

Basic Concept

While providing safe and worry-free foods, and promoting businesses to maximize benefits to all stakeholders including shareholders, consumers, employees, business partners, local communities, and local residents, NISSIN FOODS HOLDINGS (the "Company" in this section) recognizes enhanced and strengthened corporate governance as one of the top priorities for management and strives for highly objective and transparent management.

Corporate Governance Structure

The Company has adopted the structure of a company with an Audit & Supervisory Board, thereby appointing outside directors and outside Audit & Supervisory Board members who monitor execution of the Company's business operation from an independent and fair standpoint, and ensuring objectivity and transparency in business management under the executive officers system introduced to build a mechanism allowing prompt execution of business operations.

Overview of Each Meeting Body

1 Board of Directors

The Board of Directors deliberates and decides on matters important for management pursuant to the laws and regulations, Articles of Incorporation, and Board of Directors regulations, and at the same time, receives reports in regard to the execution of duties of directors and conducts supervision and the like.

In addition, in order to ensure proper sharing of roles concerning management supervisory functions and execution, the Company has introduced an executive officers system and established the Management Committee, which deliberates and decides on matters for which authority is delegated to the committee by the Board of Directors. Through this measure, an environment is made available for the Board of Directors to focus more on discussion of important matters concerning overall business management, such as management policies and plans.

FY 3/2025 Discussions

- Monitoring of mid- to long-term growth strategy
- Decisions and reports on individual projects based on medium- to long-term investment plans
- Share buybacks, share cancellations
- Progress of NISSIN FOODS Group Environmental Strategy EARTH FOOD CHALLENGE 2030
- Group governance (including antitrust compliance mechanisms)
- Reports on human capital initiatives
- Report on the NISSIN FOODS Group Risk Report
- Reports on interviews with institutional investors
- Formulation/monitoring of annual business plans
- Progress of business plans in each business
- Monitoring of committee activity status
- Evaluating the effectiveness of the Board of Directors

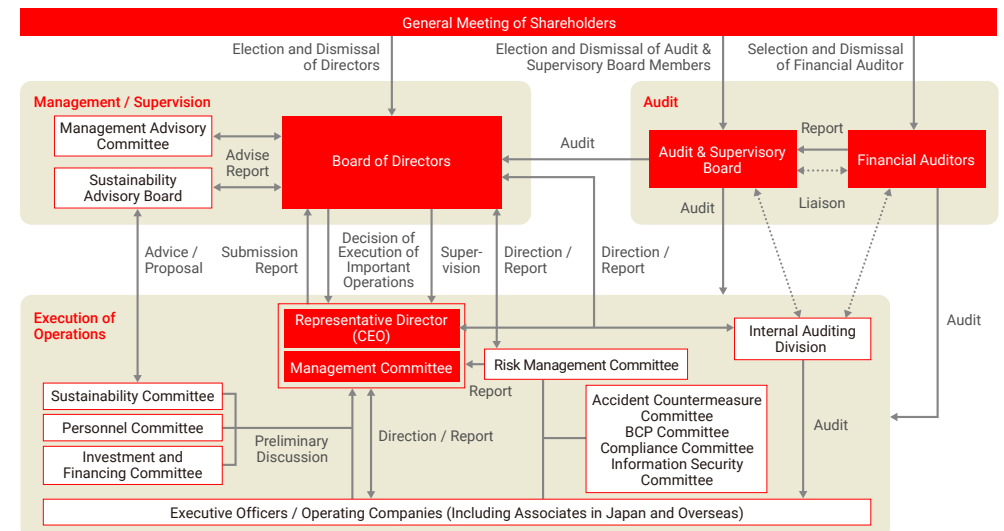
In selecting candidates for the Board of Directors, the Company is striving to further strengthen the supervisory functions of management by making the majority of the directors outside directors to enhance corporate governance.

During FY 3/2025, we enhanced the supervisory function of the Board of Directors further by increasing the number of outside directors. The Board monitored mid- to long-term growth strategies and engaged in more in-depth discussions regarding management and business strategies. This monitoring function also ensured compliance with corporate ethics and risk management, and encouraged more active dialogue with shareholders. The Company will continue to pursue our medium- to long-term growth strategies through these and similar efforts.

One of the most important agenda items for the Board toward overseas expansion from the perspective of medium- to long-term growth strategy is to receive reports from management, including the presidents of local operating companies, to facilitate in-depth discussions. More specifically, the Board received detailed reports on current issues and strategies for dealing with market changes impacting business in the Americas. The Board engaged in active exchanges of opinions and asked questions from the important perspectives of risk management and competitive strategy. The Board confirmed that it will continue to focus on these areas.

The Board also heard details of events surrounding the formal warning issued by the Fair Trade Commission. In response, the Board discussed the gravity of social impact on compliance-related issues. The Board subsequently confirmed the critical nature of measures to prevent recurrence as a concern spanning the entire NISSIN FOODS Group.

Corporate Governance System



Corporate Governance

2 Management Committee

The Company holds a meeting of the Management Committee twice every month, in principle, to improve management efficiency. The Committee consists of Directors (excluding outside directors), Managing Executive Officers, and full-time members of the Audit & Supervisory Board. The Committee discusses matters which are to be resolved by the Board of Directors, and discusses and decides matters which authorities are delegated to the Committee by the Board of Directors pursuant to the Approval Regulations, as well as executes business operations.

