

KAMEDA SEIKA Group

Integrated Report

**2024**



KAMEDA SEIKA CO., LTD.



## Contents

<b>Value Creation Story</b>	Environment	31
A History of Creating Value	Society	34
Corporate Philosophy		
The KAMEDA SEIKA Group's Purpose, Vision, and Values	<b>Governance</b>	
Global Network	Directors, Audit & Supervisory Board Members and Executive Officers	42
The KAMEDA SEIKA Group by the Numbers	A Conversation among Outside Directors	44
Our Businesses	Corporate Governance	48
Roadmap to Achieve Our Vision	Compliance	53
Message from the CEO	Risk Management	55
Message from the COO		
Message from the CFO	<b>Data Section</b>	
Value Creation Process	Financial Highlights (Consolidated)	57
Identification of Materiality (Material Issues)	Non-Financial Highlights	58
Feature: Becoming a Rice Innovation Company	11-Year Financial and Non-Financial Highlights (Consolidated)	59
	Shareholder and Investor Information	60
<b>Sustainability at the KAMEDA SEIKA Group</b>	Company Data	61
Materiality (Material Issues) Initiatives and Progress	Business Structure	

### Editorial Policy

The KAMEDA SEIKA Group has published an integrated report since 2021. This report presents the Group's business model, goals and initiatives for creating value to stakeholders in an easy-to-understand format, with the intention of enhancing communication that will generate further value. The KAMEDA SEIKA Group Integrated Report has been prepared with reference to the *International Integrated Reporting Framework* issued by the IFRS Foundation and *Guidance for Integrated Corporate Disclosure and Company-Investor Dialogue for Collaborative Value Creation* (Guidance for Collaborative Value Creation) issued by Japan's Ministry of Economy, Trade and Industry.

Note: In this report, monetary amounts and numbers of shares held are rounded down to the nearest unit, and percentages are rounded to one decimal place.

### Scope of Report

KAMEDA SEIKA CO., LTD. and its consolidated subsidiaries

Reporting Period: April 1, 2023 to March 31, 2024 (Some information from before and after this period is included.)

### Note on Forward-looking Statements

Statements in this report pertaining to the future, such as forecasts of business performance, are estimates based on information available at the time of publishing and therefore contain inherent risks and uncertainties. Actual results may differ significantly from expectations due to various factors.

## Value Creation Story

### A History of Creating Value

The history of the KAMEDA SEIKA Group began when we started to make *mizuame*—a thick, clear and sticky starch syrup—with an ambition to “deliver enjoyment and delight to people’s lives” during the food shortages in Japan immediately after World War II.

The KAMEDA SEIKA Group’s Purpose is to contribute to a nice lifestyle with the blessings of rice to further refine the value of excellent flavor, health, and excitement. We aim to be a brand that is loved and trusted by people all over the world. In light of all the changes in the operating environment for food companies, we will continue to strive for sustainable growth and improved corporate value.

Net Sales

# 1946

Founded during the food shortages in Japan immediately after World War II as a consignment processing plant for *mizuame* starch syrup

## Corporate Philosophy

### Founding Philosophy

During the food shortages in Japan immediately after World War II, our founder felt that “Men can find pleasure in drinking, but there is no enjoyment for women and children. I want to give them something that can bring enjoyment and delight to their lives.” This became our founding philosophy, and KAMEDA SEIKA was born. With no prior experience, he began making *mizuame*—a thick, clear and sticky starch syrup.

### Mission Statement

製菓展道立己 (*Seika-Tendo-Rikki*)

As a manufacturer and seller of rice crackers and snacks, we will explore the path to find our identity by seeking to grow through refining management and operations widely, including manufacturing technology, product development, and market development. Our identity refers to the Company itself and each individual employee making up the Company. We will work together to improve our social and economic standing.

### Management Philosophy

- Respond to the needs of all those involved with the Company
- Ensure the Company flourishes forever

### Basic Management Policy

- Manage the Company democratically
- Refrain from using the Company for personal gain
- Be dedicated to planned management

# 1950–

Following incorporation in 1957, rapidly grew into Japan’s leading rice cracker company, forming the foundation of the business

Domestic Rice Cracker Business



# 1990-

Aggressive overseas expansion aimed at becoming a "Global Food Company"

Domestic Rice Cracker Business



Overseas Business



# 2010-

Transitioning from a rice cracker and snack manufacturer into a food company providing value through "Better For You" food

Domestic Rice Cracker Business



Overseas Business



Food Business



# 2023-

Transitioning from a rice cracker and snack manufacturer into a "Rice Innovation Company" and revamping our Corporate Philosophy to make a new start

FY2023 Net Sales  
¥95,534 million

Purpose

## Better For You

Contributing to a nice lifestyle with the blessings of rice to further refine the value of excellent flavor, health, and excitement

Vision

## Rice Innovation Company

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

Values

## Kameda's Craftsmanship

Filled with love for people and nature  
Full of Humanity

Applying the finest ideas and technologies  
Be Professional

Enjoy taking on new challenges  
Enjoy the Challenge

Note: Consolidated net sales from FY2001. From FY2021, figures are presented after applying the Accounting Standard for Revenue Recognition.

# Global Network (As of October 31, 2024)

## Overseas Network



# Domestic Network

● Niigata Prefecture, Japan

**KAMEDA SEIKA CO., LTD.**



KAMEDA SEIKA headquarters

**Niigata**

**Niigata Yusou Co., Ltd.**  
**Kameda Transport Co., Ltd.**  
**N.A.S. Co., Ltd.**



These companies provide distribution-related services centered on the core business of joint delivery of snacks, including the Company's products.

**Niigata**

**TAINAI Co., Ltd.**

Manufactures and sells 28-allergen-free rice flour bread, brown-rice bread and other products.



**Fukui**

**Maisen Co., Ltd.**  
**Maisen Fine Foods Co., Ltd.**

Conducts mail-order sales of brown rice and other products, and manufactures and sells plant-based foods.



**Niigata**

**Ajicul Co., Ltd.**

Manufactures and sells rice crackers for various channels including souvenir shops and theme parks, and for use in novelty products.



**Tochigi**

**Nishin Seika Co., Ltd.**

Manufactures and sells rice cracker products and gifts for high-end supermarkets.



**Tokyo**

**Onisi Foods Co., Ltd.**

Manufactures and sells long-life preserved foods including Alpha Rice, bread and rice cookies.



**Osaka**

**Toyosu Co., Ltd.**

Established in 1902. Develops brands for department stores, including Kakitane Kitchen and Arare Toyosu.



**Mie**

**MASUYA Co., Ltd.\***

Formed a capital and business alliance agreement in 2022. Became an equity-method affiliate in 2023.

Markets long-selling brands with a history of over 50 years, including Onigiri Senbei.



\* Equity-method affiliate

# The KAMEDA SEIKA Group by the Numbers

Scope: KAMEDA SEIKA and its consolidated subsidiaries

(As of March 31, 2024)

We continue to take on the challenge of becoming a "Better For You" food company that contributes to a nice lifestyle with the blessings of rice to further refine the value of excellent flavor, health, and excitement.

## Financial



### Net Sales

¥95,534 million

### Operating Income

¥4,467 million

### Operating Margin

4.7%



### EBITDA

¥10,650 million

### EBITDA Margin

11.1%



### ROE

3.3%

### ROIC

3.4%

## Non-Financial



### Share of Japan's Rice Cracker Market\*

32.9%

\* Calculated using data from INTAGE Inc.'s SRI+ (Nationwide Retail Store Panel Survey).  
Scope: KAMEDA SEIKA and domestic consolidated subsidiaries.



### Number of Employees

(KAMEDA SEIKA and consolidated subsidiaries)

4,040

Non-consolidated

1,404

### Number of Group Companies

20

Consolidated subsidiaries

17 10 companies in Japan,  
7 companies overseas

Equity-method affiliates

3 1 company in Japan,  
2 companies overseas



### Number of Long-Selling Brands Launched 50 or More Years Ago

5

### Number of Brands with Sales of ¥5 Billion or More

3

Scope: KAMEDA SEIKA non-consolidated



### Number of Patents

49

Japan

20

Overseas

29

Scope: Number of patents of KAMEDA SEIKA and consolidated subsidiaries

### Number of Trademarks

983

Japan

834

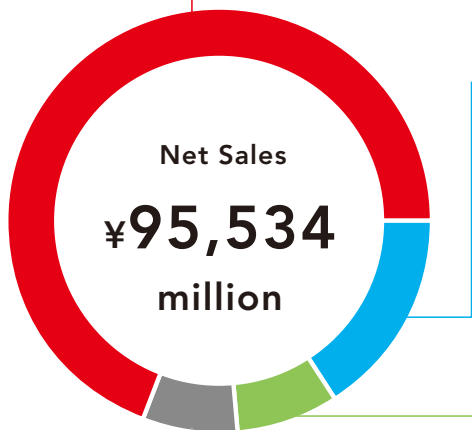
Overseas

149

Scope: Number of trademarks of KAMEDA SEIKA and consolidated subsidiaries



# Our Businesses



## Domestic Rice Cracker Business

Exhaustive operations using broad-ranging distribution network that provides the value of rice crackers to all consumers

Net sales by category: ¥66,307 million

Operating income by category: ¥4,330 million

Composition of net sales: 69.4%

Operating margin: 6.5%



## Overseas Business

Expand primarily in countries with rice cultures and utilize own national brands and alliances with partners

Net sales by category: ¥15,096 million

Operating income (loss) by category: ¥(413) million

Composition of net sales: 15.8%

Operating margin: (2.7)%



## Food Business

Provide food products and functional materials with a high level of added value by leveraging the processability and functionality of rice

Net sales by category: ¥7,278 million

Operating income by category: ¥154 million

Composition of net sales: 7.6%

Operating margin: 2.1%



## Other (Freight transportation and other operations)

Provide distribution-related services centered on the core business of joint delivery of snacks, including the Company's products

Net sales by category: ¥6,852 million

Operating income by category: ¥395 million

Composition of net sales: 7.2%

Operating margin: 5.8%



# Roadmap to Achieve Our Vision

## KAMEDA 1.0

Focus mainly on rice  
crackers for the domestic market

Responding to changes in the environment  
and developing infrastructure

- Domestic rice cracker** Reshape Group with focus on unique value strategies
- Overseas** Expand into major foreign markets and create overseas network
- Food** Expand new platforms, shift to mass production, and develop functional ingredients

## KAMEDA 2.0

Transforming from a  
snack manufacturer into  
a "Rice Innovation Company"  
Expansion of business domains and regions

- Domestic rice cracker** Rebuilding brands
- Overseas** Restructuring of U.S. operations
- Food** Making recently developed platforms profitable

Founding Philosophy

Mission Statement

Management Philosophy

Basic Management Policy

### Medium-Term Business Plan to 2026

#### FY2023

Operating income: ¥4.4 billion  
Operating margin: 4.7%  
Net sales: ¥95.5 billion  
ROIC: 3.4%

#### FY2026

Operating income: ¥7.5 billion  
Operating margin: 6.5%  
Net sales: ¥115 billion  
ROIC: 5.1%



# KAMEDA 3.0

## Evolution of business model Accelerate the growth of each business

**Domestic rice cracker** Promote value and strengthen brand power

**Overseas** Area expansion and business growth

**Food** Business expansion and global development

**Long-Term Management Plan to 2030**  Pages 8-17

### FY2030

Operating income: **¥14** billion

Operating margin: **10.0%**

Net sales: **¥140** billion

ROIC: **8.0%**

Purpose

**Better  
For You**

Vision

**Rice Innovation  
Company**

Values

**Kameda's Craftsmanship**

 Page 1



## Message from the CEO

# Becoming a Unique “Rice Innovation Company” Based on the ALL KAMEDA Concept



Lekh Raj Juneja  
Chairman & CEO

### Progress of the Medium-Term Business Plan

I'm now in my third year as CEO of KAMEDA SEIKA. I would like to start by sharing our progress up until now, focusing on the medium-term business plan, which serves as a management compass, before talking about our future direction.

#### 1 Gaining Momentum toward Achieving Our Vision

The KAMEDA SEIKA Group of today is the result of the dedicated efforts of its employees and past leadership, and the cooperation of all stakeholders. I am deeply grateful for the strong business foundation that everyone has helped to build.

We have attractive products and brands that delight our consumers, as well as strengths in the areas of technologies and expertise (i.e., “Kameda’s Craftsmanship”) that enable us to continue to create these products. And above all, the Group has an abundance of talented people who support these products and brands. I strongly believe that we have the potential to become a unique “Rice Innovation Company.” However, as we transition from traditional business development centered on the domestic rice cracker business to implementing our medium- to long-term growth strategy, the first priority is to promote and share our Corporate Philosophy. To become a “Rice Innovation Company,” we need to leverage Kameda’s Craftsmanship as a tool for maximizing the potential of rice while remaining committed to our Purpose, “Better For You.”



An element that will help to promote the Corporate Philosophy, and one that I think is invaluable for maximizing the Group's capabilities, is our ability to connect all the dots across each business and Group company to form lines of communication and frameworks for collaboration. The Group has countless strengths and merits, but I was concerned that these might not necessarily be in sync, and may only amount to isolated individual efforts. For example, the marketing of ICHI fried rice crackers, which have a large market share in Vietnam, was being conducted entirely in-house through our Vietnamese Group company, THIEN HA KAMEDA, JSC., without using any management resources from Japan. Amid an increasing competitive environment, we decided to utilize know-how developed in the Marketing Department in Japan and changed to a modern style of packaging. I thought that this kind of cross-divisional, cross-border collaboration would unlock our ability to leverage the Group's current capabilities. I have therefore been telling employees that they should try to think in terms of the ALL KAMEDA concept going forward, strengthen cross-divisional functions through communication and work to align everyone in the same strategic direction. Through persistent encouragement, individual employees are now finding success in their initiatives, and I can sense they are beginning to act independently. "Rice Innovation" will come about as a result of these activities. However, I would also like to uncover innovations that already exist within the Group. For example, I have been focusing on the concept of "instant rice balls," a project of Onisi Foods, Co., Ltd., a Group company that produces long-life preserved food. This product is a tasty triangular rice ball prepared simply by adding hot or cold water. On top of this, the rice balls can be stored for five years. A rice ball that can be consumed when there is no gas or electricity, for example during a disaster, and requires no utensils, is a truly unique concept.



This kind of innovation has the potential for global expansion. We are also investing capital to increase production capacity for Alpha Rice amid growing demand. We will leverage Kameda's Craftsmanship and continue to innovate in order to realize our Vision.



## 2 Business Model Evolution

In tandem with the promotion of our Corporate Philosophy, which I mentioned earlier, we are currently working to transform our business model. Our traditional business model, which is centered on our core domestic rice cracker business, involves creating attractive products in Japan, manufacturing them at Company plants built using our own investments, and delivering them to customers. Under this model, these capital investments are recovered through marginal profit. We call this model KAMEDA 1.0. Our current business model, which aims to expand our business domains and areas, can be called KAMEDA 2.0. I am looking ahead to the creation of a new business model, which will be KAMEDA 3.0.

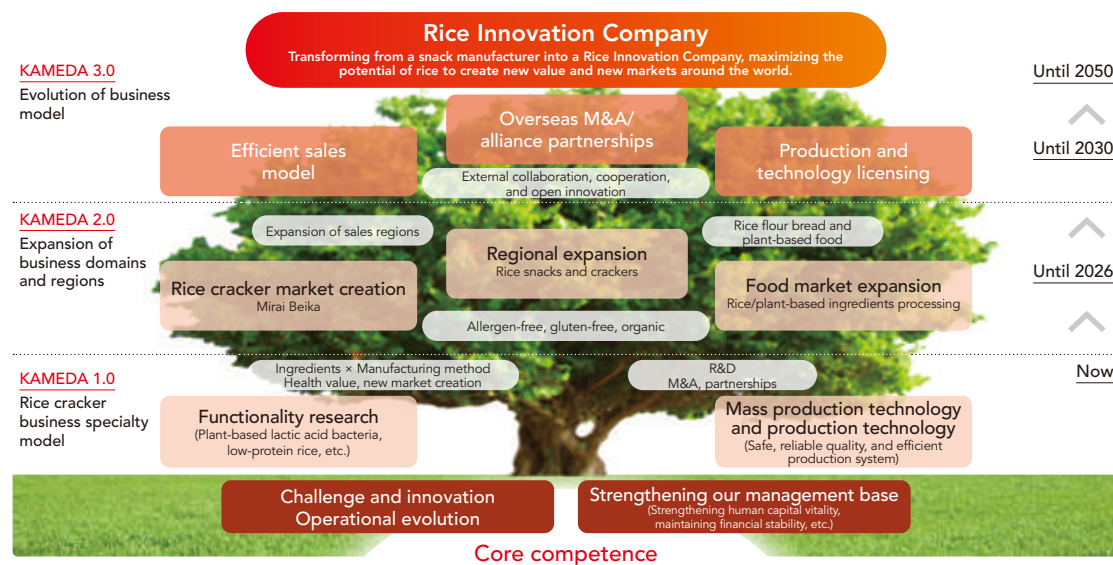
The key themes for this model are "unrivalled strengths," "an asset-light approach," and "shifting away from in-house production." This will involve utilizing our strengths (technologies and expertise) to obtain profit in the form of royalties and so forth, with minimal investment. Our licensing agreement for K-1 lactic acid bacteria with Kerry Group plc, a global leader in the areas of taste and nutrition, was a step in this direction. Going forward, I would like to explore ways to turn our manufacturing technologies for complex rice crackers and rice flour bread into profit as well.

Looking ahead to the evolution of our business model, we are strengthening our organization. We are currently only part of the way through the process, but the Group has set targets for resolving social issues in the areas of health and the environment through its business activities, and we aim to create a structure that is aligned with these goals. In transforming our organization, two important themes are "continuing to create products from the consumer's perspective" and "shifting away from in-house production and moving to a partnership model." Ensuring that we continue to create products from the consumer's perspective requires innovation in various processes. We must drive innovation not only in product development, but also in our purchasing, production, and sales divisions. Furthermore, we also need to better involve our overseas locations and spark innovation with regard to the organizational operation of the entire Group.

For example, the Global Rice Innovation Center (GRIC) was established as an organization to drive innovation in R&D. Here, we actively promote linkage between diverse technical human resources within the Group with the goal of creating synergy between employees. In addition, we are working to generate innovation by crossing boundaries. One example is having domestic business personnel tackle issues faced by overseas companies.

With a view to strengthening functions across the organization, from spring 2024 the Marketing Department has been taking care

### Evolution and Winning Scenarios for the KAMEDA SEIKA Group: Change and Innovation System Diagram



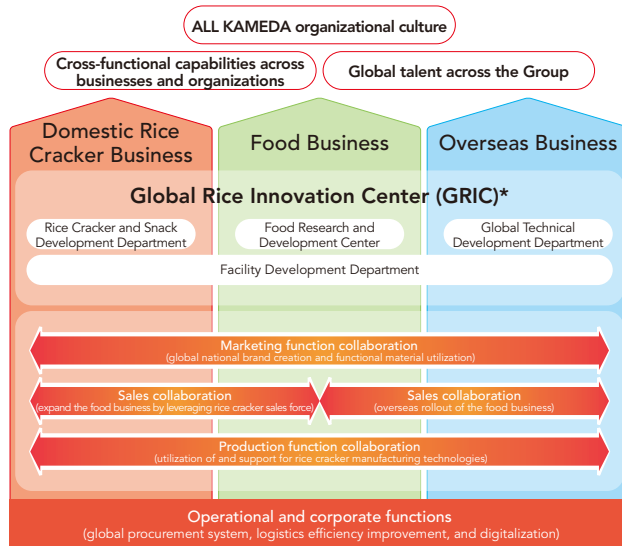
of marketing for the food business in addition to its existing focus on rice crackers made by KAMEDA SEIKA in Japan. In the overseas business, the Overseas Business Department and the Marketing Department collaborate. In the food business, we consolidated the sales functions of Group companies Maisen Fine Foods Co., Ltd. and TAINAI Co., Ltd. to build a more efficient structure.

These organizational reforms and proactive capital investments in the food business are not a matter of simply expanding business scale. We constantly ask ourselves what the Group's core competences are, and then work to contribute to maximizing corporate value. As we continue to make reforms, it is people who are directing their implementation. Valuing our employees is something I have particularly focused on since my appointment as CEO.

With the further promotion of our Corporate Philosophy coinciding with organizational and operation reforms, centered on cross-organizational functions, I can really feel that the Group's earning capabilities are gradually recovering. This is not a return to the state that reflected how we were at earlier stages of the Company's history, but rather a move toward something stronger

### Global Structure for Achieving Our Objectives

An organizational structure that co-creates value through cross-functional capabilities, both internally and externally



\* To promote the creation of new value from a medium-term perspective, this facility will reinforce the Group's R&D functions using a cross-organizational approach with the aim of enhancing the entire KAMEDA SEIKA Group's ability to create added value.

and leaner aimed at the next growth stage. We are proud of being the leading manufacturer of rice crackers in Japan; but in order to achieve sustainable growth in a challenging business environment, it is essential that we continue to change and evolve. We will carry out various measures to achieve our Vision of becoming a unique "Rice Innovation Company." By continuing to deliver the simple message of "People, innovation, and profit," we will ensure the success of our transformation.

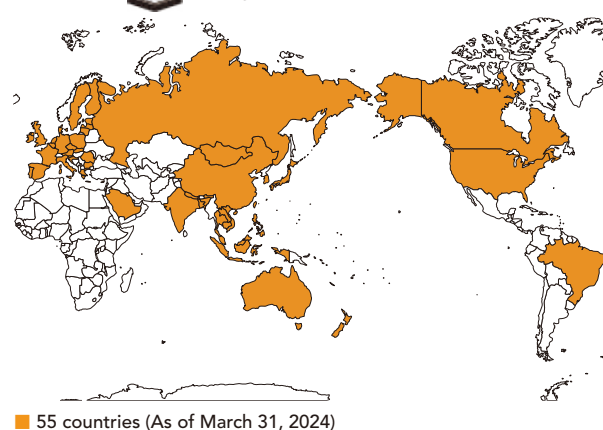
### Toward Future Growth

The results of our efforts to transform will lead to the creation of profit and enhanced brand value. In addition, we will accelerate our initiatives for sustainable growth and work to increase corporate value.

#### 1 Strengthening Intangible Assets Such as Brand Power, a Testament to Our Unique Value

Our corporate brand and various products, such as KAMEDA Kaki-no-Tane, are household names in Japan, where they have high brand value. From a global perspective, however, they still have a long way to go. Since we have production and sales bases worldwide, with large numbers of active employees, I think we have enormous untapped potential. Up until now, we have prioritized development of locations in major countries, and we have had only limited opportunities to give employees at overseas Group companies a sense of belonging to the KAMEDA SEIKA

Number of Countries Where the Turtle Shell Mark (KAMEDA) Is Registered as a Trademark



Group. Through the Top Caravan initiative, I have continued to emphasize the importance of being aware of the ALL KAMEDA concept, including promotion of the revamped Corporate Philosophy, and this approach is being embraced by directors and executive officers who will continue it going forward.

With the COVID-19 pandemic subsiding and inbound tourism increasing in Japan, we are working to enhance brand recognition. For example, since KAMEDA Kaki-no-Tane is a distinctive Japanese brand that is also sold overseas, we have put "KAMEDA" as a tag line below the Corporate turtle shell logo. We have also added the brand name in Roman lettering as well.



In February 2024, we renewed packaging for the first time in eight years, putting Roman lettering of the brand name and "JAPAN's No. 1" on the packages to emphasize our position as a snack brand that represents Japan to the world.

We created the slogan "NICE! RICE!" as part of our goal of becoming a "Rice Innovation Company," and going forward we will also promote this slogan externally. In addition to promoting our product brands, we will communicate the Group's philosophy and overall business approach so that stakeholders can understand our true essence. This effort to better articulate the Group's unique value will also strengthen our global corporate brand.

In addition, we will also bolster initiatives to strengthen other intangible assets besides our brands. Since its founding, the Group has accumulated a host of technologies and expertise through its efforts to expand the possibilities of rice and create delicious flavors. We will take stock of these assets and refine them as intellectual property to further enhance the Group's corporate value.

See pages 24 to 27 for details.



## 2 Flexible Response to Rapid Changes in the Business Environment

I have been talking from a medium- to long-term perspective, but in terms of our immediate operating environment, issues that need resolution are mounting day by day. Rising geopolitical risk has become a factor driving rapid yen depreciation and energy cost increases. The high prices of raw materials (inflation) are also a serious concern. In addition, we are facing pressing issues in our overseas business, where Mary's Gone Crackers recorded impairment losses for the fiscal year ended March 31, 2024. It is important to tackle each of these issues carefully one by one. However, efforts to promote our Corporate Philosophy and strengthen our organizational structure/cross-organizational functions have helped to increase the speed and flexibility with which we can respond to challenges.

### Promotion of Sustainability Management

Contribute to a sustainable society across the entire value chain through change and innovation. Mitigate risks and seize opportunities through strategy execution and evolve into a "Rice Innovation Company."

#### Materiality (Material Issues) and Main KPIs




**Contribute to a nice lifestyle through "Better For You" food**

Joy, enrichment, health, taste, excitement, safety and security, food culture, and food diversity

(FY2030 Target)

Expansion of the Mirai Beika product lineup	
Reduction of sodium in products	15% reduction (compared with FY2021)
Expansion of overseas share of the food business	30%
Increase allergen-free, Halal and Kosher products	




**Environmentally friendly manufacturing**

Reduction of environmental impact, conservation of environmental resources, and reduction of plastic use

(FY2030 Target)

Reduce greenhouse gas emissions	40% reduction (compared with FY2017)
Reduce water consumption	10% reduction (compared with FY2017)
Reduce plastic usage	30% reduction (compared with FY2017)



**Sustainable procurement**

Respect for human rights, stable procurement, and response to food insecurity

(FY2030 Target)

Development of a diversified procurement system for major raw materials	
Expansion of plant-based food	
RSPO-certified palm oil usage ratio	100%




**Human capital management**

Health management, DE&I, and human resource development

(FY2030 Target)

Improved self-care and employee wellbeing	
Ratio of female managers and supervisors	30%
Investment in human resource development	80% increase (compared with FY2021)



**Governance befitting KAMEDA SEIKA**

Enhance corporate governance  
Implement thorough risk management

(FY2030 Target)

Enhance corporate value through appropriate operation of the Board of Directors	
Risk map-based visualization and countermeasure implementation	
Reinforce information security systems	



**Harmony with the community**

Expand local hiring, collaborate with local agriculture groups, and engage in dietary education

(FY2030 Target)

Expand number of employees at overseas sites	2,500 employees
Increase production of rice flour bread made from rice grown only in Niigata Prefecture	1,200 tons
Promote communication through food	

Note: The material issues above are organized into six categories and 19 specific issues.

For example, in addressing high raw material prices, it is necessary to deploy comprehensive profit improvement strategies, such as efficient cost management, price adjustments, and cost reductions. Relying solely on top-down directives when issues arise can lead to delayed responses. However, organizational and operational reforms have been effective in promoting a bottom-up response, and we aim to continue enhancing our responsiveness going forward.

## 3 Promoting Sustainability Management

To drive the sustainable growth of the Company, we are also paying attention to our social responsibilities. As an initiative to promote sustainability, I am personally leading our efforts as chairperson of the committee on our response to materiality

(material issues), and I will ensure that we make significant progress. As a CEO who was born overseas, I have substantial personal experience regarding the importance of ensuring and promoting diversity. A company that has had no diversity in terms of nationality or gender for many years cannot expect to see much breadth of discussion. Currently, the Company's directors come from a rich variety of backgrounds, and we will continue striving to secure the diversity of the Board of Directors so that we can have healthy, lively discussion and enhance the Board's effectiveness. The same applies to our employees, so we will continue to make efforts to promote diversity in hiring and assignments.

We are also engaged in reforms from a governance perspective, including the establishment of a voluntary Nomination and Remuneration Committee.

Going forward, we will continue working to secure financial results and ensure that we remain a company that contributes to society and is recognized for its efforts.

📖 See the following pages for details: 23, 28–30, 34–39, and 48–53.

## To Our Stakeholders

As a result of our various initiatives, recently employees have shared that the atmosphere in the Company has become even more open. I think we are starting to see the development of a positive, optimistic sense of tension within the Company. One of my favorite sayings (that I expound both inside and outside the Company) is "Pressure makes diamonds." By this, I mean that rather than allowing myself or the organization to stay in the comfort zone, I think it is better to apply the right amount of pressure in order to transform "carbon" into "diamond." It is very important to have a vision or aspiration of what kind of person you want to become.

I would like each employee to have their own individual aspirations and feel proud to be members of the KAMEDA SEIKA Group. My hope is to see everyone engage in their daily tasks with a sense of pride, confidence, and enjoyment, working together toward the same goal.

We will continue striving to become a corporate group that brings significant value to society as a "Rice Innovation Company." My own dream is that we will become a unique "Rice Innovation Company" that is known throughout the world. Please look forward to the Group's activities as we work together enthusiastically with our employees to realize this dream.



## Overseas Business

In the overseas business, sales increased year on year, mainly due to strong performance in Asia. However, profitability did not improve, partly as a result of Mary's Gone Crackers, Inc. (MGC) in the U.S. recording impairment losses for a second consecutive fiscal year. Having stemmed losses in the overseas business, the top priority is now achieving profitability as we continue with restructuring.

## Food Business

In the food business, sales increased year on year, mainly due to sales channel expansion for plant-based lactic acid bacteria and rice flour bread, although results in our core company, Onisi Foods Co., Ltd., stalled temporarily. On the other hand, profit decreased year on year, partly reflecting an increase in upfront investments aimed at future growth. However, the foundation for growth is becoming firmer. In the second half of FY2023, there was an increase in demand for long-life preserved foods, driven by greater disaster prevention awareness following the Noto Peninsular Earthquake and seismic activity offshore Chiba Prefecture. We are building a production system capable of responding to this demand.

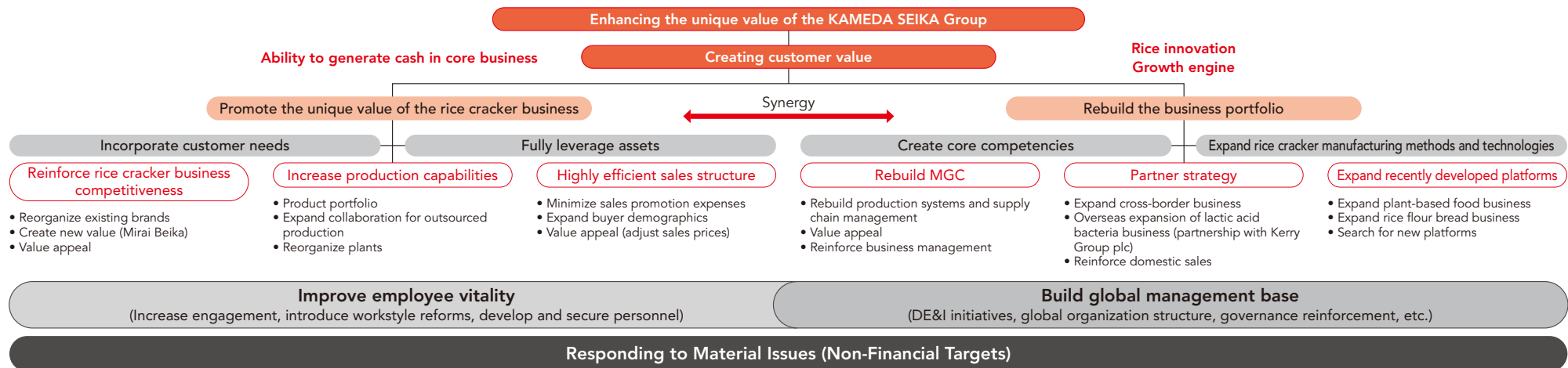
## Business Portfolio



## Key Points of the Medium-Term Business Plan

### "Rice Innovation Company"

In order to achieve sustainable growth in a rapidly changing business environment, the Group will come together and unite as a "Rice Innovation Company," representing a shift to a business strategy focused on creating unique value.




