Change	Reduce Scope 1+2 emissions by 42% (vs. 2020) and Scope 3 emissions by 25% (vs. 2020) by FY 3/2031 >> EARTH FOOD CHALLENGE 2030
Biodiversity	
Deforestation	Achieve 100% for the Group-wide procurement ratio of sustainable palm oil by FY 3/2031
Sustainable Value Chain Management	>> Sustainable Procurement

^{*3} Our own nutritional profiling system, "NISSIN-NPS," which scores the nutritional value of products