3 Management Advisory Committee

The Company has established the Management Advisory Committee, which is chaired by an independent outside director and the majority of which are independent outside directors, in order to strengthen the supervisory functions of the Board of Directors, and at the same time, ensure transparency and fairness in management. The Management Advisory Committee, an advisory body to the Board of Directors, meets three times a year in principle to deliberate on the agenda items, including the selection and dismissal of the CEO and directors and director remuneration, and contributes to board of director discussions by reporting the results of these deliberations to the Board.

Main Topics of Discussion

- Officer appointment proposals and skills matrix
- CEO successor skill set and succession plans
- Revision of standards for director and executive officer compensation (including non-financial indicators)
- Institutional design of the Company
- Discussions based on the evaluation of board effectiveness
- Reports on interviews with institutional investors
- Reports based on the governance platform

4 Audit & Supervisory Board

Based on the Companies Act and other laws and regulations, as well as the Articles of Incorporation and other regulations, the Audit & Supervisory Board audits the process of decision-making by the directors and the status of their execution of duties. The number of the Audit & Supervisory Board members is four or fewer, the majority of whom are Outside Audit & Supervisory Board members.

Analysis and Evaluation of Effectiveness of the Board of Directors

■ Purpose of Evaluating the Effectiveness of the Board of Directors

To achieve the sustainable growth of the Group and enhancement of corporate value over the medium to long term, the Company provides safe and secure foods, while conducting business to maximize benefits to all stakeholders, including shareholders, consumers, employees, business partners, local communities, and local residents. The Company also recognizes that enhanced and strengthened corporate governance is one of the top priorities for management, and we are committed to achieving highly objective and transparent management. As part of these efforts, the Company confirms whether the Board of Directors is fulfilling its role and evaluates board effectiveness annually to enhance the effectiveness of the Board of Directors.

■ Method for Evaluating the Effectiveness of the Board of Directors

The evaluation method is determined annually based on deliberations by the Management Advisory Committee and the Board of Directors. We consider the use of a third-party entity as appropriate when conducting evaluations.

Objectives and Implementation by Method

		Survey	Discussion	Interview
		<ul style="list-style-type: none"> • Confirm achievement and issues based on the expected role of the Board of Directors 	<ul style="list-style-type: none"> • Share key issues for discussion and perspectives related to oversight • Agree on the key agenda items and monitoring policies for the next fiscal year 	<ul style="list-style-type: none"> • Confirm with each board member individually the priority of key issues for discussion and perspectives related to oversight
FY 3/2016- FY 3/2019	Self-assessment	✓	—	—
FY 3/2020	Third-party organization	✓	—	—
FY 3/2021	Self-assessment	✓	—	—
FY 3/2022	Self-assessment	✓	—	—
FY 3/2023	Third-party organization	✓	✓	✓
FY 3/2024	Third-party organization	✓	✓	—
FY 3/2025	Third-party organization	✓	✓	—

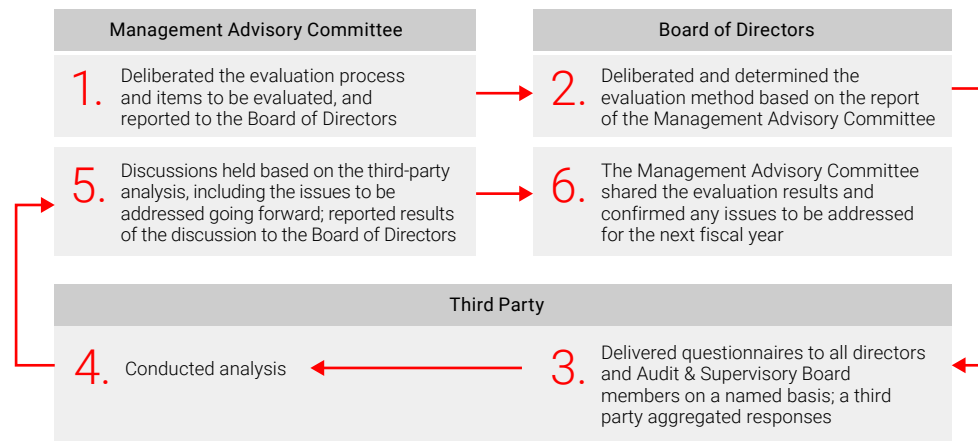
Corporate Governance

Policy for Evaluations in FY 3/2025

To achieve the sustainable growth of the NISSIN FOODS Group and enhancement of corporate value over the medium to long term, the Company confirms whether the Board of Directors is fulfilling its role and evaluates its effectiveness annually with the aim of enhancing the Board's effectiveness.

The evaluation method was based on deliberations in the Management Advisory Committee and the Board of Directors. In FY 3/2025, we once again contracted a third-party assessment based on a questionnaire and discussions in the Management Advisory Committee.

Process for Evaluating the Effectiveness of the Board of Directors in FY 3/2025



Evaluation Results for FY 3/2025

The FY 3/2025 evaluation confirmed the effectiveness of the Board of Directors is being appropriately ensured. An overview of the results is as follows.

