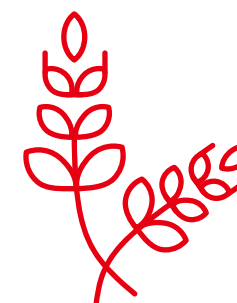


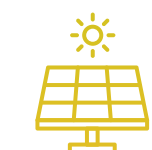


NISSHIN SEIFUN GROUP

Nisshin Seifun Group Integrated Report 2025



Growing Value from Wheat



Nisshin Seifun Group
Integrated Report
2025

Nisshin Seifun Group Integrated Report 2025

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Origin

Our founder's maxim: "The basis of business is built on trust"

Nisshin Seifun Group founder Teiichiro Shoda said, "We must always remember that a business is connected to society. A company that works solely for its own benefit will not survive for very long. Trust is the foundation of all business."

The Nisshin Seifun Group's strong devotion to fulfilling our social responsibility and generating sustainable growth is rooted in these words from the Company's inception and remains in our DNA to this day. We will remain true to our founding spirit as we seek to continue growing as a global corporate group.

Guiding philosophies The basis of business is built on trust
Being in tune with the changing business climate

Corporate principle Contributing to a healthy and fruitful life for all



Teiichiro Shoda
Founder

Future

Adapting to change in uncertain times

Provide safety, reliability, and joy in food at all times

For over 120 years, we have been offering safe and reliable products and the joy of food following our corporate principle of "contributing to a healthy and fruitful life for all" and in pursuit of our mission to maintain reliable supplies of food, especially staple items like wheat flour.

Strengthen business competitiveness and establish sustainably rising corporate value

We fortified our business portfolio to reflect the evolving circumstances for our original flour milling business in accordance with our guiding philosophy of "being in tune with the changing business climate." We will continue to create a wide variety of value through continuous self transformation and work to sustainably increase our corporate value.

Advance ESG management and find solutions for social issues

We are incorporating ESG into our management approach so all of our business activities will be directed at addressing social issues. The new value we create through those activities will create a virtuous cycle that will help make a sustainable society.

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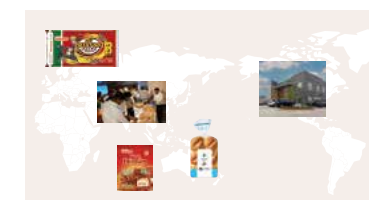
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Editorial Policy

The Nisshin Seifun Group Integrated Report aims to convey to investors and other stakeholders in an easy-to-understand manner an overall picture of the Group, its unique values and strengths, and its medium- and long-term strategies and initiatives. The Integrated Report is also intended to facilitate dialogue with stakeholders and contribute to enhancing corporate value.

Integrated Report 2025 provides information about our priority measures during the Medium-Term Management Plan 2026 to enhance our corporate value during and after the plan. The report also provides in-depth information about the ESG initiatives at the foundation of our value creation and reports on measures to "use our business to contribute to society and continue growing as a core corporate group in the food industry."

In compiling this report, we referred to the "Guidance for Collaborative Value Creation" of the Japanese Ministry of Economy, Trade and Industry and the "Integrated Reporting Framework" issued by the IFRS Foundation (formerly Value Reporting Foundation (VRF)).

Period Represented

The primary period covered in this Integrated Report is the Company's fiscal year 2025, beginning April 1, 2024 and ending March 31, 2025. When considered helpful to understanding, some content also covers periods before and after fiscal year 2025.

Scope of the Report

This report covers the 66 companies of the Nisshin Seifun Group as of the end of March 2025, including Nisshin Seifun Group Inc. and its consolidated subsidiaries. Information that does not apply to all companies of the Group is duly indicated and the pertinent organizations are provided.

Forward-Looking Statements

The content of this report was prepared based on various assumptions. The report does not represent a guarantee for the presented future target figures or management strategy objectives.

Purpose of the integrated report

This report was prepared to present important information to support an understanding of the activities and objectives of the Nisshin Seifun Group. Additional details about the Group are available on the corporate website.

Investor relations

<https://www.nisshin.com/english/shareholders/>

Sustainability

<https://www.nisshin.com/english/sustainability/>

Financial Information

Non-Financial Information

Integrated Report

This report was prepared to communicate the Nisshin Seifun Group's corporate value to stakeholders in an easy-to-understand format.

Securities Reports Financial Statements

Corporate Governance Report

IR Information Webpage

Sustainability Webpage

Enriching the Japanese diet with wheat

Creating value through dynamic corporate management ahead of its time

1900-1930s

Modernizing and industrializing the manufacturing structure

Establishing a steady supply of high-quality, domestically produced wheat flour

Beginning of modern domestic mechanical flour milling operations

- 1900** Teichiro Shoda established the Tatebayashi Flour Milling Co., Ltd. to develop the potential of mechanical flour milling. **①**
- 1908** Acquired "Nisshin Flour Milling Co., Ltd." by merger and adopted that name.
- 1913** Teichiro Shoda embarked on inspection tours in Europe and the United States, where he recognized the need for physicochemical research on European wheat and flour.

Introduction of the first chemical technology to the Japanese flour milling industry

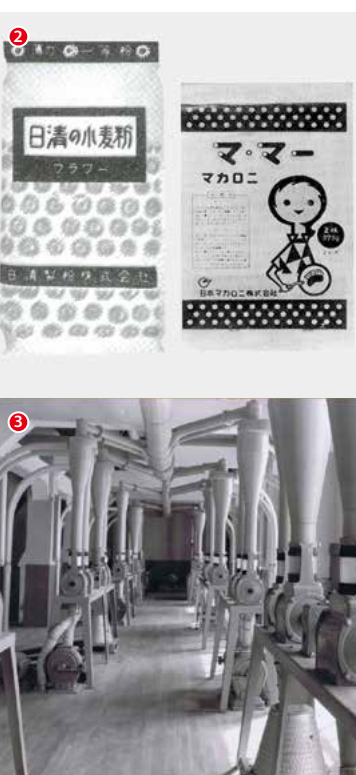
- 1914** Laboratory research begun at a chemical laboratory established at the head office.
- 1918** The original chemical laboratory that later became the Central Research Laboratory (now part of the Kamifukuoka Research Laboratories) established.

Groundbreaking construction of a major seaside plant

- 1926** Constructed to develop the Japanese flour milling industry, the Tsurumi Plant featured a large dock for steamships transporting raw wheat (mainly for export), wheat intake equipment, a production line using German flour milling machines, and a large silo.

Domestic production of yeast and mesh sieves for flour milling

- 1929** The establishment of Oriental Yeast Co., Ltd., made it the pioneer of Japanese yeast production.
- 1934** Nippon Bolting Cloth Co., Ltd. established (precursor of NBC Meshtec Inc.).



1940-1960s

Post-War reconstruction period / Rapid economic growth

Contributed to improving diets and a flourishing food culture

Contribution to post-War reconstruction

- 1945** Four days after the end of the War, Company President Hidesaburo Shoda established a Reconstruction Committee and began rebuilding the Company. The all-out company effort led to all factories that had been damaged returning to operation in just four years, allowing the Company to devote itself to alleviating the post-war food crisis.

Efforts to popularize bread and flour products, and diversify management into new fields

- 1955** Household-use size packages for wheat flour introduced and household-use macaroni products launched. **②**
- 1957** Installing the latest pneumatic milling technology vastly enhanced product quality. **③**
- 1961** Acquired the formula feed manufacturing and research department of Nisshin Feed Co., Ltd.
- 1962** Nisshin Foods Co., Ltd. established to manufacture and sell premixes for household use.
- 1965** Began full-scale manufacturing and sales of pharmaceutical products.
- 1967** Successfully developed the world's first method for mass production of Coenzyme Q10.

Responding to the shift in consumer needs from volume to quality

- 1960s** Construction of the Central Research Laboratory completed (now part of the Kamifukuoka Research Laboratories), Nisshin Chemicals Co., Ltd. established (now Nisshin Pharma Inc.), and Nisshin-DCA Foods Inc. established (now Nisshin Seifun Premix Inc.).

1970-1990s

Globalization of the Japanese economy

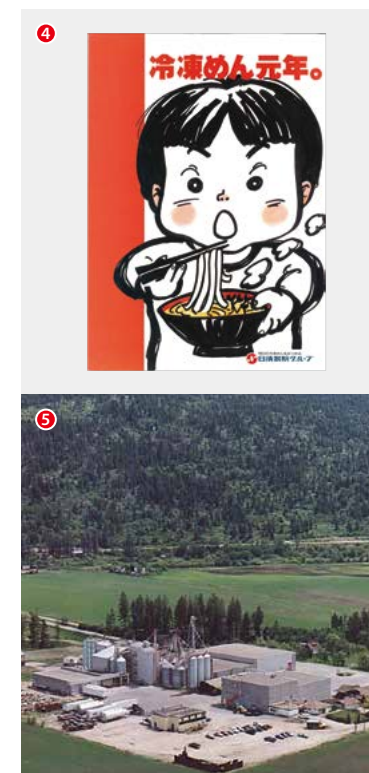
Responding to diversifying lifestyles

Continuously diversifying business with a priority on dialogue with customers

- 1970** Nisshin Pet Food Co., Ltd. established (2020 Pet food sales business sold).
- 1972** Nisshin Engineering Co., Ltd. established.
- 1973** Food Consumer Center (now the Customer Service Office) established to provide information and respond to customer inquiries.
- 1977** Patented the frozen noodle manufacturing method and created a new market for frozen noodles. **④**

Developing business in overseas markets to be an international competitor

- 1987** Company President Osamu Shoda formulated and launched the NI-90 action plan to restructure Group businesses with the core principles of change and execution that became the driving forces of all subsequent management plans.
- 1988** Thai Nisshin Seifun Co., Ltd. established.
- 1989** Canadian flour milling company Rogers Foods Ltd. acquired. **⑤**
- 1991** Thai Nisshin DCA Co., Ltd. (now Thai Nisshin Technomic Co., Ltd.) and Nisshin-STC Flour Milling Co., Ltd. established.
- 1993** Tsukuba Research Center (now the Cereal Science Research Center of Tsukuba) established.
- 1996** Medallion Foods, Inc. established in the United States.
- 1999** Entered the prepared dish and chilled foods business.



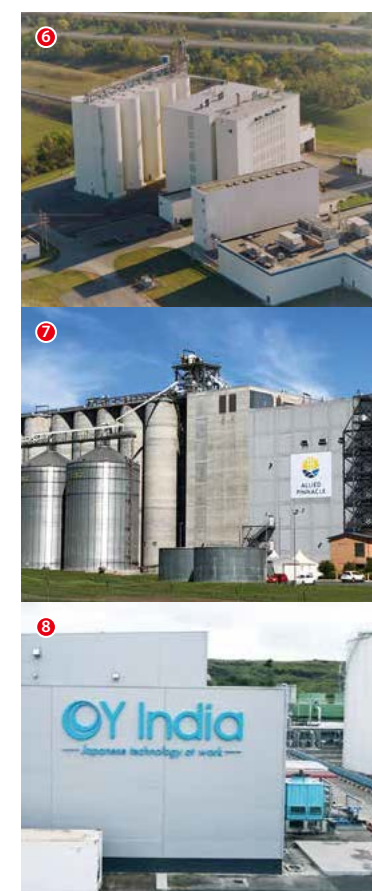
2000-2020s

Declining birthrate and aging population, plus a borderless world economy

Creating further value and contributing to richer diets with more food choices

Rapidly expanding overseas business in anticipation of global increase in food need

- 2000** Celebrated our 100th anniversary.
- 2001** Nisshin Flour Milling Co., Ltd. split into a holding company and operating companies.
- 2002** Qingdao Nisshin Seifun Foods Co., Ltd. established in China.
- 2004** Initio Foods Inc. established in the prepared dishes and foods business.
- 2005** Shin Nisshin Seifun Foods (Qingdao) Co., Ltd. established (merged with Qingdao Nisshin Seifun Foods Co., Ltd. in 2007).
- 2008** International ISO 14001 certification received for the Group's environmental management systems.
- 2010** Hokkaido Wheat Center established in Kitami, Hokkaido to raise the quality of Hokkaido-grown wheat and advance domestic wheat production. Oriental Yeast Co., Ltd. and NBC Meshtec Inc. became wholly owned subsidiaries.
- 2012** Oriental Yeast India Pvt. Ltd. established to expand operations in biotechnology (diagnostics reagents). Miller Milling Company, LLC of the United States acquired. **⑥**
- 2013** Flour milling operation acquired in New Zealand, and Champion Flour Milling Ltd. established.
- 2014** Nisshin Seifun Turkey Makarna Ve Gida Sanayi Ve Ticaret A.S. established. Global production network of pasta products realized.
- 2016** Pre-cooked noodle manufacturer and seller Joyous Foods Co., Ltd. made a subsidiary.
- 2019** Allied Pinnacle Pty Ltd. acquired, making Nisshin Seifun the largest flour maker in Oceania. **⑦**
- 2022** Comprehensive prepared dish and delicatessen food manufacturer Tokatsu Foods Co., Ltd. made a subsidiary. Company name Nisshin Foods Inc. changed to Nisshin Seifun Welna Inc. Intermediate holding company Nisshin Seifun Delica Frontier Inc. established to lead the prepared dishes and other prepared foods segment. Oriental Yeast Co., Ltd. subsidiary Oriental Yeast India Pvt. Ltd. began operation of a new yeast plant. **⑧**
- 2023** Kumamoto Flour Milling Co., Ltd. acquired and made a subsidiary.



Net sales and operating profit

Net sales — Operating profit

* Data from 1950 onward

**FY2025
Net sales
¥851.5 billion**

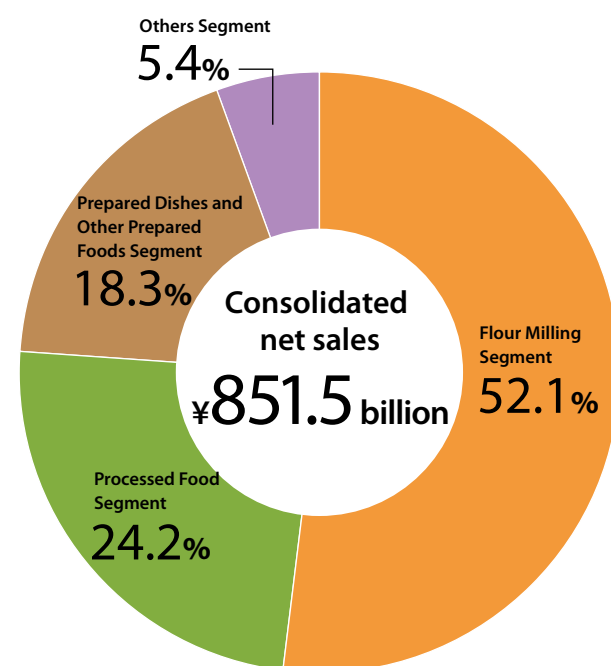
**FY2025
Operating profit
¥46.4 billion**



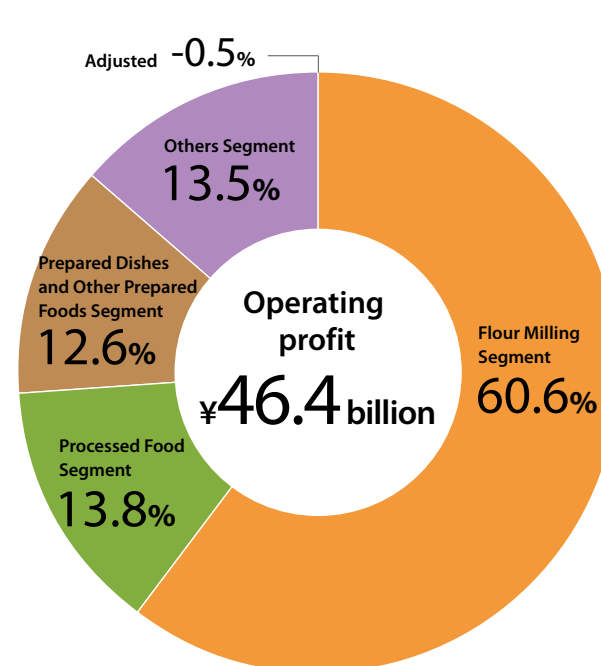
The Nisshin Seifun Group originated as a flour milling business and has grown to encompass processed foods, yeast and biotechnology, healthcare foods, prepared dishes and other prepared foods, engineering, and mesh cloth businesses.

Fiscal 2025 (ended March 31, 2025) (Net sales and operating profit figures are rounded to the nearest ¥100 million)

Sales composition by segment



Operating profit composition by segment



Overseas sales ratio

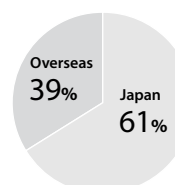
30.8%

ROIC

5.7%

Manufacturing sites
(as of end-March 2025)

89

Consolidated subsidiaries
(as of end-March 2025)

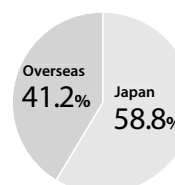
66

ROE

7.0%

Employees
(as of end-March 2025)

9,731



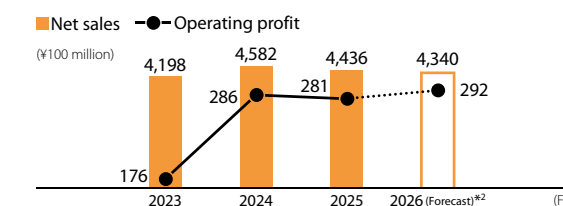
*1 Effective from FY2026, the Company changed the basis for allocating corporate expenses to each segment.
*2 The FY2026 forecast is based on the FY2026 earnings forecast announced by the Company on May 15, 2025.

Flour Milling Segment



Flour Milling Business

We have been the leading the Japanese flour milling industry holding top market share in Japan for many years. We have also expanded our production bases in North America, Oceania, and Asia, and our overseas production capacity now surpasses our capacity in Japan.



Processed Food Segment



Processed Food Business

The Processed Food Business's offers a wide variety of frozen and room-temperature products centered on premixes, pasta, and pasta sauces for home and commercial use. The business is expanding from Japan to worldwide.



Yeast and Biotechnology Business

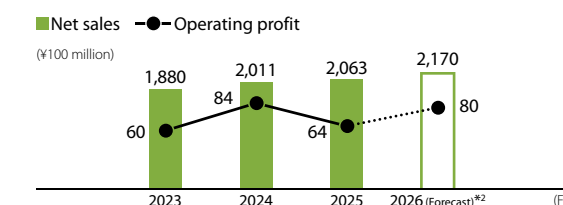
Oriental Yeast holds top market share for baker's yeast in Japan. The Yeast and Biotechnology Business develops and supplies high-quality food ingredients, such as yeast, flour paste, and fillings for bakery use. We also provide proprietary useful proteins for diagnostic and research reagents.

*3 The healthcare foods business will be transferred from Nisshin Pharma Inc. to Oriental Yeast Co., Ltd. beginning in fiscal 2027.



Healthcare Foods Business

The Healthcare Foods Business has extended its research in wheat to research in vitamins and uses proprietary technologies and expertise in food material refinement. The business is advancing R&D in each of these areas to manufacture and sell safe, high-quality health foods, functional food ingredients, and other ingredients.

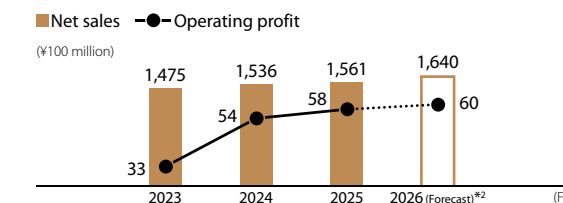


Prepared Dishes and Other Prepared Foods Segment



Prepared Dishes and Other Prepared Foods Business

This business provides products in a wide range of categories, including *onigiri* rice balls, bento boxed lunches, sandwiches, prepared Japanese dishes, pre-cooked noodles, and other offerings for the expanding prepared food market. The Group is currently focusing its comprehensive capabilities on developing foods and automating its manufacturing processes.



Others Segment



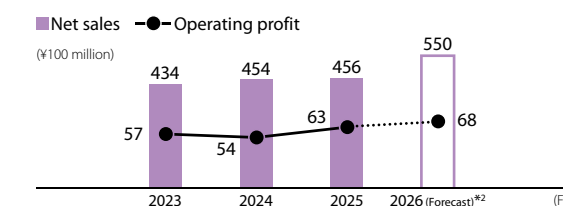
Engineering Business

We combine our extensive experience in food plant construction and our world-class powder processing technology. Focusing on plant and factory construction, we develop and sell powder processing equipment and provide powder processing services using cutting-edge technology.



Mesh Cloth Business

Our technology in this business area has advanced from producing flour milling sieve nets to a wide range of mesh cloths. We supply high-performance mesh cloth for screen printing applications in markets around the world, primarily for the environmental and electronics industries.



A solid presence in a range of markets

The Nisshin Seifun Group's core domestic flour milling, processed foods, and yeast businesses command overwhelming market share in various categories supported by its ability to provide a reliable supply of high-quality foods and the trust it has earned from its customers. The Group is also expanding its operations in the growth domains of prepared dishes and other prepared foods and overseas businesses. In addition, the Group is using its technologies and R&D capabilities to establish solid positions in the healthcare food, biotechnology, engineering, and mesh cloth business fields.

Flour Milling Segment



Flour Milling Business

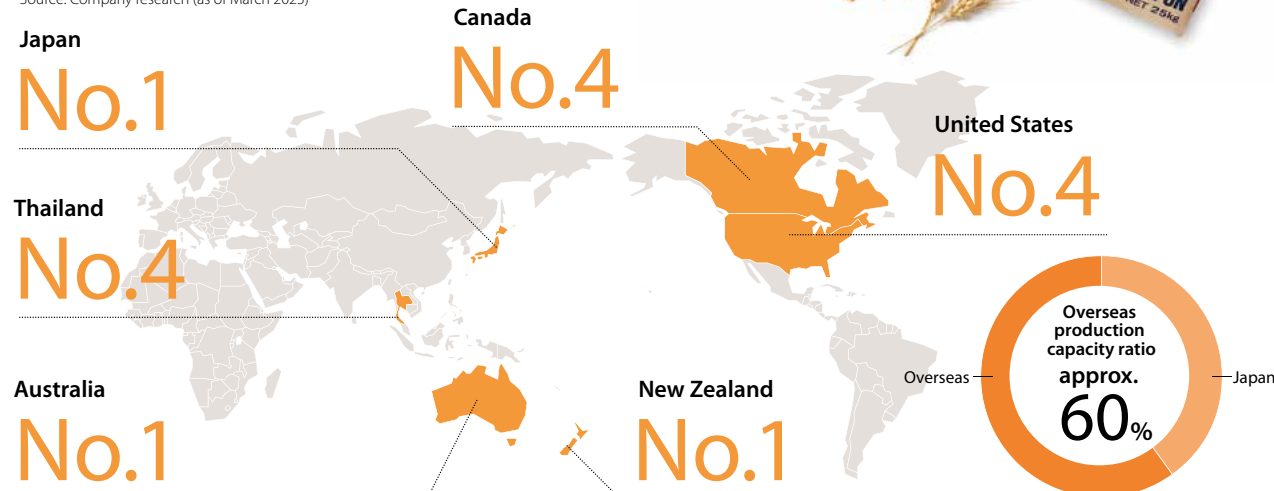
Market share of wheat flour sales in Japan (weight basis)

Source: Company research (fiscal 2024)

No.1 (40%)

Group wheat flour production capacity rank by country

Source: Company research (as of March 2025)



Prepared Dishes and Other Prepared Foods Segment



Prepared Dishes and Other Prepared Foods Business

Number of manufacturing sites in Japan

(as of March 2025)

25



Processed Food Segment



Processed Food Business

Percentages represent our shares in terms of value for each market. The data periods for the No. 1 market shares are April 2024–March 2025 for flour, pasta (spaghetti), pasta sauce, and frozen pasta (frozen pre-cooked pasta and sauce); April 2023–March 2025 for tempura mix and okonomiyaki pancake flour; and April 2022–March 2025 for karaage deep-fry mix.

Market share of household-use products in Japan

Source: Intage SRI+ research (cumulative sales)

No.1 in the following categories



Wheat flour
67.1%

Karaage
deep-fry mix
56.9%



Tempura mix
59.5%



Okonomiyaki
pancake flour
41.9%



Pasta sauce
34.1%



Frozen pasta
36.0%



Pasta (spaghetti)
43.1%



Yeast and Biotechnology Business

Domestic ranking of baker's yeast production volume

Source: Company research

No.1
(approximately 50% market share)



Healthcare Foods Business

Total Bificolon series unit sales:

As of May 2025

*4 Based on the number of packages sold from May 2012 to May 2025, including discontinued products, and assuming 30 capsules per package.

4.3 million units

*5 The healthcare foods business will be transferred from Nisshin Pharma Inc. to Oriental Yeast Co., Ltd. beginning in fiscal 2027.



Others Segment



Engineering Business

Number of projects

Over
4,000



Mesh Cloth Business

Global market share of metal mesh cloth for solar panels

40%



We will enhance the Group's corporate value by responding to the business environment and establishing sustainable growth

Kenji Takihara

Representative Director and President
Nisshin Seifun Group Inc.

Fiscal 2025 review

Much has changed in the three years that I have been president of the Nisshin Seifun Group. While the surge in food prices with the escalation of the Russia-Ukraine conflict has subsided, the sharply rising general inflation, including labor costs, remains a major issue. In the past year, the business environment changed significantly, with geopolitical risks showing no signs of calming while uncertainty is growing around the world. While it is all but impossible to predict what lies ahead, we will continue to actively gather information and swiftly respond to unforeseen developments.

The Nisshin Seifun Group ultimately posted declines in both sales and profit in fiscal 2025. Our core business drivers, which are the overseas flour milling business and the prepared dishes and other prepared foods business, continued performing strongly, but overall earnings were impacted by rising costs for raw materials, transportation, and labor in all segments and by reduced shipments of active pharmaceutical ingredients. Close examination of the domestic flour milling and processed food business performances found that the profit declines in those segments were largely due to insufficient response to rising labor and other costs. While the outlook for business conditions remains unpredictable, we are responding to the cost environment as a Group priority measure for fiscal 2026 with the aim of making up for the negative impact on earnings in fiscal 2025 to reestablish our growth trajectory.

I have long emphasized that implementing priority measures is just as important as achieving our numerical targets. We set and launched four priority measures for fiscal 2025.

The first priority and the first Medium-Term Plan Basic Policy is "Stimulate the Group's ability to grow by restructuring the business portfolio." Portfolio selection and concentration efforts in fiscal 2025 included actively investing in businesses for growth and proceeding to restructure underperforming Group businesses. Investing in businesses for growth included completing construction and commencing operations in May 2025 at the Mizushima Plant of the domestic flour milling business. Overseas, we expanded and fortified the production operations at all of our flour milling plants in the United States.

 Please see Feature 2: Overseas Business (US Flour Milling Business) (Page 39)

While moving ahead with our growth investments, we decided to close Nisshin Pharma Inc. by the end of FY2026. The company operated the fine chemicals business for active pharmaceutical ingredients and the healthcare foods for supplements. We decided to terminate the fine chemicals operation because of the extremely challenging fine chemicals market, where we see little prospect for improving. In health foods, as part of the business portfolio restructuring under the medium-term management plan, we determined that growth prospects will be strongest through transferring the operation to Oriental Yeast, with which we are developing a health and biotechnology business. We are continuing to restructure the portfolio and explore strategic measures to achieve the objectives of the medium-term management plan and set a course for ongoing sustainable growth.



The second priority is “Revitalize the Australia flour milling business and India yeast business.” In Australia, sales remained solid despite severe inflation and added ERP integration costs, and profits increased with support from active price revisions. In India, yeast sales continued strong and, as of the end of March 2025, the business had captured roughly 25% of the local yeast market. However, product price revisions have not been able to keep pace with the rise in molasses costs, posing an ongoing challenge that the Group is working to address.

 Please see Feature 2: Overseas Business (Australia Flour Milling Business / India Yeast Business) (Pages 37–38)

For the third priority, to “Execute the R&D strategy to produce tangible results,” I visited our research laboratories many times in the past year and spoke directly with researchers about their roles in our operations and strategies. Their enthusiasm for creating new hit products is evident, and I believe several ideas are close to fruition. I look forward to new product launches during 2025 and beyond.

The fourth and final priority is to “Leverage the benefits of automation and labor-saving.” In the flour milling business, the Mizushima Plant that started operations in May 2025 is equipped with cutting-edge technologies, and we are installing automated conveyers for packaging materials and

labor-saving equipment across all mills in Japan and overseas. In the prepared dishes and other prepared foods business, we are developing and engineering a wide range of automation equipment and are preparing to install digitally operated sauce-pouring systems and ingredient-plating inspection equipment. From its origin in flour milling, our Group has evolved into a technologically advanced, highly productive operation. Our extensive experience and wide-ranging know-how enable us to accelerate the development of automation and labor-saving technologies and make optimal use of limited human resources.

 Please see Feature 1: Domestic Flour Milling Business (Completion of the New Mizushima Plant) (Pages 32–35)

Fiscal 2026 Medium-Term Management Plan initiatives

The sharp rise in costs, including labor, that began last year remains a key issue in fiscal 2025 and for coming years. Improving business performance this year and beyond will require an effective response. Accordingly, we have designated “Addressing inflationary pressures and rising labor and other costs” as a priority measure for fiscal 2026. Steps are already underway in the flour milling and processed food businesses, where we are adjusting product prices without delay in response to higher costs while working to maintain the understanding of our clients.

The Nisshin Seifun Group’s core domestic flour milling business, along with the domestic processed foods and yeast businesses, are integral to the food infrastructure in Japan. While establishing consistent profitability in these businesses, we will use the cash they generate to continue expanding our overseas operations and the prepared dishes and other prepared foods business to ensure their ongoing viability and growth. This approach requires a stable core business, and we will also invest in maintaining and further strengthening the milling business. Investing both in growth and in the core business will provide the foundation for overall Group earnings growth and continued business expansion.

We have five priority measures for fiscal 2026. We will continue with business portfolio restructuring and steps to offset the rising labor and other costs. We are separating the Australia flour milling and India yeast businesses into separate areas to reflect their stages of business development and to

form clearer and more specific strategies and initiatives for each. We also plan to significantly advance automation and labor-saving in the next few years, and will focus especially on the prepared dishes and other prepared foods business to firmly establish the Group’s competitive advantage in the industry.

I would like to take a moment to provide more details about what we are doing in the Australia flour milling and India yeast businesses and how we are accelerating automation and labor-saving in the prepared dishes and other prepared foods business.

We began strengthening the management structure of the Australia flour milling business when the medium-term management plan was introduced. Since my visit three years ago, before becoming president, the management structure has improved immensely; and when I visited in May this year, it was in excellent shape. With this solid backbone, the business has begun advancing a structural reform plan that includes streamlining the supply chain and incorporating automation in labor-intensive operations to support further business growth. In January 2025, the Wise Wheat® brand of high-fiber flour was launched with the aim of further boosting revenues. The product line has the potential to become a strong earner, even under Australia’s severe inflationary conditions.

Improving earnings in the Australian business is essential for the sustainable growth of the Group. We believe these initiatives will position the operation for growth beyond the current medium-term plan and contribute to overall Group earnings in the medium term.

For the India yeast business, rising costs are a major issue. To offset the impact, the business will continue the price revisions it began in fiscal 2026; however, it is unrealistic to expect them to proceed at the same pace as last year. One strategy this year will be to leverage our technological capabilities to develop and introduce new yeast strains with high fermentability. Our aim is to balance the price revisions with new product offerings that enable clients to create added value.

Demand for bread is growing in India, and we continue to see it as a promising market. We will steadily implement our strategies with the goal of gradually building earnings momentum.

Profits in the prepared dishes and other prepared foods business rose sharply in fiscal 2024 and have continued to grow steadily. We expect the broadened sales reach to drive

Fiscal 2026 Priority Measures

- 1 **Stimulate the Group’s ability to grow by restructuring the business portfolio**
- 2 **Respond to rising labor and other costs in the inflationary environment**
- 3 **Restructure the Australia flour milling business to increase earnings and implement new strategies**
- 4 **Steadily build India yeast business earnings toward profitability**
- 5 **Accelerate automation and labor-saving measures**

further growth in fiscal 2026. In Japan, the trend toward increasing food preparation outside the home is expected to support sales growth, and we plan to leverage this trend to steadily raise profits. Since food preparation is labor intensive, we expect the business to also benefit from automation. This year, I revisited one of our *onigiri* rice ball factories that I had previously visited in 2022, just before becoming president. In only three years, the improvements in labor-saving on the same production line were remarkable. We will work to expand automation across production lines at all factories to achieve similar results.