## Structural Reforms under the Medium-Term Business Plan

In the medium-term business plan, the Group has laid out its initiatives for transforming its business model from KAMEDA 1.0 to KAMEDA 3.0. Building on the domestic rice cracker business, which we have operated since our founding, we aim to expand into overseas markets and the food industry. After that, we want to establish a model (KAMEDA 3.0) that utilizes the Company's intellectual property, such as technologies and expertise, to drive licensing and collaboration.

Up until now, we have basically insisted on in-house operations, but we now intend to pursue a more flexible approach to business development under the themes of external collaboration, alliances, open innovation, and asset light.

By implementing various reforms, we aim to achieve record-high profit by FY2026 as one of the milestones. To this end, it is essential to not only strengthen our three current business domains, but also to utilize our accumulated core competences to become a "Rice Innovation Company." I consider it the role of the COO to lead business strategy, strengthen human resources, and transform the organizational culture in order to accomplish this goal.

 See pages 6 to 7 for details.

### 1 From "Price" to "Value"

In the domestic rice cracker business, we have developed a marketing strategy based on the themes of "upgrade" (enhancing brand value) and "update" (evolution), and are working to strengthen our product portfolio. "Upgrade" entails deepening the product value of our existing brands to enhance brand value, while "update" involves new value creation in rice crackers.

The Company's rice crackers have a long history, and include strong, customer-supported brands such as KAMEDA Kaki-no-Tane and Happy Turn. However, in recent years, we have been so focused on increasing net sales that we have mainly relied on offering new flavors and pricing strategies. As a result, we may have missed opportunities for "upgrades" to strengthen the KAMEDA brand itself. Our mainstay brands still hold great potential, and we have also developed new brands such as Mugen Ebi. We will refocus on strengthening brand power, while pursuing further possibilities in rice crackers.

Up until now, we have pursued scale based on a high-mix, high-volume production model. However, as times and customer

needs change, we have reached a point where we must carefully consider what value means to customers. To put it another way, we will change our approach from volume growth (price appeal) to quality growth (value appeal). We have identified six brands that we will concentrate on, and by focusing our efforts on expanding these brands, we can also reduce the number of SKUs. Going forward, we will also create more original value in the rice cracker business. For example, rice crackers come in a variety of textures and variations, such as hard, soft, thick, and thin. They can also be flavored in many different ways that utilize the taste of rice. I think we can still create deeper value through our craftsmanship series, which is supported by core customers, and by combining existing products with our proprietary functional ingredients. Of course, simply reducing the number of products would lead to a state of diminishing returns. We will therefore focus product development and marketing investments on our key brands to create a strong, robust pipeline. Main examples

### Domestic Rice Cracker Business Specific Initiatives

Shift from emphasis on price to emphasis on value and begin transition to a business strategy focused on uniqueness

#### Upgrade Enhancing value of flagship brands/products

##### 1 Raise composition ratios of six key brands

- Raise composition ratios of six key brands in stages



##### 2 Promote value in conjunction with price and specification revisions

- Prices and specifications were revised for 27 products, including KAMEDA Kaki-no-Tane and Potapota Yaki in August and September 2023. Retail prices are expected to rise between 6% and 16%.
- Renovate brands (packaging and other characteristics)

##### 3 Reinforce consumer communication and brand value

- Strengthen social media strategy, and create new day-to-day points of contact with the next generation of customers
- Enhance uniqueness and profitability by adding new, higher-end products
- Stimulate demand by addressing the creation of new eating occasions

##### 4 Increase production capacity

- Increase production capacity for key brands by streamlining product portfolio and utilizing OEM partnerships

### 2 Collaboration between Divisions in the Domestic Rice Cracker Business

When attempting to introduce new strategies, a vertically structured organization can hinder efforts as individual division interests may take precedence. Our sales and production divisions have grown stronger through many years of business development, which has reinforced this vertical structure. To address this issue,

#### Update Creation of new value for rice crackers (Mirai Beika)

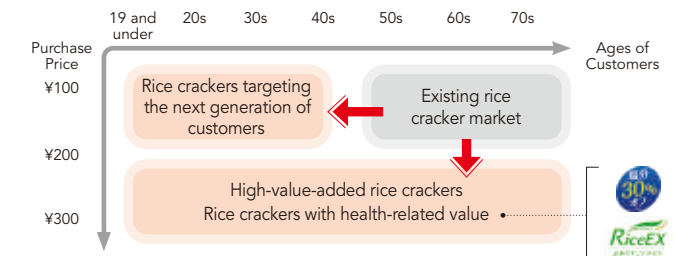
##### 1 Address changes in consumer value to expand market into new areas

1-1. Launch rice crackers with new value to capture the next generation of customers

- Utilize rice ingredients to create unique snacks that are distinct from existing snacks
- Create new sales space proposals, aiming to attract younger rice cracker customers

1-2. Develop high-value-added products with health-related value

- Launch high-value-added rice crackers, such as the craftsmanship series, made with our original manufacturing methods
- Develop products with health-related value by leveraging our unique functional ingredients





we needed three things: clear policies, a shared awareness among employees including executive officers, and a transition from top-down to bottom-up. Since the announcement of the medium-term business plan, we have been working to develop policies and a shared awareness through the Top Caravan initiative and dialogue between directors/executives and employees. I will talk about our initiatives to strengthen collaboration between divisions below, but the catalyst for the transition from top-down to bottom-up has really been the will of the management team, which I will explain in detail later.

Business structure reforms are carried out by people and organizations. We have focused in particular on strengthening collaboration in the domestic rice cracker business by taking a broad perspective of the entire supply chain. Traditionally, individual divisions have been highly specialized, with a strong sense of autonomy. However, under the overarching mission of changing our emphasis from “price” to “value,” marketing, sales, and

production divisions have been called on to discuss not only what is optimal for each division, but also for the Company as a whole. With our marketing strategy as a starting point, we aim to rebuild our product portfolio (which includes a reduction in SKUs), and make it stronger. We have also streamlined production lines, reducing the number from approximately 50 lines to 35 (from FY2022). Eliminating 15 production lines has freed up space in our plants. This new space has given us the option of using it to enhance production lines, potentially eliminating the need to construct a new building due to a shortage of production facilities. In the short-term, investment in a new building is now unnecessary. In addition, this has improved asset efficiency. On the sales front, we will also prioritize quality (profit margin) over scale (net sales), and we are working to achieve both value appeal and cost efficiency. The reduction in the number of SKUs conducted in FY2023 is also having a positive impact on supply chain management. By reducing the number of products we have to

manage, we can more easily analyze underlying issues, identify the root causes, and create a beneficial cycle aimed at problem solving.

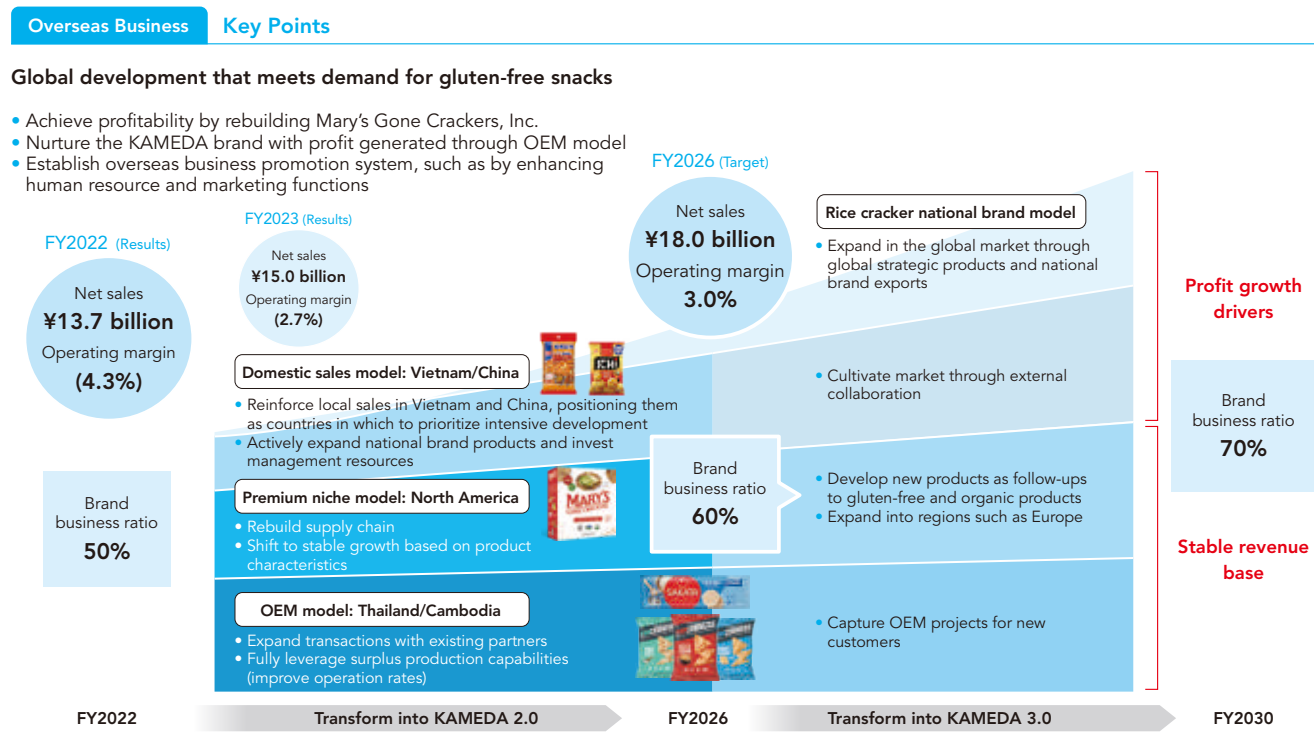
In recent years, Japan’s economic structure has undergone changes, with inflationary pressures growing stronger. In many cases, this has led to a greater-than-expected change in raw material and fuel costs, which requires flexible countermeasures. In the past, when factors that weigh on profit became apparent, the response tended to be top-down. However, as we work to strengthen collaboration within the organization, there have been a growing number of situations in which proactive discussion of countermeasures has started autonomously, leading to clear direction setting. This is a new trend, but we are already seeing a positive response. We will continue to promote this initiative going forward.

### 3 Structural Reforms in the Overseas Business

In the overseas business, we have worked to expand by integrating each country’s food culture into items such as gluten-free rice crackers and deep-fried rice crackers. Looking ahead, we will strengthen collaboration between overseas subsidiaries and headquarters divisions with the aim of drawing out the latent potential of the market. In Thailand and Cambodia, we will grow our business through measures such as expansion of OEM products and exports. In Vietnam, we will renew and expand the lineup of the ICHI brand (which leverages frying technology) in order to accelerate business expansion in and outside of the country. In China, we will shift away from serving as an export base to Japan and focus on local sales expansion. In India, we will explore the next stage of development to follow the initial marketing phase.

Globally speaking, competing manufacturers have appeared in China and South Korea, and I believe that the capacity to offer unique value will be the deciding factor in this arena. By leveraging the development and production technologies that we have accumulated over many years, we are able to supply high-quality rice crackers in various countries, and it is important that we increase our market presence through high-quality products.

We have also recognized that improving the profitability of Mary’s Gone Crackers, Inc. is an urgent priority. The company has revamped its management structure, and production is currently stable. As such, it has moved past the critical situation it faced in the previous fiscal year.



## 4 Growth Investments in the Food Business

In the food business, we have been building a business foundation for products that we refer to as “recently developed platforms,” such as rice flour bread and plant-based foods, as well as taking on the challenge of overseas expansion. We are already beginning to make capital investments: a new factory for plant-based foods (Maisen Fine Foods Co., Ltd.) started operations in September 2023, and construction of a new factory for rice flour bread (TAINAI Co., Ltd.) was completed in April 2024—a new production line that has three times the previous capacity commenced operations in September 2024. At Onisi Foods Co., Ltd., which manufactures long-life preserved foods, a new plant for boosting the production capacity of Alfa Rice is under construction with

completion scheduled for April 2025. We view FY2024 as a year for beginning a full-fledged recovery of capital investments we have made to date. For plant-based foods, it is important to secure development pipelines that will lead to sales in line with our investments, including through the performance of new factories. For functional foods, we aim to make a large-scale business entry in European and U.S. markets for plant-based lactic acid bacteria, and this will include collaboration with partners. We will also expand our sales channels through the development of new customers and drive development of new products using functional ingredients. Furthermore, in June 2024 we launched rice-derived peptide KP-1 as a follow-up to plant-based lactic acid bacteria.



New factory (Maisen Fine Foods)

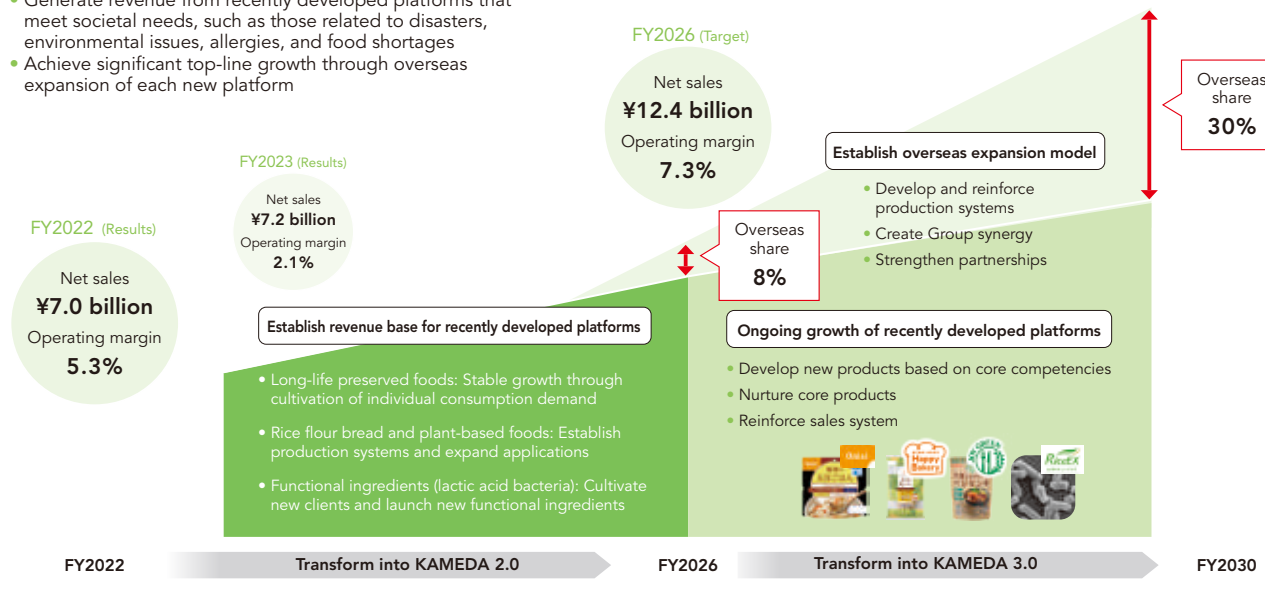


New factory (TAINAI)

### Food Business Key Points

Establish revenue base for recently developed platforms that meet societal needs and take on the challenge of overseas expansion

- Generate revenue from recently developed platforms that meet societal needs, such as those related to disasters, environmental issues, allergies, and food shortages
- Achieve significant top-line growth through overseas expansion of each new platform



## Our Vision Will Be Realized by People and Our Organizational Culture

### 1 Improving Employee Vitality

In its initiatives to prioritize people, nature, and society, the KAMEDA SEIKA Group aims to develop human resources who enjoy taking on challenges and creating value by leveraging the best ideas and technology. In order to achieve our ideal organizational structure, we have identified three key issues: developing human resources who support the business foundation; diversity, equity and inclusion; and managing employees' physical and mental health. It is important to implement a human resource strategy linked to our medium- to long-term growth strategy. By promoting the active participation of employees, we can become a "Rice Innovation Company," as articulated in our Vision, and enhance our corporate value. The key to our sustainable growth is global human resource development. In particular, the development of global talent is an urgent task. There are currently trainees from Vietnam studying in Japan, and going forward it will be important to bring over more trainees from overseas, while also making sure that development personnel in Japan have the knowledge and language skills that will enable them to operate on the global stage. Promoting global human resource exchanges is an issue to address going forward.

### 2 Transitioning to a Bottom-up Style Organizational Culture

The foundation of our business activities is the thoughts and actions of individual employees. As such, we believe that a free and open bottom-up style organizational culture is ideal. The Company has accumulated a wide range of knowledge and expertise through its people. As we work to draw out the Company's latent potential, it is of paramount importance to facilitate the expression of different opinions through a bottom-up approach. Delegation of authority to the front lines is essential for such an approach to function effectively. Since the people on the front lines have the best understanding of what is going on there, I have decided that in my role as COO, I will step back, present broad guidelines, focus on governance and internal control, and give executive officers directing the front lines discretion and indirect support so that they can perform their roles properly. When executive officers are given discretion, they can actively address issues that impact the entire organization as

well. For example, executive officers responsible for the domestic rice cracker business now have more opportunities to speak out about policies of the overseas business and food business, and vice versa. Furthermore, in 2024 we launched the KAMEDA Group Fan Creation Committee, which is also playing a role in the transformation of our organizational culture. Participation is voluntarily and employees work on their own to resolve Company issues. The "Re Kameda" project (upcycling activity) is another excellent example of a bottom-up initiative that has grown from the proposal of a single employee. In this way, we are gradually increasing the number of management members and employees who can think and act on their own initiative, but the structural reforms that will leverage a bottom-up style organizational culture are still in the early stages. Going forward, we will continue creating an environment that enables front line employees to participate freely and openly.



See pages 34 to 39 for details.

### 3 Strengthening the Global Management Base

Diversity, equity and inclusion initiatives, building a global organizational structure, and reinforcing governance are all important elements of strengthening the global management base, as set out in the medium-term business plan.

Reinforcing governance is an important management priority, and as a company with an Audit & Supervisory Board, we aim to strengthen functions for auditing and monitoring management while effectively utilizing the capabilities of Audit & Supervisory Board members.

We also consider the effectiveness of the Board of Directors, and our basic stance is for highly independent outside directors



to comprise a majority of the Board of Directors to enable lively deliberation and swift decision-making. Moreover, as a food manufacturer, we believe that the values and ideas of women are important, and that it is essential that women be included in the Board of Directors.

## In Conclusion

Under the medium-term business plan, we are steadily promoting initiatives aimed at becoming a "Rice Innovation Company." By making upfront investments and passing on technologies not only in the domestic rice cracker business but also in the overseas and food businesses, we will work to expand into more countries and business domains. The Group will continue to grow, leveraging the technologies and expertise that it accumulates going forward as strengths. We will also utilize partnerships in Japan and overseas as we transition to an asset-light and high-profit business model. I encourage everyone to hold high expectations for the KAMEDA SEIKA Group as we evolve our business model toward KAMEDA 3.0 and continue to deliver value to our customers and society.



KAMEDA Group Fan Creation Committee  
A new self-directed initiative launched with 63 participants



Akira Kobayashi

Senior Managing Director & CFO,  
General Manager of Administrative Division

# Becoming a “Rice Innovation Company” —the Financial Strategy

## Review of FY2023 and Progress of the Medium-Term Business Plan

The KAMEDA SEIKA Group’s medium-term business plan, which was announced in August 2023, calls for a revision of the Group’s existing business model based on price appeal and scale expansion. It promotes the transformation of our business model to one based on the creation of unique value that leverages the Group’s core competencies centered on rice. As part of this effort, we are rebuilding the Group’s three key pillars: the domestic rice cracker business, the overseas business, and the food business.

FY2023 was the first year of the plan, and we focused on strengthening our management foundation. We dedicated ourselves to instilling management that emphasizes earnings, and also implemented structural reforms in all areas, including for products, sales, and production. These efforts have yielded positive results, with consolidated operating income increasing by 25.3% year on year to ¥4.46 billion and consolidated ordinary income up by 30.4% to ¥6.79 billion. I feel that the reforms we made to our business structure in FY2023 have set the stage for growth going forward. On the other hand, the Company’s business environment continues to change dramatically, with the further depreciation of the yen driving material and energy costs to much higher levels than expected, and we expect inflation to continue to have an impact on the Company over the medium term. To address these issues, we are working to increase our brand value from the consumer’s perspective and to improve productivity.

## Financial Strategy and Investments for Medium- to Long-Term Growth

### 1 Increase Cash Generation Ability

In formulating our medium- to long-term growth strategy, we anticipated that the food industry would face wide-ranging and significant changes that represent both risks and opportunities. Risks include geopolitical risk, climate change, and natural disasters, which have a powerful impact on food security; while opportunities for the Group’s businesses include wellness-related demand and a rise in ethical consumption, both of which are trends primarily in developed countries. The Group has businesses and products that contribute to the resolution of social issues, and the long-term potential of these assets has been reconfirmed by the management team. In order to be able to continue to refine these strengths, we will emphasize stability in our financial approach. We will balance existing investments that include increasing production of rice crackers in Japan and overseas as well as maintenance, repairs, and facility improvements with shareholder returns. We will also make growth investments in areas such as increasing production in the food business, human resource development, and R&D. We will maintain a basic policy of making shareholder returns and investments within the scope of operating cash flow, while considering external funding as necessary for M&As and other initiatives. We will strengthen our cash generation ability through FY2026, laying a solid foundation to accelerate cash flow improvement from FY2027 onward.

### Business Indicators: Main KGIs and KPIs

		FY2021 Results	FY2022 Results	FY2023 Results	FY2026 Target	FY2030 Target
Profitability	Operating income (Billions of yen)	4.83	3.56	4.46	7.50	14.00
	Operating margin (%)	5.7	3.8	4.7	6.5	10.0
	EBITDA (Billions of yen)	10.01	9.65	10.65	15.60	25.61
Growth	Net sales (Billions of yen)	85.16	94.99	95.53	115.0	140.0
	Rice innovation composition ratio* (%)	—	—	—	35.0	50.0
Efficiency and Safety	ROIC (%)	4.3	2.9	3.4	5.1	8.0
	ROE (%)	7.3	3.0	3.3	7.3	10.0

\* Ratio of sales of new value creation (Mirai Beika) products, the overseas business, the food business, and others

I would like to explain in more detail our approach to cash allocation in the medium- to long-term growth strategy.

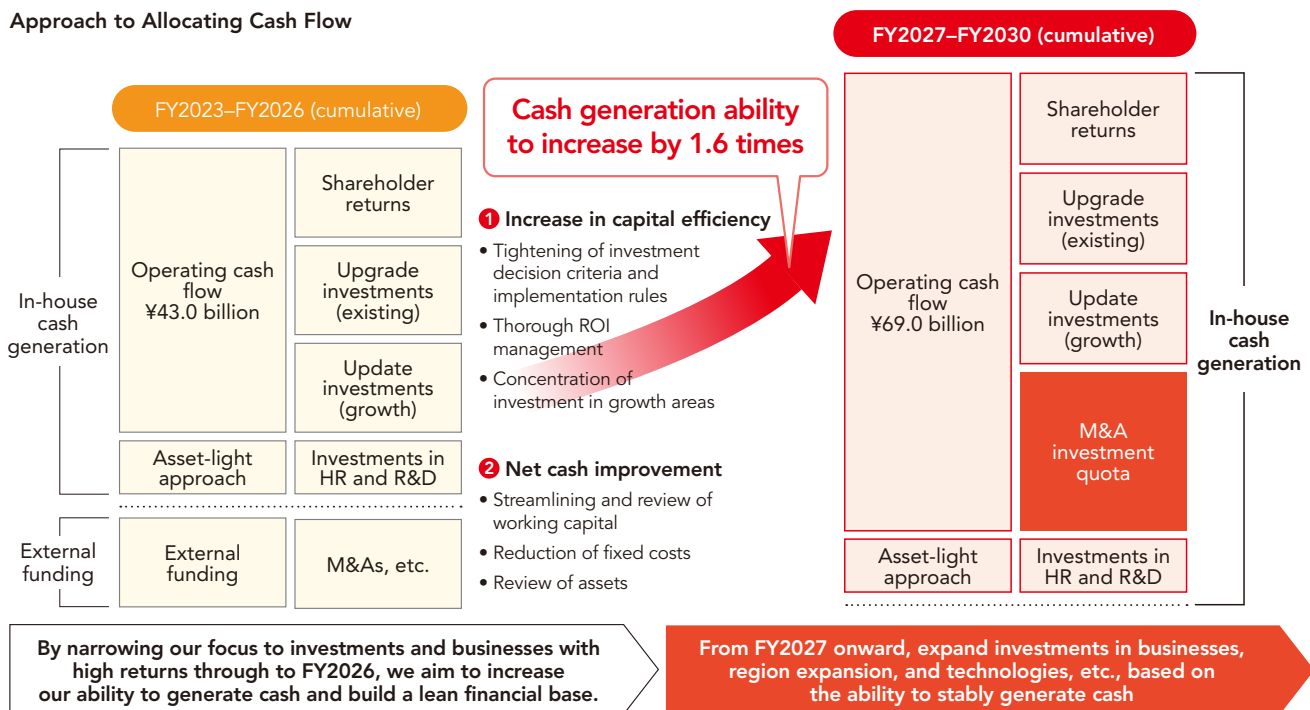
We think about medium- to long-term cash allocation in two phases: the four-year period of FY2023–FY2026 and the four-year period of FY2027–FY2030.

We plan to generate operating cash flow of ¥43.0 billion over the four years up to FY2026. We will make shareholder returns and implement existing and growth investments within this amount. It is therefore essential that we increase capital efficiency and improve the net cash situation. In FY2023, we revised the Group's overall investment criteria, setting a hurdle rate of 8%, and establishing stricter standards for determining whether or not to invest in a project. We also aim to increase investment efficiency by thoroughly managing return on investment (ROI) and concentrating investments in growth areas. Furthermore, to fund investments in human resource development, which we have outlined in the material issue of human capital management, and R&D investments for passing down technologies and accumulating expertise, we will improve net cash through measures such as streamlining working capital and reducing assets. This will free up cash that we can allocate in ways that will best benefit the Company. For strategic investments, such as M&As, we will

procure funds using the optimal method, depending on the details and scale of the investment target. During this period we will strengthen our cash generation ability, and from FY2027, we expect to have the capacity to invest in businesses, region expansion, and technologies due to our ability to maintain stable cash generation. We plan to move to a new phase where we can finance M&As using our own funds.

As a traditional Japanese manufacturer, KAMEDA SEIKA has continued to grow in both business scale and quality by utilizing its fixed assets, mainly in the domain of rice crackers. As we continue to expand our business fields and increase the number of countries in which we operate in the overseas business and food business, which are expected to be growth drivers, insisting on full in-house operations and keeping everything inside the Company would not be the right approach. In aiming to transition to the highly efficient KAMEDA 3.0 business model and a profitable asset-light approach, we will build on the foundation we have established through upfront investments, adding to the strengths and expertise that we have cultivated in rice crackers. We will also leverage partnerships with external companies. To achieve our goals, I recognize my top priority as the CFO is to strengthen the Group's overall cash generation ability.

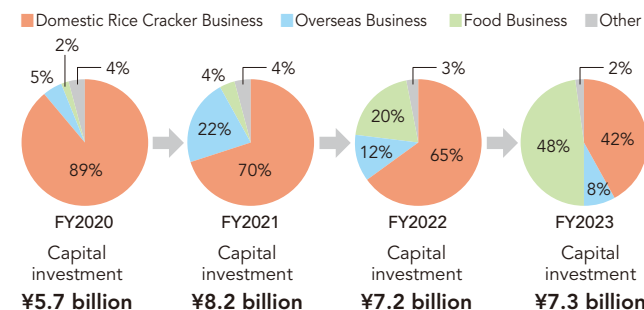
### Approach to Allocating Cash Flow



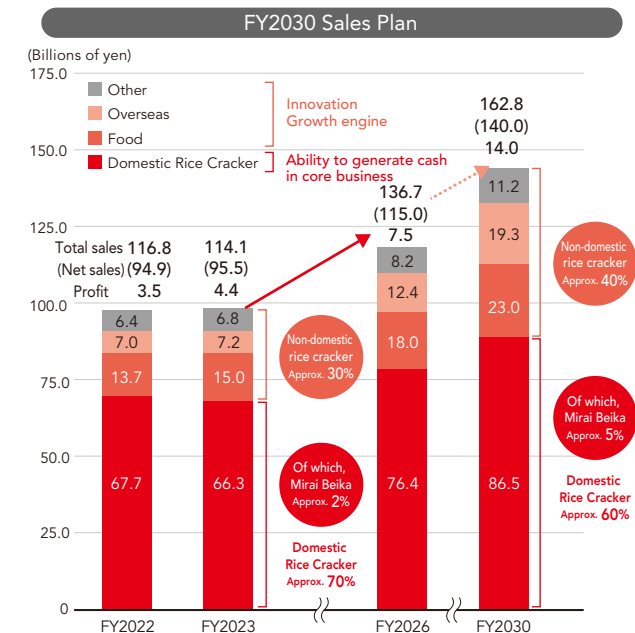
## 2 Business Portfolio and Growth Plan

Breaking down our capital investments by business, we spent ¥5.7 billion in FY2020, and 89% of that went to the domestic rice cracker business. In FY2021, capital investments amounted to ¥8.2 billion, with 22% going to the overseas business. In FY2022, capital investments totaled ¥7.2 billion, with 48% going to the food business, as we increased our focus on this business and transformed our portfolio to position it for sustainable growth.

### Capital Investments by Business Category



### Group Business Scale and Growth Plan for FY2030 (Financial Targets)



Under the medium- to long-term growth strategy, approximately 70% of net sales were attributable to the domestic rice cracker business (as of FY2023), but the FY2030 target for net sales is ¥140.0 billion, of which we expect 60% to come from the domestic rice cracker business, with the remaining 40% coming from non-domestic rice cracker businesses. For operating income, the plan is to shift from covering losses in the overseas business with profit in the domestic rice cracker business (as in FY2023) to having approximately 30% of the ¥14.0 billion operating income target for FY2030 provided by non-domestic rice cracker businesses.

In the overseas business, we have completed a round of business investments centered on Asia, and are gradually progressing to the return on investment phase. However, we plan to continue investing to strengthen production capacity and increase product quality.

