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Integrated
Report
2024



The Nissin Group Philosophy System (Mission, Vision, and Values)

Our Mission, Vision, and Values (MVV) were established based on our founding spirit of “improving day by day,” which is the meaning behind the Nissin name. We will continue seeking to grow and evolve each day and to achieve our Vision through the Mission (Purpose) and Values that embody our unchanging principles.

Mission

Touch the hearts of all, delivering global happiness and peace

To “carry” something. It is an indispensable force for the development of the world. We at Nissin have paved the way even in difficult situations and achieved all kinds of “transportation” that our customers have requested. We do not just transport “things,” but also the “feelings” that are put into them, delivering “emotions” to the recipients. We also aim to protect the earth through our environmentally friendly services. Spreading happiness across the world. That is our Purpose.

Corporate philosophy

Our mission is to contribute to the sustainable development of society as a good corporate citizen, and while adhering to high ethical standards, we conduct free and fair corporate activities globally.

Vision

Supply Chain Logistics Provider

Through the power of the “people” and “innovation” that we have cultivated, we will respond to changes in the logistics environment and contribute to the construction of optimal supply chains for our customers. We will also take on the challenge of contributing to the resolution of climate change and other social issues and aim to be a reliable partner in an era that demands sustainability.

Value

Be a pioneer

As a pioneer in international multimodal transport, we always look to the future and challenge ourselves to provide new solutions.

Respect difference

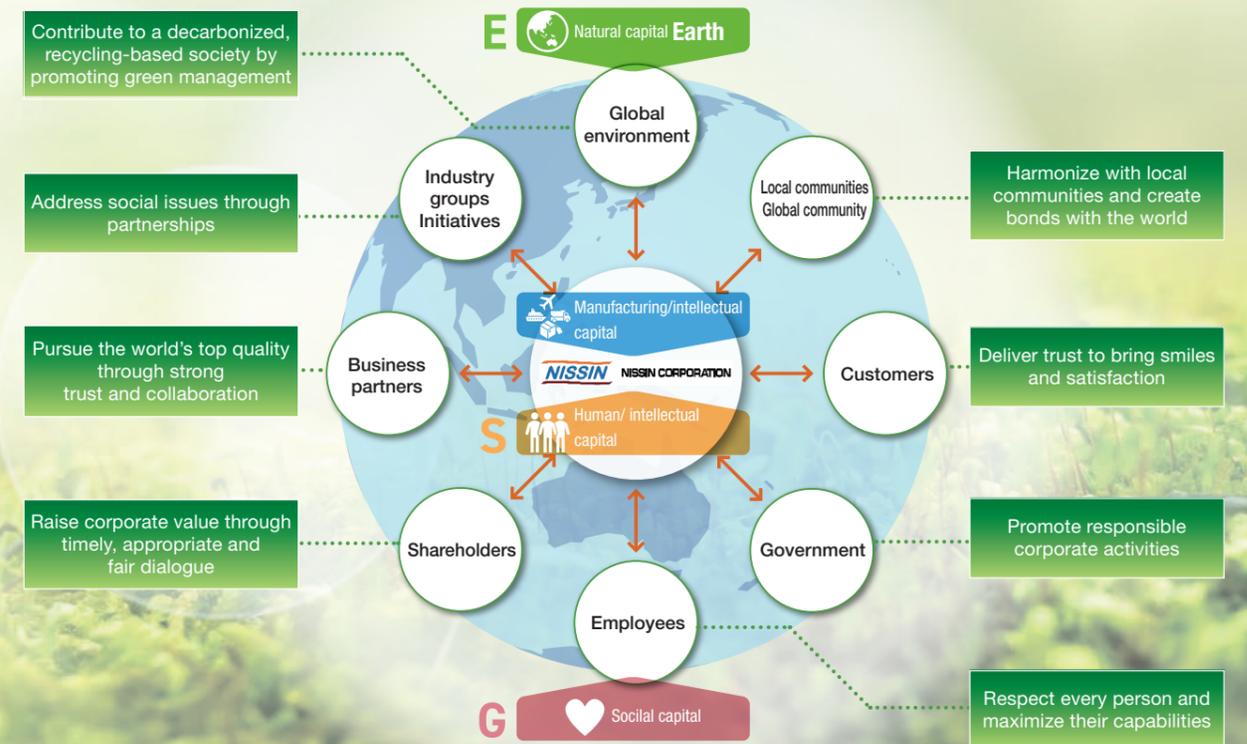
We accelerate innovation by respecting diversity and creating an environment in which each individual can maximize their strengths.

Have an attentive heart

We value service, hospitality, and attentiveness that look at things from the clients’ perspectives to achieve the ideal logistics for our customers.



Nissin Group and Stakeholders



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Editorial Policy

The Nissin Group began issuing an integrated report in 2023. This report is positioned as an engagement tool aimed at communicating the Group’s business activities more clearly to a wide range of stakeholders to facilitate a deeper understanding.

This year’s integrated report includes a message from the President and an explanation of our business strategies, ESG management, and more, with a focus on a review of Phase 1 of our Seventh Medium-Term Business Plan, which was launched in FY2022, and the initiatives for Phase 2, which was launched in FY2024. This fiscal year, the report also includes messages from the General Manager of Sales Division and the General Manager of Administration Headquarters, as well as a roundtable discussion between an outside director and employees on the theme of human capital.

The Nissin Group will work to expand information disclosure in this report and further improve corporate value, with an emphasis on active dialogue with all of our stakeholders. To this end, your honest feedback is highly appreciated.

