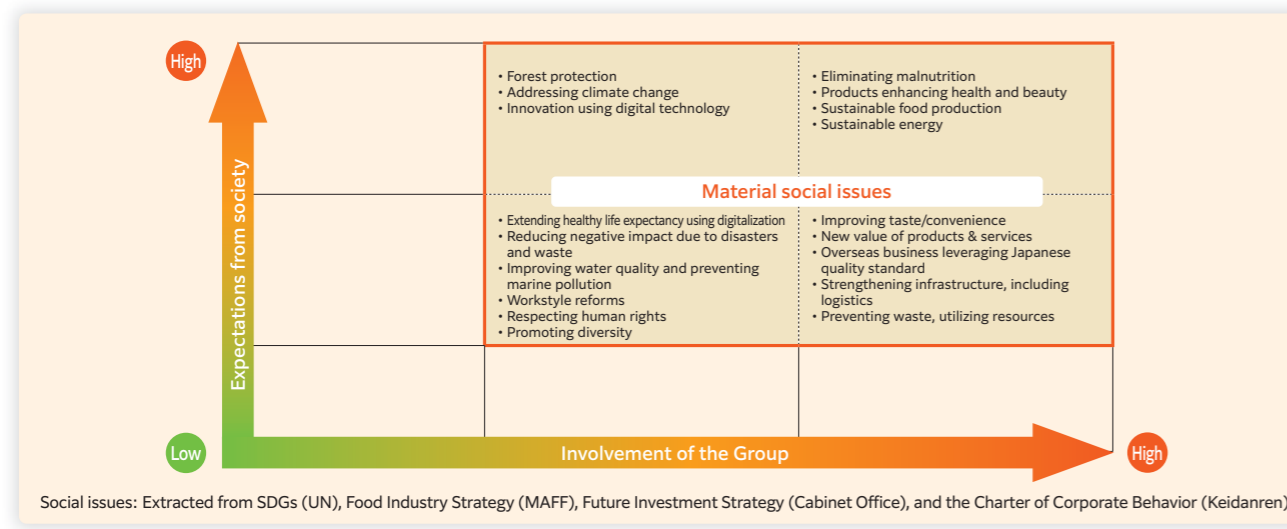
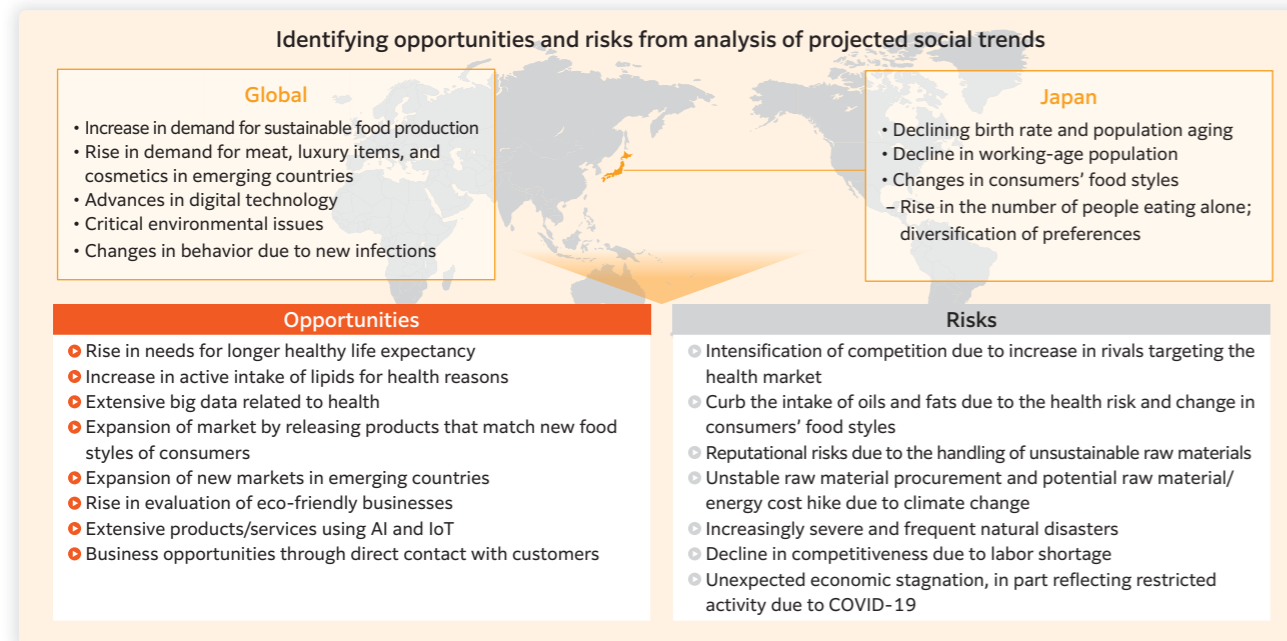


# The Nisshin Oillio Group Vision 2030

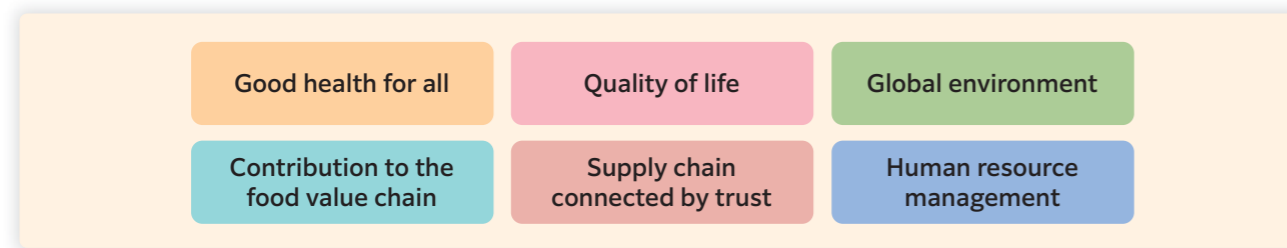
## Identifying Our Priorities (Materiality) to Achieve Our Goals and Governance

To realize the Vision 2030, we identified six priorities on which the Group should focus its efforts. Our solutions in pursuit of these priorities will position creating shared value (CSV) as the driver of growth. In addition to analyzing risks and opportunities for the Group based on the social trends predicted for 2030, we also identified important social issues that are likely to impact value creation, and evaluated them based on expectations from society and the involvement of the Group. Based on this analysis, we have made conclusive determinations about the Group's areas of strength and other matters, identified six priorities, set CSV goals in those areas, and advanced initiatives toward realizing the goals of Vision 2030.

### Process for identifying priorities (during formulation of Vision 2030)



### Our six priorities and CSV goals



### Reviewing CSV Goals

In the three years that have passed since the Group formulated Vision 2030, the environment surrounding our business has changed dramatically, including changes in consumer awareness and purchasing behaviors, as well as increased demand from society for sustainable production and procurement. Given these changes and the progress made in promoting various initiatives in line with Vision 2030 strategies, we have reviewed CSV goals and set new targets

for fiscal 2030 for priorities that did not yet have them (“Global environment,” “Supply chain connected by trust,” and “Human resource management”).

Under the new medium-term management plan beginning in fiscal 2025, we will further integrate our value creation story and business strategies for each priority to achieve growth through CSV.

### Process for reviewing CSV Goals



### Approach to goal setting in this review

Priorities	Initiatives and targets	Approach to environmental awareness and target setting
Global environment	Reduce plastic containers/packaging and promote resource recycling (FY2030 target set)	<ul style="list-style-type: none"> <li>• International treaties to eradicate plastic pollution are being discussed, efforts must be promoted across the entire lifecycle of plastics and we must move toward a recycling-oriented society</li> <li>• Targeted efforts to reduce the amount of new plastic made from petroleum and introduce edible oil plastic bottles into active container collection and recycling programs</li> </ul>
	Develop products/services that use plant resources and have a positive environmental impact (FY2030 target set)	<ul style="list-style-type: none"> <li>• Reorganize the initiative as products/services that provide new value to customers while having a positive environmental impact</li> <li>• Recognize the interdependence of the environment and the economy, and reset FY2030 targets to ensure economic growth with the aim of achieving sustainable growth</li> </ul>
Supply chain connected by trust	Advance and fortify business operations based on respect for human rights (FY2030 target set)	<ul style="list-style-type: none"> <li>• Human rights due diligence is becoming legislated in Europe and the U.S. We must recognize the high standards in Europe, the Group's main market and a global leader in respecting human rights</li> <li>• The goal is to demonstrate a willingness to prevent violations of human rights and put a series of cycles in motion from human rights due diligence to grievance handling, education, and disclosure in line with the UN Guiding Principles on Business and Human Rights</li> </ul>
Human resource management (Reset initiatives)	Resonance with the Group's philosophy and vision	<ul style="list-style-type: none"> <li>• The goal is to establish an organizational structure that ensures the achievement of CSV goals and the perpetuity of the Company</li> <li>• Set goals for our human resources to become people who make us an energetic, outstanding group that continues to create new value of good flavor, health, and beauty on a global stage (See p. 61 for details)</li> </ul>
	Establish robust human resource capacity	
	Active participation by diverse human resources	
	Evolve into an organizational culture that creates innovation	

□ See p. 45-64 for details on each CSV goal

### Governance system toward achieving the Group's CSV goals

The Company has established the Management Sustainability Committee, a deliberation committee of the Board of Directors. The committee deliberates on matters including the sustainable growth of the Group, formulating basic policies to contribute to the sustainable development (sustainability) of society, important issues to realize the Group's vision, and policies and strategies based on the recommendations of the TCFD and TNFD. Examples

of significant themes discussed by the committee include identifying important risks and opportunities and considering social issues that may impact the Company's businesses as well as setting and reviewing priorities, CSV goals, and other specific initiatives. The committee reports details of these deliberations to the Board of Directors as appropriate, which then makes resolutions on matters deemed particularly important.

Priorities for achieving Vision 2030

# 1 Good health for all

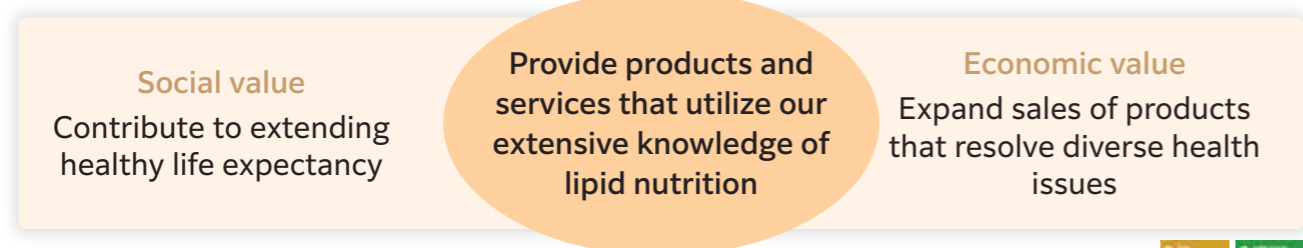
The Nisshin Oillio Group has extensively studied vegetable oils and fats in an effort to continue enhancing their nutritional value and processing technology to provide them as delicious foods and safe, high-quality ingredients and materials. By proposing delicious meals, diets, and dietary habits, we are dedicated to promoting active, healthy lifestyles in all stages of life and in diverse health conditions.



Shared value and social impact

## Underpinning the era of 100-year lifespans by contributing to mental and physical health

We are addressing undernutrition, overnutrition, personal health issues, and other issues to contribute to mental health and physical health to underpin the era of 100-year lifespans.

