

Last Updated: December 1, 2021

**NISSIN FOODS HOLDINGS CO., LTD.**

Koki Ando, President & Representative Director, CEO

Contact: General Affairs Division (+81-3-3205-5045)

Securities Code: 2897

[https://www.nissin.com/en\\_jp/](https://www.nissin.com/en_jp/)

The corporate governance of NISSIN FOODS HOLDINGS CO., LTD. (the “Company”) is described below.

### **I. Basic Concept on Corporate Governance, Capital Structure, Corporate Attributes and Other Basic Information**

#### **1. 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, the Company recognizes enhanced and strengthened corporate governance as one of the top priorities for management and strives for highly objective and transparent management. To achieve this objective, the Company has already appointed more than one Outside Director and Outside Audit & Supervisory Board Member, and has proactively incorporated the opinions of outside experts in management, thereby endeavoring to invigorate management and make it transparent. In particular, with regard to Directors, based on a resolution at the 68th Ordinary General Meeting of Shareholders held on June 28, 2016, we have reduced the number of Internal Directors by six, to three, and increased the number of Outside Directors by one, to five. By making Outside Directors the majority, the Company is further strengthening supervisory functions and promoting swifter decision-making.

As a company with an Audit & Supervisory Board, the Company has a system for monitoring the Directors’ execution of duties with three Audit & Supervisory Board Members (of which, two are Independent Outside Audit & Supervisory Board Members). Furthermore, the Company is striving to further enhance corporate governance by placing several staff specializing in assisting the operations of Audit & Supervisory Board Members, enhancing the Internal Auditing Office, which improves the efficiency of audits by cooperating with Audit & Supervisory Board Members, and reinforcing the internal control systems, etc.

The Company changed its trade name from “Nissin Food Products Co., Ltd.” to “NISSIN FOODS HOLDINGS CO., LTD.” on October 1, 2008, and made a transition to the holding company system effective the same date. The Company has structured a system in which the Company becomes a holding company, and instant noodle business, chilled foods business, and frozen foods business are respectively transferred to subsidiaries to be established through an incorporation-type company split to position them at the same level as other subsidiaries. The Company made this transition to the holding company system as we determined it necessary to build management structure to help further boost competitiveness of operating companies in order to lead the NISSIN FOODS Group (the “Group”) to achieve significant growth going forward. We aim to maximize corporate value of the entire Group in accordance with the Medium-Term Business Plan.

#### **[Disclosure Based on the Principles of the Japan’s Corporate Governance Code] [Updated]**

The Company complies with all of the principles of Japan’s Corporate Governance Code revised in June 2021.

[Principle 1-4]

##### **■ Policy on Reduction of Cross-Shareholdings in Listed Companies**

In addition to obtaining dividends and capital gains, from a management strategy viewpoint, the Company holds shares in listed companies as deemed necessary for forming positive relationships with business partners and enhancing corporate value over the medium to long term by promoting smooth operations through efficient and stable transactions, business alliances, etc. Among these shares, the Company adopts a basic

policy of selling shares whose grounds for holding have weakened as soon as practicable. As stated in the Corporate Governance Report released on June 25, 2020, the Company has stated that it would “reduce equivalently 20% of the number of cross-shareholdings compared with those held at the end of fiscal year ended March 31, 2019 over the next two to three years.” By the end of May 2021, the Company sold all amount of four issues and part of the amount of five issues that amounted to ¥13,765 million in total measured at the fair value as of the end of fiscal 2019, thereby reducing the cross-shareholdings by more than 20% and achieving the plan ahead of schedule.

Furthermore, at the Board of Directors meetings held annually in April, the Company comprehensively considers the economic rationality of each individual issue of shares, such as the contribution to business revenue and whether the actual returns exceed the earnings targets based on capital costs, the holding purpose, the status of transactions and other factors, and regularly verifies whether to continue holding the shares and the selling schedule. At the meeting of the Board of Directors held on April 7, 2021, the Company resolved to reduce its cross-shareholdings to approximately ¥10 billion over the next two years.

As of March 31, 2021, the Company held 59 issues of cross-shareholdings (¥87,376 million on the balance sheet) and by the end of May 2021 sold the entire amount of the one issue and part of the amount of the two issues that amounted to ¥8,155 million in total measured at the fair value as of the end of fiscal year ended March 31, 2020. As a result, the ending balance of the cross-shareholdings as of the end of May 2021 that is translated at the fair value as of the end of fiscal year ended March 31, 2020 is equivalent to 18.8% of consolidated net assets of ¥421,435 million as of the end of March 2021.

#### ■ Standards for Exercising the Voting Rights as to Cross-Holdings of Shares

In exercising voting rights of shares in listed companies held, the Company appropriately exercises them by evaluating overall factors including if such exercise contributes to enhancing its corporate value over the medium to long term and if it contributes to common interests of shareholders of the companies to be invested in.

[Principle 1-7]

#### ■ Transactions with Related-Parties

In the event of transactions between a Director and the Company (self-transactions and indirect transactions) or transactions between a principal shareholder (with 10% or higher holding) and the Company, such transactions shall be discussed before their implementation at a meeting of the Board of Directors, and in addition, the Director who carried out said transaction shall be required to report said transaction at a meeting of the Board of Directors without delay after implementing said transaction. The Company has set forth these procedures in the Board of Directors Regulations and other internal company regulations.

[Supplementary Principle 2-4(1)]

(1) Basic concept on ensuring diversity

The NISSIN FOODS Group proactively recruits and appoints human resources with a variety of strengths and specialization in order to become a “food culture creator group” that adapts to changing times and also creates changes. Moreover, prohibition of discrimination and harassment based on race, ethnicity, nationality, religion, beliefs, place of birth, gender, sexual orientation, gender identity, age, disability, etc. is spelled out in the NISSIN FOODS Group Policy on Human Rights, which aims for a workplace where employees who hold various attributes and values can play an active role. In 2015, the NISSIN FOODS Group established the “Diversity Committee” with internal volunteer members, and promoted diversity & inclusion by working closely together with the Human Resources Division.

<Female employees>

The NISSIN FOODS Group puts effort into an employment system where it is easy to work while raising children as well as the reform of awareness internally in order to promote the active participation of female employees. As a result, the Group was selected as a “Platinum Kurumin (recognized in 2019)” and one of the “Semi-Nadeshiko Brands (recognized in 2019 and 2020).”

The Group promotes the expansion and training of the human resources pool with the targets of 20% for the ratio of total female generalist employees and 10% for the ratio of female managers by the end of FY2025 in order to have a comfortable work environment and increase the number of female employees actively participating in important positions. In order to achieve targets (FY2020: 13% ratio of total female generalist employees, 5% ratio of female managers), the Group promoted various aspects, such as the establishment of

numerical targets for each department, implementation of a sponsor system where officers commit to training employees themselves, implementation of programs where supervisors learn management methods under an environment marked by diversity and programs where female employees develop leadership skills, and formation of networking between female employees.

\* Figures and measures are presented for core companies (NISSIN FOODS HOLDINGS CO., LTD., Nissin Food Products Co., Ltd., NISSIN CHILLED FOODS CO., LTD., NISSIN FROZEN FOODS CO., LTD.)

#### <Mid-career employees>

The NISSIN FOODS Group proactively recruits mid-career employees who have a variety of experience, wisdom and specialization for promoting challenges in new fields, such as globalization, DX, etc. Currently, there is active participation by many mid-career employees, with a recruitment ratio of full-time mid-career employees of 75%, employment ratio of 49% and ratio of mid-career employees in management positions of 32%. The Group works on initiatives, such as the implementation of a start-up program and internal network support, so that mid-career employees can quickly demonstrate their abilities.

Going forward, the Group intends to maintain the current employment ratio and create an organization conducive to innovation through the combination of “knowledge” from new graduates and mid-career employees.

\* Figures and measures are presented for core companies (NISSIN FOODS HOLDINGS CO., LTD., Nissin Food Products Co., Ltd., NISSIN CHILLED FOODS CO., LTD., NISSIN FROZEN FOODS CO., LTD.)

#### <Foreign employees>

The NISSIN FOODS Group continuously recruits and appoints human resources regardless of nationality with the policy of utilizing a various human resources to achieve the mid- to long-term growth strategy. Therefore, there are no numerical targets for foreign employees.

In particular, there are 33 foreign employees at core companies, and four of these employees are playing an active role in management. Moreover, out of the 11 overseas subsidiaries, three companies have Presidents from different countries playing active roles.

\* Core companies: NISSIN FOODS HOLDINGS CO., LTD., Nissin Food Products Co., Ltd., NISSIN CHILLED FOODS CO., LTD., NISSIN FROZEN FOODS CO., LTD.

#### (2) Human resources development policy to ensure diversity, establishment of internal environment and the situation of such

The Group has implemented implement programs that teach awareness of diversity & inclusion as well as knowledge and skills for management by launching the “DIVERSITY ACADEMY” in “NISSIN ACADEMY,” which is a human resources development group. Furthermore, the Diversity Committee, which was established in 2015, has launched multiple projects for different types of people, such as projects for female employees, members of the LGBTQ community, employees raising children and junior employees, and made internal proposals for the creation of an environment where it is easy for diverse human resources to demonstrate their abilities.

Moreover, the Group elicits a variety of individual initiatives, and creates a system even in the on-site work, which makes it is easy to realize growth through the implementation of the “challenge target system,” “1-on-1 meetings” and “growth realization meetings (human resource review meetings)” in order for on-site managers to support the growth of each and every member.

#### [Principle 2-6]

##### ■ Roles of Corporate Pension Funds as Asset Owners

To ensure that beneficiaries continue to receive stable pension benefits in the future, the Group formulated the composition ratio for plan assets, keeping in mind risks and returns. The management status of plan assets is regularly monitored and the composition ratio for plan assets is reviewed as necessary by the Asset Management Committee, which is composed of members including the Company’s finance and accounting department. The pension plan management institution is comprehensively evaluated and monitored taking into consideration information such as their management performance, management policy, management structure, and management process.

Nissin Food’s Corporate Pension Fund declared that it accepted the Stewardship Code in September 2020. From the standpoint of institutional investors as asset holders, the pension plan management institution

requires the fulfillment of stewardship responsibilities, the increase of corporate value for investee companies through dialogue with investee companies, and the stimulation of sustainable growth.

[Principle 3-1 (1)]

■ Nissin Foods Group's CSV management

We will achieve sustainable growth while solving environmental and social issues by becoming a "EARTH FOOD CREATOR (food culture creator group)," which keeps creating new food culture on a continuous basis.

- Mission : The spirit of our founder ( "食足世平 Shoku-soku Se-hei," "食創為世 Shoku-so Isei," "美健賢食 Bi-ken Ken-shoku," and "食為聖職 Shoku-i Sei-shoku." )
- Vision : EARTH FOOD CREATOR
- Value : 4 important thoughts (Creative Unique Happy Global)

■ NISSIN FOODS Group Growth Story for the Mid- to Long-Term

The Company has formulated the "NISSIN FOODS Group Mid- to Long-Term Growth Strategy," a business plan that defines medium- to long-term growth strategies for FY2021 and beyond and growth targets over the next 10 years. Through the execution of this strategy, we will pursue the Company's CSV management.

(1) Strengthen the Cash-Generating Capacity of Existing Businesses

Pursue sustainable growth while making a significant shift of profit portfolios through aggressive growth of overseas business and non-instant noodles business.

(2) EARTH FOOD CHALLENGE 2030

Aim to extend the lifecycle of existing businesses significantly by working to utilize finite resources effectively and reduce the impact of climate change

(3) Pursue New Businesses

Aim to co-create foods of the future with food science and become a company that provides food and health solutions through technology

Specific details are posted on the Company's official website.