In the food business, we are in a phase of upfront investments to lay the foundation for future earnings. We are increasing production capacity and efficiency for the next generation of growth products, which are long-life preserved foods, rice flour bread, and plant-based foods. We are also building new plants for the development of new products.

In the mainstay domestic rice cracker business, we will carry out rationalization that will help to improve profitability and productivity, as well as investments aimed at increasing efficiency, primarily plant improvements to ensure safe and secure production environments. We are also working to optimize production in line with output levels by making use of outsourced production through external partners in order to improve both production and capital efficiency. In addition, we will make even more

efficient and proactive investments in our brands, such as conducting promotions. We will work to create attractive product proposals centered around our six key brands.

### 3 Building a Solid Financial Base and Shareholder Returns

A priority issue for the Group is to accelerate return on investments, which is taking longer than expected.

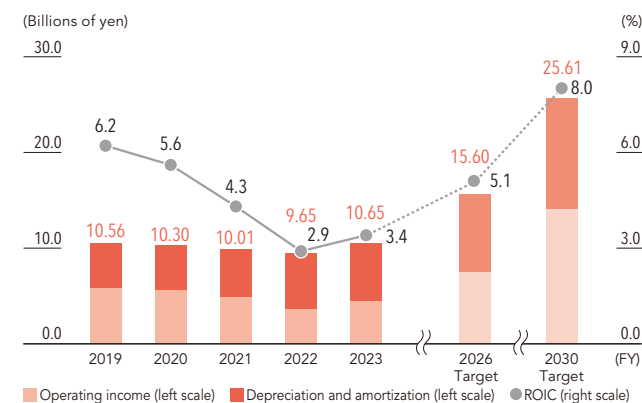
We have positioned EBITDA, which indicates our cash generation ability, and the operating margin, which shows business profit, as our main KPIs. Recently, depreciation has increased in the wake of aggressive investments, but as these investments have yet to generate profits, EBITDA remains persistently flat, while ROIC is in a slump following an increase in borrowings. The speed at which we can get return on our investments has a direct impact on financial aspects of our medium- to long-term growth strategy. As such, we confirm the progress of recovery at an annual investment review conducted by the Board of Directors for each project where we have made an upfront investment. After checking the situation of each investment, we make corrections as needed to get the business back on course, creating a cycle of monitoring and corrective action.

Our basic approach to shareholder returns is to increase earnings capability by steadily implementing the medium- to long-term growth strategy, and to pay stable and continuous dividends. We target a dividend payout ratio of approximately 30%. For future growth, we will expand our business while continuing to make investments, thereby increasing our corporate value and further enhancing shareholder returns.

## Management Based on Capital Efficiency

Under the medium- to long-term growth strategy, we have set a target ROE of 10.0% and a target ROIC of 8.0% for FY2030. In FY2023, ROE decreased to 3.3% and ROIC decreased to 3.4%. This primarily reflects a decline in profitability of the domestic rice cracker business due to an increase in raw material and energy costs, as well as a decrease in net income attributable to owners of the parent due to recording impairment losses at our U.S. subsidiary. ROE fell below its five-year average of 7.3% and ROIC below its five-year average of 5.0%. Furthermore, we calculate the cost of shareholders' equity and weighted average cost of capital (WACC)\* based on the capital asset pricing model (CAPM), which is the generally accepted calculation method.

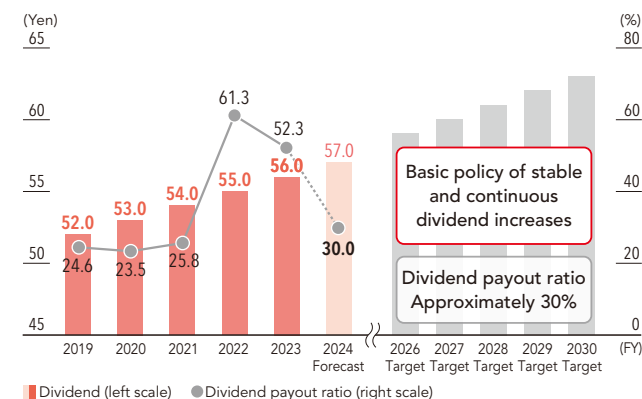
### EBITDA and ROIC



## Financial Plan

		FY2021	FY2022	FY2023	FY2026 Target	FY2030 Target
Balance Sheet	Total assets (Billions of yen)	103.42	111.18	120.51	130.47	155.99
	Net assets (Billions of yen)	66.04	67.99	73.71	81.74	111.23
	Interest-bearing debt (Billions of yen)	19.12	23.51	23.78	26.59	19.50
	Equity ratio (%)	61.3%	58.3%	58.0%	59.3%	67.4%
	D/E ratio (times)	0.30	0.36	0.34	0.34	0.19
Cash Flow	Cash flows from operating activities (Billions of yen)	8.30	8.28	9.73	12.18	20.58
	Cash flows from investing activities (Billions of yen)	(9.84)	(8.44)	(8.14)	(10.60)	(14.08)
	Free cash flow (Billions of yen)	(1.53)	(0.15)	1.59	1.57	6.49

## Shareholder Return Performance and Plan



In the most recent two fiscal years, FY2022 and FY2023, ROE has been lower than the cost of shareholders' equity, and ROIC has been lower than WACC. The Group is therefore making a unified effort to improve profitability and capital efficiency.

In terms of improving profitability, we are conducting structural reforms at our U.S. subsidiary and working to normalize the supply structure. The associated impairment losses appear to be transitory. Furthermore, we will conduct price adjustments in our mainstay domestic rice cracker business and further streamline sales and production activities, while steadily implementing the medium- to long-term growth strategy to improve the operating margin. In addition, as part of efforts to improve capital efficiency, we aim to transition to an asset-light, high-earnings driven business model. To this end, as mentioned previously, we have tightened our investment criteria by setting the hurdle rate at 8% to increase investment efficiency. We will also reduce inventory and cross-shareholdings as well as strengthen partnerships with outside companies. Our goal is to create the optimal capital structure.

ROIC management is currently conducted uniformly across the entire Company, partly due to our business structure. However, we will foster awareness of the cost of capital and capital efficiency in each business and division. In the future, we plan to expand this ROIC management to individual businesses.

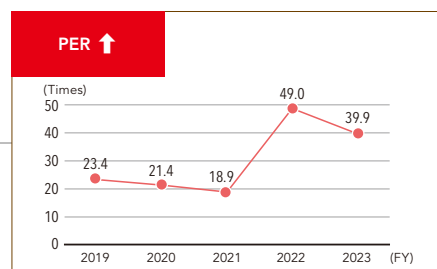
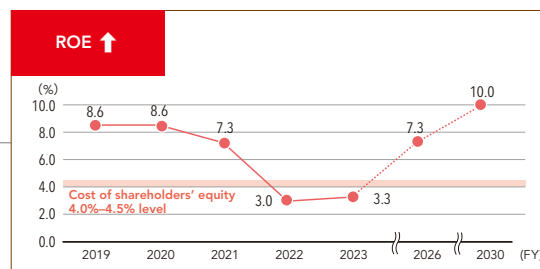
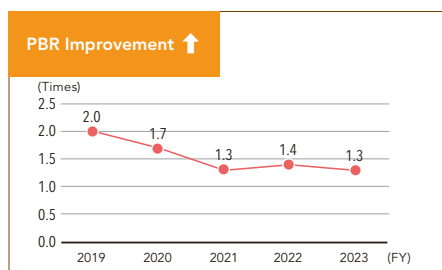
We are also taking steps to accelerate return on investment and make efficient use of capital in each business.

\* The weighted average of the cost of debt and the cost of shareholders' equity based on a company's capital structure (at market value)

## To Our Shareholders and Investors

From the perspective of the capital markets, our price-to-book ratio (PBR), which serves as an indicator of corporate value, has consistently exceeded 1.0 times. However, as of March 31, 2024 it stood at 1.3 times. While this matches the average PBR for food companies in the Prime Market,\* it falls short of our five-year average of 1.7 times. This decline is primarily attributable to the recent decrease in ROE, despite what we believe to be a certain level of recognition for our efforts and the potential for business growth that is reflected in our stock price.

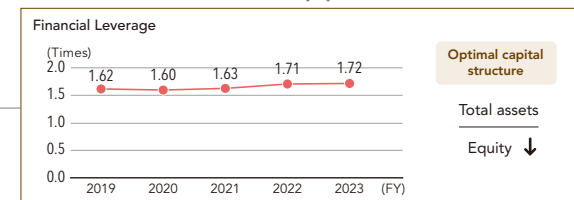
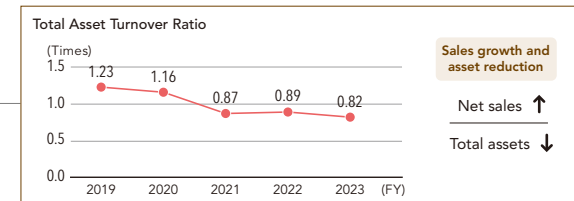
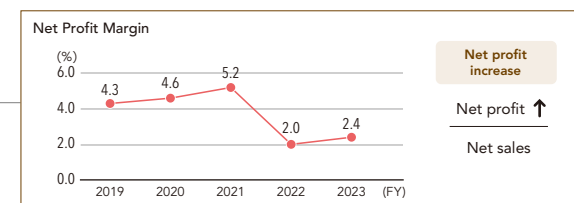
We have set targets for ROE of 7.3% in FY2026 and 10% in FY2030. To achieve this, we will improve profitability by steadily implementing the medium- to long-term growth strategy. We



aim to optimize our capital structure by reducing assets, and this will include improving the efficiency of working capital. In addition, we will strengthen shareholder returns through stable and continuous dividend increases. We will meet the expectations of our shareholders and investors by delivering results that earn their trust.

By achieving our Vision of becoming a "Rice Innovation Company," the KAMEDA SEIKA Group will be reborn as a globally unique corporate group that creates new value and new markets around the world. Please look forward to the Group's next steps as we continue working to increase our corporate value.

\* Source: "Average PER and PBR (Consolidated and Non-Consolidated) by Size and Types of Industry," Japan Securities Exchange Group



**Non-Financial Strategy** Sustainability promotion  
Response to each material issue

**Information Disclosure** Disclosures such as the medium- to long-term growth strategy  
(Strengthen IR activities) Proactive dialogue with investors

# Value Creation Process

**Vision**

## Rice Innovation Company

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

- Business Environment**
- Changes in global demographics
  - Worsening global environmental issues and increase in natural disasters
  - Rising awareness of safety, reliability, and health
  - Diversification of food
  - Heightening of geopolitical risks
  - Possibility of food shortages due to population increase

**Input**

**Financial Capital**

Financial standing and ability to generate stable cash flow (Equity ratio: 58.0%)

**Human Capital**

Diverse human resources (Number of employees: 4,040 (consolidated); Ratio of female managers: 13.8%)

Quality control system for safe and reliable products

Free and open corporate culture

**Manufacturing Capital**

Domestic and overseas manufacturing bases (9 companies in Japan, 7 overseas)

In-house logistics functions (2 companies in Japan)

**Social and Relationship Capital**

Long-selling brands

Relationships of trust with customers

Partnerships with suppliers and business partners

Industry-academia government collaboration

Relationships with local communities

**Intellectual Capital**

Knowledge and know-how relating to rice crackers and rice

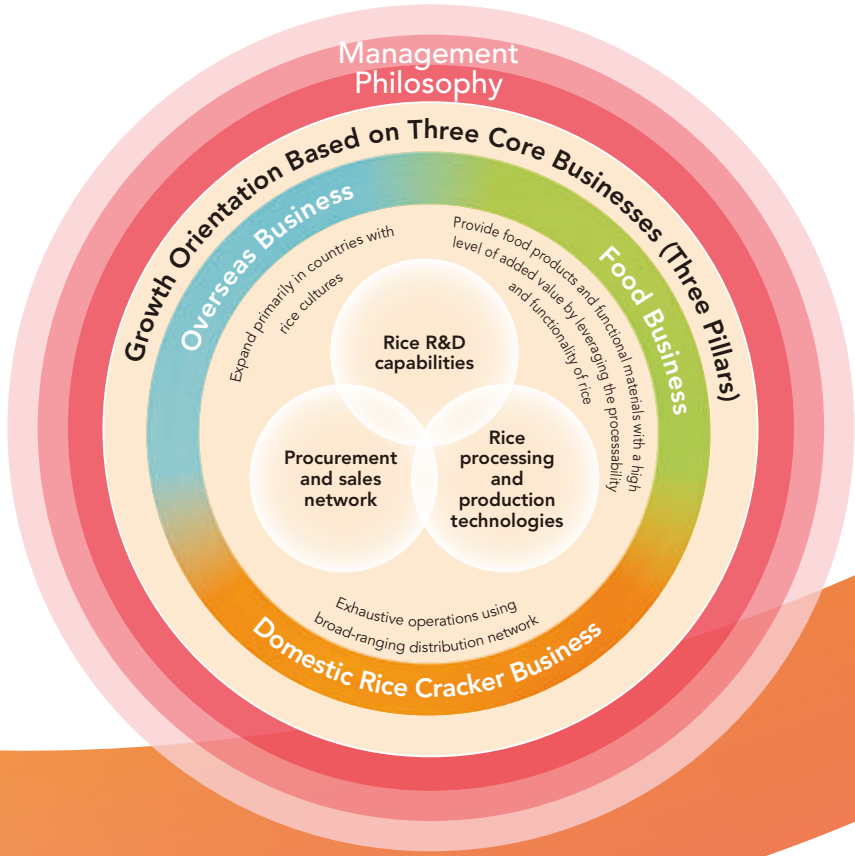
Product development and production/processing technologies

Patents related to functional materials

**Natural Capital**

Raw materials from nature's blessings (rice, peanuts, etc.)

Energy and water resources



- Output**
- Rice crackers, a traditional Japanese food
  - Product lineup for all ages
  - Hypoallergenic products
  - Gluten-free and organic products
  - Long-life preserved foods
  - 28-allergen-free rice flour bread/brown rice bread
  - Plant-based foods (Meat analogues)
  - Rice-derived plant-based lactic acid bacteria
  - ECO-packages

**Outcomes**

- Harmony with local communities
- Provision of safe and reliable food
- Creation of "barrier-free" foods
- Contribution to enriched, healthy lives
- Development of a rice-based food culture
- Reduction of environmental impact from manufacturing
- Contribution to a circular economy
- Active participation of diverse human resources

Note: As of March 31, 2024

**Materiality (Material Issues)**

- Contribute to a nice lifestyle through "Better For You" food
- Environmentally friendly manufacturing
- Sustainable procurement
- Human capital management
- Governance befitting KAMEDA SEIKA
- Harmony with the community



## Identification of Materiality (Material Issues)

The KAMEDA SEIKA Group recognizes that sustainability is a key management issue from the perspective of improving corporate value over the medium to long term. We launched the Sustainability Promotion Task Force based on the Basic Policy on Sustainability\* that we formulated in 2021 (see the chart on the right).

In FY2022, we organized the results of the materiality assessment into six categories and 19 specific issues. [Pages 28-30](#)

The Company held a Sustainability Promotion Task Force reporting session in September 2024 to give an update on the progress of addressing material issues in FY2023 and on the status of initiatives in FY2024 to the CEO. Following the meeting, we reported the findings at a Management Meeting and a Board meeting in October.

\* The Basic Policy on Sustainability was revised in November 2023 to better align with the revamped Corporate Philosophy.

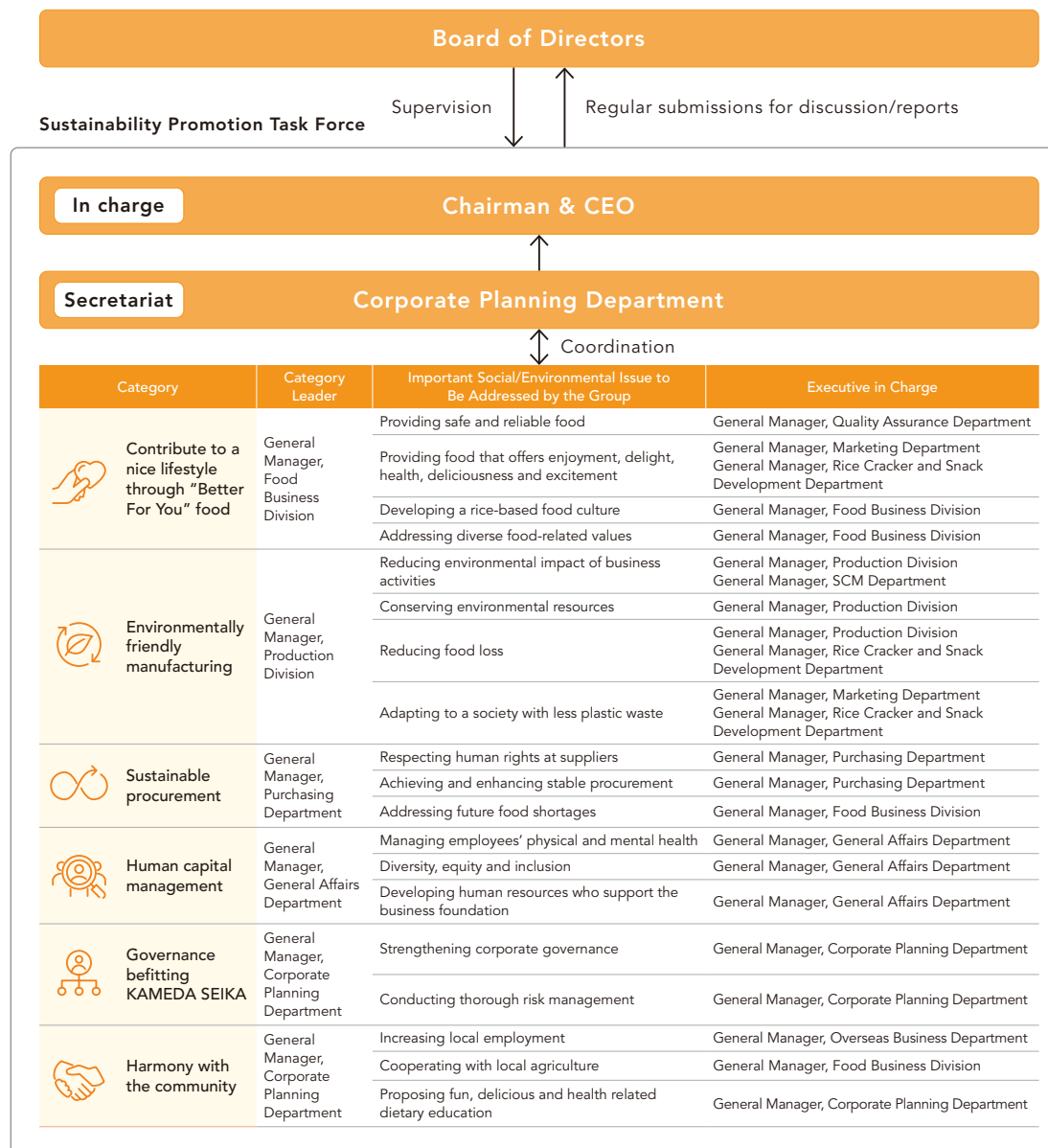
### Basic Policy on Sustainability

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

### Materiality (Material Issues) Identification Process



### Sustainability Promotion Structure



Feature:

# Becoming a *Rice Innovation Company*

## Our Research and Development Capabilities and Intellectual Property Strategies for Expanding the Potential of Rice



Research and development laboratory around 1967

### The Potential of Rice Is at the Core of Our Value Creation Activities

Our concept of “Rice Innovation” is an important element of sustainable value creation. It involves maximizing the potential of rice, and is the core of the Group’s value creation. Our intellectual capital, such as knowledge and know-how relating to rice crackers and rice, product development, production/processing technologies, and patents related to functional materials, and our social and relationship capital, including brands and trademarks, are some of the intangible assets of the KAMEDA SEIKA Group. These assets play a role in increasing our corporate value and helping us achieve our vision of becoming a “Rice Innovation Company.”

At the Food Research and Development Center, we aim to maximize the potential of rice and resolve social issues by conducting R&D to develop foods made from rice, plant-based foods that utilize our processing technologies, and the plant-based lactic acid bacteria business.

The technologies and insights we have cultivated through our research into rice over many years have resulted in the development of low-protein rice for people with chronic kidney disease and Fukkura Okayu (fluffy rice porridge), a food designed for everyone that is smooth and easy to eat. We have also verified the benefits of our plant-based lactic acid bacteria K-1, made from functional material rice, and our plant-based lactic acid bacteria K-2, made from sake lees. By widening the scope of applications for rice in this way, we are expanding the potential of the healthcare business.

In 2013, we made Onisi Foods Co., Ltd., which manufactures and sells long-life preserved foods, into a consolidated subsidiary. Amid rising awareness of disaster preparedness, the company’s rich line-up of products based on its reliable technologies have been used by a number of local governments, companies, and individuals. In 2019, we made Maisen Fine Foods Co., Ltd. into a consolidated subsidiary, and began providing plant-based foods—a market that is expected to grow given recent factors such the promotion of the SDGs and the global protein crisis (i.e., the shortage of protein-rich foods). In 2021, we made TAINAI Co., Ltd. into a consolidated subsidiary, strengthening our manufacturing and sales systems for rice flour bread that is free of the 28 ingredients

subject to labeling under Japanese law for safe consumption by people with food allergies.

Low-protein rice, plant-based lactic acid bacteria, plant-based foods, and rice flour bread all contribute to resolving social issues overseas as well, and these businesses have the potential for growth. Going forward, we will look to further establish our overseas business model, including the formation of partnerships, as we aim for sustainable growth as a “Rice Innovation Company.”

### Features and Advantages of Research and Development for Bringing Out the Potential of Rice

Traditionally, the primary uses of rice have centered on starch, with a broad range of research centered on rice processing technology. As a result, it has come to be widely used in industries such as rice crackers, *wagashi* (traditional Japanese sweets), aseptic packaged cooked rice, frozen foods (fried rice and other items). On the other

hand, relatively little research has focused on aspects such as the health-related functionality of rice or rice protein, which makes up 7% of rice. Noticing this, we began research into the area around 30 years ago, and we have identified the potential of rice protein in helping to promote a body that is less prone to weight gain and the benefits of the lactic acid bacteria in rice on factors such as regulating intestinal action, improving skin moisture, and boosting the immune system. We have been working with rice for over 60 years, and by taking the lead in unexplored areas of research, we are bringing out the potential of rice.

Furthermore, rice is a grain that has long been a source of nutrition for Japanese people, and does not contain any of the 28 allergens subject to labeling under Japanese law. In other words, we are able to provide products made from rice that are safe for people with food allergies to eat. Rice has the competitive advantage of being a “barrier free” food in itself.

## Expanding the Potential of Rice

### Rice Processing and Production Technologies

We have achieved mechanization and mass production of rice cracker manufacturing, which was formerly an industry where operations were small-scale and manual.

In addition, we have established a competitive advantage based on our unique manufacturing technologies that utilize the know-how we have cultivated since our founding in 1946 as a rice cracker manufacturer.

#### Domestic Rice Cracker Business

- Reduced salt
- Hypoallergenic
- Incorporation of plant-based lactic acid bacteria



#### Overseas Business

- Organic
- Gluten-free
- Vegan



- Low-protein rice
- Rice porridge
- Plant-based lactic acid bacteria
- Rice protein
- Rice peptides



#### Food Business

- Long-life preserved foods
- Hypoallergenic products
- Halal certification
- Japanese food for consumption in space



### Rice R&D Capabilities

We have utilized the technologies and know-how cultivated through many years of research into rice to develop products from the perspective of health. We have also established highly competitive technologies for scaling up operations in the food business.

- Plant-based foods
- Hypoallergenic products
- Halal certification



- Rice flour bread
- Brown rice bread
- Hypoallergenic products



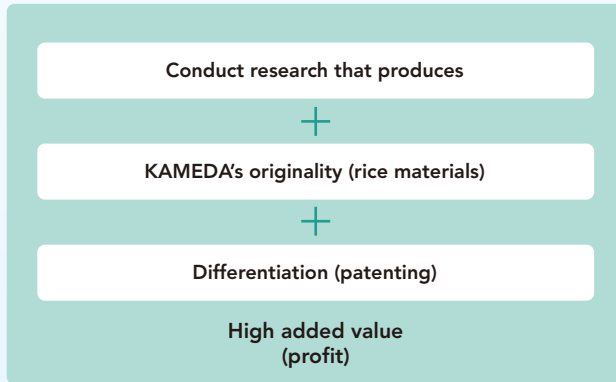


R&D

Hajime Takahashi  
Executive Officer  
Head of Food Research and Development Center



## Food Research and Development Center Policy



Our policy for research and development is to contribute to society by bringing out the potential of rice and creating our own unique added value. For example, we isolated the plant-based lactic acid bacteria K-1 and K-2 strains that originally existed in rice and sake lees and commercialized them. While rice is often considered an energy food, it still has endless untapped potential such as lactic acid bacteria. The unique added value that the Company creates includes contributing to human health as well as the patents and other intellectual property obtained through our research. Currently, we are securing rights for these assets not only in Japan but also in other countries. By 2030, we aim to expand our business through alliances and consulting contracts. In making effective use of unused resources, we convert the waste rice protein discarded in the starch production process into rice peptides, and we are continuing to research functionality. Recently, these peptides have been found to reduce fatigue and anxiety, and there are high expectations for further applications. We are also obtaining intellectual property with regard to the development of rice flour bread, which is free of the 28 allergens subject to labeling under Japanese law, as well as plant-based foods and long-life preserved foods, with a view to overseas expansion.

## Food Research and Development Center Development System and Research Themes

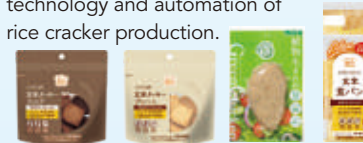
The Food Research and Development Center is currently engaged in basic research on functional materials, product development of rice flour bread, plant-based foods, and long-life preserved foods, technology research, flavor and texture research centered on rice crackers, and technology research aimed at automation.



**Functional Materials Research Team**  
The team conducts basic research into plant-based lactic acid bacteria, rice protein, and rice peptides, and joint research with a number of universities into their functionality.



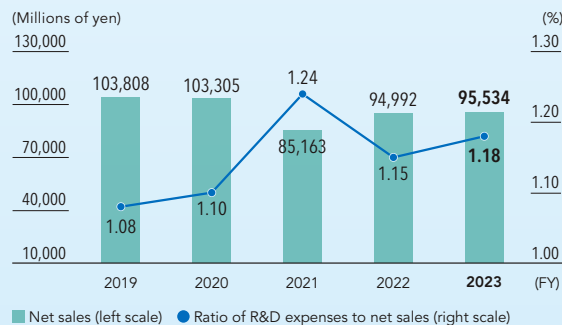
**Food Development Research Team**  
The team works with Group companies on projects such as product development of rice flour bread, rice flour cookies, and plant-based foods, as well as research on freezing technologies. It also conducts research into rice protein processing technology and automation of rice cracker production.



**Medical Development Research Team**  
In addition to conducting joint product development of long-life preserved foods with Group companies, the team also makes improvements to specialty foods such as low-protein rice and rice porridge.



### Ratio of R&D Expenses to Net Sales



### Food Research and Development Center Patents

	Number of patents held	Details	Number of patents
Japan	16	Plant-based lactic acid bacteria related	4
		Rice protein related	5
		Rice peptide related	4
		Long-life preserved food related	1
		Plant-based food related	1
		Rice cracker and snack related	1
Overseas	24	Plant-based lactic acid bacteria related	15
		Rice peptide related	9
<b>Total</b>	<b>40</b>		



## R&D Examples

### Example 1: Plant-Based Lactic Acid Bacteria

KAMEDA SEIKA's K-1 and K-2 strains of rice-derived plant-based lactic acid bacteria are a result of many years of research. Both strains have been recognized for their health benefits under the Foods with Functional Claims framework. As the bacteria are sterilized, they have a wide range of potential applications, including for health foods, general processed foods, confectioneries, and beverages.

We are focusing not only on adding plant-based lactic acid bacteria to rice crackers, but also on BtoB areas where we sell materials to food manufacturers and other companies, thereby contributing to the health of consumers through a wide range of products.

Going forward, we will focus on domestic and overseas expansion of KAMEDA SEIKA's rice-derived functional material brand, RiceEX, with a view to further growth.



Plant-based lactic acid bacteria K-1  
Function: Regulates intestinal action and improves skin health



Plant-based lactic acid bacteria K-2  
Function: Effective against pollen allergy, reduces visceral fat volume, and supports weight loss



Plant-based lactic acid bacteria are included in the following rice cracker products



### Example 2: Rice-Derived Peptides

It is becoming clear that rice protein extracted and refined from rice has health benefits such as improving blood cholesterol and suppressing the increase in blood sugar levels. Moreover, we have researched functionality based on converting rice protein into rice peptides. Recently, we have found that they can help reduce fatigue, tension, and anxiety, and there are high expectations for further applications. As a staple of the traditional Japanese diet, rice and its component rice peptides, may hold the secret to Japanese longevity. We will continue to develop these peptides as a material with the potential for use in various food applications.



Rice-derived peptide KP-1 launched in June 2024

Patent registration of rice-derived peptide in Japan and overseas

- Further information about KAMEDA SEIKA's Food Research and Development Center can be found on the Company's website <https://www.kamedaseika.co.jp/research/> (Japanese only)
- Major research papers and academic society presentations can be found on the Company's website <https://www.kamedaseika.co.jp/research/papers/> (Japanese only)



## Intellectual Property

### Basic Approach to Intellectual Property

The Group's core competence is the knowledge and expertise it has acquired over many years of research and development related to rice. To create new value and new markets through rice, the Group is actively promoting the creation, appropriate protection, and use of new intellectual property. In addition, the Group takes due care to respect the intellectual property of other companies and not infringe upon it.

#### Intellectual Property Strategy

Based on our medium-to long-term growth strategy, we aim to realize KAMEDA 3.0 "Business Model Evolution" in 2030. We will promote an intellectual property strategy aligned with our medium- to long-term growth strategy from the perspective of an intellectual property mix that combines various IP, such as patents, know-how, and brands according to the characteristics of the food industry. We are also promoting the formation, protection, and utilization of a range of intellectual property.

In addition, we will support the sustainable growth of the business through visualization and by passing on our manufacturing technologies and know-how. Through these activities, we will draw out the strengths of each business (domestic rice cracker, overseas, and food), and establish a business model that effectively utilizes intellectual property.

#### Patent Strategy

We will actively and strategically apply for patents and secure rights for the inventions that result from our research and development. The unification of our business strategy, technology strategy, and patent strategy, which is the core of our intellectual property strategy, will enable us to promote the acquisition of patents that contribute to the creation of new technologies and business.

#### Know-How Strategy

To secure the competitive advantage of our proprietary technologies, we are establishing a process for the visualization and appropriate management of our know-how, a Group strength, and for the effective use of that know-how.

#### Brand Strategy

The Group is promoting trademark application and acquisition to appropriately secure its brands in Japan and overseas, and to increase their value. Going forward, we will continue to promote trademark acquisition that is aligned with our business strategy, as we work for regional expansion, enhancement of product lines, and licensing.