● **Revised Medium-Term Management Plan 2026 numerical targets and progress**

The Medium-Term Management Plan 2026 launched in October 2022 set numerical targets for the five years through fiscal 2027. Originally set as ambitious targets based on our fiscal 2022 results, we made such rapid progress that we raised the targets further in October 2024. However, our business performance slowed in the second half of fiscal 2025 due to unexpected cost increases and sluggish sales of active pharmaceutical ingredients. In fiscal 2026, we will work to restore our earnings growth trajectory through the strategic initiatives I have described to achieve the targets set for the plan's final year, fiscal 2027.

● **A more resilient capital policy**

The Medium-Term Management Plan 2026 positions growth of earnings per share (EPS) as the central driver of corporate value. Our fundamental stance is that maintaining a certain level of capital reserve for emergencies is essential to ensure a stable supply of flour and other staple food products. At the same time, we recognize the importance of being acutely mindful of capital efficiency in every initiative we undertake. With these points in mind, we have re-envisioned our approach to the balance sheet.

The first step is to secure profits exceeding the cost of capital. We introduced division-based ROIC management and set a target for 7% ROIC in fiscal 2027. ROIC has always been an important consideration, and in fiscal 2026 it will

carry even more weight in management decisions. We will also improve capital efficiency by leveraging our financing capacity to obtain interest-bearing debt. Our debt-to-equity ratio is currently near zero, and we are considering raising it to 0.3 times in the medium term to support aggressive growth investment. Additional measures include the policy adopted in October 2024 to reduce strategically held shareholdings*1 and limiting excess capital holdings by keeping cash and deposits equivalent to about one month of consolidated sales.

We are also implementing an active shareholder return policy with a firmly established standard for a consolidated dividend payout ratio of at least 40%, excluding non-recurring special factors. Our goal is to raise the ratio to 50% by the final year of the current medium-term management plan. We plan to increase dividends in fiscal 2026 and will consider further increases in subsequent years as appropriate.

*1 The policy is to reduce strategically held shareholdings by at least ¥40 billion, averaging ¥8 billion annually over the five years beginning in fiscal 2025. In fiscal 2025, the first year, the reduction was ¥9 billion.

New medium-term management plan final year targets (Revised in October 2024)

	New goals	Original goals	Upward revision amount
Net sales (¥ billion)	950.0	900.0	+50.0
Operating profit (¥ billion)	57.0	48.0	+9.0
EPS (¥)	140	110	+30
ROE (%)	8.0	7.0	+1.0

Progress toward the medium-term management plan final-year targets

	FY2022 results	FY2025 results	FY2026 forecast*2	Final year target
Net sales (¥ billion)	679.7	851.5	870.0	950.0
Operating profit (¥ billion)	29.4	46.4	50.0	57.0
EPS (¥)	59	117	135	140
ROE (%)	4.0	7.0	7.9	8.0

*2 The FY2026 forecast is based on the FY2026 earnings forecast announced by the Company on May 15, 2025.



Setting the foundation for value creation (ESG initiatives)

In fiscal 2026, we will continue advancing ESG initiatives under the medium-term management plan's basic policy to achieve sustainable growth and enhancing the Group's corporate value by integrating ESG into management strategy and adapting to social trends.

Following our roadmap for CO₂ reduction targets, we are implementing initiatives throughout the flour milling, processed food, and other operations. The Mizushima Plant flour milling operation that started in May 2025 uses solar power generation, energy-saving equipment, and non-fossil fuel certificates to effectively source 100% of its electricity from renewable energy. Nisshin Seifun is committed to contributing to a decarbonized society.

[Please see Sustainability Strategy: The Environment \(Pages 48–52\)](#)

We believe that our people are the source of our corporate value. Our human resources strategy for securing the talent needed to execute our business strategies is to take a long-term view on personnel acquisition and placement and the cultivation of a resilient organizational culture. One initiative that enhanced our recruitment of new college graduates was the start of Group hiring in April 2025. This coordinated approach was well received by candidates, who said they clearly understood the types of positions available and the Group's diverse activities.

The Group also regards the promotion of women's participation in the workplace as a key pillar of its management strategy. We are fostering an environment where diverse talent can thrive while steadily strengthening systems and measures to increase women's roles in management and business decision-making.

[Please see Sustainability Strategy: Society \(Pages 53–59\)](#)

We will continue working to earn the trust of all stakeholders, and we look forward to your ongoing support.

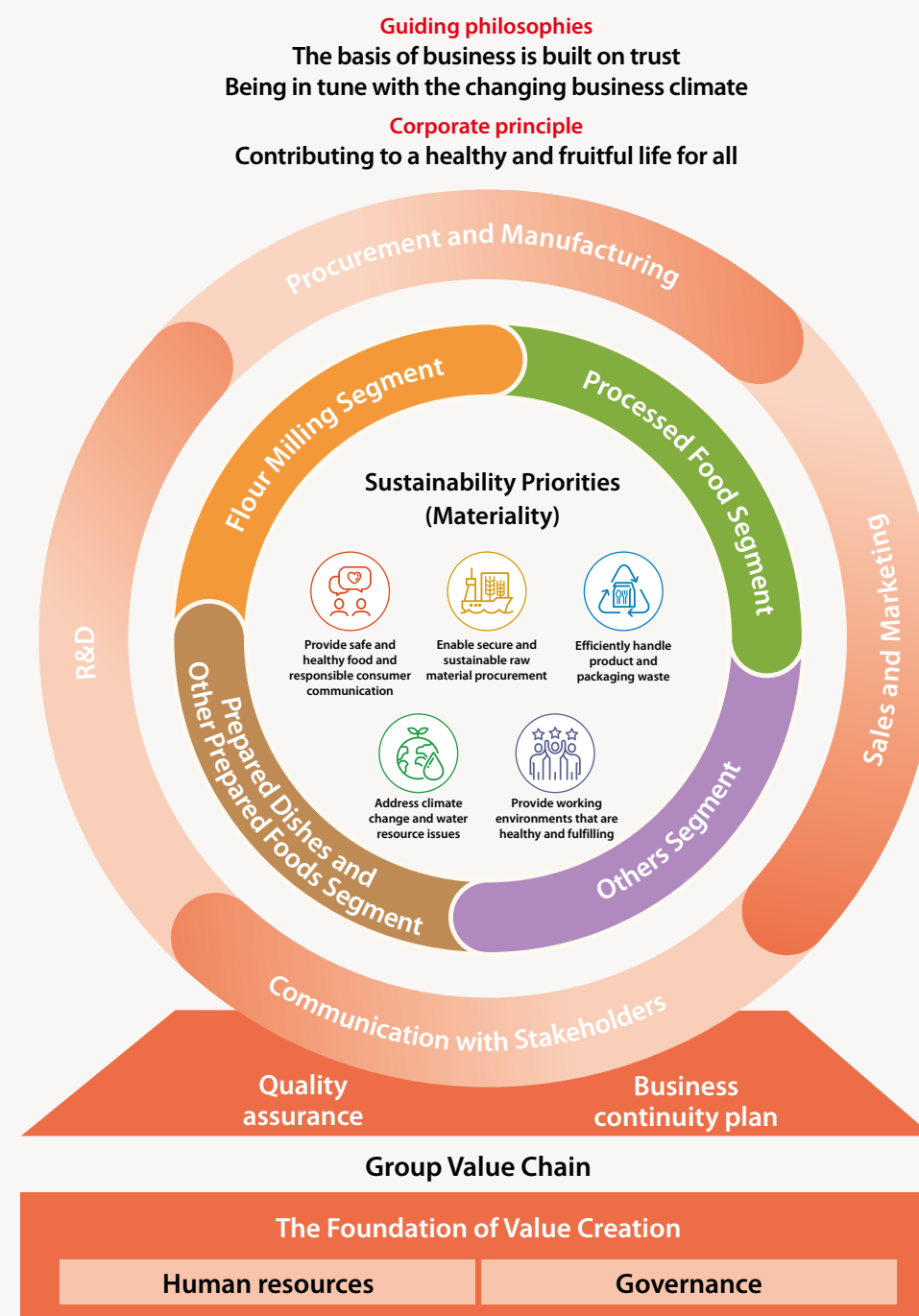
Using the integrated strength of our diversified wheat businesses to support rich and diverse food preferences and healthy lifestyles with safe and reliable products for any occasion

We are pursuing a variety of businesses to leverage the technology and networks we have developed as the leading flour milling corporate group supporting the food infrastructure in Japan. With safety and reliability as our highest priority, our mission is to create and offer a wide range of value by providing products and services that “contribute to a healthy and fruitful life for all.”

Input

Fiscal 2025

Financial Capital	
● Equity ratio	61%
● Operating cash flow	¥55.2 billion
● Credit rating	AA (JCR)
Intellectual Capital	
● R&D spending	¥8.0 billion
● Patents held	1,860 (1,076 in Japan / 784 overseas)
Manufacturing Capital	
● Manufacturing sites	54 in Japan
● Manufacturing sites	35 overseas
● Countries in which we have plants	11
Human Capital	
● Employees	9,731
● Percentage of women in new graduate hires	42%
● Percentage of non-Japanese employees	41%
Social Capital	
● Customer base cultivated during a century of business	
● Relationships of trust with wheat producers	
● The top brand in BtoB and BtoC	
Natural Capital	
● Energy usage	7,666 TJ
● Total water inputs	6,917 thousand m ³



Output

- (1) Supply of high-quality foods made possible by R&D focused on market needs
 - (2) Diverse products that contribute to healthy lifestyles
 - (3) Wide-ranging products and services to address environmental issues
 - (4) Provision of information about health and food culture
- See “At a Glance” on pages 6–9 for information about products

Medium- to long-term targets for achieving outcomes

Financial targets

Medium-Term Management Plan 2026

	Results for fiscal 2022 (base year for the medium-term management plan)	Results for fiscal 2025	Targets for fiscal 2027
Net sales	¥679.7 billion	¥851.5 billion	¥950.0 billion
Operating profit	¥29.4 billion	¥46.4 billion	¥57.0 billion
EPS	¥59	¥117	¥140
ROE	4.0%	7.0%	8.0%

Non-financial targets

	Results for fiscal 2025	Targets for fiscal 2027
Percentage of management positions held by women	13.5%	15.0% or higher*1
CO ₂ emissions at Group business sites (compared with fiscal 2014 levels) Target: Reduction to net zero emissions by 2050	24% reduction	50% reduction
Food waste (compared with fiscal 2017 levels)	66% reduction (target achieved ahead of schedule)	50% reduction*2
Container and packaging waste (compared with fiscal 2020 levels)	14% reduction	Reduction by 25% or more*3
Water use intensity in production plants (compared with fiscal 2022)	3% reduction	30% reduction*4

Outcome

Producing safe, reliable, sustainable foods and food infrastructure

Ensuring food abundance and diversity

Driving innovation in fields that support food and health

Helping to build a healthy society

Contributing to a decarbonized, recycling-oriented society

Becoming a corporate group where all employees can find fulfillment in their work

Reinvesting to maximize corporate value and shareholder return

External Environment (Risks and Opportunities)

Demographics

- Increase in global population and decrease in population of Japan
- Aging society
- Labor shortages

Technological Innovation

- Automation
- AI technology
- Increased sophistication of logistics
- Food tech

Environment & Food Resources

- Global warming
- Pollution from waste
- Exhaustion of food resources

Global Economy

- Expansion of emerging markets
- Geopolitical risk
- Worldwide cost inflation

Food & Health

- Rise in awareness of safety
- Health consciousness
- Diversifying food preferences

*1 Major Group companies in Japan (Please see *5 on page 57.)

*2 At Group companies in Japan. Initio Foods Inc., Joyous Foods Co., Ltd., and Tokatsu Foods Co., Ltd., compared to fiscal 2020

*3 Group companies in Japan

*4 All Group companies in Japan and overseas

Sustainability Initiatives

Activity structures

Important matters relating to sustainability in the Nisshin Seifun Group are reported to and discussed by the Board of Directors. The Board reviews and confirms progress on sustainability initiatives.

The Sustainability Committee, which is chaired by the Director and President of Nisshin Seifun Group Inc. and made up of the presidents of other Group companies, was established to promote sustainability activities by the Group. In principle, the Committee meets twice each year to monitor progress on important sustainability initiatives priorities identified in our materiality, including the medium- to long-term environmental targets formulated in 2021. It also deliberates on new sustainability-related issues, etc., as well as policies and strategies to address these issues. In addition, the Sustainability Committee oversees and facilitates the activities of three specialized committees—the Environment Committee, the Human Rights Promotion Committee, and the Work Style Reform Committee—which coordinate Group-wide initiatives relating to individual issues, such as climate change responses, respect for human rights, and the improvement of employees' working environments. Together these committees form a structure for promoting and strengthening sustainability initiatives by the Nisshin Seifun Group.

Identifying our materiality

We have identified sustainability priorities (materiality) for the Nisshin Seifun Group with the aim of focusing our efforts on social issues that are extremely significant for our stakeholders and have the greatest impact on our business activities. The sustainability priorities will be reviewed regularly to reflect changes in the social environment.

Process for identifying priority issues

With the assistance of experts, we have identified approximately 60 issues using the procedures outlined below. These have been condensed into five sustainability priorities.

Step 1

Examine issues based on international norms and surveys of environmental, social, and governance (ESG) rating organizations.

We compiled a list of candidate issues, with reference to the GRI standards, ISO26000, evaluation items used by ESG rating organizations, case studies from other companies, and other information.

Step 2

Organize the issues by analyzing value chains.

We identified issues in the value chains for key businesses by ascertaining the status of processes, procured goods, and workers through interviews with business divisions and factory visits.

Step 3

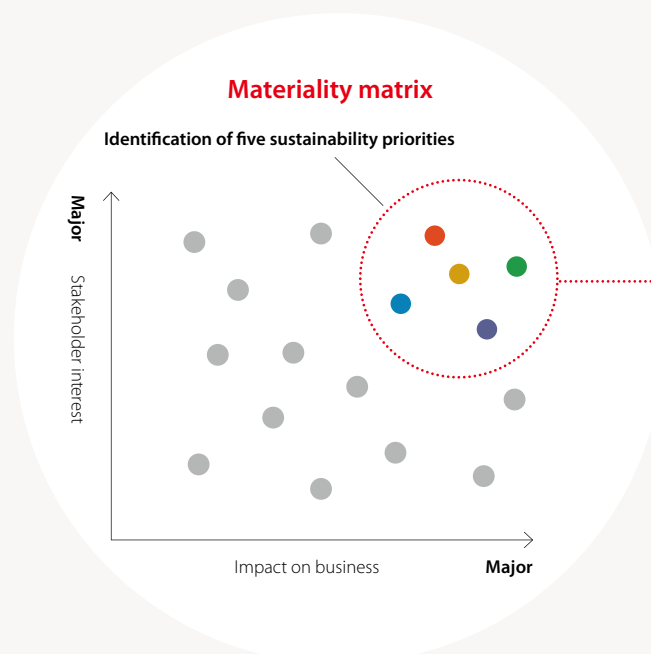
Assess stakeholder interest.

We rated stakeholder interest on three levels (high, medium, low) based on assessments by ESG rating organizations, questions from NGOs, and other information.

Step 4

Assess the potential impact on our business.

Using the same methodology as the assessment of stakeholder interest in Step 3, we rated issues on three levels according to their impact on business and arranged them on the above materiality matrix chart.



Sustainability Priorities (Materiality)

Sustainability priorities	Priority themes	Identifying social issues and providing value	Areas contributing to the SDGs
 Provide safe and healthy food and responsible consumer communication	Ensuring food safety	The Nisshin Seifun Group's corporate slogan is "delivering good health and reliability." We regard product quality as our most important responsibility, and our efforts to fulfill that responsibility are based on the concept of quality assurance from the viewpoint of consumers. Food-related priorities and needs are becoming increasingly diverse due to demographic aging, growing health awareness, and other factors. We will continue to use the accumulated knowledge of the Nisshin Seifun Group to create and deliver new value by focusing our research and development activities toward products and technologies that help consumers to enjoy good health. Our respect for consumers and customers is reflected in our ongoing efforts to contribute to healthier and more fulfilling lifestyles under our consumer-oriented management policy.	
	Responsible consumer communication		
	Contribution to healthy diets		
 Enable secure and sustainable raw material procurement	Ensuring stable wheat procurement	Our continuing ability to supply safe, high-quality products depends on reliable and sustainable access to safe raw materials. That is only possible if procurement activities are backed by the fulfillment of our social responsibilities, not only within our own operations, but also across entire supply chains. Under our Responsible Procurement Policy, we work with our suppliers to mitigate environmental issues and human rights risks in our supply chains and ensure that all procurement activities are conducted responsibly and on the basis of fair and ethical trading. We also monitor conditions in raw material production areas in Japan and overseas. By reliably procuring wheat and other raw materials, we ensure our continuing ability to supply safe, reliable products to our customers.	
	Sustainable raw material procurement		
 Efficiently handle product and packaging waste	Reducing food waste	While many people in the world are still affected by hunger and poverty, food losses also continue to be a major problem. Another problem is plastic waste from packaging, which has low recovery and effective utilization ratios compared with metals and other materials. There is growing concern about pollution on a global scale caused by the release of this plastic waste into rivers and oceans. One of our most important priorities as a food manufacturer is to minimize food waste and plastic waste through efforts to create a system to reuse and recycle these materials in a sustainable manner. The Nisshin Seifun Group has been working actively for many years to reduce waste emissions and recycle resources. We have set medium-term targets for the further reduction of environmental loads, including measures to minimize food and packaging waste. We will continue to contribute to the realization of a sustainable society in cooperation with our partners at all stages of our supply chains.	
	Reducing packaging waste		
 Address climate change and water resource issues	Climate change adaptation and mitigation	Social, environmental, and business activities are being seriously impacted by the consequences of global warming, including rising temperatures, water shortages, and the increasing severity and frequency of natural disasters. This situation has become a major issue for the Nisshin Seifun Group at all stages of its supply chains. Today the survival of businesses depends on their ability to adapt to climate change and water problems. Our contributions to the realization of a decarbonized society will include efforts to achieve carbon neutrality by 2050. To achieve this, we have set medium- to long-term targets for the reduction of CO ₂ emissions at our business sites and across our supply chains. In addition, we will continue to monitor water risks in raw material production areas and at our operation sites, while also working to reduce water consumption at our production sites, and cooperating with our partners to ensure the effective utilization of water at all stages of our supply chains.	
	Water resource conservation		
 Provide working environments that are healthy and fulfilling	Respect for diversity	Employees are the drivers of growth and progress for the Nisshin Seifun Group. We have expanded into various fields of business on a global scale, with the result that the Group now employs people who are diverse in terms of nationality, age, gender, lifestyles, and values. One of our most important priorities is the development of a corporate culture based on mutual respect and acceptance of differences. We want to create working environments in which diverse employees can enjoy good physical and mental health, experience fulfillment through their work, and reach their full potential. We are pursuing workstyle reforms and health management with the aim of fostering a corporate culture that will lead to the creation of new value.	
	Cultivation of human resources		
	Employee working environments and health		

Leveraging Group strengths, we create new value backed by our trusted Nisshin brand

Ever since its founding in 1900, the Nisshin Seifun Group has built a reputation as a trusted brand by reliably supplying safe foods through business activities following our guiding philosophies of “the basis of business is built on trust” and “being in tune with the changing business climate,” along with our corporate principle to “contribute to a healthy and fruitful life for all.”

The Nisshin Seifun Group has consistently worked to supply safe, reliable food and foster the evolution of food culture in line with a corporate principle that emphasizes contribution to a healthy and fruitful life. These efforts have been guided by our core beliefs that the basis of business is built on trust and that a company needs to stay in tune with the changing business climate. Since our founding over 125 years ago, we have built unique value chains and created diverse value for society.

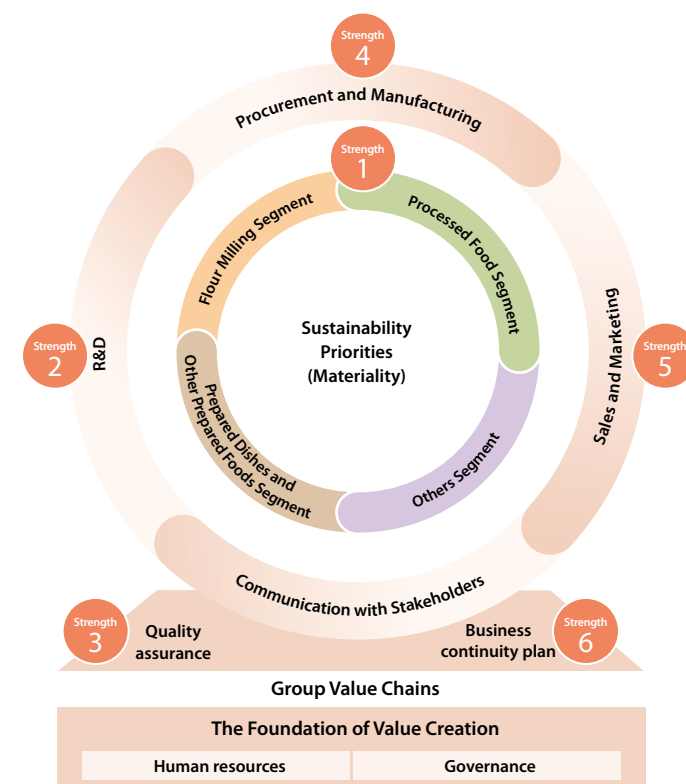
From our beginnings in the flour milling business, we have expanded into many other fields, such as processed foods and prepared dishes and other prepared foods, resulting in the creation of a flexible and resilient business portfolio that offers value for a diverse range of food consumption scenarios. We have leveraged our wide-ranging R&D capabilities to create a continuing stream of new products that help consumers to

maintain good health. At the same time, we have earned the trust of our suppliers, customers, and consumers by supplying products backed by comprehensive quality assurance systems and advanced manufacturing technology, and by addressing consumer needs through our marketing activities.

The Nisshin Seifun Group is dedicated to the fulfillment of its mission to contribute to the reliable supply of food. We achieve that by strengthening our supply chains through the establishment of production and procurement networks in Japan and overseas, and through effective business continuity planning (BCP).

The six strengths embodied in our value chains are the source of our ability to achieve continuous growth by contributing to society through business as a leading food manufacturer, while adapting to a constantly changing social and market environment.

Six strengths



Strength
1

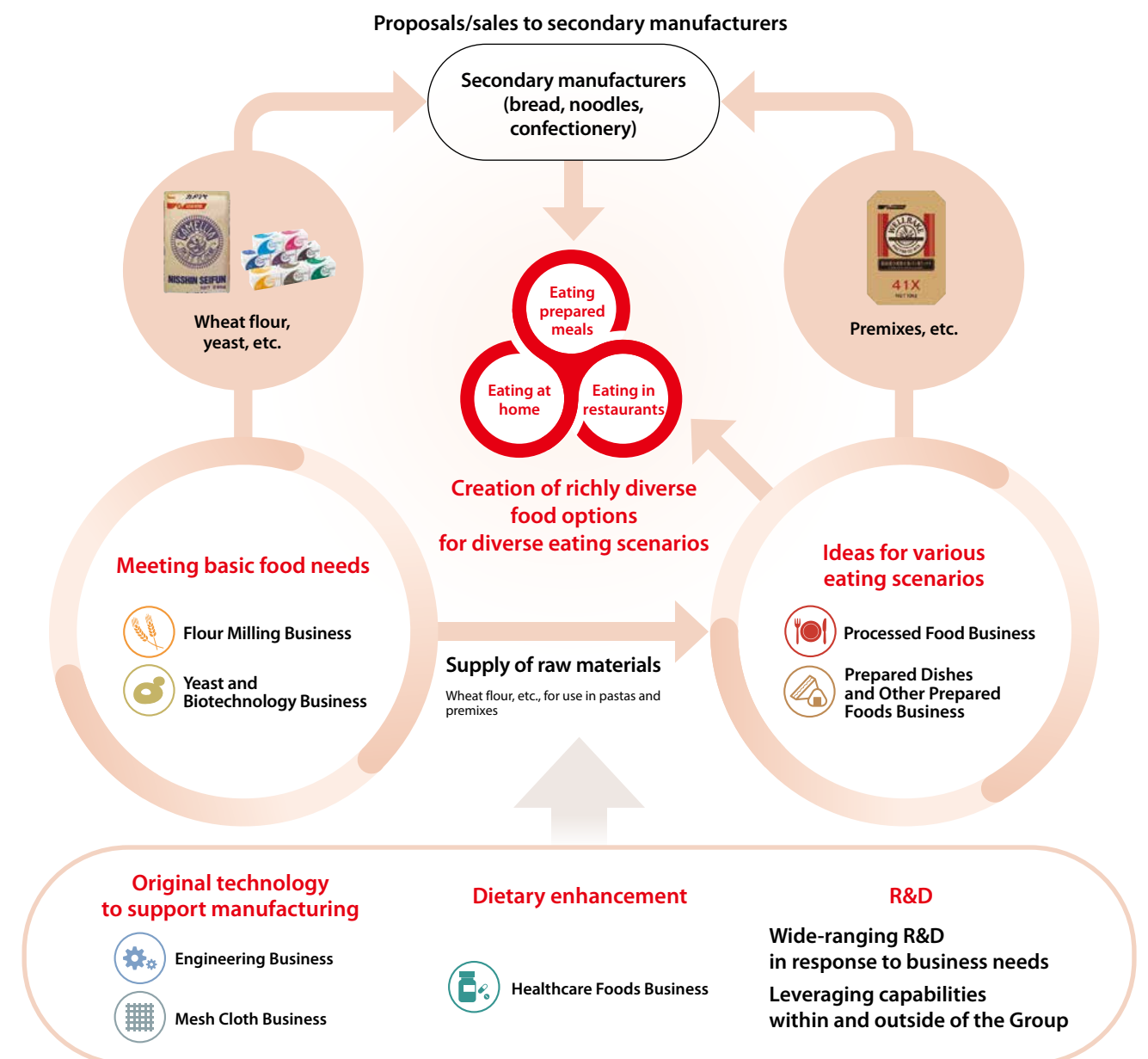


**A flexible and resilient business portfolio
covering products for a wide variety of eating options**

Creating richly diverse food options to meet changing needs

From its origins as a flour-milling company, the Nisshin Seifun Group has steadily expanded its business portfolio in step with changing needs. The Group has diversified into the yeast business, and during Japan's period of high economic growth, it brought new choices to Japanese dining tables by launching household-use flour and macaroni. Through our premix business, we have helped our customers to improve productivity and build extensive product

lineups. Anticipating growth in the number of households in which both partners work outside of the home, we also moved into the frozen food business and began to supply prepared dishes and other prepared foods. In addition, we are expanding the potential of our healthcare foods business, through which we help people to enhance their diets; our engineering business, through which we contribute to quality and efficiency in manufacturing; and our mesh cloth business, through which we continually create new technologies and value. In this way, we create diverse value through collaboration among our Group businesses.



Strength
2

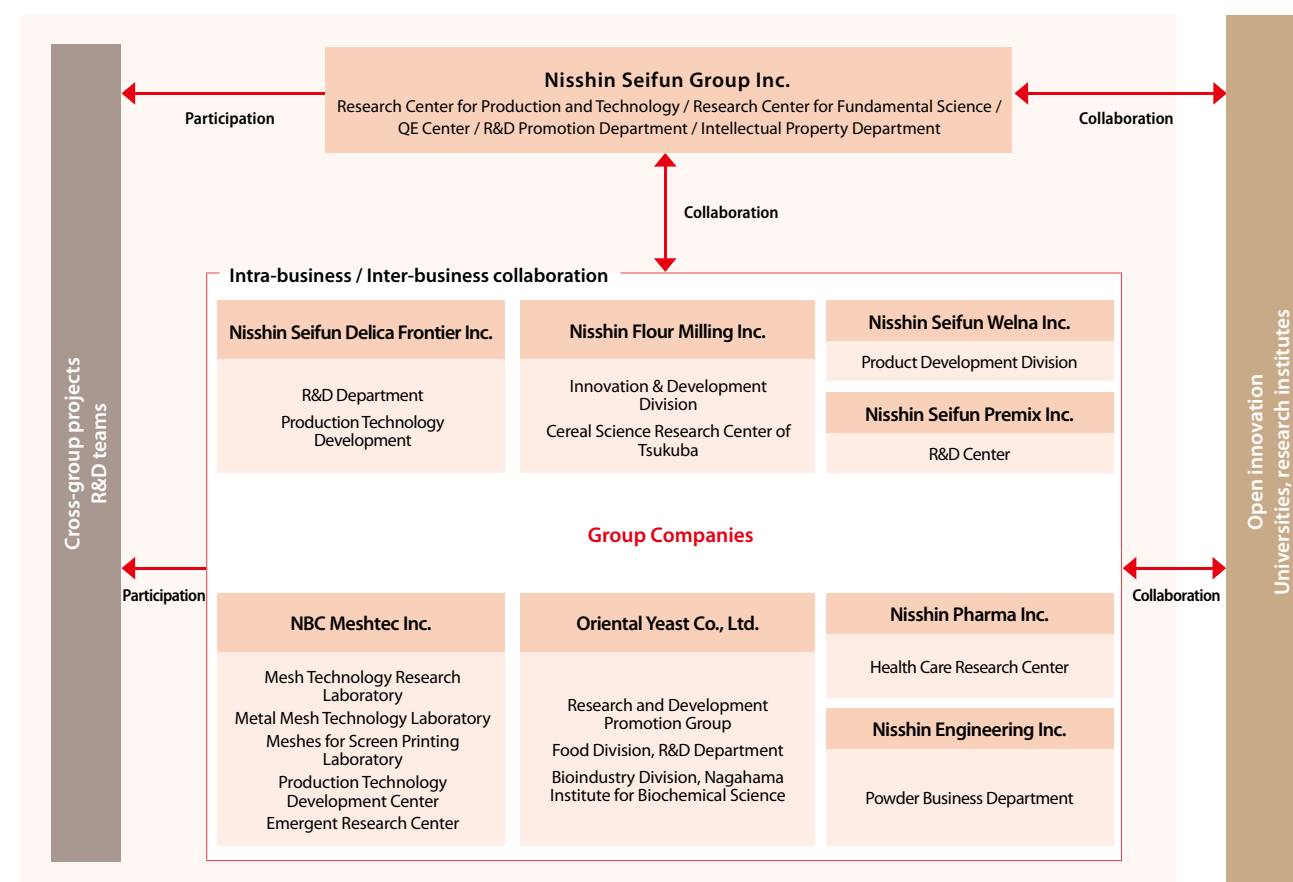
Innovation driven by basic research

Applying the Group's internal and external strengths and multifaceted R&D to specific business needs

Nisshin Seifun Group Inc. and other Group companies each have their own highly effective R&D organizations. These are organically integrated into a group-wide structure encompassing all stages of R&D, from fundamental research to developing products that are delicious, simple, and convenient, through the development of

secondary processing technologies that align with the customer's perspective.

By quickly acquiring the patent rights to intellectual property resulting from our research and prioritizing its strategic use in our business activities, we preserve our competitive advantage and satisfy our customers with our unparalleled product quality. We also seek to generate new value through collaborative research, open innovation, and other methods to incorporate input from outside the Group.



New products resulting from research focusing on the health functions of wheat

As a leading company in wheat-related industries, the Nisshin Seifun Group continues to discover new possibilities for wheat. We explore the health benefits of whole wheat flour and bran and prioritize the creation of new products and services that contribute to the health of consumers.

One of the health-enhancing products that we have developed using high-fiber wheat is *Amuleia* high-fiber wheat flour. Since its introduction in 2023, *Amuleia* has been used in a wide variety of

products, including bread and noodles. We are also using high-fiber wheat in overseas markets. In Australia, for example, we launched the Wise Wheat® brand of high-fiber wheat products in 2025. Australia's biggest supermarket chain has adopted these products for use in its in-store bakeries. Modern diets tend to be deficient in dietary fiber, and we are helping people to enjoy healthier lifestyles by enabling them to consume dietary fiber through a variety of foods made using wheat flour.

The Nisshin Seifun Group remains committed to fundamental and basic research leading to the creation of new products that benefit consumers.