Evaluation of Initiatives to Address Medium-Term Issues	The Board of Directors identified three medium-term issues that will contribute to the achievement of the NISSIN FOODS Group mid- to long-term growth strategy and creation of opportunities: (A) Global expansion from the perspective of our mid- to long-term growth strategy, (B) Investments and financing from a medium- to long-term perspective, and (C) Human capital. At the same time, to create the time and opportunities for deliberating these items, we have continued to strengthen our operations, including enhancing explanations of deliberation items in advance and proceeding with well-modulated discussions. In this respect, several board members gave positive feedback that the Board held steady deliberations about the issues identified.
Evaluation of the Board of Directors for FY 3/2025	The deliberations resulted in a positive evaluation of the measures implemented by the Board of Directors, including engaging directors with diverse perspectives and enabling open and frank discussions, and steady conduct of activities by the relevant offices to improve the issues identified in the previous Board of Directors effectiveness evaluation. As a result, the Board of Directors was evaluated as functioning effectively.
Issues to be Addressed and Policies for Further Improvement of Effectiveness	While evaluated as improving to a certain extent in securing time for deliberating important items, the need for further creation and deepening of opportunities for discussions was raised. The request was made relating to global expansion, in particular, regarding discussions related to governance and human capital, as well as opportunities to monitor compliance and risks in operating companies. We will continue to pursue the three issues, namely, (A) Global expansion from the perspective of our mid- to long-term growth strategy; (B) Investments and financing from a medium- to long-term perspective; and (C) Human capital, as important items to address over the medium term. To ensure the time required for discussions regarding necessary strategies, in particular, we will encourage communication between outside directors and executives while devising ways of meeting management to enhance discussions in board meetings, seeking further improvement in the effectiveness of the Board of Directors.

Issues and Major Initiatives Recognized in the Board Effectiveness Evaluation

	FY 3/2023	FY 3/2024		FY 3/2025	
	Evaluation Results	Results	Evaluation Results	Results	Evaluation Results
(1) Selection of important matters for discussion	• Recognized the need to select matters	• Created opportunities for deliberation	• Evaluated as having made steady progress. • Understood expectations for continued and more in-depth treatment of human resources and other resources at overseas locations	• Discussions incorporated into the annual agenda schedule in a planned manner	• Opportunities for deliberation ensured • Understood expectations for monitoring governance, human capital, and group-wide compliance risks related to overseas expansion
(2) Securing opportunities and time for deliberation	• Recognized the need to secure time for important matters for discussion	• Improved explanations in advance • Endeavored to enhance explanations on the day of meetings	• Improvement is progressing, but expectations remain for more time to discuss important matters for deliberation, etc.	• Improved explanations of agenda topics in advance of meetings • Incorporated a flexible review of important agenda items in response to compliance and other factors	• Understood expectations for more time to discuss governance and human capital; more time to monitor compliance and risks among operating companies

Corporate Governance

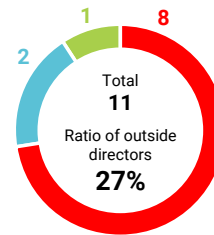
Strengthening Corporate Governance

We continue to strengthen governance. Our efforts have included establishing the Liaison Committee of independent outside directors and Audit & Supervisory Board Members, increasing the number of outside directors, establishing the Management Advisory Committee, and evaluating the effectiveness of the Board of Directors on an ongoing basis. To ensure diversity, we increased the number of female outside directors in June 2024, increasing the total number to three. In addition, our board consists of directors representing a wide range of ages, from 40s to 80s, ensuring that diverse values are reflected in discussions. We will continue to further strengthen supervisory functions further and promote swifter decision-making.

Changes in the Composition of the Board of Directors

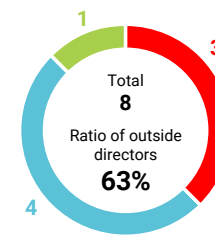
- Internal directors
- Male outside directors
- Female outside directors

Note: Figures as of the end of the General Meeting of Shareholders for each respective year