Furthermore, to protect our brand value, we have established anti-counterfeiting months twice a year in which we conduct in-store investigations and take appropriate action, including legal measures, when necessary.

## Intellectual Property Strategy Project

### Background of the Intellectual Property Strategy Project

The rice cracker industry is not known for producing patents, and has tended rather to keep its know-how as a trade secret. Until now, the industry has not been active in seeking patent applications.

In August 2023, when we announced our medium- to long-term growth strategy, we shifted focus from the rice cracker industry to the rice industry, and set about building a business model that uses intellectual property. To this end, we launched the Intellectual Property Strategy Project to convey our technological strengths, create strategic intellectual property rights, and actively use them.

### Objectives of the Intellectual Property Strategy Project

The Intellectual Property Strategy Project has two broad objectives.

**1** Become a “Rice Innovation Company” and strengthen the foundation for innovation

- Organize and uncover the Company's intellectual property rights
- Systemize, accumulate, and transfer technologies and know-how
- Create systems for connecting intellectual property to business

**2** Develop human resources specializing in intellectual property

- As the industry has not been active in seeking patent applications, establish a mindset among research and development personnel of celebrating new technological innovations and applying for patents
- Develop human resources specializing in intellectual property to establish inventions as patent rights
- Implement new measures such as holding study sessions and promote and establish an intellectual property mindset

### Initiatives in FY2023 (Ongoing)



**1 Lectures by experienced engineers**

Experienced engineers who are considered legends of rice cracker manufacturing give lectures in order to help others discover and understand the technologies and know-how of the Company.



**2 Development of human resources specializing in intellectual property through patent and trademark law study sessions**

One of our initiatives to encourage research and product development personnel to constantly think in terms of intellectual property is holding regular study sessions on patent and trademark law, facilitated by a member of the Legal Department.



**3 Provision of opportunities to create inventions**

We hold regular meetings of the Invention Review Committee in accordance with the in-house Employee Invention Review Handling Regulations. The meetings are overseen by the general manager of the Rice Cracker and Snack Development Department. If a technician files a notice for an invention, the Invention Review Committee deliberates on whether to file for a patent or to protect the invention internally as know-how. In addition, the Invention Discovery Committee also regularly meets under the leadership of the Legal Department. The person responsible for intellectual property leads a discussion with engineers on how to move an invention to the patent right stage.



**Koichi Iida**

Executive Officer, General Manager of Rice Cracker and Snack Development Department and Global Technical Development Department

In the past, there was less awareness of patents when developing rice cracker technology. Following the announcement of our medium- to long-term growth strategy, it became imperative that we enhance our technology development capabilities to build a business model that better utilizes intellectual property. Creating new value will require a united effort by the entire KAMEDA SEIKA Group. Therefore, in July 2023 we established the Global Rice Innovation Center (GRIC), and transitioned to a structure that enhances R&D functions across the organization. To raise awareness among our engineers, we reviewed our reward system and regulations regarding inventions made at work. We hold regular meetings of the Invention Review

Committee, which is comprised of members from multiple technology divisions. At the meetings, we identify and share technical challenges, and consider strategies for resolving them. Through these initiatives, we are deepening cooperation between the technology divisions and promoting product development by the entire KAMEDA SEIKA Group, both in Japan and overseas. Through linkage with the Intellectual Property Strategy Project, we are creating a framework for connecting intellectual property with business as we work toward KAMEDA 3.0.

### Example of Know-How Strategy

#### KAMEDA Kaki-no-Tane Umashio

Launched in March 2024, KAMEDA Kaki-no-Tane Umashio encapsulates the Company's technical know-how.

First, it features the unique crunchy texture of KAMEDA Kaki-no-Tane. Through research into the internal structure of rice crackers, we found that the crunchy texture increased as the ratio of cavities in the rice cracker increased. By ensuring the thinness of the dough and baking it rapidly at a high temperature, the inside inflates and creates cavities. This is proprietary technical know-how of the Company.

Next, we applied a new manufacturing method of reapplying an umami blend oil. This creates an indescribable flavor overflowing with umami that our conventional products could not achieve. By reapplying a specially made umami blend oil combining garlic and spring onions, we created a satisfying umami flavor while keeping the spicy flavor profile of chili peppers at a subtle level.

The Invention Review Committee is discussing if this new manufacturing method should be protected as technical know-how of the Company.








The cavities are the secret to a crunchy texture.






## Materiality (Material Issues) Initiatives and Progress

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

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

Category	Category Leader	Important Social/ Environmental Issue to Be Addressed by the Group	Reasons for Selection	Executive in Charge	Measures	Results			Targets	
						(Reference) FY2022 Results	FY2023 Results	FY2023 Progress of Initiatives	FY2026 Targets	FY2030 Targets
 <p>Contribute to a nice lifestyle through "Better For You" food</p>	General Manager, Food Business Division	Providing safe and reliable food	We believe that providing safe and reliable food is one of the most important responsibilities of a food manufacturer.	General Manager, Quality Assurance Department	Obtain and retain third-party certification (FSSC 22000, JFS, AIB, etc.) Note: KAMEDA SEIKA Group	Acquisition rate among KAMEDA SEIKA Group companies: 100%	Acquisition rate among KAMEDA SEIKA Group companies: 100%	<ul style="list-style-type: none"> <li>Continued support for Group companies to retain third-party certification</li> <li>Support for maintaining FSSC 22000 certification</li> <li>Support for maintaining JFS-B standard ISO 9001 certification</li> </ul>	Maintain 100% acquisition rate among KAMEDA SEIKA Group companies	Maintain 100% acquisition rate among KAMEDA SEIKA Group companies
		Providing food that offers enjoyment, delight, health, deliciousness and excitement	The KAMEDA SEIKA Group's founding philosophy was based on the ambition to deliver enjoyment and delight to people's lives through food. We believe that providing food that also offers health, deliciousness and excitement is related to the Group's reason for existence ("Better For You").	General Manager, Marketing Department	Expanding the Mirai Beika lineup (high added value, new value, and health value) Note: KAMEDA SEIKA	Composition ratio of rice crackers and snacks: 1.4% Note: We are adjusting the composition ratio of rice crackers and snacks by revising the products in the Mirai Beika lineup.	Composition ratio of rice crackers and snacks: 2.3%	<ul style="list-style-type: none"> <li>Launched new value-added products based on the uniqueness of rice and rice cracker manufacturing methods</li> <li>Strengthened sales through a renewal that redefined the core value of existing products</li> </ul>	Composition ratio of rice crackers and snacks: 3.5%	Composition ratio of rice crackers and snacks: 5.0%
		Developing a rice-based food culture	As a Group whose business originates from rice, we believe that contributing to the development of not just rice crackers but a rice-based food culture will enhance our presence and create corporate value.	General Manager, Food Business Division	Expand overseas share in the food business	Overseas share: 1.0%	Overseas share: 1.0%	<ul style="list-style-type: none"> <li>Implemented initiatives for plant-based lactic acid bacteria with Kerry Group plc (Headquarters: Ireland)</li> <li>Implemented initiatives to expand sales of plant-based lactic acid bacteria in Asia</li> <li>Overseas exports of plant-based foods</li> <li>Expanded overseas sales of long-life preserved foods</li> </ul>	Overseas share: 8%	Overseas share: 30%
		Addressing diverse food-related values	We believe that by addressing issues such as allergies, religious dietary considerations and the world's diverse food cultures, we can achieve our goal of creating "barrier-free" foods that anyone can eat with peace of mind.	General Manager, Food Business Division	Enhance Halal and Kosher lineup in the food business	Obtained Halal certification for select food business products	Obtained Halal certification for select food business products	<ul style="list-style-type: none"> <li>Obtained Halal and Kosher certification for plant-based lactic acid bacteria K-1 for Kerry Group plc</li> <li>Obtained Halal certification for a new plant-based foods factory</li> <li>Expanded products with Halal certification for long-life preserved foods</li> </ul>	<ul style="list-style-type: none"> <li>Obtain Halal and Kosher certification for export plant-based lactic acid bacteria</li> </ul>	<ul style="list-style-type: none"> <li>Obtain Halal certification for rice flour bread</li> <li>Obtain Halal certification for TAINAI products</li> </ul>
 <p>Environmentally friendly manufacturing</p>	General Manager, Production Division	Reducing environmental impact of business activities	We recognize that minimizing the impact of our business activities on the global environment and contributing to the creation of a decarbonized and circular economy are important issues that we should prioritize.	General Manager, Production Division General Manager, SCM Department	Reduce total greenhouse gas emissions (Scope 1 and 2) Note: KAMEDA SEIKA and Ajicul	5.8% reduction compared with FY2017	30.3% reduction compared with FY2017	<ul style="list-style-type: none"> <li>Introduced clean energy at the Suibara Plant</li> <li>Replaced production equipment components with energy-saving components</li> <li>Continued energy-saving activities at all plants</li> <li>Promoted visualization of energy usage</li> </ul>	20% reduction compared with FY2017	40% reduction compared with FY2017
		Conserving environmental resources	We believe that conservation activities such as efficiently using water and other environmental resources and preventing air pollution are essential for sustainable business activities.	General Manager, Production Division	Reduce water use Note: KAMEDA SEIKA and domestic consolidated subsidiaries	1.7% increase compared with FY2017	7.7% reduction compared with FY2017	<ul style="list-style-type: none"> <li>Reduced the number of production line changes that require cleaning by reducing SKUs</li> <li>Replaced production equipment components with water-saving components</li> <li>Conducted water-saving measures at production sites</li> <li>Maintained condition of pipes</li> </ul>	6% reduction compared with FY2017	10% reduction compared with FY2017

Category	Category Leader	Important Social/ Environmental Issue to Be Addressed by the Group	Reasons for Selection	Executive in Charge	Measures	Results			Targets	
						(Reference) FY2022 Results	FY2023 Results	FY2023 Progress of Initiatives	FY2026 Targets	FY2030 Targets
 Environmentally friendly manufacturing	General Manager, Production Division	Reducing food loss	As a company that handles food, and while remembering to appreciate nature's blessings, we recognize the importance of minimizing waste of raw materials and food in the supply chain from both business and environmental perspectives.	General Manager, Production Division General Manager, Rice Cracker and Snack Development Department	Initiatives to extend shelf life Note: KAMEDA SEIKA	Implemented initiatives to extend shelf life of products	Extended the shelf life of three SKUs among key brands	<ul style="list-style-type: none"> <li>Reevaluated feasibility of extending shelf life of existing mainstay products</li> <li>Began extending shelf life of products, starting with key brands</li> </ul>	Increase number of products with extended shelf life	Increase number of products with extended shelf life
		Adapting to a society with less plastic waste	As a manufacturer of consumer goods, we recognize that reducing the amount of plastic we use is a key issue that should be addressed as a priority.	General Manager, Marketing Department General Manager, Rice Cracker and Snack Development Department	Reduce plastic use and promote environmentally responsible packaging Note: KAMEDA SEIKA and domestic consolidated subsidiaries	3.9% increase compared with FY2017	7.8% increase compared with FY2017	<ul style="list-style-type: none"> <li>Usage increased due to higher production volume</li> <li>Reduced packaging size for key brands</li> <li>Developed products that do not require individual packaging</li> </ul>	15% reduction compared with FY2017	30% reduction compared with FY2017
 Sustainable procurement	General Manager, Purchasing Department	Respecting human rights at suppliers	We believe that respecting the human rights of all people involved in the Group's business activities is a social responsibility we must fulfill.	General Manager, Purchasing Department	RSPO-certified palm oil ratio Note: KAMEDA SEIKA and consolidated subsidiaries	13.5%	8.9%	<ul style="list-style-type: none"> <li>The number of products using non-certified palm oil increased, and the ratio of products using certified palm oil fell 4.6 points compared with FY2022.</li> </ul>	30%	100%
		Achieving and enhancing stable procurement	As the emergence of geopolitical risks, climate change and other factors increase procurement risks, we recognize our mission as a manufacturer to control risks and deliver safe, reliable products to our customers.	General Manager, Purchasing Department	Formulate multi-source procurement scenarios for major raw materials Note: KAMEDA SEIKA	Explored suppliers and alternative raw materials	Verified suppliers and alternative raw materials	<ul style="list-style-type: none"> <li>Shared information on and examined progress of diversifying procurement methods with the Risk Management Committee</li> <li>Verified alternative raw materials and examined response</li> </ul>	Determine procurement sources and alternative raw materials and verify production feasibility	Determine and begin using alternative suppliers and raw materials
		Addressing future food shortages	We believe that addressing changes in crop yields and the global shortage of protein-rich foods caused by climate change, demographic shifts and other factors is essential for sustainable business activities.	General Manager, Food Business Division	Address the protein crisis and expand plant-based food lineup	Plant-based food sales: ¥50 million	Plant-based food sales: ¥80 million	<ul style="list-style-type: none"> <li>Launched 100% plant-based steamed chicken</li> <li>Expanded sales of dry plant-based food products</li> <li>Started operation of a new plant-based food factory</li> </ul>	Plant-based food sales: ¥1.56 billion	Plant-based food sales: ¥1.8 billion
 Human capital management	General Manager, General Affairs Department	Managing employees' physical and mental health	We believe that by ensuring that our employees are healthy both physically and mentally, we can maximize the potential of every employee, which will lead to improvement in our corporate value over the medium to long term.	General Manager, General Affairs Department	Enhance self-care and mental health training for managers  Establish an internal reporting system and hotline Note: KAMEDA SEIKA	<ul style="list-style-type: none"> <li>Employees undergoing regular health checkup: 99.2%</li> <li>Further promoted the internal reporting system and hotline</li> <li>Occupational health and safety</li> <li>Continued to promote workplace monitoring by health and safety committees</li> <li>Severity rate: 0.07</li> </ul>	<ul style="list-style-type: none"> <li>Employees undergoing regular health checkup: 100.0%</li> <li>Further promoted the internal reporting system and hotline</li> <li>Occupational health and safety</li> <li>Continued to promote workplace monitoring by health and safety committees</li> <li>Severity rate: 0.15</li> </ul>	<ul style="list-style-type: none"> <li>Provided guidance on use of unified management system for regular health checkup reservations and aimed for 100% reexamination participation rate</li> <li>Strengthened the mental health care system by further promoting the internal reporting system and hotline</li> <li>Conducted employee awareness survey and addressed issues</li> <li>Continued to promote workplace monitoring by health and safety committees and conducted a safety awareness survey</li> <li>Continued to implement corrective activities to address long working hours</li> </ul>	<ul style="list-style-type: none"> <li>Employees undergoing regular health checkup: 100.0%</li> <li>Further promote the internal reporting system and hotline</li> <li>Continue to promote workplace monitoring by health and safety committees</li> </ul>	<ul style="list-style-type: none"> <li>Employees undergoing regular health checkup: 100.0%</li> <li>Further promote the internal reporting system and hotline</li> <li>Continue to promote workplace monitoring by health and safety committees</li> </ul>
		Diversity, equity and inclusion	We believe that mutual understanding and fair evaluation of different values, ways of thinking and diverse personalities will enable all employees to demonstrate their abilities and create a robust, competitive organization.	General Manager, General Affairs Department	Increase ratio of female managers and supervisors Note: KAMEDA SEIKA	Female managers: 15.6% Female supervisors: 13.4%	Female managers: 13.8% Female supervisors: 13.8%	<ul style="list-style-type: none"> <li>Dispatched five people for training and exchanges among women from different industries</li> <li>Held role model exchange meetings</li> <li>Dispatched three people for cross-industry exchange in Niigata Prefecture</li> </ul>	Female managers: 20% Female supervisors: 20%	Female managers: 30% Female supervisors: 30%

Category	Category Leader	Important Social/ Environmental Issue to Be Addressed by the Group	Reasons for Selection	Executive in Charge	Measures	Results			Targets	
						(Reference) FY2022 Results	FY2023 Results	FY2023 Progress of Initiatives	FY2026 Targets	FY2030 Targets
 <b>Human capital management</b>	General Manager, General Affairs Department	Developing human resources who support the business foundation	We recognize that mechanisms and systems for developing the human resources we require are indispensable for strengthening our business foundation, and that maintaining them is an important management issue.	General Manager, General Affairs Department	Invest in human resource development Note: KAMEDA SEIKA	Increased 27.8% compared with FY2021	Increased 52.2% compared with FY2021	<ul style="list-style-type: none"> <li>Introduced Company-wide e-learning system</li> <li>Continued to operate technical school</li> <li>Introduced technical school short courses (1- or 2-week period)</li> <li>Kaizen (improvement) school</li> <li>Maintenance school</li> <li>Continued English language education for engineers</li> <li>Beginner program</li> <li>Intermediate program</li> <li>Continued technical training program</li> <li>Self-development and education support program</li> </ul>	67.5% increase compared with FY2021  Page 35 Average annual investment in education per employee	80.0% increase compared with FY2021  Page 35 Average annual investment in education per employee
 <b>Governance befitting KAMEDA SEIKA</b>	General Manager, Corporate Planning Department	Strengthening corporate governance	We believe that establishing and strengthening an effective corporate governance system is essential for achieving our ideal form of corporate management—sustainable development of the business and enhancement of corporate value.	General Manager, Corporate Planning Department	Improve corporate value through appropriate management of the Board of Directors Continue regular evaluation by a third-party organization Note: KAMEDA SEIKA	Identified issues and determined direction based on the third-party evaluation conducted in FY2021	Conducted evaluation by third-party organization and responded to issues identified	<ul style="list-style-type: none"> <li>Conducted effectiveness evaluation survey by third-party organization in October 2023</li> <li>At Board of Directors meeting held in December 2023, discussed effectiveness evaluation survey results and analysis by third-party organization, and examined the strengths and issues of the Board of Directors and measures for improvement</li> </ul>	Evaluation by third-party organization, identification of issues and ongoing improvement activities	Evaluation by third-party organization, identification of issues and ongoing improvement activities
		Conducting thorough risk management	To stabilize management, we recognize that it is necessary to identify risks that may have a critical impact on management, determine priorities and take countermeasures.	General Manager, Corporate Planning Department	Visualize and implement countermeasures using risk maps Note: KAMEDA SEIKA and consolidated subsidiaries	<ul style="list-style-type: none"> <li>Updated risk map</li> <li>Risk Management Committee met four times</li> <li>Held two crisis management seminars</li> </ul>	<ul style="list-style-type: none"> <li>Updated risk map</li> <li>Risk Management Committee met four times</li> <li>Held two crisis management seminars</li> </ul>	<ul style="list-style-type: none"> <li>Risk Management Committee reviewed the Group's risk map</li> <li>Promoted projects to address raw material supply risks</li> <li>Reviewed system for checking on safety of employees in event of a natural disaster</li> <li>Shared and discussed countermeasures for product supply risks arising from logistics problems</li> <li>Established Crisis Response Headquarters for earthquakes and products</li> </ul>	Visualize risks through risk mapping and implement action plan and review based on internal regulations and manuals	Visualize risks through risk mapping and implement action plan and review based on internal regulations and manuals
		Strengthening information security systems Note: KAMEDA SEIKA and consolidated subsidiaries	Zero occurrences of serious incidents in operations	Zero occurrences of serious incidents in operations	<ul style="list-style-type: none"> <li>Revised security-related regulations</li> <li>Strengthened security countermeasures including external evaluations and employee education</li> <li>Strengthened infrastructure</li> </ul>	Zero occurrences of serious incidents in operations	Zero occurrences of serious incidents in operations			
 <b>Harmony with the community</b>	General Manager, Corporate Planning Department	Increasing local employment	As a company that originated in Niigata Prefecture and is expanding globally, we believe that mutual development with local communities will strengthen trust and create a virtuous cycle.	General Manager, Overseas Business Department	Add employees at overseas locations Note: Overseas consolidated subsidiaries	1,336 employees North America: 127 employees Asia: 1,209 employees	1,498 employees North America: 119 employees Asia: 1,379 employees	<ul style="list-style-type: none"> <li>Added employees because of increased production at Southeast Asia locations</li> </ul>	2,000 employees	2,500 employees
		Cooperating with local agriculture	We believe that by cooperating closely with those involved in local agriculture, we will contribute to the development of the agricultural industry, improve supply chain management and reduce procurement risks.	General Manager, Food Business Division	Increased sales of rice flour bread products made from rice grown 100% in Niigata Prefecture	Amount of rice used from Niigata Prefecture: 210 tons	Amount of rice used from Niigata Prefecture: 223 tons	<ul style="list-style-type: none"> <li>Expanded sales of products made from rice grown 100% in Niigata Prefecture by increasing recognition of the all-rice flour bread brand</li> </ul>	Amount of rice used from Niigata Prefecture: 800 tons	Amount of rice used from Niigata Prefecture: 1,200 tons
		Proposing fun, delicious and health-related dietary education	We believe that proposing fun, delicious and health-related dietary education will help to improve our corporate value in various ways, including by establishing a food culture and making inroads among future consumers, as well as cultivating a sense of familiarity through a deeper understanding of the KAMEDA SEIKA Group.	General Manager, Corporate Planning Department	Promoting communication through food On-site classes and factory tours for local elementary school students Note: KAMEDA SEIKA and consolidated subsidiaries	<ul style="list-style-type: none"> <li>Promoted food education (Conducted on-site classes)</li> </ul>	<ul style="list-style-type: none"> <li>Promoted food education (Conducted on-site classes, factory observation tours, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>Conducted on-site classes covering topics such as manufacturing and food education for kindergartens, elementary schools, and after-school childcare centers</li> <li>Conducted factory tours for local elementary school students and other students</li> <li>Held disaster preparedness lessons</li> <li>Conducted food education activities with suppliers</li> </ul>	Continuation of initiatives	Continuation of initiatives





# Environment

## Environmental Policy and Management

### ● KAMEDA SEIKA Group Environmental Policy

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


### ● Environmental Management System

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

## Response to Climate Change

Total Greenhouse Gas Emissions  
(FY2030 Target)



KAMEDA SEIKA has set a goal of reducing greenhouse gas emissions by 40% by FY2030 compared with FY2017. We are working to curb emissions in the manufacturing process as well as during transportation, including through the promotion of a modal shift. In addition, we are designing measures to calculate and reduce emissions throughout our supply chain.  See pages 28 and 58 for details.

## Disclosure Based on the TCFD Framework

### ● Endorsement of TCFD Recommendations

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

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



Initiatives for TCFD Recommendations

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

### ● Governance

The Sustainability Promotion Task Force, which is headed by the Chairman & CEO, engages in sustainability-related initiatives including those related to climate change. It also sets policies and detailed targets for the resolution of various issues related to sustainability, devises systems and specific execution methods for their implementation, and monitors the progress of measures, among other activities. Details of the task force's activities are submitted regularly for discussion or reported to the Board of Directors so that it can fulfill its role of overseeing the status of responses to key issues.

In FY2023, the Sustainability Promotion Task Force reported the following to the Board of Directors and Management Meeting.

- (1) November 2023 Board of Directors Meeting  
Decision and report on sustainability-related initiatives including those related to climate change
  - Reported on results of FY2022 initiatives to address our material issues, including climate change, and on FY2023 initiatives and progress toward targets
  - Resolution on the revision of the Basic Policy on Sustainability after revamping the KAMEDA SEIKA Group's Corporate Philosophy under the medium- to long-term growth strategy announced in August 2023
- (2) March 2024 Management Meeting  
At the meeting, we reported that the environmental targets under the environmental management system were to be integrated with the separately established Basic Policy on Sustainability and the environment-related KPIs (based on material issues). The environmental targets will also be updated to align with the Basic Policy on Sustainability. The policy will serve as the guiding principle, and we will work to ensure that it is clearly communicated and understood by employees on the front lines.

### ● Strategy (Scenario Analysis)

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


The key impacts on the Group under each scenario are presented in the table on the right. We are working to reduce greenhouse gas emissions and energy consumption, reduce plastic usage by switching to ECO-packaging, and promote businesses that contribute to solving social issues, such as long-life preserved food, plant-based foods, rice flour bread free from the 28 allergens subject to labeling under Japanese law, and plant-based lactic acid bacteria. Furthermore, with regard to rice, which is the Group's main raw material, forecast parameters for yields and price disclosed by external institutions indicate that increased atmospheric CO<sub>2</sub> is expected to contribute to rice growth, while higher temperatures will increase yields and reduce the market prices through the expansion of production areas. On the other hand, an increase in paddy water temperature is expected to have a detrimental impact on rice quality. We are therefore promoting R&D to ensure that we can continue to provide delicious rice crackers to customers, despite lower quality rice. We are working to manage these risks as follows.

● Risk Management

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

Raw material procurement risks, including those related to climate change, are positioned as high risk on the risk map created by the Risk Management Committee. Measures such as diversifying suppliers and securing multi-year contracts for raw materials tied to specific varieties or production regions have been shared within the Risk Management Committee. In addition, the Sustainability Promotion Task Force has designated sustainable procurement as a material issue, and is working to strengthen stable procurement. In FY2023, for high priority risks, we focused on procurement risks from deterioration in quality or poor harvests of rice, our main ingredient, due to high temperatures in summer, and presented reports to the Rice Cracker Business Meeting and the Management Meeting. They promptly discussed countermeasures and reached

an agreement on measures. We are also promoting R&D to address global procurement of raw materials.

 See pages 29 and 56 for details.

Key Impacts on the Group under Each Scenario

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

Specific Measures

Reducing CO<sub>2</sub> Emissions and Energy Consumption

Measures to reduce CO<sub>2</sub> emissions have included the conversion of core machinery at all three Company plants in Niigata Prefecture from fuel oil A and liquefied petroleum (LP) gas to city gas. In August 2022, carbon-free Yorisou 100% renewable energy generated by hydroelectric power and supplied by Tohoku Electric Power Co., Ltd. was introduced at the Kameda Plant, and then at the Suibara Plant in August 2023.

We will also work to reduce energy consumption in rice cracker manufacturing processes, including by reducing energy



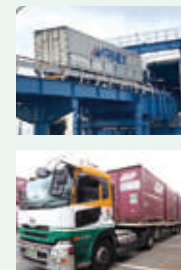
Yorisou renewable energy certificate of contract

loss associated with production changeover, switching to energy-efficient production equipment, visualizing energy usage, and implementing energy-saving activities.

Promotion of Modal Shift

We have been promoting a shift from truck to railway freight transport, which has lower CO<sub>2</sub> emissions, and are certified as an Eco-Rail Mark company.

In FY2023, despite a decrease in shipments to regions with high levels of railway freight transport, our modal shift rate was 29.6% due to the start of ferry-based maritime transport to Kyushu and Hokkaido. Furthermore, consolidated subsidiary Niigata Yusou Co., Ltd. is certified as an Eco-Rail Mark supporting company.



Use of Carrying Bags Made from LIMEX at Kakitane Kitchen

At Kakitane Kitchen, a specialty store selling Kaki-no-Tane operated by consolidated subsidiary Toyosu Co., Ltd., we are using carrying bags made from a new material called LIMEX, which is primarily composed of limestone. This helps to reduce the use of plastic derived from petroleum as well as greenhouse gas emissions.



## Initiatives to Contribute to Establishing a Circular Economy

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

### Use of Sake Rice


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

### Reducing Plastic Use

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

As a manufacturer of consumer goods, the Group recognizes that reducing the amount of plastic it uses is a key issue that should be addressed as a priority. We have set targets for FY2030 that include switching to ECO-packages for all KAMEDA SEIKA products to reduce the amount of plastic that KAMEDA SEIKA and consolidated subsidiaries in Japan use by 30% compared with FY2017.

In fiscal 2023, we worked to reduce packaging sizes for our key brands and develop products that do not rely on individual packaging, as we made significant progress in adopting ECO-packaging. Nevertheless, the amount of plastic used increased by 7.8% compared with FY2017 due to an increase in production volume.

We will continue our efforts to reduce plastic usage through measures such as reducing the amount of packaging used in existing products and continuing to develop products that do not rely on individual packaging.  See pages 29 and 58 for details.

Amount of Plastic Used  
(FY2030 Target)



### Food Waste and Final Landfill Waste

The Group works to reduce food loss in its manufacturing processes. We participate in eco-feed activities, in which non-sellable rice crackers are recycled as livestock feed, and donate products to food banks. Another way we are working to reduce food loss is by selling rice crackers that are broken, misshaped, or near to their expiration date at discounted prices at factory outlets. To promote the reuse of by-products generated during the rice cracker manufacturing process, we launched the upcycling project "Re Kameda" in May 2024. The first initiative was the creation of "rice business cards" using paper made from rice that had become inedible. The business cards have been distributed to the Company's officers and employees.



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


### First Initiative of Upcycling Project: Rice Business Cards



### Water Use

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

In FY2023, water use in the Company and its domestic consolidated subsidiaries decreased 7.7% compared with FY2017, mainly due to a decrease in the number of production line changes that require cleaning as we reduced SKUs,\* efforts to save water during cleaning, switching to water-saving components at production sites, and maintenance of aging water pipes.

 See pages 28 and 58 for details.

\* Stock keeping units

## Specific Measures

As part of our efforts to reduce plastic use, we have promoted a shift to ECO-packaging. Improving our packaging technologies has enabled us to eliminate plastic trays and slim down packaging. However, while we have generally shifted to ECO-packaging, there are some products that are difficult to package without trays. For these products as well, we are working to reduce plastic use by making the trays thinner and investing in equipment to eliminate use of trays.

### Example of Initiatives

#### ● Reducing the Thickness of Trays

Products such as KAMEDA Salad Usuyaki (80 grams) and KAMEDA Ebi Usuyaki (70 grams) have three packs with

trays for convenient single-servings. Rather than eliminating the trays, we reduced the thickness of the trays by 10% and began sales in May 2024. This change is expected to reduce our annual plastic usage by approximately 18 tons.



#### ● Eliminating the Use of Trays

The KAMEDA Kaki-no-Tane 12 Pack (360 grams) previously had a tray for stable packaging. However, we made investments in equipment to eliminate the trays, and in September 2024 we relaunched the product without trays. In this way, we plan to reduce plastic usage by approximately 22 tons per year.





## Human Capital Management

### Key Issues in Human Capital Management

In its initiatives to prioritize people, nature, and society, the KAMEDA SEIKA Group aims to develop human resources who enjoy taking on challenges and creating value by leveraging the best ideas and technology.

In order to achieve our ideal organizational structure, we have identified three key issues: developing human resources who support the business foundation; diversity, equity and inclusion; and managing

employees' physical and mental health. We have established various measures and set KPIs and are working through the PDCA cycle, while also executing human resource strategies aligned with our medium- to long-term growth strategy. Through these initiatives, we will create a talented workforce, which will lead to the realization of our Vision of becoming a "Rice Innovation Company."