Strength
3

Safe and reliable products backed by comprehensive quality management

Quality assurance from a consumer's perspective

Since its founding in 1900, the Nisshin Seifun Group has worked to earn the trust of society by following our guiding philosophies of "the basis of business is built on trust" and to "be in tune with the changing business climate," along with our corporate principle to "contribute to a healthy and fruitful life for all." As part of this commitment, individual employees practice quality assurance from a consumer's perspective by constantly asking themselves whether they could clearly explain the work that they are doing to a consumer.

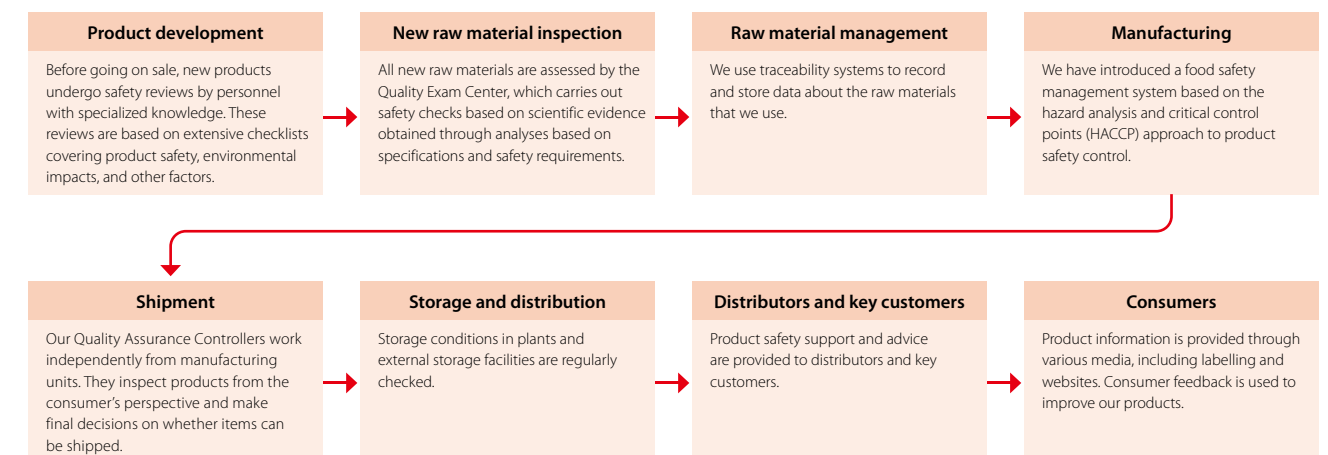
The Quality Assurance Policy of the Nisshin Seifun Group
<https://www.nisshin.com/english/safety/>

Full quality assurance in all processes

Our internationally certified management systems and our team of Quality Assurance Controllers ensure the safety of all processes from product development and raw material procurement through to manufacturing and distribution. In addition, all of our manufacturing plants and storage facilities use the Nisshin Quality Assurance Audits (NQ Audits) system based on our unique checklists. These audits not only highlight emerging issues but also identify potential problems, enabling us to maintain and enhance our quality assurance performance through the early detection of and response to risk factors. We have further strengthened product safety by formulating food defense guidelines designed to prevent deliberate contamination of our products.

The management system certifications obtained by the Nisshin Seifun Group
<https://www.nisshin.com/english/safety/authentication.html>

Quality management spanning the entire food chain



Using consumer input to enhance product safety and reliability

We established the Customer Service Office to respond directly to consumer input about household-use product categories and health foods in the food segment. We build confidence in the Nisshin Seifun Group by engaging with consumers in relation to safety and reliability. While providing timely and accurate responses to consumer input, we also use the following approaches to create new value and achieve further service improvements.

Each year, the Customer Service Office receives around 10,000 communications from consumers. Using the CHORUS system based on our internal networks, we share this input across units in areas ranging from R&D and production to marketing. These units respond quickly and appropriately to consumer inquiries and use the input to

create products that reflect consumer perspectives.

When consumers raise concerns, the units in charge check the actual products concerned and provide clear and detailed responses based on investigations at the factories concerned. The officer in charge of quality assurance convenes Customer Feedback Review Meetings with staff from the Public Communications Department, Customer Service Office, Quality Assurance Department, and manufacturing units. These meetings check and share information, including the number of cases in the past week, details of the issue, and any consumer expressions of dissatisfaction with investigation reports. Consumer feedback received after products have been launched is used as reference information at monthly Quality Improvement Meetings attended by quality control, quality assurance, production, and product development staff, with the aim of enhancing our products and services.

Strength
4

Advanced manufacturing technology geared toward customer needs

Milling expertise and technology are key to the consistently high quality of hundreds of types of wheat flour

The Nisshin Seifun Group offers a lineup of several hundred types of wheat flour to meet user needs and product characteristics. The wheat that we use as a raw material is an agricultural crop, which means that wheat harvested in different locations or carried on different ships can show quality differences even within the same variety grown in the same year. However, wheat flour used in secondary processed flour products, such as bread, noodles, and confectionary, must consistently meet quality standards that reflect customer requirements and the characteristics of secondary products, since variations in the quality of the wheat flour used can result in lower yields and food waste.

We ensure that our customers can use Nisshin Seifun Group products with confidence by blending and adjusting multiple types of wheat to stabilize quality. By preventing issues that could impact the quality of our customers' secondary processed flour products, these initiatives help to build customer trust in the Nisshin Seifun Group.



Commercial wheat flour

Production structures designed to maximize competitiveness

Food prices are expected to continue rising for some time due to the soaring prices of grain and other raw materials and resources worldwide, combined with the weakening of the yen. We have built a new plant at Mizushima for the Flour Milling Business as part of our efforts to develop low-cost production operations that will allow us to cope with international competition. The new plant, which became operational in May 2025, is an environmentally friendly smart facility equipped with the latest automation systems and digital technology. In the Prepared Dishes and Other Prepared Foods Business, we are pursuing various initiatives to optimize the efficiency of our production processes, including automatic container packaging systems for prepared dishes.

We are using the technology development capabilities of Nisshin Seifun Group Inc. and expertise accumulated by our various group companies to maximize competitiveness across the entire Nisshin Seifun Group.

Using packaging technology to create environmental value

Containers and packaging used for our products become waste as soon as the food is consumed. That is why we always consider the environmental impact when developing new products.

For example, we have reduced the amount of plastic used in the new *Ma•Ma RICH-NA* frozen pasta series launched in 2025 by using paper trays and eliminating the top seal that formed the lid. We are also working to reduce the amount of plastic used in double-pillow packing for over 100 frozen pasta products and other items by modifying product sizes and designing thinner packaging.

We will continue these efforts to reduce the environmental impacts of our products, starting from the packaging design and R&D stages.



Ma•Ma RICH-NA

Deep pool of engineering talent

Since its founding, the Nisshin Seifun Group has been involved in flour milling, an industry that is heavily reliant on large-scale industrial facilities. Other product categories include prepared dishes and other prepared foods, which require production lines staffed by large numbers of workers. The characteristics of our factories vary according to the products that they manufacture, but they all have large teams of engineers whose task is to maintain stable operations. In addition, our engineering business employs numerous engineers on plant construction projects within and outside of the Nisshin Seifun Group. Engineering technology and expertise are shared among Group companies through personnel exchanges within the Group. For example, personnel from operating companies are seconded to the Nisshin Seifun Group Inc. Research Center for Production and Technology, which is one of the world's leading facilities for powder engineering technology.

In addition to their work in Japan, our engineering staff also gain overseas experience, including work on plant construction projects in other countries. They also support the expansion of our overseas business operations by learning the latest technologies through overseas study.

Another key role for our engineers is the improvement of production line efficiency and productivity by combining expertise learned from previous generations with knowledge of automation technology gained through their own experience.

Strength
5

The ability to propose and market products that reflect market changes

Applying Group-wide capabilities to BtoB marketing

In the commercial products category, we are responding to the diversification of consumer needs by rising to the challenge of creating a new food culture. For example, we use a vast database of knowledge to provide information to help users create new products and menus through the *So-Shoku* ("food creation") Club, an online support site for users of our commercial products. On this site, customers can find information for use in creating new products and menus, as well as support and solutions to help them overcome problems. Our Flour Milling Business, together with our Processed Food Business and our Yeast and Biotechnology Business, work collaboratively alongside customers to solve problems and explore business opportunities. In the Engineering Business, our plant engineering staff prioritize communication with customers as they provide comprehensive services ranging from sales to maintenance.

Consumer-focused product proposal and direct marketing activities

Communication with consumers is a vital part of our efforts to achieve customer satisfaction by offering products and services that match changing needs. New products include *Ma•Ma Renji de 2-Fun Mochimochi Nama Pasta*, a fresh pasta product that can be prepared in the bag without the need to add water simply by cooking for two minutes in a microwave oven, and the *Majisakutto Non-Fry* series of premixes, which are sprinkled directly onto ingredients to create *tempura*, fried chicken, and other fried foods with a crispy texture simply by cooking in a little oil, without the need for deep frying.

In addition, we are helping consumers to enjoy healthier lifestyles by providing information about Nisshin Seifun Group products and other topics, such as nutritional and health data relating to flour, through our Well-Navi website.

Strength
6

Global networks capable of supporting stable supplies of food

Global production and procurement networks

We are determined to procure the best raw materials and create products that will meet customer expectations by optimizing our production structures for each Nisshin Seifun Group product on a global basis. In the Flour Milling Business, we own flour mills in the United States, Canada, and Australia, which are all major sources of wheat imported into Japan. This presence allows us to obtain information and knowledge about wheat by communicating with local growers about growing conditions and other factors. In the Processed Food Business, we have established pasta production facilities in the United States and Turkey, which produce excellent durum wheat. We operate pasta sauce facilities in Thailand and Vietnam, which are expected to achieve rapid economic growth. We have also established commercial premix operations in countries with large numbers of frozen food manufacturers, especially China, Thailand, and Vietnam. In the Yeast and Biotechnology Business, we opened a yeast plant in India, the world's biggest country in terms of population, in 2022. We are also developing overseas production facilities for the Mesh Cloth Business, including plants in Indonesia and Thailand.

Ensuring supply chain resilience through business continuity planning

The Nisshin Seifun Group has a responsibility to maintain reliable supplies of food, especially staple items like wheat flour. This task has become increasingly important in recent years because of the rising severity and frequency of natural disasters, food problems caused by pandemic countermeasures and the international situation, and the impact of climate change on crop cultivation. We formulate business continuity plans (BCPs) to ensure our continuing ability to supply safe, reliable foods. The new Mizushima Plant, which became operational in May 2025, is highly resilient against disasters. Because of its coastal location, a seawall was built to protect the facility from tsunami and storm surges, while the automated product warehouse is fitted with a seismic isolation system to protect it from earthquakes. Nisshin Seifun Welna's plants in Japan and overseas are also coordinating to develop systems that will allow production to be transferred to other facilities if unforeseen situations arise.

Capital Policy

We will enhance our corporate value by raising ROE through active allocation of operating cash flow and other funds to growth investments, steady increases in earnings per share (EPS), and improved capital efficiency.

Eiichi Suzuki

Director, Managing Executive Officer
Division Executive, Finance and Accounting Division



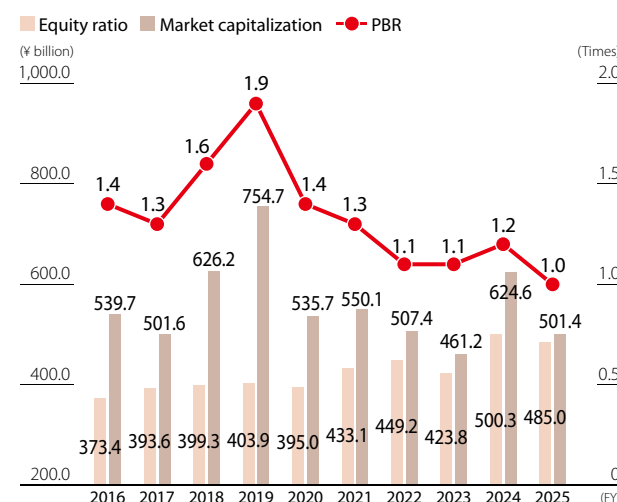
Initiatives to enhance corporate value (stronger management commitment to capital efficiency and the share price)

The foundation of the Group's capital policy is to appropriately control the capital structure while maintaining a balance between improving capital efficiency and financial stability, fully taking into account our social responsibility of providing

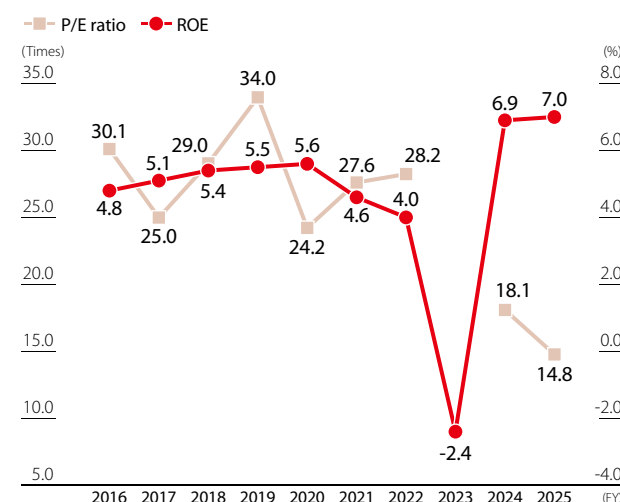
a stable supply of wheat flour and other staple foods. Building on this management foundation, under Medium-Term Management Plan 2026 we will actively deploy generated funds for growth investments, achieve sustainable EPS growth, and raise ROE to improve capital efficiency and enhance corporate value.

Our price-to-book ratio (PBR) is near 1, and since $PBR = ROE \times P/E$ ratio, we recognize the need to improve capital efficiency while fostering investor expectations for growth.

Equity ratio, market capitalization, PBR



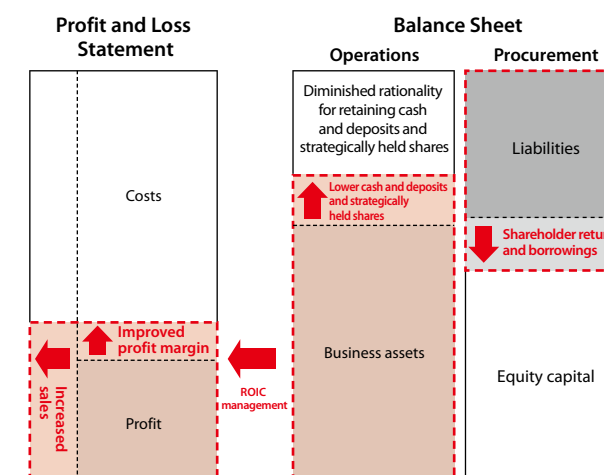
PBR breakdown (ROE × P/E ratio)



Measures to raise ROE

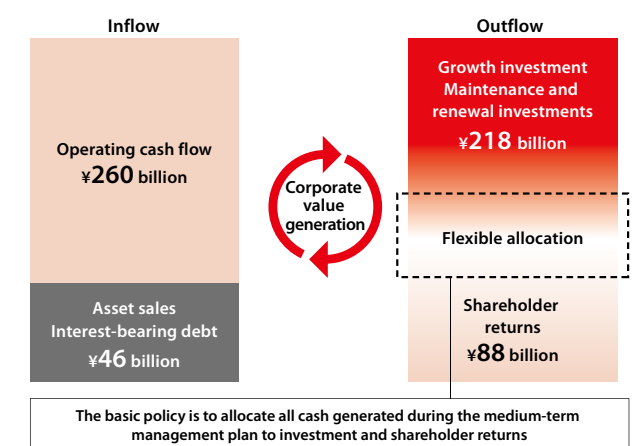
Specific measures to raise ROE are (1) aggressive investment for future growth, (2) adoption of division-based ROIC

Capital policy effect on the Balance Sheet and Profit and Loss Statement



management, (3) continuing reduction of strategically held shares, and (4) enhanced shareholder returns. Medium-Term Management Plan 2026 provides cash allocations for these initiatives.

Five-year cumulative cash allocation plan (Medium-Term Management Plan 2026 from FY2023 to FY2027)



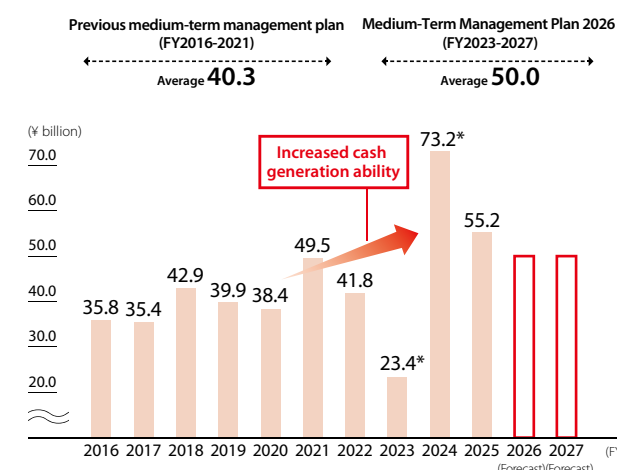
1. Aggressive investment for future growth

In Medium-Term Management Plan 2026, the Group has positioned earnings per share (EPS) as the central driver of corporate value. To achieve sustainable EPS growth and raise ROE, we will actively allocate operating cash flow and proceeds from reducing strategically held shares to investment for future growth, including for M&A, R&D, automation and labor-saving, environmental initiatives,

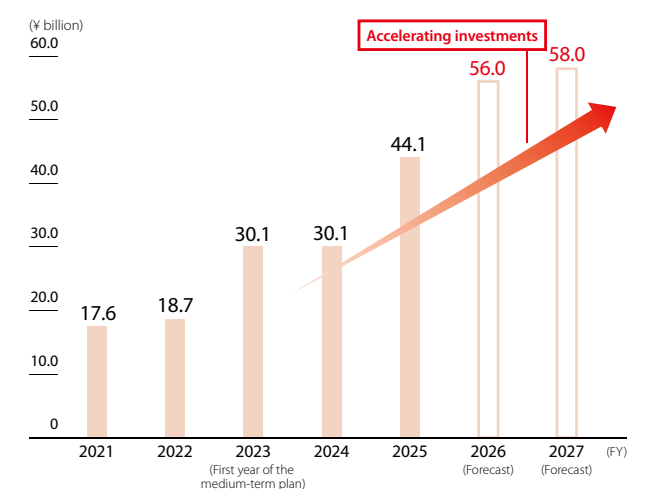
digitalization and AI, and human resource development. Past initiatives have steadily strengthened our ability to generate operating cash flow.

We also plan to leverage our strong financial base to flexibly take on interest-bearing debt as an additional source of funds for growth investment, which will also maintain capital efficiency. We see capacity for a net D/E ratio of up to 0.3 times in the medium to long term while ensuring fully adequate financial soundness.

Group operating cash flow and targets



Growth investment, maintenance and renewal investments



Investments (actual and expected)

	Investment amount	
	FY2023–2025	FY2026–2027
Flour Milling Segment	¥68.8 billion	¥54.0 billion
Processed Food Segment	¥17.5 billion	¥25.0 billion
Prepared Dishes and Other Prepared Foods Segment	¥11.0 billion	¥16.0 billion
Others Segment	¥7.0 billion	¥19.0 billion
Total	¥104.3 billion	¥114.0 billion

- Investment decisions apply discount rates based on the target country and business content (as before)

- In fiscal 2026–2027, flexibly allocate funds based on each business's operating environment and other factors

2. Adoption of division-based ROIC management

Our efforts to improve ROE included the initiation of ROIC monitoring at the division level in fiscal 2024. We took this a step further in fiscal 2026 by adopting division-based ROIC management. Every six months, divisional ROIC is compared to the weighted average cost of capital (WACC) to determine if the returns are commensurate with the cost of capital. We use the EVA® (economic added value) indicator, which uses multiples of ROIC spreads and invested capital, to monitor for trends indicating a shrinking equilibrium.

In addition to restructuring the business portfolio in accordance with the medium-term management plan, we are implementing several measures to improve ROIC, including actively investing in growth areas, building Australia flour milling operation profits, and improving the India

3. Continuing reduction of strategically held shares

The Nisshin Seifun Group's most important mission is to reliably deliver wheat flour and other staple foods to consumers. To fulfill this mission, it is essential that we construct and cultivate long-term stable relationships with manufacturers, sales firms, and other business partners in the supply chain. The strong relationship of trust that we enjoy with our partners has been built over many years, and maintaining and strengthening these relationships is essential for us to continue enhancing our corporate value in the future.

The Company annually examines the suitability of its shareholdings from a medium- and long-term perspective, and shareholdings deemed to have no or diminished rational reason to be retained will be reduced. Medium-term Management Plan 2026 initially set a target to reduce

Primary activities

- Flour milling business (Domestic): Mizushima Plant construction (Commenced operation in May 2025) **¥18.0 billion**
- Flour milling business (Domestic): Kumamoto Flour Milling Co., Ltd. acquisition (Acquisition of shares in January 2023) **¥13.9 billion**
- Flour milling business (Domestic): Tsurumi Plant expansion of wheat silos (Construction start planned in May 2025, scheduled for completion in 2028) **¥10.0 billion**
- Flour milling business (Overseas): United States, Saginaw Plant expansion (Completed in March 2025) **¥6.2 billion**
- Flour milling business (Overseas): United States, Los Angeles Plant expansion (Completed in November 2023) **¥1.4 billion**
- Flour milling business (Overseas): United States, Winchester Plant expansion (Completed in July 2025) **¥1.4 billion**
- Group companies: Head office area transformation (Planned completion in FY2027) [Including construction of the new development base (Yoga Office)]

yeast business performance, addressing rising raw material, transportation, and labor costs, and reducing inefficient assets. With these efforts, we aim to achieve overall ROIC of 7% by the final year of the medium-term management plan in fiscal 2027.

The restructuring of our healthcare foods business portfolio in May 2025 was also a part of this initiative.

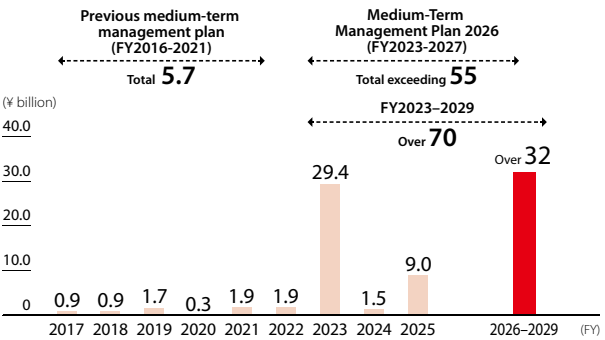
ROIC breakdown by segment

	FY2024	FY2025
Flour Milling Segment	7.2%	6.5%
Processed Food Segment	5.6%	4.1%
Prepared Dishes and Other Prepared Foods Segment	7.6%	7.8%
Others Segment*1	3.0%	3.3%
Total	6.2%	5.7%

*1 Other businesses + total company assets

strategically held shareholdings by ¥30 billion. With the aim of further improving capital efficiency, in fiscal 2025 the target was increased to ¥40 billion or more during the five years from fiscal 2025 to fiscal 2029. As a result, the total reduction during the plan period is expected to exceed ¥55 billion.

Balance of strategically held shares



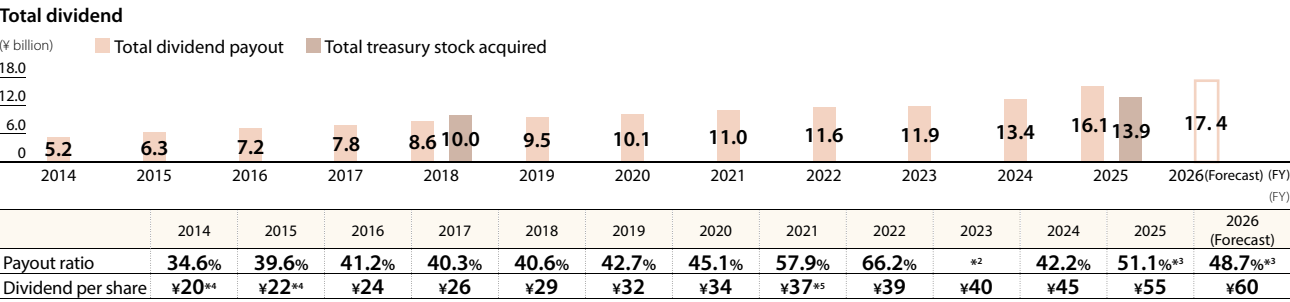
4. Enhanced shareholder returns

Nisshin Seifun Group Inc. believes that a long-term perspective to providing stable return on profits is the most appropriate stance for meeting the expectations of our shareholders. Based on this approach, the Company had maintained a standard for a consolidated dividend payout ratio of 40% or higher, excluding non-recurring special factors, such as gain on sale of investment securities. To provide additional profit return to shareholders, we further raised the ratio target to around 50% by the final year of the current medium-term management plan in fiscal 2027.

Allocation of operating cash flow will prioritize investment for future growth. In the event of a surplus of

investment funds, increasing shareholder return will be considered while taking into account expected future capital needs. We will actively monitor for advantageous conditions to distribute dividends. In accordance with this policy, in fiscal 2025 we paid a dividend of ¥55 per share, an increase of ¥10 from the previous year. During the year, we also conducted a share buyback program totaling ¥13.9 billion to further enhance shareholder returns and improve capital efficiency.

We will continue actively considering dividend increases while monitoring for appropriate timing, and currently plan to raise the dividend in fiscal 2026, which would mark the 13th consecutive year of increases. We also consider and flexibly implement share buyback programs as another option for shareholder returns.



*2 Dividend payout ratio for fiscal 2023 is not presented due to the net loss in profit attributable to owners of parent.
*3 Figures for fiscal 2025 onward exclude income/loss due to non-recurring special factors. The dividend payout ratio before excluding non-recurring special factors was 46.9% in fiscal 2025 and is expected to be 44.6% in fiscal 2026.
*4 Stock splits of 1:1.1 were conducted on October 1 of 2013 and 2014. The annual dividend per share was unchanged, but the effective dividend per share increased for fiscal 2014.
*5 Fiscal 2021 included a ¥2 dividend per share to commemorate the 120th anniversary of the Company's founding.

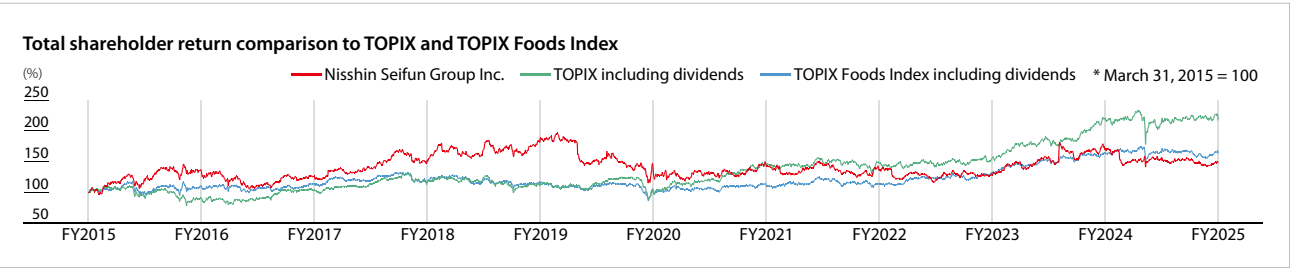
Raising the price-to-earnings ratio

We believe improving the P/E ratio will require lowering the cost of equity and increasing the expected growth rate.

We will lower the cost of equity by limiting the earnings fluctuations in our main businesses, which we can do primarily by maintaining the stable profit base in the domestic flour milling business. We will also minimize earnings volatility by strengthening the competitiveness of

our overseas businesses. We will also provide more disclosure of our business strategies and more actively engage in dialogue with investors. To increase our expected growth rate, we will increase profits in the flour milling business in Australia and the yeast business in India and continue expanding the flour milling business in the United States. We will also implement growth initiatives to boost the profitability of the prepared dishes and other prepared foods business. We will also actively invest in growth opportunities to expand earnings and raise expected business growth.

These initiatives to enhance corporate value will build a stock price representative of the trust shareholders and investors have in our Company and allow us to provide an appropriate level of total shareholder return.



Expectations and challenges for improving Group capital efficiency

We have positioned capital policy as an important management issue and are promoting measures to realize management with an awareness of capital efficiency. Eiichi Suzuki, Director and Managing Executive Officer, who serves as Division Executive of the Finance and Accounting Division, spoke with Hiroto Kaneko, Outside Director and Audit and Supervisory Committee Member, about the Company's activities to date and challenges ahead.

ROIC management and initiatives to raise ROIC

Suzuki I would like to ask your view on several aspects of the Group's capital policy. The Group has introduced division-level ROIC management and is taking measures—such as addressing rising costs and closely evaluating the efficiency of strategic investments—to improve capital efficiency, aiming to raise overall Group ROIC to 7% by fiscal 2027. In your opinion, what key points should be kept in mind when implementing ROIC management?

Kaneko Managing ROIC at the divisional level is a commendable step forward. It is important to recognize, however, that ROIC management is not an end in itself; what matters is how ROIC improves over time. In addition to raising profits, the numerator of ROIC, the Company must also address the denominator. This will require each division to implement initiatives to improve the performance of invested capital, such as eliminating idle assets and shortening cash conversion cycles.

At present, the Australia flour milling and India yeast businesses present particular challenges. The Australian operation will require structural reform, potentially including the consolidation and rationalization of production bases. The India business must reduce production costs and build pricing power in the market to achieve profitability. I believe progress in these two businesses will have a positive impact on the share price.

Suzuki Nisshin Seifun Group Inc. is working closely with Group companies to develop and implement effective initiatives. In your view, what role should Nisshin Seifun Group Inc. play in enhancing capital efficiency?

Kaneko One of Nisshin Seifun Group Inc.'s key roles is managing invested capital. The Group maintains a high equity ratio and a solid financial foundation and has set a medium to long term net D/E ratio target of 0.3 times. While working to reduce the weighted average cost of capital (WACC), it will also be important to maintain an appropriate level of financial leverage.

Another important role for Nisshin Seifun Group Inc. is restructuring the business portfolio, which is a core measure in the medium-term management plan. This restructuring has already led to the decision to terminate the Nisshin Pharma businesses, and ROIC was an important consideration. Going forward, divisional ROIC will need to be closely monitored, and the Group may need to exit additional operations if improvements are not achieved. I will also be monitoring the situation carefully.

Shareholder returns and reducing strategically held shareholdings

Suzuki We reduced strategically held shareholdings by ¥9 billion in fiscal 2025 and plan to reduce the holdings by more than ¥40 billion over the five years from fiscal 2025 to fiscal 2029. What are your thoughts on this plan?

Kaneko The Company is following its roadmap for reducing strategically held shareholdings, but improving capital efficiency will depend on firmly allocating the proceeds to growth investments. The process for determining the rationality of retaining holdings will also be important. Since the Group conducts a substantial amount of BtoB business, each holding must be assessed both quantitatively and qualitatively, yet not in a strictly formal way because circumstances differ in their benefits and risks. Thorough discussion among you and the other directors will be essential.

Suzuki We will discuss the cross shareholdings internally and with outside directors to determine the best way forward. I would like your view on our shareholder return initiatives. We plan to raise the dividend for the 13th consecutive year in the fiscal year ending March 2026, and in January 2025 launched a ¥13.9 billion share buyback program. We remain open to further buybacks and other measures to return value to investors while considering our financial position.

Kaneko For a company like Nisshin Seifun Group, reliable and consistent dividends are key. The Company plans to raise the payout ratio to around 50% of profits by fiscal 2027, and it may be worth considering a progressive dividend policy or adopting dividend on equity (DOE) as a return indicator. As discussed regarding the balance sheet, share buybacks can also support an optimal capital structure, and conducting them on a regular basis could be beneficial.



Improving capital efficiency and enhancing corporate value

Suzuki Thank you for your suggestions. Looking forward, what challenges do you see for the Company, and is there anything that should we be especially mindful of?

Kaneko The business portfolio selection and concentration you mentioned will undoubtedly be carried out in line with the Company's guiding philosophy of "Being in tune with the changing business climate." At the same time, I believe it is equally important to bear in mind the other principles of "The basis of business is built on trust" and "Contributing to a healthy and fruitful life for all." From my interactions with people in the Group, I feel these values are deeply rooted. By conducting corporate activities that embody them, the Company will earn the long-term trust of stakeholders and strengthen its corporate value. As an outside director, I will do my utmost to help the Company live up to these ideals.

Sustainability management is also essential for continually enhancing corporate value. The Company is investing heavily in environmental improvements and in its human resources. While some benefits may be seen in the short term, steady investment in these areas will drive sustainable growth for the Group over the long term.