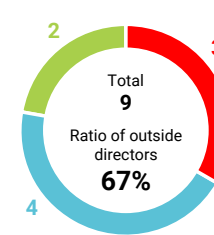
Since **2010**

June 2010:
Appointed a first female outside director



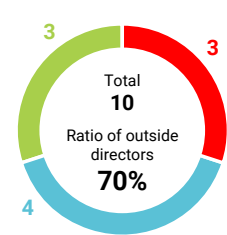
Since **2016**

Increased outside directors to five, reduced the Board to eight directors



Since **2022**

Increased female outside directors to two



Since **2024**

Increased female outside directors to three

Strengthening Governance

2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<ul style="list-style-type: none"> Established Liaison Committee of Independent Outside Directors and Audit & Supervisory Board Members 	<ul style="list-style-type: none"> Announced the cross-shareholdings policy Revised criteria for submission to the Board of Directors (separate management execution and supervision) 				<ul style="list-style-type: none"> Clarified policy to reduce cross-shareholdings 			<ul style="list-style-type: none"> Disclosed Action to Implement Management that is Conscious of Cost of Capital and Stock Price 	
Establishment and Utilization of the Management Advisory Committee									
<ul style="list-style-type: none"> Considered abolishing takeover defense measures 	<ul style="list-style-type: none"> Abolished takeover defense measures (before renewal deadline) 								
<ul style="list-style-type: none"> Discussed the Company's organizational structure 									
	<ul style="list-style-type: none"> Appointed directors 								
	<ul style="list-style-type: none"> Increased the number of outside directors 	<ul style="list-style-type: none"> Disclosed reasons for the appointment of internal directors 	<ul style="list-style-type: none"> Established criteria and process for the dismissal of the CEO and senior management Revised the advisor system 	<ul style="list-style-type: none"> Disclosed CEO skill sets and succession plans 	<ul style="list-style-type: none"> Introduced succession training plans for key posts in the NISSIN FOODS Group 	<ul style="list-style-type: none"> Changed the composition of the Management Advisory Committee (increased outside directors to a 3/5 majority) 	<ul style="list-style-type: none"> Increased the number of outside directors 		<ul style="list-style-type: none"> Increased the number of outside directors
	<ul style="list-style-type: none"> Designed director remuneration plan 								
		<ul style="list-style-type: none"> Considered performance-linked short-term remuneration Considered the introduction of medium- to long-term remuneration 			<ul style="list-style-type: none"> Expanded information disclosure, including decision policy 		<ul style="list-style-type: none"> Adopted performance-linked share-based remuneration plan 		<ul style="list-style-type: none"> Considered adoption of non-financial indicators in criteria for director remuneration
Evaluating the Effectiveness of the Board of Directors									

Succession Plan Management

To develop perpetually as an EARTH FOOD CREATOR, the NISSIN FOODS Group must strategically develop corporate managers capable of proposing medium- to long-term missions and achieving our corporate philosophy.

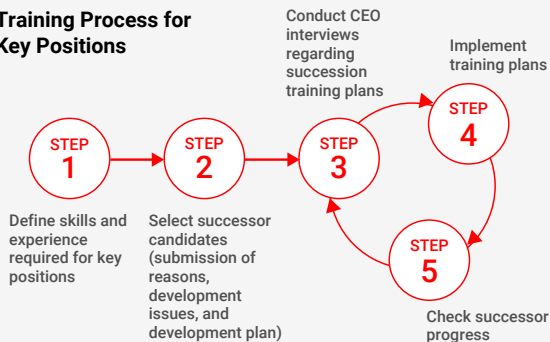
When choosing successor candidates for the CEO position, we search in principle for persons already appointed as director or among executive officers with a track record of achievement, a strong sense of ownership toward achieving the Group philosophy, and personal popularity from inside and outside the Company, having demonstrated exceptional capabilities in reaching breakthroughs, decision-making, winning hearts and minds, self-management, and a clear sense of responsibility, as well as having broad experience and knowledge relating to corporate management, a keen spirit to acquire cutting-edge insight, and excellent business judgment. After the selected individual is subjected to deliberation and verification by the Management Advisory Committee, the Board of Directors judges whether the selected individual is suitable as a successor to the CEO.

In grooming successors to key positions, like directors, executive officers, presidents of operating companies, and chief officers, we are striving to fill the pipeline in a systematic manner by implementing the PDCA (Plan-Do-Check-Act) cycle, which involves the formulation of training plans, interviews with the CEO, execution of plans, and checking of progress.

■ Succession Training Plans

We designate presidents of operating companies, chief officers, and heads of key post divisions as key posts, and we endeavor to develop successor candidates for these posts. We clarify the reasons for selection and training issues for each candidate, implementing a systematic training plan, visualizing the progress of successor candidates, and utilizing this information in hiring plans.

Training Process for Key Positions



		FY 3/2022	FY 3/2023	FY 3/2024	FY 3/2025
Internal Succession Rate*		100.0%	100.0%	100.0%	100.0%
Succession Readiness	Immediate, Next Period (Within 3 Years)	81.8%	83.0%	117.8%	124.2%
	Period Following Next (4-5 Years)	88.6%	85.1%	75.6%	104.4%

*Ratio of internal appointees promoted to key positions

Director Remuneration

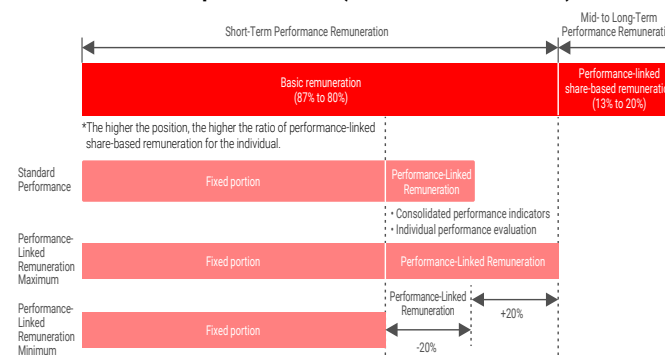
The Company has formulated the Determination Standard for Director Remuneration as the policy to determine the details of remuneration, etc., for each director. The standard provides the composition of remuneration, etc., the level of remuneration for each position and role, the selection of performance indicators, and the method of incorporating such indicators into remuneration, etc.