[Principle 3-1 (2)]

■ Basic Concept and Policies on Corporate Governance

While providing worry-free and safe foods, and promoting businesses to maximize benefits to all stakeholders including shareholders, consumers, employees, business partners, local communities, and local residents, the Company recognizes enhanced and strengthened corporate governance as one of the top priorities for management and strives for highly objective and transparent management. To achieve this objective, the Company has already appointed more than one Outside Director and Outside Audit & Supervisory Board Member, and has proactively incorporated the opinions of outside experts in management, thereby endeavoring to invigorate management and make it transparent. In particular, with regard to Directors, based on a resolution at the 68th Ordinary General Meeting of Shareholders held on June 28, 2016, we have reduced the number of Internal Directors by six, to three, and increased the number of Outside Directors by one, to five. By making Outside Directors the majority, the Company is further strengthening supervisory functions and promoting swifter decision-making.

As a company with an Audit & Supervisory Board, the Company has a system for monitoring the Directors' execution of duties with three Audit & Supervisory Board Members (of which, two are Independent Outside Audit & Supervisory Board Members). Furthermore, the Company is striving to further enhance corporate governance by placing several staff specializing in assisting the operations of Audit & Supervisory Board Members, enhancing the Internal Auditing Office, which improves the efficiency of audits by cooperating with Audit & Supervisory Board Members, and reinforcing the internal control systems, etc.

[Principle 3-1(3)]

■ Policies and Procedures in Determining the Remuneration

For details, please refer to II.1 【 Director Remuneration 】 「 Disclosure of Policy for Determining Remuneration Amounts or Calculation Methods Thereof」

[Principle 3-1(4)]

■ Policies and Procedures for Selection of Candidates for Directors and Audit & Supervisory Board Members

(Composition of the Board of Directors and Criteria for Selection of Candidates for Directors)

In order to develop the Group's operations in Japan and overseas under its philosophy, "EARTH FOOD CREATOR," the Group selects candidates who possess extensive experience, deep insight, and advanced specialization, while comprehensively taking into account the balance of knowledge, experience, and capabilities; diversity in fields of specialization, gender and age, as well as race, ethnicity, nationality and country of birth; appropriateness of scale of the Board of Directors as a whole and other factors.

Candidates for Internal Directors are selected from among those people who are involved in Group management, such as Executive Officers, Chief Officers, Presidents of operating companies, and Chief Representatives in each area, in addition to President & Representative Director, CEO, Executive Vice President & Representative Director, COO.

Candidates for Outside Directors are selected from those who, as well as satisfy the standards of the Companies Act, are management executives, academic experts and the like, based on their deep insight and advanced specialization with extensive experience in domestic and overseas economics, finance, industry trends, corporate strategy, marketing, advanced research, etc., and who are capable of not only checking in the Board of Directors meetings from an objective standpoint the legality of management and the appropriateness of decision-making in the execution of duties, but also, the Group expects, providing advice leading to business activities that will enhance corporate value in the Board of Directors meetings, etc.

As for the procedures for the above, candidates are decided by the Board of Directors after the appropriateness of them is deliberated and verified by the Management Advisory Committee.

Candidates for the management team (hereinafter refers to Directors with special titles and Executive Officers with special titles) are selected from among persons selected as Director as above and from among the Executive Officers in principle who have past achievements, a strong sense of purpose toward the realization of the Group's philosophy, strong leadership, popularity inside and outside the Company, and high capabilities in management judgment from such factors as experience, knowledge and expertise, and after these selected individuals are subjected to the deliberation and verification by the Management Advisory Committee, the Board of Directors judges whether these selected individuals are suitable persons as members of the management team.

Concerning dismissal of members of the management team, in addition to the annual examination carried out by the Management Advisory Committee based on performance results, in the event of circumstances arising suggestive of the individual meeting the criteria for dismissal (through (1) an action that violates the laws and regulations, the Articles of Incorporation, or internal rules such as the Code of Conduct and that has caused or has the risk of causing a significant loss or a hindrance of business in the Group, (2) a significant difficulty in execution of duties, and (3) revelation that the individual is lacking the various requirements stated in the criteria for selecting), the grounds for the dismissal shall be examined and verified at the Management Advisory Committee and the decision of dismissal will be made by the Board of Directors.

(Composition of the Audit & Supervisory Board and Criteria for Selection of Candidates for Audit & Supervisory Board Members)

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.

The criteria for selecting candidates for Audit & Supervisory Board Members (internal) is to select people who can perform auditing and ensure management soundness from a perspective based on extensive operational experience in the Group.

The criteria for selecting candidates for Outside Audit & Supervisory Board Members is to select people who satisfy the standards of the Companies Act, and who have extensive experience and advanced specialization, which are necessary for audit.

As for the procedures for the above, candidates are decided by the Board of Directors after the appropriateness of them is deliberated and verified by the Management Advisory Committee and after obtaining the approval of the Audit & Supervisory Board.

(Criteria for Assessing Externality and Independency of Independent Outside Directors and Independent Outside Audit & Supervisory Board Members)

The Company appoints Outside Directors and Outside Audit & Supervisory Board Members as independent officers in accordance with requirements for outside directors and outside audit & supervisory board members defined in the Companies Act and the criteria for independency defined by the Tokyo Stock Exchange.

[Principle 3-1(5)]

■ Reasons for Nominating Each Candidate for Directors and Audit & Supervisory Board Members

Reasons for nominating each candidate for Directors and Audit & Supervisory Board Members are stated on the Notice of the 73rd Ordinary General Meeting of Shareholders posted on the Company's website.

[https://www.nissin.com/en\\_jp/ir/shareholder/meeting/](https://www.nissin.com/en_jp/ir/shareholder/meeting/)

[Supplementary Principle 3-1(3)]

■ Sustainability Initiatives, Etc.

Based on the four tenets of (“食足世平 Shoku-soku Se-hei,” “食創為世 Shoku-so Isei,” “美健賢食 Biken Ken-shoku,” and “食為聖職 Shoku-i Sei-shoku”) stated by the founder, the NISSIN FOODS Group aims to become the embodiment of an “EARTH FOOD CREATOR,” which is the Group philosophy, by becoming a “food culture creator group” that continuously creates new food culture, and working for sustainable growth while solving environmental and social issues.

(1) Sustainability initiatives

The NISSIN FOODS Group has set forth the Group philosophy of being an “EARTH FOOD CREATOR” that contributes to society and the earth by gratifying people everywhere with the pleasures and delights “food” can provide. As the pioneer of instant ramen, the Group's mission is to not only provide safe and delicious food to people, but to promote the development of products that will solve environmental and social issues as well.

For details regarding the Company's initiatives, please refer to “III. Implementation of Measures for Shareholders and Other Stakeholders/3. Measures to Ensure Due Respect for Stakeholders/Implementation of Environmental Activities, CSR Activities, etc.” in this report as well as the Company's website ([https://www.nissin.com/en\\_jp/sustainability/](https://www.nissin.com/en_jp/sustainability/)).

(2) Investment, etc. into human capital and intellectual property

The NISSIN FOODS Group aims to become the embodiment of an “EARTH FOOD CREATOR,” which is the Group philosophy, by becoming a “food culture creator group” that continuously creates new food culture, and working for sustainable growth while solving environmental and social issues. With “Human Resources to Support Our Strategies/Organizational Foundation Reform” as an important theme of the mid- to long-term growth strategy, the Group aims to realize an innovative organization that continues to execute strategies and create new food culture.

Furthermore, as a general food company group, the Group aims for the realization of a “branding corporation” that is made up of the top brands through constant creation and development of top brands within each category, and works to ensure and increase corporate value and the common interests of shareholders while establishing an even more unshakable management foundation. The competitive advantage of the Company is its brand strength in marketing & innovation in addition to its competitiveness as a “Food Tech Company” based on the processing technologies cultivated over many years.

Through these initiatives, the Group will support the Company's future growth strategy. Details concerning the mid- to long-term growth strategy as well as specific initiatives concerning human resources and R&D activities are presented in the materials below.

○Mid- to long-term growth strategy

- The Company's website ([https://www.nissin.com/en\\_jp/ir/management/strategies/](https://www.nissin.com/en_jp/ir/management/strategies/))

○Human resource initiatives

- “Disclosure Based on the Principles of the Japan's Corporate Governance Code/Supplementary Principle 2-4(1)” in this report

- The Company's website ([https://www.nissin.com/en\\_jp/sustainability/social/employee/](https://www.nissin.com/en_jp/sustainability/social/employee/))

○R&D activities

(3) Impact of risks and profit opportunities pertaining to climate change on the Company's business activities, profit, etc.

The Company positions climate change as one of the most important management risks as the NISSIN FOODS Group, which consists of companies that create food, is affected by various factors, such as soaring raw material costs and damage to manufacturing plants due to climate change in addition to changes to consumers' purchasing activities.

Furthermore, the Company endorsed information disclosure related to "governance," "strategy," "risk management" and "metrics and targets" recommended by the "Task Force on Climate-related Financial Disclosures" (TCFD) established by the Financial Stability Board, and took part in the "TCFD Consortium," which was founded in May 2019.

For details, please refer to the Company's website ([https://www.nissin.com/en\\_jp/sustainability/environment/policy/risk/](https://www.nissin.com/en_jp/sustainability/environment/policy/risk/)).

[Supplementary Principle 4-1(1)]

■ Agenda for Deliberation at the Board of Directors

To implement the corporate strategy and achieve the target metrics of operating performance, the Board of Directors of the Company with attendance of Outside Directors engages in comprehensive and substantive deliberation over corporate strategy, medium- to long-term plans and business challenges. Accordingly, the Board of Directors determines certain important matters for the Company and the Group companies including M&A, organizational change, and a large amount of asset acquisition or disposal in accordance with these strategies. To ensure prompt execution of duties, the Board of Directors makes decisions based on the amount, etc. specified in the Regulations for Approval and delegates any subjects that fall below the specified amount to such subordinate functions as the Management Committee, CEO, COO, Executive Officers, Chief Officers, and regional Chief Representatives.

[Supplementary Principle 4-1(3)]

■ Succession Plan for CEO

To develop perpetually as an EARTH FOOD CREATOR, the Group must strategically groom corporate managers who set forth a medium- and long-term mission and realize and execute the corporate philosophy.

When choosing the CEO successor, candidates are selected from among persons selected as Director and from among the Executive Officers in principal who have past achievements, a strong ownership and sense of responsibility toward realization of the Group's philosophy, and popularity from inside and outside the Company for exceptional capabilities in decision-making, reaching breakthroughs, winning peoples' hearts and minds, and a clear sense of morals and values, as well as having broad experience and knowledge relating to corporate management, a keen spirit to acquire cutting-edge insight, and excellent business judgement. After the selected individual is subjected to the deliberation and verification by the Management Advisory Committee, the Board of Directors judges whether the selected individual is suitable person as the successor.

[Principle 4-8]

■ Number of Independent Outside Directors and Ratio of Independent Outside Directors in the Board of Directors

The Board of Directors of the Company comprises eight Directors, of which three are Independent Outside Directors, and accordingly the ratio of Independent Outside Directors in the Board of Directors is greater than 1:3. In addition to the Independent Outside Directors, there are also two more Outside Directors. Including the three Independent Outside Directors, there are five Outside Directors in total. As a result, Outside Directors make up the majority of Directors under the existing system, and there is effective action being taken to make management more transparent and to strengthen the supervisory function.

[Principle 4-9]

■ Criteria for Externality and Independency of Independent Outside Directors

The Company appoints Outside Directors as independent officers in accordance with requirements for Outside Directors defined by the Companies Act and the independence standards set out by the Tokyo Stock Exchange.