Suzuki We fully understand, as you noted, that stakeholder trust is the foundation of the Group's corporate value. We will continue to strengthen capital efficiency and corporate value. Thank you for your time today.



Hiroto Kaneko

Director
(Audit & Supervisory Committee Member)

Eiichi Suzuki

Director, Managing Executive Officer
Division Executive, Finance and Accounting Division

Domestic Flour Milling Business: Completion of the New Mizushima Plant



New Plant Strengthens the Group's Business Foundation

The Mizushima Plant in Kurashiki, Okayama Prefecture, was completed after two years of construction and began milling operations in May 2025. Drawing on the Group's technologies developed over our 125 years, the new plant is a "smart factory" that utilizes IoT, AI, robots, and other technologies, and serves as a model for our facilities in Japan and overseas. With its opening, the inland Okayama Plant in Okayama Prefecture and Sakaide Plant in Kagawa Prefecture were closed.

Regional Structure of Domestic Flour Milling

- Large coastal mill*1
- Inland mill

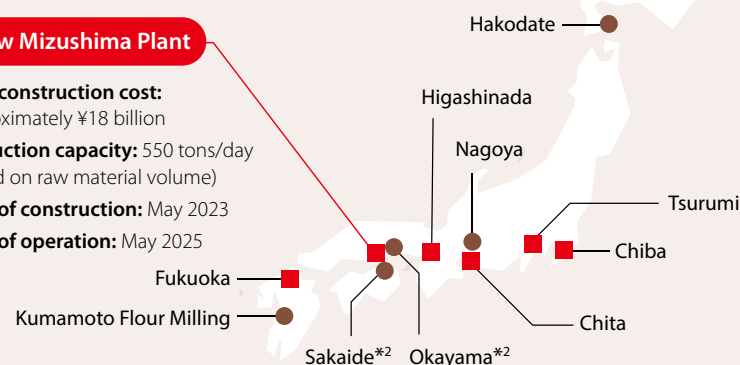
New Mizushima Plant

Total construction cost:
Approximately ¥18 billion

Production capacity: 550 tons/day
(based on raw material volume)

Start of construction: May 2023

Start of operation: May 2025



*1 Flour mills located in ports accessible by large grain ships *2 Closed when the Mizushima Plant commenced operations

Interview

The new Mizushima Plant and our future outlook

Shuji Ueno

Foreman, Mizushima Plant
Nisshin Flour Milling Inc.



The Mizushima Plant

The Mizushima Plant is the first new facility in the domestic flour milling business since the Fukuoka Plant commenced operations in May 2014. The environmentally friendly plant uses the latest technologies and is designed to be resilient against natural disasters. Despite the many challenges encountered during construction, support from the construction team, local employees, the head office, and other factories ensured operations began successfully.

We previously operated two plants in the Chugoku-Shikoku region. Both incurred relatively high manufacturing costs, and reducing operating expenses was difficult because they were inland and not directly connected to wheat silos near docks capable of accommodating large grain ships. Additionally, growing risks from earthquakes and climate change highlighted the need for disaster-resistant plants to ensure an effective business continuity plan (BCP).

The Mizushima Plant is located next to Seto Futo Co., Ltd., a grain silo company with capacity for large ships, which greatly improves raw wheat transport efficiency and enhances cost competitiveness.

Even before the Mizushima Plant, Nisshin Flour Milling had been steadily building a network to ensure stable and efficient flour supply across Japan by closing inland plants and consolidating production to large coastal facilities. The

Mizushima Plant completes the restructuring in the Chugoku-Shikoku region and complements the infrastructure in the Kanto, Kansai, and Kyushu regions. With this addition, 92% of Nisshin Flour Milling's large plants are now located in coastal areas, up from 83% previously.

Raising productivity further

The Mizushima Plant leverages automation and digital technologies with the ultimate goal of enabling periods of unmanned operations in the future. The flour milling production line currently runs 24 hours a day in three shifts. The first step to unmanned operation will be managing late-night shifts without staff. With Japan's ongoing labor shortage, securing manpower, particularly for night operations, is likely to become increasingly difficult, and we believe unmanned operation is a viable solution. Many issues must still be worked out, and we will continue working to make it a reality.

Realizing this concept will require highly skilled personnel capable of leveraging the Mizushima Plant's state-of-the-art equipment. Experienced employees from the Okayama and Sakaide plants will need to work together at the new facility and, as the plant foreman, I will integrate the best practices from both sites and establish an organization where workers can fully apply their expertise and fulfill the new plant's potential.

Production structure improvements to strengthen competitiveness

Numbers in parentheses indicate daily production capacity (based on raw materials)

Inland mills closed

1988	Takasaki Plant (-250t)	2010	Kitami Plant (-120t)
1990	Mito Plant (-270t)	2014	Tosu Plant (-450t)
1996	Utsunomiya Plant (-340t)		Chikugo Plant (-200t)
2002	Tatebayashi Plant (-230t)	2025	Sakaide Plant (-320t)
2008	Kobe Plant (-390t)		Okayama Plant (-390t)



Construction and expansion of large coastal mills

1990	Chiba Plant expanded (+400t)	2014	Fukuoka Plant constructed (+550t)
1994	Higashinada Plant expanded (+500t)	2015	Chita Plant expanded (+320t)
2002	Tsurumi Plant expanded (+500t)	2025	Mizushima Plant constructed (+550t)
2008	Higashinada Plant expanded (+530t)		

Domestic Flour Milling Business: Completion of the New Mizushima Plant

An environmentally friendly smart factory with the latest automation and digital technologies and solar power generation equipment

Our milling business is a capital-intensive operation that relies on advanced automation and labor-saving technologies, and we continue to develop innovations to enhance efficiency and productivity. From receiving raw wheat through to milling, the manufacturing process now incorporates extensive automated and labor-saving equipment. While continuing to advance in these areas, we are also now turning our attention to the packaging and shipping processes, which still require substantial manpower. The Mizushima Plant is equipped with numerous technologies that boost productivity by reducing labor in manufacturing as well as packaging and shipping. We plan to roll out those technologies and other innovations presented below across all our mills.

In addition, we are actively installing solar power systems and are planning to incorporate renewable energy sources as part of our commitment to a decarbonized society.

1 Automatic roll gap adjustment system

During milling, it is essential to adjust the roll gap of wheat-grinding machines to match the quality and condition of the wheat. While this previously required specially trained operators, the Mizushima Plant uses a new fully-automated roll gap adjustment system. While this advanced system will continue to be refined, it greatly simplifies the process, reduces the burden on operators, and improves productivity while maintaining consistent quality.



2 Packaging material transport robots

The Mizushima Plant extensively employs autonomous transport robots for packaging materials used in the flour production process. Previously, personnel manually unloaded materials from trucks, loaded them on trolleys, moved them to storage warehouses, and then transported them to the production line when needed. The robots now transport the materials to and from the warehouses. The plant's layout provides sufficient space for the robots to maneuver and integrates the robots with the elevator system for seamless operation.

3 Product sorting robots

Pallets shipped to customers, often containing up to 50 bags of multiple product types, were previously loaded and sorted manually. Our new technology enabling robots to automatically load and sort pallets substantially improves efficiency.

This system improves logistics efficiency by allowing night-time organization of packaging, enabling smooth loading onto delivery trucks the next morning.

4 Solar power systems helping reduce CO₂ emissions to virtually zero

The Mizushima Plant is an all-electric factory that effectively uses 100% renewable energy, without relying on gas or oil as fuel sources. The plant sources its electricity from solar panels installed on the roofs of the plant and other buildings and from power providers certified as using non-fossil fuel renewable energy.

Rooftop solar panel installations are often constrained by roof strength and shape. The Mizushima Plant was specifically designed to maximize roof space and support an environmentally friendly energy strategy.



5 Autonomous forklifts

The Mizushima Plant replaces conventional manned forklifts with autonomous, unmanned forklifts for transporting flour products from the warehouse to the shipping floor. These autonomous forklifts enhance safety, improve transport accuracy, and increase work efficiency.

The system provides significant labor savings and will be valuable as the labor shortage makes it increasingly difficult to secure skilled forklift drivers.

Overseas Business Driving the Group's Growth

The Group began full-fledged overseas business in the late 1980s when it entered Thailand and Canada.

The overseas business currently extends to 11 countries centered on Asia, North America, and Oceania and encompasses operations ranging from flour milling, processed foods, yeast and biotechnology to mesh cloth operations.

Medium-Term Management Plan 2026 positions overseas operations as a growth business. In the plan's base year of fiscal 2022, overseas business represented 13% of overall consolidated earnings.

In fiscal 2025, the percentage increased to 37%, supported by profit growth driven by the expanded overseas milling business.

We continue to actively invest in overseas operations, and under the current management plan we have expanded production capacity across all regions of the US flour milling business.

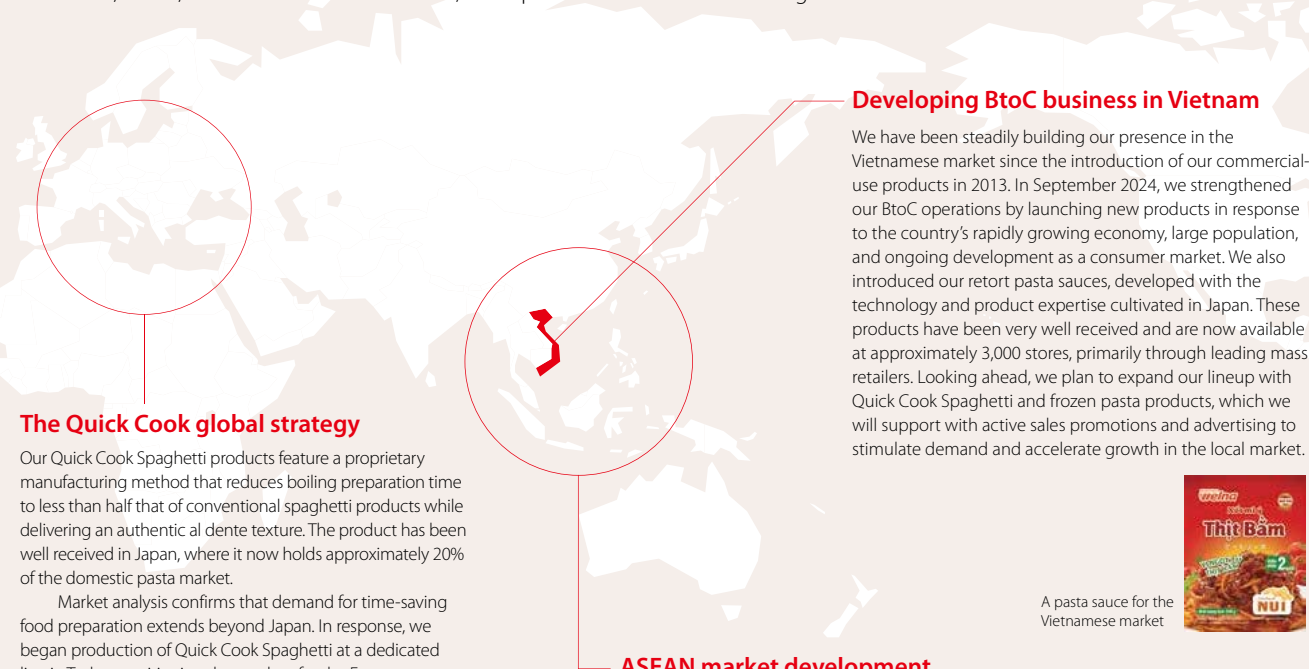
We will continue targeted growth investments in all overseas businesses as they continue to drive Group growth.

Overseas Processed Food Segment

Developing fully localized overseas businesses

The growth of our overseas food business began in 1988 with the establishment of Thai Nisshin Seifun to manufacture products for the Japanese market. In 1991, we started selling commercial-use premix products in Thailand, and today these products are available in Japan, Thailand, Vietnam, Indonesia, China, and other countries. In 2024, we expanded

from primarily BtoB sales to BtoC sales to general consumers in Vietnam. More recently, with Quick Cook Spaghetti sales steadily rising in Japan, we have also launched the product in overseas markets, starting with Europe. We will continue developing fully localized overseas business, which is a key driver of growth for the food business.



Developing BtoC business in Vietnam

We have been steadily building our presence in the Vietnamese market since the introduction of our commercial-use products in 2013. In September 2024, we strengthened our BtoC operations by launching new products in response to the country's rapidly growing economy, large population, and ongoing development as a consumer market. We also introduced our retort pasta sauces, developed with the technology and product expertise cultivated in Japan. These products have been very well received and are now available at approximately 3,000 stores, primarily through leading mass retailers. Looking ahead, we plan to expand our lineup with Quick Cook Spaghetti and frozen pasta products, which we will support with active sales promotions and advertising to stimulate demand and accelerate growth in the local market.



A pasta sauce for the Vietnamese market

ASEAN market development

We currently sell our BtoB premixes in Japan, Thailand, Vietnam, Indonesia, China, and other countries. To build sales in local markets, we are taking an overall approach to the ASEAN market and plan to expand our focus outside of these base countries. As we increase sales of commercial-use premixes, we plan to add a production line to our premix plant in Vietnam. We are also formulating a sales and supply system to further strengthen our BtoB premix business in ASEAN countries.



Quick Cook Spaghetti

The Quick Cook global strategy

Our Quick Cook Spaghetti products feature a proprietary manufacturing method that reduces boiling preparation time to less than half that of conventional spaghetti products while delivering an authentic al dente texture. The product has been well received in Japan, where it now holds approximately 20% of the domestic pasta market.

Market analysis confirms that demand for time-saving food preparation extends beyond Japan. In response, we began production of Quick Cook Spaghetti at a dedicated line in Turkey, positioning the product for the European market as the first step toward global expansion. We also plan to showcase Quick Cook Spaghetti at international food expositions as part of our strategy to establish it as a global brand.

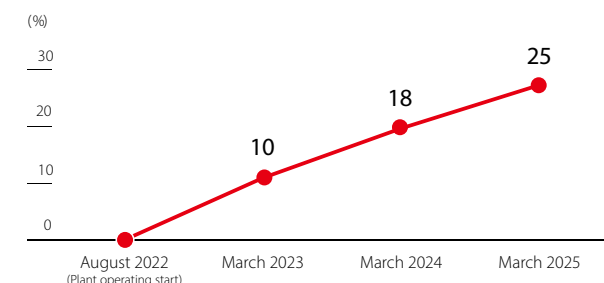


India Yeast Business

Steadily advancing toward profitability

Oriental Yeast India Pvt. Ltd. has now been operating for three full years. The company's sustained efforts to increase sales have resulted in capturing a 25% share of the Indian bread market as of the end of March 2025. However, the persistently high price of molasses—the main raw material for yeast—has made revising product prices to cover costs a critical management issue. The company's entry has intensified competition in the country's bread market, yet the market is expected to continue growing. Although facing challenging business conditions, Oriental Yeast will continue working to increase its market share, revise prices, and improve productivity to reduce production costs and build on its business performance.

India market share, sales (Nisshin Seifun research)



Medium-term management plan targets

Initiatives to boost sales

The company's sales growth plan includes promoting its bakery yeast and actively marketing ethanol yeast.

For bakery yeast, we will expand sales by deepening engagement with major bakers and other companies, while also strengthening efforts in southern India, where our market share remains relatively low. Initiatives will include continuing the Baker's Meet seminars and enhancing technical staff support to broaden our presence.

India's bioethanol industry is also growing, and this is increasing demand for yeast strains that produce ethanol. Oriental Yeast India's proprietary ethanol yeast has received positive quality reviews from customers, and we will continue working with local distributors to develop new markets and drive sales growth.



A Baker's Meet seminar

Developing and launching new yeast strains

Oriental Yeast India holds a collection of over 30,000 yeast strains and the breeding techniques needed for commercialization. In fiscal 2026, we will use our extensive experience and proven track record in yeast culture and production technologies to fortify our existing products and develop new strains with higher fermentation power than conventional products.



KOBO Yeast sold in India

Improving productivity to lower manufacturing costs

We will implement a range of measures to raise productivity across production processes and reduce costs. Productivity will be enhanced by introducing products with newly developed yeast strains, while costs will be lowered by concentrating wastewater from production processes, using in-house incinerators for power generation, and other initiatives to reduce disposal costs. In addition, improving production efficiency will decrease energy consumption and lower manufacturing cost per unit. Collectively, these measures will pave the way toward achieving profitability.

Overseas Business



Australia Flour Milling Business

Revenue growth and structural reform for new strategies

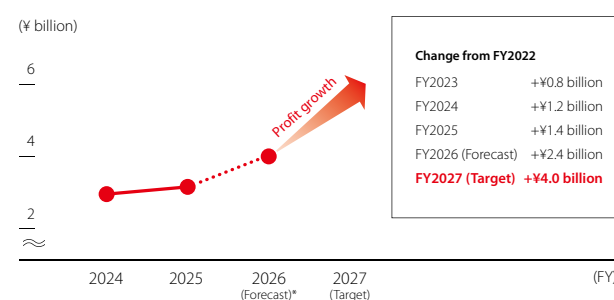
Market conditions in Australia remain challenging, with continued rises in raw material, energy, labor, and logistics costs coupled with declining consumption amid severe inflation and a high cost of living.

Despite this environment, Allied Pinnacle increased profit in fiscal 2025 by revising prices and stimulating sales, even while absorbing temporary costs from integrating three core systems. Along with ERP integration and sales campaigns, we conducted a thorough analysis of our business profitability and competitiveness. Based on this, we formulated and systematically introduced a new business structure and targeted initiatives.

Allied Pinnacle is committed to ensuring a stable food supply even under difficult market conditions, responding accurately to shifts in consumer behavior and flour product demand, and launching and expanding sales of new products that both stimulate demand and meet market needs.

We aim to meet the medium-term management plan target while implementing forward-looking strategies that will continue driving business growth into the future.

Operating profit



Medium-term management plan targets

The new Allied Pinnacle structural reform strategy

The new strategy is an action plan designed to improve business efficiency while incorporating initiatives to enhance our products' added value. Structured on the three tiers of Plans A, B, and C, the plan contains strategic options based on feasibility and difficulty. Plans A and B, which we aim to complete in roughly two years, focus primarily on improving efficiency and streamlining the supply chain and production processes. Plan C centers on optimizing the company's sites across Australia for long-term business development, while also advancing all strategic potential to elevate competitiveness to the next level.

Expanding sales and creating markets for high-value-added products

Allied Pinnacle is utilizing its exclusive sales agreement with Arista to develop products using Arista's high fiber wheat in Australia. Positioning the new wheat products as an innovation in wheat flour, the company is leveraging its procurement, development, and technological capabilities to create new markets.

Demand for high-fiber food is strong in Australia, where four out of five people say they consume less than the

recommended dietary target for fiber. Allied Pinnacle's high-fiber flour contains more dietary fiber than regular flour, while also being natural and flavorful.

Launched in January 2025 under the brand Wise Wheat®, the product is already in use at approximately 700 in-store bakeries operated by Australia's largest supermarket chain. We plan to increase profits by implementing marketing strategies to raise product awareness and by creating markets with high value-added offerings that closely match consumer needs.



Wise Wheat® bread on sale at an in-store bakery



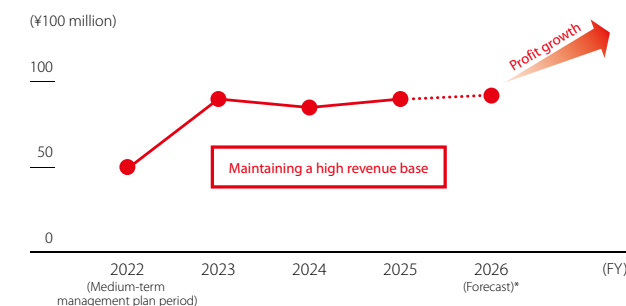
US Flour Milling Business

Maintaining high earnings and driving further growth

Miller Milling Company, LLC in the United States has continued generating solid revenue during the medium-term management plan period.

Miller Milling is addressing inflation and rising costs in the United States by leveraging its advanced technology and support capabilities to enhance customer satisfaction. These efforts have driven profit growth, and management is taking steps to continue strengthening business value and sustaining profitability. Recent initiatives have focused on expanding and reinforcing production capacity in each business region. By closely monitoring demand in the growing US market, we are building a comprehensive supply system capable of handling larger shipments while securing a solid and growing earnings base.

Operating profit



Medium-term management plan targets

Expanding and fortifying production capacity

In November 2023, we began building the infrastructure to support future demand by investing in business growth across our western (California), southern (Texas), and eastern (Virginia) business regions. This expanded capacity will provide the foundation to meet rising demand and sustain our business growth.

Los Angeles Plant (western)

- Line expansion completed November 2023 (+150 tons/day)
- Investment: Approximately ¥1.4 billion
- Consolidated production from nearby plants, reduced transport costs

Saginaw Plant (southern)

- Line expansion completed March 2025 (+600 tons/day, +40% capacity)
- Investment: Approximately ¥6.0 billion
- Profit contribution expected from year one, full-scale operation within five years based on demand

Winchester Plant (eastern)

- Expansion (renovation of existing line) completed July 2025
- Investment: Approximately ¥1.4 billion
- Expected immediate shipment increase to meet local customer demand

Future growth strategy

The Innovation & Technical Center (ITC) opened at the Saginaw Plant in March 2025. Equipped with a small-scale milling line, secondary processing and analytical instruments for raw wheat and flour, and bakery equipment that ITC significantly enhances our customer service capabilities. By showcasing our technical expertise and support, we aim to strengthen customer satisfaction, expand market presence, and steadily grow shipments. Additional growth investments are also under consideration to further expand earnings and business.



Innovation & Technical Center (ITC)



Evolving as “creators and drivers of food culture” that are “shaping innovation with flour”



Takao Yamada

Director and President, Nisshin Flour Milling Inc.

With the completion of the Mizushima Plant in 2025, we introduced our new identity as “creators and drivers of food culture” that are “shaping innovation with flour.” This expresses our determination to continue shaping food culture for the future while working with our customers to create new possibilities.

In Japan, we are building low-cost operations by installing automation equipment—such as the cutting-edge technology at the new Mizushima Plant—and deploying that know-how across all plants to raise productivity throughout our operations. We are also developing new markets to drive sales, including continuing to market the *Amuleia* brand of high-fiber wheat flour.

In Australia, we are reinforcing our earnings base through the structural reform plan initiated in the previous fiscal year and expanding sales of the Wise Wheat® brand of high dietary fiber flour. In the United States, the new Innovation & Technical Center at the Saginaw Plant is enhancing customer service and product proposal capabilities, and the refurbished production lines at both the Saginaw and Winchester plants are contributing to stronger earnings.

Strengths

- Advanced milling technology and expertise
- A leading company with high market share and a wide-ranging product line
- Highly refined product and process development capabilities derived from our wheat research
- Ability to offer customers a comprehensive lineup of products
- Technology designed to meet the needs of local overseas markets
- Digital technology that improves productivity and sales proposals

Opportunities and risks

- Diversifying food preferences, growing preferences for health-oriented products, need for more refined products
- Increasing demand for flour due to growing populations and rising incomes, particularly in developing countries
- A shrinking domestic flour market due to international trade agreements and the dwindling population
- The changing market environment due to pandemics and geopolitical risks

Business strategy in the medium-term management plan

As “the world’s leading flour milling company creating the future of food,” we aim to be a dynamic global company with innovative technology

Japan

- Establish a low-cost production system capable of competing globally (increase large coastal plants from 83% to 92%)
- Secure market share, maintain sales revenue, and strengthen sales of high-value-added products and new materials
- Introduce digital technology to production plants, establish automation technology, and achieve further labor savings
- Implement post-merger integration and generate synergies with Kumamoto Flour Milling

Overseas

- Structural reform to increase revenue and support new strategies for the Australia flour milling business
- Sustain the high earnings and invest in growth for the United States flour milling business
- Explore investment opportunities in new areas

Key measures and progress to achieve the medium-term plan targets

Increasing high-fiber flour sales and focusing on domestic flour

On May 26, 2025, some 400 government and industry individuals attended our future outlook forum, entitled The Evolving Food Culture—The Mizushima Plant and the Future, in which we unveiled the new factory and concept.

At the forum, we demonstrated our status as a food culture innovation company by introducing the groundbreaking high-fiber flour brands *Amuleia* in Japan and Wise Wheat® in Australia. Nisshin Seifun is aiming to provide the world with products that go beyond deliciousness to also support health and is joining with its stakeholders to create new markets for wheat flour. We are also actively developing products featuring the unique qualities of Japanese wheat and developing local food culture.



Responding to the changing environment by accelerating the transformation of the business structure and expanding the processed food business



Takahiko Iwahashi

Director and President, Nisshin Seifun Welna Inc.

The Processed Food Business’s operating environment in Japan is characterized by a declining population with a low birthrate and aging society, shortage of labor, as well as the tighter work-hour regulations in the distribution industry. In addition, costs are increasing significantly for raw materials, labor, logistics, and packaging materials.

To effectively respond to these issues and steadily grow our business, we are transforming the business structure, expanding our localized (locally produced and sold) businesses overseas, and developing new products based on the four axes of simple & convenient, authentic, healthy, and eco-friendly, and strengthening our sustainability, growth potential, and competitiveness.

In fiscal 2026, we will respond to rising prices by cutting costs and revising product prices while continuing to develop new products and offer high value-added to further raise our top line and reestablish our profit base in Japan. We will also actively promote sales to strengthen brand awareness of both the Company and our products.

Overseas, we will expand commercial-use premises (BtoB) sales in Asia and accelerate BtoC growth in Vietnam, where full-scale operations began in 2024. We will also develop sales channels in Europe as part of our global Quick Cook Spaghetti strategy.

Strengths

- Strong brand power and several products with top market share in Japan
- Consumer trust in the high quality, safety, and reliability of our products
- Product development and technical services geared to domestic and overseas markets
- Abundant proprietary technology and expertise accumulated through research and technology development

Opportunities and risks

- Shrinking market due to population decline in Japan
- Increasing tendency toward simple, convenient, quicker, and one-person meals and rising health consciousness
- Persistent rises in labor costs, logistics costs, and raw material prices
- Growing global population and economic growth in developing countries in Asia
- Changes in international trade conditions
- Supply chain impacts from geopolitical risks and major natural disasters

Business strategy in the medium-term management plan

Strengthening our sustainability, growth potential, and competitiveness, and steadily implementing the three core business strategies

Transforming the business structure

While developing further value-added for our ambient temperature household products, which are the primary earning source, we will continue expanding business in the growth areas of commercial-use, frozen foods, and overseas operations. We will also build new businesses in areas outside the framework of our existing businesses.

Expanding the localized overseas businesses

In our overseas operations, we will increase exports of Nisshin Seifun Welna brand products and intensify our focus on local production and BtoC and BtoB sales under our localized business model.

Developing new simple & convenient, authentic, healthy, and eco-friendly products

Based on the fundamental premise of safe and reliable, we will increase the value we provide to customers by focusing on products with simple & convenient, authentic, healthy, and eco friendly features.

Key measures and progress to achieve the medium-term plan targets

Developing new simple & convenient, authentic, healthy, and eco-friendly products

We will respond to the rapidly changing market environment by seeking to increase the percentage of high-value-added products in our sales mix. In household products, we will mark the 70th anniversary of the Ma•Ma brand with a full brand image renewal. Recent launches include the *Majisakutto Non-Fry* series featuring proprietary ingredients and grain flour processing technology, and the *Ma•Ma RICH-NA* series of frozen products that enable restaurant-quality pasta at home.





Processed Food Segment | Yeast and Biotechnology Business

Wide range of delicious and healthy food products and high value-added biotechnology



Hideo Arai

Director and President, Oriental Yeast Co., Ltd.

The food business develops and supplies baker's yeast, fillings, mayonnaise, and other ingredients to customers ranging from bread and confectionery companies to prepared dish makers and restaurant operators. Overseas, subsidiary Oriental Yeast India Pvt. Ltd., which commenced operations of a new plant in 2022, is expanding its business in India's growing bread market. The India business maintained strong sales, reaching a 25% market share in fiscal 2025, but product price revisions lagged behind rising costs. In fiscal 2026, the business will continue adjusting prices and reducing costs to support ongoing growth.

The bioindustry business is using proprietary technology to enhance its high value-added businesses involving raw materials for diagnostic reagents, culture media, reagents, and contracted testing services used in the field of preventive medicine. The business is also broadening our support operations in the regenerative medicine field and will continue expanding its overseas operations in fiscal 2026.

In fiscal 2027, we will take over Nisshin Pharma's healthcare foods business and start a new business. We will apply the company's research advances in health-related fields by further developing the BtoB operations while preparing to offer health value through a direct mail order (DtoC) business in the future. The objective of these initiatives is to further enhance our corporate value and continue to earn the support of our business partners and stakeholders.

Strengths

- In the food business, a wide-ranging lineup of food ingredients created with our advanced R&D capabilities; products carefully selected, developed, and commercialized from our 30,000 yeast strains
- In the bioindustry business, global brand power based on highly advanced R&D and manufacturing technologies in the diagnostics, pharmaceuticals, and academia fields, and large customer bases in Japan and overseas

Opportunities and risks

- In the food business, risk of a shrinking market from population decline in Japan; opportunities from the growing world population, improving logistics and diversifying food preferences in Asia, notably the growing bread market in India
- In the bioindustry business, opportunities from expanding markets accompanying population growth worldwide, increasing need for preventive medicines from the aging population in Japan, advances in polymer and regenerative medicines

Business strategy in the medium-term management plan

- In the food business, we will improve profitability and expand our yeast and food businesses by deepening our presence in the Japanese and overseas markets for baker's yeast, prepared dishes, and restaurant meals, and cultivate the Indian and other overseas markets.
- In the bioindustry business, we will build new businesses in the preventive medicine field, including biomarker discovery and measurement technologies for substances that indicate aging, such as advanced glycation end-products (AGEs). We will also strengthen our high-value-added businesses of diagnostic reagents, culture media, reagents, and contracted testing services.

Key measures and progress to achieve the medium-term plan targets

Transfer of the healthcare foods business and measures to expand business

The Nisshin Seifun Group is restructuring its business portfolio to fortify the Group's growth potential. With this objective, we have decided to take over Nisshin Pharma's healthcare foods business and transferred operations to Oriental Yeast with a planned start in fiscal 2027.

This move will enable us to better engage our food ingredient development capabilities, which have long been providing ingredients for products in the healthcare foods business. Nisshin Pharma's popular Power Supply NMN products, for example, use the NMN ingredients manufactured by the Group. We are also developing nutraceutical ingredients for health products. We believe taking over the healthcare foods business will create new potential for growth in the health product field.

We will leverage our long-cultivated expertise developing food ingredients and effectively apply our healthcare foods business assets to develop and expand the business.



Prepared Dishes and Other Prepared Foods Segment | Prepared Dishes and Other Prepared Foods Business

Strengthening our development, technology, and earning capabilities for a business model pursuing delicious foods and high manufacturing efficiency



Shinichi Ikeda

Director and President, Nisshin Seifun Delica Frontier Inc.

The domestic market for prepared dishes and foods is expanding year by year. This trend is being fueled by the increases in dual income and single-person households and by the growing number of people reaching the age to "retire from preparing meals." We expect this trend to continue for the foreseeable future.

Our aim is to expand our business at a faster pace than the market grows, and we are offering products through various channels nationwide in every prepared food category to fuel that growth, including *onigiri* rice balls, bento boxed lunches, sandwiches, Japanese prepared dishes, and pre-cooked noodles.

At the same time, the characteristics of the prepared food market demand that we secure sufficient manpower and maintain stable production operations. We also must deal with sharply rising raw material, energy, logistics, and labor costs. We are taking steps to strengthen our ability to procure raw materials and to build an optimal production system while also integrating DX into our systems. These efforts, which are primarily led by Nisshin Seifun Delica Frontier and other Group companies, will further refine our development and technological capabilities and boost our profitability, which will bring us closer to realizing our goal of establishing "a business model pursuing delicious foods and high manufacturing efficiency."

In fiscal 2026, we intend to accelerate automation and labor-saving measures to further increase production equipment automation and advance the production management DX. We will also implement product differentiation and added value initiatives as we continue to build the frozen prepared food operation into our second largest earnings driver.