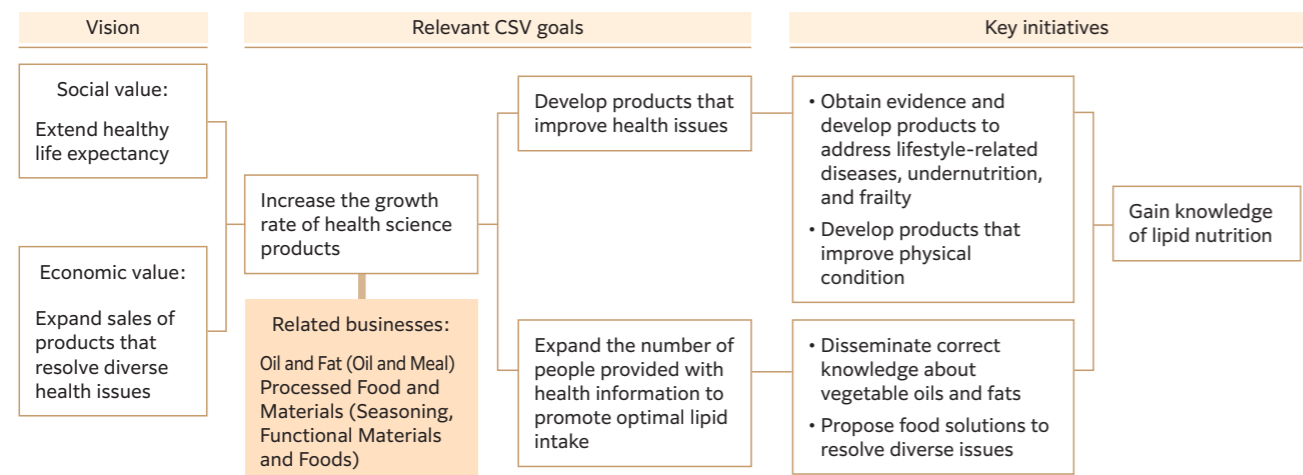


CSV goals

Initiatives	FY2023 results	FY2024 targets	FY2030 targets
Increase the growth rate of health science products that generate health and energy at different life stages (compared with FY2019)*1	133%	150%	200%
Develop products to improve health issues by utilizing our lipid nutrition knowledge*2	<ul style="list-style-type: none"> <li>Acquired six pieces of evidence involving fat burning and preventing undernutrition and frailty (MCTs)</li> <li>Released nine products, including small-quantity, high-energy products</li> </ul>	Acquire evidence and release products involving preventing frailty and improving on metabolic syndrome (more than 20 products in total since FY2022)	Acquire evidence and develop products for resolving personal health issues (improving and controlling physical condition)
Expand the number of people provided with health information to promote optimal lipid intake (cumulative total since FY2021)*3	Cumulative: 89.41 million	Cumulative: 130 million	Cumulative: 400 million

\*1 MCT oil and processed foods, healthy oils, supplement-type oils, wellness foods, and other products that can contribute to measures against lifestyle diseases, frailty, and other maladies.  
 \*2 Products that can contribute to resolving undernutrition, overnutrition, and personal health issues.  
 \*3 Health information about lipids refers to information that helps resolve personal health issues (e.g., undernutrition and overnutrition, bodybuilding) and leads to correct understanding and increased value of oils and fats.

Key initiatives toward realizing our Vision



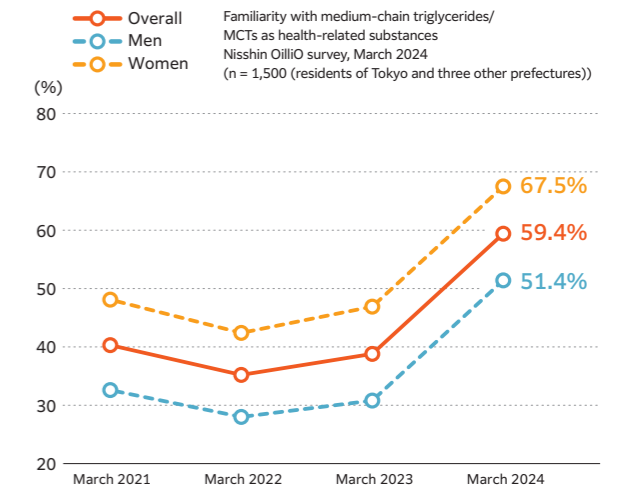
### Achievements during Value Up+ and looking ahead

We have taken steps to acquire evidence and develop products involving lipid nutrition in an effort to utilize our knowledge of lipid nutrition to improve health issues. Specifically, we have filed a new functional claim for MCTs—in addition to reducing body fat and waist circumference\*1, they facilitate fat burning in daily activities\*1—and renewed *Nisshin MCT Oil HC* as a food with dual functional health claims in autumn 2024. Additionally, with the aim of revitalizing the market for MCTs, we have broadly promoted products containing MCTs by having distributors and processed food manufacturers adopt them as an ingredient, and have also disseminated health information through the media by creating stories that straightforwardly explain the functions of MCTs. These efforts have borne fruit—MCTs are now widely known, with familiarity increasing from 40.3% to 59.4% from March 2021 to March 2024. The market for MCTs in household edible oil is also expanding (from ¥1.8 billion in fiscal 2021 to ¥3.4 billion in fiscal 2023).

Looking ahead, we will contribute to preventing frailty and resolving other social issues in Japan's super-aging society in addition to supporting the physical condition of

healthy people and addressing other personal health issues by proposing products and diets based on our knowledge of lipid nutrition. Furthermore, we will link the results of these efforts to the growth of the Group.  
 \*1 In people with a high BMI

Familiarity with the terms "MCTs" and "medium-chain triglycerides"



Message from a partner



**Mayuko Kuwabara**  
 Manager, Research & Development Dept. Div.3 Takanashi Milk Products Co., Ltd.

### Working as good partners to provide health and good flavor through products that leverage the strengths of both companies

In 2023, we released *Mainichi MCT Yogurt*, a 400-g food with functional claims with MCT oil as an ingredient. We developed the product in response to a survey showing that many people prefer to eat MCT oil by pouring it over yogurt. Yogurt is a food that many people eat regularly to maintain their health and lose weight. Adding MCT oil—now well known in the market—enables us to provide body fat prevention in addition to the basic health value of lactobacilli and calcium intake normally provided through

yogurt. As a food with functional claims, the ability to clearly show evidence on the package is also a competitive advantage. In developing this product, we made no compromises on taste so that consumers can easily include it in their daily diets. MCT oil is tasteless and odorless, so it is a great match in that it allows us to preserve the natural flavor of milk in the yogurt.

The dairy industry exists alongside dairy farming, and it will remain our main business. However, amid substantial changes in the environment surrounding food, we have high hopes for "The Natural Power of Plants." We look forward to continuing to entertain active proposals and work together as good partners to deliver health and good flavor through food.



Priorities for achieving Vision 2030

# 2 Quality of life

Good flavor and beauty are important aspects of personal values, and fulfilling these values helps people live happy lives. Focusing on these aspects, we will continue to enrich people's lives by promoting a higher quality of life and creating value that can be enjoyed by everyone.



Shared value and social impact

## Contributing to the realization of a higher quality of life, through the pursuit of good flavor and beauty

We are working to improve value as a brand that offers a higher quality of life through good flavor for foods.

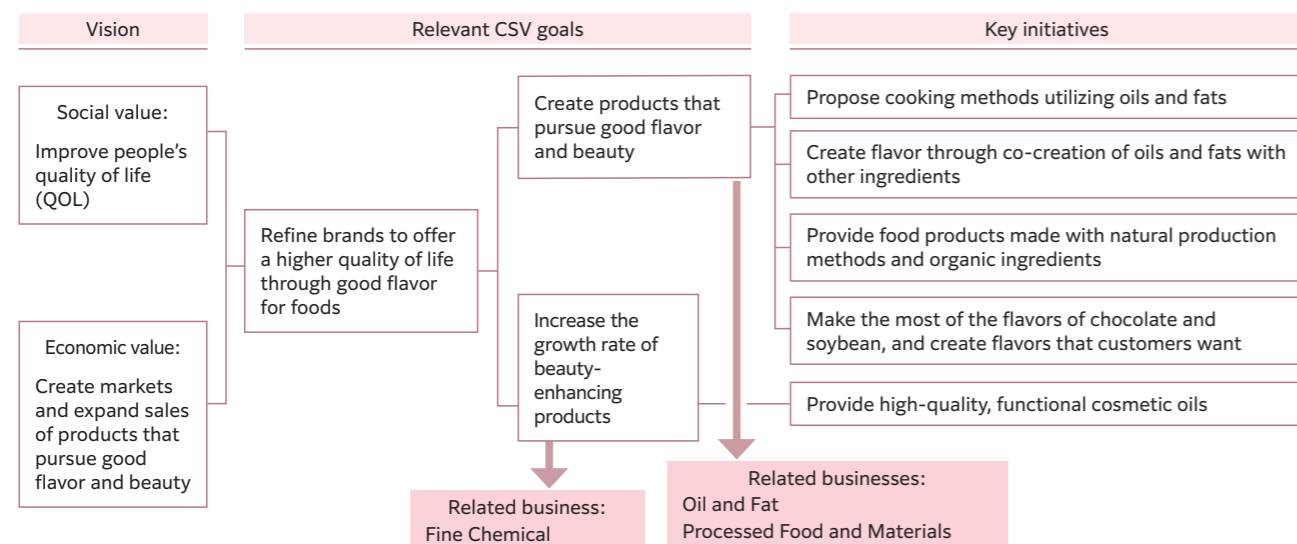


CSV goals

Initiatives	FY2023 results	FY2024 targets	FY2030 targets
Refine brands to offer a higher quality of life through good flavor for foods	Spring 2024: Released <i>Nisshin Healthy Clear</i> made with our ultra oxidation barrier manufacturing method that thoroughly inhibits oil oxidation	Release and develop products that embody values we can share with customers	Corporate brand awareness: 90%
Create products that pursue good flavor and beauty	Expanded awareness by introducing new flavored oil products and developing promotions (awareness: 25%)	Contribute to the enrichment of home dining by popularizing edible oils that make food taste better simply by pouring them on (expand touch points with customers, cultivate the flavored oil market)	Further contribute to food enrichment by creating new categories based on edible oils
Increase the growth rate of beauty-enhancing products (compared with FY2019)*1	126.6%	150%	200%

\*1 Cosmetic ingredients (including products of IQL and NOST), health and sanitation management business of Settsu Inc.

Key initiatives toward realizing our Vision



### Achievements during Value Up+ and looking ahead

This year marks the 100th anniversary since the release of *Nisshin Salad Oil*. With our long history of creating new value through edible oils, we have responded to consumers' needs by releasing *Nisshin Healthy Clear*, a product that delivers new value in the form of long-lasting freshness even after the bottle is opened. The product has been well received, with sales topping 1 million bottles in the first two months.

We have also taken steps to create a market for flavored oil as a product that pursues good flavor for foods. Flavored oil is oil infused with the flavors of spices, herbs, and other ingredients, and it has given us the power to create complex flavors by combining multiple ingredients in a single bottle. To promote flavored with oil as a new way of enjoying food to as many people as possible, we continue to hold tastings and sample distribution at events, social media, and online shopping. Awareness of *Nisshin Yamitsuki Oil*, a type of seasoned oil, increased from 19.2% in fiscal 2021 to 25.2% in fiscal 2023. As consumer values diversify, we continue our efforts to revitalize the market by offering products that meet a broad array of needs.