[Principle 4-10(1)]

■ Concept, Authority and Roles Related to Voluntary Nominating Committee and Remuneration Committee and Related to Independence of Committee Structure

In 2015, the Company 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. Furthermore, in internal regulations, the Board of Directors is required to consult with the Management Advisory Committee prior to its deliberation and resolution of particularly important matters concerning the Company’s corporate governance system, such as nominations, remuneration, etc. related to management, including Directors. The Management Advisory Committee, which receives consultations, contributes to discussions by the Board of Directors by reporting these deliberation results to the Board of Directors. Moreover, the Board of Directors works to ensure fairness and transparency through the need to deliberate and resolve related matters, having respect for reports from the Management Advisory Committee and taking them into full consideration.

For details related to the Management Advisory Committee, please refer to “II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Supervision in Management/1. Organizational Composition and Operation/[Directors]/Supplementary explanation.”

[Supplementary Principle 4-11(1)]

■ Views on the Balance of Knowledge, Experience and Capabilities, Diversity and Scale of the Board of Directors as a Whole

In order to develop the Group’s operations in Japan and overseas under its philosophy, “EARTH FOOD CREATOR,” the Group selects candidates who possess extensive experience, deep insight, and advanced specialization, while comprehensively taking into account the balance of knowledge, experience and capabilities; diversity in fields of specialization, gender and age, as well as race, ethnicity, nationality and country of birth; appropriateness of scale of the Board of Directors as a whole and other factors.

In addition, the “skill matrix,” which lists the reasons for selecting each of these requirements and the roles that each officer is particularly expected to play, is disclosed on the Company’s website ([https://www.nissin.com/en\\_jp/ir/governance/corporate-governance/framework/](https://www.nissin.com/en_jp/ir/governance/corporate-governance/framework/)).

The policies and procedures for the selection of candidates for Directors are explained in [Principle 3-1(4)].

[Supplementary Principle 4-11(2)]

■ Status of Concurrent Positions of Directors and Audit & Supervisory Board Members with Other Listed Companies’ Officers

The Company posts the status of concurrent positions of Directors and Audit & Supervisory Board Members every year in the Notice of Ordinary General Meeting of Shareholders.

[https://www.nissin.com/en\\_jp/ir/shareholder/meeting/](https://www.nissin.com/en_jp/ir/shareholder/meeting/)

[Supplementary Principle 4-11(3)]

■ Analysis and evaluation of Effectiveness of the Board of Directors

In order to achieve the sustainable growth of the NISSIN FOODS Group and enhancement of its 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 to enhance the effectiveness of the Board of Directors.

The evaluation method was determined based on the deliberations of the Management Advisory Committee and the Board of Directors, and evaluations were regularly carried out by a third party. At the Management Advisory Committee meeting held in November 2020, as a result of deliberations regarding the method to carry out evaluations of the effectiveness of the Board of Directors in the fiscal year ended March 31, 2021, the Company decided to carry out self-evaluations by way of questionnaires.

The summary of the analysis and evaluation results of the questionnaire conducted for the fiscal year ended March 31, 2021 are as follows. In addition, the Independent Outside Directors have expressed the opinion that the assessment process performed for the fiscal year ended March 31, 2021 is appropriate.

(1) Assessment process



- (i) The Management Advisory Committee deliberated the evaluation process and items to be evaluated, which were reported to the Board of Directors. Based on the details of the Management Advisory Committee's report, the Board of Directors deliberated and determined the method of evaluating effectiveness.
- (ii) The questionnaire was delivered to all Directors and Audit & Supervisory Board Members on a named basis, and the office for the Board of Directors aggregated and analyzed the answers.
- (iii) The Management Advisory Committee assessed effectiveness of the Board of Directors based on the analysis results, deliberated any issues and reported the results to the Board of Directors.
- (iv) The Board of Directors shared the assessment results and confirmed any issues to be addressed for the coming fiscal year.

(2) Structure of the questions

The questionnaire is comprised of 29 questions in the following five categories. The response for each question has a five-level scale and there is a box to freely add comments for the applicable items.

- (i) Role of the Board of Directors
- (ii) Composition of the Board of Directors and the systems for nomination and remuneration of the members of management team
- (iii) Systems to support the Board of Directors
- (iv) Management of the Board of Directors
- (v) Management Advisory Committee

(3) Overview of the questionnaire results

The Company confirmed that both the supervisory functions and the decision-making functions expected to the Board of Directors were properly working and the effectiveness was being ensured.

(i) Items for which the evaluation result notably improved

While generally high evaluations had already been received since before regarding the effectiveness of the Board of Directors because an appropriate PDCA cycle had been established based on the effectiveness evaluations, in comparison with the previous fiscal year, it was confirmed that further improvements had been made in relation to the enhancement of disclosure on cross-holdings of shares, which was an issue last year in particular.

(ii) Efforts based on the evaluation result for the fiscal year ended March 31, 2020, and evaluation of results

In the evaluation of effectiveness for the fiscal year ended March 31, 2020, the Company decided that the "enhancement of disclosure on cross-holdings of shares" and the "further strengthening of cooperation between Outside Directors and Internal Audit Department" are necessary. In response to this, the Board of Directors of the Company took the following measures:

- Initiatives for the "enhancement of disclosure on cross-holdings of shares"

The Company resolved the future policy concerning capital policy (including cross-holdings of shares), and externally, enhanced disclosure details, such as by clarifying quantitative targets in the corporate governance reports, and presented the plan to reduce cross-holdings of shares with even more specificity.

- Initiatives for the "further strengthening of cooperation between Outside Directors and Internal Audit Department"

The Company strengthened cooperation between Outside Directors and the Internal Audit Department, such as by securing opportunities for the Board of Directors to report and discuss the status of activities of the Internal Auditing Office, and with regular activity reports on the Board of Directors by the Internal Auditing Office.

As a result of the foregoing, it was confirmed at the time of the self-evaluations conducted in the fiscal year ended March 31, 2021 that improvements had been made concerning the “enhancement of disclosure on cross-holdings of shares.” On the other hand, the “further strengthening of cooperation between Outside Directors and Internal Audit Department” is recognized as “currently under improvement,” and continues to be identified as an issue to be worked on.

(iii) Issues to be addressed for further improvement of the effectiveness

While efforts had already been initiated, in order to further improve the effectiveness of the Board of Directors, the need to further strengthen cooperation between Outside Directors and the Internal Audit Department, strengthen the involvement of the Board of Directors in the appointment of executives, including executive officers, and enhance deliberations on important matters to be discussed was indicated.

We are committed to mounting efforts to increase effectiveness of the Board of Directors by making improvements on a continuous basis.

[Supplementary Principle 4-14(2)]

■ Policy on Training Directors and Audit & Supervisory Board Members

To ensure that management supervision and auditing functions are sufficiently conducted by the Directors and Audit & Supervisory Board Members, the Company provides information necessary to the execution of duties in an appropriate and timely manner. Furthermore, to ensure sufficient deliberation at Board of Directors meetings, Outside Directors and Outside Audit & Supervisory Board Members are provided in advance with Board of Directors meeting materials, explanations, and related information. In addition, when such Outside Directors and Outside Audit & Supervisory Board Members assume office, they are provided with orientations, dialogues with the management team, and other ongoing opportunities for understanding the Company’s operations. Furthermore, the Company provides Directors and Audit & Supervisory Board Members with opportunities for training by third-party institutions, with the Company bearing the costs of such training.

[Principle 5-1]

■ Policy on Constructive Dialogue with Shareholders

For dialogues with our shareholders, the Company has assigned the General Affairs Division as contact point for individual investors and the IR Office for institutional investors.

For dialogues (interviews) with our shareholders, IR Office studies how to handle them with Representative Directors, the Director and CSO, CFO and other personnel, and takes appropriate actions.

The Company has the Finance Platform lead to work closely with PR Platform, General Affairs Platform, Legal Platform and other to exchange opinions based on their respective expertise in each division concerning disclosure and accountability of financial results, items subject to timely disclosure and the like.

The Company holds financial results meetings for institutional investors twice a year (the first half and the full year) and mainly President & Representative Director, CEO provides briefing. In addition, the Company arranges telephone conferences twice a year (the first quarter and the third quarter) where Directors and CFO provide briefing on the financial results. Furthermore, IR Office serves as a contact point for interviews with institutional investors. Other than this, the IR Office arranged opportunities to enhance dialogue by serving as a contact point for the appropriate carrying out of interviews with analysts and institutional investors, small meetings, etc.

For individual investors, the General Affairs Division takes the initiative in disclosing information on the Company’s website. Additionally, the Company often holds presentation meeting for individual investors as necessary. There is a dedicated point of contact in the General Affairs Division.

The IR Office and the General Affairs Division regularly collect opinions received from institutional investors and shareholders and share this information with the Representative Directors, officers, presidents of the Group companies, and other relevant divisions. In addition, this information is reported to the Board of Directors and at other meetings.

The Company obtains updated information on the shareholder composition from the register of shareholders as of March 31 and September 30 of every year, and performs research on effective owners of the shares.

When engaging in dialogues with our shareholders and investors, the Company never communicates insider information (undisclosed material facts). The Company maintains “silent periods” from the date following the end of each quarter to the announcement of results, during which the Company refrains from communicating with our shareholders and investors concerning financial information.

## 2. Capital Structure

Foreign Shareholding Ratio	From 10% to less than 20%
----------------------------	---------------------------

### [Status of Major Shareholders] [Updated]

Name	Number of Shares Owned (Shares)	Shareholding Ratio (%)
The Master Trust Bank of Japan, Ltd. (Account in Trust)	10,603,200	10.28
Ando Foundation	7,904,300	7.67
Mitsubishi Corp.	7,800,028	7.56
ITOCHU Corp.	5,400,000	5.23
Ando International Y.K.	3,945,500	3.82
Custody Bank of Japan, Ltd. (Account in Trust)	3,602,000	3.49
Mizuho Bank, Ltd.	1,687,000	1.63
Nissin KYOEI-KAI	1,540,600	1.49
MUFG Bank, Ltd.	1,483,598	1.43
Custody Bank of Japan, Ltd. (as trustee for Retirement Benefit Trust of Mizuho Trust & Banking Co., Ltd.)	1,483,000	1.43

Controlling Shareholder (except for Parent Company)	—
Parent Company	N/A

Supplementary Explanation
—

### 3. Corporate Attributes

Listed Stock Market and Market Section	Tokyo Stock Exchange First Section
Fiscal Year-End	March
Type of Business	Foods
Number of Employees (Consolidated) at End of the Previous Fiscal Year	1,000 or more
Net Sales (Consolidated) for the Previous Fiscal Year	From ¥100 billion to less than ¥1 trillion
Number of Consolidated Subsidiaries at End of the Previous Fiscal Year	From 50 to less than 100

### 4. Policy for Measures to Protect Minority Shareholders in Conducting Transactions with Controlling Shareholder

—
---

### 5. Special Circumstances Which May Have Material Impact on Corporate Governance [Updated]

NISSIN FOODS CO., LTD. (listed on the Main Board of the Hong Kong Exchanges and Clearing; hereinafter referred to as “Hong Kong Nissin”) and KOIKE-YA Inc. (hereinafter referred to as “KOIKE-YA”) are listed subsidiaries of the Company.

The Group is focusing on growing and expanding its overseas business to become an “EARTH FOOD CREATOR,” as set out in the Group Philosophy, and contribute to society and the earth by exploring various possibilities for food, creating dream-inspiring delicious tastes and providing the pleasures and delights of food globally. Based on this policy, Hong Kong Nissin has strengthened its corporate structure to speed up its decision-making capability and better respond to change, and in order to expand its presence in the Chinese market, it was listed on the Main Board of the Hong Kong Exchanges and Clearing on December 11, 2017.