The Determination Standard for Director Remuneration is designed to increase the Company's medium- to long-term corporate value, boost director morale, and motivate directors to contribute to improving the Company's business performance. The content of the standard was deliberated by the Management Advisory Committee, which serves as an advisory body to the Board of Directors. The majority of the committee consists of independent outside directors. With the consent of the Management Advisory Committee, the details of the standard are finalized via resolution by the Board of Directors. Through a resolution by the Board of Directors, the Company is delegating the determination of part of the contents of the remuneration, etc., for each director to President & Representative Director, CEO, Koki Ando. When the authority is exercised, it is exercised in accordance with the Determination Standard for Director Remunerations, which has been deliberated and consented by the Management Advisory Committee, ensuring appropriate exercise of such authority. The Company deems that it is best to delegate individual directors' evaluations, from the standpoint of the degree of contribution to company-wide businesses and business performance, to the representative director. Remuneration for directors consists of basic remuneration and performance-linked share-based remuneration. However, outside directors and Audit & Supervisory Board Members receive basic remuneration only.

■ Basic Remuneration

The basic remuneration, provided monthly, consists of a fixed portion based on the position and the role of the director and a performance-linked portion that is linked to the company's business performance in the current year and the degree of individual performance. The performance-linked portion is designed to vary within the range of up to 20% of the base amount depending on the

Remuneration Composition Ratio (Standard Performance)



actual results of consolidated performance indicators of the Company and also within the same range for the results of individual performance evaluation, within the range of up to 40% for both indicators combined, and will be reflected in the performance-linked portion of the basic remuneration for the following fiscal year.

Consolidated Performance Indicators and Individual Performance Evaluations

From the standpoint of simplicity and in the interest of contributing to increased short-term revenue, the consolidated performance indicators we have selected are shown below.

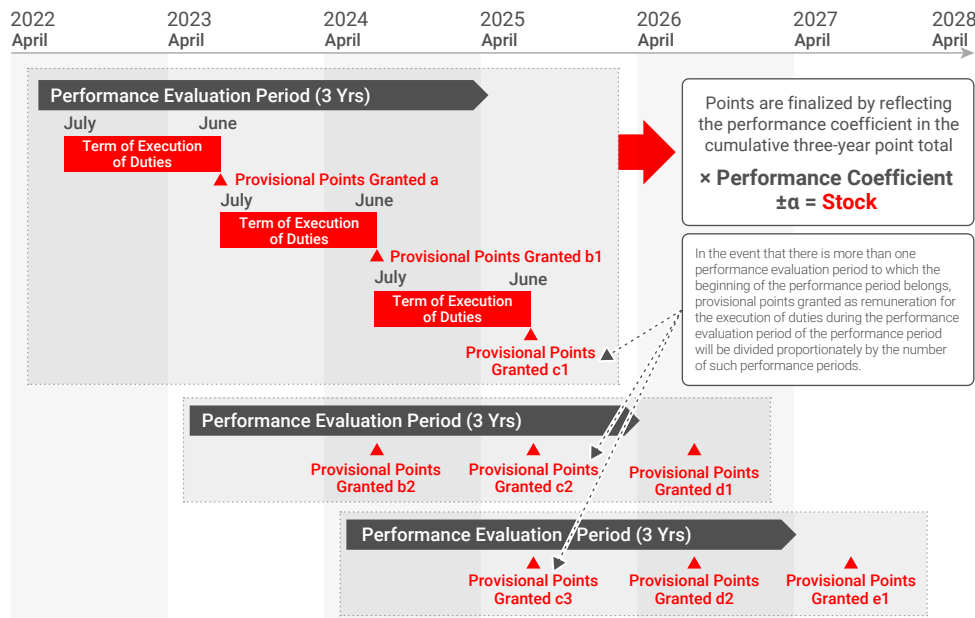
Indicators	Weight	Achievement basis	Why selected
Revenue	30%	Achievement vs. Plan	As an indicator of earnings generation capability in our core operations
Profit attributable to owners of the parent	70%	Achievement vs. Plan	As an indicator of final commitment to shareholders

To evaluate individual performance, based on the assumption that the individual performance accomplished through business execution leads to improvement of the Company's business performance, the Company clarifies individual responsibility and contribution, and evaluates the degree to which targets have been achieved. The degree to which targets have been achieved is evaluated based on the Company's overall performance, the performance of the division the individual oversees, and the performance of the operating company the individual oversees. Targets for the performance of the division include non-financial indicators. The weighting of these indicators in the evaluation process varies depending on position.

■ Performance-Linked Share-Based Remuneration

The performance-linked share-based remuneration, by linking directors' remuneration to the Company's stock price and sharing interest with shareholders, aims to increase the Company's

Performance-Linked Share-Based Remuneration Calculation Method



medium- to long-term corporate value and boost director morale and desire to contribute to improved results. In this system, money provided by the Company is used to fund the acquisition of the Company's shares through a trust, and according to the Share Delivery Regulations for Officers established by the Company (the "Share Delivery Regulations for Officers"), the Company's shares are granted to directors (excluding outside directors).

In the share-based remuneration system, based on the Share Delivery Regulations for Officers, each director is granted provisional points based on their position, and for every performance measurement period of three fiscal years, the number of points is adjusted using a performance coefficient decided based on the achievement ratio of consolidated performance indicators during the period in question, to be granted as confirmed points. Upon the retirement or death of a director, the Company's shares acquired through the Trust will be granted to the director in accordance with the procedures stipulated in the Share Delivery Regulations for Officers, at the rate of one share per confirmed point in proportion to the number of confirmed points held at that time (in cases where the requirements stipulated in the Share Delivery Regulations for Officers are met, a certain percentage of the Company's shares may be paid in cash equivalent to the market value of the Company's stock).