Strengths

- Nationwide manufacturing and distribution structure and top-class manufacturing plants and workforce in Japan
- A complete lineup structure providing products in every prepared food category
- A fully integrated Group research and technology development and raw material procurement structure
- Governance by the intermediate holding company

Opportunities and risks

- Advancement of women in society, changes in the workforce from more people working from home, and increase in single-person households
- Lifestyle changes accompanying the declining birthrate and aging population in Japan
- Rapid technological innovation in automation, robotics, and AI
- Shrinking markets and increasing labor shortage due to population decline

Business strategy in the medium-term management plan

Become an essential company in the prepared dishes and other prepared foods market

- Separate the management control and business execution functions under an intermediate holding company structure
- Optimize the production system to create lean business operations, strengthen the frozen food business
- Digitalize operations to improve operating efficiency and introduce labor-saving to automate production processes
- Advance R&D and technology development to maintain deliciousness, improve convenience, and reduce environmental impact

Key measures and progress to achieve the medium-term plan targets

Strengthening automation and labor-saving measures

The daily production operation of the Prepared Dishes and Other Prepared Foods Business employs roughly 10,000 people at 25 sites across the country. Our production system is highly refined, but we are seeking to make it even more efficient to respond to the increasing shortage of labor and other social conditions.

In fiscal 2026, we will step up labor-saving measures, including automating food placement and inspection processes.



Automated crate removal system for prepared food products (Introduced in October 2024)

Advancing DX

Tokatsu Foods, which became the prepared food industry's first DX-certified Business Operator in 2023, prioritizes DX and is incorporating digital technology to transform management with the aim of optimizing operations and achieving sustainable growth.

The company published the Tokatsu Group DX Report 2024 in April 2025 presenting its DX approach and progress with its DX initiatives.

Tokatsu Group DX Report 2024

https://www.tokatsu.co.jp/uploads/2025/04/tokatsu_dx-report2024_B.pdf



Others Segment | Engineering Business

Transforming into a DX engineering business with foremost expertise in powder technology and plant construction



Takahiro Goto

President, Nisshin Engineering Inc.

We aim to build a management foundation for sustainable growth and transformation by evolving into a DX engineering business while strengthening our core powder technology and plant construction capabilities. In plant engineering, we will prioritize DX engineering to deepen existing domains, expand into new areas including non-food fields, increase equipment sales, and grow our powder processing business. The focus will be on creating an efficient management system by fully digitalizing engineering processes in design, quotation preparation, and knowledge, which are central to value creation.

Enhancing project management and developing digital talent will secure the human resources needed to enter new markets and build a system capable of responding to diverse opportunities. We will also actively pursue projects that support a recycling-oriented society for resources and energy, and develop engineering services that reduce CO₂ emissions and use sustainable water resources, contributing to a circular economy.

Strengths

- Abundant experience in plant engineering and powder handling
- System in which the same manager remains in charge of all customer support throughout a project
- Technical ability to make proposals and designs for a specific operation from the user's perspective
- The Nisshin Seifun Group's world-class powder technologies and R&D structure for plant automation



Opportunities and risks

- Growing demand for new plant automation technologies and IoT integration
- Growing demand for advanced electronic materials, such as materials for electronic devices and secondary batteries
- Increasing competition for food manufacturing plant construction due to a shrinking market for food products as Japan's population declines
- Labor shortage in the construction industry



Business strategy in the medium-term management plan

- Establish DX engineering (thorough digitalization of all business processes)
- Improve proposal skills, develop digital human resources, and accumulate and share proprietary technologies and expertise
- Cultivate existing areas and expand into other areas, including non-food factories, in the plant business
- Use our world-class powder technology to expand sales in the equipment and powder processing businesses

Key measures and progress to achieve the medium-term plan targets

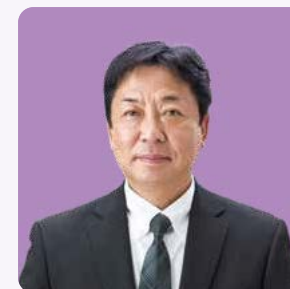
Use DX engineering to enhance customer value

The DX engineering we are advancing begins with digitalizing all business processes, but extends beyond improving operating efficiency gains to maximizing customer value. This includes adopting 3D computer-aided design (3D CAD) modeling for design planning and building information modeling (BIM) technology that integrates equipment and construction data. These tools allow us to share finished-product images with our customers from the design stage, enabling engineering services tailored to their specific needs. At the same time, greater information sharing and faster decision-making by stakeholders accelerates project execution and improves quality. We will continue integrating AI, cloud computing, IoT, and other advanced technologies to deliver even higher value-added services.



Others Segment | Mesh Cloth Business

Using our unique, high-value-added, differentiated technologies to become a world-leading material company helping to create prosperous lifestyles and improve the global environment



Tetsuya Kaji

President, NBC Meshtec Inc.

Our mesh technologies trace their origins to the sieve meshes we began producing in 1934.

Initially made with synthetic materials, they have since expanded to include metallic fibers and now serve a wide range of industries from milling and printing to filters for automotive and home appliances. More recently, our meshes have been used in fields critical to carbon neutrality, such as hydrogen production equipment and solar cell electrode printing. We have also developed plant-derived meshes using biomass resin.

We are integrating high-value-added and mesh technologies and strengthening our manufacturing technologies to meet evolving needs related to decarbonization, CASE (connected, autonomous, shared, electric) automobiles, water treatment, and flourishing post-COVID lifestyles. In this way, our products contribute to a sustainable global environment and better quality of life. At the same time, we are investing in new facilities and human resource development.

NBC Meshtec is a world-leading materials company helping to create prosperous lifestyles and improve the global environment, and we are engaging in sustainable management and working to maximize our corporate value into the long term.

Strengths

- Development and manufacturing technologies for high-definition, high quality synthetic and metal fiber mesh
- Catalyst, bio-, and nanotechnologies enabling us to develop products with dust proofing, antifouling, water repelling, antibacterial/antiviral, anti-biofilm, and deodorizing functions
- Integrated mesh and plastic molding technologies, high-performance filter development and production technology capabilities



Opportunities and risks

- Growing demand in new areas, such as the environmental, decarbonization, medical, health hygiene, and communications fields
- Increasing demand for high-performance mesh for electronic devices and circuit formation created with new technologies
- Changes in supply chains or demand triggered by trade friction or geopolitical risk
- Fluctuations in raw material prices



Business strategy in the medium-term management plan

- Raise sales by developing and expanding sales of differentiated high performance products in each growth market segment
- Strengthen cost competitiveness and optimize domestic and overseas production systems
- Contribute to resource recycling, environmental protection, and Group sustainability by advancing decarbonization, including converting plants to hydroelectric power generation sources and expanding the use of solar panels at our plants

Key measures and progress to achieve the medium-term plan targets

Expand business by developing and expanding sales of differentiated high-performance products in each growth market segment

- For the environmental market, we are developing differentiated high performance products incorporating proprietary technologies including high-definition metal mesh for solar cells, membrane support mesh used in hydrogen production equipment, and high-performance molded filters for plug-in hybrid electric vehicles (PHEVs), hybrid electric vehicles (HEVs), battery electric vehicles (BEVs), and fuel cell vehicles (FCVs). In the rapidly changing business environment, we are seeking to boost sales by preparing a supply system matched to client needs and by aggressively introducing products aimed at growth markets.
- We are focusing on increasing development and sales of high-performance filtration cloth for semiconductor packaging, deodorizing equipment using catalytic technology, and developing new markets.

Sustainability Priorities (Materiality)

*1 Initio Foods Inc., Joyous Foods Co., Ltd., and Tokatsu Foods Co., Ltd., compared to fiscal 2020 *2 Group companies in Japan (excluding the Kumamoto Flour Milling Group)
*3 All Group companies in Japan and overseas (excluding the Kumamoto Flour Milling Group)

Sustainability priorities	Priority themes	Approaches and targets	Risks	Opportunities	Progress in FY2025
 Provide safe and healthy food and responsible consumer communication	Ensuring food safety	Implement quality assurance from the viewpoint of consumers and continually strengthen the quality assurance system Acquire and maintain certification for food safety management systems	- Loss of social reputation and stakeholder confidence due to quality-related incidents or other issues - Loss of growth opportunities due to delays in responding to the health needs of consumers	- Gaining the trust of consumers through the supply of safe, reliable products - Creation of opportunities through the enhancement or development of products based on consumer feedback - Expansion of business opportunities linked to rising health consciousness	- Certification of food safety management systems: Percentage of systems certified 97% (Results for fiscal 2025: The achievement of certification at a business site of company in the Kumamoto Flour Milling group marked the completion of certification at all business sites of Kumamoto Flour Milling and all Kumamoto Flour Milling group companies, which joined the Group in FY2024.)  Certification progress https://www.nisshin.com/english/safety/authentication.html - Periodic audits of the quality assurance systems at all Group business sites and contracted factories (Domestic: 64 sites, including 42 contracted sites; overseas: 6 sites, including 2 contracted sites) - Provision of quality assurance training for around 5,000 employees involved in R&D, production, and sales at all group companies in Japan and overseas
	Responsible consumer communication	Provide fair and responsible consumer communication - Conduct advertising activities that consider ethics, human rights, and the environment - Promote measures to increase consumer engagement			- In-house training about discriminatory language in advertising, etc. (scope: Group employees involved in advertising and promotion, participants: 52) - Educational visits (58 visits, 1,168 participants) to enable people of all ages to learn more about wheat and wheat flour and how these products are handled - Initiatives based on consumer feedback, including the revision of recipes published on the website, changes to packaging, and the establishment of special web pages, in response to input from consumers
	Contribution to healthy diets	Research and develop health functions of food ingredients, primarily focused on wheat, such as its effectiveness in preventing metabolic syndrome and promoting brain functions and anti-aging			- Establishment of a special e-commerce site to enable more consumers to access products based on <i>Amuleia</i> high-fiber flour - Selection of <i>Amuleia</i> high-fiber flour for the top prize at the 2024 Wellness Food Award. - Launch of high-fiber wheat flour on the Australian market under the Wise Wheat® brand (Allied Pinnacle Pty Ltd.)
 Enable secure and sustainable raw material procurement	Ensuring stable wheat procurement	Establish sustainable procurement of wheat, our primary raw material Understand that climate change, biodiversity, and exploitation of human rights is having an impact on wheat procurement, and thus implement mitigation and adaptation measures	- Impact of climate change or other factors on our ability to procure wheat - Procurement problems or impairment of corporate value due to environmental or human rights issues in our supply chains - Slowdown or disruption of supplies of raw materials due to natural disasters, epidemics, or geopolitical risks, such as conflicts	Creation of structures to support stable supplies of safe, reliable products and services	Continued to investigate the impact of climate change and sustainable agriculture on wheat production under the 4°C and 1.5°C scenarios, and worked toward the sustainable procurement of wheat through partnerships with growers and other approaches.  Analysis results and initiatives (Pages 48-49)
	Sustainable raw material procurement	Promote responsible procurement activities based on fair and ethical transactions - Enforce the Responsible Procurement Policy - Strengthen supply chain management			- Distributed the Group procurement policy to key primary domestic suppliers for the engineering business, and conducted risk assessments through CSR procurement self-assessment surveys. (Completed first round of CSR procurement self-assessment surveys of key primary domestic suppliers to all group companies.) - Monitored the status of human rights due diligence initiatives in all businesses and continue addressing high-risk and priority issues
 Efficiently handle product and packaging waste	Reducing food waste	Reduce food waste and contribute to realizing sustainable food systems - Reduce food waste, from the procurement of raw materials to the delivery of products to customers, by 50% or more compared with the fiscal 2017 level by 2030*1, *2 - Work with our partners to reduce food waste at all supply chain stages Note: Scope of reduction: Production and distribution by-products and waste that are not suitable for use as food and are processed through thermal recycling, volume reduction, landfill disposal, or incineration, etc.	- Higher compliance costs resulting from changes to or strengthening of laws and regulations relating to waste and resource recycling - Loss of stakeholder confidence due to delays in actions to reduce waste and recycle resources	- Efficiency improvements and cost reductions resulting from waste reduction initiatives - Expansion of business opportunities through the development of environmentally responsible products	- Food waste in fiscal 2025: 908 tons (66% reduction compared with the base year) *Target achieved ahead of schedule through initiatives up to fiscal 2024 - Ongoing efforts to shift from thermal recycling to material recycling (feed and fertilizer production, fermentation, reuse, etc.) through changes to disposal methods, installation of on-site feed production facilities, and other initiatives - Research and development of food preparation and processing technologies focused on lengthening product shelf lives and continuing study of efficient supply and demand management
	Reducing packaging waste	Promote the 3Rs (reduce, reuse, and recycle) + renewables with our partners at all supply chain stages - Reduce the amount of fossil fuel-derived plastics used by at least 25% compared with the fiscal 2020 level by 2030*2 - Promote plastic recycling, such as by using environmentally friendly package designs - Increase the use of sustainable packaging materials, such as biomass plastics, recycled plastics, recycled paper, and FSC®-certified paper			- Use of fossil fuel-derived plastics in fiscal 2025: 5,154 tons (14% reduction compared with the base year) - Reduction of use of fossil fuel-derived plastics, including the use of thinner plastic packaging and paper and biomass materials, and the reduction of product sizes while maintaining content volumes - Eco-friendly packaging design measures, such as the use of biomass inks and FSC-certified paper
 Address climate change and water resource issues	Climate change adaptation and mitigation	Introduce energy-saving technology and promote the use of renewable energy, and contribute to realizing a decarbonized society - Reduce CO₂ emissions from Group-owned facilities to net zero by 2050 - Reduce CO₂ emissions from Group-owned facilities by 50% compared with the fiscal 2014 level by 2030 - Reduce CO₂ emissions across our supply chains Strengthen resilience against increasingly severe natural disasters - Take steps to protect major domestic flour milling plants, including tidal surge protection and seismic strengthening	- Increased intensity and frequency of natural disasters, rising temperatures, and water shortages that could impact our ability to operate production sites and affect procurement of raw materials - Increased costs relating to regulations, including carbon taxes - Loss of stakeholder confidence due to a slow response to climate change and water problems	Expansion of business opportunities through increased demand for sustainable, environmentally responsible products and services	- Fiscal 2025 CO₂ emissions reduction: 362,000 tons (24% reduction compared with the base year) 50% reduction in non-consolidated CO₂ emissions by the Nisshin Seifun Welna Group (Achievements in fiscal 2025 include a transition to net 100% renewable electric power at six overseas business sites, and the achievement of carbon neutrality at one business site in Japan.) 70% reduction in non-consolidated CO₂ emissions by the NBC Meshtec Group (Achievements in fiscal 2025 include transition to net 100% renewable electric power at one overseas business site and transition to CO₂-free electric power at three business sites in Japan.) - Large-scale capital investment to achieve targets in a CO₂ reduction roadmap, and adoption of internal carbon pricing (ICP) - Reflection of progress toward the achievement of CO₂ reduction roadmap targets in bonuses for internal directors (excluding directors who are also members of the Audit & Supervisory Board) - Energy conservation efforts, including waste heat utilization, the introduction of high-efficiency equipment, and the reduction of losses through pipe maintenance - Measures to protect major domestic flour milling plants in coastal locations from surge tides, including the expansion of flood barriers
	Water resource conservation	Work with our partners to ensure effective utilization of water at all stages of our supply chain Reduce the amount of water used in plants per unit of production by 30% compared with the fiscal 2022 level by 2040*3 Note: Halving of water use in regions where there is a high risk of water supply problems in the future			- Water use per unit of production in fiscal 2025: 1.06m³/t (3% reduction compared with the base year) - Reassessment of water risk and stress at production site
 Provide working environments that are healthy and fulfilling	Respect for diversity	Respect humanity and diversity, and create workplaces that consider work-life balance March 2027 targets (for eight Group companies) - Percentage of management positions held by women in Japan: 15% - Percentage of female employees returning to work after childbirth (retention rate one year after returning to work): 100% - Percentage of eligible male employees taking parental leave: 100%	- Labor shortages caused by reduced competitiveness in the recruitment market and the loss of existing employees - Impact on business continuity due to increases in occupational accidents and heightened employee health risks	- Employee retention through the improvement of work motivation and job satisfaction - Innovation and corporate growth resulting from the activities of diverse human resources	- Percentage of management positions held by women in Japan: 13.5% (scope: eight Group companies) - Percentage of female employees returning to work after childbirth (retention rate one year after returning to work: 73.3%) (scope: eight Group companies) - Percentage of eligible male employees taking parental leave: 88.6% (scope: eight Group companies) - Continuing provision of career seminars for female employees (scope: eight Group companies)
	Cultivation of human resources	Cultivate human resources so each person can grow and fulfill their potential - Cultivate next-generation business managers - Develop the skills of technical personnel in specialized fields - Cultivate human resources with global perspectives			- Training programs for next-generation managers, including company-developed training programs (N-Map) and participation in external training programs (scope: eight Group companies, 110 participants) - Facilitation of participation in IT-related qualification courses as part of training for DX personnel (qualifications obtained by 43 employees) - Program to train human resources with global perspectives (17 participants, total of 34 alumni transferred overseas as of June, 2025)
	Employee working environments and health	- Continuously strengthen occupational health and safety management activities (zero occupational accidents) - Promote workstyle reform - Promote health management by implementing measures based on these three pillars: work environment, personal physical care, and mental healthcare			- Regular in-house occupational health and safety audits implemented at all Group business sites (implemented at 31 sites, including seven overseas sites) - Occupational accidents are analyzed and issues identified, and equipment safety measures and safety education are conducted for accidents deemed particularly serious (such as getting caught in or tangled in machinery, or an elderly worker falling) - Operational efficiency improvement through DX initiatives (e.g., introduction of AI and BI) - Walking campaigns (twice in fiscal 2025) designed to encourage employees to take regular exercise, provision of self-care and line care training programs with the aim of maintaining/improving mental health - Redevelopment of office environments including the construction of the new Yoga Office (provisional name) to support diverse workstyles

Initiatives Based on the TCFD Recommendations

In August 2021, the Nisshin Seifun Group expressed its support for the TCFD recommendations and announced its participation in the TCFD Consortium. In 2021, we performed qualitative scenario analyses of the Flour Milling Business, the Processed Food Business, and the Prepared Dishes and Other Prepared Foods Business. In fiscal 2024, we expanded the scope of these analyses to include the Yeast and Biotechnology Business and conducted detailed analyses

of the financial impact on major businesses in Japan. We continued and expanded these analyses in fiscal 2025 while also implementing countermeasures. Responses to risks and opportunities considered to be especially significant are reflected in each company's business strategies as approaches to key sustainability priorities, with the aim of enhancing business continuity and creating opportunities for dialogue with stakeholders through the disclosure of information.

TCFD framework

Disclosure items recommended by the TCFD	Activities by the Nisshin Seifun Group	
Governance	The Nisshin Seifun Group recognizes protection of the global environment, including action on climate change, as its most critical management issue. The person responsible for all actions on these risks under our management system is the Director and President of Nisshin Seifun Group Inc., the Group holding company, as the top management executive. We have established a Sustainability Committee chaired by the President of Nisshin Seifun Group Inc., with the presidents of Group companies serving as members. The role of this Committee is to verify progress on identified sustainability priorities (materiality), including initiatives formulated in 2021 for addressing medium- to long-term targets for environmental issues, and to deliberate on and verify policies and strategies regarding new issues pertaining to sustainability. The Sustainability Committee has established the Environment Committee as a subcommittee and supervises and facilitates its activities.	Chaired by the Director and Division Executive of the Technology and Engineering Division, who is a Managing Executive Officer, the Environment Committee is responsible for the management of environmental issues, as well as the drafting of medium- to long-term environmental targets, and the management and assessment of progress toward the targets. It also submits reports on important matters to the Sustainability Committee, the Group Management Meeting, and the Board of Directors. Matters that could have a major impact on management policies or business activities are reviewed and discussed at meetings of the Board of Directors. In fiscal 2025, it submitted a progress report on the CO₂ reduction roadmap. Furthermore, as an incentive for efforts to address climate change, we opted to reflect evaluations pegged to progress toward the achievement of CO₂ reduction roadmap targets in bonuses for internal Directors (excluding directors who are also members of the Audit & Supervisory Board)
Strategy	In fiscal 2022, we carefully discussed the impact of climate change under the 1.5°C and 4°C scenarios and climate strategy. It is possible that business could be impacted significantly, both under the 1.5°C scenario due to regulatory measures, such as an increase in the carbon price, and under the 4°C scenario due to the increased frequency and intensity of extreme weather events and increasing risks relating to the sourcing of raw materials and water. In relation to short- and medium-term risks arising from the increased frequency and intensity of extreme weather events, we are implementing disaster prevention measures and improving facilities to withstand storm surges and other events, based on hazard analyses and safety timelines (Disaster Prevention Action Plans) for each operation site. Medium- to long-term risks affecting the sourcing of raw materials were already reflected in business strategies as factors that could have a serious impact on our business operations. We also aim to	make further progress on efforts to address climate change through collaboration with producers, research organizations, and government agencies. We responded to transition risks, such as increases in the carbon price, and physical risks affecting the sourcing of raw materials and water, by setting medium- to long-term targets for environmental issues, such as the reduction of CO₂ emissions, water use, food waste, and packaging waste based on the 1.5°C and 4°C scenarios. In fiscal 2024, we conducted a detailed analysis, of the potential effects of climate-related risks, including the financial impact, on our Flour Milling, Processed Food (excluding Healthcare Foods Business) and Prepared Dishes and Other Prepared Foods Segments in Japan. We will continue to work proactively to strengthen the adaptive capacity and resilience of our business operations.  Fiscal 2025 analysis results (Page 49)
Risk management	As an organization committed to the appropriate management of environmental issues relating to our business operations, we have established an Environment Committee, while individual Group companies have appointed environmental management coordinators and established environmental management committees in response to inherent environmental issues relating to their activities. The Risk Management Committee, which is made up of the presidents of Group companies under the chairmanship of the Director and President of Nisshin Seifun Group Inc., examines the business	impact of various risk factors, including climate change. Its role is to identify risks, assess impacts, and review risk management plans. It also regularly reviews the management of risks and opportunities identified and assessed by the Risk Management Committees of Group companies as part of the overall coordination of the Nisshin Seifun Group's risk management system. In addition, the Sustainability Committee oversees progress on actions in response to these risks. Progress on the analysis of climate-related scenarios to determine climate-related risks is as described in the strategy.
Metrics and targets	The Nisshin Seifun Group has established four medium- to long-term targets for the reduction of CO₂ emissions, food waste, container and packaging waste, and water use as indicators for its efforts to mitigate and adapt to climate change and reduce environmental impacts. The	Environment Committee regularly reviews progress toward these targets and takes systematic action toward their achievement.  Progress toward medium- to long-term environmental targets (Pages 50-51)

Results of TCFD scenario analysis (including a detailed analysis of the financial impact of significant risks)

Impact of major climate change-related risks on the domestic Flour Milling Segment, Processed Food Segment (excluding Healthcare Foods Business), and the Prepared Dishes and Other Prepared Foods Segment

Risks and opportunities			Impact of major climate change-related risks	Countermeasures
Item	Main category	Sub-category		
Transitional risks	Policies/regulations	Carbon price increases	Impact on business A higher carbon price would cause wide-ranging cost increases in such areas as raw materials, manufacturing, and logistics. We need to enhance our sustainable transition plans and response actions. Financial impact The carbon price burden will increase by around ¥4.5 billion by 2030. *1 An estimate based on a scenario in which CO₂ emission reduction efforts stagnate and emissions remain at around the fiscal 2023 level *2 Calculations based on the NZE Scenario (net zero emissions by 2050) published in International Energy Agency's World Energy Outlook 2022	- Net zero CO₂ emissions by 2050, 50% reduction by 2030 (compared with the fiscal 2014 level) - Steady implementation of measures based on the CO₂ reduction roadmap, including energy-saving activities, improvements in production efficiency, and increased use of renewable energy - Further investment in energy-saving measures based on the use of internal carbon pricing (ICP) ⇒ Reduction of the financial impact to around ¥2.5 billion (2030) (reduction of the carbon price burden by around ¥2.0 billion through these initiatives)
		Increasing intensity of extreme weather events (opportunity losses, including disruption of operations due to water-related disasters, such as tidal surges and floods)	Impact on business The increasing size of typhoons and severity of rainstorms will lead to an increase in the frequency of water-related disasters, such as tidal surges and floods, and their impacts on production sites and logistics operations. We need to enhance our preparedness through business continuity planning (BCP), and to strengthen our countermeasures. Financial impact Net sales reduced by up to ¥600 million per disaster * Estimate prepared with reference to past disasters affecting the Nisshin Seifun Group, flood damage projections based on flood and tidal surge hazard assessments by local governments, and other data	- Enhancement of BCP countermeasures based on hazard analyses and climate fluctuations at individual business sites, expansion of collaboration among business sites - Reinforcement of buildings and facilities, etc., against tidal surges (e.g., installation of flood barriers based on projected inundation levels at production sites) - Enhancement of preparedness for major power outages or requests for long-term reductions in power usage (e.g., use of emergency generators, fuel stockpiling)
Physical risks	Acute	Reduction of agricultural output (difficulty ensuring stable procurement, soaring procurement prices)	Impact on business Declines in agricultural output due to multiple climate-related factors, problems affecting reliable access to raw materials, soaring procurement costs. Impact on wheat as a key raw material The following is an analysis of how wheat would be affected by rising temperatures and adaptation measures under 4°C and 1.5°C scenarios. 4°C scenario While rising temperatures would reduce yields in low-latitude regions where temperatures are already high, yields would increase due to improvements in the suitability of land for wheat growing in high-latitude regions, where yields are currently limited by low temperatures. On a global basis, average yields would continue to rise.	- Continuous research on the impact of climate change and natural disasters on wheat - Support for the development of wheat strains capable of tolerating high temperatures and droughts in collaboration with growers and research organizations - Exploration of growing areas and procurement of wheat with a focus on sustainability  Sustainable wheat procurement initiatives (Page 52) 50% reduction of food waste by 2030 (compared with the fiscal 2017 level; compared with the fiscal 2020 level for Initio Foods Inc., Joyous Foods Co., Ltd., and Tokatsu Foods Co., Ltd.) - Continuous pursuit of low-cost procurement and production operations - Diversification of suppliers, discovery of alternative raw materials
		Anticipated risks Increased frequency of droughts Rising average temperatures, changing rainfall patterns Outbreaks of insect pests and infectious diseases	1.5°C scenario There would be a transition to agriculture with a focus on sustainability, such as measures to reduce agriculture-related greenhouse gas emissions and restore soil. The transitional phase would be likely to bring lower yields and high costs. However, yields would recover or increase in the period to 2050. We believe that the possibility of substantial declines in yields in major wheat-producing countries is low in the medium- to long-term future. However, long-term forecasts about supply and demand and procurement costs for food, including wheat, are subject to uncertainties. Furthermore, analyses of wheat procurement risks relating to climate change need to take into account not only yield fluctuations and costs under each scenario, but also other factors, such as the impact of droughts on trade volumes and quality. Medium- to long-term wheat procurement risks cannot be ignored. We need to take steps to mitigate or adapt to climate change, including support for the development of new strains in collaboration with growers and research organizations, and the exploration of new growing areas with a focus on sustainability.	

Addressing Climate Change and Water Resource Issues

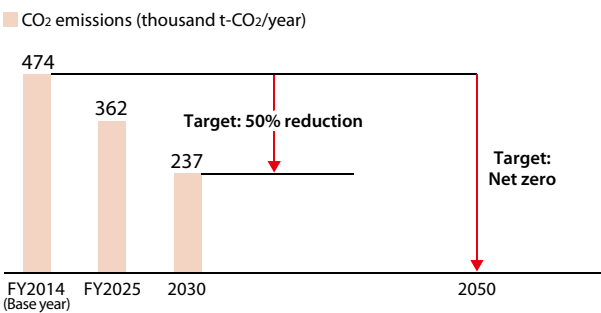
The Nisshin Seifun Group's medium- to long-term targets for environmental issues include the achievement of carbon neutrality by reducing CO₂ emissions to net zero by 2050, the reduction of CO₂ emissions by 50% by 2030 (from the fiscal 2014 level), and the reduction of water usage at production sites by 30% by 2040 (compared with the fiscal 2022 level). We will continue to pursue related initiatives across the entire Nisshin Seifun Group.

Reducing CO₂ emissions

The Nisshin Seifun Group is working to achieve its medium- to long-term environmental targets by reducing energy consumption at its business sites and shifting to energy sources with low CO₂ emissions. We are implementing energy-saving measures, at the Group's business sites, including production efficiency improvements and proactive introduction of highly efficiency equipment, while also endeavoring to procure renewable energy. In fiscal 2025, we pursued initiatives at multiple business sites in Japan and overseas, including a shift to CO₂-free electric power options and the procurement of steam produced in wood biomass boilers. At an increasing number of sites, we have also introduced the use non-fossil certification to ensure that the electric power used is not generated using fossil fuels as part of our efforts to achieve carbon neutrality by reducing CO₂ emissions to net zero.

As a result of these initiatives, CO₂ emissions have been reduced by 24% compared with the base year.

CO₂ emission reductions based on medium- to long-term environmental targets



We will implement comprehensive energy-saving measures and introduce renewable energy in the period to 2030 based on our roadmap. We also anticipate further expansion of fuel conversion options and the emergence of new technologies. After 2030, we will continue to work toward carbon neutrality by 2050.

Note: The Kumamoto Flour Milling group is not included in the scope of the calculations.

Medium- to long-term environmental targets
<https://www.nisshin.com/english/sustainability/environment/target.html>

Nisshin Seifun Welna Inc.

Participation in processed food CFP calculation trial conducted by the Ministry of Agriculture, Forestry and Fisheries

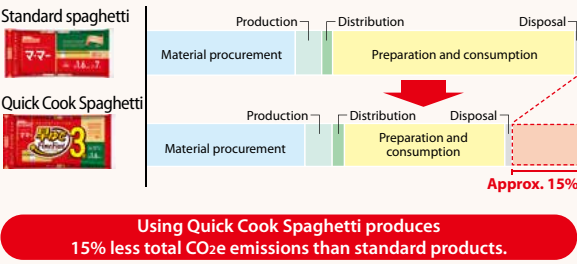
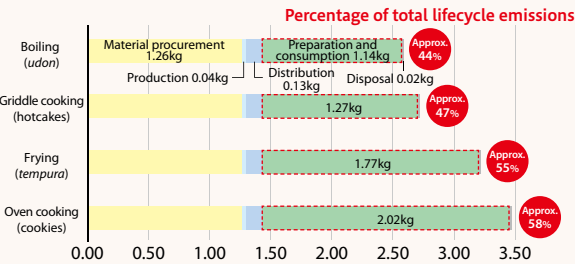
In December 2024, Nisshin Seifun Welna Inc. took part in a trial project conducted by the Ministry of Agriculture, Forestry and Fisheries to calculate the carbon footprint (CFP)*¹ of processed foods. The results of calculations for 1kg of Nisshin Flower® flour showed that household cooking and consumption accounted for 44-58% of CO₂e*² over the product lifecycle. It was also found that CO₂e over the product lifecycle varied according to the cooking methods used.

In recent years actions to address environmental and social issues have been increasingly seen as part of companies' social responsibilities. This is reflected in an increasing emphasis on environmental assessments across entire supply chains. Nisshin Seifun Welna has introduced product lifecycle assessment as a method for calculating

environmental impacts based on objective evaluations and accurate information across product lifecycles. Using this approach, we have been able to visualize the environmental impact of Ma-Ma Quick Cook Spaghetti FineFast, which requires less cooking time. We will continue to evaluate CO₂e emission volumes for each cooking method, including the results of the recent trial. We aim to contribute to social sustainability in various ways, including the use of development indicators for eco-friendly products and the dissemination of information to consumers.

*1 The amount of greenhouse gases emitted during product/service lifecycles
*2 This is a unit of emissions of greenhouse gases, which are the causes of global warming. The quantities of greenhouse gases emitted are expressed as equivalent emissions of carbon dioxide (CO₂)

CO₂e per kilogram of Nisshin Flower® flour

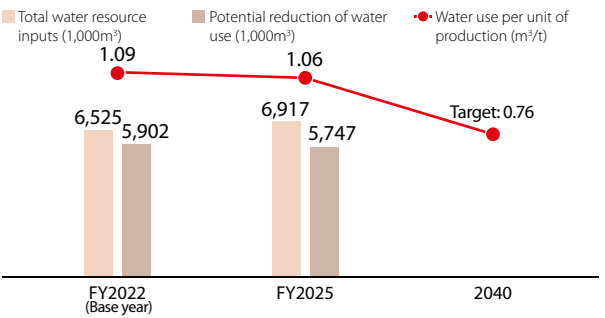


Efficient use of water

The Nisshin Seifun Group aims to ensure efficient utilization of water resources by monitoring water usage and the status of wastewater management systems at all of its production sites. We have set water usage reduction targets according to risk levels based on future water stress forecasts at all of our production sites in Japan and overseas. In fiscal 2025, we reduced water usage in manufacturing processes across the entire Group. We also made progress on related measures at our business sites, including upgrades to equipment designed to conserve water, and the replacement of water-based methods with processes that do not require water.