Furthermore, after beginning a business and capital alliance in May 2011, the Company continually strengthened its relationship with KOIKE-YA, such as by acquiring shares in KOIKE-YA. The Company realized synergy through the establishment of specific collaborative relationships, such as collaboration in the product development and marketing field and the sales, logistics and material procurement field on the business front, and the starting up of joint ventures in overseas business. The corporate value of both the NISSIN FOODS Group and KOIKE-YA will increase due to KOIKE-YA becoming a consolidated subsidiary in November 2020 and the further promotion of initiatives carried out thus far. KOIKE-YA is working to ensure an effective governance system, such as by increasing the transparency and objectivity of management as a company with an audit and supervisory committee where the supervisory function is executed by the audit and supervisory committee, a majority of which are Outside Directors.

Since Hong Kong Nissin and KOIKE-YA are listed subsidiaries, the Company respects the independence of the listed subsidiaries based on the understanding that properly protecting the interests of the listed subsidiaries and the shareholders of the listed subsidiaries other than the Company and other stakeholders will contribute to increasing the corporate value of the subsidiaries.

The Company intends to maximize the corporate value of the entire Group by establishing a group governance system for the Group, including the listed subsidiaries, based on the “Basic Policy on Construction of Internal Control Systems,” etc. determined by the Company while ensuring the independence of the listed subsidiaries’ management based on the above policy.

## II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Supervision in Management

### 1. Organizational Composition and Operation

Organization Form	Company with an Audit & Supervisory Board
-------------------	---

#### [Directors]

Maximum Number of Directors Stipulated in Articles of Incorporation	15
Term of Office Stipulated in Articles of Incorporation	1 year
Chairperson of the Board	President
Number of Directors	8
Appointment of Outside Directors	Appointed
Number of Outside Directors	5
Number of Independent Officers Designated from among Outside Directors	3

#### Outside Directors' Relationship with the Company (1)

Name	Attribute	Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k
Ken Kobayashi	From another company					○						
Masahiro Okafuji	From another company					○						
Masato Mizuno	From another company							○				
Yukiko Nakagawa	Academic											
Eietsu Sakuraba	Other											

\* Categories for "Relationship with the Company"

“○” when the Director presently falls or has recently fallen under the category;

“△” when the Director fell under the category in the past;

“●” when a close relative of the Director presently falls or has recently fallen under the category; and

“▲” when a close relative of the Director fell under the category in the past

a. Executive (a person who executes business; hereinafter, the same) of the Company or its subsidiary

b. Non-executive director or executive of a parent company of the Company

c. Executive of a fellow subsidiary of the Company

d. Party whose major business partner is the Company or an executive thereof

e. Major business partner of the Company or an executive thereof

f. Consultant, accounting professional or legal professional who receives a large amount of monetary consideration or other property from the Company besides compensation as a director

g. Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a corporation)

h. Executive of a business partner of the Company (which does not correspond to any of d., e., or f.) (the Director himself / herself only)

i. Executive of a corporation to which outside officers are mutually appointed (the Director himself / herself only)

j. Executive of a corporation that receives a donation from the Company (the Director himself / herself only)

k. Other

Outside Directors' Relationship with the Company (2) [Updated]

Name	Designation as Independent Officer	Supplementary Explanation of the Relationship	Reasons for Appointment
Ken Kobayashi		<p>Mr. Ken Kobayashi concurrently serves as Chairman of the Board of Mitsubishi Corporation. The Company is engaged in transactions including sales of products and procurement of materials with Mitsubishi Corporation.</p>	<p>Since joining Mitsubishi Corporation, Mr. Ken Kobayashi has serviced various positions including General Manager of Singapore Branch, Division COO of Plant Project Division, Division COO of Ship, Aerospace &amp; Transportation Systems Division, Group CEO of Industrial Finance, Logistics &amp; Development Group, and assumed the post of President and CEO from June 2010 to March 2016, and the current post of Chairman of the Board since April 2016, chairing the Board of Directors. Accordingly, he has superior knowledge based on his achievements as a management executive of a general trading company and extensive business experience at Mitsubishi Corporation. Due to the standpoints stated above, the Company expects him to fulfill the role of an overseer and supervisor of the execution of Directors' duties and to form opinions and make judgments from an objective standpoint especially when making management decisions.</p> <p>Accordingly, the Company has determined that he is a necessary resource to increase the Group's corporate value going forward, and the Company has appointed him as Outside Director.</p>

Name	Designation as Independent Officer	Supplementary Explanation of the Relationship	Reasons for Appointment
Masahiro Okafuji		<p>Mr. Masahiro Okafuji concurrently serves as Chairman &amp; Chief Executive Officer of ITOCHU Corporation. The Company is engaged in transactions including sales of products and procurement of materials with ITOCHU Corporation.</p>	<p>Since joining ITOCHU Corporation, Mr. Masahiro Okafuji has served primarily in textile business, assuming posts of President of Textile Company, President of ITOCHU Corporation from April 2010 to March 2018, and the current post of Chairman &amp; Chief Executive Officer since April 2018. Accordingly, he has superior knowledge based on his achievements as a management executive of a general trading company and abundant business experience at ITOCHU Corporation. Due to the standpoints stated above, the Company expects him to fulfill the role of an overseer and supervisor of the execution of Directors' duties and to form opinions and make judgments from an objective standpoint especially when making management decisions.</p> <p>Accordingly, the Company has determined that he is a necessary resource to increase the Group's corporate value going forward, and the Company has appointed him as Outside Director.</p>
Masato Mizuno	○	<p>Although there are dealings between MIZUNO Corporation, at which he serves as Chairman and the Company, the amount of those dealings is less than 0.01% of the net sales of either party. Thus, the Company has determined that there is no risk of a conflict of interest with ordinary shareholders, and the Company intends to designate him as Independent Officer.</p>	<p>Mr. Masato Mizuno has extensive experience and superior knowledge gained through serving as a management executive at MIZUNO Corporation for more than 30 years since joining this company. Due to the standpoints stated above, the Company expects him to form opinions and make judgments from an objective standpoint when making management decisions. In addition, in order to fulfill the role of an overseer and supervisor of the execution of Directors' duties, he is expected to lead discussions and assertively state his opinions especially at meetings of the Management Advisory Committee, an advisory body to the Board of Directors of the Company, as Chairperson. Accordingly, the Company has determined that he is a necessary resource to increase the Group's corporate value going forward, and the Company has appointed him as Outside Director.</p> <p>Although there are dealings between MIZUNO Corporation, at which he serves as Chairman and the Company, the amount of those dealings is less than 0.01% of the net sales of either party. Thus, the Company has determined that there is no risk of a conflict of interest with ordinary shareholders.</p>

Name	Designation as Independent Officer	Supplementary Explanation of the Relationship	Reasons for Appointment
Yukiko Nakagawa	○	No items to report.	<p>Dr. Yukiko Nakagawa has been holding teaching positions at educational institutions in Japan and overseas as a doctor of commercial science. In such ways and others, she has accumulated many years of business experience as an expert in international human resource management and organizational development as well as those of human resource development on a global scale, insight and knowledge as an academic. Due to the standpoints stated above, although she has no experience of direct involvement in corporate management, the Company expects her to fulfill the role of an overseer and supervisor of the execution of Directors' duties by carrying out roles of overseeing corporate management, providing advice and the like in an appropriate manner from an objective viewpoint based on her high level of expertise and knowledge, while retaining independence and fairness. In addition, she is expected to assertively state her opinions especially as a member of the Management Advisory Committee, an advisory body to the Board of Directors of the Company, and as an expert in international human resource management and organizational development as well as human resource development on a global scale.</p> <p>There are no special dealings between the Group and Astena Holdings Co., Ltd. and Toho Zinc Co., Ltd., at which she serves as Outside Director. .</p> <p>Although there are dealings between Macromill, Inc., at which she serves as Outside Director and the Company, the amount of those dealings is less than 1% of the net sales of either party. Thus, the Company has determined that there is no risk of a conflict of interest with ordinary shareholders.</p>



Name	Designation as Independent Officer	Supplementary Explanation of the Relationship	Reasons for Appointment
Eietsu Sakuraba	○	No items to report.	<p>Mr. Eietsu Sakuraba served as Director-General of the Food Industry Bureau and in other senior roles in the Ministry of Agriculture, Forestry and Fisheries, and is also holding a teaching position at Faculty of Agriculture of Takasaki University of Health and Welfare, in the subject on the agricultural diversification, etc. He has extensive experience as mentioned above and superior knowledge as an expert of food safety, reliability and environmental issues in the area of food. Due to the standpoints stated above, although he has no experience of direct involvement in corporate management, the Company expects him to fulfill the role of an overseer and supervisor of the execution of Directors' duties by carrying out roles of overseeing corporate management, providing advice and the like in an appropriate manner from an objective viewpoint based on his high level of expertise and knowledge, while retaining independence and fairness. In addition, he is expected to form opinions and make judgments from an objective standpoint especially when making management decisions.</p> <p>Accordingly, the Company has determined that he is a necessary resource to increase the Group's corporate value going forward, and the Company has appointed him as Outside Director. The Company has determined that there is no risk of a conflict of interest with ordinary shareholders.</p>

**[Voluntary Committees]**

Voluntary Establishment of Committee(s) Equivalent to Nominating Committee or Remuneration Committee	Established
--	-------------

Committee's Name, Composition, and Chairperson's Attributes

	Committee Equivalent to Nominating Committee	Committee Equivalent to Remuneration Committee
Committee's Name	Management Advisory Committee	Management Advisory Committee
Total Committee Members	5	5
Full-time Members	0	0
Internal Directors	2	2
Outside Directors	3	3
Outside Experts	0	0
Other	0	0
Chairperson	Outside Director	Outside Director

Supplementary Explanation [Updated]

[Purpose]

The "Management Advisory Committee," which is chaired by an Independent Outside Director and the majority of which are Independent Outside Director, has been established since 2015 in order to strengthen the supervisory functions of the Board of Directors and at the same time ensure transparency and fairness in management.

[Duties]

The "Management Advisory Committee" meets three times a year in principle, as an advisory body to the Board of Directors, to deliberate the following matters, reports the result to the Board of Directors and thereby contributes to deliberation and resolution by the Board of Directors.

1. Selection and dismissal of members of the management team

The Committee deliberates policies and criteria for the selection or dismissal of members of the management team, including candidates for Director. In addition, the Committee deliberates and supervises a series of the procedures.

2. Remuneration of Directors

The Committee deliberates and supervises the policy for determining remuneration, etc. to individual Directors and the validity of the determination process from the viewpoint of transparency and fairness of management and the like.

3. Other items regarding corporate governance

In addition to the above, the Committee raises and deliberates agenda items necessary for further improving the governance system of the Company as appropriate. Specifically, the Committee considers the evaluation of management of the Board of Directors, company's organizational structure, Chief Executive Officer (CEO) succession plan and other matters.

[Composition] (As of December 1, 2021)

The Committee consists of three Independent Outside Directors and two Internal Directors, and an Independent Outside Director is appointed as chairperson. In addition, three officers (one Director and two Independent Outside Audit & Supervisory Board Members) participate as observers with the aim of increasing the transparency of the deliberation process of the Management Advisory Committee and invigorating discussions. The Committee is held three times a year in principle. The office is established in the Company's General Affairs Division.

	Name	Position at the Company
Committee member	Koki Ando	President & Representative Director, CEO
Committee member	Noritaka Ando	Executive Vice President & Representative Director, COO
Chairperson	Masato Mizuno	Outside Director/Independent Officer
Deputy Chairperson	Yukiko Nakagawa	Outside Director/Independent Officer
Committee member	Eietsu Sakuraba	Outside Director/Independent Officer
Observer	Yukio Yokoyama	Director, CSO, and Managing Executive Officer
Observer	Naohiro Kamei	Outside Audit & Supervisory Board Member/Independent Officer
Observer	Chisugi Mukai	Outside Audit & Supervisory Board Member/Independent Officer

[Activities]

The Committee met four times during the fiscal year ended March 31, 2021, and the attendance of the Committee members at the meetings is as follows.