Performance Indicators

For consolidated performance indicators, from the standpoint of facilitating medium- to long-term growth and shared interests with shareholders, the Company is using the three-year average of multiple indicators chosen by the Management Advisory Committee out of indicators such as core operating profit growth rate for existing businesses and relative TSR for their appropriateness in light of the intent of the share-based remuneration system.

Consolidated Performance Indicators

Indicators	Weight	Achievement basis	Why selected
Core operating profit growth rate for existing businesses	50%	Three-year average growth rate	As an indicator of earnings generation capability in core operations
Relative TSR	50%	Three-year relative TSR	As an indicator of profit sharing with shareholders

Performance Indicators for the Year Under Review

Indicators	Amount	Payment rate
Core operating profit growth rate for existing businesses	14.4%	142.5%
Relative TSR	0.86x	

(Note) Performance measurement period (three fiscal years): FY 3/2023 - FY 3/2025

Eligibility by Remuneration Type

Title of officer	Basic remuneration		Performance-linked share-based remuneration
	Fixed portion	Performance-linked portion	
Directors (internal)	○	○	○
Directors (outside)	○	—	—
Audit & Supervisory Board Member	○	—	—

Corporate Governance

Total Remuneration by Officer Category, Remuneration Amount by Type, and Number of Eligible Officers

(Millions of yen)

Title of officer	Total Remuneration	Total amount of remuneration by type			Number of eligible officers (People)
		Basic remuneration		Performance-linked share-based remuneration	
		Fixed remuneration	Performance-linked remuneration		
Directors (excluding outside directors)	717	536	90	90	3
Audit & Supervisory Board Members (excluding outside Audit & Supervisory Board Members)	17	17	—	—	1
Outside officers	118	118	—	—	10
Total	853	672	90	90	14

Notes: 1. The above performance-linked remuneration within basic remuneration reflects the business performance of the previous fiscal year (fiscal year ended March 31, 2024). Performance-linked stock-based remuneration refers to the amount accounted for as an expense during the fiscal year under review in respect to this system.
2. The above includes remuneration for one Outside Board Member who retired at the conclusion of the 76th Ordinary General Meeting of Shareholders held on June 26, 2024.

Total Amount of Consolidated Remuneration, Etc., for Each Officer

(Millions of yen)

Name	Total amount of consolidated remuneration, etc.	Title of officer	Type of company	Total amount of remuneration by type		
				Basic remuneration		Performance-linked share-based remuneration
				Fixed remuneration	Performance-linked remuneration	
Koki Ando	456	Board of Directors	The Company	341	58	56
Noritaka Ando	315	Board of Directors	The Company	123	20	26
		Board of Directors	NISSIN FOOD PRODUCTS CO., LTD.	123	20	—

Note: The above performance-linked remuneration within basic remuneration reflects the business performance of the previous fiscal year (fiscal year ended March 31, 2024). Performance-linked stock-based remuneration refers to the amount accounted for as an expense during the fiscal year under review in respect to this system.

Revisions to Executive Remuneration in FY 3/2026

Purpose of Revisions

While NISSIN FOODS Group revenue has been increasing steadily, the business environment surrounding the group has become increasingly challenging due to soaring raw materials prices and a shrinking domestic market, caused by a declining birthrate and aging population. At the same time, corporate responsibility with respect to social issues is being called into question to a greater extent, and NISSIN is no exception.

To achieve further growth under these circumstances, we believe we must clarify the roles and achievements of directors further, while strengthening the sense of value held in common with shareholders and motivating directors to contribute to improved business performance. Therefore,

we reviewed the calculation method used for performance-linked remuneration (short-term performance-linked remuneration) and added non-financial measures as indicators to factor into remuneration, effective as of FY 3/2026.

The Management Advisory Committee, which serves as an advisory body to the Board of Directors and consists of a majority of independent outside directors, held several discussions regarding these revisions. The revisions were approved by the Board of Directors on April 2, 2025.

Overview of Revisions

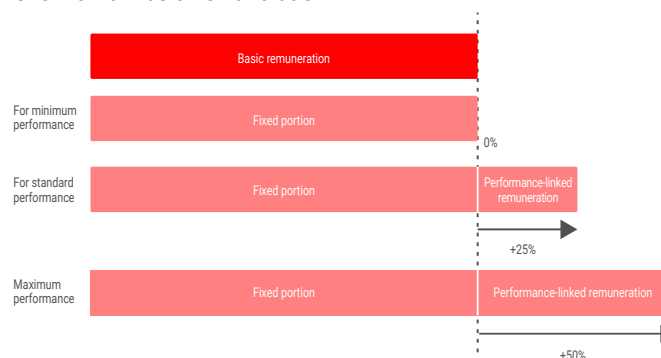
Beginning with the fiscal year starting April 2025, the Company will calculate short-term performance remuneration based on the following method. This sum will be paid as basic remuneration, effective as of the next ordinary general meeting of shareholders scheduled for 2026.