Note 1: The Kumamoto Flour Milling group is not included in the scope of the calculations.
Note 2: Water resource inputs exclude inputs that cannot be reduced, such as water incorporated into products and water necessary for production.
Note 3: The scope of water usage reductions in the base year has been revised to reflect increases in water usage targeted for reduction due to the expanded scope of the calculations.

Water resource inputs and water use per unit of production based on medium/long-term environmental targets



Reduction of Food Waste and Container and Packaging Waste, Effective Resource Utilization

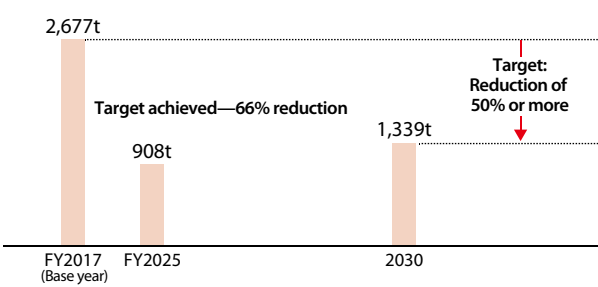
The Nisshin Seifun Group is contributing to the creation of a recycling-oriented society through its initiatives to utilize resources more efficiently. In Japan, the Group as a whole and individual Group companies have emitted zero production waste since fiscal 2014. We will continue working to reduce food waste throughout the supply chain, reduce the amount of packaging materials used for our products, and promote the effective use of resources throughout the Group in line with our medium- to long-term environmental targets.

The Nisshin Seifun Group defines food waste as production and distribution by-products and waste that cannot be used in food and are processed and disposed of through thermal recycling, landfill disposal, incineration, and other means. In addition to our efforts to reduce the amount of waste generated by production processes, we are also reviewing our disposal methods and proactively adopting material recycling systems. We achieved our food waste reduction target ahead of schedule in fiscal 2024. We also achieved the target in fiscal 2025. We aim to lower environmental impacts still further

through our ongoing efforts to reduce food waste.

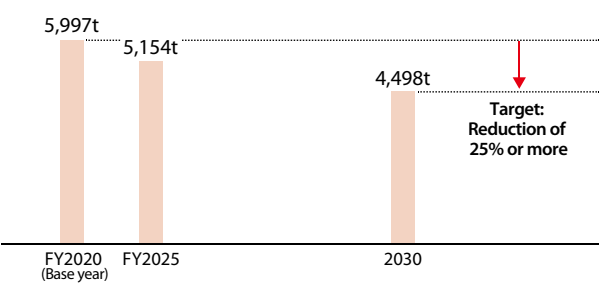
We have also been working to reduce the environmental impact of containers and packaging materials through initiatives starting at the packaging design and R&D stages, including the reduction of the amount of plastics used. We will continue to target reductions in the use of fossil fuel-derived plastics through a shift to biomass plastics and paper packaging, packaging simplification, and other measures. Our goal is to introduce eco-friendly packaging while ensuring product safety.

Food waste reduction (Group companies in Japan)



Note 1: Food waste reduction efforts target: Food waste that is processed and disposed of through thermal recycling, volume reduction, landfill disposal, incineration, etc.
Note 2: Fiscal 2020 was selected as the base year for the Prepared Dishes and Other Prepared Foods business, which is a relatively new segment.
Note 3: The results for the Kumamoto Flour Milling group are not included.

Reduction of packaging materials (Group companies in Japan)



Scope: Amount of fossil fuel-derived plastic used by Group companies in Japan
Note: The Kumamoto Flour Milling group is not included in the scope of the calculations.

Nisshin Flour Milling Inc. / Allied Pinnacle Pty Ltd. / Miller Milling Company, LLC

Sustainable wheat procurement initiatives

Two overseas Nisshin Seifun Group companies, Allied Pinnacle Pty. Ltd. (Australia) and Miller Milling Company, LLC (U.S.A.), are working in partnership with growers to promote sustainable agriculture, including the reduction of greenhouse gas emissions from farmland, improving soil health through natural ecosystem processes, and fostering beneficial practices for farmers.

Within Japan, Nisshin Flour Milling Inc. has signed a business partnership agreement with the HOKUREN Federation of Agricultural Cooperatives and has started to explore initiatives toward the sustainable development of agriculture in Hokkaido and the reliable supply and procurement of Hokkaido-grown wheat. In addition to addressing issues that affect the reliable procurement of wheat, we also aim to contribute to a brighter future for agriculture and food and the enrichment of lifestyles by ensuring stable supplies of wheat as a vital food resource.



Nisshin Seifun Group Inc.

Protecting natural capital and biodiversity

The Nisshin Seifun Group's business activities and products depend on the bounties of nature. We see sustainability, including the careful use of water as a vital part of natural capital, as a core priority, and we are continually working to reduce the amount of water used in our factories in Japan and overseas.

We also contribute to biodiversity conservation across our supply chains. Initiatives include water stress surveys in the areas where we procure raw materials, and soil restoration activities in the regions where we procure the wheat used in our products.

Our social contributions beyond the scope of our business activities include support for the conservation of the Kiritappu Wetland through the Kiritappu Wetland National Trust. The Kiritappu Wetland, which is registered under the Ramsar Convention on Wetlands, contributes to biodiversity as a vital habitat for waterfowl. We also support natural resource conservation in relation to biodiversity in Japan and overseas, including the protection of rare species, forest planting, and environmental education, through contributions to the Keidanren Nature Conservation Fund and other organizations.

We will continue to work through our business activities and social contributions to ensure that human health and prosperity can benefit from the bounties of nature.

Consideration for Biodiversity
<https://www.nisshin.com/english/sustainability/environment/biodiversity.html>



A view of the Kiritappu Wetland from the Biwase Lookout Point
Located in Hamanaka Town, Akkeshi District, Hokkaido, the Kiritappu Wetland is Japan's third biggest wetland area. A rich habitat, the wetland also plays a vital role in water resource replenishment and climate moderation and supports the local dairy farming and fishing industries. In 2021, the area was designated Akkeshi-Kiritappu-Konbumori Quasi-National Park in recognition of its scenic value as an area where humans and nature coexist harmoniously.

Water Resource Initiatives
<https://www.nisshin.com/english/sustainability/environment/water.html>

A Human Resources Strategy That Supports the Business Strategies

Human resources portfolio

The Nisshin Seifun Group aims to realign its talent resources according to its business growth strategies. To develop overseas markets and new market categories, such as prepared dishes and other prepared foods, we need people who can work successfully in existing business areas and boldly take up challenges in new areas. As we work to develop new processed foods and ingredients with health and functional benefits and implement automation and labor-saving systems for prepared dishes and other prepared foods, we will also need innovative people who can combine existing knowledge to create new knowledge through continuing efforts in our existing markets. We cannot move forward without further deepening of our existing business areas. We are convinced that talented people who can contribute in these areas also have the potential to play key roles in our new business areas.

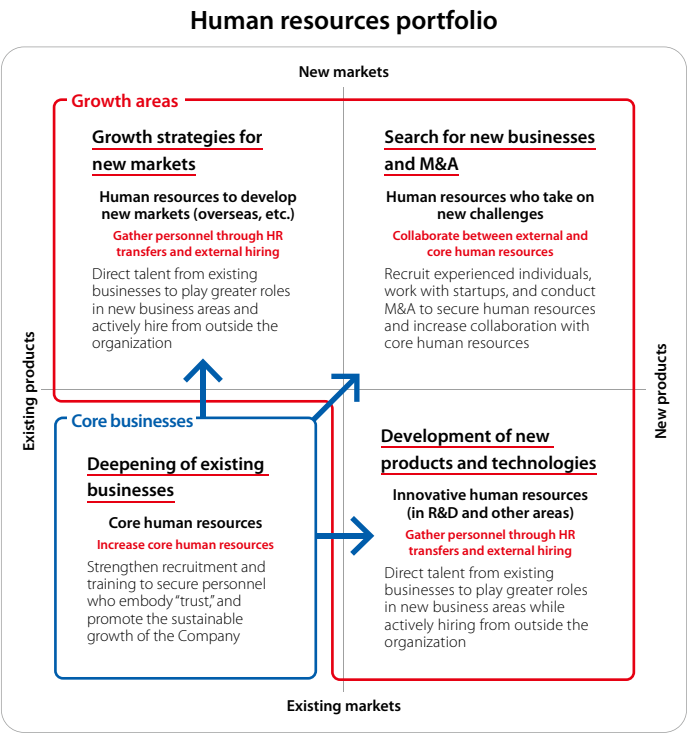
We will systematically expand our talent pool in existing business areas, which are shown in the lower left of the triangle representing our human resources portfolio. People within that group who embody the Nisshin Seifun Group DNA and show a strong commitment to self-improvement will be gradually shifted to growth areas, such as the development of new markets and products. Through this strategy we aim to achieve further growth across the entire Nisshin Seifun Group, while maintaining the stability of our existing business operations. We are also aware that in order to explore new markets and technologies, we will need to diversify our knowledge and experience, including mid-career recruitment of people with different mindsets and backgrounds. We believe that to achieve sustainable growth going forward, the Nisshin Seifun Group needs to pursue a balanced strategy that combines the expansion of the talent pool needed to support our existing businesses with the redeployment of human resources into growth areas. We will therefore combine the quantitative expansion of our human resource pool with a qualitative realignment.

Overview of our human resources strategy

We will implement this human resources portfolio strategy by formulating a human resource strategy and enhancing all aspects of human resource management. In addition to actions to strengthen all stages of the human resource management cycle, including recruitment, training, and deployment, we will also pursue reforms leading to the development of a resilient organization capable of responding flexibly to challenges and change. Our approach to this task will include reforms targeting our basic personnel management systems and the adoption of new workstyles that are in tune with the contemporary environment. In addition, we will link the rapid execution of this human resource policy cycle to the achievement of results through our management strategies.



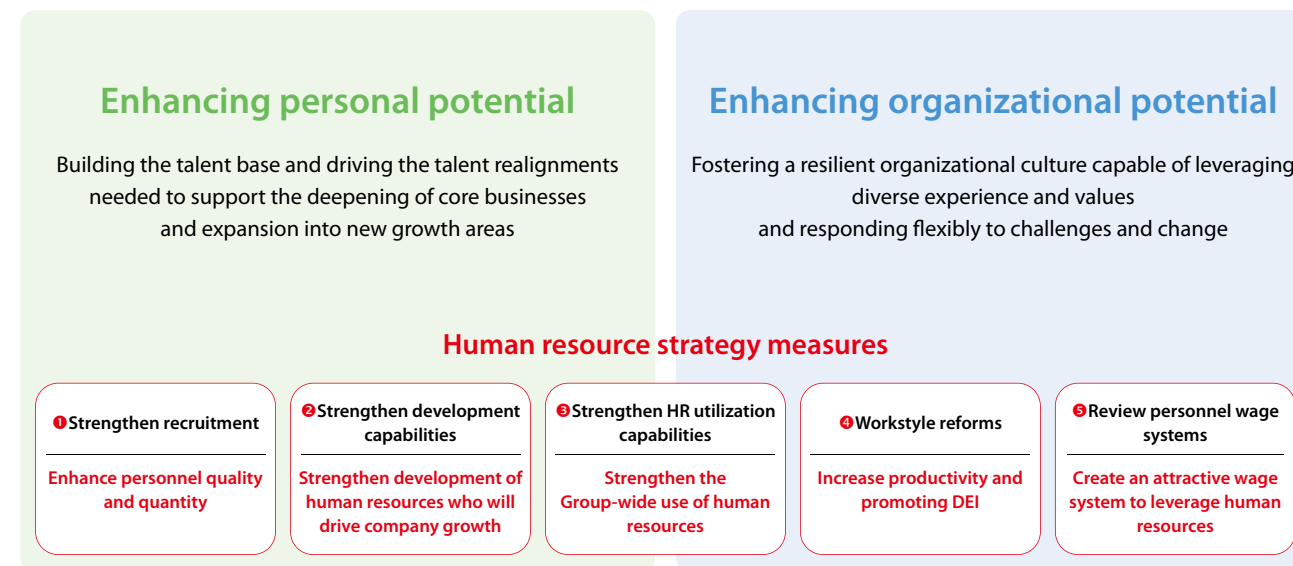
Human resources portfolio for the realization of growth strategies



Human resources strategy based on two perspectives

The Nisshin Seifun Group will pursue a human resources strategy based on the dual perspectives of improving personal potential and raising organizational potential. Specific measures and recent initiatives are analyzed in detail below. We have defined KPIs that will be used to monitor quantitative progress on each initiative and drive further improvement.

Human resources strategy for the realization of business strategies



1 Strengthen recruitment Enhance personnel quality and quantity

We will systematically recruit personnel and strengthen our talent pool to create the human resources portfolio needed today and in the future.

Recruitment of new graduates

We are enhancing our competitiveness in the recruitment market by adopting new hiring methods, including integrated group recruitment and separate recruitment paths for each job category. We are also expanding our internship programs. At the same time, we are continually strengthening our brand potential in the recruitment market through an unprecedented expansion of external public relations activities, including the enhancement of our recruitment website, and the use of external media.

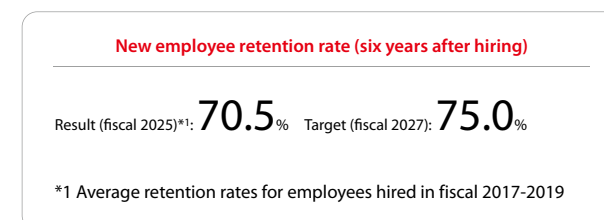
Mid-career recruitment

Our main channels for mid-career recruitment are recruitment agencies. We have further enhanced our competitiveness in the recruitment market by diversifying our methods to include direct scouting, referrals via Nisshin Seifun Group employees, and alumni recruitment (rehiring of former employees).

Onboarding

Another priority is the onboarding process through which new hires are quickly integrated into organizations and

developed into effective contributors. We have introduced various new initiatives for this purpose, including training at the Nisshin Milling Museum to deepen understanding about the founding values of the Nisshin Seifun Group and strengthen collaboration among Group companies, pre-hiring welcome meetings at which new recruits meet supervisors and staff from the companies where they will be employed, and career-cohort gatherings designed to foster human networking within the Group. We place particular importance on the retention of people who have accumulated work experience and embody the Nisshin Seifun Group DNA. Our KPI for this is the retention rate six years after hiring.



2 Strengthen development capabilities Strengthen development of human resources who will drive company growth

By enhancing our employee development systems, we aim to realign our talent profile through the qualitative enhancement of the people who will drive our business activities in the future.

Next-generation leadership development

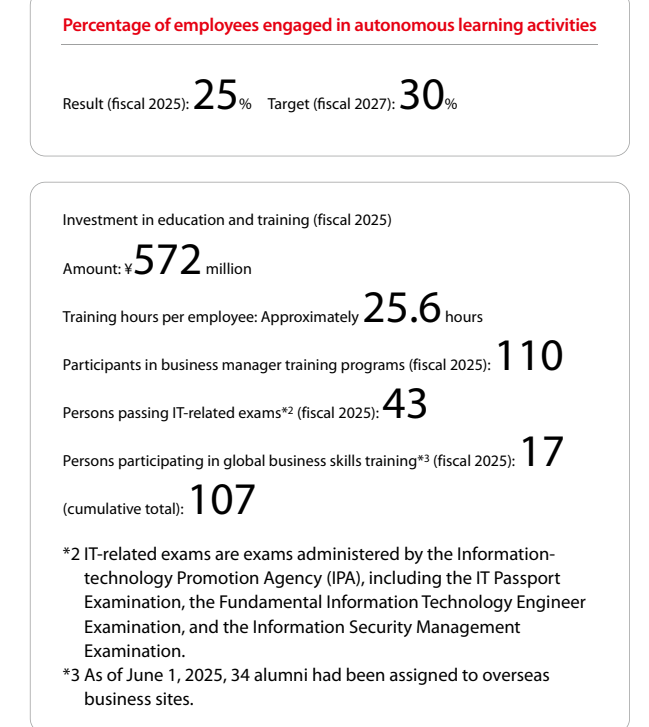
We run business manager training programs to develop next-generation management leaders. In addition to succession planning, including the maintenance of a pool of potential in-house successors, we also operate a four-stage cycle that begins with the selection of candidates for business manager training. The second stage is education, including participation in outside courses. The third stage is action learning, and the fourth and final stage is utilization through appointment to important positions. We are expanding our successor pool and developing talent through the expansion of our educational programs, including the Nisshin Manager's Advanced Program (N-MAP), which is our main in-house training program for next-generation management candidates, as well as participation in external courses, such as MBA programs in Japan and overseas and programs at overseas law schools. We are aware of the need to strengthen middle management. This is reflected in changes to our executive training programs and the introduction of a two-year management skill enhancement program for newly appointed executives and others with the aim of expanding the candidate pool.

Development of people with digital skills and the ability to work globally

Training for core employees capable of driving future business evolution needs to focus on digital skills and global business skills. Systems designed to improve digital skills include video training for all employees and classroom training in the use of digital technology for new graduate hires in their third year with the Group. We also support self-improvement efforts, including subsidies for employees working to obtain qualifications in data processing technologies. We have introduced a new practical training program to help candidates for overseas leadership roles to develop global business skills. We have also continued to help employees to improve their English skills through self-improvement support programs.

Support for autonomous learning

We encourage all employees to learn. We are expanding our support for voluntary training programs designed to encourage continuous, self-driven learning and self-improvement. In addition, we have enhanced our training programs and diversified the methods used, including the provision of online educational content. Because a high level of participation in autonomous learning activities has the potential to bring major improvement in employee skills, we have created a new KPI to allow continuous monitoring of these activities.



3 Strengthen HR utilization capabilities Strengthening the Group-wide use of human resources

We have enhanced our approaches to personnel deployment and utilization for two reasons. First, we aim to enable individual employees to build diverse experiences as part of their potential. Second, we are targeting optimal deployment of personnel across the entire Group.

Personnel exchanges within the Group

We are stepping up personnel exchanges within the Group as a way of helping young and mid-career employees to look at their careers from a medium- to long-term perspective, while also creating opportunities to achieve growth through diverse experiences. We have been revamping our in-house job application system since last year as a way of enhancing our ability to drive various business policies, while also increasing the motivation for individual opportunities to contribute through their own efforts.

Using talent management systems

We have revamped our talent management systems to facilitate effective talent utilization through enhanced visualization and integrated management of corporate human resources data. These changes have strengthened the systems used to accumulate data about employee skills and experience and achieve optimal deployment. Going forward, we will also make effective use of our talent management system to strengthen position management, including the clarification of requirements of key positions as the basis for expanded training of candidates for these positions.

4 Workstyle reforms Increase productivity and promoting DEI

We are continually reforming workstyles as part of efforts to provide an environment in which employees can reach their full potential and experience a sense of growth.

Business process reforms, mitigation of long working hours

Initiatives to improve operating efficiency and working environments include office layout updates and business process innovation through the introduction of IT systems and generative AI. We are also taking steps to improve productivity and help employees achieve a better work-life balance by implementing new measures to reduce overtime hours, including restrictions on the times when non-urgent in-house emails can be sent and the introduction of earlier floor closing times.

Improving psychological safety

We have continually implemented measures to enhance employees' psychological safety since fiscal 2022. The four key concepts for psychological safety are the ease of speaking up, openness to new ideas, mutual support, and encouragement to take on challenges. Each year we provide video training to help new employees and mid-career hires to understand these concepts. In fiscal 2025, we also included psychological safety in our human rights training programs. We will continue to work toward the improvement of psychological safety in our workplace through a combination of measures to facilitate dialogue and prevent harassment, as part of our commitment to creating a resilient organizational culture capable of adapting flexibly to challenges and change.

Organizational improvement based on engagement surveys

We see proactive initiatives to improve individual organizations built on engagement survey results as an essential part of our efforts to enhance retention and productivity. This perception was reflected in changes to our N-Voice engagement survey in fiscal 2025. We are continually working to improve workplace environments while operating a PDCA cycle based on improvement activities linked to actual conditions.

Promoting diversity through organizations, education, and training

In fiscal 2026, the Nisshin Seifun Group renamed the Human Rights Promotion Office to the Diversity Promotion Office. This change signals an increased commitment to diversity, equity, and inclusion (DEI). In addition to traditional human

rights awareness activities, we are also pursuing wide-ranging workplace initiatives to foster understanding and support toward LGBTQ people, including the maintenance of ally communities, and participatory training based on the Crossroad Diversity Game*4.

*4 This interactive game aims to deepen mutual understanding by allowing participants to simulate complex dilemmas that can arise in the workplace in relation to careers, childcare, elderly care, employment of people with disabilities, LGBTQ issues, and other aspects, and to develop imagination (identifying with problems), empathy (accepting diverse values and ideas), and dialogue skills (discussing problems that have no clear answers).

Creating environments in which diverse people can thrive

The Nisshin Seifun Group has long maintained and enhanced systems in excess of the statutory requirements to help employees combine careers with family life, such as childbirth, child-raising, and care for ailing family members. In fiscal 2026, we expanded the scope of the care leave system and introduced measures to assist employees with care responsibilities, including eligibility for reduced working hours. We also introduced flextime for employees on reduced working hours. We have also introduced the "F Course" system, which allows employees to obtain a specific period of exemption from transfers requiring a change of address, and a spouse accompaniment leave system that helps to

Retention rate for female employees returning from parental leave (one year after returning to work)

Result (fiscal 2025): 73.3% Target (fiscal 2027): 100.0%

Percentage of eligible male employees taking parental leave

Result (fiscal 2025): 88.6% Target (fiscal 2027): 100.0%

Percentage of eligible male employees taking parental leave for one month or longer

Result (fiscal 2025): 35.4% Target (fiscal 2027): 50.0%

Examples of initiatives by Nisshin Seifun Welna based on engagement survey results

- Issuance of top management messages designed to improve engagement
- Improvement cycle based on the formulation of action plans in individual workplaces, followed by regular progress checks and reviews
- Cross-organizational roll-out of successful initiatives through information sharing at company-wide meetings
- Improving the quality of one-on-one meetings as a communication tool between supervisors and subordinates, and taking other specific initiatives to build reciprocal understanding of values and DEI

prevent the resignation of employees when their spouses are transferred by enabling them to take leave for up to five years.

Another priority is measures to enable male employees to participate more fully in the lives of their families, such as by encouraging them to take parental leave. We are currently working to raise awareness of parental leave, including the development of communication guidelines for executives. We are also considering the development of support mechanisms for employees returning from leave.

Health management

We have established three KPIs relating to working environments, physical healthcare, and mental healthcare as core aspects of our commitment to maintaining and enhancing employee health. We implement Group-wide measures through a structure under the direct oversight of the President. In-depth initiatives to maintain and improve employee health include improved follow-up support based on the results of regular health checks, the enhancement of mental healthcare provided by industrial physicians and counselors, and the implementation of lifestyle-related disease prevention programs.

Career development initiatives for female employees

The promotion of women's participation and career advancement is a key pillar of the Group's management strategy. We advance career development for women by creating and expanding a continuous talent pipeline for the development of leaders throughout the organization through initiatives on three levels: the development of candidates for executive and management positions, support to enable women to reach management positions, and the expansion of the female hiring ratio to maintain a sufficient pool of management candidates.

Developing executive and management candidates

We are strengthening our development of female leadership talent to increase the percentage of women among executive and management candidates. Specifically, we create individual development plans for target positions (including placement and training after a certain number of years) for female next-generation management candidates, thereby accelerating the promotion of women from within or outside the Group to key positions.

Support for advancement to management positions

In fiscal 2025, we introduced a program based on the use of external mentors to encourage mindset changes, such as the acceptance of the view that there is no reason why a woman combining work

with child-raising should not feel confident about advancing to a management position. Career advice from different perspectives is extremely valuable. This program provides opportunities that help women advance to management roles.

Increasing the percentage of women hired

To increase the number of female managers, we also need to expand the percentage of women hired. Nisshin Seifun Group Inc. has formulated an action plan to promote career advancement for women. One of the targets in that plan stipulates that at least 40% of new hires should be women (based on the three-year average), in order to increase the percentage of women among both new graduates and mid-career personnel hired.

The Nisshin Seifun Group is participating in the Co-ALIVE program—a joint DEI initiative established by companies in the food industry. Under this initiative, we continually provide career training for women in the age cohort for potential future managers. We also run seminars on women's health issues, as well as events to encourage male employees to take parental leave.

Through these development measures, we are widening the pipeline for promotion to management positions and actively promoting women based on merit. We have established the following KPI as the basis for continuing efforts to promote career advancement for women.

Percentage of management positions held by women*5

Result (fiscal 2025): 13.5% Target (fiscal 2027): 15.0%

*5 Scope: Nisshin Seifun Group Inc., Nisshin Flour Milling Inc., Nisshin Seifun Welna Inc., Nisshin Seifun Premix Inc., Oriental Yeast Co., Ltd., Nisshin Pharma Inc., Nisshin Seifun Delica Frontier Inc., Nisshin Engineering Inc., NBC Meshtec Inc., Nisshin Grain Silo Inc., Nisshin Associates Inc.

5 Review personnel wage systems Create an attractive wage system to leverage human resources

We are exploring reforms leading to the creation of attractive personnel management systems that are in tune with today's needs and will support effective utilization of human resources.

To underpin our human resources strategy, we will continue to update our grading, evaluation, compensation, and other systems from a medium- to long-term perspective, while transitioning to mechanisms that will reward employees in

line with their roles and contributions, in order to create an attractive personnel and pay framework in which diverse talent can achieve even greater success.

Corporate Management Based on Respect for Human Rights

The Nisshin Seifun Group regards respect for human rights as the foundation for its business activities and manages its operations on the basis of respect for the human rights of all stakeholders, both within and outside of the Group.

Commitments relating to human rights

The Nisshin Seifun Group Corporate Code of Conduct and Employee Action Guidelines contain specific provisions relating to human rights. In 2018, we brought in outside advisors to assist with the formulation of a Human Rights Policy based on the United Nations Guiding Principles on Business and Human Rights. That policy, which was put into effect after its approval by the Board of Directors, applies to Nisshin Seifun Group Inc. and its consolidated subsidiaries, as well as to our business partners and all other parties involved in our business operations.

Every December we run a “Human Rights Week” program, during which the President of Nisshin Seifun Group Inc. issues messages emphasizing the importance of respect for human rights. We also work to improve understanding about human rights through seminars attended by all officers and employees. We have also formulated the “Responsible Procurement Policy” and our “Request to Our Valued Suppliers” (supplier Guidelines), under which we work to ensure that our Group policies are understood and put into practice by suppliers as our business partners.

Human rights promotion structure

Our human rights promotion structure includes the Human Rights Promotion Committee, which is made up of directors in charge of the HR and Labor Planning in operating companies and chaired by the Executive Officer in charge of the Human Resources & Labor Relations Division of Nisshin Seifun Group

Inc. We have also established a Diversity Promotion Office within the Human Resources Management Department of the Human Resources & Labor Relations Division of Nisshin Seifun Group Inc. to ensure appropriate action in response to various human rights issues. In addition, Human Rights Promotion Committees have been established within Group companies. These committees monitor progress on initiatives and share views. Important matters relating to human rights are also put forward for discussion at Sustainability Committee meetings, the Group Management Meeting, or Board of Directors meetings.

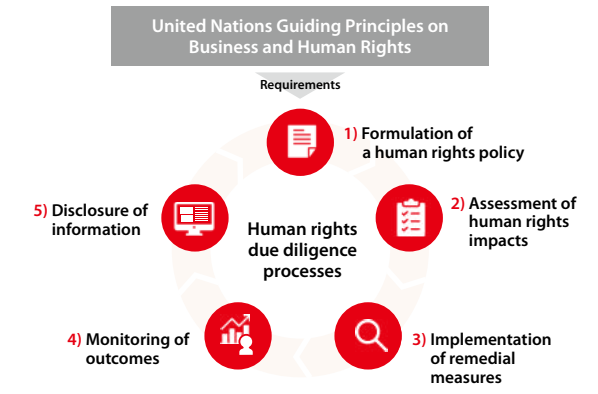
Human rights due diligence

We carry out human rights due diligence in order to identify and assess human rights risks that could be impacted by our business activities and to identify important issues requiring prioritized action.

In June 2021, we began to implement human rights due diligence activities covering the Flour Milling, Processed Food, and Prepared Dishes and Other Prepared Foods Business, which account for large shares of our sales in Japan. In November 2022, we expanded the scope of these activities to include the Healthcare Foods Business, Engineering Business, Yeast and Biotechnology Business, and Mesh Cloth Business.

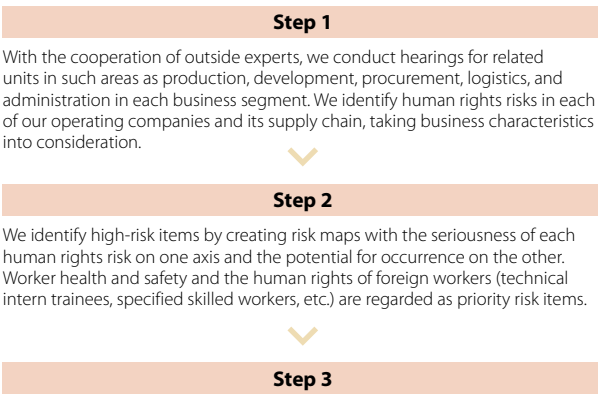
Nisshin Seifun Group, Inc. monitored these activities and confirmed that all businesses were progressively taking action to address high-risk issues that had been identified. We will continue to address significant risks and serious issues.

Human rights due diligence processes



Human rights initiatives (Detailed description of each process) https://www.nisshin.com/english/sustainability/social/human_rights.html

Human rights impact assessment process



Examples of group-wide major human risks

Existing and potential risk items identified through the human rights impact assessment process (Step 2)

Hazardous tasks / occupational accidents, violations of human rights of foreign workers, occupational safety and health management for logistics company workers, long/extended working hours or continuous work without days off by employees (including employees of suppliers), bribery or other corrupt practices, risks that our products and services could harm the health of consumers, harassment of workers, discriminatory language in advertising, leakage of personal information, impact of plant closures or relocations on employment, inadequate human rights education for non-regular workers.

Reasons for the prioritization and initiatives to address these risks

- Flour Milling Business Processed Food Business Prepared Dishes and Other Prepared Foods Business Healthcare Foods Business
- Engineering Business Yeast and Biotechnology Business Mesh Cloth Business

Key issue	Actions	Businesses covered
1) Worker safety and health Main reason for prioritization Because the Nisshin Seifun Group operates manufacturing plants, there is a risk that health and safety could be directly impacted by hazardous tasks or occupational accidents, etc.	Occupational accidents - Implementation of PDCA cycles based on the Occupational Health and Safety Management Policy - Audits by Nisshin Seifun Group Inc. of operating companies in Japan and overseas (FY2025: 31 sites) - Identification of issues through analyses of occupational accidents, expansion of equipment-related countermeasures and safety education activities to address accidents that were judged to be particularly serious, such as entrapment and entanglement in machinery and fall accidents involving older workers - Provision of seniority-based occupational safety and health training (attended by 294 people in fiscal 2025) Occupational safety and health https://www.nisshin.com/english/sustainability/social/employee/safety.html	
	Supplier management - Actions to correct excessive working hours through regular dialogue with logistics companies - Provision of human rights training by outside experts to enable logistics managers to consider driver operations, which are an important aspect of logistics company management, from a human rights perspective (167 attendees in fiscal 2025) - Compliance surveys to identify excessive loading or other issues at logistics companies	
	2) Human rights of foreign workers Main reason for prioritization We need to take prioritized action in relation to the human rights of foreign workers in our own plants (especially in the prepared dishes and other prepared foods segment) and those of subcontracting plants and suppliers, because of the high social importance of this issue and because of the need to embrace diversity.	
	Working environment - Use of multilingual signage and illustrations to help foreign workers to understand about hazardous locations and equipment - Creation of multi-language manuals and notices, provision of interpreters (for key languages) - Screening of occupational safety videos in multiple languages - Seminars on human rights and the management of foreign workers presented by outside experts at individual companies	
	Monitoring and assistance - Implementation of third-party CSR audits (in some plants producing prepared dishes and other prepared foods) - Creation and administration of an assistance channel in the form of a structure capable of conveying issues to corporate management while protecting the privacy of people seeking assistance (e.g., an improvement suggestion box)	
	Raising human rights awareness among foreign workers Creation of Chinese, Vietnamese, Indonesian, Thai, and Turkish language versions of our human rights policy, distribution of copies to our overseas business sites to promote awareness and assimilation of the human rights policy	

Corporate Governance Structure

Basic approach to corporate governance

The mission of the Group (the Company and its subsidiaries and affiliates) is to stably provide safe and reliable “shoku” (food), in line with our corporate principle of “contributing to a healthy and fruitful life for all,” which is founded on our guiding philosophies of “the basis of business is built on trust” and “being in tune with the changing business climate.” In keeping with this basic principle and the aim of realizing sustainable corporate growth and maximizing long-term corporate value, the Company’s basic approach to corporate governance is: (i) to develop an efficient management system and clarify management responsibility and (ii) to promote management based on respect for the status of each stakeholder, beginning with our shareholders, and to achieve transparent, timely, and appropriate decision-making. Following this approach, we seek to fulfill our obligations to all of our stakeholders, including our responsibility to manage the Company effectively on behalf of stakeholders. We have also established the Corporate Governance Policy to ensure effective governance that will support sustainable growth and the creation of corporate value in the medium and long term.