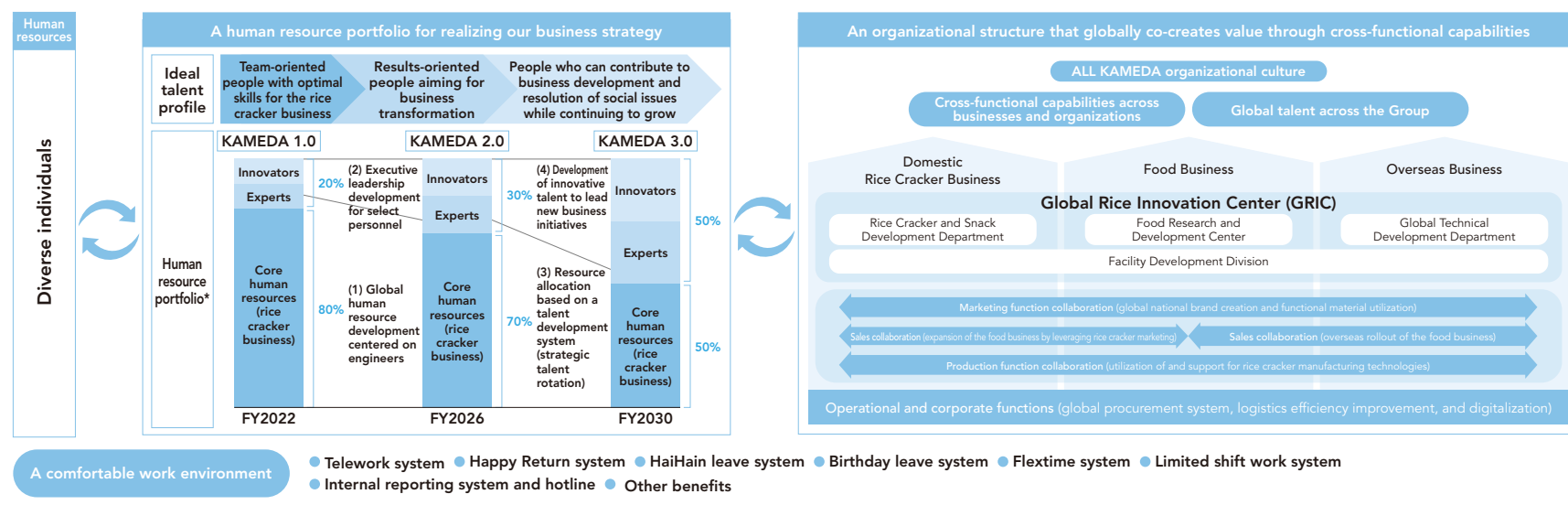
### Key Issues in Human Capital Management

Developing human resources who support the business foundation

Diversity, equity and inclusion

Managing employees' physical and mental health

### Human Resource Strategy



KAMEDA SEIKA Group Human Resources

In its initiatives to prioritize people, nature, and society, the KAMEDA SEIKA Group seeks people who enjoy taking on challenges and creating value by leveraging the best ideas and technology.

## Becoming a "Rice Innovation Company"

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

\* The Group's ideal talent for its human resource portfolio are as follows:

- Innovators: People who will lead new businesses and business transformation - Experts: People who have advanced skills and specializations

- Core human resources (rice cracker business): People who use the knowledge and skills that they have developed to deliver results

## Developing Human Resources Who Support the Business Foundation

### Investment in Human Resource Development

#### Basic Human Resource Policy

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

KAMEDA SEIKA has established five major employee training/support systems in accordance with its basic human resource policy. These are rank-based training, which is tailored to the growth of employees; job function-based training, which aims to increase professional knowledge and experience in each division, such as manufacturing; selective training, which is designed to develop future managers; a self-development and educational support system to support the cultivation of a willingness to take on challenges and an awareness of self-development; and a career development support system to help people create a vision for their own future.

In order to implement a human resource strategy aligned with our growth strategy for KAMEDA 3.0, we will promote the following initiatives. We will also utilize the Company's training/support systems to achieve effective human resource development.

#### Human Resource Initiatives

- English language training and selective training for engineers
- Intake and technical training of overseas staff at GRIC
- Employment of a multinational, multitasked workforce and skills development
- Development and acquisition of human resources with highly developed expertise, and expansion of job-based employment
- Entrepreneurship\* education and open innovation

\* In-house entrepreneurs

#### Results

#### Average Annual Investment in Education per Employee (FY2023)

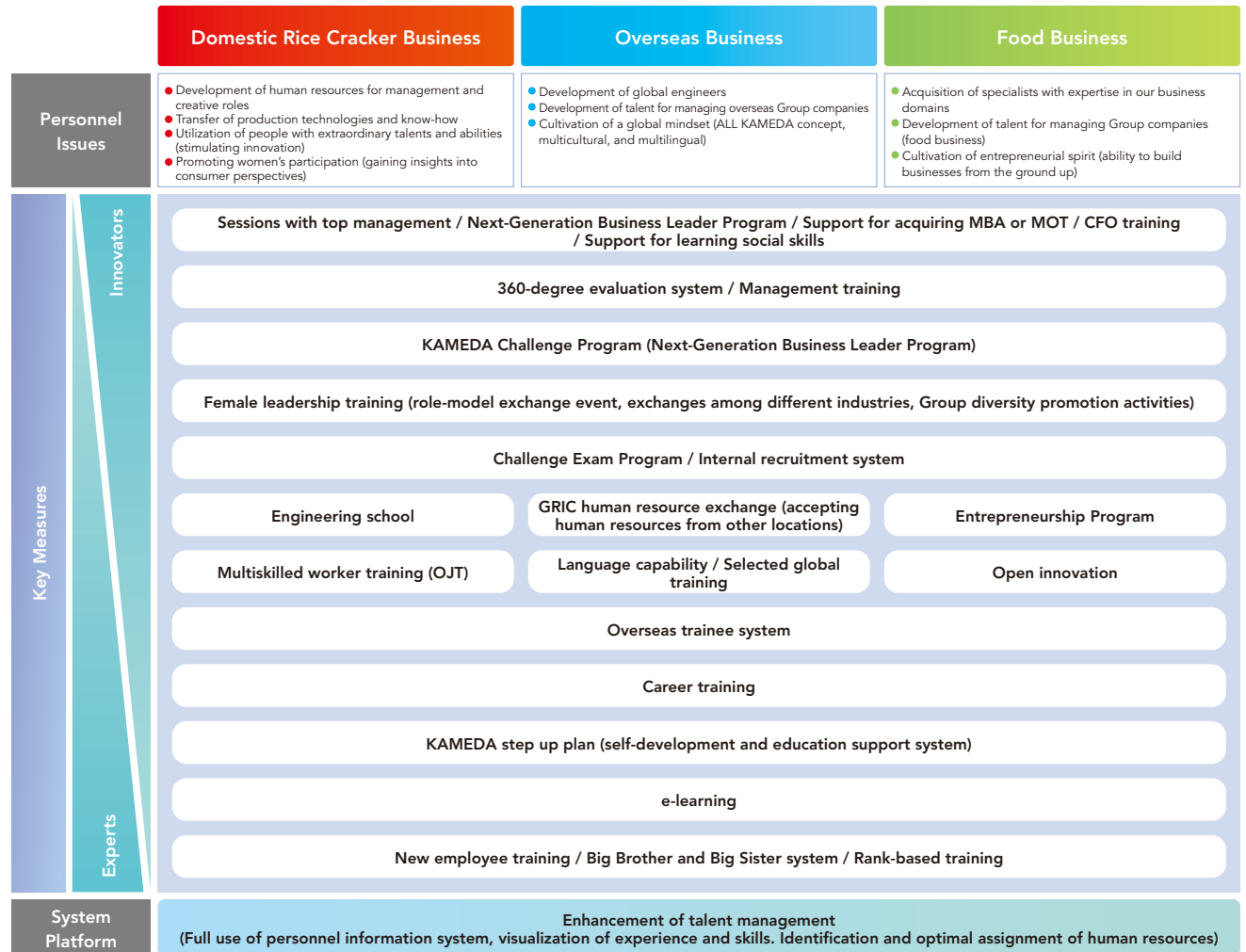
**52.2% increase**  
(compared with FY2021)

In FY2023, we launched the human resource development program shown on the right. The average annual investment in education per employee increased as a result. We therefore decided to revise the target for FY2026 from a 19.6% increase to a 67.5% increase (compared with FY2021), and the target for FY2030 from a 30% increase to an 80% increase.

See pages 30 and 58 for details.

### Human Resource Development Program by Business

Achieving KAMEDA 3.0 will require us to focus on developing human resources who can compete globally. After identifying personnel issues in each business, we will create and implement human resource development programs to resolve those issues. We are also working to optimize our human resource portfolio by visualizing experience and skills through the use of a personnel information system.



Developing Human Resources Who Support the Business Foundation

Specific Measures

Engineer Training

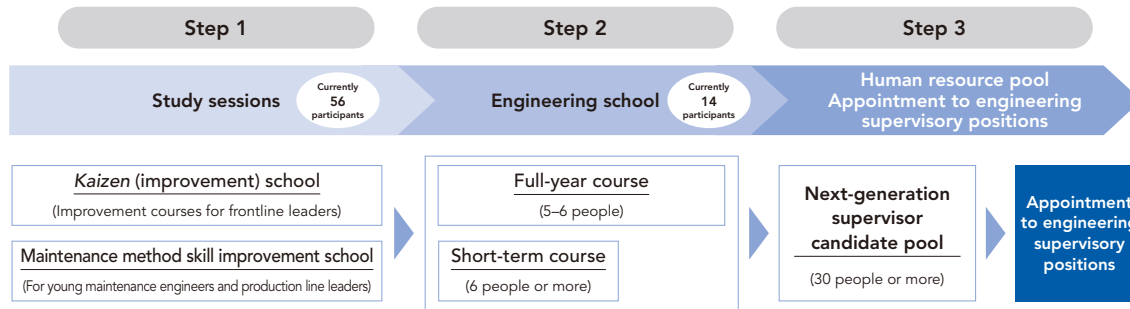
We have opened an engineering school aimed at cultivating leaders to drive manufacturing and increasing the number of human resources with highly developed expertise. The training follows a structured approach to encourage employees to develop a range of theoretical and practical skills related to rice cracker production and manufacturing.

We are also working to develop global engineers through measures including English conversation training and multicultural programs, as well as overseas training.



Entrance ceremony at the engineering school

Structured Approach to Technician Development



Development of Next-Generation Management Team

We conduct the KAMEDA Challenge Program to develop our future management team. Through the program, participants develop a high-level perspective and the ability to get things done, as well as gain a wide range of knowledge and learn the problem-solving methods necessary for management.

In July 2023, 20 participants who had received training on topics such as self-awareness, management strategy, financial strategy, and DX and corporate transformation between October 2022 and July 2023 presented the results of the “future creation project” to management.



Giving a presentation



Judging the presentations

Respect for Human Rights

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

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

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

See page 40 for details.

KAMEDA SEIKA Group Code of Conduct

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

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

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

4-1. Respect for Basic Human Rights

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

4-2. Prohibition of Harassment

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

4-3. Privacy Protection

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

4-4. Healthy Labor-Management Relations

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

4-5. Ensuring Good Workplace Morale

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

## Diversity, Equity and Inclusion



**Naoko Koizumi**  
Managing Director,  
in Charge of Group  
Companies and Diversity

The essence of diversity, equity and inclusion at KAMEDA SEIKA lies in our Purpose, Vision, and Values, with a core focus on people. Each individual hones their unique strengths and diligently refines them. For our Group as well, focusing on our core strength—rice—and continually enhancing it is what enables us to become a truly unique presence in the world.

To realize our Vision of becoming a “Rice Innovation Company,” we will transform the values of the Company through the promotion of diversity, creating an organizational culture where individual employees can leverage their strengths and shine in their own way.

### Status of Measures in FY2023 (KAMEDA SEIKA CO., LTD.)

Category	Target (FY2030)	Progress	Activities	
Human Resources	Female managers Female supervisors	30%	Managers: 13.8% Supervisors: 13.8%	<ul style="list-style-type: none"> <li>Role model exchange event</li> <li>Exchanges among women from different industries</li> </ul>
	Non-Japanese employees	—	27 employees	<ul style="list-style-type: none"> <li>Strengthening recruitment of new graduates and mid-career hires</li> <li>Acceptance of overseas student internships (Overseas Business Department)</li> </ul>
	Employment rate for seniors	100% employment rate for those who wish to continue working after retirement	100%* employment rate for those who wish to continue working after retirement	<ul style="list-style-type: none"> <li>Creation of a skill map</li> </ul>
	Employment of people with disabilities	3.0%	2.6%	<ul style="list-style-type: none"> <li>Began accepting trainees from special needs schools</li> </ul>
Work Style	Work-life balance	Ratio of male employees taking childcare leave: 80%	62.1%	<ul style="list-style-type: none"> <li>Seminars encouraging childcare leave (for managers)</li> <li>HaiHain Forum</li> </ul>
	Gender wage gap	<ul style="list-style-type: none"> <li>Regular employment: 85%</li> <li>Non-regular employment: 75%</li> <li>Overall: 80%</li> </ul>	<ul style="list-style-type: none"> <li>Regular employment: 71.8%</li> <li>Non-regular employment: 53.9%</li> <li>Overall: 67.2%</li> </ul>	<ul style="list-style-type: none"> <li>Promotion from partner employee* to regular employee</li> <li>Promotion from part-time employee to partner employee</li> <li>* The partner employee system enables employees to transition from part-time employment in manufacturing roles.</li> </ul>
	Work style reform	—	—	<ul style="list-style-type: none"> <li>Introduction of each system</li> </ul>
	Culture	Creation of organizational culture	—	—

Note: In FY2023, the employment rate for seniors over the age of 60 was 95.7% and the employment rate for people who wish to work after retiring was 100%.

## Priority Issues and Measures in FY2024 (KAMEDA SEIKA CO., LTD.)

### 1. Diverse human resources

Issue	Career building for women in sales and production
Measures	<ul style="list-style-type: none"> <li>Role model exchange events based on role type (sales: area leader to branch manager; production: group leader to plant manager)</li> <li>Development of section leader role through introduction of a mentor system (creation of a pathway to division manager and executive officer roles)</li> </ul>

### 2. Diverse work styles

Issue	Enhanced support for balancing childcare with work
Measures	<ul style="list-style-type: none"> <li>Discussion on extending the period of shortened working hours for childcare</li> <li>Discussion on increasing the number of days available for telework</li> </ul>

### 3. Diverse culture

Issue	Individual employees take ownership of diversity, equity and inclusion (DE&I) and work to eliminate interdepartmental barriers
Measures	<ul style="list-style-type: none"> <li>Set targets and implement measures for DE&amp;I in each department (realization of DE&amp;I suitable for each department)</li> <li>Encouraging interdepartmental exchanges through in-house internships (employees become acquainted with one another and develop their careers)</li> </ul>

## Specific Measures

### Platinum Kurumin Certification

In March 2024, the Company acquired Platinum Kurumin certification. After receiving Kurumin Certification as a company that supports childcare in 2018, we have continued to promote initiatives such as encouraging male employees to take childcare leave. We are also creating a more flexible work environment, including the introduction of a telework system. In FY2023, we held seminars for managers about childcare leave and established the HaiHain Forum where employees can freely discuss their concerns and issues related to balancing childcare and work.



### 3-Star Eruboshi Certification

In March 2023, we received 3-star Eruboshi Certification (Grade 3) as a company with outstanding initiatives to promote women's participation and advancement in the workplace.



We are working to foster a change in the awareness of female employees through ongoing initiatives such as training and exchanges with women from different industries and role model exchange events where women in leadership positions in other companies share their experiences. In FY2023, we held role model exchange events with two food manufacturing companies and dispatched five people for training and exchanges with women from different industries.

### Overseas Student Internships

In August 2023, we held our first overseas student internship event, with the aim of utilizing the experience to promote recruitment and diversity going forward. Under the theme of addressing business challenges facing the KAMEDA SEIKA Group, we asked interns to propose ways of leveraging diversity and provide suggestions for new products suited to local markets, drawing on their perspective as young people living overseas.



### Global Integration Promotion Task Force

The Company launched the Global Integration Promotion Task Force in July 2020. The task force is working to generate synergies within the Group by raising global awareness among individual employees and strengthening communication, as well as promoting DE&I. In FY2023, the task force held various intercultural events. It also provides information about overseas Group companies through the Company's internal newsletter and supports contributions from employees of foreign nationalities to the newsletter. In addition, the task force shares English translations of relevant overseas articles of the internal newsletter to overseas Group companies.



Halloween party

Diversity, Equity and Inclusion

● Employment of People with Disabilities and Seniors

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

Results

Employment Rate for People with Disabilities (FY2023)	Employment Rate for Seniors over the Age of 60 (FY2023)	Employment Rate for People Who Wish to Work after Retiring (FY2023)
2.6%	95.7%	100%

Specific Measures\*

Happy Return System

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

HaiHain Leave System

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

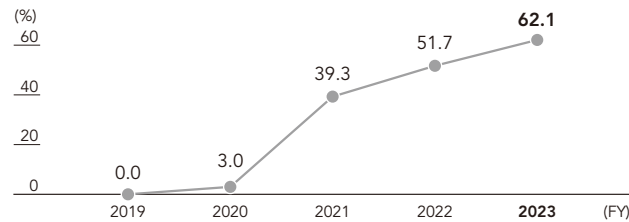
Limited Shift Work System

This system allows employees who are unable to work within the three-shift system due to childcare, nursing care, personal injury or illness to choose a work style with limited shifts. In the

● Work Style Reform and Support for Work-Life Balance

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

Ratio of Male Employees Taking Childcare Leave



case of childcare, the system is available to employees providing childcare up to the end of the third year of elementary school.

Birthday Leave System

We have introduced the birthday leave system with the aim of creating a comfortable work environment and helping employees achieve a good work-life balance. This system allows employees to take one day of special leave in their birthday month. The usage rate in FY2023 was 81.7%.

Flextime System

We have introduced a flextime system that is available to most of our employees, aimed at supporting flexible working styles. The system allows each employee to decide their starting and finishing times within a time frame specified by the labor-management agreement.

Telework System

We introduced a telework system that is available to most of our employees in April 2023, with the goal of allowing individual employees to work flexibly and to increase their productivity.

Managing Employees' Physical and Mental Health

An essential part of promoting a human resources strategy that reflects our unique values at KAMEDA SEIKA's is the creation of an organizational culture that encourages all Group employees to work as their authentic selves and to express their ideas freely. We believe that by ensuring that our employees are healthy both physically and mentally, we can maximize the potential of every employee, which will lead to an improvement in employee engagement and our corporate value over the medium to long term. The Group is committed to health management and works to foster an environment where management and employees work together to deliver the value of rice—produced by healthy and happy employees—to people all over the world.

Region-Specific Work System

In April 2024, we introduced a system that exempts regular employees (excluding managers, etc.) who wish to limit their work location due to reasons such as marriage, childcare, or nursing care from being transferred to a different location that requires relocation. The period for the region-specific work system is set at two years per request, with a maximum of three requests permitted.

Spouse Transfer Leave System

To support employees in balancing work with their family commitments, in April 2024 we introduced a system that gives KAMEDA SEIKA employees the opportunity to take leave in order to accompany a spouse who also works at the Company on an overseas posting. The period of leave is, in principle, from the day of the spouse's assignment until two weeks after the day of return, with a maximum period of leave of five years.



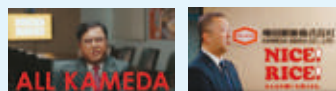
● **Promotion of the Medium- to Long-Term Growth Strategy and Purpose, Vision, and Values**

Following the announcement of our medium- to long-term growth strategy in August 2023, we held briefings for all employees, led by the CEO, COO, and other internal directors, to promote our revamped Corporate Philosophy and medium- to long-term growth strategy. Furthermore, we formulated the slogan, “NICE! RICE! Your hope is our seed,” and launched the NICE! RICE! initiative. Executive officers took responsibility for explaining the slogan through direct dialogue with employees. In addition, we worked to instill the revamped Corporate Philosophy through the use of communication tools and the KAMEDA Award Festival by revising the reward rules to align with the philosophy.

**Specific Measures**

**Video Message on the Group intranet**

A message from the CEO was posted on the Group’s intranet.



**Public release of the KAMEDA SEIKA Group Statement Video**

We released the NICE! RICE! statement video on our website.



**NICE! RICE! Posters**

We displayed posters in our plants and offices to promote awareness of the concept of “Rice Innovation.”



**KAMEDA Award Festival 2024**

KAMEDA Award Festival 2024 was held in February 2024 after the revision of the reward rules as part of efforts to promote the revamped Corporate Philosophy. In keeping with our new Vision and Values, we added several new awards: Rice Innovation Award, Full of Humanity Award, Be Professional Award, and Enjoy the Challenge Award, among others.

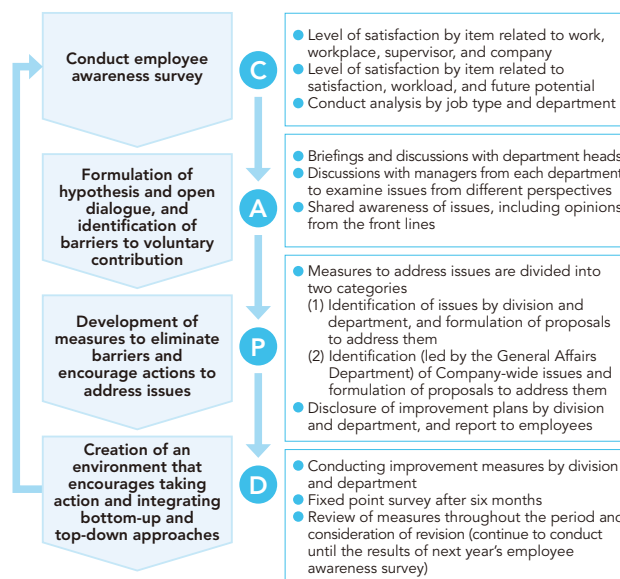


● **Employee Awareness Survey**

The Company conducted an employee awareness survey in FY2023 (as it did in FY2022). The survey was designed to assess employees’ feelings toward the Company, their work attitude, and their perception of the workplace and duties. Our goal is to ensure employees can work with a sense of fulfillment and growth.

**Overall Trend in the FY2023 Employee Awareness Survey**

Overall satisfaction level	No significant change from the score in FY2022
Positive change	Increase in sense of job fulfillment and adaptation, as well as satisfaction with the workplace, in particular, the sense of trust in team cohesion
Issues to address	Evaluations of company loyalty and the growth potential of markets decreased slightly, reflecting uncertainty about the future
Addressing the issues identified	In September 2022, we launched the Engagement Project. Our policy is to put employees at the center of everything we do. As such, we value feedback from the front lines and are working to create workplaces and an organizational culture that offer job satisfaction. Based on the results of the FY2023 employee awareness survey, members of the Engagement Project implemented initiatives to improve workplaces in coordination with members of each division, recognizing that issues differ depending on job type. We will promote improvement measures utilizing a PDCA cycle, and introduce the activities of each division through the internal newsletter to visualize the progress of these efforts.



● **Health Management**

As part of our employee benefits, we offer financial assistance for health checkups and influenza vaccinations, and provide an employee cafeteria where employees can have proper meals (or pay meal subsidies). To further promote good health, we launched the Health Management Project in December 2023. In October 2024, the COO shared the Health Management Declaration with employees, communicating our commitment to addressing health-related issues.



We aim to ensure our employees are healthy both physically and mentally, so that we can maximize the potential of every employee. With this goal in mind, we will address the following three issues.

- (1) Early discovery and treatment of disease
- (2) Reduction in labor accidents (falls)
- (3) Reduction in the number of cases of mental health issues

• Information about the Company’s health management initiatives is available on its website. <https://www.kamedaseika.co.jp/sustainability/health/> (Japanese only)

In FY2023, we achieved a 100% participation rate in regular health checkups through the use of a unified management system for regular health checkup reservations, which we introduced in FY2022. We will work to maintain a 100% participation rate, and achieve a 100% reexamination participation rate to promote early discovery and treatment of disease, while also addressing the other issues mentioned above.

**Specific Measures**

**Smart Meal Lunch Program at the Employee Cafeteria**

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

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



## Supply Chain Management

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

See the following pages for details on risk management related to raw materials: 29, 32, and 56.

### Procurement Policy

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

#### ● Code of Conduct for Implementing the Procurement Policy

- ① We will conduct stable and continuous procurement of safe and reliable, high-quality raw materials to deliver excellent flavor, health, and excitement to our customers.
- ② To preserve the global environment, we will proactively work to use environmentally friendly materials, save energy and reduce greenhouse gas emissions.

- ③ We will comply with laws, regulations and rules, and conduct fair procurement in accordance with social common sense.
- ④ We will respect human rights and diversity, and promote procurement with consideration for improving working conditions, safety and health.
- ⑤ We will provide our suppliers with fair, impartial and transparent access to business opportunities, and build long-term relationships of trust while working for mutual prosperity and continuity through good faith transactions based on contracts.
- ⑥ Together with our suppliers, we will help to realize a sustainable society by working for coexistence and harmony with communities.
- ⑦ By conducting CSR surveys and audits of our suppliers, we will confirm the status of our efforts to ensure sustainability and strive to fulfill our shared social responsibilities toward the realization of a sustainable society.

#### ● Initiatives for Sustainable Procurement

##### Use of RSPO-certified Palm Oil

KAMEDA SEIKA and its consolidated subsidiaries joined the Roundtable on Sustainable Palm Oil (RSPO) in March 2019. KAMEDA SEIKA CO., LTD., Onisi Foods Co., Ltd. and Mary's Gone Crackers, Inc. have been using certified palm oil since FY2020. In FY2023, the ratio of certified palm oil used by KAMEDA SEIKA and its consolidated subsidiaries was 8.9%

##### Use of FSC-certified Cardboard

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

##### Procurement of Peanuts

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

## Harmony with Communities

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

#### ● Expansion of Local Employment

We are working to increase the number of employees at overseas locations. In particular, we are increasing our workforce in Southeast Asia to address the upward trend in production.

#### ● Cooperating with Local Agriculture

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

#### ● Initiatives for Dietary Education

The Group conducts tours for local elementary school students. We also visit kindergartens and student clubs as well as elementary, junior high and high schools to conduct activities that convey the

appeal of rice and rice crackers through quizzes and other methods. Onisi Foods Co., Ltd. also works to promote the importance of disaster preparedness.

#### ● Initiatives for Achieving the SDGs

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



## Specific Measures

#### Disaster Preparedness Education with Onisi Foods

Consolidated subsidiary Onisi Foods promotes activities to help children learn about and experience the importance of disaster preparedness through education about emergency food. To bolster children's survival skills, the company supports hands-on learning experiences about disasters and promotes understanding of regional disaster preparedness.



#### KAMEDA SEIKA Thanks Day

In May 2024, we held KAMEDA SEIKA Thanks Day at the Denka Big Swan Stadium in Niigata City. The Company's new employees offered free samples of Happy Turn rice crackers, greeted visitors at the stadium, and cleaned up after the soccer game. We have supported the professional soccer club, Albirex Niigata, as a uniform sponsor since 1996.



# Contributing to a Nice Lifestyle through "Better For You" Food

## Provision of Safe and Reliable Food

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

Information about the Company's quality initiatives is available on its website. <https://www.kamedaseika.co.jp/en/quality/>

### Quality Policy/Product Safety Policy

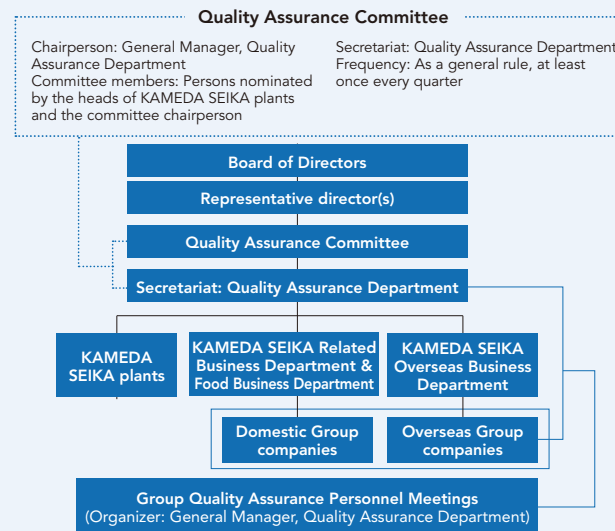
- 1 Taking the point of view of our customers, we provide products that meet the legal and regulatory requirements for food supply chains from raw material procurement to consumption.
- 2 To deliver safe and reliable products to our customers, we are developing a quality assurance framework based on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

### Quality Assurance System

The KAMEDA SEIKA Group is working to enhance its quality assurance system, mainly through the Quality Assurance Committee, based on the KAMEDA SEIKA Group Quality Assurance Management Regulations. The committee meets at least once each quarter, in principle, to deliberate on basic quality assurance policies, raise issues for ensuring quality and safety, and to verify the effectiveness of improvement measures. The Quality Assurance Committee met four times in FY2023. To enhance the quality assurance systems at Group companies, we hold a meeting of quality assurance staff from Group companies to gain understanding of issues at other companies and consider countermeasures.

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

### Quality Assurance System



## Providing Food That Offers Enjoyment, Delight, Health, Deliciousness, and Excitement

In order to contribute to a nice lifestyle through "Better For You" food (one of our material issues), the Company is working to reduce the amount of salt equivalent in the products it sells.

In FY2023, we worked on reducing salt in renewed products, achieving a 5.2% reduction (compared with FY2021) in the amount of salt equivalent in rice crackers and snacks sold by KAMEDA SEIKA.

Since FY2021, we have participated in the Strategic Initiative for a Healthy and Sustainable Food Environment of the Ministry of Health, Labor and Welfare. In line with this initiative, we have been setting salt equivalent reduction targets for products and engaging in various measures.

Reduced salt products



Reduced Salt KAMEDA Kaki-no-Tane 6 Pack (164 grams)



Reduced Salt Happy Turn (83 grams)



Provision of the Company's reduced salt products in the Japan Air Lines lounge

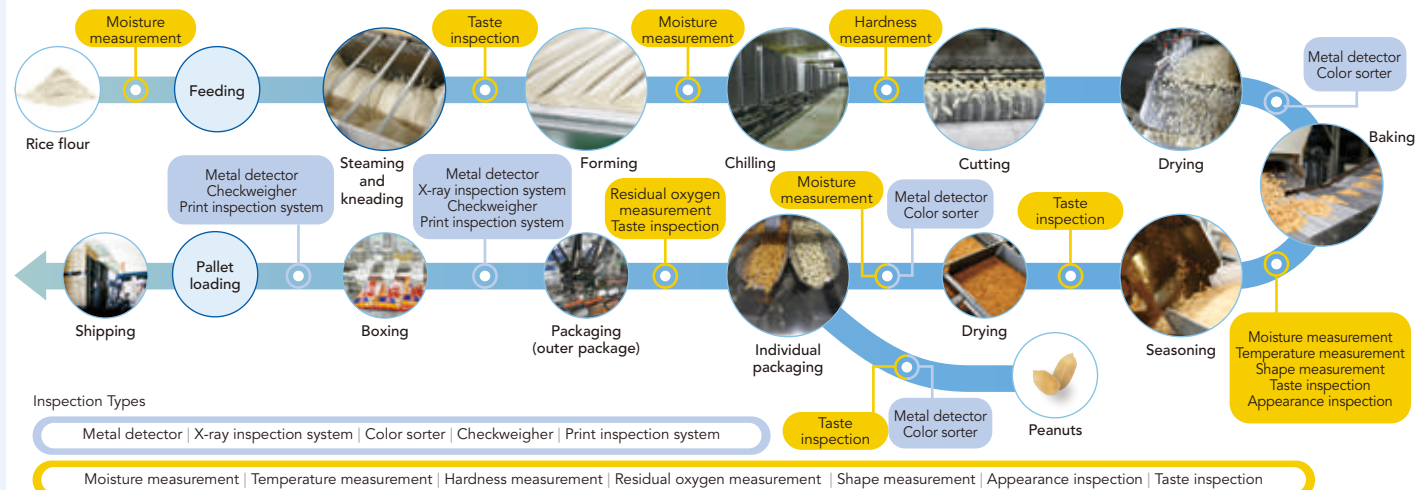


Executive Officer Koichi Iida spoke at the FY2023 General Meeting of the Strategic Initiative for a Healthy and Sustainable Food Environment

### Quality and Product Safety Examples

#### KAMEDA Kaki-no-Tane Manufacturing Process

We are working to improve product quality and safety at every step of the manufacturing process.