In fiscal 2023, to increase the growth rate of beauty-enhancing products amid growing interest in cosmetics developed around the concepts of natural and organic materials, we released new products with enhanced "naturalness" (preference for plant-based ingredients and attention to the environment) in terms of the cosmetic ingredients used to produce them. The growth rate of cosmetic oils and other beauty-enhancing products was 126.6% (compared with fiscal 2019), in part thanks to stronger technical proposals for sales to Asia, Europe, and the U.S., leading to growth in the fine chemical business.



Message from an employee



**Kazuma Yoshimura**  
Manager, Household-Use Product Development, Household-Use & Wellness Foods Business Strategy

### Developing a value-added product with the culmination of our technologies in response to consumer insight

Our concept for developing *Nisshin Healthy Clear*—a new product released this year—was to create oil that stays fresh for a long time and does not go bad. We arrived at this concept based on consumer insight: given the many inquiries customers have made about oxidation, we presumed that oxidation of oil makes consumers feel somewhat uneasy.

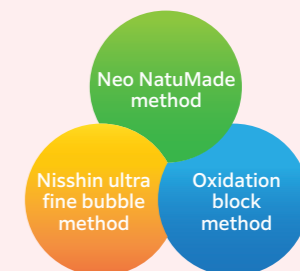
The new ultra oxidation barrier manufacturing method we developed and adopted on

this occasion is the culmination of our stockpile of oxidation control technologies. By combining three oxidation control technologies and reducing oxygen in the product to the extent possible, we created a product that

stays refreshing without feeling greasy for a considerable amount of time after the bottle is opened.

Although it came out near the 100th anniversary of the release of *Nisshin Salad Oil*, *Nisshin Healthy Clear* is not a commemorative product meant to capture past glory; it is a future-oriented product in every way. We hope consumers will add "lack of oxidation" to their criteria for selecting edible oils, and that our new product will help many people enjoy delicious food.

Ultra oxidation barrier manufacturing method



Priorities for achieving Vision 2030

# 3 Global environment

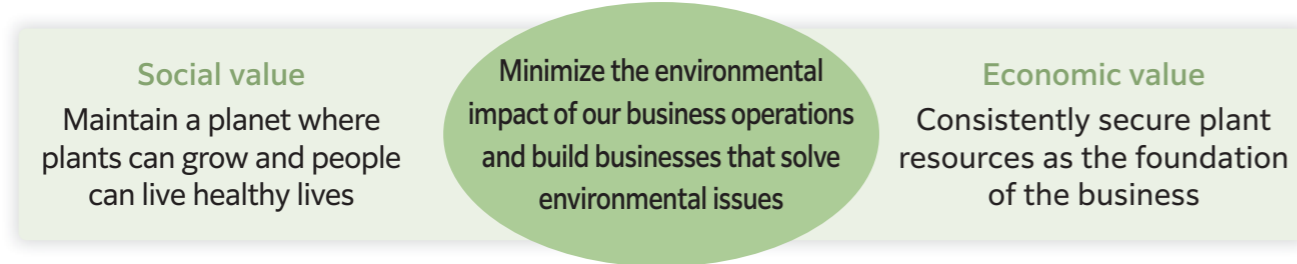
Our business is based on plant resources, and as such, the very sustainability of our business relies on protecting the global environment and resources. Our goal is to achieve a decarbonized, recycling-oriented society for the next generation. To make that future a reality, we are working hard to minimize the environmental impact of our business operations and to build business domains that help resolve pressing environmental issues.



Shared value and social impact

## Tackling challenges to pass on the global environment to the next generation

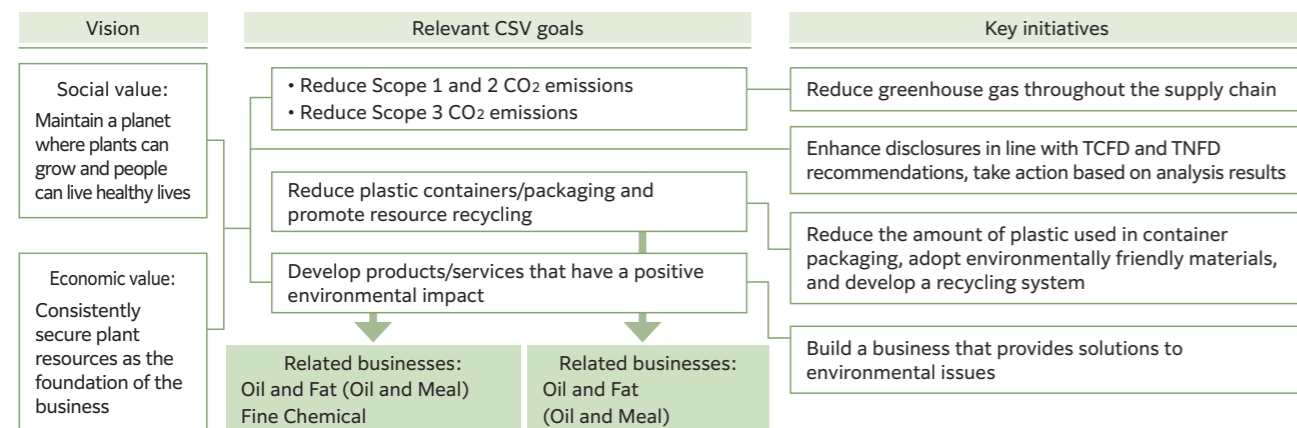
We are taking steps to reduce greenhouse gas emissions, realize a recycling-oriented society, resolve issues with plastic, and utilize plant resources to prevent soil and water contamination.



CSV goals

Initiatives	FY2023 results	FY2024 targets	FY2030 targets
Reduce Scope 1 and 2 CO <sub>2</sub> emissions (compared with FY2016)	18.6% reduction (preliminary)	20% reduction	50% reduction
Reduce Scope 3 CO <sub>2</sub> emissions (compared with FY2020, starting with Categories 1 and 4)	<ul style="list-style-type: none"> <li>Set quantitative targets for FY2030</li> <li>Began detailed discussions in September with US and Canadian industry groups via the Japan Oilseed Processors Association on methods of calculating CO<sub>2</sub> emissions from main raw materials (soybean, rapeseed)</li> </ul>	By 2026, set science-based reduction targets and acquire commitments to them from suppliers covering 70% of emissions from purchased products and services and transport (upstream)	25% reduction
Reduce plastic containers/packaging and promote resource recycling	<ul style="list-style-type: none"> <li>Released three paper container products (Canola Oil, Canola Oil Halfuse, and Healthy Sesame Fragrant Oil)</li> <li>Introduced new containers with 30% recycled PET plastic and 39% less plastic than conventional bottles, released eight new products</li> </ul>	70% introduction rate of environmentally friendly materials in products in the household-use category (Target: edible oils and gifts)	<ul style="list-style-type: none"> <li>Develop and realize systems for containers, technologies, and services conducive to resource recycling</li> <li>Reduce emissions per new plastic containers (bottle/cap) made from petroleum: 15% (compared with FY2022)</li> </ul>
Develop products/services that use plant resources and the Company's technology and have a positive environmental impact (cumulative total since FY2021)	Cumulative: 41 products (Developed and released long-lasting oils, plant-based industrial oils and fats, etc. for reducing food loss)	Cumulative: 80 products	Products/services that have a positive environmental impact become the core driving force of growth

Key initiatives toward realizing our Vision



Response to recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) and the Taskforce on Nature-Related Financial Disclosures (TNFD)

Past efforts and the path toward integrated response

- The Nisshin Oillio Group Biodiversity Policy [https://www.nisshin-oillio.com/english/sustainability/environment/biodiversity\\_policy.html](https://www.nisshin-oillio.com/english/sustainability/environment/biodiversity_policy.html)
- The Nisshin Oillio Group Water Policy [https://www.nisshin-oillio.com/english/sustainability/environment/water\\_policy.html](https://www.nisshin-oillio.com/english/sustainability/environment/water_policy.html)

Because our business operations are based on plant resources, and because climate change has a significant impact on plant growth, responding to climate change is an important management theme. With that in mind, we endorsed the TCFD recommendations in 2021, and since fiscal 2022, we have disclosed information through analysis of climate change-related risks and opportunities, financial impact simulations, and other aspects.

In 2023, we formulated The Nisshin Oillio Group Biodiversity Policy and The Nisshin Oillio Group Water Policy to promote conservation efforts, as the very sustainability of our business depends on

conserving the global environment and natural capital. We also began to identify and evaluate nature-related issues that require disclosure, using the framework of the TNFD recommendations as a guide.

Regarding governance and risk management pertaining to nature-related and other sustainability issues, the Management Sustainability Committee established by the Board of Directors discusses policies and strategies and manages risks, and the Board of Directors is responsible for resolving sustainability issues and overseeing the progress of the goals. Accordingly, we will promote an integrated response to nature-related and other sustainability issues.

Response to TCFD recommendations

TCFD <https://www.nisshin-oillio.com/english/sustainability/environment/tcf.html>

To improve the resilience of our long-term strategies for achieving carbon neutrality by 2050, we are continually considering ways to identify, assess, and respond to climate-related risks and opportunities. Regarding climate-related risks, we identify short-, medium-, and long-term risks and opportunities and qualitatively assess their financial impact. Notably, we used the 1.5°C/2°C and 4°C scenarios in our process of consideration. In fiscal 2023, we quantitatively

analyzed the financial impact of three factors for some of the risks: (1) increased costs due to carbon tax, ETS, and the like, (2) increased raw soybean prices due to decarbonization in agriculture, and (3) decreased profits due to shutdowns caused by meteorological disasters. We also examined measures to address risks and opportunities that could substantially affect the Group's business operations.

Risks covered by the financial impact analysis

	Financial impact		Impact	Likelihood	Timing	Details of financial impact analysis
	Transition risks	Physical risks				
Transition risks	Higher carbon taxes could increase the cost of energy, containers, transportation, and the like. Additionally, introducing a corporate CO <sub>2</sub> emissions trading scheme could trigger expenses from purchasing allowances.		Large	High	Medium-term, long-term	(1) Increased costs due to carbon tax, ETS, and the like
	A shift away from conventional, environmentally taxing farming methods and stricter land use regulations could decrease production volumes and increase labor costs, leading to higher raw material prices.		Large	High	Short-term, medium-term, long-term	(2) Increased raw soybean prices due to decarbonization in agriculture
Physical risks	Areas where raw materials are produced could suffer due to increasingly frequent and severe natural disasters, reducing yields and causing raw material prices to soar. Additionally, if production plants are damaged, sales could decrease due to the temporary reduction in the production, sales, and logistics capacity.		Large	High	Short-term, medium-term, long-term	(3) Decreased profits due to shutdowns caused by meteorological disasters

Results of analysis

(1) Increased costs due to carbon tax, emissions trading systems (ETS), and the like

We used carbon prices under the 2°C and 1.5°C scenarios\*1 for the Company and ISF (Malaysia) to calculate the annual cost of carbon prices in 2030 and 2050. In both scenarios, if we achieve our CO<sub>2</sub> emissions reduction targets, the cost for the two companies in 2030 will be ¥2.0 billion/year under the 2.0°C scenario and ¥2.61 billion/year under the 1.5°C scenario, suggesting that the cost will be roughly halved compared with the business-as-usual case.

(2) Increased raw soybean prices due to decarbonization in agriculture

We used the 1.5°C scenario from the NGFS\*2 to calculate the annual increase in procurement costs due to changes in soybean prices in 2030 and 2050 for the United States and Brazil, major producers of soybean, one of our main raw materials. We found that the cost of

soybean from both the United States and Brazil will increase, representing the largest impact among risk items for which we calculated financial impacts (totaling ¥16.5 billion/year in 2030 and ¥25.9 billion/year in 2050).