(Attendance of Each Committee Member)

	Name	Attendance
Committee member	Koki Ando	4/4 (100%)
Committee member	Noritaka Ando	4/4 (100%)
Committee member	Yukio Yokoyama	4/4 (100%)*1
Chairperson	Masato Mizuno	4/4 (100%)
Deputy Chairperson	Yukiko Nakagawa	4/4 (100%)
Committee member	Eietsu Sakuraba	3/3 (100%)*2
Committee member	Naohiro Kamei	4/4 (100%)*1
Committee member	Chisugi Mukai	4/4 (100%)*1

\*1: From December 1, 2021, their position at the Management Advisory Committee has been changed from “committee member” to “observer.”

\*2: The attendance of Mr. Eietsu Sakuraba is subjected to the Management Advisory Committee held on or after his appointment as Director as of June 25, 2020.

[Audit & Supervisory Board Member]

Establishment of Audit & Supervisory Board	Established
Maximum Number of Audit & Supervisory Board Member Stipulated in Articles of Incorporation	4
Number of Audit & Supervisory Board Member	3

Cooperation among Audit & Supervisory Board Member, Financial Auditor and Internal Audit Department

In order for the Company to ensure a tripartite audit, Internal Auditing Office, which is under the direct control of President & Representative Director, CEO, is engaged in internal audits, in addition to audits conducted by Audit & Supervisory Board Members and Financial Auditor. The three parties hold meetings once every two months in principle with the aim of improving efficiency of the audit and exchange opinions over observation of the audit and relevant information.

Appointment of Outside Audit & Supervisory Board Member	Appointed
Number of Outside Audit & Supervisory Board Member	2
Number of Independent Officers Designated from among Outside Audit & Supervisory Board Member	2

Outside Audit & Supervisory Board Member's Relationship with the Company (1) [Updated]

Name	Attribute	Relationship with the Company*												
		a	b	c	d	e	f	g	h	i	j	k	l	m
Naohiro Kamei	From another company													
Chisugi Mukai	Lawyer													

\* Categories for "Relationship with the Company"

“○” when the Audit & Supervisory Board Member presently falls or has recently fallen under the category;

“△” when the Audit & Supervisory Board Member fell under the category in the past;

“●” when a close relative of the Audit & Supervisory Board Member presently falls or has recently fallen under the category; and

“▲” when a close relative of the Audit & Supervisory Board Member fell under the category in the past

a. Executive (a person who executes business; hereinafter, the same) of the Company or its subsidiary

b. Non-executive director or accounting advisor of the Company or its subsidiary

c. Non-executive director or executive of a parent company of the Company

d. Audit & Supervisory Board Member of a parent company of the Company

e. Executive of a fellow subsidiary of the Company

f. Party whose major business partner is the Company or an executive thereof

g. Major business partner of the Company or an executive thereof

h. Consultant, accounting professional or legal professional who receives a large amount of monetary consideration or other property from the Company besides compensation as an Audit & Supervisory Board Member

i. Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a corporation)

j. Executive of a business partner of the Company (which does not correspond to any of f., g., or h.) (the Audit & Supervisory Board Member himself / herself only)

k. Executive of a corporation to which outside officers are mutually appointed (the Audit & Supervisory Board Member himself / herself only)

l. Executive of a corporation that receives a donation from the Company (the Audit & Supervisory Board Member himself / herself only)

m. Other

Outside Audit & Supervisory Board Member's Relationship with the Company (2) [Updated]

Name	Designation as Independent Officer	Supplementary Explanation of the Relationship	Reasons for Appointment
Naohiro Kamei	○	No items to report.	<p>Mr. Naohiro Kamei has many years of experience in serving in the financial industry through positions in The Fuji Bank Limited (current Mizuho Bank, Ltd.) and Mizuho Securities Co., Ltd., and also is well-versed in corporate management from his previous and current posts such as President &amp; Representative Director of Mizuho Capital Partners Co., Ltd., Director of Cobalt Investments Co., Ltd. and Outside Corporate Auditor of KYORIN Holdings, Inc. Accordingly, the Company has determined that his insight as a professional in finance and accounting as well as extensive experience as management executive can be leveraged in the Group's auditing, and the Company has appointed him as Outside Audit &amp; Supervisory Board Member.</p> <p>In view that there is no transaction between KYORIN Holdings, Inc., at which he has served as Outside Corporate Auditor, and the Group, and that it has been eleven years since he retired from Mizuho Securities Co., Ltd. that the Group has transactions with, the Company has determined that there should be no potential conflict of interest with general shareholders.</p>

Name	Designation as Independent Officer	Supplementary Explanation of the Relationship	Reasons for Appointment
Chisugi Mukai	○	No items to report.	The Company has appointed Mr. Chisugi Mukai as Outside Audit & Supervisory Board Member to receive his guidance and advice from a professional point of view as a lawyer. Although he has no experience of direct involvement in corporate management, he is well-versed in corporate legal affairs as a lawyer and possesses ample knowledge for governing corporate management gained from his experience as auditor at other corporations. Therefore, the Company has determined that he will carry out his duties in an appropriate manner. The Company has determined that requirements for independence, including that he is not from a major shareholder or major business partner, are satisfied and that there is no risk of a conflict of interest with ordinary shareholders.

#### [Independent Officers]

Number of Independent Officers	3
--------------------------------	---

Matters relating to Independent Officers

—

#### [Incentives]

Implementation of Measures to Provide Incentives to Directors	Performance-Based Pay, Stock Options
---	--------------------------------------

Supplementary Explanation

For details, please refer to II.1 【 Director Remuneration 】 「 Disclosure of Policy for Determining Remuneration Amounts or Calculation Methods Thereof」

Recipients of Stock Options	Internal Directors / Employees / Subsidiaries' directors / Other
-----------------------------	--

Supplementary Explanation

Recipients of stock options are the Company's Directors (excluding Outside Directors), Executive Officers, some of the employees, and some of directors of the Company's subsidiaries.

**[Director Remuneration]**

Disclosure of Individual Directors' Remuneration	Selected Directors
--	--------------------

Supplementary Explanation
---------------------------

The total amounts by type of remuneration for each classification of Directors, Audit & Supervisory Board Members, and Outside Directors and Outside Audit & Supervisory Board Members are reported in annual securities report.

Policy for Determining Remuneration Amounts or Calculation Methods Thereof	Established
--	-------------

Disclosure of Policy for Determining Remuneration Amounts or Calculation Methods Thereof
--

**(1) Details and decision-making procedure of policy on determining the amount of remuneration, etc. for Directors and Audit & Supervisory Board Members and calculation method thereof**

The Company provides policy on determining the amount of remuneration, etc. for Directors and Audit & Supervisory Board Members and calculation method thereof.

Remuneration for Directors consists of the “basic remuneration” paid according to position and role importance of the Directors as well as corporate performance and individual performance and the “remuneration-type stock options” for the purpose of increasing motivation and incentives toward the contribution to sustained improvement of business performance and enhancement of corporate value over the medium to long term.

However, in view of the nature of the duties, the remuneration for Outside Directors is not linked to business performance and consists only of “basic remuneration” paid according to the position.

Furthermore, although remuneration for Audit & Supervisory Board Members is determined through discussions with the Audit & Supervisory Board Member within the scope of the total amount resolved by the General Meeting of Shareholders, in view of the nature of auditing service, remuneration for Audit & Supervisory Board Members is not linked to business performance and consists only of “basic remuneration” paid according to the position.

The Company has formulated the “Director Remuneration Guidelines,” the policy on determining the remuneration, etc. for each Director that prescribes the composition of remuneration, etc., the level of remuneration for each position and role, business performance indicators and the method of reflecting such performance indicators in the remuneration, etc., and the method of granting stock options. All of such contents are deliberated on by the “Management Advisory Committee” that serves as advisory bodies to the Board of Directors and is comprised of a majority of Independent Officers. With the consent of the Management Advisory Committee and the subsequent resolution by the Board of Directors, President & Representative Director, CEO, Koki Ando determines the amount of remuneration for each Director in accordance with the Director Remuneration Guidelines. (Please refer to (2) below for details regarding the delegation of the determination of the amount of remuneration for each individual Director to the President & Representative Director.)

For the fiscal year under review, President & Representative Director, CEO, Koki Ando has determined the contents of the remunerations, etc. for each Director in accordance with the Director Remuneration Guidelines formulated as the policy on determining the remuneration, etc. for each Director, and accordingly, the Board of Directors considers that the contents of the remuneration, etc. for each Director is aligned with the policy on determining the remuneration, etc.

Remuneration for Directors of the Company is provided for the purpose of heightening the motivation and morale of those Directors in fulfilling their roles, achieving short-term business performance and making contributions to continuous improvement of corporate value over the medium term. In order to have an appropriate remuneration composite to fulfill such purposes, the percentages of the “basic

remuneration” and the “remuneration-type stock options” to the total amount are designed to be approximately 60 to 80% for the former and approximately 20 to 40% for the latter, depending on the position and the fluctuations in the stock price.

The monthly provision of “basic remuneration” consists of the fixed portion based on the position and the role of the Director and the performance-linked portion that is linked to the company’s business performance and the degree of individual performance during the fiscal year under review. The performance-linked portion is designed to vary within the range of up to 20% of the base amount relative to the actual results of the “consolidated performance indicators” and “individual performance evaluation indicators” of the Company, or within the range of up to 40% both indicators combined, and will be reflected in the performance-linked portion of the “basic remuneration” for the following fiscal year.

For Outside Directors and Audit & Supervisory Board Members, only the fixed portion of the “basic remuneration” is paid.

From the perspective of facilitating the understanding about the presentation of the Company’s earnings performance, the consolidated business performance indicators mainly factor in the degree of achievement towards the plans of “revenue” representing the earning power of the core business of all companies under the Company and “profit attributable to owner of parent” signifying the ultimate responsibility to shareholders, and the year-on-year variance thereof.

To evaluate individual performance, the Company clarifies the individual responsibility and performance and evaluates the degree of accomplishment towards the plans and year-on-year variance of the business performance of the Company based on a belief that the individual performance accomplished through business execution is tied to the business performance of the Company. For the fiscal year under review, indicators including business performance of all companies, respective business divisions in charge, and respective operating companies in charge are the benchmark to evaluate individual performance. The percentage weights of these indicators used in the evaluation differs, depending on the rank of each individual.

The Company provides part of the remuneration as stock options for shares so that heightened motivation and morale to contribute to sustained improvement of business performance and enhancement of corporate value over the medium to long term will result in promotion of shareholders’ interest of the Company. Regarding the calculation method, the number of stock acquisition rights granted shall be calculated by multiplying a certain amount of the previous year’s basic remuneration by each rank’s coefficient and dividing this derived amount by a share price calculated. The share price is calculated using the Black-Scholes formula based on the average share price from February to April, the year before the grant date.

The calculation period is based on a one-year term of office of Directors, and rights are granted after the one-year term of office.

The maximum amount of remuneration for Directors and Audit & Supervisory Board Members (basic remuneration) that was adopted by resolution of the General Meeting of Shareholders (not including employee equivalent salaries paid to Director who is also an employee) is not more than ¥700 million per year (of which ¥100 million or less for Outside Director; adopted by resolution of the 68th Ordinary General Meeting of Shareholders held on June 28, 2016) for Director, and not more than ¥60 million per year for Audit & Supervisory Board Member (adopted by resolution of the 47th Ordinary General Meeting of Shareholders held on June 29, 1995). At the conclusion of this Ordinary General Meeting of Shareholders, the number of Directors is eight (including five Outside Directors) and the number of Audit & Supervisory Board Members is four.