Revised Short-Term Performance Remuneration (Basic Remuneration)

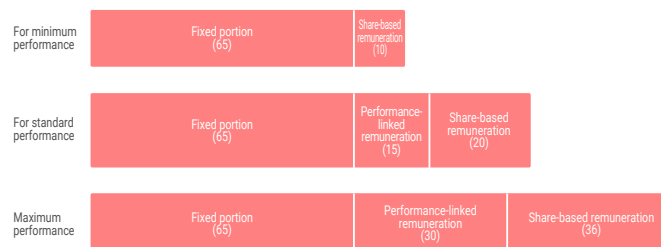
Basic remuneration, provided monthly, consists of a fixed portion, based on the position and the role of the director, and a performance-linked portion, linked to the company's business performance in the current year and the degree of individual performance. The performance-linked portion will vary

within a range of a minimum of 0% up to +50% depending on the actual results of the consolidated performance indicators and the results of individual performance evaluation, and will be reflected in the performance-linked portion of the basic remuneration for the following fiscal year.

Overview of Basic Remuneration



As a result, the composition ratio of basic remuneration (fixed portion), basic remuneration (performance-linked remuneration), and performance-linked stock remuneration will be approximately 65:15:20 when the indexing the standard performance of the President & Representative Director and CEO to 100.



Corporate Governance

Refer to the corresponding website for more details.
[>> NISSIN FOODS Group Tax Principle](#)

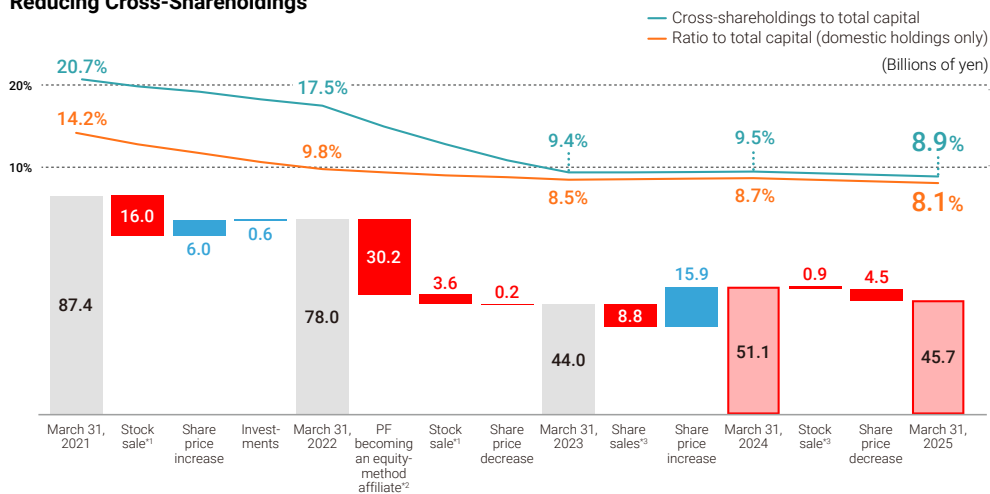
In addition, non-financial indicators will also be used as factors reflected in short-term performance remuneration. The financial indicators linked to consolidated financial results emphasize ease of understanding and contribution to short-term earnings growth. The non-financial indicators emphasize social issues that are highly relevant to the nature of our businesses.

	Indicators	Weight	Achievement basis	Why selected
Finance	Revenue	24%	Achievement vs. Plan	As an indicator of earnings generation capability in core operations
	Profit attributable to owners of the parent	56%	Achievement vs. Plan	As an indicator of final commitment to shareholders
Non-Financial	Climate change response	20%	Progress achieved toward EARTH FOOD CHALLENGE 2030	An indicator the Company must achieve to create a sustainable society and enhance corporate value
	Sustainable procurement			
	Employee MVV engagement, percentage of female managers, percentage of full-time female employees, and male childcare leave utilization rate		Progress in key indicators of the Organizational Human Resources Policy	

Reduction of Cross-Shareholdings

As of March 31, 2016, the end of the fiscal year immediately after the establishment of the

Reducing Cross-Shareholdings



*1 The amounts of shares sales shown for FY 3/2022 and FY 3/2023 are based on market value as of March 31, 2021, in accordance with the reduction target of ¥10 billion.

*2 Premier Foods plc became an equity-method associate.

*3 The amount of shares sold for FY3/2024 and later is based on the actual sales prices.

Corporate Governance Code by the Tokyo Stock Exchange on June 1, 2015, the Company had a balance of ¥92,496 million in cross-shareholdings. As a result of reductions in such shareholdings, the balance of cross-shareholdings at the end of March 2025 equated to 8.9% of total capital of ¥511,901 million at that time, and cross-shareholdings excluding overseas issues were equivalent to 8.1% of total capital at the end of March 2025. The number of companies with whom we engaged in strategic cross-shareholdings as March 2025 was 56.

Group Governance

KOIKE-YA Inc. and NISSIN FOODS CO., LTD. (listed on the Main Board of the Hong Kong Exchanges and Clearing) are listed subsidiaries of the Company. Based on the Basic Policy on Construction of Internal Control Systems, etc., the Company aims to maximize the corporate value of the Group by establishing a group governance system for the Group, including its listed subsidiaries. Based on the understanding that properly protecting the interests of its listed subsidiaries, the shareholders of the listed subsidiaries, other than the Company, and other stakeholders will contribute to increasing the corporate value of the listed subsidiaries, the Company manages the listed subsidiaries while respecting their management independence and receives reports, etc., on important management matters of the subsidiaries based on the internal rules of the subsidiaries.