(3) Decreased profits due to shutdowns caused by meteorological disasters We used the 4°C/2°C scenario from the IPCC\*3 to calculate the reduction in annual operating profit in 2050 if domestic operations were suspended due to flooding. We found that even under the 4.0°C scenario—considered to have a large impact from meteorological disasters—the impact is only ¥176 million/year, the smallest among the risk items for which we calculated financial impacts.

\*1 2°C scenario: APS scenario in World Energy Outlook 2022 (IEA); 1.5°C scenario: NZE scenario

\*2 NGFS: Network for Greening the Financial System

\*3 IPCC: Intergovernmental Panel on Climate Change

## The Nisshin Oillio Group Vision 2030

### Response to TNFD recommendations [TNFD https://www.nisshin-oillio.com/english/sustainability/environment/tnfd.html](https://www.nisshin-oillio.com/english/sustainability/environment/tnfd.html)

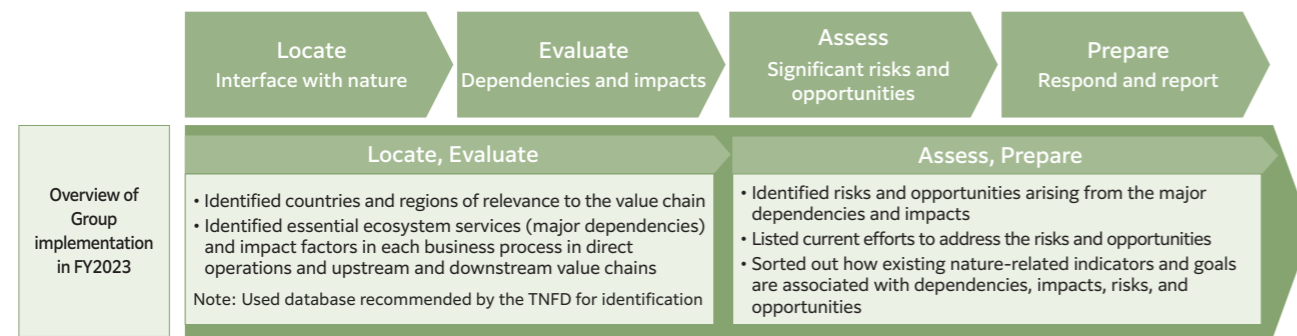
Recognizing that natural capital has a substantial bearing on the sustainability of our business, we began analyzing nature-related risks and opportunities in fiscal 2023 in reference to the framework published by the TNFD. We will also continue to enhance our disclosures.

#### Strategy

We have begun identifying and assessing nature-related issues (dependencies, impacts, risks, and opportunities) using the LEAP approach advocated by the TNFD. The LEAP approach was developed by the TNFD as an integrated approach to assessing interface with nature, dependencies and impacts on nature, nature-related risks and opportunities, and more.

In fiscal 2023, we identified major dependencies and impacts of the Group's business on nature, identified risks and opportunities, and listed relevant existing measures. We will continue to use the LEAP approach to identify priority areas, assess risks and opportunities, consider specific measures, and define indicators.

#### LEAP approach and overview of FY2023 implementation

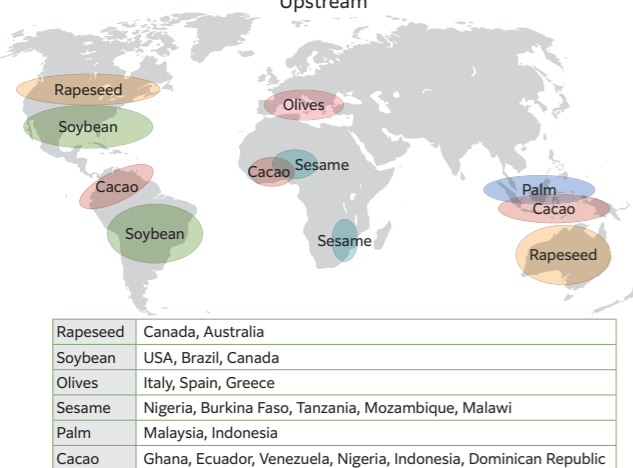


### Dependencies and impacts of the Group on nature (Locate, Evaluate)

We identified dependencies and impacts on nature from direct operations as well as upstream and downstream value chains of the Group's Oil and Fat Business and Processed Food and Materials Business. Our upstream value chain includes the production of crops as raw materials and processes such as oilseed processing for palm oil and some

other raw materials; this analysis covered the production and processing of the Group's main raw materials: soybean, rapeseed, palm oil, cacao, olive oil, and sesame oil. As for our direct operations, we manufacture and process the raw materials we procure. In our downstream value chain, our customers manufacture and process the processed products we supply into finished products, which they distribute and retail to end users. As for our interface with nature, the figure below shows the dependencies and impacts we identified in each region.

#### Interface with nature



To identify dependencies and impacts on nature, we used ENCORE\*1 to screen for particularly major dependencies and impacts. We listed the main processes and identified the general dependencies and impacts of each in direct operations and upstream and downstream value chains (Tables 1 and 2 on p. 52). We referred to the Global Industry Classification Standard (GICS)\*2 to sort out the main processes.

#### Direct operations



\*1 Exploring Natural Capital Opportunities, Risks and Exposure (ENCORE) is a tool developed jointly by the United Nations Environment Programme World Conservation Monitoring Centre (UNEP-WCMC) and other organizations under the initiative of the Natural Capital Finance Alliance (NCFA), an international financial industry association for the natural capital sector. ENCORE was introduced in version 1.0 of the TNFD framework as a useful tool for the Locate and Evaluate steps of the LEAP approach.

\*2 The GICS is a standard jointly developed by US rating agency S&P and Morgan Stanley Capital International (MSCI), a provider of indexes and analytical tools for institutional investors, that classifies the world's industries into 11 sectors, 24 industry groups, 69 industries, and 158 sub-industries.

Table 1: Dependencies on nature

Value chain		Essential ecosystem services (major dependencies)														
		Supply services				Coordination services										
		Water	Biomass	Genetic resources	Other	Insect & wind pollination	Pest & disease control	Soil erosion control	Natural disaster damage mitigation	Consistent rainfall	Indoor air circulation through planting, etc.	Consistent climate	Waste decomposition	Soil fertility	Air & water purification	
Upstream	Soybean production															
	Rapeseed production															
	Olive production															
	Sesame production															
	Palm production															
	Cacao production															
Direct operations	Oilseed processing (olive oil, sesame oil, palm oil)															
	Manufacturing & processing															
Downstream	Manufacturing & processing															
	Transport															
	Sales															

● In the upstream value chain, the production processes for soybean, rapeseed, olives, sesame, palm, and cacao—the raw materials for edible oils and fats—are highly dependent on ecosystem services that support crop production, namely pollination by insects, drought control, and maintaining soil fertility. The functions of mitigating damage from floods, storms, and other natural disasters and controlling soil erosion in farmland are also essential services provided by natural capital.

● In terms of individual raw materials, cacao production was identified as more dependent on pollinators and more susceptible to changes in natural conditions.  
 ● Additionally, dependency on water resources was identified in the manufacturing and processing processes of direct operations as well as those of customers in our downstream value chain.

Table 2: Impacts on nature

Value chain		Impact factors													
		Climate change		Changes in land, freshwater & ocean use			Pollution & decontamination			Resource use & replenishment					
		GHG emissions	Terrestrial ecosystems	Freshwater ecosystems	Marine ecosystems	Soil contaminants	Water contaminants	Solid waste	Noise & other disturbances	Non-GHG air pollutants	Water	Other resources			
Upstream	Soybean production														
	Rapeseed production														
	Olive production														
	Sesame production														
	Palm production														
	Cacao production														
Direct operations	Oilseed processing (olive oil, sesame oil, palm oil)														
	Manufacturing & processing														
Downstream	Manufacturing & processing														
	Transport														
	Sales														

● In raw material production processes in the upstream value chain, terrestrial ecosystem use and water and soil contamination were identified as impact factors. From the explanations in ENCORE, the documentary records, and other sources of information, we recognize that deforestation for the purpose of developing raw material production areas and excessive use of fertilizers and pesticides in cultivation have a negative impact on nature in terms of the use of terrestrial ecosystems and water and soil contamination.  
 ● In terms of individual raw materials, palm oil was identified as having an impact on nature due to the GHG emissions, waste, and water use associated with the oilseed processing.  
 ● Direct operations have a high potential for impact on nature due to GHG emissions, waste, and wastewater from manufacturing

plants during the manufacturing and processing processes. We also identified a high potential for impact on nature in the downstream value chain due to GHG emissions, waste, and wastewater from our customers during their manufacturing, processing, distribution, and sales processes.  
 ● Important issues in the entire food product manufacturing and processing processes and products, and the use and disposal of plastic in containers and packaging. Plastics are especially concerning due to GHG emissions from their disposal and incineration, as well as the impact of plastics (microplastics) released into the ocean on marine ecosystems. The Group also recognizes these as important issues.

### Risks and opportunities (Assess, Prepare)

We have identified risks and opportunities associated with particularly major dependencies and impacts of our business on nature, and have listed our current efforts to address them\*.

\* For more information, please visit our website <https://www.nisshin-oillio.com/english/sustainability/environment/tnfd.html>

### Indicators and goals

The nature-related indicators we publish in our Sustainability Data Book include GHG emissions, air pollutant and chemical emissions, water consumption, volume of waste, volume of containers and packaging (including plastics), and percentage of sustainable raw material procurement. These indicators are also included in the core global indicators recommended by the TNFD for disclosure.

## The Nisshin Oillio Group Vision 2030

### Environmental Targets for 2030

We have formulated Environmental Targets for 2030 with two of our priorities (“Global environment,” “Supply chain connected by trust”) as the main initiatives, and have set strategic, long-term goals and are advancing initiatives for several themes (Preventing global warming, Promoting environmentally friendly development, Establishing resource recycling, and Plant resources/nature conservation).

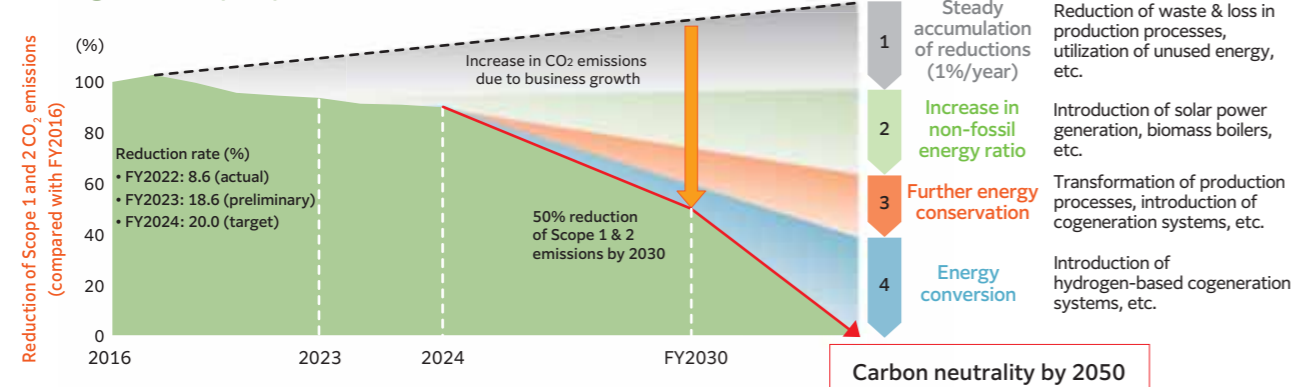
#### Preventing global warming Promoting Group-wide initiatives to achieve carbon neutrality by 2050

Our business operations are based on plant resources, and because climate change has a significant impact on plant growth, responding to climate change is an important management theme. Therefore, to achieve carbon neutrality (net zero CO<sub>2</sub> emissions) by 2050, we have set a target for 2030: 50% reduction of Scope 1 and 2 CO<sub>2</sub> emissions (compared with fiscal 2016). We have also set a new numerical target for 2030 for Scope 3 emissions (25% reduction compared with fiscal 2020), and have launched initiatives in the areas of raw material procurement, transport, and delivery, which account for a particularly high percentage of emissions. By fiscal 2023, we had reduced Scope 1 and 2 emissions by 18.6% (preliminary, compared with fiscal 2016), and we are making steady progress toward further reductions.