The maximum amount of remuneration-type stock options for Director (excluding Outside Director) by resolution of the General Meeting of Shareholders is not exceeding ¥500 million per year (by resolution of the 60th Ordinary General Meeting of Shareholders held on June 27, 2008). As of the conclusion of this Ordinary General Meeting of Shareholders, the number of Directors is 13 (excluding two Outside Directors.)



**(2) Organization and procedures for determining remuneration, etc. for Directors in the fiscal year under review**

A resolution was passed at a meeting of the Board of Directors to delegate the determination of the specific contents of the basic remuneration for each Director for the fiscal year ended March 31, 2021 under review to President & Representative Director, CEO, Koki Ando. The authority is delegated to determine the contents of the basic remuneration for each Director in accordance with the Director Remuneration Guidelines, within the limit of the remuneration for Directors (basic remuneration) that is adopted by the resolution of the General Meeting of Shareholders. The Company judges that it is best to delegate individual Directors' evaluation to be performed by the Representative Director from the viewpoint of the degree of contribution to businesses and business performance of the Company across the board.

The Board of Directors has resolved that the Management Advisory Committee shall deliberate on the contents of the Director Remuneration Guidelines to ensure that this delegated authority is properly exercised, and President & Representative Director shall determine the contents of the basic remuneration for each Director in accordance with the Director Remuneration Guidelines approved by the Management Advisory Committee.

**[Supporting System for Outside Directors and / or Audit & Supervisory Board Member]**

The Company believes it is important to build an environment where it is made easier for Outside Directors and Outside Audit & Supervisory Board Members to conduct their activities to supervise the management team highly effectively from an objective standpoint.

Accordingly, the Company delivers documents containing agenda items in advance and provides opportunities of giving explanations as necessary prior to the holding of any Board of Directors meeting with the aim of promoting understanding of the items and invigorating the discussion by the Board of Directors. The Company provides newly appointed Directors and Audit & Supervisory Board Members with opportunities to receive training by persons responsible for each area concerning the industry trend surrounding the Company, the status of each business of the Group and future strategies to promote their understanding of the Company's business. In addition, the Company provides periodic seminars and training for Directors and Audit & Supervisory Board Members as appropriate with the aim of ensuring solid deliberation by the Board of Directors. On top of the foregoing, the "Liaison Committee of Independent Outside Directors and Audit & Supervisory Board Members," a meeting of Independent Outside Directors and Audit & Supervisory Board Members, is held on an as-needed basis to promote information sharing and smooth cooperation between them.

While we do not place staff dedicated to assisting the operations of Outside Directors, staff of the General Affairs Division that serves as the office for the Board of Directors and employees of other relevant divisions perform supporting duties for information sharing among Directors including distribution of materials in advance and sending meeting results to ensure smooth execution of Outside Directors' duties. In addition, for Outside Audit & Supervisory Board Members, several dedicated staff members for Audit & Supervisory Board Members (Full-time) perform supporting duties to ensure smooth execution of Outside Audit & Supervisory Board Members.

**[Status of Persons Who Have Retired from a Position Such as President & Representative Director]**

Name	Title/ Position	Responsibilities	Working Form and Conditions (Full-time/Part-time, Paid/Unpaid, etc.)	Date of Retirement from Position Such as President	Term of Office
----	----	----	----	----	----

Total Number of Retired President & Representative Directors, etc. Holding Advisory or Any Other Position in the Company

0

## **2. Matters on Functions of Business Execution, Audit and Supervision, Nomination and Remuneration Decisions (Overview of Current Corporate Governance System)**

The Company has eight Directors (of which, five are Outside Directors) and they attend “regular meetings of the Board of Directors” that are held on a regular basis and “extraordinary meetings of the Board of Directors” held on an as-needed basis to deliberate and resolve matters to be resolved by the Board of Directors as stipulated in the laws and regulations, the Articles of Incorporation and various other regulations. Also, the Directors monitor other Directors’ execution of their duties upon receiving reports on the status of execution of duties by Directors. Besides meetings of the Board of Directors, the Directors also attend meetings of the Management Committee (consisting of Directors (excluding Outside Directors), Executive Officers with special titles and Audit & Supervisory Board Members (Full-time)) that are regularly held, to take part in decision-making and monitoring other Directors on execution of their duties.

The Company has three Audit & Supervisory Board Members (of which, two are Outside Audit & Supervisory Board Members). Each Audit & Supervisory Board Member attends important meetings including the meetings of the Board of Directors in compliance with the Audit Standards of Audit & Supervisory Board Members predefined by the Audit & Supervisory Board, and in accordance mainly with the audit policy and audit plans for the fiscal year under review. Each member also collects information from Directors and Executive Officers regarding the status of execution of their duties through interviews, inspects important approval/decision documents, and performs on-site inspections at the head office and other principal business locations. They also perform audits by monitoring or verifying the status of the internal control systems with regard to which the Board of Directors made a resolution.

With regard to nomination of candidates for Directors and Audit & Supervisory Board Members, and decisions on remunerations, etc., following deliberations and verifications over the appropriateness by the Management Advisory Committee, they are deliberated and determined by the Board of Directors for Directors, while for the Audit & Supervisory Board Members, the decision on nomination is subject to consent of the Audit & Supervisory Board and the decision on their remunerations is also delegated to the Audit & Supervisory Board.

Pursuant to the approval from the shareholders at the 61st Ordinary General Meeting of Shareholders held on June 26, 2009, the Company appointed Deloitte Touche Tohmatsu (Converted to a limited liability company and changed its name to Deloitte Touche Tohmatsu LLC on July 1, 2009) as Financial Auditor with an audit contract signed, and has commissioned it to perform audits in accordance with the Companies Act and Financial Instruments and Exchange Act.

## **3. Reasons for Adoption of Current Corporate Governance System**

The Company has adopted the structure of a company with an Audit & Supervisory Board instead of a company with committees or a company with an audit and supervisory committee, 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 transparency of the business management under the executive officers system introduced to build a mechanism allowing prompt execution of business operations.

With the aim of strengthening governance, based on a resolution at the 68th Ordinary General Meeting of Shareholders held on June 28, 2016, we have reduced the number of Internal Directors by six, to three, and increased the number of Outside Directors by one, to five. By making Outside Directors the majority, the Company is further strengthening supervisory functions and promoting swifter decision-making.

### III. Implementation of Measures for Shareholders and Other Stakeholders

#### 1. Measures to Energize General Meetings of Shareholders and Smooth Exercise of Voting Rights [Updated]

	Supplementary Explanation
Early Notification of General Meeting of Shareholders	To ensure that our shareholders are provided with time to sufficiently review information on the convocation notice, the Company now sends out the convocation notice three weeks in advance starting from the 59th Ordinary General Meeting of Shareholders held in June 2007.
Scheduling OGMs Avoiding the Peak Day	The Ordinary General Meeting of Shareholders for June 2021 was held on June 25.
Allowing Electronic or Magnetic Exercise of Voting Rights	The electronic or magnetic exercise of voting rights has been adopted since the 58th Ordinary General Meeting of Shareholders held in June 2006.
Participation in Electronic Voting Platform and Other Efforts to Enhance the Voting Environment for Institutional Investors	The Company has participated in the electronic voting platform for institutional investors operated by Investor Communications Japan Inc. (ICJ, Inc.) since June 2007.
Providing Convocation Notice in English (Translated Fully or Partially)	The Company provided an English version (summary translation) of the convocation notices every year starting from the General Meeting held in June 2007. The Company has provided a full English version of the convocation notices since the General Meeting held in June 2016, by posting them on the Company's website, the ICJ platform and other platforms.
Other	The contents of the convocation notices are posted on the Company's website one week before the notice is sent out. The English version of the convocation notices is posted on the website and also on TDnet for viewing pursuant to request from Tokyo Stock Exchange.

#### 2. IR Activities [Updated]

	Supplementary Explanation	Explanation by Representative
Creation and Publishing of the Disclosure Policy	The policy concerning the status of information disclosure is posted on the Company's official website stated below. <a href="https://www.nissin.com/jp/ir/policy/">https://www.nissin.com/jp/ir/policy/</a>	
Regular Briefings for Individual Investors	The Company carries out company briefings for individual investors on a regular basis. In addition, in December 2020, an online company briefing was held for individual shareholders and individual investors.	Not provided

Regular Briefings for Analysts and Institutional Investors	The Company holds financial results meetings twice a year on the dates of announcement for the year-end financial results and the second quarter-end financial results at the Tokyo Head Office where President & Representative Director, CEO as presenter reports the results. The Company utilizes visual tools to communicate with analysts and institutional investors. Other than this, the IR Office arranges opportunities to enhance dialogue by serving as a contact point for the appropriate carrying out of interviews with analysts and institutional investors, small meetings, etc.	Provided
Regular Briefings for Overseas Investors	The Company regularly provide opportunities for dialogue with the Directors for investors in Europe, the United States and Asia. For example, the Company actively participate in IR conferences for overseas investors, the Company also set up opportunities for interviews with a broad range of overseas investors.	Not provided
Posting of IR Materials on Website	Convocation notice of general meeting of shareholders, reporting documents attached thereto, financial statements, supplementary documents for financial results meeting, annual securities reports, quarterly reports, Integrated Report (in English), Sustainability Report, corporate governance reports, various press releases and the like are posted.	—
Establishment of Department and/or Manager in Charge of IR	IR Office is responsible for the investor relations (phone: +81-3-3205-5027).	—

### 3. Measures to Ensure Due Respect for Stakeholders

	Supplementary Explanation
Provisions to Ensure Due Respect for Stakeholders in Internal Rules, etc.	They are provided in the “NISSIN FOODS Group Ethics Regulations,” which all officers and employees are obliged to comply with.
Implementation of Environmental Activities, CSR Activities, etc.	<p>The Group Philosophy of the NISSIN FOODS Group is to be an EARTH FOOD CREATOR, contributing to society and the earth by gratifying people everywhere with pleasures and delights food can provide. The Group’s mission is not only to provide safe and delicious food to people as the pioneer of instant noodles, but also promote the development of products that solve environmental and social issues. The Group is working to realize a sustainable society and increase corporate value by establishing the “Sustainability Committee,” which is chaired by President &amp; Representative Director, CEO. Furthermore, from the fiscal year ending March 31, 2022, the Group established the “Sustainability Advisory Board,” which primarily consists of external experts, positioned it as an advisory body to the Board of Directors and the Sustainability Committee, and utilized investors’ opinions and international trends in its management.</p> <p>The Group is working to realize its vision and achieve sustainable growth. One theme for the medium- to long-term growth strategy is “EARTH FOOD CHALLENGE 2030,” which is the Group’s own medium- to long-term strategy concerning the environment. The Group aims to realize a sustainable society and increase corporate value by promoting environmental measures of an even higher level.</p> <p>More specifically, the Group works on two issues: “resources” and “climate change.” As for the resource-related issues, the Group is aiming for “earth-friendly procurement,” the “saving of earth resources” and a “waste-free earth,” has set numerical targets for them, and will take on the challenge of effectively utilizing resources through procurement with a low environmental impact and the reduction of waste.</p> <p>As for the issue of climate change, the Group is aiming for “green electricity,” “green ingredients” and “green packaging,” and has established targets for the reduction of CO2 emissions. The Group will take on the challenge by supplementing the electricity used in business with renewable energy and switching to packaging and ingredients that have less of an impact on the environment.</p> <p>These ESG initiatives have been evaluated, and the Group was selected as one of the constituent stocks of the “World Index (DJSI World)” in the “Dow Jones Sustainability Indices,” which are global ESG investment indices. In addition, the group was selected as one of the constituent stocks of the “Asia/Pacific Index” for the fourth consecutive year.</p> <p>For details concerning the Company’s initiatives, please refer to the URL below as the information has been posted on the Company’s website.  <a href="https://www.nissin.com/jp/sustainability/">https://www.nissin.com/jp/sustainability/</a></p>