Nisshin Seifun Group governance system

Management structure

Board of Directors:

The Board of Directors is the supervisory body for decision making on important matters of management policy and business execution. To ensure Board diversity in terms of gender, age, and other attributes, male and female directors with differing backgrounds have been appointed, including some with overseas business experience. The Board of Directors is chaired by President Kenji Takihara.

The Board of Directors basically consists of (i) directors who are dedicated to the holding company and are responsible for the functions of the entire Group; (ii) directors who are familiar with the market environment and management of major businesses and who concurrently hold the position of manager of a primary business subsidiary; (iii) Outside Directors with an independent, third-party perspective; and (iv) directors with voting rights at the Board of Directors meeting and who are members of the Audit & Supervisory Committee responsible for auditing the legality and appropriateness of business execution.

Appointment of Outside Directors:

Six highly independent Outside Directors have been appointed to provide opinions from a third-party perspective on the management of the Company. (Please see the List of Directors on pages 66–67 for profiles of members of the Board of Directors).

Executive officer system:

To accelerate business execution, we transitioned from the executive officer system adopted in 2001 to a new system in 2019. With the transition to a Company with an Audit & Supervisory Committee in June 2019, we revised the previous executive officer system to clarify the role of Executive Officers. Under the new system, Executive Directors also serve as Executive Officers.

Group Management Meeting:

As a general rule, Group Management Meetings are convened twice monthly or as needed to discuss and exchange information on important matters related to the execution of the business operations of the Group and group companies. The meeting comprises primarily executive officers and is chaired by President Kenji Takihara.

Committee system for corporate governance

Nomination and Remuneration Advisory Committee:

The Nomination and Remuneration Advisory Committee, composed of all the Independent Directors, facilitates information sharing among the Outside Directors. Furthermore, in response to requests for consultation from the Board of Directors, the Nomination and Remuneration Advisory Committee discusses and advises on the appointment of Representative Directors and Outside Directors, the composition of the Board of Directors (including the skill matrix), the senior management remuneration framework, and other related matters. It also carries out functions similar to those performed by optional nomination and remuneration committees.

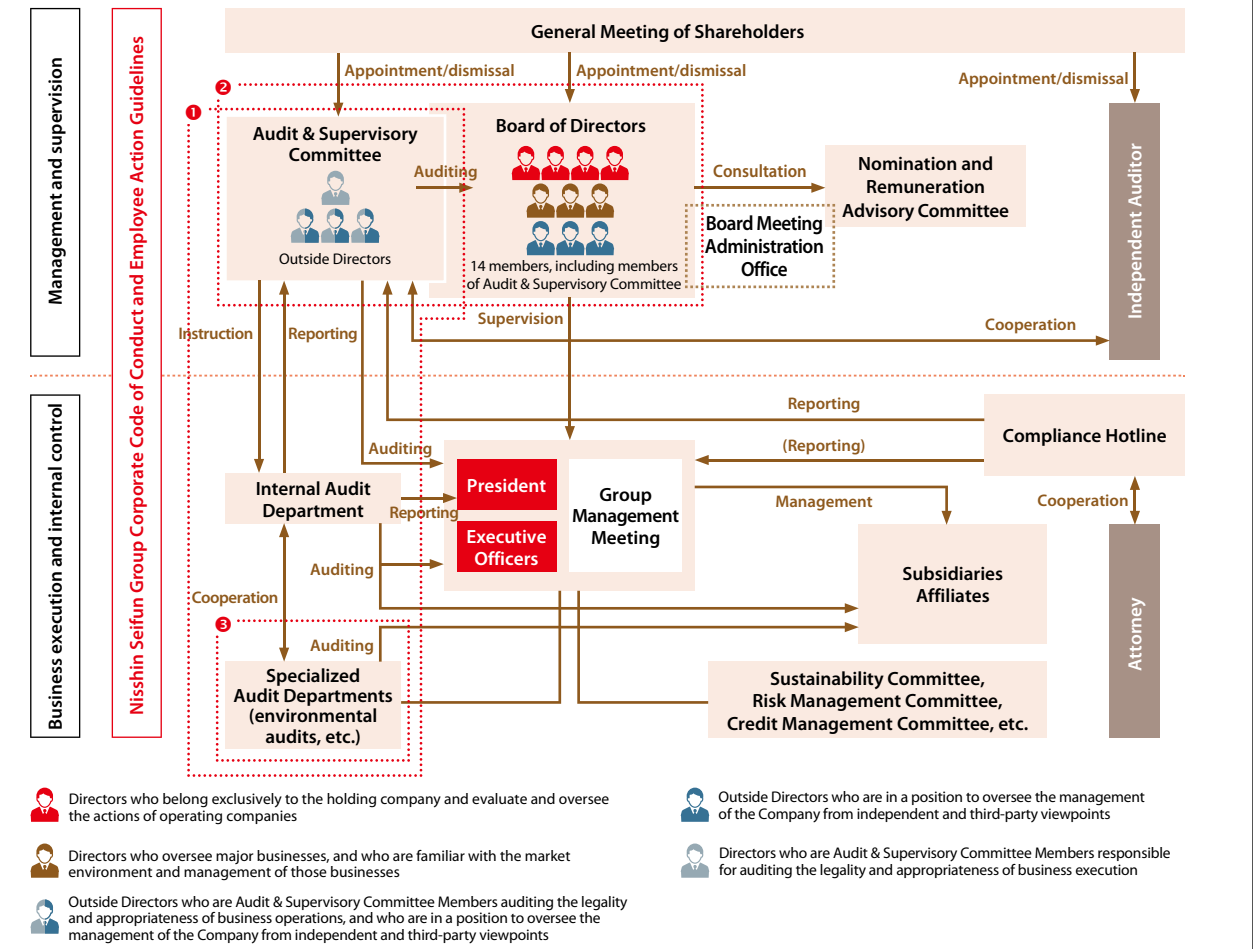
In principle, the Nomination and Remuneration Advisory Committee holds two meetings each year, but additional meetings can be convened if necessary. In fiscal 2025, there were two meetings chaired by Mr. Kazuhiko Fushiya, who is an Outside Director.

Corporate Value Committee:

We have established a Corporate Value Committee consisting solely of independent Outside Directors. The committee carefully deliberates on acquisition proposals submitted to the Company from the perspective of whether the acquisition proposal would secure and improve the Company’s corporate value and the common interests of the shareholders. The Corporate Value Committee meets once a year, regardless of whether or not there have been acquisition proposals, to discuss policies and other measures designed to secure corporate value and protect and enhance the interests of shareholders.

Diagram of corporate governance structure

The holding company structure has been adopted to allow the holding company, Nisshin Seifun Group Inc., to evaluate and supervise its operating subsidiary companies from the shareholders’ perspective to ensure the strategic use of management resources and effective corporate governance in Group operations. The structure clarifies management responsibilities and enables timely and appropriate decision-making to support the execution of our business operations.



1 Audit structure

The Company has set up an Audit & Supervisory Committee comprising a total of four Directors—three Outside Directors and one Inside Director. The Audit & Supervisory Committee Members attend important meetings, including those of the Board of Directors, hold regular meetings with the Representative Directors, and audit the execution of duties by Directors, in accordance with the Board’s auditing standards and audit plans. One Inside Director serving as a full-time Audit & Supervisory Committee member and as an Audit & Supervisory Board member at major subsidiaries conducts audits of the Group companies. The Company regularly holds the Nisshin Seifun Group Audit & Supervisory Liaison Committee Meeting as a forum in which auditors of business subsidiaries can share audit and risk information. The Internal Audit Department is under the direct control of the Audit & Supervisory Committee and performs audits as instructed. It also carries out internal control assessments.

2 Reasons for selection of the corporate governance structure

The “Company with an Audit & Supervisory Committee” structure was selected in 2019 for the following reasons:

- 1) A Company with an Audit & Supervisory Committee structure strengthens the supervisory functions of the Board of Directors over business execution by increasing the ratio of Outside Directors and providing Directors who are Audit & Supervisory Committee members with voting rights at meetings of the Board of Directors.
- 2) An Audit & Supervisory Committee, which is composed of a majority of Outside Directors, improves management transparency by taking responsibility for auditing the legality and appropriateness of business execution.
- 3) The structure enables a review of the authority vested in the Executive Directors with the objective of accelerating management decision-making and improving the agility of business execution.

3 In-depth specialized audits

From the perspective of ensuring legal compliance and preventing accidents, the Nisshin Seifun Group considers four categories of safety (the safety of people, products, equipment, and the environment) as being preconditions to sound production activities. In line with this approach, specialized audits are performed by sections or departments with the necessary knowledge and expertise. Specialized audits include equipment/safety audits and environmental audits to ensure sound company operations, as well as quality assurance audits aimed at ensuring product safety based on quality assurance from the consumer’s perspective. The specialized audits provide necessary guidance and improvements, which are extended horizontally across the Group to maintain and enhance the overall level of the Group. The results of audits are also reported to the Audit & Supervisory Committee.

Operation of the Board of Directors

Director training

The Company provides its Directors with opportunities to acquire the necessary knowledge appropriate to their role in a governance body that is a critical part of a listed company. For example, the Company plans workshops presented by lawyers and other experts about the Companies Act, corporate governance, and other issues.

The Company also provides and arranges training opportunities, including the subsidization of costs, so that Directors can update the professional expertise required to lead the industry. Directors use these opportunities to deepen their understanding of their roles and responsibilities and endeavor to acquire and enhance the necessary knowledge and skills.

Follow-up system for Outside Directors

Contact with the Outside Directors is made through the Board Meeting Administration Office, which distributes materials for meetings in advance and provides Outside Directors with an overview of the proposals to be presented to the Board of Directors. When necessary, the relevant corporate units also brief Outside Directors in advance about proposals. Outside Directors who are Audit & Supervisory Committee Members also view documents drafted by the Audit & Supervisory Committee Administration Office. If necessary, they can also receive briefings by the full-time Audit & Supervisory Committee Member or the Audit & Supervisory Committee Administration Office.

Expertise and other characteristics of Directors (skills matrix)

The Company selects Outside Directors after taking into consideration each candidate's advanced specialized know-how, extensive experience and broad insights as corporate executives, as well as their knowledge of the world situation, perspectives on risk management and compliance, and various other attributes. We also strive to ensure a healthy balance in terms of the diversity, knowledge, experience, and abilities of our Outside Directors.

In addition, we have established a skills matrix that outlines the expertise and other characteristics of each Director.

Appointment and Compensation of Directors

Appointment, dismissal, and nomination

The appointment and dismissal of Senior Management is subject to deliberation and resolution by the Board of Directors, in which Outside Directors also participate. Additionally, the Board of Directors proactively engages in the establishment and implementation of a development plan for Senior Management, and appropriately oversees the systematic development of a succession plan. The appointment and dismissal of the Company's Representative Directors is discussed by the Nomination and Remuneration Advisory Committee, which is composed of all Outside Directors.

The Company has further enhanced the fairness and transparency of corporate governance by appointing six Outside Directors, all of whom are designated as independent directors.

Expertise and other characteristics of Directors (skills matrix)

Name	Corporate Management and Management Strategy	Global	Finance and Accounting	Legal and Risk Management	Human Resources Management and Human Resource Development	Environment and Society	Sales and Marketing (including E-commerce, etc.)	Procurement and Production	Technology, Digital, and R&D
Kenji Takihara	✓	✓		✓		✓		✓	✓
Kenji Sakamoto			✓		✓				✓
Eiichi Suzuki			✓	✓	✓				
Seiichiro Takahashi				✓		✓		✓	✓
Takao Yamada	✓	✓			✓		✓	✓	✓
Takahiko Iwahashi	✓				✓		✓	✓	✓
Shinichi Ikeda	✓	✓			✓		✓	✓	✓
Kazuhiko Fushiya	✓	✓	✓	✓	✓	✓			
Motoo Nagai	✓	✓	✓				✓		
Nobuhiro Endo	✓	✓			✓		✓	✓	✓
Shoh Ohuchi			✓	✓					
Mieko Tomita				✓	✓				
Takaharu Ando	✓	✓		✓	✓	✓			
Hiroto Kaneko		✓	✓						

Evaluation of the Effectiveness of the Board of Directors

Initiatives in fiscal 2025 based on findings from the fiscal 2024 evaluation

Issues raised in the fiscal 2024 evaluation of the effectiveness of the Board of Directors included the content and presentation methods used in information provided to the Board, and the digitalization of materials for Board meetings. It was also confirmed that there is a need for continuing discussion of important management priorities, including the business portfolio, research and development, new product development, and the intellectual property strategy. We therefore implemented the following initiatives in fiscal 2025.

1) Consideration of content and presentation methods for information provided to the Board of Directors

We sought to ensure that Board meeting materials included the content and information required for decision-making. We also worked to create materials that would provide a clearer understanding of points under consideration, such as the inclusion of non-financial materials that would contribute to deliberations. We will continue to enhance the content of the materials and the presentation methods used.

2) Digitization of documents

We switched to paperless formats for part of the documentation and continued to pursue digitization initiatives. We will continue to consider the methods used to provide information more appropriately, taking into account the content of agenda items and the format of documentation.

3) Deliberations on important management matters

We sought to provide enhanced information and secure sufficient time for discussions on important management matters, such as the business portfolio, research and development, product, development, and the intellectual property strategy. We will continue to deepen our deliberations on these important matters.

Fiscal 2025 assessment

In fiscal 2025, we conducted a survey of all directors. This process included interviews with the Chairman and newly appointed directors. The results were discussed by the Nomination and Remuneration Advisory Committee and other committees and were further analyzed and assessed by the

Board of Directors itself. Concerning the overall operations of the Board of Directors, the survey found that proceedings by the Chair, agenda item selection, deliberation time, discussion quality, meeting frequency, and other aspects were appropriate, and that the composition of the Board, including its size and diversity, enabled it to perform its roles effectively. We believe the survey results indicate that the Board of Directors is operating effectively.

However, the evaluation also identified the need for continuing discussions about important management priorities, such as 1) R&D, new product development, and intellectual property strategy, 2) the digital strategy, DX, and the establishment of automation technology, 3) human resource policies, including recruitment and human resource strategy, productivity improvement, and human capital, 4) sustainability actions, and 5) initiatives to improve corporate value. We recognize these as important management matters requiring continuing deliberations, and we will further deepen our discussions.

Priorities based on the results of the fiscal 2025 evaluation

While the evaluation of the effectiveness of the Board of Directors of Nisshin Seifun Group Inc. was generally satisfactory, the following matters were identified as priorities going forward.

1) Composition of materials used to enhance deliberations

Survey participants thought that the material contained information that was useful for making appropriate decisions through meaningful discussions, and that the key points were organized well. However, some thought that more visual content was needed. We will continue to modify the content, presentation method, and other aspects of the documentation with the aim of facilitating future deliberations.

2) Further deepening of deliberations on important themes

There is a need for further deepening of discussions about important management priorities, including research and development, the digital strategy, the human resource strategy, and sustainability actions, in collaboration with the relevant units. We will continue to deepen our deliberations on these and related themes by building on progress made in fiscal 2025.

Remuneration

The Company determines Senior Management remuneration from the perspectives of: (i) retaining outstanding human resources; (ii) setting an appropriate level of remuneration corresponding to the Company's scale and business categories; and (iii) providing healthy incentives for increasing the medium- to long-term corporate value of the Company. Management remuneration includes a variable performance-based portion, which reflects the degree of contribution to the Group and the medium- to long-term basic strategy of the Group.

Based on the above approach, remuneration comprises a combination of the following: (i) a monthly fixed basic payment corresponding to each individual's role; (ii) a variable portion (bonus) payment provided, in principle, at preset times during the year, reflecting the individual's past performance contributions; and (iii) a stock-based remuneration payment provided once per year with the aim of orienting management toward shareholder value by linking remuneration to future performance. Because of our involvement in the food industry, our mission—which at the same time is the source and foundation of our corporate value—is to maintain high standards of product safety and quality and continue to supply flour and other staple foods to the people reliably. Our basic philosophy on remuneration is that the remuneration mix should be appropriate for our business activities. In order to achieve further improvement in corporate value, we aim to link remuneration more closely to business performance by modifying our policy to change the ratio of (i) a monthly fixed basic payment, (ii) a variable portion (bonus), and (iii) a standard amount of stock-based remuneration from 70:15:15 to 60:20:20, resulting in an increased weighting on elements (ii) and (iii). To ensure the objectivity and validity of the remuneration amounts, the standard total amounts of remuneration for each rank are determined in consideration of a variety of factors, including the results of surveys conducted by external organizations, the professional responsibilities of each rank, and their importance in relation to Group management.

Total remuneration by type for each director category and by type of remuneration, and number of eligible directors

Director category	Total remuneration (millions of yen)	Total remuneration by type (millions of yen)			Number of eligible directors
		Fixed remuneration (basic portion)	Variable remuneration (bonus)	Non-monetary (stock-based) remuneration	
Director (non-A&S Committee member) (non-Outside Director)	235	139	61	34	9
Director (A&S Committee member) (non-Outside Director)	17	17	—	—	1
Director (including A&S Committee members)	64	61	—	3	6

Compliance

Basic approach

Our basic stance as a corporate group and the standards of business conduct expected from the officers and employees of the Nisshin Seifun Group are defined in the Nisshin Seifun Group Corporate Code of Conduct and Employee Action Guidelines (Code & Guidelines), which were established in October 2002.

The presidents and directors of Group companies, including Nisshin Seifun Group Inc., are aware of their responsibility to uphold the Code & Guidelines and provide leadership in ensuring that all concerned are familiar with these requirements and maintain consistently high standards of business ethics. In the event of a situation that contravenes the Code & Guidelines, the president of the company concerned will issue internal and public statements concerning efforts to resolve the issue, investigate the causes, and prevent recurrences. Accountability will be ensured through the timely disclosure of accurate information, and firm disciplinary actions will be taken (including against the president of the company concerned when necessary), after clarification of the authority and responsibility of those concerned.

Compliance Hotline system

If anyone becomes aware of conduct in violation of regulatory requirements or the Code & Guidelines within the Nisshin Seifun Group, or the risk of such conduct, it is vital to report the matter to their manager or other appropriate person and seek advice, so that staff, including those in other concerned units, can take organized action to address the problem. It is also necessary to provide an alternative whistleblowing channel to ensure that issues are not ignored and that prompt action can be taken to resolve or prevent problems.

We created the Compliance Hotline for this purpose in 2003. In addition to an internal helpdesk, we have also established an external contact point at a legal firm for those wishing to use the Compliance Hotline. We have taken steps to make the system more accessible for employees, including provision for reporting matters anonymously. Reports are promptly investigated by teams composed of staff from the relevant departments, according to the type of incident, and appropriate actions are taken. Care is taken to protect whistleblowers and ensure that they are not disadvantaged.

 **Compliance**
<https://www.nisshin.com/english/sustainability/governance/compliance/>

Risk Management and Crisis Control

Risk management structure

We established the Nisshin Seifun Group Risk Management Rules and the Nisshin Seifun Group Crisis Control Rules in 2008. We are strengthening day-to-day risk management to ensure appropriate risk prevention, control, and response.

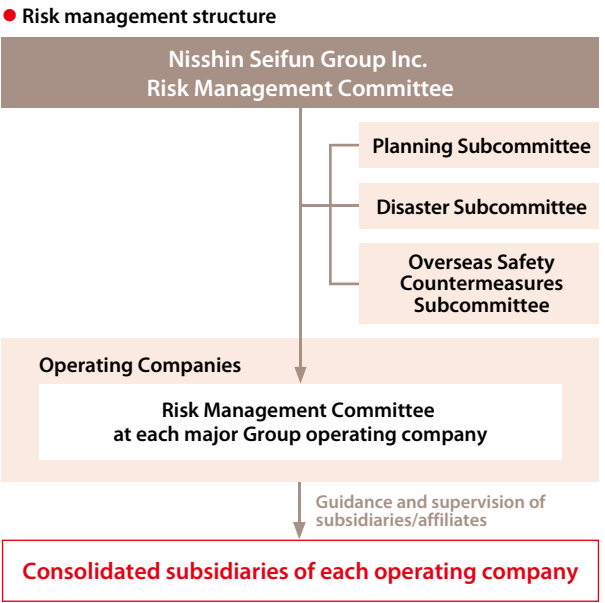
We have established a Risk Management Committee with members that include the presidents of our operating companies under the chairmanship of the President of Nisshin Seifun Group Inc. This committee oversees risk management across the entire Group and reports to the Group Management Meeting about its activities. Additionally, the Planning Subcommittee, Disaster Subcommittee, and Overseas Safety Countermeasures Subcommittee of the Risk Management Committee consider and propose specific measures relating to issues in their respective areas of responsibility. Based on this structure, we strive to implement risk management in Group operations so that we can effectively execute measures, such as quickly setting up a task force in the event of a major crisis, and safeguard business continuity and the stability of safe and reliable product supply.

 **Risk management**
https://www.nisshin.com/english/sustainability/governance/risk_management/

Primary material business risks

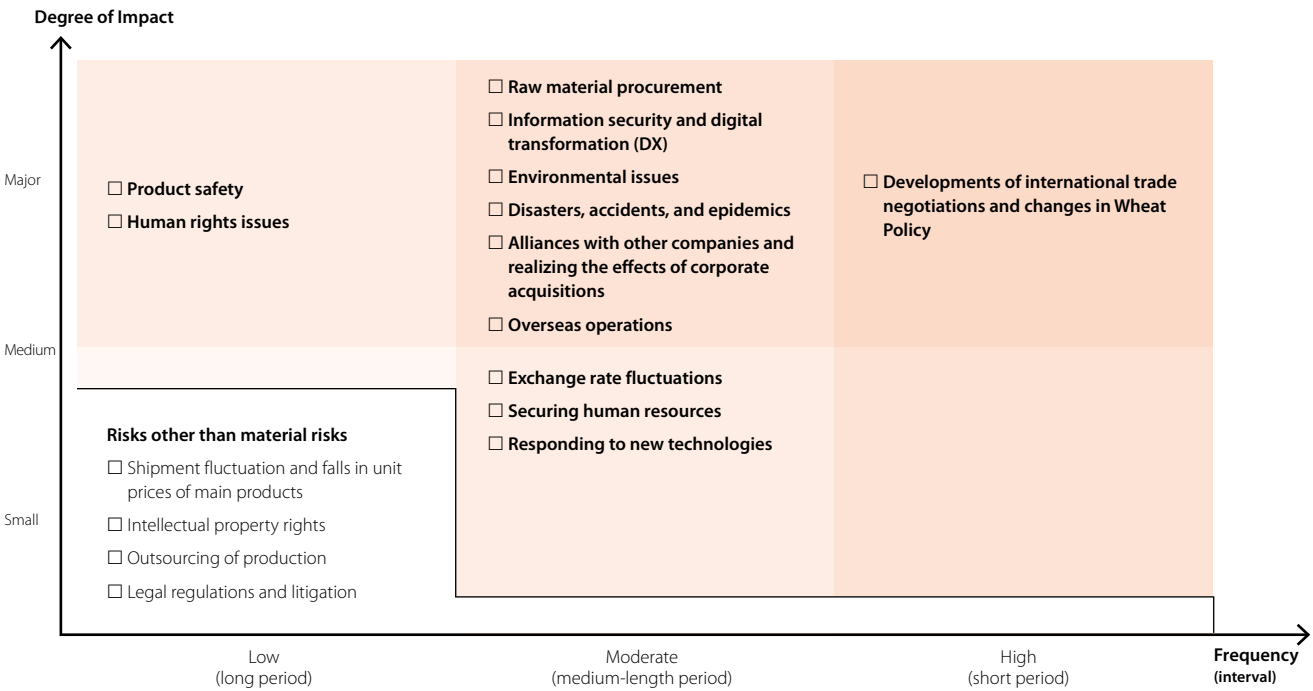
The Nisshin Seifun Group Inc. Risk Management Committee assessed Group risks in fiscal 2025. Risks determined as presenting a potentially significant impact on management based on the estimated degree and frequency (interval) of the impact, as shown in the diagram below.

The major material risks, potential impact on business



management, and the Company's countermeasures are outlined in the Securities Report for the 181st Fiscal Term (Part A Company Information, (2) Review of Operations, (3) Business and Other Risks).

 **Securities Report for the 181st Fiscal Term**
<https://pdf.irpocket.com/C2002/hGOm/hWCA/kjdK.pdf#page=28>



List of Directors and Executive Officers (as of June 26, 2025)

We aim to maximize corporate value and achieve sustainable growth for the Group over the long term by approaching business management from four perspectives: directors appointed to the Board of Directors of the holding company, which has overall control of the Group; directors who also serve as CEOs of the operating companies, which form the heart of the Group and drive growth; the outside directors, who bring fresh perspectives on the management of the Company and the public interest; and directors who are also members of the Audit & Supervisory Committee, who perform audits on the legality and appropriateness of business execution.

Attendance figures for the Board of Directors meeting are for the period from April 2024 through March 2025. All Outside Directors meet the Company's "Independence Standards for Outside Directors," which are based on the independence criteria of the Tokyo Stock Exchange, and the Outside Directors have been designated and reported to the Tokyo Stock Exchange as independent directors.
*1 The attendance figures for Seiichiro Takahashi and Shinichi Ikeda refer only to meetings held since their appointment to the Board of Directors on June 26, 2024.
*2 Shinichi Ikeda resigned as a Director and President (Representative Director) of Tokatsu Foods Co., Ltd. on June 30, 2025.

Directors

	Kenji Takihara Representative Director, President Date of birth: February 3, 1966 Number of the Company's shares held: 50,760 shares Board of Directors attendance: 13/13 meetings (100%) Significant positions concurrently held Director and Chairman, Nisshin Flour Milling Inc.		Kenji Sakamoto Newly appointed Representative Director, Senior Managing Executive Officer (Human Resources and Labor Relations Division) Date of birth: November 28, 1963 Number of the Company's shares held: 22,773 shares Board of Directors attendance: —
	Takao Yamada Director and Senior Managing Executive Officer Date of birth: September 27, 1960 Number of the Company's shares held: 47,396 shares Board of Directors attendance: 13/13 meetings (100%) Significant positions concurrently held Director and President (Representative Director), Nisshin Flour Milling Inc.		Eiichi Suzuki Director, Managing Executive Officer and Division Executive (Finance and Accounting Division) Date of birth: March 3, 1964 Number of the Company's shares held: 9,900 shares Board of Directors attendance: 13/13 meetings (100%)
	Seiichiro Takahashi Director, Managing Executive Officer and Division Executive (Technology and Engineering Division) Date of birth: December 27, 1966 Number of the Company's shares held: 21,700 shares Board of Directors attendance: 10/10 meetings (100%)*1		Takahiko Iwahashi Director and Managing Executive Officer Date of birth: October 6, 1964 Number of the Company's shares held: 38,416 shares Board of Directors attendance: 12/13 meetings (92.3%) Significant positions concurrently held Director and President (Representative Director), Nisshin Seifun Welna Inc.
	Shinichi Ikeda Director and Managing Executive Officer Date of birth: November 21, 1965 Number of the Company's shares held: 18,958 shares Board of Directors attendance: 10/10 meetings (100%)*1 Significant positions concurrently held Director and President (Representative Director), Nisshin Seifun Delica Frontier Inc. Director and President (Representative Director), Tokatsu Foods Co., Ltd.*2		Kazuhiko Fushiya Outside Director Director Date of birth: January 26, 1944 Number of the Company's shares held: 8,600 shares Board of Directors attendance: 13/13 meetings (100%) Significant positions concurrently held Chairman, The Institute of Internal Auditors - Japan

	Motoo Nagai Outside Director Director Date of birth: March 4, 1954 Number of the Company's shares held: 2,000 shares Board of Directors attendance: 13/13 meetings (100%) Significant positions concurrently held Outside Director, Nissan Motor Co., Ltd.		Nobuhiro Endo Outside Director Director Date of birth: November 8, 1953 Number of the Company's shares held: 1,000 shares Board of Directors attendance: 12/13 meetings (92.3%) Significant positions concurrently held Executive Advisor, NEC Corporation Outside Director, Japan Exchange Group, Inc. Outside Director, Tokio Marine Holdings, Inc. Outside Director, Kikkoman Corporation Vice Chair, Keidanren (Japan Business Federation)
	Shoh Ohuchi Director (Full-time Audit & Supervisory Committee Member) Date of birth: February 13, 1961 Number of the Company's shares held: 19,740 shares Board of Directors attendance: 13/13 meetings (100%)		Mieko Tomita Outside Director Director (Audit & Supervisory Committee Member) Date of birth: August 15, 1954 Number of the Company's shares held: 0 shares Board of Directors attendance: 13/13 meetings (100%) Significant positions concurrently held Attorney, Senior Partner, Nishi & Partners Attorneys and Counselors at Law Outside Director (Audit & Supervisory Committee Member), Fanuc Corporation Outside Director, Tekken Corporation Outside Auditor, TEPCO Power Grid, Inc.
	Takaharu Ando Outside Director Director (Audit & Supervisory Committee Member) Date of birth: August 31, 1949 Number of the Company's shares held: 0 shares Board of Directors attendance: 13/13 meetings (100%) Significant positions concurrently held Outside Director, Amuse Inc. Outside Director, Zensho Holdings Co., Ltd. Outside Director, Tobu Railway Co., Ltd. Outside Director, Rakuten Group, Inc.		Hiroto Kaneko Outside Director Director (Audit & Supervisory Committee Member) Date of birth: February 26, 1957 Number of the Company's shares held: 0 shares Board of Directors attendance: 13/13 meetings (100%) Significant positions concurrently held Certified Public Accountant, Proprietor, Hiroto Kaneko CPA Office Outside Director (Audit & Supervisory Committee Member), H.I.S. Co., Ltd. Outside Director (Audit & Supervisory Committee Member), PayPay Corporation

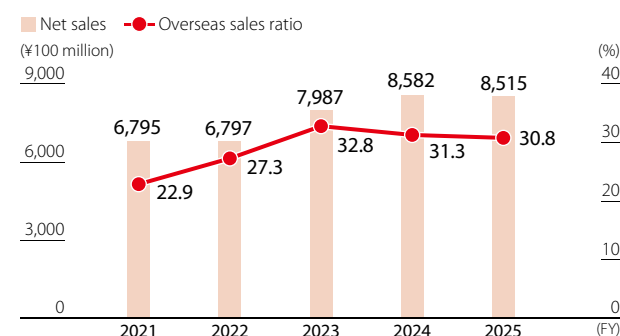
Executive Officers (excluding those also serving as directors)

Tsuguhiko Yoshida Managing Executive Officer Division Executive, R&D and Quality Assurance Division	Shigemitsu Fujita Managing Executive Officer In charge of General Administration Division Division Executive, Corporate Planning Division General Manager, Board Meeting Administration Office of General Administration Division	Hideo Arai Managing Executive Officer Director and President (Representative Director), Oriental Yeast Co., Ltd.	Kazuyoshi Watanabe Executive Officer GS (Overseas Business Development) of Corporate Planning Division GS (Globalization) of Corporate Planning Division
Kazuhiro Imai Executive Officer Deputy Division Executive, Finance and Accounting Division General Manager, Finance Department of Finance and Accounting Division	Reiko Adachi Executive Officer General Manager, Public Relations Department of General Administration Division	Hiroyuki Yamada Executive Officer Deputy Division Executive, Corporate Planning Division	Satoru Uchiyama Executive Officer General Manager, Information Technology Department of Corporate Planning Division
Ryuichi Suzuki Executive Officer Deputy Division Executive, R&D and Quality Assurance Division General Manager, Quality Assurance Department of R&D and Quality Assurance Division	Masahiro Tanaka Executive Officer Deputy Division Executive, Human Resources and Labor Relations Division General Manager, Human Resources and Labor Relations Division General Manager, Human Resources and Labor Relations Planning Office of Human Resources and Labor Relations Division	Katsuhiko Totsuka Executive Officer Division Executive, General Administration Division General Manager, Legal Department of General Administration Division	Satoshi Sekiguchi Executive Officer Senior Managing Director, Nisshin Flour Milling Inc.
Yu Nagaki Executive Officer Managing Director, Nisshin Flour Milling Inc.	Hidekuni Tanaka Executive Officer Director and President (Representative Director), Nisshin Pharma Inc.	Eiichi Ise Executive Officer Managing Director, Nisshin Flour Milling Inc.	Toshiaki Yokoyama Executive Officer Managing Director, Nisshin Flour Milling Inc.
Shunji Ito Executive Officer Managing Director, Nisshin Seifun Welna Inc.	Takashi Kamijo Executive Officer Managing Director, Nisshin Seifun Welna Inc.		