Specifically, we are furthering energy conservation in our production processes to reduce CO<sub>2</sub> emissions by 1% each year through 2030. Coupled with our introduction of new equipment such as heat pumps that utilize unused energy,

our efforts are beginning to compound. Additionally, to increase our percentage of non-fossil energy, we are installing solar power generation equipment throughout the Group, and ISF (Malaysia) has purchased green power equivalent to 48,000 tons of CO<sub>2</sub> (71.8% of ISF's energy usage in fiscal 2023 was non-fossil). We are also promoting cogeneration systems inside and outside Japan. The cogeneration system being installed at ISF's Dengkil Plant is scheduled to come online in December 2024, and the decision has been made to install a system at the Port Klang Plant in 2026. Aiming to be hydrogen-ready by 2030, the Yokohama Isogo Complex is currently installing a high-efficiency gas turbine cogeneration facility capable of running on hydrogen. We aim to begin using hydrogen at this facility to transition to non-fossil heat energy while closely monitoring the development of the hydrogen supply network. Combining these measures, we will work to reduce CO<sub>2</sub> emissions on all fronts.

#### Strategic roadmap to promote decarbonization (as of July 2024)



#### Message from a partner



**Ryo Oota**  
 Manager, ESP Business Promotion Department, Power Producer and Supplier Division, JFE Engineering Corporation

### Exploring new ground for CO<sub>2</sub> reduction based on long-standing collaboration

We are an engineering company with expertise in the environmental and energy fields and experience constructing numerous plants. We provide decarbonization solutions that combine the energy-saving and decarbonization technologies we have developed over the years with our own renewable energy sources and insights on electricity supply and demand and electricity systems through our subsidiaries.

The Nisshin Oillio Group was an early mover in introducing cogeneration systems and high-efficiency equipment, and in 2017, they collaborated with us to launch an energy network initiative to optimize energy procurement and supply at production plants throughout Japan. As a result, they achieved a substantial reduction in CO<sub>2</sub> emissions in fiscal 2023 (18.6% reduction (preliminary) compared with fiscal 2016 for the entire Group).

The highly energy-efficient, state-of-the-art cogeneration system we are building will allow us to co-fire with hydrogen, replacing a portion of our city gas consumption. Although a practical supply of hydrogen is the key to realizing hydrogen co-firing, there are currently issues with delivery methods and costs. However, our many years of collaboration with The Nisshin Oillio Group put us in a good position to explore new ground together, and we believe that being the first in the region and the industry to utilize hydrogen will not only help us substantially reduce CO<sub>2</sub> emissions, but also have a significant social impact.

#### Promoting environmentally friendly development Releasing edible oil in new containers made with less plastic

In February 2024, we released edible oil in a new 800 g PET bottle made with approximately 39% less plastic than the previous 900 g PET bottle. We accomplished this substantial reduction by eliminating the handle on the 900 g PET bottle. We also used recycled PET plastic for part of the bottle and pull tab. We repeatedly tested the shape of the bottle to ensure that it fits easily in the palm of the hand, and included an indentation on the back of the bottle to make it easier to hold with either the right or left hand. As a result, the 800 g bottle fits easily in the palm of either hand and is easy to store.

The amount of cooking oil used in the average household has declined over the past several years, meaning that it takes longer for consumers to use up a bottle of oil. Therefore, reducing the volume from 900 g to an amount

more aligned with how customers use the product gives them fresh edible oil for the right amount of time and prevents waste.

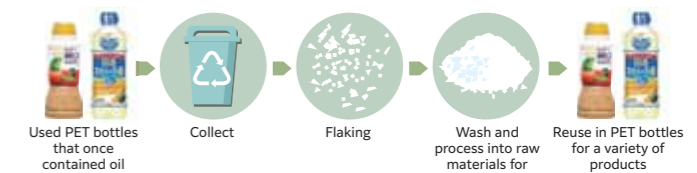


Slimmer bottle with indentations on the sides that fit the fingers, making it easy to hold

#### Establishing resource recycling Demonstrating collection of used plastic bottles that once contained oil

Plastic bottles that once contained edible oil and seasonings present challenges—namely removing the adhered oil from the inside of the container—and there is currently no system in place for recycling the plastic. We have been working with local governments to test the feasibility of collecting used PET bottles that once contained oil in an effort to ascertain the current status and issues surrounding recycling and collection of these materials. In May 2024, we launched a pilot project in cooperation with Kewpie Corporation to collect used PET bottles that once contained oil at retail stores. We will continue to collaborate with this fellow oil-handling company to efficiently explore new ground with

more testing and other activities and look into verifying a broad range of technologies to utilize these used containers. Looking ahead, we aim to create a society in which PET bottles containing products made with edible oil are recycled.



#### Plant resources/nature conservation Initiatives to restore eelgrass, which is attracting attention as a blue carbon sink

Since 2004, we have been participating in eelgrass (amamo) restoration activities organized by Amamo Revival Collaboration in Kanazawa-Hakkei, Tokyo Bay Area. Eelgrass is a type of seaweed, and areas where it grows in abundance are called eelgrass beds. Eelgrass beds help improve water quality and conserve biodiversity. Eelgrass is also attracting attention for its ability to absorb and fix CO<sub>2</sub>, which helps prevent global warming. Employees from our Yokohama Isogo Complex and other locations participate in these activities, collecting flowering shoots and engaging in other efforts to cultivate eelgrass. CO<sub>2</sub> absorbed by marine vegetation is known as “blue carbon,” and efforts to restore

and conserve eelgrass, mangroves, and other carbon sinks are being promoted in Japan and abroad.



Collecting young flowering shoots containing seeds to grow new eelgrass

### The Nisshin Oillio Group on the CDP A List for Forests and Water Security

For the first time, the Group received the highest ranking in a survey of companies' environmental initiatives conducted by CDP, an international NPO. We were named on the A List in two areas (Forests and Water Security) and earned an A- in the third area (Climate Change). In 2023, the A Lists for Forests and Water Security comprised 31 and 103 companies, respectively, and as of September

2024, the Group was one of a very small number of companies that made both lists.

2023 CDP A List companies <https://www.cdp.net/en/companies/companies-scores>



Priorities for achieving Vision 2030

# 4 Contribution to the food value chain

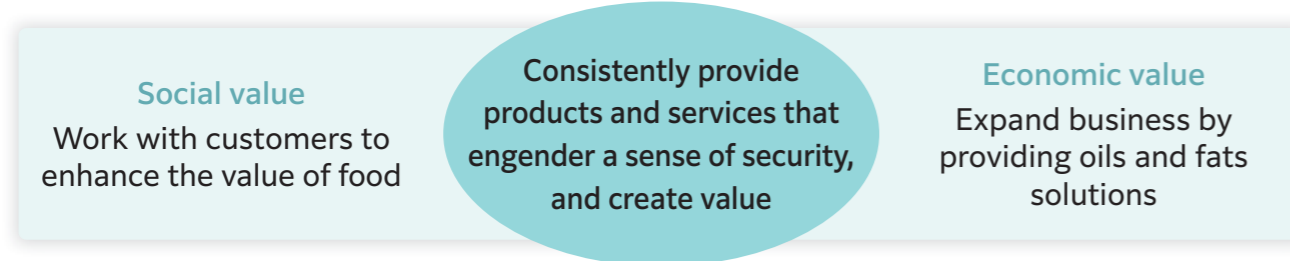
Global demand for oils and fats is increasing, and as society and the environment change, people are using oils and fats more frequently and in different ways. The Group uses technology to further enhance the value of plant resources and to collaborate with customers to achieve the solutions society needs. We contribute to the food value chain by creating value and consistently providing products and services that engender a sense of security.



Shared value and social impact

## Working with our customers to refine our technologies, products, and services for enhanced value

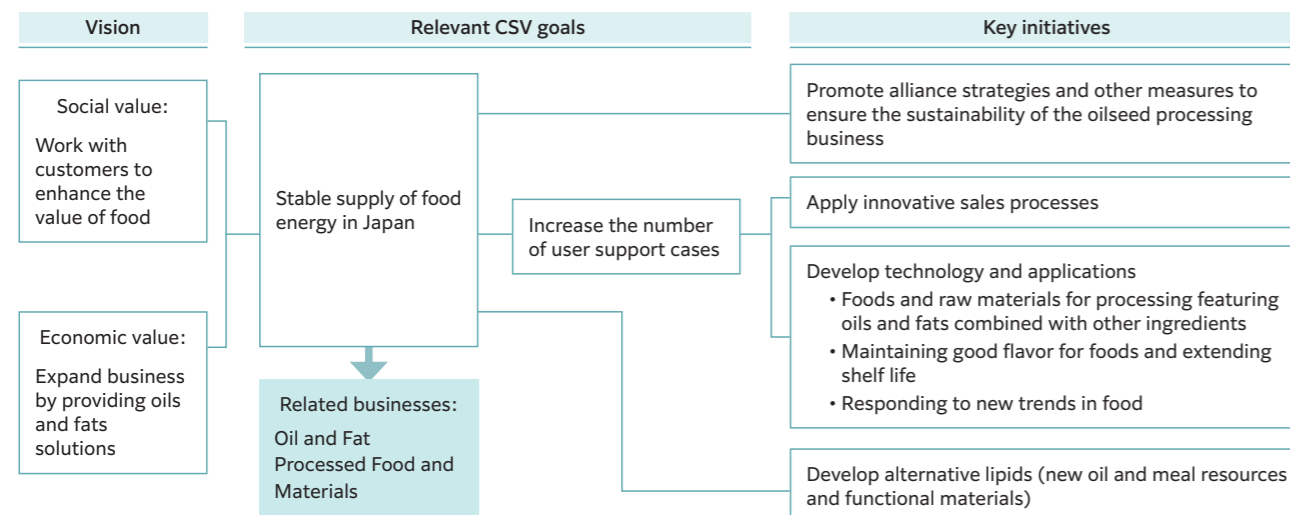
We are taking steps to provide a stable supply of oils, fats, and meal, develop food products with new value, sustain good flavor for foods, extend shelf life, eliminate future food shortages, and more.



CSV goals

Initiatives	FY2023 results	FY2024 targets	FY2030 targets
Stable supply of food energy in Japan (percentage of total domestic energy)	7.3%	6% or more	
Provide solutions by demonstrating user support functions	127%	130%	150%
Increase the number of user support cases (compared with FY2019)			
-	Began participating in industry-academia-government collaboration projects to acquire new oil and meal resources and functional materials (development of alternative algae-based lipids)	-	

Key initiatives toward realizing our Vision



Achievements during Value Up+ and looking ahead

User support is the act of pairing our dependable technical expertise with proposals of optimal products, operations, and services in the commercial-use and food-processing domains to meet the needs of customers such as processed food manufacturers, ready-to-eat meal companies, and restaurants. User support is essential for resolving social issues in the food value chain and enhancing the value our customers create.