# Directors, Audit & Supervisory Board Members and Executive Officers (As of October 31, 2024)

## Directors



Sep. 1989 Joined Taiyo Kagaku Co., Ltd.  
 Jun. 1996 Director and Head of Research Department of Taiyo Kagaku Co., Ltd.  
 Jun. 2000 Managing Director of Taiyo Kagaku Co., Ltd.  
 Jun. 2003 Executive Vice President of Taiyo Kagaku Co., Ltd.  
 Apr. 2014 Joined Rohto Pharmaceutical Co., Ltd.  
 Jun. 2014 Executive Vice President, Global Head of International Business and Research & Development and Chief Health Officer of Rohto Pharmaceutical Co., Ltd.  
 Jun. 2020 Joined the Company  
 Executive Vice President of the Company  
 Jun. 2022 Chairman & CEO of the Company (current position)

**Lekh Raj Juneja**  
Chairman & CEO



Apr. 1990 Joined the Company  
 Nov. 2014 Head of Shirone Plant of the Company  
 Jun. 2017 General Manager of General Affairs Department of the Company  
 Jun. 2018 Executive Officer, General Manager of General Affairs Department of the Company  
 Apr. 2020 Executive Officer, General Manager of Business Restructuring Team of the Company  
 Jul. 2021 Managing Executive Officer, General Manager of Sales Division of the Company  
 Jun. 2022 President & COO of the Company (current position)

**Masanori Takagi**  
President & COO



Mar. 1984 Joined the Company  
 Jul. 2013 Executive Officer, General Manager of Corporate Planning Department of the Company  
 Nov. 2014 Executive Officer, General Manager of Business Promotion Department of the Company  
 Jun. 2016 Managing Executive Officer, General Manager of Production Division of Rice Cracker Business Group of the Company  
 Jun. 2017 Managing Executive Officer, General Manager of Administrative Division of the Company  
 Jun. 2018 Director, General Manager of Administrative Division of the Company  
 Apr. 2021 Director & CFO, General Manager of Administrative Division of the Company  
 Jun. 2022 Senior Managing Director & CFO, General Manager of Administrative Division of the Company (current position)

**Akira Kobayashi**  
Senior Managing Director & CFO,  
General Manager of Administrative Division



Apr. 1998 Joined the Company  
 Jun. 2003 Director, General Manager of Product Development Division of the Company  
 Jul. 2013 Director, General Manager of Quality Assurance Department, Rice Cracker Business Group of the Company  
 Jun. 2017 Director, in Charge of New Business Group of the Company  
 Apr. 2018 Director, Head of Rice Research Center of the Company  
 Jul. 2018 Director, in Charge of Group Companies and Diversity of the Company  
 Jun. 2022 Managing Director, in Charge of Group Companies and Diversity of the Company (current position)

**Naoko Koizumi**  
Managing Director,  
in Charge of Group Companies and Diversity



Apr. 1976 Joined Kewpie Corporation  
 Feb. 2003 Director of Kewpie Corporation  
 Feb. 2010 Executive Managing Director of Kewpie Corporation  
 Feb. 2011 President and Representative Director of Kewpie Corporation (retired in February 2017)  
 Director of Nakashimato Co., Ltd.  
 Feb. 2017 Chairman and Director of Nakashimato Co., Ltd. (retired in February 2021)  
 Jun. 2018 Outside Director of the Company (current position)

**Minesaburo Miyake**  
Outside Director  
Independent Director



Apr. 1973 Joined Matsushita Electric Industrial Co., Ltd. (currently Panasonic Holdings Corporation)  
 Apr. 2009 Executive Officer of Panasonic Corporation  
 Apr. 2013 Managing Executive Officer of Panasonic Corporation  
 Apr. 2014 Senior Managing Executive Officer of Panasonic Corporation  
 Jun. 2014 Representative Director, Senior Managing Director of Panasonic Corporation  
 Apr. 2017 Representative Director, Executive Vice President of Panasonic Corporation  
 Jun. 2017 Representative Director, Executive Vice President and Executive Officer of Panasonic Corporation (retired in June 2019)  
 Jun. 2020 Outside Director of the Company (current position)

**Yoshio Ito**  
Outside Director  
Independent Director



Apr. 1982 Joined The Nippon Credit Bank, Ltd. (currently Aozora Bank, Ltd.)  
 Oct. 2008 Executive Officer of Aozora Bank, Ltd.  
 Oct. 2010 Joined Nishimoto Trading Co., Ltd., Senior Managing Director  
 Mar. 2012 President and Representative Director of Nishimoto Trading Co., Ltd.  
 Mar. 2016 Director, General Manager, Group Business Management Division, Nishimoto Wismettac Holdings Co., Ltd.  
 Mar. 2017 President & COO of Nishimoto Wismettac Holdings Co., Ltd. (retired in March 2020)  
 Jun. 2020 Outside Director of the Company (current position)

**Takayuki Kanai**  
Outside Director  
Independent Director



Apr. 1989 Joined SANYO Electric Co., Ltd.  
 Jun. 2002 Vice President of SANYO Electric Co., Ltd.  
 Jun. 2005 President of SANYO Electric Co., Ltd.  
 Apr. 2011 Director, Vice President and Operating Officer of LIXIL Corporation  
 Jun. 2016 Director of LIXIL Group Corporation (retired in June 2017)  
 Apr. 2019 Member of Advisory Panel to Consider Management of the Company (retired in April 2020)  
 Jun. 2020 Outside Director of the Company (current position)

**Toshimasa Iue**  
Outside Director  
Independent Director



Apr. 1978 Joined Asahi Brewery Company (currently Asahi Group Holdings, Ltd.)  
 Sep. 2008 Senior Officer, General Manager of East Kanto Area Management Headquarters of Asahi Group Holdings, Ltd.  
 Jun. 2011 Executive Officer, General Manager of Chugoku Area Management Headquarters of Asahi Group Holdings, Ltd.  
 Mar. 2013 President and Representative Director of LB Co., Ltd.  
 Mar. 2016 Senior Managing Director of Asahi Group Foods, Ltd.  
 Mar. 2017 President and Representative Director of Asahi Group Foods, Ltd. (retired in March 2021)  
 Jun. 2022 Outside Director of the Company (current position)

**Katsuo Shoyama**  
Outside Director  
Independent Director

## Audit & Supervisory Board Members



Oct. 1986 Joined the Company  
 Apr. 2007 Manager of Customer Service Office of Customer Service Department of the Company  
 Jul. 2013 General Manager of Administrative Division of Toyosu Co., Ltd.  
 Jul. 2015 Managing Director of the Kameda Seika Corporate Pension Fund  
 Jun. 2016 General Manager of Audit Department of the Company  
 Jun. 2019 Full-time Audit & Supervisory Board Member of the Company (current position)

**Jun Sasaki**  
Full-time Audit & Supervisory Board Member



Apr. 1981 Joined the Company (left in September 1986)  
 Oct. 1992 Joined the Company  
 Jun. 2014 General Manager of Accounting Department of the Company  
 Jun. 2016 Executive Officer, General Manager of Accounting Department of the Company  
 Dec. 2017 Managing Director of THAI KAMEDA CO., LTD.  
 Jul. 2019 Executive Officer, General Manager of Related Business Department of the Company  
 Jun. 2020 General Manager of Corporate Planning Department of Niigata Yusou Co., Ltd.  
 Jun. 2024 Full-time Audit & Supervisory Board Member of the Company (current position)

**Mari Tanabe**  
Full-time Audit & Supervisory Board Member



Apr. 1979 Joined Kao Soap Co., Ltd. (currently Kao Corporation)  
 Mar. 2003 Controller of International Household Division of Kao Corporation  
 Mar. 2005 Vice Chairman of the Board and Vice President of Kao (China) Holding Co., Ltd.  
 May 2007 Senior Manager, Accounting and Finance Division of Kao Corporation  
 Jun. 2012 Executive Officer in charge of Accounting and Finance Division of Kao Corporation (resigned in January 2017)  
 Jun. 2022 Outside Audit & Supervisory Board Member of the Company (current position)

**Kazuyoshi Aoki**  
Outside Audit & Supervisory Board Member  
Independent Auditor



Apr. 1983 Joined Kirin Brewery Co., Ltd. (currently Kirin Holdings Company, Limited)  
 Jan. 2013 Executive Officer, Director of Group Finance of Kirin Holdings Company, Limited  
 Mar. 2014 Director of the Board, CFO of Kirin Holdings Company, Limited  
 Mar. 2015 Director of the Board, Senior Executive Officer of Kirin Holdings Company, Limited  
 Apr. 2016 Director of Brasil Kirin Participações e Representações S.A.  
 Mar. 2018 Standing Audit & Supervisory Board Member of Kirin Holdings Company, Limited (retired in March 2022)  
 Jun. 2022 Outside Audit & Supervisory Board Member of the Company (current position)

**Akihiro Ito**  
Outside Audit & Supervisory Board Member  
Independent Auditor

## Skill Matrix<sup>1</sup>

	Attendance in FY2023		Nomination and Remuneration Committee	Expertise and Experience								
	Board of Directors	Audit & Supervisory Board		Corporate Management <sup>2</sup>	Global	Diversity	Sales/Marketing	Production/Development/R&D/Quality	Accounting/Finance	Legal Affairs/Compliance/Risk Management	Sustainability/ESG	
Directors	Lekh Raj Juneja	100%		○	○	○	○		○			
	Masanori Takagi	100%		○	○		○		○			
	Akira Kobayashi	100%							○	○		
	Naoko Koizumi	100%					○		○			○
	Minesaburo Miyake	Outside	100%	○ (Chair)	○		○					
	Yoshio Ito	Outside	100%		○				○			○
	Takayuki Kanai	Outside	100%		○	○				○		
	Toshimasa Iue	Outside	100%		○	○			○			
Katsuo Shoyama	Outside	100%		○	○		○	○				
Audit & Supervisory Board Members	Jun Sasaki	100%	100%					○		○		
	Mari Tanabe	100% <sup>3</sup>	100% <sup>3</sup>			○	○			○		
	Kazuyoshi Aoki	Outside	100%			○				○		○
	Akihiro Ito	Outside	100%			○				○	○	

- The above matrix shows areas where individuals can demonstrate expertise based on experience and other factors. It does not cover all their knowledge.
- Experience as president of a publicly listed company or equivalent
- Audit & Supervisory Board member Mari Tanabe was appointed at the 67th Ordinary General Shareholders' Meeting held on June 18, 2024, and has had 100% attendance at meetings of the Board of Directors held since taking office.

## Matters Related to Outside Executives

	Independent	Main Activities in the Company
Outside Directors	Minesaburo Miyake	Minesaburo Miyake has abundant experience and extensive knowledge as a corporate executive of a food company. Based on this, he makes comments from a wide range of perspectives including sales strategy and diversity, offering advice and proposals to ensure that decision-making by the Board of Directors is suitable and appropriate. Accordingly, he adequately fulfills the role and responsibilities of an outside director. He also promotes discussion on issues such as the future management structure and remuneration as chair of the Company's discretionary Nomination and Remuneration Committee.
	Yoshio Ito	Yoshio Ito has abundant experience and extensive knowledge as a corporate executive. Based on this, he makes comments from the perspective of overseas development and enhancing skills on the manufacturing floor, offering advice and proposals to ensure that decision-making by the Board of Directors is suitable and appropriate. Accordingly, he adequately fulfills the role and responsibilities of an outside director.
	Takayuki Kanai	Takayuki Kanai has abundant experience and extensive knowledge relating to overseas development of food businesses as a corporate executive with many years of experience in financial institutions. Based on this, he offers advice and proposals to ensure that decision-making by the Board of Directors is suitable and appropriate. Accordingly, he adequately fulfills the role and responsibilities of an outside director.
	Toshimasa Iue	Toshimasa Iue has abundant experience and extensive knowledge as a corporate executive. Based on this, he makes comments from the perspective of overseas development and enhancing management quality with a focus on excellence in manufacturing, offering advice and proposals to ensure that decision-making by the Board of Directors is suitable and appropriate. Accordingly, he adequately fulfills the role and responsibilities of an outside director.
	Katsuo Shoyama	Katsuo Shoyama has abundant experience and extensive knowledge as a corporate executive of a food company, particularly in relation to the domestic food market. Based on this, he makes comments from a wide range of perspectives including the areas of management strategy and diversity, offering advice and proposals to ensure that decision-making by the Board of Directors is suitable and appropriate. Accordingly, he adequately fulfills the role and responsibilities of an outside director.
Outside Audit & Supervisory Board Members	Kazuyoshi Aoki	Kazuyoshi Aoki has abundant experience and extensive knowledge cultivated through his role as head of the accounting and finance department of a listed company. Based on this, he offers advice and proposals to ensure that decision-making by the Board of Directors is suitable and appropriate. He also exchanges opinions regarding audit results and engages in discussions of other important matters concerning audits.
	Akihiro Ito	Akihiro Ito has abundant experience and extensive knowledge cultivated through his position as CFO of a listed company. Based on this, he offers advice and proposals to ensure that decision-making by the Board of Directors is suitable and appropriate. He also exchanges opinions regarding audit results and engages in discussions of other important matters concerning audits.

Corporate Management	KAMEDA SEIKA is evolving from a snack manufacturer into a "Rice Innovation Company" and therefore needs executives with well-balanced knowledge, experience, and skills related to corporate management in order to expand its business domains and regions.
Global	KAMEDA SEIKA is working to maximize the potential of rice to create new value and markets around the world and therefore needs executives who understand foreign cultures and have overseas business management experience and knowledge.
Diversity	KAMEDA SEIKA needs executives with understanding and knowledge of diversity in order to create an environment that empowers diverse human resources to fully demonstrate their abilities and that encourages corporate growth and development.
Sales/Marketing	As a food manufacturer, KAMEDA SEIKA needs executives with knowledge and experience in sales and marketing in order to accurately identify customer needs, respond to changes in lifestyles and consumption styles, and achieve medium- to long-term growth.
Production/Development/R&D/Quality	As a food manufacturer, KAMEDA SEIKA needs executives with knowledge and experience in production, development, R&D, and quality in order to continue providing value in the form of excellent flavor, health, and excitement through safe and reliable products.
Accounting/Finance	KAMEDA SEIKA needs executives with knowledge and experience in accounting and finance in order to ensure proper financial reporting and build a solid financial base, allocate assets efficiently, and make investments in growth that will contribute to sustainable development and enhance corporate value.
Legal Affairs/Compliance/Risk Management	KAMEDA SEIKA needs executives with knowledge and experience in legal affairs, compliance, and risk management as ethical business conduct and legal compliance are the foundation for sustainable growth and enhanced corporate value.
Sustainability/ESG	KAMEDA SEIKA needs executives with understanding and knowledge of sustainability and ESG-related issues in order to accurately identify risks and opportunities in a timely manner and be able to reflect them in management to ensure sustainable businesses and increase medium-to long-term corporate value.

## Executive Officers

Title	Name	Responsibility
Senior Managing Executive Officer	Yasuhiro Mayama	General Manager of Sales Division
Managing Executive Officer	Shinichi Furusawa	General Manager of Food Business Division
Managing Executive Officer	Satoshi Torigoe	General Manager of Corporate Planning Department, Administrative Division
Managing Executive Officer	Hiroyuki Kaneko	General Manager of General Affairs Department, Administrative Division
Executive Officer	Koichi Iida	General Manager of Rice Cracker and Snack Development Department and Global Technical Development Department
Executive Officer	Hajime Takahashi	Head of Food Research and Development Center
Executive Officer	Akio Koizumi	General Manager of Production Division
Executive Officer	Hiroyuki Horita	General Manager of SCM Department
Executive Officer	Hiroyuki Horibe	General Manager of Overseas Business Department
Executive Officer	Ryusuke Miyake	General Manager of Marketing Department

## A Conversation among Outside Directors



### Governance to Accelerate the Transformation of Management and Business

#### KAMEDA SEIKA's Medium- to Long-Term Vision and the Mission of Outside Directors

Katsuo Shoyama  
Outside Director

Minesaburo Miyake  
Outside Director

Yoshio Ito  
Outside Director

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The Company is restructuring its Purpose, Vision, and Values in 2023 to promote KAMEDA SEIKA's further evolution.

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**Ito** To begin, I feel that the Company's initiatives in FY2023 to create a new Vision as a "Rice Innovation Company" helped to increase the sense of unity among the Group's employees. However, since the Group includes businesses other than rice crackers, the challenge going forward will be how to integrate all of the Group's businesses under this Vision.

**Miyake** I think the revamping of the Corporate Philosophy was particularly meaningful, especially for younger employees. In many companies, the corporate philosophy is not closely tied to the daily activities of employees, but at KAMEDA SEIKA, the Corporate Philosophy is connected to business development and could even serve as a guiding principle for employees. The new Vision has likely provided each employee with a valuable opportunity to reassess how they approach work. However, bringing the philosophy and actions into sync cannot be achieved overnight. It is important that top management and officers continue to communicate the thinking behind the Corporate Philosophy and the medium- to long-term vision and cultivate understanding and empathy with them among employees.

**Shoyama** The period from my appointment as a director of KAMEDA SEIKA in June 2022 through 2023 coincided with the formulation of the Long-Term Business Strategy to 2030. In corporate management and any other arena where people or organizations enter a new stage, friction can arise. The Company's directors and executive officers involved in formulating strategy also faced some challenges. However,

as you have both have pointed out, the revamping of the Corporate Philosophy bolstered the motivation of employees working on the front lines. It helped them to put the Purpose, Vision, and Values into practice in their daily work, and I think this is really significant for the future of the Company.

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**The important thing is that every employee understands the Company's direction and approaches work with a sense of personal ownership.**

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**Miyake** To share my thoughts on the role of directors in promoting the Long-Term Business Strategy to 2030, the Board of Directors primarily focuses on monitoring, so it has not been able to delve deeply into the details of strategies and measures. The Board has put together a framework, and now intends to flesh out the details through dialogue with all employees. This makes it even more important that the strategies and measures are understood and implemented on the front lines going forward. I think it is essential that each employee properly understands the Company's direction and acts with an awareness that they are participating in management. We must also ensure that employees implement the medium- to long-term growth strategy with a sense of personal ownership. To this end, I intend to take every opportunity to communicate the Company's direction.

**Ito** At Board of Directors meetings, each director provides opinions and proposals based on their respective expertise and background. For my part, I was involved for many years in manufacturing, a field where it is considered especially important to focus on metrics. I think it is critical to break down and visualize quantitative targets such as management objectives and business plans in relation to one's own division

“ 100 employees have 100 different sets of values. The important thing is to respect others and value opinions that differ from your own. ”

Katsuo Shoyama

and then consider how you can contribute to management. This kind of thought process can actually also be motivating for employees.

**Shoyama** The message from the CEO is that we should be profit oriented. The important thing here, as Mr. Miyake has indicated, is that employees on the front lines have a proper understanding of this and put it into practice in their daily work. It is also vital that the Company properly evaluates the initiatives of each person, and their achievements. I believe this continuous effort will lead to a profit-oriented corporate culture, and help to maintain and strengthen a highly profitable structure.



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**The role of outside directors is to contribute to sound and fair decision-making as stakeholder representatives.**

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**Ito** At Board of Directors meetings, there are lively exchanges of opinions, and I think that transparency and soundness of management are fairly well secured overall. However, when it comes to production and business structure reforms, my area of expertise, it is difficult for directors and executive officers alone to devise effective solutions. Since the reclassification of COVID-19 to a Class 5 infectious disease, we have had numerous discussions with the people in charge of each production-related division on topics such as manufacturing quality, productivity, risk, and DX. I have become increasingly aware that communication with the front lines is essential for the Board of Directors to make appropriate decisions. Due to time constraints, the Board of Directors has discussions on predetermined topics, and it is difficult to discuss peripheral

issues. Looking ahead, I think it might be necessary to create another forum for discussing issues.

**Shoyama** Outside directors are the representatives of the Company's stakeholders. Our role is to speak out from a neutral and unbiased standpoint, and this is also a strength. Intentionally giving a contrary opinion or suggesting options that differ from the proposals of the executive officers actually helps to stimulate discussion at Board meetings, and this has the power to enhance the effectiveness of governance.

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**The Company is working to ensure an open corporate culture where employees can think for themselves and speak freely.**

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**Miyake** Two years have passed since the launch of the new business structure. The CEO and COO both value communication

between officers and employees, and they also listen carefully to our opinions. However, the longer the current structure remains in place, the more likely it is that people will increasingly defer to top management, with the Board of Directors potentially turning into a mere rubber stamp for executive management decisions. To maintain the open corporate culture characteristic of KAMEDA SEIKA, where employees can think for themselves and speak freely, it is important that outside directors actively express their opinions to the executive side at Board meetings.

**Ito** The establishment of the Nomination and Remuneration Committee in February 2024 was extremely important for enhancing the effectiveness of governance. Organizational changes followed in April, with the establishment of the Food Business Division, which helped to increase business and operational efficiency. I consider this to be a significant management decision in terms of clarifying the responsibilities of each division. This series of initiatives has further reinforced the Company's management structure.

“ There is no single, definitive structure for the Board of Directors or Audit & Supervisory Board. The design of these institutions must allow for flexible adaptation in response to the times and direction of society. ”

Yoshio Ito

**Miyake** The majority of the Company's directors are outside directors. Given that the Board's independence and fairness was already sufficiently ensured, the majority of directors were previously of the opinion that a Nomination and Remuneration Committee was not really necessary. However, through continued discussion at Board meetings, the Company reached the conclusion that it would be desirable to transition to a new structure in order to increase transparency and fairness regarding the processes related to director nomination and remuneration, and to further strengthen governance functions. Accordingly, the Company established a voluntary Nomination and Remuneration Committee as an advisory body to the Board of Directors. I think this change to the governance structure has demonstrated to society that the Company is committed to pursuing transparent and sound management.

**Shoyama** Mr. Miyake is chair of the Nomination and Remuneration Committee, and as he noted, its establishment has been viewed as a groundbreaking decision that will go down in Company history. The two main roles of the committee are to nominate directors, including succession planning, and to determine whether the remuneration of directors is reasonable. As one of the committee members, I intend to contribute to the sound growth of KAMEDA SEIKA by ensuring the committee properly fulfills its roles.

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**With the addition of a female full-time Audit & Supervisory Board member, KAMEDA SEIKA's diversity has advanced a step further.**

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**Miyake** How do you both view institutional design for governance? I think the establishment of the Nomination and







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The foundation of a company's survival is its brand. By developing the global market and taking on the challenge of entering new business fields, the Company can enhance both the value of its products and corporate brand.

”

Minesaburo Miyake

Remuneration Committee has created a starting point for a discussion about the Company's institutional design going forward. The Group must decide whether its aim is to have executive officers dedicated to formulating and implementing strategy or directors who monitor management, or a combination of both. Discussions also need to be held about the fundamental roles of executive officers and directors. I think that the medium- to long- term vision, approach to governance, and employee career development need to be discussed in an integrated manner to clarify the ideal form for the Company.

**Ito** There is no single, definitive structure for the Board of Directors or Audit & Supervisory Board. The design of these institutions must allow for flexible adaptation in response to the times and direction of society. However, to further promote and stimulate discussion regarding Company management, I think that diversity in perspectives needs to be treated as an important issue. The appointment of Ms. Tanabe as a full-time Audit & Supervisory Board member is another indicator that the Company is serious about cultivating a diverse organizational culture.

**Shoyama** Reflecting on the concept of diversity, if there are 100 employees, there will be 100 different sets of values. As an individual hones their expertise, opinions on different issues will naturally diverge. The important thing is whether people can respect opinions that differ from their own—in other words, whether they can respect others. In the decision-making process, it is important that management considers various views and opinions and carefully thinks about whether they contribute to the Company's Vision and Purpose in order to make the optimal decision.

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**Outside directors will guide the Company's evolution into a "Rice Innovation Company" by utilizing their accumulated knowledge and experience.**

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**Miyake** Finally, with regard to the future of the KAMEDA SEIKA Group, it is currently grappling with various management issues, such as strengthening the overseas business and

rebuilding its business portfolio to secure new sources of earnings. One particularly important mission is to further establish the KAMEDA SEIKA brand in Japan and globally. The foundation of a company's survival is its brand. We will continue to provide recommendations and advice to enhance both the value of the Company's products and corporate brand. At the same time, we will work to ensure that the Corporate Philosophy, which is at the heart of the Company's brand, is passed on to the next generation.

**Ito** The Company continues to take on challenges in new fields, such as the food business and the overseas business, guided by its vision of becoming a "Rice Innovation Company." However, in global expansion, market characteristics differ in each country and region, and operational and management methods are different for BtoB and BtoC business models. The success the Company has experienced in the domestic rice cracker business does not necessarily translate overseas. It is important to continuously engage in trial and error, even while making non-critical mistakes from time to time, to build up knowledge and expertise. I will use my experience to provide support for the Company as it continues to take on challenges.

**Shoyama** The Long-Term Business Strategy to 2030 is both an internal guideline and an external commitment. KAMEDA SEIKA's credibility and evaluation in the market will be determined by whether or not it can uphold this commitment. The most important challenge from FY2024 onward will be to harness and bring together the capabilities of all divisions and employees, including those on the front lines, as the Company works to achieve its strategic goals. Moreover, based on the evaluation of governance effectiveness, the Company will look to further enhance its management structure, and strive to be a corporate group that is trusted by society.

# Corporate Governance

## Basic Approach

Corporate governance in the Company is a mechanism for ensuring management transparency, fairness, planning, and speed, and for organically linking business execution and supervision so that they function in a timely and appropriate manner, in order to realize the ideal corporate management to which the Company has aspired since it was founded (aiming to achieve sustained development of the business and enhancement of corporate value by building good relations with all stakeholders of the Company and meeting the needs of society), consistent with its Corporate Philosophy.

The Company considers strengthening and enhancing corporate governance to be an important management issue, and continuously works to build an effective governance system.













**Corporate Governance Policy**  
<https://www.kamedaseika.co.jp/en/company/policy/governance/>

In order to build a sound management system to respond to the heightened risks associated with globalization and other trends, and to realize an advanced monitoring model using outside directors, since June 2014 the Company has maintained the structure of a Board of Directors with highly independent outside directors comprising a majority of directors, and has worked to clarify the division of roles of management supervision and execution functions. We have also introduced an Executive Officer system to increase the speed of business execution. In addition, as a company with an Audit & Supervisory Board, the Company is strengthening functions for auditing and monitoring management while effectively utilizing the capabilities of Audit & Supervisory Board members.

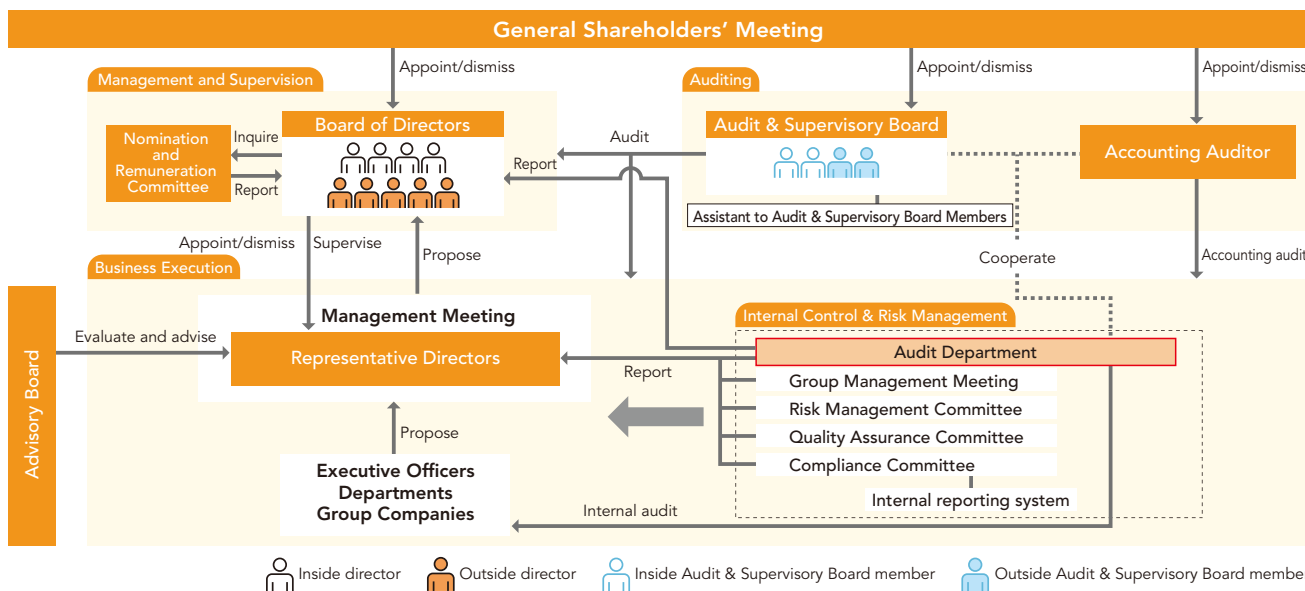
In addition, to ensure further objectivity, transparency, and fairness in the procedures for nomination and remuneration of directors, and to enhance the corporate governance structure, in February 2024 a voluntary and independent Nomination and Remuneration Committee was established directly under the Board of Directors. When requested by the Board of Directors, the Nomination and Remuneration Committee discusses matters related to the basic policy and determination method for nomination and remuneration of directors and provides a report to the Board of Directors.

## Corporate Governance Improvements

	Details	Composition of Board of Directors	Ratio of Outside Directors
FY2002	Advisory Board established		
FY2003	Executive Officer system introduced		0%
FY2006	Outside director system introduced		40%
FY2014	Outside directors become a majority		57%
FY2015	Chief officer system introduced (CEO, COO)		57%
FY2016	Number of directors increased		63%
FY2018	Corporate Governance Policy established		60%
FY2020	Number of directors increased		54%
FY2021	Evaluation of effectiveness by a third-party organization conducted		54%
FY2022	New management structure established		55%
FY2023	Voluntary and independent Nomination and Remuneration Committee established		55%

Note: As of the 67th General Shareholders' Meeting held on June 18, 2024, the Board of Directors included four inside directors and five outside directors.