Tax Principle

In accordance with the philosophy of our founder's spirit of Shoku-i Sei-shoku (Food-related jobs are a sacred profession), the NISSIN FOODS Group provides safe and worry-free foods, promotes business to maximize benefits to all stakeholders, and recognizes the enhancement and strengthening of corporate governance as one of the top management priorities in order to practice highly objective and transparent management. In the area of tax compliance, we have also established the NISSIN FOODS Group Tax Policy, promote stronger tax compliance awareness among NISSIN FOODS Group companies and employees, and constantly strive to develop and operate an appropriate tax compliance system.

Taxes Paid by Segment (FY 3/2024)

	Japan	The Americas ^{*4}	China ^{*5}	Asia ^{*6}	EMEA ^{*7}	Total
Taxes paid (Billions of yen)	4.3	1.9	2.2	0.4	0.2	8.9
Percentage (%)	48	21	24	5	2	100

*4 U.S.A., Mexico, Brazil *5 China, etc.

*6 Thailand, India, Singapore, Indonesia, Vietnam, Cambodia, etc.

*7 Germany, Hungary, Belgium, Türkiye

Internal Controls

Officers and employees of the NISSIN FOODS Group shall make efforts to be deeply aware of corporate social responsibility, to comply with the relevant laws and regulations, and to commit to acting conforming with social ethics when executing their daily duties pursuant to the NISSIN FOODS Group Ethics Regulations and NISSIN FOODS Group Compliance Regulations.

Compliance

In principle, the Compliance Committee, which is chaired by the managing executive officer and chief strategy officer (CSO), convenes once a quarter to share trends in consultations and reports to the internal reporting desk, looks into the cases that occur, and considers measures to anticipate and prevent recurrences. Any issues and matters are handled by the office of the Compliance Committee Secretariat, which is composed primarily of the Governance Division and compliance managers assigned to each company and department.

Internal Reporting System

The NISSIN FOODS Group established a whistleblowing system to identify violations of laws, regulations, or internal rules as early as possible, to prevent misconduct, and to enhance sound corporate management. The NISSIN FOODS Group Internal Reporting Regulations stipulate rules of confidentiality to ensure whistleblowers are not subjected to disadvantageous treatment as a result of their report. The efforts of the compliance managers assigned to each company and department have contributed significantly to the increase in the number of reports in FY 3/2025.

No. of Internal Whistleblowing Reports

	FY 3/2020	FY 3/2021	FY 3/2022	FY 3/2023	FY 3/2024	FY 3/2025
No. of internal whistleblowing reports	60	63	60	70	66	87

Sustainability Management

Implementation Framework

Sustainability Committee

To achieve sustainable growth while addressing environmental and social issues, in April 2020, the Group established the Sustainability Committee—chaired by the CEO—with five working groups under it. The committee's office is formed by the Corporate Planning Division, the Sustainability Promotion Division, and the Corporate Communications Division. We established five working groups under the umbrella of the committee: Environment, Human Rights, Public Relations and Employee Education, Overseas Operating Companies, and ESG Issue Analysis. The related departments participate in each working group.

Sustainability Advisory Board

Established in April 2021, the Sustainability Advisory Board is an advisory body to the Board of Directors established for the purpose of grasping global trends related to sustainability and strengthening the internal sustainability promotion system. The advisory board discusses environmental, social, and governance (ESG) issues*¹ that the Group should undertake while receiving recommendations from outside experts and offering advice and recommendations*² to the Board of Directors. Before meetings of the Sustainability Advisory Board, the Sustainability Committee's Office, which is the operating body, also discusses ESG-related issues regularly with members who are outside experts*³.

*1 Planned to be conducted twice each year.

*2 Planned to be conducted at least once each year.

*3 Planned to be conducted six times each year.

7th Meeting (Held on July 25, 2024)	<ul style="list-style-type: none"> • Double materiality • Sustainability from the retail perspective
8th Meeting (Held on January 16, 2025)	<ul style="list-style-type: none"> • Report on the results of the TNFD risk/opportunity analysis and future direction • Latest trends regarding sustainability in the context of geopolitical risks • Report about COP29 (29th Conference of the Parties to the United Nations Framework Convention on Climate Change)

Employee Awareness

The Group nurtures employee awareness of sustainability through the dissemination of messages by the CEO of NISSIN FOODS HOLDINGS, who is also chair of the Sustainability Committee. The Group also informs employees of social and environmental issues, various basic policies and SDGs, and common knowledge, mainly through various training sessions and the Group's in-house newsletter. In addition, changes in employees' awareness of the company's environmental considerations and its degree of contribution to society are being grasped by conducting an annual employee attitude survey.

Results of Employee Attitude Surveys

	FY 3/2021	FY 3/2022	FY 3/2023	FY 3/2024	FY 3/2025
The company conducts businesses that take the environment into consideration.	73%	74%	73%	70%	60%
The company is contributing to society via its businesses.	88%	87%	87%	86%	76%

Scope: Employees who are employed by NISSIN FOOD PRODUCTS (including employees seconded to NISSIN FOODS HOLDINGS, NISSIN CHILLED FOODS, NISSIN FROZEN FOODS, etc.), MYOJO FOODS, NISSIN YORK, and NISSIN CISCO.