During the Value Up+ period, we have continuously provided solutions in response to changes in consumer behavior rooted in the COVID-19 pandemic, as well as to labor shortages, convenience, and good flavor. Additionally, to reduce food loss—an issue throughout the food industry—we have extended the shelf lives of some of our edible oil for household use since fiscal 2023, and for commercial use and food processing, our functional oils and fats and other solutions have allowed our customers to extend the shelf lives of their products made

with our products. Amid the rising prices of ingredients and materials, it is also important to propose solutions that help customers control costs without compromising the taste and quality of their products.

These activities are conducted by The Nisshin OilliO Group as well as ISF (Malaysia) and Daito Cacao, and are driving the Group's growth. We also plan to utilize Incubation Square (our new research and development base) to expand the range of oils and fats solutions through co-creation with our customers.

Additionally, to address future long-term issues in the Japanese oil processing industry, we teamed with J-Oil Mills, Inc. in October 2023 to establish Oilseed Processing Partners Japan, Ltd., an oilseed processing joint venture in western Japan. We intend to continue contributing to the advancement of the domestic food and livestock industries by maintaining and strengthening our system for providing a stable supply of oils, fats, and meal.

Message from an employee



**Chia Swee Gee**  
Senior Manager,  
R&D Division, ISF

## Leveraging our extensive expertise in confectionery fats to provide optimal solutions for each customer

ISF sells palm oil-based confectionery fats to customers around the world. The ideal mouthfeel of a chocolate product depends on the manufacturer's intent with the product. To help our customers achieve the optimum mouthfeel for their end products with our confectionery fats, we propose custom solutions based on our extensive expertise in confectionery fats to adjust blends and processing conditions. Additionally, these confectionery fats must be safe to eat, and must be produced using sustainable raw materials.

With the recent rise in cacao prices, we have been receiving more and more inquiries from customers about developing new products made with our confectionery fats. We are committed to maximizing value for our

customers by meeting these needs through our technologies and ability to develop applications.

We will continue to provide innovative and comprehensive solutions by strengthening collaboration with our customers and more efficiently utilizing the knowledge and resources of Nisshin OilliO and other Group companies to further refine our technologies.



Priorities for achieving Vision 2030

# 5 Supply chain connected by trust

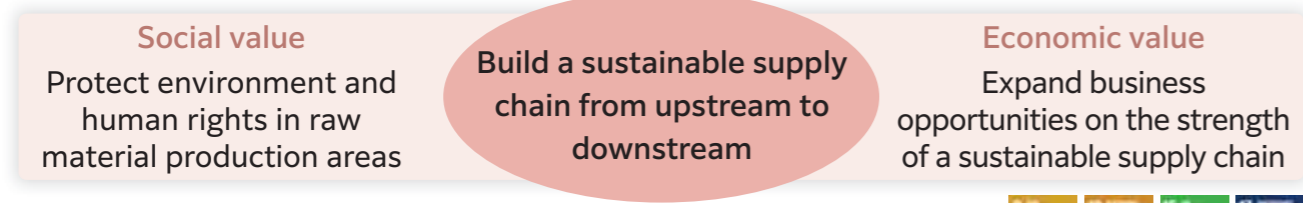
As a supplier of the key ingredients and energy that underpins the supply of food in Japan, we strive to build a supply chain that will remain dependable into the future by using sustainably produced raw materials and by always respecting the gravity of our responsibility to deliver quality products to customers. We also strive to build trusting relationships with our customers and society at large by supplying safe products and ensuring highly transparent communication.



Shared value and social impact

## Building a strong, flexible supply chain based on integrity

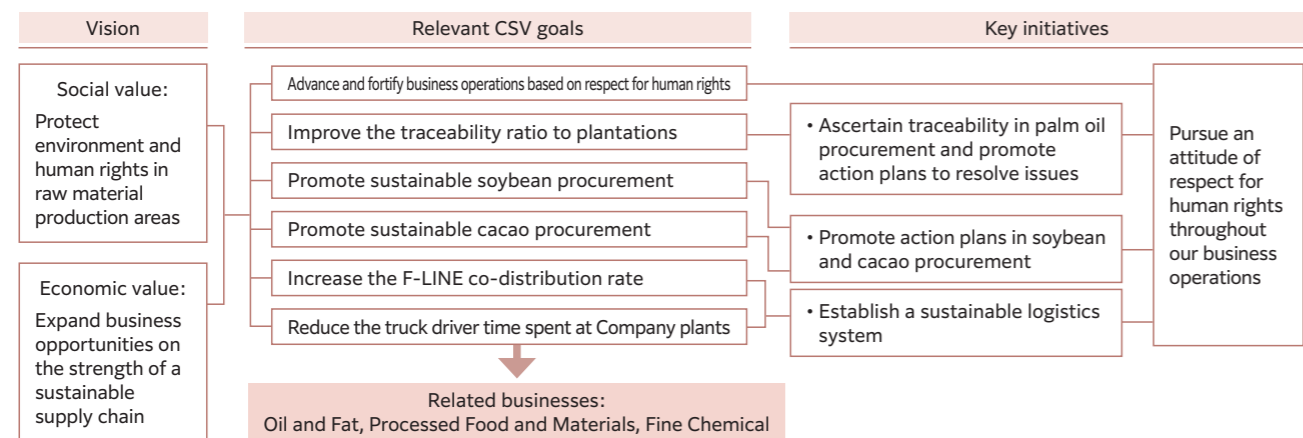
We are taking steps to protect the environment and human rights in upstream areas where raw materials are produced; eliminate deforestation, peatland development, and exploitation; improve the sustainability of downstream logistics, and provide a reliably safe supply of oils and fats.



CSV goals

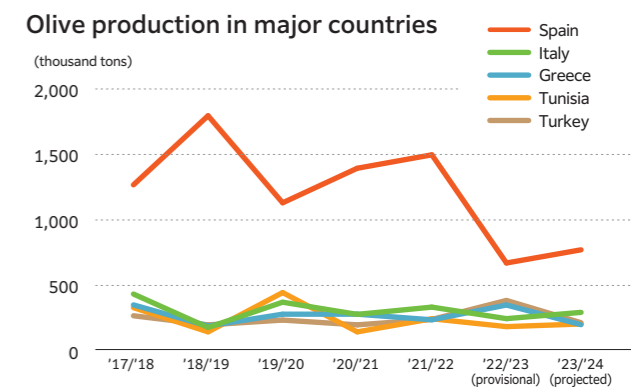
Initiatives	FY2023 results	FY2024 targets	FY2030 targets
Advance and fortify business operations based on respect for human rights	Established Supplier Guidelines, began providing guidance to high-priority suppliers, administered the Self Assessment Questionnaire (SAQ) and made site visits to manufacturing contractors	Launch full-scale due diligence on human rights in the supply chain	Lay the groundwork and establish mechanisms to prevent human rights violations from occurring in the supply chain
Improve the traceability ratio to plantations	Palm oil: 92.7% (January–December)	Palm oil: Develop effective initiatives to achieve and maintain a 100% traceability ratio	Palm oil: 100%
Promote sustainable soybean procurement	• Formulated an action plan based on traceability, Scope 3 emissions reduction, etc. • Began engaging with suppliers and producer organizations	Sustainable soybean procurement predicated on stable supply	
Promote sustainable cacao procurement	Formulated an action plan based on cacao procurement traceable to plantations, release of products made from certified cacao, conservation of rare beans, etc.	Sustainable cacao procurement predicated on stable supply	
Establish a sustainable, competitive logistics system	Increase the F-LINE co-distribution rate to make transport and loading more efficient Reduce the truck driver time spent at Company plants	Average: 88 minutes (as of March 2024)	Average: 30 minutes or less

Key initiatives toward realizing our Vision



The situation for raw materials for olive oil

Approximately 60% of the world's olive oil is produced in Europe along the Mediterranean coast, mainly in Spain and Italy. Climate change has resulted in poor olive harvests over the past several years, threatening the global supply-demand balance and depleting inventory in Japan. In Spain, which produces more than 40% of the world's olives, production declined dramatically in the seasons following the record-breaking drought of 2022 and lack of rainfall in 2023. To ensure stable olive procurement in such challenging circumstances, improving the resilience of the supply chain has become a critical issue.



## Planting olive trees in groves that produce the raw materials for BOSCO Olive Oil

BOSCO Olive Oil is made primarily from olives grown in Italy, where crop failures have persisted for the past several years and, according to estimates, the ongoing spread of the plant-killing *Xylella fastidiosa* may kill enough olive trees over the next 50 years to cause up to €5.2 billion in economic losses. Additionally, many trees in Italian olive groves are aging to the point where productivity is declining. To help stabilize olive production in such a severe environment, we have begun planting olive trees in Italy. In 2024, we planted approximately 1,200 olive trees of a highly *Xylella fastidiosa*-resistant variety in two groves that produce olives used to make BOSCO Olive Oil. We will

continue planting trees and working together with producers to resolve issues and sustain our delivery of olive oil to our customers into the future.



Olive trees withered by *Xylella fastidiosa*



Growers and employees working together to plant an olive tree

Message from a partner



Nicola Pantaleo  
Olive grower

## Collaborating to plant trees to preserve flavorful olives for the next generation

In our groves, we use multiple cultivation methods to produce many different olive varieties. Extra virgin olive oil made from our olives is characterized by the green fruitiness of early harvest olives with just the right balance of bitterness and sharpness. This complex flavor suits any cuisine, from Italian and other Western styles to *washoku*, the pride of Japan. Olive production in Europe

faces many challenges, including drought, and *Xylella fastidiosa* in southern Italy. We have been addressing these challenges by installing subsoil irrigation and fertilization systems, and now we are planting trees as well. We feel that these efforts will strengthen our relationship with The Nisshin Oillio Group. We look forward to watching these young trees grow year by year to replace the old olive trees that have withered from *Xylella fastidiosa*. Despite the distance between Italy and Japan, I feel that we share the same desire to leave the next generation with an environment conducive to cultivating plant resources. We will use each other's wisdom and collaborate to improve the environment in which we live and work.



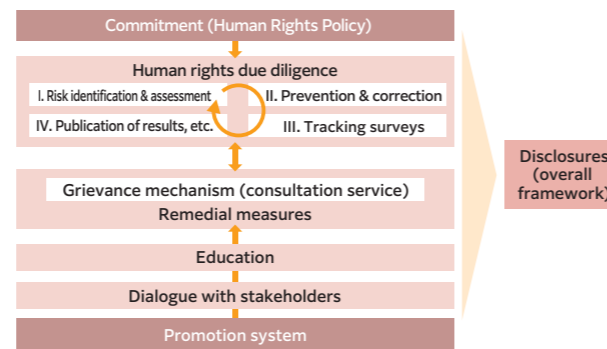
## The Nisshin Oillio Group Vision 2030

### Human rights efforts

Recognizing that our business may directly or indirectly affect human rights throughout our supply chain, the Group has established The Nisshin Oillio Group Human Rights Policy to respect the human rights of everyone involved in our business, and will promote Groupwide efforts to respect human rights in line with the United Nations Guiding Principles on Business and Human Rights. The Group respects human rights as defined in the International Bill of Human Rights, the OECD Guidelines for Multinational Enterprises, and the ILO Declaration on Fundamental Principles and Rights at Work. Our main human rights efforts include establishing a human rights due diligence system for our supply chain and remedial measures under our grievance mechanism, and we publish the details of our efforts on our website as appropriate.