## Corporate Governance Framework



## Overview of Important Meetings

(As of October 31, 2024)

	Member Composition	Independence	Meeting Frequency	Main Topics of Discussion in FY2023
Board of Directors	Lekh Raj Juneja Chairman & CEO Chairperson 4 inside directors 5 outside directors	56%	Once per month in principle	<p>(1) Discussion of medium- to long-term growth strategy</p> <ul style="list-style-type: none"> <li>Formulation of KAMEDA SEIKA Group Medium- to Long-Term Growth Strategy 2030</li> <li>Revision of each business strategy based on the medium- to long-term growth strategy</li> </ul> <p>(2) Discussion of issues of each business strategy</p> <ul style="list-style-type: none"> <li>Domestic rice cracker business: Financial foundation reinforcement and review of capital expenditures</li> <li>Overseas business: Progress of improvement in financial situation at Mary's Gone Crackers, Inc.</li> <li>Food business: Long-life preserved foods expansion strategy and factory investment</li> </ul> <p>(3) Response to sustainability issues</p> <ul style="list-style-type: none"> <li>Evaluation of the effectiveness of the Board of Directors and discussion of issues (establishment of Nomination and Remuneration Committee and other measures)</li> <li>Discussion of human capital management</li> <li>Reports from Quality Assurance Committee, Risk Management Committee, and Compliance Committee</li> <li>Response to material issues</li> </ul>
Audit & Supervisory Board	Jun Sasaki Full-time Audit & Supervisory Board Member Chairperson 2 full-time Audit & Supervisory Board members 2 outside Audit & Supervisory Board members	50%	Once per month in principle	<p>Related to operational audits: Audit plans, reports on audit activities, advance confirmation of proposals to be considered by the Board of Directors</p> <p>Related to accounting audits: Quarterly and year-end audit review, consideration of KAM,* evaluation of accounting auditor</p>
Management Meeting	Lekh Raj Juneja Chairman & CEO Chairperson 4 inside directors 10 executive officers (Full-time Audit & Supervisory Board members also attend as observers)	—	Once per week in principle	<p>Topics subject to decision-making: Discussion of policies (product policies, sales policies, etc.), capital investment and other items to be brought up in Board of Directors meetings</p> <p>Report and review topics: Business report monitoring, etc.</p>
Nomination and Remuneration Committee	5 outside directors 2 representative directors	71%	Four times per year in principle	<p>Established on February 1, 2024, with activities starting from FY2024.</p> <p>The committee will deliberate on matters including the basic policy, determination method, and other topics related to the nomination and remuneration of directors in response to requests from the Board of Directors.</p>

\* Key audit matters

### Board of Directors

The Board of Directors formulates management policies and management plans that form the core of the Company's management, in addition to establishing corporate governance through management and supervision of business operations and deliberation and decision-making on important matters, along with the supervision of important matters in Group companies.

### Audit & Supervisory Board

The Company has adopted the structure of a company with an Audit & Supervisory Board. The Audit & Supervisory Board meets to determine audit policies and annual audit plans, review the content of audits, and receives and discusses reports from the accounting auditor and Audit Department. Audit & Supervisory Board members attend important meetings such as meetings of the Board of Directors and also conduct audits of divisions and subsidiaries. The appointment of an employee to assist the duties of Audit & Supervisory Board members helps to strengthen the audit functions of Audit & Supervisory Board members.

### Management Meeting

In principle, Management Meetings are held weekly for inside directors and executive officers to make decisions on important matters pertaining to business operations and to deliberate matters for submission to the Board of Directors.

### Group Management Meeting

In principle, Group Management Meetings are held every six months. The meeting comprises inside directors and full-time Audit & Supervisory Board members as well as the presidents of Group companies. In addition to receiving reports on the status of business operations of Group companies, it discusses issues common to the whole Group such as the strengthening of internal controls.

### Advisory Board

The Company periodically holds Advisory Board meetings, made up of the two representative directors and four outside experts who provide evaluation and advice to the representative directors

on business strategies and management in general within the Group. The Advisory Board has not met since FY2021.

### Nomination and Remuneration Committee

The committee was established as a voluntary advisory body to the Board of Directors in February 2024. It will deliberate on matters including the basic policy, determination method, and other topics related to the nomination and remuneration of directors in response to requests from the Board of Directors, and will provide relevant reports to the Board.

### Quality Assurance Committee, Risk Management Committee, and Compliance Committee

In principle, meetings of each of these committees are held at least once per quarter to resolve various issues within the Group with the aim of quality assurance, risk management, and ensuring compliance throughout the entire Group.

## ● Diversity of the Board of Directors

The Company's Board of Directors is made up of directors with diverse values, and members are selected regardless of gender or nationality.

The basic stance is for highly independent outside directors to comprise a majority of the Board of Directors to enable lively deliberation and swift decision-making. The Company believes that inside directors must comprise members with a sense of balance, accomplishments, decisiveness, and diverse specialties enabling them to understand operations in general and act accordingly.

For outside directors, the Company seeks a good balance of various kinds of knowledge, experience and abilities by primarily appointing executives from the manufacturing sector to help it realize its new Vision of becoming a "Rice Innovation Company." The Company believes in bringing in executives with diverse perspectives, abundant experience, high-level insight and expertise. As such, the Company believes it can expect an advanced monitoring model by outside directors, and that it can create a sound management system for heightened risks from globalization and other trends.

Furthermore, as a food manufacturer, the Company believes that women's values and ideas are important as they purchase our products at a high rate. As such, it is necessary for women to be included among the members of the Board of Directors.

## ● Framework for Outside Directors

Highly independent outside directors comprise a majority of the Company's directors. Given this structure, the Company operates as follows.

The Company has not established "meetings consisting solely of independent directors" for the following reasons.

- "Meetings consisting solely of independent directors" are thought to be effective for rectifying an environment where few directors are outside directors and it is difficult for their opinions to be reflected, but the Company has appointed five outside directors, and believes it has created an environment where it is easy for outside directors to make comments and ensure their opinions are reflected in the matters being discussed.
- Outside directors are required to individually exercise their own outstanding expertise, but the Company believes that the establishment of "meetings consisting solely of independent directors" may result in a weakening of their independence, such as through forming a kind of common awareness, making it difficult to state opposing opinions.
- The Company believes that an effort can be made to ensure there is adequate understanding by providing outside directors with information that is of the same quality and content, such as minutes and reports of the Company's important meetings, giving due consideration so that there are no discrepancies in the information provided to each individual.

The Company has not appointed a lead independent outside director for the following reasons.

- Appointing a lead independent outside director may foster a sense of seniority among independent outside directors and an awareness of being dependent on the lead independent outside director.
- The Company believes that unification of opinions of outside directors is not necessarily required because outside directors are required to have their own outstanding knowledge and to individually exercise their own outstanding expertise.

## ● Appointment and Dismissal of Directors

### Nomination Policy for Director Candidates

The basic stance is for the Company's Board of Directors to have a maximum of 14 members to enable lively deliberation and swift decision-making and for highly independent outside directors to comprise the majority.

When nominating director candidates, the Chairman & CEO makes proposals according to the following criteria. Matters are deliberated by the Nomination and Remuneration Committee and resolved by the Board of Directors before being submitted to the General Shareholders' Meeting.

The Nomination and Remuneration Committee was established in February 2024. The committee will deliberate on matters including the basic policy, determination method, and other topics related to the nomination and remuneration of directors in response to requests from the Board of Directors.

### Appointment Criteria for CEO and COO

The Company has established criteria for the appointment of the CEO and the COO as follows.

#### [Ability]

- Must understand and be able to implement the Company's Corporate Philosophy
- Must have the ability to ascertain medium- to long-term trends in global society, and to devise and execute medium- to long-term plans accordingly

#### [Leadership]

- Must be able to communicate sincerely with officers and employees
- Must be able to lead and take initiative

#### [Resourcefulness]

- Must have personal appeal, fortitude, depth, and generosity
- Must correctly understand own capabilities, and have a stance of supplementing own shortcomings by coordinating with others

In addition, the Company has formulated a succession plan for the CEO and the COO. The status and results of the plan are deliberated by the Nomination and Remuneration Committee before being considered at a meeting of the Board of Directors. The Board then decides on the CEO and COO by considering the opinions of management executives and outside officers and assessments such as 360-degree evaluations with reference to the content considered in the succession plan and the CEO and COO appointment criteria.

If it is found that the CEO or the COO is not functioning adequately, if there are serious concerns with corporate governance such as a scandal, if the Company's performance deteriorates significantly, or if qualification under the CEO and COO appointment criteria cannot be met, after deliberation by the Nomination and Remuneration Committee, the Board of Directors will discuss and determine the dismissal of the CEO or the COO.

#### Succession Plan

The Company has formulated a succession plan that includes evaluation of business operations and designated training, as well as assessments such as 360-degree evaluations and personal interviews with outside directors, and verifies the state and results (process) of the plan's operation in each meeting of the Board of Directors.

## ● Evaluation of Effectiveness of the Board of Directors

The Company analyzes and evaluates the effectiveness of the Board of Directors once per year, and discloses an overview of the results. An evaluation of effectiveness was conducted in collaboration with a third-party organization in FY2023.

Evaluation Methodology	<ul style="list-style-type: none"> <li>• A questionnaire was prepared by the third-party organization, and answered by all directors and Audit &amp; Supervisory Board members (15 persons).</li> <li>• The results of the questionnaire were compiled and analyzed by the third-party organization.</li> </ul>
Survey Items and Content	<ol style="list-style-type: none"> <li>① Status and monitoring function of the Board of Directors (discussion of the status and design of the Board of Directors)</li> <li>② Structure and size of the Board of Directors (scale, number of members, expertise, and diversity)</li> <li>③ Operation of the Board of Directors (appropriateness of the number and duration of Board of Directors meetings, provision of materials, and agenda)</li> <li>④ Performance of inside and outside directors (reports, explanations, and roles)</li> <li>⑤ Training of directors and Audit &amp; Supervisory Board members (training opportunities)</li> <li>⑥ Relationship with shareholders and investors (system for dialogue with shareholders and investors, feedback of shareholder and investor opinions to the Board of Directors, etc.)</li> </ol>
Evaluation Results	<p>The Board of Directors was evaluated as having maintained its effectiveness by ensuring diversity in skills and experience, such as by having a majority of independent outside directors and a number of directors with experience in the management of listed companies, as well as through the active sharing of opinions by independent officers, including independent outside Audit &amp; Supervisory Board members, and by having an appropriate annual meeting schedule and prior notification of items for discussion. On the other hand, similar to the issues identified in the previous evaluation of the Board of Directors, the need for more active discussions at Board meetings was again identified as an issue, including on topics such as institutional status, composition of the Board of Directors, nomination and remuneration of directors, and succession plan for the CEO.</p>
Initiatives Based on Evaluation Results	<ul style="list-style-type: none"> <li>• Establishment of a voluntary, independent Nomination and Remuneration Committee (February 2024)</li> <li>• Reduced the number of directors (reduced by 2 from 11 to 9 at the General Shareholders' Meeting in June 2024)</li> </ul>

## ● Support for Outside Executives and Executive Training

### Support for Outside Executives

- The Company has established a Board of Directors Administrative Office in the Corporate Planning Department to ensure smooth operation of the Board of Directors and active deliberation, and provides important meeting content, etc., concerning information thought to be necessary to outside directors and outside Audit & Supervisory Board members. Furthermore, in principle, materials for meetings of the Board of Directors are distributed no later than three days before the meeting is held, and briefings are provided in advance for some agenda items.
- The Company has appointed one assistant to the Audit & Supervisory Board members to assist in the preparation of materials for the Audit & Supervisory Board and to provide audit assistance for various investigations and materials upon request.
- The Company determines the annual schedule of the Board of Directors and the main agenda items for the year, and ensures there is time for deliberation of each matter on each meeting day, thereby ensuring that sufficient deliberation is possible. Furthermore, based on the results of an evaluation of the effectiveness of the Board of Directors conducted by a third-party organization in FY2021, the number of agenda items for the Board of Directors has been reduced and efforts have been made to ensure sufficient time for discussion.
- Similarly, based on the results of the effectiveness evaluation conducted in FY2021, we are working to regularly schedule plant inspections by directors (including through periodic Board of Directors meeting at Company plants). In November 2023, a Board meeting was held after a tour of the Kameda Plant.

### Executive Training

When an outside director or an outside Audit & Supervisory Board member joins the Company, plant tours and other training activities are carried out to provide the necessary knowledge on the industry to which the Company belongs, the Company's

history, an overview of the business, financial information, management strategies, organizations, and other matters. In addition, external and other organizations are utilized to conduct training to provide directors and executive officers with management skills in order to develop better leadership and skills for fostering management strategies. Furthermore, Audit & Supervisory Board members actively participate in various training sessions and meetings to exchange views with other industry participants in an effort to improve auditing and supervision skills related to operations and accounting.

## ● Executive Remuneration

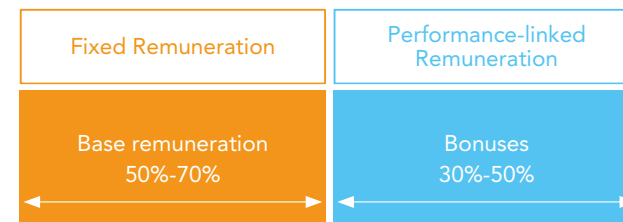
### Basic Approach

The basic policies on the Company's executive remuneration are as described below, and the details thereof are deliberated and resolved by the Board of Directors after deliberation by the voluntary, independent Nomination and Remuneration Committee.

- To raise awareness among management of the emphasis on shareholder benefits through improvement of corporate value and sustainable growth.
- To ensure a high degree of linkage with business performance that incentivizes achievement of Company performance goals.
- To ensure that the procedures used to determine remuneration are transparent and objective.

### Overview of Remuneration System

Remuneration for non-executive directors and directors other than outside directors is made up of base remuneration (which is fixed remuneration) and bonuses (which are linked to the Company's performance).



#### • Base Remuneration

The amount of base remuneration of each director is determined by the position that links to his or her roles and responsibilities, and is paid out as fixed monthly remuneration, within the limits prescribed at the General Shareholders' Meeting.

Non-executive directors, outside directors and Audit & Supervisory Board members (both inside and outside members) occupy non-executive, independent positions, and as such they only receive fixed remuneration.

#### • Bonuses

Bonuses are assessed on indicators that include consolidated net sales, consolidated operating income, consolidated return on equity (ROE) and net income attributable to owners of the parent, emphasizing the link with the performance of Group companies, as well as corporate value and shareholder value.

Under the bonus system, the amount to be paid is calculated based on the degree to which the targets are achieved, varying between 0% and 150% with 100% being paid if targets are achieved, and the total amount of bonuses is proposed at the ordinary General Shareholders' Meeting for the applicable business year, and paid promptly after the resolution of the proposal.

#### • Remuneration Ratios

The ratio of performance-linked remuneration to total remuneration is designed to be higher for higher-ranked positions, in accordance with each position's title, etc., and is generally around 30%-50% if performance targets are achieved.

### Procedures Used to Determine Remuneration

In order to ensure transparency and objectivity regarding remuneration levels and the suitability of remuneration amounts, a voluntary and independent Nomination and Remuneration Committee has been established directly under the Board of Directors. The committee is composed of five or more directors, with a majority of independent outside directors, one of whom is elected as the committee chair. After deliberation by the committee, remuneration levels and amounts are determined by deliberation and resolution of the Board of Directors.

The Company does not currently provide remuneration linked to medium- to long-term performance or share-based remuneration. The Company believes that there should be a balance between remuneration of the management team and improvement of the standard of living of employees, and believes that the current system of submitting proposals for bonuses based on the Company's performance to the General Shareholders' Meeting for approval is appropriate for executive directors.

With regards to the remuneration system, the Nomination and Remuneration Committee will deliberate on matters including the basic policy, determination method, and other topics related to the nomination and remuneration of directors, including incentives,

### Total Amount of Executive Remuneration (FY2023)

Executive Category	Total Remuneration (Millions of yen)	Base Remuneration (Millions of yen)	Performance-linked Remuneration (Millions of yen)	Non-cash Remuneration	Number of People
Directors (excluding outside directors)	246	170	76	—	5
Audit & Supervisory Board members (excluding outside Audit & Supervisory Board members)	35	35	—	—	2
Outside executives	96	96	—	—	8

etc., paid in connection with contributions to the Company's performance.

### Cross-Shareholdings

The Company holds shares of other companies for strategic purposes such as maintaining and developing good business relationships. Furthermore, the Company reviews each shareholding that is found not to have significant meaning.

Each fiscal year, the Board of Directors reviews the appropriateness of cross-shareholdings by reviewing the outlook of business relationships with the companies in which they are held, and carefully assessing whether the benefits and risks associated with holding them are commensurate with the Company's capital costs.

In principle, the Company exercises its voting rights for all cross-shareholdings from the perspective that appropriately exercising voting rights leads to enhancement of medium- to long-term value and sustained growth of the companies in which it invests. Furthermore, when voting, the Company makes specific decisions to approve or not for individual proposals.

### Ratio of Cross-Shareholdings to Net Assets

	FY2020	FY2021	FY2022	FY2023
Consolidated net assets (a) (Millions of yen)	59,895	66,046	67,996	73,718
Amount on consolidated balance sheet (b) (Millions of yen)	2,178	2,262	2,113	2,625
Ratio (b ÷ a)	3.6%	3.4%	3.1%	3.6%

## Compliance

### Basic Approach

Today, companies are called on not simply to fulfill their legal obligations, but to behave in line with values and ethics befitting a good corporate citizen and member of society.

The KAMEDA SEIKA Group's Purpose is to contribute to a nice lifestyle with the blessings of rice to further refine the value of excellent flavor, health, and excitement. The creation of better products and services must be backed by the conduct of each employee in practicing corporate ethics in compliance with all laws, regulations and internal rules that apply to our business activities, and in following social norms.

We have formulated the KAMEDA SEIKA Group Code of Conduct, as well as the KAMEDA SEIKA CO., LTD. Code of Conduct and Bylaws as internal Company regulations. Based on these, we have established the KAMEDA SEIKA Group Compliance Regulations to help prevent, quickly detect, and correct issues including misconduct, and to enhance compliance management. The Compliance Committee, chaired by the President & COO, promotes compliance management and, in the event of a compliance violation, takes rigorous action, including disciplinary measures, based on internal regulations. This committee met 10 times in FY2023.



KAMEDA SEIKA Group Code of Conduct  
[www.kamedaseika.co.jp/company/compliance/](http://www.kamedaseika.co.jp/company/compliance/) (Japanese only)

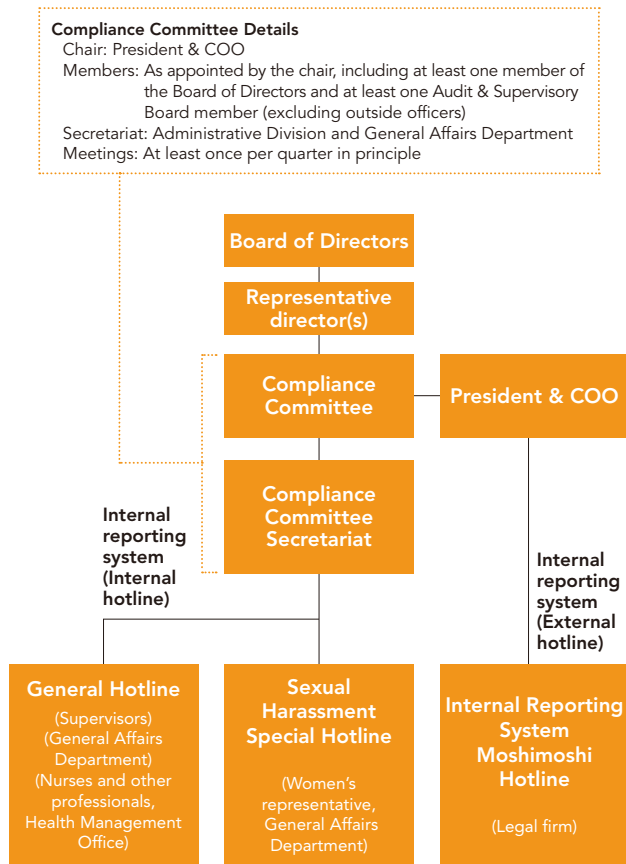
Furthermore, we have coined "Seven Key Phrases" from the KAMEDA SEIKA Group Code of Conduct and display them at worksites as a way to further promote compliance awareness.

#### Seven Key Phrases

- 1 Be customer-oriented
- 2 Respect nature
- 3 Follow the rules
- 4 Clearly distinguish between business and private
- 5 Be honest and transparent
- 6 Conduct fair business dealings and build fair interpersonal relationships
- 7 Do not engage in, encourage or overlook misconduct

Several measures help to cultivate and spread a compliance mindset within the Group. The Compliance Guidebook is distributed to the officers and employees of KAMEDA SEIKA and its domestic consolidated subsidiaries, and local translations of the KAMEDA SEIKA Group Code of Conduct and employee handbooks tailored to each company are distributed at overseas consolidated subsidiaries. In addition, we formulate and implement compliance regulations with the aim of promoting awareness and ensuring the practice of compliance.

### Compliance Organization



### Anti-Bribery Initiatives

The KAMEDA SEIKA Group Code of Conduct states that, “in its business activities, the KAMEDA SEIKA Group shall comply with laws and regulations, prohibit the provision of unfair profits or benefits to any particular person(s), and engage in fair and honest transactions.” Furthermore, given growing global demand for stronger anti-bribery measures, the Group has established an Anti-Bribery Policy.

We work to prevent bribery, based on our Anti-Bribery Policy, and to maintain and further raise the level of public trust in the KAMEDA SEIKA Group in Japan and all other countries and regions where we operate.

**Anti-Bribery Policy**  
<https://www.kamedaseika.co.jp/en/company/policy/anti-bribery/>

### Internal Reporting System

To ensure the early detection, correction, and prevention of potential legal or regulatory violations and misconduct, we have established an internal reporting system with internal and external points of contact for reporting and consultation that employees can use anonymously if they wish. We also provide information about the use of the internal reporting system to officers and employees by posting the KAMEDA SEIKA Group Whistleblower Protection Rules through groupware and by distributing the Compliance Guidebook. In addition, we have established the Moshimoshi Hotline, an external point of contact at a legal firm.

KAMEDA SEIKA and its consolidated subsidiaries in Japan have compliance committees that work with the manager in charge of the relevant department to investigate reports and the details of consultations, and to report the results to KAMEDA SEIKA's President & COO and the Board of Directors as necessary. Based on the investigation results, the President & COO, the representative directors and presidents of consolidated subsidiaries in Japan, and officers in charge take necessary corrective measures.

In accordance with the KAMEDA SEIKA Group Whistleblower Protection Rules, the confidentiality of information is strictly maintained absent legitimate legal grounds, and unfavorable treatment of whistleblowers is prohibited.

#### Reporting Eligibility\*

- Officers and employees of KAMEDA SEIKA (including people whose retirement date was within one year of the date of the report)
- Officers and employees of consolidated subsidiaries (including people whose retirement date was within one year of the date of the report)

\* All of our overseas consolidated subsidiaries have established internal reporting systems.

### Consultations via the Moshimoshi Hotline External Point of Contact

FY	Number of Consultations
2019	1
2020	1
2021	3
2022	2
2023	4



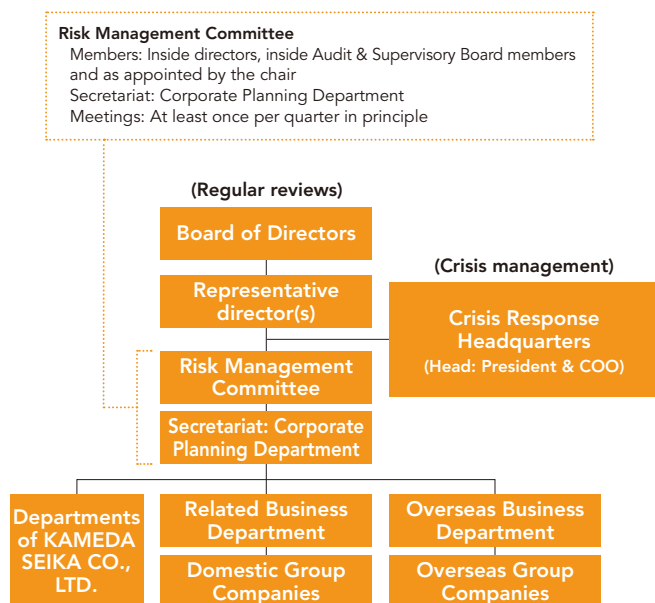
# Risk Management

## Basic Approach

The Group strives for more stable operations by implementing appropriate countermeasures that address the various risks impacting its business activities, as it works toward ensuring corporate sustainability and achieving management targets. We identify risks that could have a major impact on the Group's operations, prioritize them based on their potential degree of damage and probability of occurrence, and implement countermeasures.

Climate change can impact crops, heavy rainfall can cause flooding of plants, and earthquakes can disrupt logistics and transport networks. These are among the major environment- and society-related sustainability risks that we recognize as threats to our business activities. These risks fall into four major categories—core process risks, disaster and accident risks, external environmental risks and compliance risks—and we implement risk reduction activities for each category.

## Risk Management Framework



Risk management is led by the Company's Risk Management Committee, which convened four times in FY2023. In accordance with the Group Risk Management Regulations, each year the committee formulates specific action plans to manage major risks that may materialize and have a serious impact on operations in terms of the business continuity of the Company and individual Group companies. Doing so ensures the effectiveness of risk management activities. The committee also promotes activities and considers measures for preventing risks from manifesting. Furthermore, the Audit Department creates an annual internal audit plan based on risk assessments and conducts risk-based audits.

In addition, we invite external experts to present Crisis Management Seminars to enhance officer and employee awareness of how to respond in a crisis. We have also introduced a Crisis Management Manual based on hypothetical risk scenarios and formulate plans and conduct simulation drills of procedures for specific risks and our business continuity plan (BCP) so we can respond rapidly and minimize damage.

In the event that a risk does manifest, we immediately establish a Crisis Response Headquarters and initiate prompt responses and disclosure as appropriate in accordance with the procedures stipulated in the Crisis Management Manual. In FY2023, we established a Crisis Response Headquarters in accordance with the Group Risk Management Regulations, and responded to relevant risks based on the Crisis Management Manual.

## Business Continuity Plan (BCP)

The Company has formulated a business continuity plan (BCP), which is an action plan for responding to incidents such as contamination, scandal, or natural disaster, in order to ensure that supply of products is not disrupted.

### Main Initiatives

#### (1) Confirm employee safety

The Company has introduced a safety confirmation system. If a disaster such as an earthquake occurs, the system sends out a safety confirmation email to officers and employees. The information can then be viewed by a supervisor and the risk control officer, allowing them to assess the situation. We regularly test the safety confirmation system to make sure it is ready for an unexpected event.

Moreover, to address various risks overseas, such as incidents and natural disasters, we have introduced a system to confirm the safety of personnel stationed at overseas Group companies, and their families. The system is managed by the Company's Overseas Business Department.

#### (2) Supplies

The Company has installed emergency telephones and stockpiled disaster preparedness supplies at its locations in Japan.

#### (3) BCP for information systems

Based on case studies of past natural disasters, we have been formulating a BCP for our information systems.

We are implementing measures to prevent over-centralization of information systems, preparing ordering and shipping systems, safeguarding against data loss due to natural disasters, and ensuring system operation by installing generators for use during power outages.

## Information Security

Among the variety of regulations that we have established to address information security risks are the Document Retention Regulations, the Personal Information Protection and Management Rules, the KAMEDA SEIKA Group Information Management Regulations and the KAMEDA SEIKA Group Information System Regulations. Furthermore, we conduct awareness-raising and other initiatives to prevent inappropriate information management and leakage of confidential information.

We recognize that the implementation of security measures for Group-wide information system management is an important issue in promoting the use of IT. KAMEDA SEIKA regularly undergoes external evaluations by a specialized security company. Based on these evaluations, we implement specific countermeasures, regularly replace aging communication equipment, and conduct information security training for officers and employees. Furthermore, we conduct security inspections at Group companies in Japan and overseas to understand the current situation, identify issues and consider countermeasures.

### Major Business-Related Risks

Area		Risk	Countermeasures
Core Process Risk	Raw Material and Product Safety	<ul style="list-style-type: none"> <li>Cessation of production activities due to issues with raw materials or manufacturing processes</li> <li>Recall of products, suspension of sales or other problems due to the above issues</li> </ul>	<ul style="list-style-type: none"> <li>Strengthen quality assurance system, primarily through the Quality Assurance Committee</li> <li>Hold Group Quality Assurance Personnel Meetings</li> </ul>
	Information Security	<ul style="list-style-type: none"> <li>System dysfunction or loss of internal data due to disaster or other issues</li> <li>Leakage or falsification of internal information due to unexpected cyberattacks, unauthorized access, computer virus infection, or other issues</li> <li>System outages, malfunctions, etc., due to system changes</li> </ul>	<ul style="list-style-type: none"> <li>Develop various regulations for the appropriate storage and management of information, including the Document Retention Regulations, the Personal Information Protection and Management Rules, the KAMEDA SEIKA Group Information Management Regulations and the KAMEDA SEIKA Group Information System Regulations</li> <li>Receive periodic external evaluation by a specialized security company and specific responses based on the evaluation</li> </ul>
Disaster/Accident Risk	Natural Disaster, Pandemic or Major Accident	<ul style="list-style-type: none"> <li>Loss of production and sales bases, safety hazards to employees, supply chain disruptions, etc., due to concentration of management infrastructure in the Kaetsu region of Niigata Prefecture</li> <li>Loss of public confidence due to fire or other major accident</li> </ul>	<ul style="list-style-type: none"> <li>Develop Crisis Management Manual</li> <li>Establish risk-specific countermeasures and business continuity plans (BCPs) and conduct periodic reviews</li> <li>Introduce employee safety confirmation system and conduct periodic drills</li> </ul>
	Environment	<ul style="list-style-type: none"> <li>Response to climate change</li> </ul>	<ul style="list-style-type: none"> <li>For more details, see "Disclosure Based on the TCFD Framework" on pages 31 to 32.</li> </ul>
	Supply Chain	<ul style="list-style-type: none"> <li>Impact of factors such as weather, crop yields and market prices on procurement volume and cost, given that our main raw materials are agricultural products</li> <li>Impact on procurement cost from factors relating to raw materials in general, such as demand trends and fuel costs</li> <li>Instability of product supply due to issues related to logistics</li> </ul>	<ul style="list-style-type: none"> <li>Secure stable amounts/volumes and avoid overdependence on specific suppliers through diversified procurement in terms of raw material varieties, production regions and other factors</li> <li>Enter into multi-year contracts for raw materials, etc., tied to specified varieties or production regions</li> </ul>
External Environment Risk	Changes in Distribution and Competition	<ul style="list-style-type: none"> <li>Loss of sales opportunities or reduced sales prices due to changes such as those in the management environment or sales plans of specific companies or industries</li> <li>Product obsolescence or loss of sales opportunities due to launch of new products or sales campaigns by competitors</li> </ul>	<ul style="list-style-type: none"> <li>Dispatch field staff to retailers for detailed follow-up</li> </ul>
	Situation in Overseas Business	<ul style="list-style-type: none"> <li>Issues such as reduction in demand, suspension of operations or supply shortage in the countries/regions in which we do business caused by dramatic changes in economic, political, social or other conditions, or due to food safety, climate change or natural disaster</li> <li>Changes in results due to exchange rate fluctuations</li> </ul>	<ul style="list-style-type: none"> <li>Dispatch core personnel from KAMEDA SEIKA to Group companies overseas</li> <li>Support management, oversight and operation of overseas Group companies through KAMEDA SEIKA's Overseas Business Department</li> </ul>
	Human Resources Retention and Development	<ul style="list-style-type: none"> <li>Changes in the labor market and reduction in Japan's working population due to aging of society and low birthrate</li> <li>Difficulty in securing excellent human resources necessary for business activities and delays to training plans</li> </ul>	<ul style="list-style-type: none"> <li>Hire external talent and foreign nationals; build an organization that is free from discrimination based on gender or age</li> <li>Respect diverse values and cultivate an organizational culture that encourages people to take on challenges</li> <li>Create a flexible working environment (telework, flextime, limited shift work, Happy Return system, etc.)</li> </ul>
Compliance Risk	Laws, Regulations and Other Issues	<ul style="list-style-type: none"> <li>Restrictions on business activities due to more stringent legal regulations, including local laws and regulations in areas where the KAMEDA SEIKA Group is expanding, and enforcement of new regulations</li> <li>Serious violations of laws and regulations</li> <li>Increase in lawsuits and resignations due to human rights issues, including those related to forced labor and harassment</li> </ul>	<ul style="list-style-type: none"> <li>Provide support from related departments at KAMEDA SEIKA</li> <li>Hold compliance committee meetings at KAMEDA SEIKA and its consolidated subsidiaries</li> <li>Implement audit system upgrades through the Audit Department</li> </ul>

### Risk Map

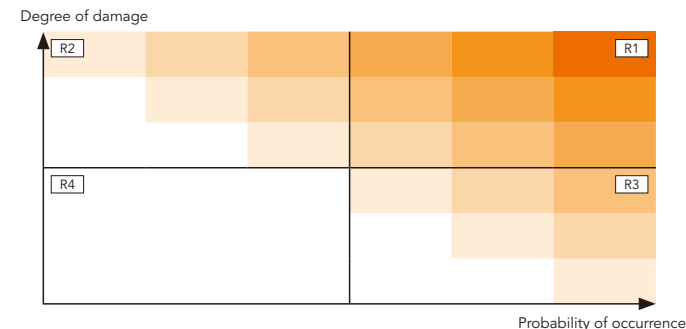
We evaluate risks we anticipate from changes in the internal and external business environment on two axes: degree of damage to the KAMEDA SEIKA Group, and probability of occurrence. We then classify risk materiality in categories from Risk 1 (R1) to Risk 4 (R4).