<p>Other</p>	<p>(Progress on Measures for Health and Productivity Management)  The Company considers one of the most important management issues is to ensure that in its business operations, all employees maintain and promote their physical and mental health and demonstrate their capabilities to the maximum extent possible based on “美健賢食 Bi-ken Ken-shoku (Eat wisely for beauty and health),” one of the elements that make up the spirit of our founder. In 2018, the Company formulated the “NISSIN FOODS Group’s Declaration of Health and Productivity Management” and worked to strategically promote health management.  The Company is supporting the health of its employees through such efforts as offering health guidance and providing consultations with an industrial physician. In addition, to promote greater awareness among employees and the practice of health conscious activities, the Company has been carrying out various initiatives, including seminars.  The Company’s efforts were evaluated and it was selected as one of the companies in the large enterprise category (White 500) of the “2021 Certified Health and Productivity Management Organization Recognition Program” for a third consecutive year.</p> <p>(Promotion of Active Participation by Female Human Resources)  Since 2016, the Company has been putting efforts into “promotion of active participation by female human resources” as the first step toward realizing the “promotion of diversity,” which is considered as one of the important policies in the medium-term management strategy.  The Company has been recognized for its multi-faceted efforts on female resources and in the “Nadeshiko Brands” was selected as one of the “Semi-Nadeshiko Brands” for a second consecutive year as a company that is actively implementing the promotion of active participation by female resources in 2019.</p> <p>(Support for Balancing Career and Child-Rearing)  Since 2015, the Company has been putting efforts into the “promotion of the work style reform” and “support for balancing career and family life.” In addition to introducing a telecommuting work system that enables flexible work times, and a flex-time system without core time, the Company has been implementing various measures for employees while taking childcare leave such as education and training regarding work styles and career advancement after the return to work.  The Company has been recognized for such efforts to provide multi-faceted support for the child-rearing needs of employees, and it received “Platinum Kurumin” certification again from the Tokyo Labour Bureau as a company that provides excellent child-rearing support.</p>
--------------	---

## IV. Matters Related to Internal Control System

### 1. Basic Concept on Internal Control System and Progress of System Development

#### (1) Basic policy of business operation

Officers and employees of the Company and its subsidiaries (hereafter collectively referred to as 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 acting conforming with social ethics when executing their daily duties pursuant to the “NISSIN FOODS Group Ethics Regulations” and “NISSIN FOODS Group Compliance Regulations.”

#### (Basic Philosophy)

- (a) Objective of our work is to place customer satisfaction first and to provide products and services which bring happiness to people’s lives.
- (b) We shall make efforts to be aware of corporate social responsibility, comply with laws and regulations and fair business practice, and enhance business activities with transparency.
- (c) We shall be aware that we are corporate citizens, fostering high ethical standards and following common sense.

#### (Code of Conduct)

- (a) Objective of our work is to place customer satisfaction first and to provide products and services which bring happiness to people’s lives.
- (b) We shall make efforts to be aware of corporate social responsibility, comply with laws and regulations and fair business practice, and enhance business activities with transparency.
- (c) We shall be aware that we are corporate citizens, fostering high ethical standards and following common sense.

#### (Code of Conduct)

- (a) Employees shall maintain fair, impartial and transparent relations with consumers, employees and workers, business partners, shareholders and all other stakeholders.
- (b) Employees shall support internationally recognized human rights protection standards and respect the basic human rights of all people. They shall not conduct any actions that impair the dignity of any individual.
- (c) Employees shall not discriminate against anyone on such grounds as nationality, ethnicity, religion, gender, age, social status, disability or the like.
- (d) Employees shall not engage in harassment based on the status, authority, gender or any other factor.
- (e) Employees shall strive to create and develop products and services that give priority to the health and safety of people.
- (f) Such products and services must not endanger the health or property of consumers and Employees shall take sincere and swift actions to settle any problems arising from their quality.
- (g) In pursuing profit in the course of carrying out their duties, Employees must not make decisions or conduct themselves in a manner that is at odds with the social conscience.
- (h) Employees must break off all ties with any anti-social forces or groups that pose a threat to civic social order and security.
- (i) Employees shall behave in a way that prevents contradictions between personal interests and corporate interests.
- (j) Employees shall commit to the disclosure activity of corporate information and shall not engage in insider-trading or use non-disclosed information to provide benefits or favors to any third party.
- (k) Employees shall tightly control such information as pertains to corporate secrets and must not disclose or divulge such information to others outside the Company, either during their tenure or thereafter.
- (l) Employees shall strive to maintain and secure intellectual property rights while respecting the intellectual property rights of others.
- (m) Employees shall maintain fair and free competition and shall not engage in unfair competition.
- (n) Employees shall work to prevent any form of corruption, including extortion based on abuse of a dominant bargaining position and bribery aimed at gaining or retaining business benefits.
- (o) Employees shall take the utmost care to ensure that their business activities do not adversely affect the global environment.
- (p) Employees shall endeavor to collaborate and work closely with the local community and to work to make active contributions to the local community.

- (q) In the event of making a donation or other monetary contribution, Employees shall comply with the laws and ordinances as well as internal regulations.
  - (r) In such case that a problem not addressed herein should arise, Employees must judge and act on such problem in accordance with the general principles of this Code.
  - (s) Employees shall observe the code of conduct set out in this Article and shall, in the event of discovering any conduct in breach of the Code, immediately submit a report in accordance with the whistle-blowing system set forth separately.
- (2) System ensuring the execution of duties of Directors and employees comply with the laws and regulations and the Articles of Incorporation / System ensuring the reliability of financial reporting
- (a) For the purpose of compliance with the laws and regulations and the Articles of Incorporation and the like, the Company shall develop “NISSIN FOODS Group Ethics Regulations” and “NISSIN FOODS Group Compliance Regulations” and shall ensure that officers and employees of NISSIN FOODS Group understand.
  - (b) “Compliance Committee” shall be set up with Representative Director serving as chairperson to make efforts to have officers and employees comply with the laws and regulations, Articles of Incorporation, and various regulations alike. Furthermore, “Compliance Group” shall be established within the Legal Division to strengthen measures.
  - (c) Each division of NISSIN FOODS Group shall consult with outside specialists including lawyers as necessary upon carrying out its duties for the purpose of avoiding risks of non-compliance with the laws and regulations, Articles of Incorporation, and various regulations alike.
  - (d) Internal Auditing Office which is under direct control of President & Representative Director, CEO shall audit major business offices of NISSIN FOODS Group on a regular basis and confirm if the laws and regulations, Articles of Incorporation, and various regulations alike are being complied.
  - (e) The Company shall establish “NISSIN FOODS Group Internal Reporting Regulations” as a reporting system when violation of laws and regulations, Articles of Incorporation, and various regulations alike occur, or is about to occur, and shall ensure that officers and employees of NISSIN FOODS Group thoroughly understand. NISSIN FOODS Group shall not dismiss or treat disadvantageously the person who has made the reporting in question.
  - (f) Audit & Supervisory Board Members shall audit the appropriateness of the execution of duties of Directors pursuant to “Audit & Supervisory Board Regulations,” “Audit Standards of Audit & Supervisory Board Members,” and the like.
  - (g) Human resources shall be appropriately placed to develop and promote the construction and administration of internal control systems for the purpose of ensuring the reliability of financial reporting.
- (3) System relating to storage and management of information in regard to the execution of duties of Directors

The Company shall record legal documents including minutes of General Meeting of Shareholders and Meeting of the Board of Directors and the like, in addition to important information in regard to the execution of duties of Directors such as written approvals, to paper documents or electromagnetic media. It shall appropriately store and manage the information pursuant to the laws and regulations and the “Document Management Regulations,” shall, to the extent necessary, verify the status of storage and management, respond to the request of inspection given by the Directors and Audit & Supervisory Board Members, and review the regulations as appropriate.

- (4) Regulations and other systems relating to risk management of losses
- (a) The Company shall set up a “Risk Management Committee” with Executive Vice President & Representative Director, COO serving as chairperson to prevent, identify, manage, and address against various risks in regard to NISSIN FOODS Group.
  - (b) NISSIN FOODS Group shall set up “Audit Standards of Food Safety” and develop a system primarily conducted by NISSIN Global Food Safety Institute to investigate and verify the safety of food products ranging from raw materials to products, based on its awareness that the most important issue is to constantly ensure safe and worry-free food products.



- (c) NISSIN FOODS Group, based on the “NISSIN FOODS Group Code of Risk Management,” shall position product accidents, BCP (Business Continuity Plan), compliance, and information security as the Group’s key risks, set up committees, and address said risks.
- (d) The Company shall set up an organization under the Sustainability Committee to address environmental and safety risks. In the event a material accident occurs in environmental aspects, pursuant to the manual, it shall be immediately responded, stabilized, and resolved. In addition, the Company shall review various manuals including “Industrial Waste Treatment Manual” as necessary and confirm the status of the operation on a regular basis.
- (5) System ensuring the efficiency of execution of duties of Directors / System ensuring the execution of duties of employees comply with the laws and regulations and the Articles of Incorporation
- (a) The Company shall hold “regular meetings of the Board of Directors” on a regular basis and “extraordinary meetings of the Board of Directors” as appropriate when necessary. The meetings shall consist of Directors and Audit & Supervisory Board Members who shall discuss and decide on important matters pursuant to the laws and regulations, Articles of Incorporation, and “Board of Directors Regulations.” Furthermore, the members of the meetings shall receive reports in regard to the execution of duties of Directors, and conduct supervision and the like.
- (b) The Company shall hold a meeting of the “Management Committee” twice every month in principle to improve management efficiency. The Committee consists of Directors (excluding Outside Directors), Responsible Executive Officers and Audit & Supervisory Board Members (Full-time). The Committee shall discuss matters which are to be resolved by the Board of Directors, and shall discuss and decide matters which authorities are delegated to the Committee by the Board of Directors pursuant to the “Regulations for Approval,” as well as execute business operations.
- (c) The Company shall hold a “Group Company Strategic Presentation” every month in principle. Reports, proposals, and confirmations in regard to strategies (products, finance, human resource and the like) shall be made by the presidents of the major subsidiaries and overseas regional Chief Representatives, and status of execution of duties of subsidiaries shall be supervised.
- (d) The Company shall hold a “Chief Officer Strategy Presentation” every month in principle, and the Presentation shall consist of chief officers. Strategies shall be proposed by the chief officers, and status of execution of platform duties shall be supervised.
- (e) As a preliminary discussion body of the Board of Directors and Management Committee, the Company shall hold a meeting of the “Investment and Financing Committee” every month in principle. The Committee shall consist of members summoned in principle from each platform. The Committee shall perform screenings and reviews of important investment and financing and the like in advance.
- (f) As a preliminary discussion body of the Board of Directors and Management Committee, the Company shall hold a meeting of the “Personnel Committee” every month in principle and the Committee shall consist of chief officers and the like. Human resource strategy of the Group shall be reviewed.
- (g) The Company shall hold a meeting of the “Management Advisory Committee,” an advisory body to the Board of Directors, the majority of which are Independent Outside Directors, three times a year in principle, in order to ensure transparency and fairness in nomination, remuneration, and governance.
- (h) The Company shall hold multiple meetings of the “Sustainable Committee” and the “Sustainability Advisory Board,” an advisory body to the Board of Directors, to raise its medium to long term of corporate value and its sustainable growth by working to address the environmental and social issues through business activities with a contribution on the establishment of sustainable society.
- (i) The Company shall hold multiple meetings of the “Liaison Committee of Independent Outside Directors and Audit & Supervisory Board Members” comprising Independent Outside Directors and Audit & Supervisory Board Members on an as-needed basis where Audit & Supervisory Board Members and Outside Directors share the recognition concerning priorities for management.
- (j) The Company shall establish regulations such as “Administrative Authorities Regulations” and “Division of Responsibilities Regulations” to ensure that appropriate and efficient duties of Directors and employees are executed in order that the authority and responsibility of each officer shall be made clear.
- (k) The term of office of Directors shall be one (1) year, for the purpose of clarifying their management responsibility, and allowing quick actions to be taken in response to the changes in management environment.