Details of efforts for human rights [https://www.nisshin-oillio.com/english/sustainability/human\\_rights/](https://www.nisshin-oillio.com/english/sustainability/human_rights/)

#### Overview of the Group's human rights efforts



### Roadmap

	2022	2023	2024-2025	2026 and beyond
<b>Human rights due diligence</b>	<ul style="list-style-type: none"> <li>Ascertaining the presence of human rights-related issues within the Group</li> <li>Identifying and analyzing human rights risks</li> </ul>	<ul style="list-style-type: none"> <li>Building a human rights due diligence system, beginning with high-priority suppliers (Establishment and dissemination of Supplier Guidelines, SAQ surveys, on-site audits)</li> </ul>	<ul style="list-style-type: none"> <li>Building a human rights due diligence system and strengthening traceability for all suppliers</li> </ul>	<ul style="list-style-type: none"> <li>Continuing initiatives based on human rights due diligence system</li> </ul>
<b>Grievance mechanism</b>	<ul style="list-style-type: none"> <li>Review of existing systems, including Corporate Ethics Hotline</li> </ul>	<ul style="list-style-type: none"> <li>Exchanging opinions both internally and externally to expand grievance system</li> </ul>	<ul style="list-style-type: none"> <li>Building a grievance mechanism</li> </ul>	<ul style="list-style-type: none"> <li>Operations based on grievance mechanism, continuous improvements</li> </ul>
<b>Information disclosure</b>		<ul style="list-style-type: none"> <li>Disclosing information on the Company's website and in Integrated Reports</li> </ul>	<ul style="list-style-type: none"> <li>Updating information as necessary on the Company's website, in Integrated Reports, and through other means</li> </ul>	

#### Conducting human rights due diligence

In light of the Group's human rights risks, in fiscal 2023, we established The Nisshin Oillio Group Supplier Guidelines and took steps to inform everyone about them. Then, we administered the SAQ to roughly 40 high-priority manufacturing contractors in terms of impact on our business, marketability and regional characteristics, the existence or absence of legal regulations, and the like, and visited two of them to explain and discuss The Nisshin Oillio Group Human Rights Policy and engage in other forms of dialogue. We will continue to implement these initiatives in the future.

#### Considering the grievance mechanism

At present, the Group's grievance mechanism (consultation service) is operated by the Company and ISF (Malaysia) for palm oil. If the Group were to violate the Palm Oil Procurement Policy, we would take steps to respond to requests for consultation and complaints from external stakeholders and disclose the details of these actions on our website and the website of ISF (Malaysia) in an effort to ensure transparency. We have established The Nisshin Oillio Group Corporate Ethics Hotline for whistleblowing and other internal reporting systems. The hotline also covers requests for consultation and reports regarding human rights.

### Efforts to build a sustainable supply chain

Based on our belief that resolving environmental and social issues involving raw materials and building a sustainable supply chain are initiatives directly related to the sustainable growth of the Group, we take steps to resolve these issues through our business operations. Accordingly, we have established procurement policies for palm oil,

soybeans, and cacao under The Nisshin Oillio Group Basic Procurement Policy, which serves as a guideline for all raw materials, services, and other procurement activities. Additionally, in fiscal 2023, we formulated action plans for soybeans and cacao and reviewed the Palm Oil Action Plan to promote Groupwide efforts.

#### Sustainable palm oil procurement

Over the past several years, amid rapidly mounting demand for respect for the environment and human rights, we will continue to improve the quality of physical properties (functional aspects) and the quality of safety and security, and make social quality improvements the driving force behind the growth of our palm oil business. Toward this end,

we have made it a top priority to strengthen management by establishing traceability to plantations, and are promoting various initiatives to resolve issues in collaboration with farms, oil mills, and other upstream stakeholders as well as processing manufacturers, consumers, and other downstream stakeholders.

For details on the action plan and Sustainable Procurement Report for Palm Oil, please visit our website. [https://www.nisshin-oillio.com/english/sustainability/sustain/palm\\_action\\_plan.html](https://www.nisshin-oillio.com/english/sustainability/sustain/palm_action_plan.html)

#### Status of action plan initiatives

##### 1. Establish a traceable, transparent supply chain

To ascertain traceability to small plantations, we have worked with NPOs to host workshops with FFB dealers\*1 to impart the significance of the NDPE\*2 Declaration and gain an understanding of the status of FFB distribution, thereby vastly improving traceability. We have also deployed our RSPO SG-certified oil framework, which enables us to trace back to oil mills, conducted interviews to promote understanding of traceability to plantations, and improved traceability to 92.7% in fiscal 2023.

##### 2. Protect forests and respect human rights by helping small-scale farmers increase productivity & profitability

In fiscal 2023, we began a three-year plan with European confectionery company Ferrero and Hap Seng, one of our main sourcing plantations, to provide practical support to help small farmers acquire RSPO certification. Under the plan, the Group will procure SG-certified oil and supply it to Ferrero. Additionally, ISF participates in the POCG\*3 working group and provides indirect support, including disclosing the status of suppliers' NDPE policy compliance.

##### 3. Promote human rights efforts and collaboration with stakeholders

We promote human rights efforts through engagement with plantations and oil mills. With the support of Earthworm (an

NPO), we worked with Ferrero and KULIM, one of the Group's main sourcing plantations, to conduct a survey on the work environments of plantation workers and the hiring of foreign workers, and identified issues to be addressed for improvements in the future. We also hold workshops for small and medium-sized oil mills—our direct suppliers—to promote understanding of NDPE and MSPO revision points, and to assist them in acquiring certification.

##### 4. Reduce Scope 3 CO<sub>2</sub> emissions in the palm oil supply chain

In an effort to reduce Scope 3 CO<sub>2</sub> emissions, we have lobbied Malaysian palm oil related government agencies to set Scope 3 CO<sub>2</sub> emissions reduction targets. We will also contribute to reducing Scope 3 CO<sub>2</sub> emissions by expanding procurement of RSPO- and MSPO-certified oils that promote CO<sub>2</sub> reductions. Our other activities include effectively using methane gas generated in the palm oil production process as an energy source, and planting mangroves to serve as carbon sinks.

\*1 FFB dealers: Intermediaries who purchase fresh fruit bunches (FFB) harvested from small-scale palm plantations and sell them to oil mills

\*2 NDPE: No Deforestation, No Peat, No Exploitation

\*3 POCG: The Palm Oil Collaboration Group, a working group that aims to take and accelerate effective action toward achieving NDPE, led by Proforest (an NPO) and comprising companies involved in the palm oil supply chain

#### Sustainable soybean procurement

We are making efforts to resolve issues throughout the supply chain, including environmental considerations in soybean production areas and continuous monitoring to gain an understanding of actual conditions. In fiscal 2023, with the aim of improving traceability and reducing CO<sub>2</sub> emissions, we conducted surveys and interviews with Tier-1 suppliers and visited suppliers in production areas to gain an

understanding of the actual situation and hold discussions, and also initiated more detailed discussions toward reducing CO<sub>2</sub> emissions with producers' organizations through industry associations. We have also joined the Round Table on Responsible Soy Association (RTRS) and will continue to study demand through dialogue with users with the aim of procuring RTRS-certified soybeans.

#### Sustainable cacao procurement

Daito Cacao, a manufacturer and seller of chocolate for commercial use, has been working on cacao flavor sustainability since 2021. To preserve the distinctively flavored Arriba variety, which is endemic to Ecuador, Daito Cacao is grafting Arriba cuttings onto disease-resistant rootstock and improving cultivation methods to maintain flavor and quality and increase productivity. Additionally, to establish new cacao

procurement routes that ensure traceability, Daito Cacao has evaluated flavor, quality, and other cacao attributes and has plans for experimental procurement in 2024. Furthermore, to expand certified cacao products that help resolve environmental and social issues, Daito Cacao expanded the Anthem series of products made with carefully selected ingredients to include products made with certified cacao.

#### Addressing the new limit on overtime hours in logistics

The logistics industry faces many challenges, including dealing with the new limit on overtime hours that took effect in 2024. In December 2023, we joined other companies in formulating a voluntary action plan for optimizing logistics and improving productivity, and are implementing various efforts to resolve issues.

Specifically, we extended the lead time from order receipt to delivery in order to strengthen our vehicle collection capability, standardize warehouse operations, and reduce overnight work at relay locations.

We also leased a large-scale external warehouse near the

Yokohama Isogo Plant to consolidate inventory scattered in and around the plant premises. Consequently, we have made headway in reducing drivers' waiting, loading, and unloading time and increasing efficiency by expanding space for shipping operations.

Additionally, given the reduction in the distance that can be driven in a day due to the new restrictions on drivers' working hours, we are taking steps to shorten daily driving distances by promoting the use of relay stations for long-distance transport between locations.

Priorities for achieving Vision 2030

# 6 Human resource management

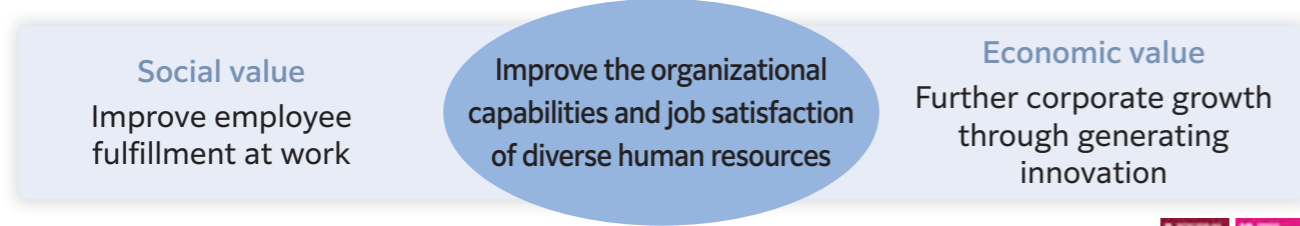
Creativity rooted in diverse perspectives is essential for the sustainable growth of the Group. By realizing diversity and constantly striving to create opportunities for better health and education and a broader range of experiences for all employees, we can enhance employee fulfillment, thereby increasing organizational capacity and driving innovation at all points along the value chain.



Shared value and social impact

## Enhancing fulfillment among diverse human resources to improve organizational capacity and drive innovation

We are taking steps to provide work environments and systems that enable diverse human resources to fully exhibit their skills, improve employee fulfillment at work, foster a new corporate culture, and support the active participation by diverse human resources.



CSV goals		FY2023 results	FY2024 targets	FY2030 targets
Resonance with the Group's philosophy and vision	Increase the empathy index for the Group's Corporate Philosophy and Vision 2030	The aim is for everyone in the Group to take action proactively while resonating with and having pride in the Group's philosophy, vision, and corporate value. (Proper targets will be set after surveys in FY2024)		
Establish robust human resource capacity	Maintain and expand annual training and education expenditure per full-time employee as a proactive investment in human resource development	¥78,631	¥78,000 or more	¥95,000 or more
Active participation by diverse human resources	Expand employees' pursuit and sense of growth through work	The aim is for employees to be motivated to grow and feel growth through their work. (Proper targets will be set after surveys in FY2024)		
	Increase the percentage of management positions held by women (non-consolidated)	7.3%	8%	20%
Evolve into an organizational culture that creates innovation	Increase the percentage of employees who feel fulfilled at work	The aim is to foster a pioneering organizational culture in which employees who feel fulfilled at work engage in innovative communication and co-creation inside and outside the Company. (Proper targets will be set after surveys in FY2024)		
	Reference: Non-consolidated Company figures	65.5%	70%	80%

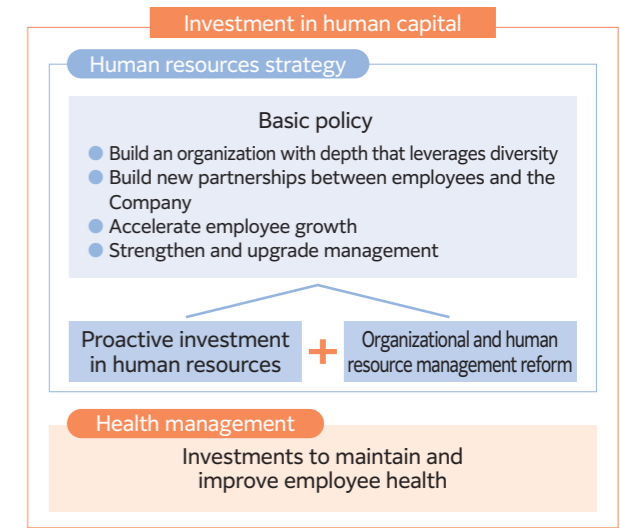
Key initiatives toward realizing our Vision



Investing in human capital

For the Group to achieve sustainable growth, we must create an environment in which employees resonate with the Company's vision, are passionate about their work, and are motivated by a sense of fulfillment. To realize Vision 2030, the Group is promoting proactive investment in human resources and organizational and management reform to strengthen organizational capacity driven by the growth and fulfillment of our employees.