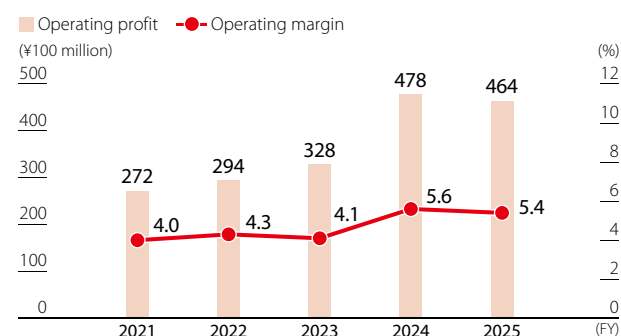
Financial and Non-Financial Highlights

Financial highlights

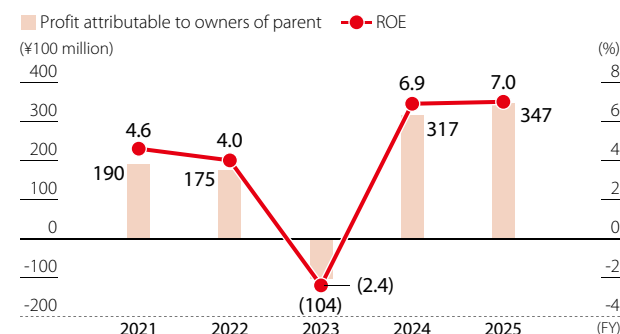
Net sales*1*2



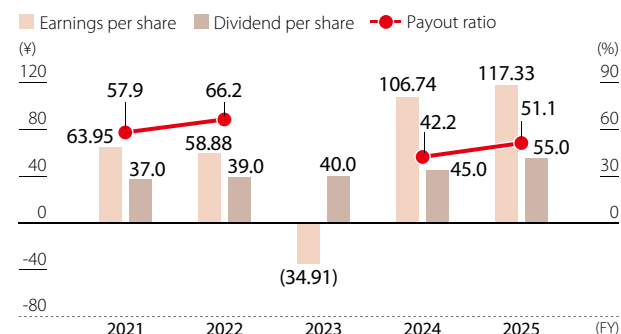
Operating profit*1*2



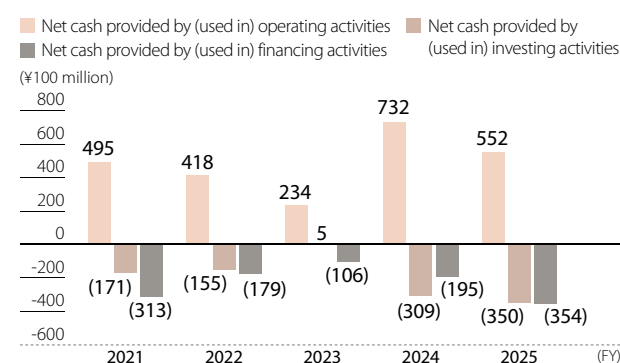
Profit attributable to owners of parent*1*2 ROE



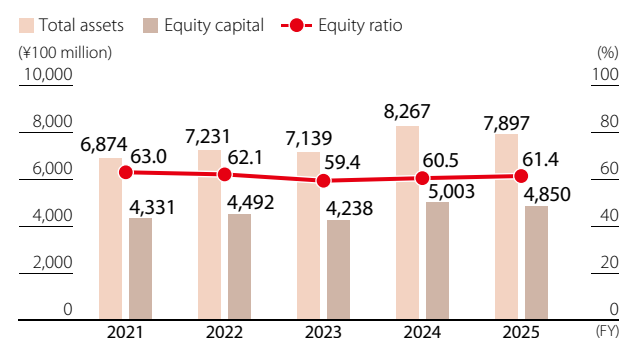
Earnings per share / Dividend per share / Payout ratio*3



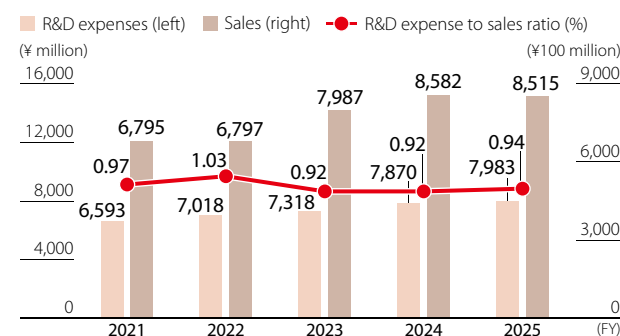
Cash flows*1



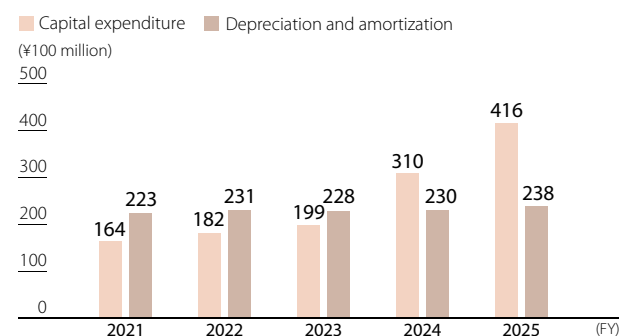
Total assets*1 / Equity capital*1 / Equity ratio



R&D expenses*1

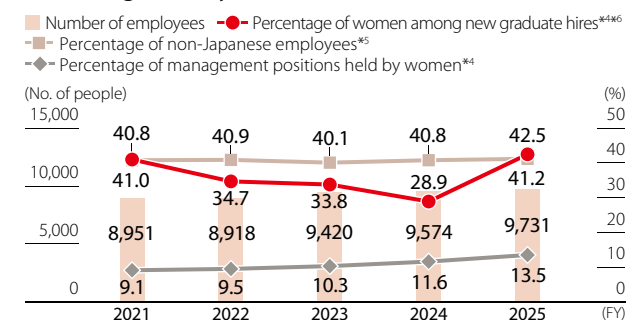


Capital expenditure / Depreciation and amortization



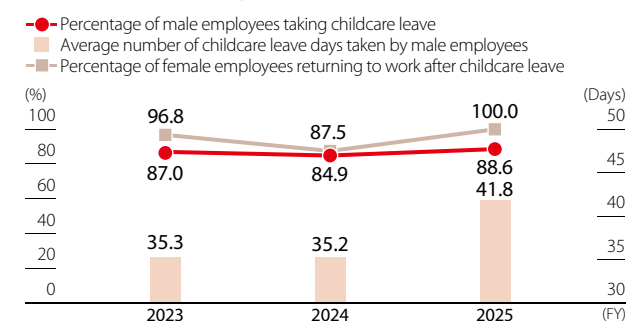
Non-financial highlights

Promoting diversity



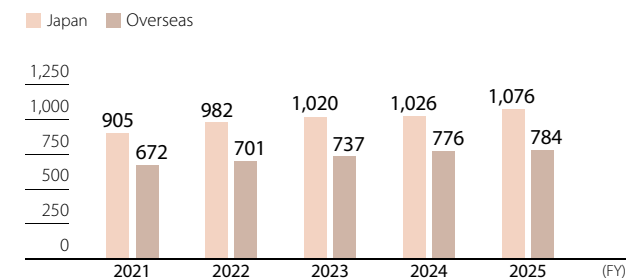
The Group has made promoting women in the workplace a priority management strategy. This includes a percentage target for women in management positions and actively supporting career advancement for women. The Group is forming work environments that respect different values and local cultures, traditions, and customs.

Percentage of employees taking parental leave*4*6



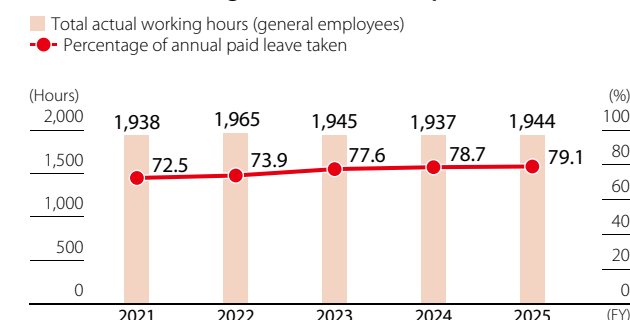
Parental leave indicators are central to our efforts to foster a workplace where diverse talent can thrive. We strive to create supportive conditions for women during and after childcare leave, while also encouraging men to take an active role in childcare.

Number of patents held



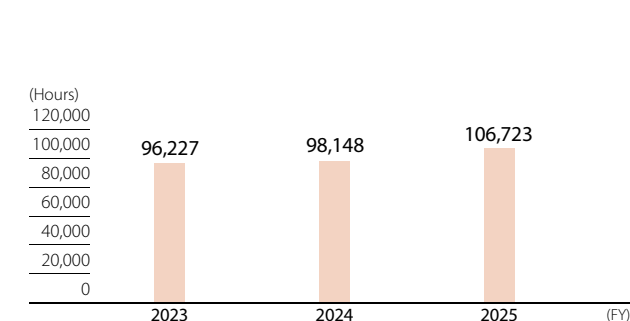
The Group considers the management of its intellectual property as a key source of its competitive advantages and integrates intellectual property management into its business and R&D strategies. We steadfastly reserve the rights of our management assets, such as our technologies and brands, and fully respect the rights of third parties. The Nisshin Seifun Group is a leader in the Japanese food industry in terms of the number of patents held.

Total actual working hours and annual paid leave taken



Improving the Group's organizational capabilities is a priority management strategy. As part of that strategy, we are continually implementing measures to improve the work environment and create pleasant working conditions, including improving operating efficiency to reduce total actual working hours and making it easier to take vacation and leave time.

Training time*6*7



We proactively address emerging social issues and develop talent capable of adapting to change and setting and achieving goals. We also provide level-specific training, manager development programs, and support independent career growth with voluntary learning opportunities.

*1 Amounts rounded to nearest hundred million, R&D expenses are rounded down to the nearest million yen.
 *2 Beginning fiscal 2022, figures are based on the Accounting Standard for Revenue Recognition (Accounting Standards Board of Japan No. 29).
 *3 The fiscal 2025 dividend payout ratio is calculated excluding any profits or losses from non-recurring special factors.
 *4 Scope of calculation: Nisshin Seifun Group Inc., Nisshin Flour Milling Inc., Nisshin Seifun Weln Inc., Nisshin Seifun Premix Inc., Oriental Yeast Co., Ltd., Nisshin Pharma Inc., Nisshin Seifun Delica Frontier Inc., Nisshin Engineering Inc., NBC Meshtec Inc., Nisshin Grain Silo Inc., Nisshin Associates Inc., Nisshin Pet Food Co., Ltd.
 *5 Percentage of non-Japanese employees does not include temporary employees.
 *6 Nisshin Petfood Inc. is not included from fiscal 2023.
 *7 Scope of calculation includes the companies in footnote 3 plus Tokatsu Foods Co., Ltd., Joyous Foods Co., Ltd., and Initio Foods Inc.

Please see Sustainability Strategy: The Environment for further details about CO₂, Food Waste, Container and Packaging Waste, Medium- and Long-term Environmental Targets for Water Consumption (Pages 50-52).

Sustainability webpage
<https://www.nisshin.com/english/sustainability>

ESG Data Book
<https://www.nisshin.com/sustainability/databook.pdf>

Summary Consolidated Financial Statements (Past 11 years)

(Millions of yen)

(FY)	2015	2016	2017	2018		2019	2020	2021	2022	2023	2024	2025
Profit & Loss Statement Note: Beginning fiscal 2022, figures are based on the Accounting Standard for Revenue Recognition (Accounting Standards Board of Japan No. 29, March 31, 2020).												
Net sales	526,144	556,701	532,040	540,094		565,343	712,180	679,495	679,736	798,681	858,248	851,486
Cost of sales	377,729	402,218	374,028	378,742		401,584	512,356	490,410	531,660	638,062	674,115	661,306
Gross profit	148,414	154,483	158,012	161,352		163,759	199,824	189,084	148,075	160,618	184,132	190,179
Selling, general and administrative expenses	127,937	130,713	132,500	134,152		136,842	170,971	161,887	118,645	127,786	136,341	143,799
Operating profit	20,476	23,769	25,511	27,200		26,916	28,852	27,197	29,430	32,831	47,791	46,380
Amortization of goodwill, others	1,862	2,270	2,181	2,239		2,256	8,388	8,197	8,828	6,159	3,195	2,850
o/w amortization of goodwill	990	1,157	1,195	1,224		1,324	5,672	5,436	5,864	3,908	1,291	1,193
Operating profit before amortization of goodwill, others	22,338	26,040	27,693	29,440		29,172	37,241	35,394	38,258	38,990	50,986	49,230
Non-operating income	5,388	4,615	5,119	5,084		5,751	6,294	5,797	6,558	4,591	7,109	7,510
Non-operating expenses	320	285	301	485		605	3,711	3,107	3,362	4,371	4,907	4,680
Ordinary profit	25,544	28,099	30,329	31,800		32,062	31,434	29,886	32,626	33,051	49,992	49,210
Extraordinary income	1,223	121	2,669	1,365		1,581	8,925	1,849	1,645	24,393	718	7,547
Extraordinary losses	1,340	757	1,809	734		529	7,064	1,974	3,499	56,565	1,860	3,443
Profit before income taxes	25,427	27,462	31,189	32,430		33,113	33,296	29,762	30,773	879	48,850	53,313
Total income taxes	8,555	9,031	10,426	9,760		9,526	9,625	9,807	12,011	10,343	15,982	17,383
Profit attributable to owners of parent	16,036	17,561	19,466	21,339		22,268	22,407	19,011	17,509	(10,381)	31,743	34,684
Capital expenditure	19,895	14,970	12,689	21,484		18,719	21,843	16,405	18,150	19,871	30,974	41,641
Depreciation and amortization	14,747	16,816	16,132	15,509		14,951	21,235	22,271	23,054	22,805	22,999	23,768
R&D expenses	5,467	5,580	5,648	5,913		6,168	6,538	6,593	7,018	7,318	7,870	7,983
Balance Sheet (Period end)												
Current assets	224,529	228,271	234,172	260,751		268,170	238,980	238,674	280,527	330,069	365,072	338,728
Non-current assets	322,566	319,849	321,164	330,761		326,583	427,234	448,740	442,546	383,805	461,629	450,984
Property, plant and equipment	148,702	151,339	144,840	150,942		156,317	208,487	215,428	219,379	217,494	235,815	251,000
Intangible assets	21,629	18,489	15,089	12,409		10,462	68,716	73,376	68,752	23,677	21,563	20,975
Goodwill	10,355	8,610	7,050	5,623		5,016	42,743	45,551	42,385	7,496	6,212	5,018
Investments and other assets	152,234	150,019	161,234	167,408		159,802	150,030	159,935	154,414	142,633	204,250	179,009
Investment securities	143,288	140,347	151,963	158,211		149,659	135,739	147,168	141,590	124,653	185,445	158,338
Total assets	547,096	548,120	555,337	591,512		594,754	666,215	687,415	723,073	713,874	826,702	789,713
Current liabilities	112,237	106,799	89,526	114,189		114,806	131,058	108,740	129,158	150,262	163,571	147,313
Non-current liabilities	56,144	54,835	59,005	63,528		61,098	126,114	133,900	133,272	125,112	146,749	139,829
Total liabilities	168,381	161,635	148,532	177,718		175,905	257,172	242,640	262,430	275,375	310,321	287,143
Total net assets	378,715	386,485	406,805	413,794		418,848	409,042	444,774	460,643	438,499	516,381	502,570
Total liabilities and net assets	547,096	548,120	555,337	591,512		594,754	666,215	687,415	723,073	713,874	826,702	789,713
Statements of Cash Flows												
Net cash provided by (used in) operating activities	25,107	35,839	35,361	42,869		39,873	38,420	49,506	41,833	23,422	73,194	55,209
Net cash provided by (used in) investing activities	(43,636)	(12,201)	(5,240)	(18,067)		(19,184)	(96,844)	(17,105)	(15,517)	487	(30,944)	(34,961)
Net cash provided by (used in) financing activities	4,331	(9,446)	(11,470)	(18,593)		(10,567)	8,337	(31,264)	(17,850)	(10,625)	(19,539)	(35,432)
Cash and cash equivalents at end of period	59,897	72,960	90,837	98,461		107,374	56,550	59,152	68,728	82,971	107,681	92,005
Free cash flow	(18,529)	23,638	30,121	24,802		20,689	(58,424)	32,400	26,316	23,909	42,250	20,248
Primary Management Indicators * The fiscal 2025 dividend payout ratio is calculated excluding any profits or losses from non-recurring special factors.												
Operating margin (%)	3.9	4.3	4.8	5.0		4.8	4.1	4.0	4.3	4.1	5.6	5.4
Earnings per share (Yen)	53.28	58.25	64.50	71.47		74.98	75.40	63.95	58.88	(34.91)	106.74	117.33
ROE (%)	4.6	4.8	5.1	5.4		5.5	5.6	4.6	4.0	(2.4)	6.9	7.0
Payout ratio (%)	39.6	41.2	40.3	40.6		42.7	45.1	57.9	66.2	-	42.2	51.1
Equity ratio (%)	66.8	67.8	70.6	67.5		67.9	59.3	63.0	62.1	59.4	60.5	61.4

Wheat flour distribution channels

Around 90% of the wheat flour consumed in Japan is made from imported wheat. Imported wheat is purchased in a stable manner by the Japanese government and sold to domestic milling companies. The wheat sold to milling companies is processed as wheat flour, and it is then sold wholesale to food manufacturers to manufacture products that use wheat flour, including bread, noodles, and confectionery. The products made by these

manufacturers are then delivered to the table via retailers such as supermarkets.

Flour production volume by use
(FY2024 Ministry of Agriculture, Forestry and Fisheries survey)

	Bread	Noodles	Confectionery	Other	Total
Production volume (1,000 tons)	1,823	1,541	503	757	4,624
Composition (%)	39%	33%	11%	16%	100%



Imported wheat price fluctuations

The Standard Selling Price System, whereby the selling price of imported wheat was fixed for the year, was abolished from April 2007, and a new Market-Linked System was introduced. Under this system, movements on the global wheat market, etc. are reflected quickly and appropriately in the domestic prices of imported wheat and wheat flour, and in the domestic prices of products that use wheat flour. With this system, a fixed

annual mark-up is added to the average government purchase price that was applied during a fixed period in the past. The selling price of wheat, which was previously fixed for the year, is revised twice a year*1, and the effects of the global wheat and foreign exchange markets, etc. are reflected automatically in the wheat selling price.

Price fluctuation factors



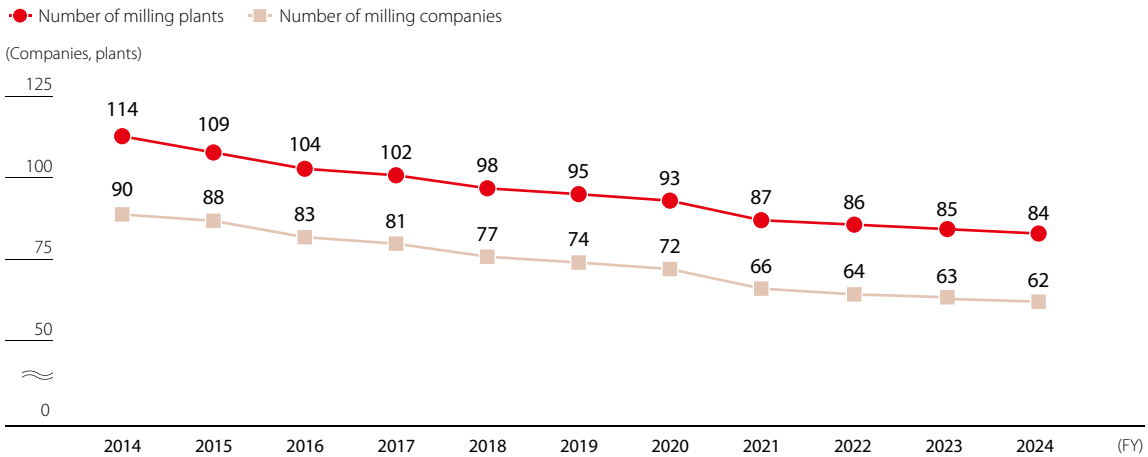
*1 Due to the severity of the selling price increase for the subsequent term, the government implemented a measure alleviating the rate of increase for the period beginning in April 2023.

Milling company conditions

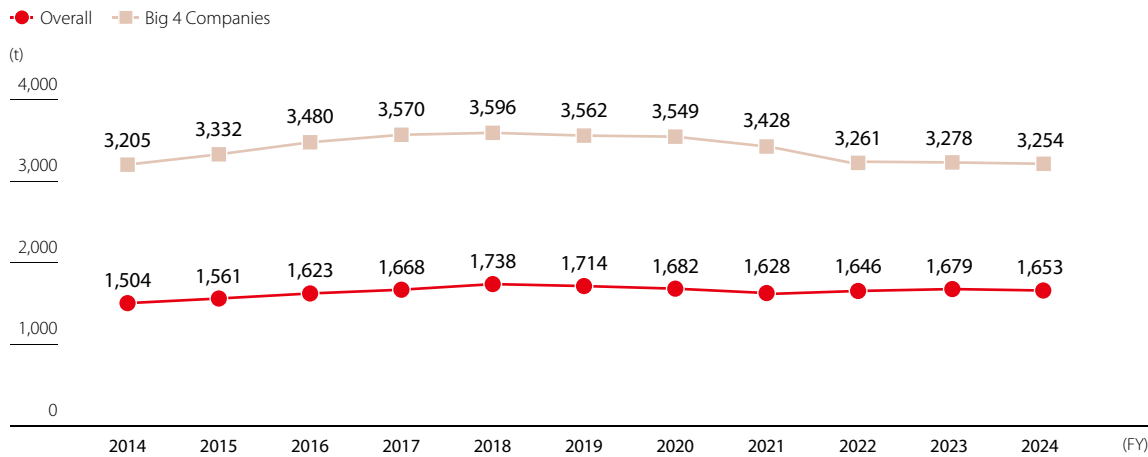
The number of milling companies has fallen by 28 over the past 10 years due to factors including intensification of the competitive landscape. Demand for wheat flour has been flat or slightly lower (Japan wheat flour sales volume: 4,620,000 tons in fiscal 2022, 4,616,000 tons

in fiscal 2023, 4,624,000 tons in fiscal 2024*2). Major flour milling operations in particular are continuing to concentrate production facilities at coastal plants while expanding and rationalizing plant operations.

Number of milling companies and plants*3



Wheat flour production output per employee*3



*2 Survey by Nikkan Keizai Tsushin Co., Ltd.

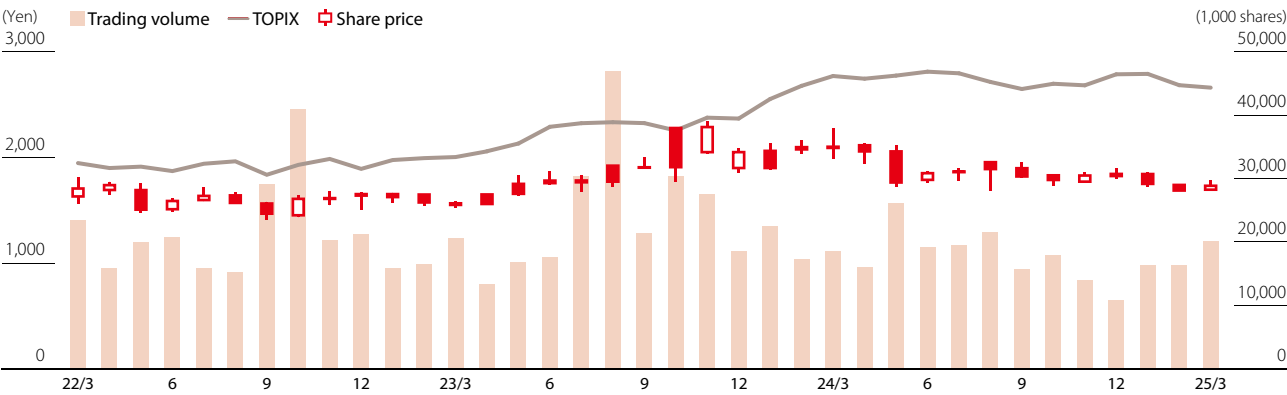
*3 Compiled by Nisshin Seifun Group Inc. based on "Wheat supply and demand projections" (March 2025), Ministry of Agriculture, Forestry and Fisheries.

Company information (as of March 31, 2025)

Corporate name Nisshin Seifun Group Inc.	Number of shareholders 60,224	Ordinary general meeting of shareholders June
Head office 1-25, Kanda-Nishiki-cho, Chiyoda-ku, Tokyo	Listing market Prime Market of the Tokyo Stock Exchange	Method of public notice The Company posts notices via electronic notification on its website at https://www.nisshin.com However, if electronic notification is not possible due to an accident or other unavoidable circumstances, notices will be published in the Nikkei newspaper.
Foundation October 1900	Securities code 2002	Custodian of shareholder register Sumitomo Mitsui Trust Bank, Limited
Paid-in capital ¥17,117,856,746	Fiscal year closing date and record date for year-end dividends from surplus (profit distribution) March 31	
Number of employees (consolidated) 9,731	Date of record for interim dividends September 30	
Total number of shares issued and outstanding 290,657,891 shares		

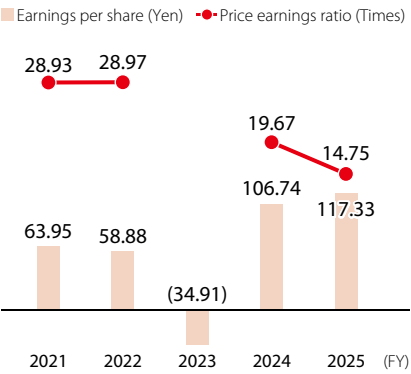
Stock information (as of March 31, 2025)

Share price and trading volume

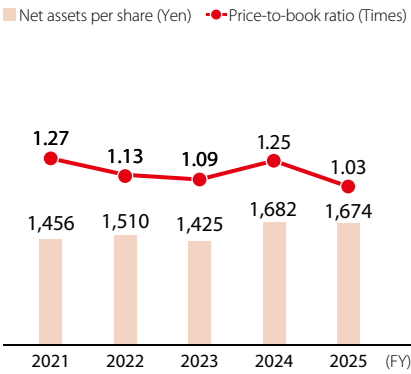


Stock indicators

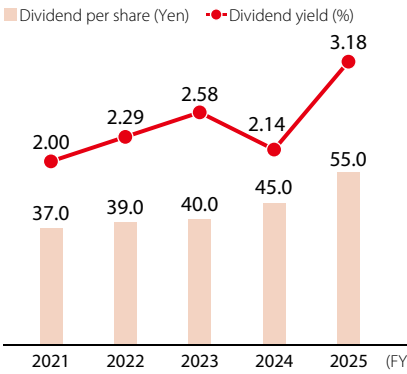
Earnings per share*1/
Price earnings ratio (PER)*2



Net assets per share*1 /
Price-to-book ratio (PBR)*3



Dividend per share /
Dividend yield*4



*1 In the calculation of earnings per share or net assets per share, the shares of the Company held by The Master Trust Bank of Japan, Ltd. as trust assets for the stock remuneration system, which are recorded as treasury stock in shareholders' equity, are included in treasury stock, which is deducted when calculating the number of shares.

*2 Period-end share price (yen) divided by earnings per share (yen)

*3 Period-end share price (yen) divided by net assets per share (yen)

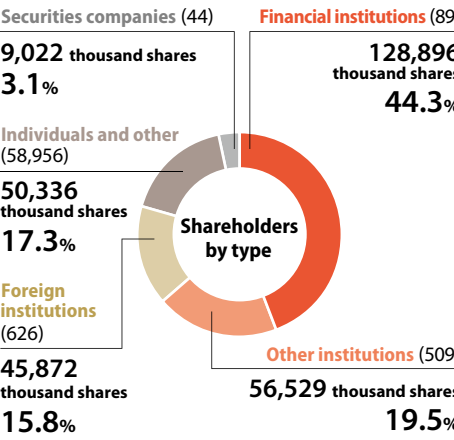
*4 Dividend per share (yen) divided by period-end share price (yen)

Major shareholders (Top 10) (as of March 31, 2025)*5

Name	Number of shares held (Thousands)	Shareholding ratio
The Master Trust Bank of Japan, Ltd. (Trust Account)	45,054	15.5
Nippon Life Insurance Company	19,387	6.6
Yamazaki Baking Co., Ltd.	16,988	5.8
Custody Bank of Japan, Ltd. (Trust Account)	15,996	5.5
Mizuho Bank, Ltd.	9,447	3.2
The Norinchukin Bank	6,932	2.3
Marubeni Corporation	6,284	2.1
National Mutual Insurance Federation of Agricultural Cooperatives	6,045	2.0
Nisshin Seifun Group Employee Shareholding Association	4,089	1.4
JP MORGAN CHASE BANK 385781	3,651	1.2

*5 Treasury stock (818,000 shares) is not included in the calculation of shareholding ratios.

Composition of shareholders (as of March 31, 2025)



External evaluation of the Group

Nisshin Seifun Group is actively engaged in PR, IR, and SR activities, and provides accurate information about the business activities of the Group's companies widely to society in a timely and appropriate manner on a continuous basis. In this way, we work to ensure that our stakeholders are able to correctly understand and evaluate the Group, and we strive to gain their trust. The Group has also received positive external evaluations of its sustainability-focused management initiatives, and it has been chosen for inclusion in Socially Responsible Investing (SRI) indices including FTSE4Good Index Series, FTSE Blossom Japan Sector Relative Index, FTSE Blossom Japan Index, MSCI Nihonkabu ESG Select Leaders Index, S&P/JPX Carbon Efficient Index, and SOMPO Sustainability Index. The Morningstar Japan ex-REIT Gender Diversity Tilt Index rated the Group in the highest Group 1 for gender equality.

In 2025, for a sixth straight year, the Nisshin Seifun Group was certified as an Outstanding Organization of KENKO Investment for Health in the large enterprise category. In addition, for a fourth straight year, Nisshin Seifun Welna Inc. and Oriental Yeast Co., Ltd., and, for the third straight year, Nisshin Flour Milling Inc. and NBC

Meshtec Inc. were certified as Outstanding Organizations of KENKO Investment for Health in the large enterprise category.

The Carbon Disclosure Project*6, based on the Group's responses to its questionnaire in 2024, gave the Nisshin Seifun Group a score of B (management level) for climate change and a score of C (awareness level) in the water and forests categories.

The Group has also been selected for inclusion as one of the 225 constituents of the Nikkei Stock Average (Nikkei 225), a leading stock index in Japan, and as one of 333 constituents of the Yomiuri Stock Index. The Group has been assigned an AA Long-term Issuer Rating by the Japan Credit Rating Agency, Ltd., the highest rating level held by a domestic foods manufacturer (as of March 31, 2025).

*6 Carbon Disclosure Project
The Carbon Disclosure Project (CDP) is a non-financial organization founded in 2000 and headquartered in the United Kingdom that collaborates with institutional investors around the world. The CDP investigates and evaluates major companies and local governments around the world by requesting information on environmental topics ranging from climate change to deforestation and water security. The CDP works with over 640 financial institutions representing more than US\$127 trillion in assets.



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