- (6) System ensuring the appropriateness of operations of the corporate group consisting of the Company and its subsidiaries
  - (a) “NISSIN FOODS Group Ethics Regulations” and “NISSIN FOODS Group Compliance Regulations” shall be the ethical and operational guideline for business operations in the NISSIN FOODS Group.
  - (b) The department in charge in the Company shall be the contact department and shall receive reports on a regular basis in regard to business performance of the NISSIN FOODS Group. Furthermore, important matters shall be approved by the in-house approving authorities or by the subsidiaries pursuant to the “Regulations for Approval.” If matters exceed the scope of such authority, it shall be approved by the Board of Directors and the like of the Company.
  - (c) Audit & Supervisory Board Members and the Internal Auditing Office shall conduct audits including periodical visiting audits to confirm if operations of NISSIN FOODS Group are complying with the laws and regulations, Articles of Incorporation and various regulations alike.
- (7) Matters relating to employees assisting Audit & Supervisory Board Members in the event the Audit & Supervisory Board Members request the placement of employees to assist their duties

The Company set up an Audit & Supervisory Board Office directly under the Audit & Supervisory Board and placed several dedicated employees as ones to assist the duties of the Audit & Supervisory Board Members. The Audit & Supervisory Board has expressed its opinion that assistance is sufficient.

- (8) Matters regarding independence of employees assisting the duties of Audit & Supervisory Board Members from Directors, and the procurement of effectiveness of such instruction
  - (a) Matters regarding personnel such as appointment and transfers of employees assisting the duties of the Audit & Supervisory Board Members shall be decided conditional on consent from the Audit & Supervisory Board Members (Full-time) in advance. The performance management shall be conducted by the Audit & Supervisory Board Members (Full-time).
  - (b) For the purpose of ensuring the effectiveness of instructions given by the Audit & Supervisory Board Members, employees assisting the duties of the Audit & Supervisory Board Members shall not additionally hold duties relating to the business execution of the Company, and shall carry out the duties under the directions of the Audit & Supervisory Board Members.
- (9) Reporting system by Directors and employees to Audit & Supervisory Board Members, and other reporting systems to Audit & Supervisory Board Members
  - (a) In the event facts that may cause significant damages to the NISSIN FOODS Group are discovered, Directors of the NISSIN FOODS Group shall immediately report the facts concerned to the Audit & Supervisory Board of the Company.
  - (b) Pursuant to the “Audit Standards of Audit & Supervisory Board Members,” in addition to matters provided under the laws and regulations, facts that may cause material impact in finance and operations of NISSIN FOODS Group, the decisions and the like shall be immediately reported by Directors and employees of NISSIN FOODS Group to the Company’s Audit & Supervisory Board Members.
  - (c) In the event facts that may cause significant damages to the NISSIN FOODS Group are discovered, employees of NISSIN FOODS Group shall report the facts concerned to the Audit & Supervisory Board Members.
  - (d) NISSIN FOODS Group shall not treat ones who have reported the aforementioned three items disadvantageously on the grounds that such reporting was made.
  - (e) If expenses necessary to request advice from lawyers, certified public accountants, and other outside specialists, to outsource investigation, analysis and other administrations for the purpose of conducting audit are requested by the Audit & Supervisory Board Members or the Audit & Supervisory Board, Directors, Executive Officers, and employees shall not refuse such requests, except in cases where the expenses under such requests are determined to be unnecessary in the execution of duties of the Audit & Supervisory Board Members.

(10) Other systems ensuring the effectiveness of audits conducted by the Audit & Supervisory Board Members

- (a) “Regular meetings of the Audit & Supervisory Board” in which all Audit & Supervisory Board Members attend shall be held on the day before the meeting of the Board of Directors or the date of the meeting in principle, and “extraordinary meetings of the Audit & Supervisory Board” shall be held as necessary. Ideas shall be exchanged in regard to Audit & Supervisory Board Members’ opinions and important issues upon auditing between the Audit & Supervisory Board Members and the results shall be reported on a regular basis to the Board of Directors as an Audit & Supervisory Board Report.
- (b) Directors and employees shall report monthly performance and financial situations on a regular basis to the Board of Directors and the Management Committee and the like. Various minutes, written approvals and other important documents relating to business operations shall be circulated to, and be read through by, the Audit & Supervisory Board Members (Full-time). Furthermore, if requested by the Audit & Supervisory Board Members, sufficient explanations shall be provided.
- (c) Audit & Supervisory Board Members, while closely working with Internal Auditing Office and Financial Auditor on a steady basis, shall hold regular meetings with them once every two (2) months in principle to exchange information, establishing a system where audits are carried out effectively by the Audit & Supervisory Board Members.

(11) Basic concept toward elimination of antisocial forces and the status toward such elimination

The Basic policy of NISSIN FOODS Group upon conducting corporate activities is based on the idea that “Any relationships with antisocial forces and organizations that threaten the order and security of civil society shall be severed.” The policy is stated clearly in the Code of Conduct under the “NISSIN FOODS Group Code of Ethics” and the Company shall ensure that it is thoroughly understood.

The Company shall place General Affairs Division as its supervisory department to handle antisocial forces. The General Affairs Division shall play a key role in continuously gathering information from government bodies and outside specialized organizations, developing a system which will be able to address unexpected situations with prompt cooperation.

## **2. Basic Concept Toward Elimination of Antisocial Forces and Status Thereof**

Basic concept toward elimination of antisocial forces and the status toward such elimination

The Basic policy of NISSIN FOODS Group upon conducting corporate activities is conventionally based on the idea that “Any relationships with antisocial forces and organizations that threaten the order and security of civil society shall be severed.” The policy is stated clearly in the Code of Conduct under the “NISSIN FOODS Group Code of Ethics” formulated in June 2002 (revised in March 2019).

Within the Company, the General Affairs Division, which is the Company’s supervisory department to handle antisocial forces, plays a key role in continuously gathering information from government bodies and outside specialized organizations, developing a system which will be able to address unexpected situations with prompt cooperation.

## V. Other

### 1. Adoption of Takeover Defense Measures

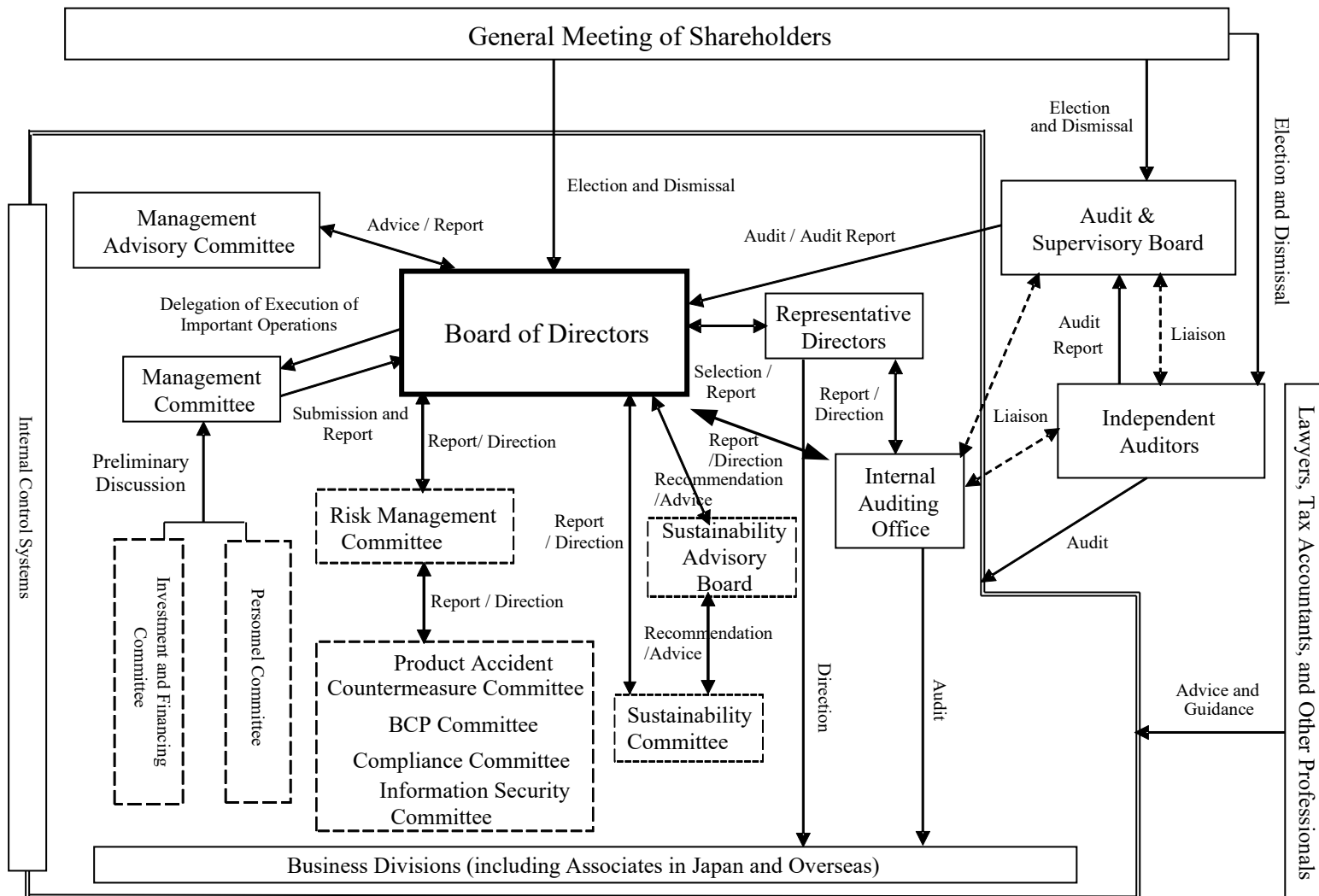
Adoption of Takeover Defense Measures	Not adopted
---------------------------------------	-------------

Supplementary Explanation

—

### 2. Other Matters Concerning Corporate Governance System

- (1) In preparation for a contingency in which the number of serving Audit & Supervisory Board Members falls below the number required by laws and regulations, the Company has taken steps to prevent interruption of the audit system by appointing one Alternate Audit & Supervisory Board Member (Outside) in advance following approval at the Ordinary General Meeting of Shareholders held in June 2006, and thereafter the Company re-appointed the same Alternate Audit & Supervisory Board Member every two years. Said individual was re-appointed the member again at the 73rd Ordinary General Meeting of Shareholders held on June 25, 2021.
- (2) As part of the initiatives to establish our internal control systems, the Company revised “NISSIN FOODS Ethics Regulations” to “NISSIN FOODS Group Ethics Regulations,” and “NISSIN FOODS Internal Reporting Regulations” to “NISSIN FOODS Group Internal Reporting Regulations” in March 2008 respectively. The Company at the same time established “NISSIN FOODS Group Compliance Regulations” and “NISSIN FOODS Group Insider Trading Management Regulations” to reinforce its compliance framework.
- (3) Following additional appointment of one Outside Director (Independent Director) in June 2015 to have four Outside Directors among the Board members, the Company further appointed another one Outside Director (Independent Director) in June 2016 to bring the number of Outside Directors to five.



[Chart of the In-house Structure for Timely Disclosure of the Company's Information]