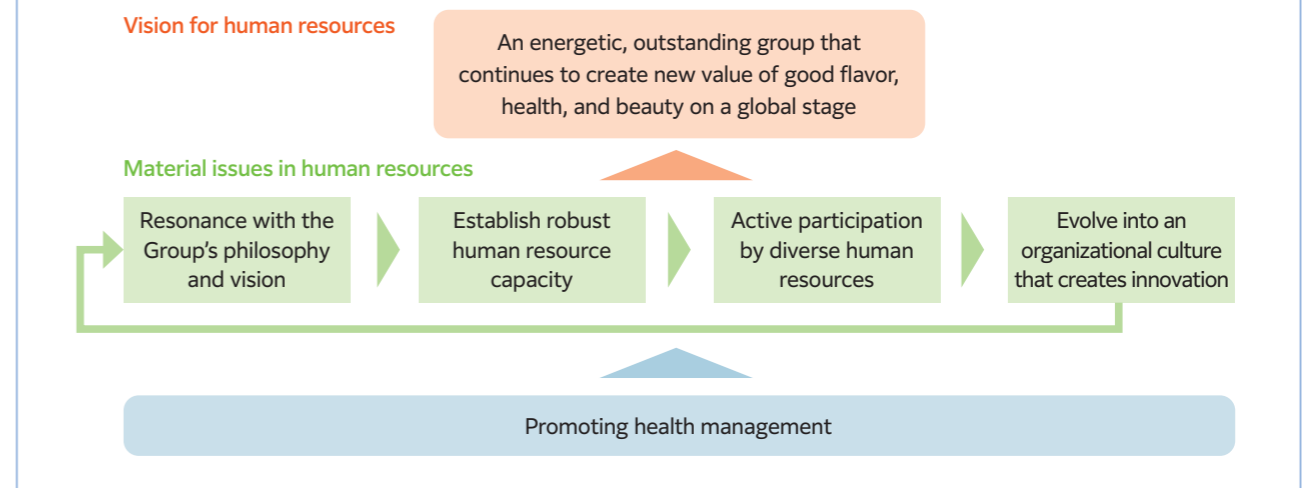
By systematically enhancing human resources, investing in training, creating comfortable work environments, and implementing other initiatives that contribute to employee growth and help them exhibit their skills over the long term, we will foster and institutionalize an organizational culture in which all employees have a strong desire to realize our vision, act proactively while enhancing their skills, and grow continuously.



Achievements during Value Up+ and looking ahead

As part of human capital management, we introduced a new personnel system in October 2023 based on the basic principle of "Value Up employees and organizations with their diverse strengths," and reformed the performance assessment, benefits, and human resource development systems to empower all employees to aim higher and achieve growth and success. Our goals are to maximize everyone's motivation and skills and achieve more targeted human resource management.

Additionally, in April 2024, we revised the concept of CSV goals for human resource management to be more contemporary in terms of Group management. To link it with our vision and business strategies, we have redefined our vision for human resources who will contribute to realizing our vision, identified material issues in the human resources domain, and set goals for 2030 for each material issue and CSV goals linked to them in order to enhance the certainty of achieving our vision.



## The Nisshin Oillio Group Vision 2030

### Initiatives to address material issues in human resources

#### Material issue 1: Resonance with the Group's philosophy and vision

Goal for FY2030 ● Through internal branding, all Group employees resonate with, take pride in, and take every action with awareness of our Corporate Philosophy, Vision, and corporate value

To unite as a Group in realizing Vision 2030, all Group employees absolutely must resonate with, take pride in, and take it upon themselves to act in accordance with our Corporate Philosophy, Vision, and corporate value. Accordingly, we are taking steps to further employees' understanding of our Corporate Philosophy and Vision through messages from top management, level-based

training opportunities, and Integrated Reports, Group newsletters, and other media. Looking ahead, we will further strengthen information sharing, provide training and workshops, and create opportunities for dialogue between management and employees to promote a common understanding throughout the Group across countries, regions, and business units.

#### Message from an employee



**Ren Takada**  
Extraction Section,  
Nagoya Plant

#### Realizing the value of daily work by furthering understanding of Vision 2030

Last year, I read Integrated Report 2023, analyzed how the Nagoya Plant Extraction Section is involved in the CSV goals, and created a report to explain it to my colleagues.

As an operator in the plant, I am involved in the process of producing raw oil and meal from soybean and rapeseed. On this occasion, by deepening my understanding of the CSV goal of a stable supply of food energy in Japan from our priority of the "Contribution to the food value chain," I realized that the oils, fats and meal we produce undergo numerous processes before reaching our many customers.

Thanks to these efforts, I feel prepared to explain what I do at work in my own words. It reminded me that my daily work is important to society in that it supports Japan's food energy, and gave me a more positive attitude for doing my job.

#### Material issue 2: Establish robust human resource capacity

Goals for FY2030 ● Proactively train and acquire highly specialized personnel and place them in Incubation Square as venues for solutions as well as global positions, corporate divisions, and other locations  
● Demonstrate competitiveness through solid, unwavering practical capabilities in production and sales

Amid the swiftly changing business environment, and as strategic themes become more sophisticated and problems become increasingly complex to solve, we must further enhance and solidify the capabilities of each individual, including highly specialized personnel and those who underpin solid, unshakable practical capacities. We have a policy of prioritizing human resource development—known as the principle of education first—and have long positioned it as an important management theme and made it a part of our corporate structure. We will spread this good culture

throughout the Group and actively invest in human resources to realize Vision 2030.

Under our Global Human Resources Registration System, which we launched in fiscal 2023, we provide specialized training programs and preferential assignments to overseas Group companies for those who choose to answer the open call to register. We also devote energy to enhancing our human resources by enriching education and training programs and hiring experienced personnel.

#### Message from an employee



**Haruna Ishikawa**  
Nisshin Global Research  
Center Sdn. Bhd.

#### Experiencing working overseas through the Global Human Resources Registration System

Under the Global Human Resources Registration System, I am currently working at NGRC, a research and development center in Malaysia. I registered for the system because I wanted opportunities to participate in international conferences and conduct global clinical trials in collaboration with overseas research institutes and companies after having attended international conferences on nutrition and hearing about nutrition challenges in Malaysia from NGRC employees. These past experiences left me with the sense that nutrition issues, regulations, and trends differ from country to country and region to region, and the conclusion that there was much to be learned by speaking directly with overseas companies and researchers. Although I had studied English before, I took advantage of an educational assistance program to further refine my language skills.

Thanks to this system, opportunities to work overseas are available, even to relatively young employees like me. Although I feel uncertain because of the change in environment, I am making a conscious effort to gain a lot of experience in my work and personal life. I intend to use my current work experience; in the future, I want to be involved in promoting products overseas and take on the challenge of developing new technologies.

#### Material issue 3: Active participation by diverse human resources

Goals for FY2030 ● More sophisticated human resource management draws out the abilities and skills of the diverse individuals working for the Company, and all employees experience growth and success  
● Expand horizons by gaining ample career experience both inside and outside the Company while young  
● Shift mindset toward output-oriented work style (move away from working long hours)

We believe that utilizing the diverse strengths of each and every employee is essential for growing sustainably and enhancing our corporate value. To become a place where everyone can grow and succeed, we provide opportunities to tackle challenges and grow, and take steps to improve internal environments in pursuit of more comfort at work.

Managers must have advanced management skills so that the employees who work under them can demonstrate their originality and independence. Therefore, we provide training for managers to shift their focus to management that draws out the individuality and initiative of their subordinates, and to improve their skills in supporting career development. In fiscal 2024, we revised our career design system to enable employees to exhibit their diverse personalities to the fullest. Specifically, the revamped system enables managers to understand the skills and individuality of their subordinates, enhances employees' career interviews with supervisors, and empowers employees to take action and seek guidance

and support from their supervisors and the rest of the Company. Our internal environment accommodates highly productive, flexible work styles commensurate with the characteristics of each job, and allows employees to step up their performance and flourish while dealing with various personal circumstances, for example caring for family members. To ensure that all employees can play an active role at the Company regardless of gender, age, and other non-work-related attributes, we are continuing our efforts to train them through systematic education and job rotation, and enhance support for balancing work with family care.



Managers undergoing management training

#### Material issue 4: Evolve into an organizational culture that creates innovation

Goals for FY2030 ● Fostering of a pioneering organizational culture in which employees engage in proactive, innovative communication and co-creation inside and outside the Company  
● Institutionalization of an evaluation system that encourages pioneering  
● Assurance of psychological safety and maximization of individual strengths

We believe that personal growth through work and a sense of contribution to society and the organization lead to fulfillment at work, and that fulfillment at work is the driving force behind independence. We will build an environment in which employees and the Company enhance each other, and foster a culture in which employees actively engage in innovative communication and co-creation both inside and outside the Company to tackle challenges, which will serve as a foundation for innovation.

In creating this culture, one of the most important measures is to establish a culture of volunteering, in which people who step forward are the ones who receive opportunities. Since fiscal 2022, we have implemented an internal proposal system that solicits business innovation

ideas based on data and digital technology from employees. Teams that pass the internal screening process undergo tests with prototypes and evaluation for feasibility, and ideas adopted through this process are implemented under the leadership of the individuals and teams that proposed them. Additionally, since fiscal 2021, we have regularly surveyed employee engagement and applied our findings to Company-wide human resources strategy and workplace management. We disclose our findings to officers and managers, and each department and section defines their own points for improvement, eventually formulating action plans and taking steps to improve.

(See p. 42 for a message from an employee making use of the internal proposal system.)

#### Material issue 5: Promoting health management

Goal for FY2030 ● Health management is serving as a foundation for employees to enjoy physical and mental health and work with motivation and at full energy, and is creating a healthy, attractive company for employees

We view initiatives for employee health as the foundation for corporate development, and actively provide support for maintaining and improving employee health and productivity so that everyone can work at full energy and lead a healthy, fulfilling life. Under the oversight of the Health and Productivity Management Department, managers, health promotion staff at each location, health insurance associations, and labor unions work together to develop measures under the key themes of preventing lifestyle diseases, promoting smoking cessation, and mental health. Examples of efforts to encourage employees to be more

aware of their health include online health seminars where employees can learn various ways to maintain good health; health measurement events to measure body composition, vascular age, stress levels, and other attributes; and smoking cessation campaigns to support employees who are trying to quit smoking.



Certified as a Health & Productivity Management Outstanding Organization (White 500) for the sixth time