Furthermore, we create risk maps by classifying various risks into four categories: core process risks, disaster and accident risks, external environment risks, and compliance risks.

The major business-related risks above cover Risk 1 (R1) to Risk4 (R4) in the risk map.

For risk maps, we select risks that KAMEDA SEIKA and its consolidated subsidiaries should address, and each company's risk management committee acts to reduce risks based on the risk maps and periodically reviews them.

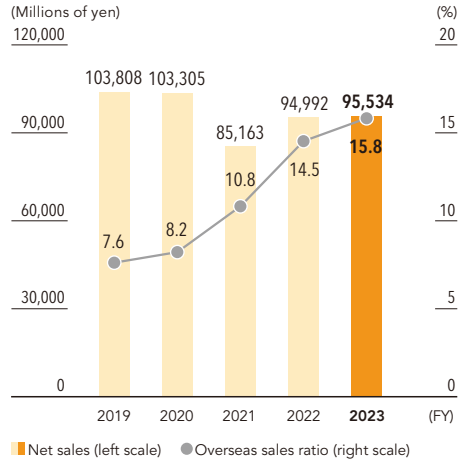
KAMEDA SEIKA's Risk Management Committee reports once per year to the Board of Directors regarding Groupwide risk reduction activities and other matters.



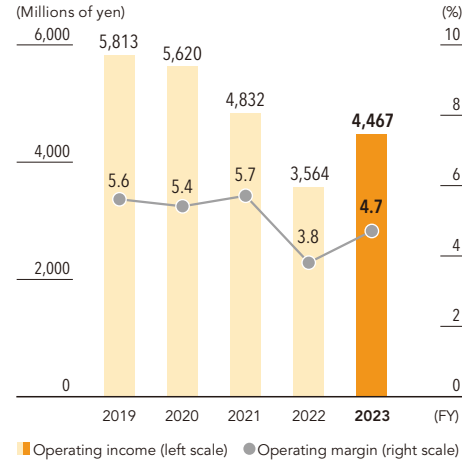
# Financial Highlights (Consolidated)

Note: From FY2021, figures are presented after applying the Accounting Standard for Revenue Recognition.

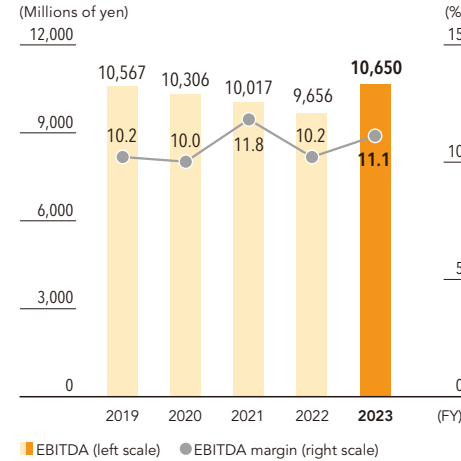
### Net Sales and Overseas Sales Ratio



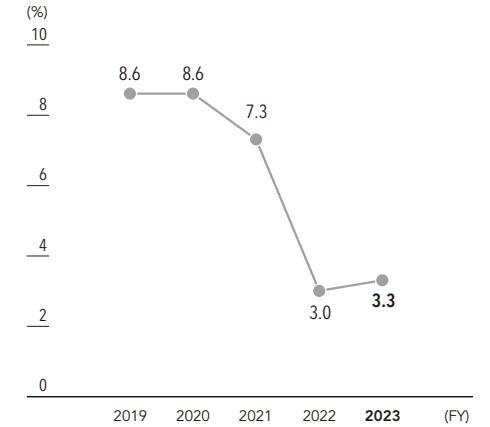
### Operating Income and Operating Margin



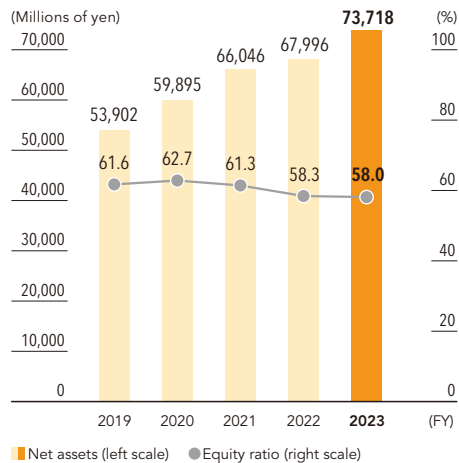
### EBITDA and EBITDA Margin



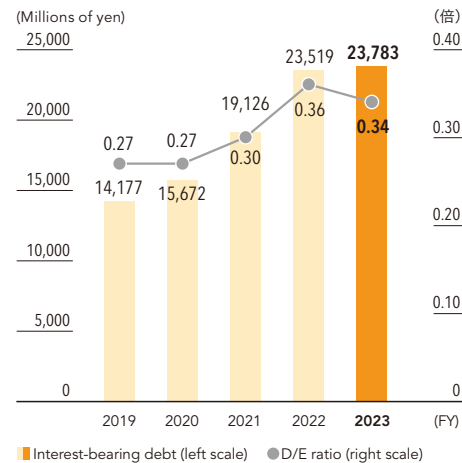
### ROE



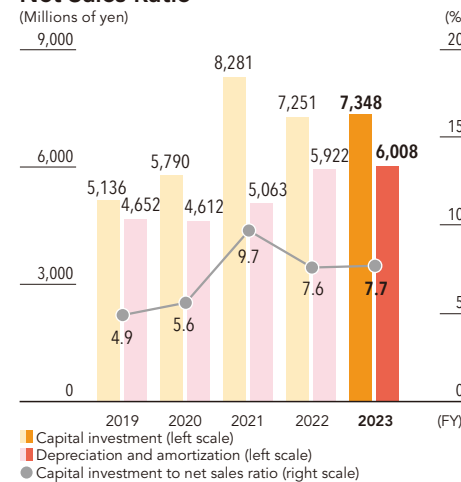
### Net Assets and Equity Ratio



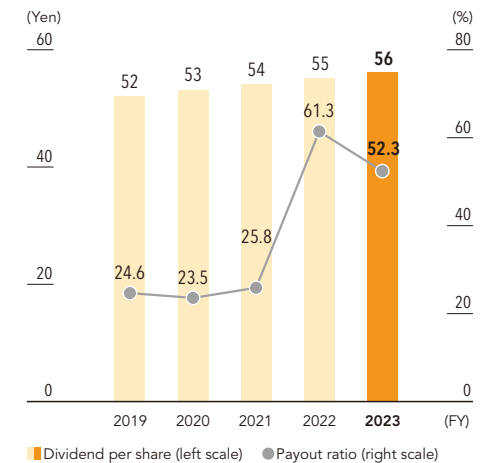
### Interest-Bearing Debt and D/E ratio



### Capital Investment, Depreciation and Amortization and Capital Investment to Net Sales Ratio

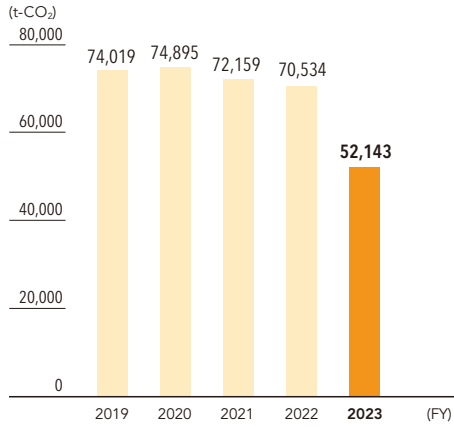


### Dividend per Share and Payout Ratio



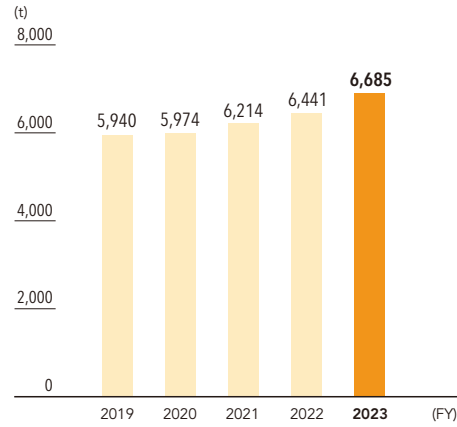
# Non-Financial Highlights

## Total Greenhouse Gas Emissions (Scope 1 and 2)



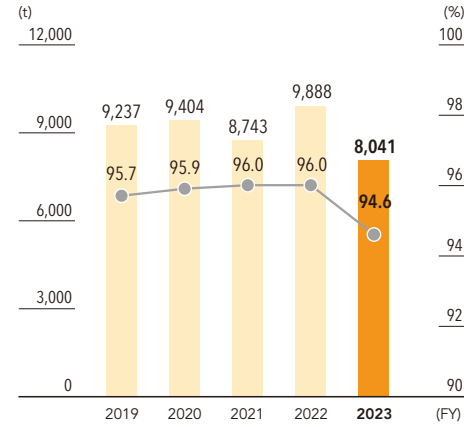
Scope: KAMEDA SEIKA CO., LTD., Ajicul Co., Ltd., and Toyosu Co., Ltd. (Niigata Plant)\*  
\* Included in scope up to FY2021

## Amount of Plastic Used



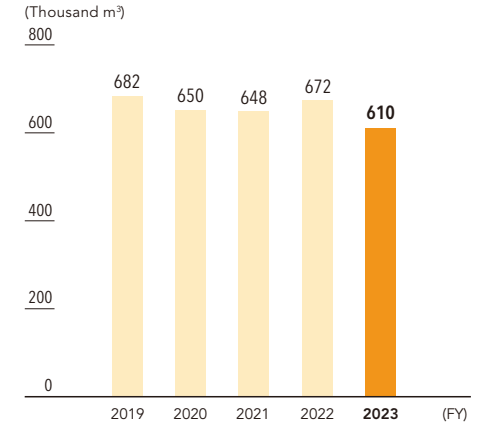
Scope: KAMEDA SEIKA CO., LTD. and domestic consolidated subsidiaries

## Waste Generated and Recycling Rate



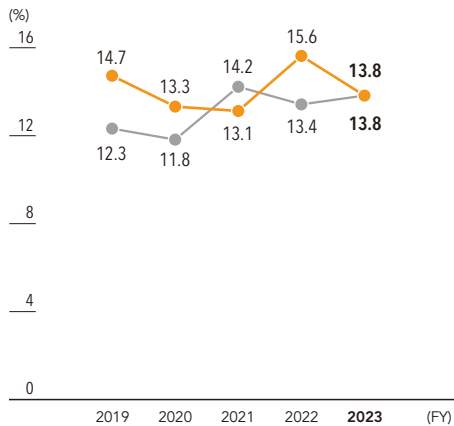
■ Waste generated (left scale) ● Recycling rate (right scale)  
Scope: KAMEDA SEIKA CO., LTD. and domestic consolidated subsidiaries

## Amount of Water Used



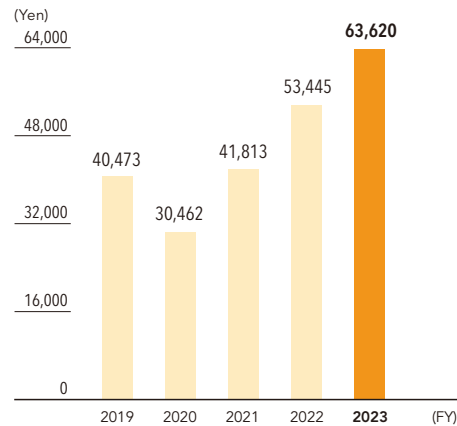
Scope: KAMEDA SEIKA CO., LTD. and domestic consolidated subsidiaries

## Ratio of Female Managers and Ratio of Female Supervisors



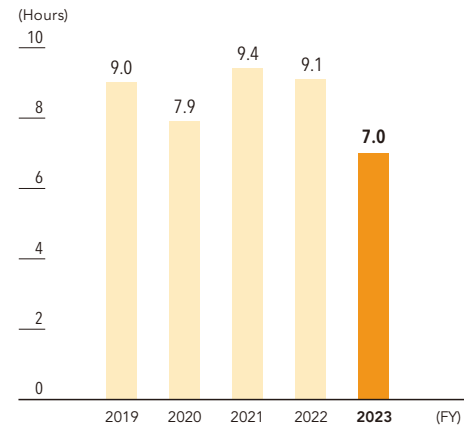
● Ratio of female managers ● Ratio of female supervisors  
Scope: KAMEDA SEIKA CO., LTD.

## Average Annual Investment in Education per Employee



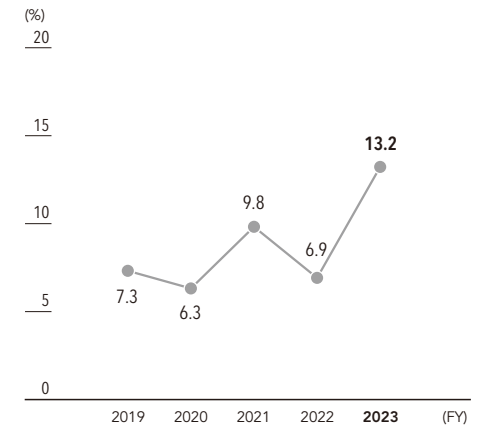
Scope: KAMEDA SEIKA CO., LTD.

## Average Number of Overtime Hours per Month



Scope: KAMEDA SEIKA CO., LTD.

## Turnover Rate of New Graduate Employees within Three Years of Hiring



Scope: KAMEDA SEIKA CO., LTD.

# 11-Year Financial and Non-Financial Highlights (Consolidated)

Fiscal years ended March 31 of the following year

Note: From FY2021, figures are presented after applying the Accounting Standard for Revenue Recognition.

		FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
<b>Business Results</b>												
Net sales	(Millions of yen)	92,832	94,849	97,316	98,206	99,522	100,041	103,808	103,305	85,163	94,992	95,534
Operating income	(Millions of yen)	2,991	4,001	4,579	5,618	5,007	5,338	5,813	5,620	4,832	3,564	4,467
Operating margin	(%)	3.2	4.2	4.7	5.7	5.0	5.3	5.6	5.4	5.7	3.8	4.7
Ordinary income	(Millions of yen)	4,215	5,127	6,108	7,122	6,451	6,573	6,909	6,889	6,068	5,215	6,798
Net income attributable to owners of the parent	(Millions of yen)	2,400	3,317	3,953	2,702	4,110	4,402	4,463	4,757	4,419	1,892	2,257
<b>Financial Position</b>												
Total assets	(Millions of yen)	66,130	67,167	72,597	72,606	77,052	83,251	85,825	92,888	103,421	111,182	120,510
Net assets	(Millions of yen)	37,726	43,000	43,451	44,319	48,005	52,056	53,902	59,895	66,046	67,996	73,718
Equity ratio	(%)	56.1	63.2	59.4	60.8	62.0	61.3	61.6	62.7	61.3	58.3	58.0
Ratio of ordinary income to total assets	(%)	6.4	7.7	8.7	9.8	8.6	8.2	8.2	7.7	6.2	4.9	5.9
Interest-bearing debt	(Millions of yen)	7,301	5,679	7,594	7,958	10,429	13,089	14,177	15,672	19,126	23,519	23,783
D/E ratio	(Times)	0.20	0.13	0.18	0.18	0.22	0.26	0.27	0.27	0.30	0.36	0.34
ROE	(%)	6.8	8.3	9.2	6.2	8.9	8.9	8.6	8.6	7.3	3.0	3.3
ROIC	(%)	4.3	5.6	6.0	7.6	6.3	6.1	6.2	5.6	4.3	2.9	3.4
<b>Cash Flows</b>												
Cash flows from operating activities	(Millions of yen)	5,936	7,637	6,473	7,435	7,351	6,964	8,048	8,671	8,305	8,285	9,730
Cash flows from investing activities	(Millions of yen)	(5,422)	(4,722)	(5,539)	(8,558)	(8,324)	(7,283)	(7,631)	(6,337)	(9,841)	(8,442)	(8,140)
Cash flows from financing activities	(Millions of yen)	(1,627)	(2,595)	224	(1,001)	1,376	755	(161)	(257)	1,198	972	(1,255)
Free cash flow	(Millions of yen)	513	2,915	934	(1,123)	(973)	(318)	416	2,333	(1,535)	(157)	1,590
<b>Per-Share Indicators</b>												
Earnings per share	(Yen)	113.83	157.32	187.51	128.17	194.95	208.78	211.71	225.62	209.63	89.78	107.06
Net assets per share	(Yen)	1,760.06	2,011.81	2,046.26	2,092.11	2,267.58	2,418.97	2,508.48	2,761.24	3,007.78	3,076.11	3,317.24
Annual dividend per share	(Yen)	26.00	31.00	36.00	42.00	49.00	51.00	52.00	53.00	54.00	55.00	56.00
Payout ratio	(%)	22.8	19.7	19.2	32.8	25.1	24.4	24.6	23.5	25.8	61.3	52.3
<b>Other</b>												
Capital investment	(Millions of yen)	6,329	4,496	6,262	9,917	7,466	7,452	5,136	5,790	8,281	7,251	7,348
Depreciation and amortization	(Millions of yen)	4,081	4,310	4,390	4,494	4,082	4,001	4,652	4,612	5,063	5,922	6,008
Research and development expenses	(Millions of yen)	939	976	1,036	935	956	1,003	1,117	1,139	1,056	1,091	1,124
Ratio of research and development expenses to net sales	(%)	1.01	1.03	1.07	0.95	0.96	1.00	1.08	1.10	1.24	1.15	1.18
<b>Non-Financial Indicators</b>												
Number of employees		3,048	3,043	3,049	3,152	3,428	3,197	3,379	3,362	3,776	3,858	4,040
Female employee ratio*	(%)	34.8	35.1	35.4	35.4	41.4	39.7	39.3	38.7	40.9	42.4	44.0
Female manager ratio*	(%)	3.9	6.5	8.4	11.0	10.6	10.4	14.7	13.3	13.1	15.6	13.8

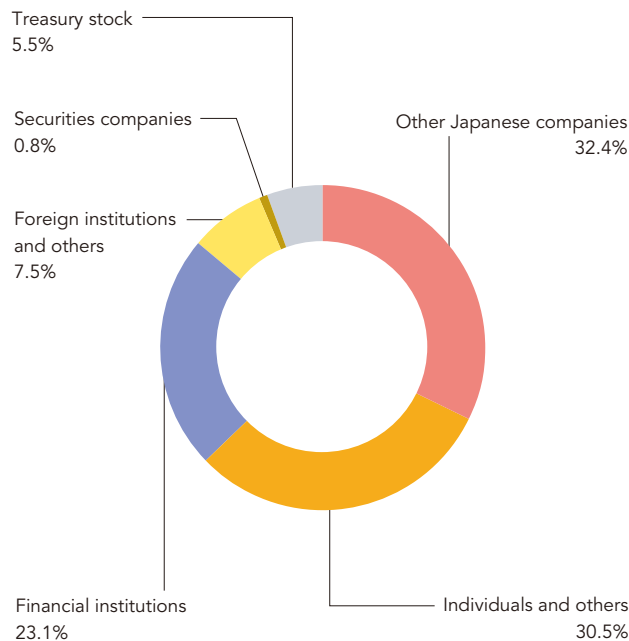
\* Figures for female employee ratio and female manager ratio for FY2013 through FY2016 are for KAMEDA SEIKA CO., LTD. only.

# Shareholder and Investor Information (As of March 31, 2024)

## Stock Information

Stock Exchange Listing	Tokyo Stock Exchange, Prime Market
Securities Code	2220
Number of Shares Authorized	59,251,000
Number of Shares Outstanding	22,318,650
Number of Shareholders	15,586

## Shareholder Composition



## Major Shareholders<sup>1</sup>

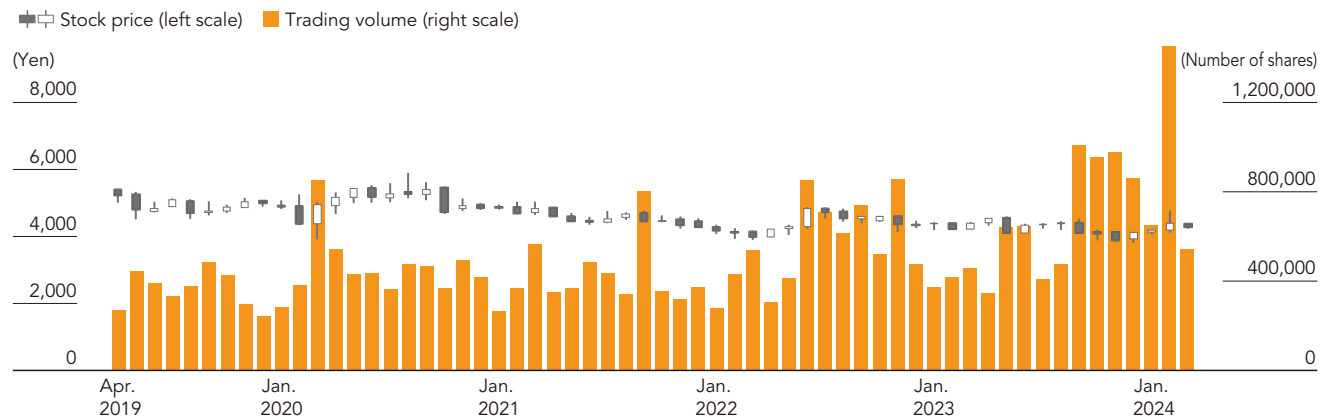
Name	Number of Shares Held (Thousands)	Shareholding Ratio (%) <sup>2</sup>
EIKEI Corporation	2,102	9.96
Company's Kyoeikai	1,825	8.65
The Master Trust Bank of Japan, Ltd. (Trust account)	1,574	7.46
Daishi Hokuetsu Bank, Ltd.	1,039	4.92
Custody Bank of Japan, Ltd. (Trust account)	791	3.75
Mizuho Bank, Ltd.	762	3.61
Employees' Stockholding	441	2.09
HARASHIN Co., Ltd.	414	1.96
Kikkoman Corporation	347	1.64
DBS BANK LTD 700170	330	1.56

1. The Company holds 1,235 thousand shares as treasury stock, but it is excluded from the above list of major shareholders.  
 2. Treasury stock is excluded from shareholding ratio calculations.

## Stock Price and Trading Volume

### Total Shareholder Return (%)

	FY2020	FY2021	FY2022	FY2023	FY2024
Total shareholder return	94.1	92.7	77.9	86.8	85.5
TOPIX (for comparison)	90.5	128.6	131.2	138.8	196.2



# Company Data

## Company Overview (As of March 31, 2024)

**Company Name** KAMEDA SEIKA CO., LTD.  
**Date of Foundation** September 1946  
**Date of Establishment** August 1957  
**Capital** ¥1,946 million

### Main Business (Consolidated)

Manufacture and sale of snacks and food products including rice crackers, long-life preserved foods, plant-based lactic acid bacteria, rice flour bread and plant-based foods

### Plants (Non-consolidated)

Kameda Plant (Konan-ku, Niigata-shi, Niigata Prefecture)  
 Suibara Plant (Agano-shi, Niigata Prefecture)  
 Shirone Plant (Minami-ku, Niigata-shi, Niigata Prefecture)

### Number of Employees

4,040 (Consolidated)  
 1,404 (Non-consolidated)

### Sales Offices (Non-consolidated)

6 branches in Japan (Sendai, Tokyo, Nagoya, Osaka, and Fukuoka) and 19 bases

Note: The number of bases decreased from 19 to 18 as of April 1, 2024

Please see the following website for more detailed information.

[Corporate Website](https://www.kamedaseika.co.jp/en/)

[IR News](https://www.kamedaseika.co.jp/en/ir/)



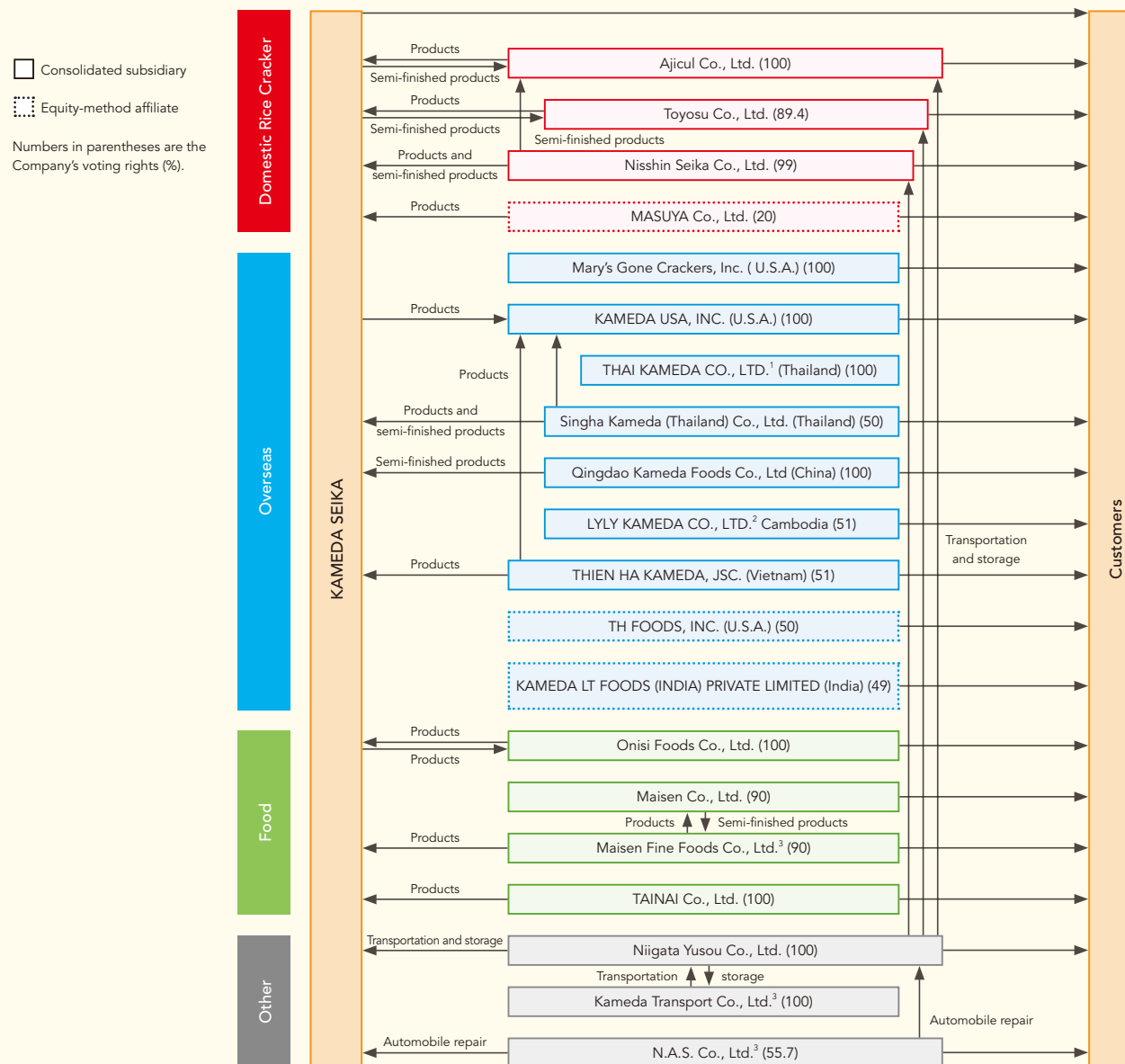
<https://www.kamedaseika.co.jp/en/>



<https://www.kamedaseika.co.jp/en/ir/>

## Business Structure (As of March 31, 2024)

The Group comprises the Company, 17 consolidated subsidiaries, and three equity-method affiliates. It has three business segments: the domestic rice cracker business, the overseas business, and the food business, and also engages in transportation and other activities related to these businesses.



1. We are proceeding with liquidation procedures for THAI KAMEDA CO., LTD. 2. The Company's investment in LYLY KAMEDA CO., LTD. increased in April 2024 from 51% to 90.71%. 3. Maisen Fine Foods Co., Ltd., Kameda Transport Co., Ltd., and N.A.S. Co., Ltd. are owned indirectly.



**KAMEDA SEIKA CO., LTD.**

[www.kamedaseika.co.jp/en/](http://www.kamedaseika.co.jp/en/)

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**Tokyo Office** : Hulin Tsukiji East Building, 2nd Floor to 4th Floor  
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Tel: +81 (0)3-6858-7473 (Corporate Planning Department)