We have used the IFRS Foundation’s International Integrated Reporting Framework and the Ministry of Economy, Trade and Industry’s Guidance for Collaborative Value Creation as references when editing the report. Further details can also be found on our website.

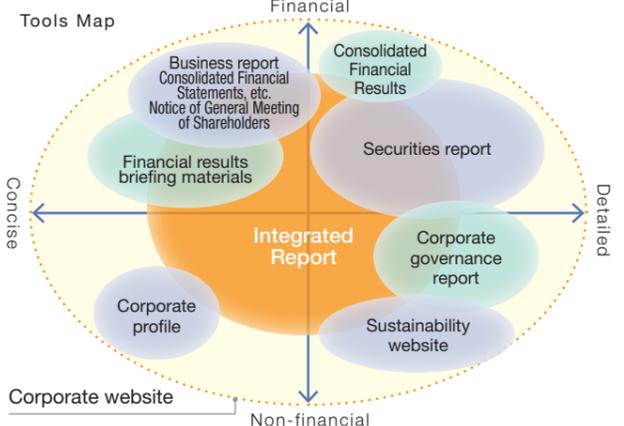
Scope of report: Nissin Corporation and its subsidiaries (the Nissin Group)

Period covered: April 1, 2023 - March 31, 2024

(This report also includes some related information that is outside this period.)

Disclaimer Regarding Forward-looking Statements

This integrated report contains forward-looking statements including forecasts, plans, and objectives surrounding the Group’s businesses. These matters are determined based on currently available information, and may differ from actual operating results due to future changes in the business environment.



Message from the President

As a Supply Chain Logistics Provider,
we will continue to significantly expand
the circle of future creation.



President (Representative Director)

Masahiro Tsutsui
筒井雅洋



Responding to changes in the post-COVID environment and achieving the profit growth targeted in the Medium-Term Business Plan

As a logistics infrastructure operator that supports the prosperity of people's lives and industrial development, the Group strives to maintain the supply chain by providing customers with logistics services that respond to the various changes in the social environment. In recent years, following the threat of the COVID-19 pandemic, the worsening situations in Russia, Ukraine, and the Middle East have had a ripple effect on the global economy, and the impact of climate change has spread to various regions, thereby increasing uncertainty surrounding corporate activities and supply chains.

Under these circumstances, we are striving to resolve customers' issues by securing a variety of transportation modes and proposing alternative transport routes, etc. in order to fulfill our social responsibility. Our capacity to consistently and accurately identify customers' logistics needs and provide swift and flexible services under any circumstances has led to us being known by our customers as "Nissin for emergencies."

Our consolidated financial results for FY2023 saw lower net sales and profits compared with the previous fiscal year, which experienced unusual demand due to COVID-19. However, excluding the factors behind the unusual demand seen in the previous fiscal year, we believe that the Seventh Medium-Term Business Plan cur-

rently underway, "Nissin Next 7th" (FY2022 to FY2026), is making steady progress largely as planned.

Our mainstay logistics business posted lower sales and profits due to normalized freight rates, which had soared in the previous fiscal year, and a decrease in cargo volume. Meanwhile, the travel service business achieved profitability as a result of the recovery of business travel and an increase in group travel in line with the easing of the COVID-19 pandemic.

Looking at business conditions in the logistics business by region, in Japan, warehousing operations remained robust but air cargo handling continued to decline. Overseas, automobile-related cargo handling was strong in the Americas but decreased due to the economic slowdown in China and the delayed recovery of automobile-related cargo in Asia.

However, for this fiscal year, we expect sales and profits to post increases compared to the previous fiscal year, due to the recovery of logistics both in Japan and overseas and the profit generated from capital investment.

We will continue to respond to our customers' logistics needs while closely monitoring future changes in the environment and taking various possibilities into account.

Establishment of a global Group logo

In April this year, the Group established a global Group logo.

The new logo has been redesigned to be alphabetized so that it can be used globally. The color blue represents the "sea and sky," which are essential elements of global logistics, and the gently vertically moving curves at the top and bottom symbolize the flow of logistics and dynamic growth. In creating a global logo, we aim to increase recognition and foster a sense of unity.

In addition, at the same time as introducing our new logo, we also renewed our website (URL: <https://www.nissin-tw.com/english/index.html>).

In order to more clearly communicate our purpose of "Touch the hearts of all, delivering global happiness and peace," we have designed and structured the new website with an awareness of "people and the environment," while also enhancing information distribution and improving accessibility.

By utilizing the new logo and the new website, we will strive to strengthen and enhance corporate communication, and seek to significantly expand the circle of the Group's goal to create a prosperous future.

Phase 1: a preparatory period during which we steadily built the foundations to produce results

The Seventh Medium-Term Business Plan, "Nissin Next 7th," is divided into two periods, the first two years of which (FY2022 and FY2023) are designated as Phase

1, and the last three years of which (FY2024 to FY2026) are designated as Phase 2. During Phase 1, we worked on growth strategies, including restructuring our sales

Message from the President

organization to deepen our core businesses, establishing management and promotion systems by business, industry, and region, and implementing our investment plans.

In our core business of chemicals and hazardous materials logistics, we have begun operations at Kanagawa Pier Warehouse, and in Mobility logistics, we have started construction of Kitakanto Logistics Center. In foods logistics, we worked to optimize the operations of existing facilities and improve profitability.

Overseas, we acquired additional shares in NISSIN SINOTRANS INTERNATIONAL LOGISTICS CO., LTD., a joint venture in China, and made it a newly consolidated subsidiary. In addition, in the US, we strengthened support to customers by fully launching our logistics supply chain visualization service EMG (End to End Management Group).

In digital transformation (DX), we are focusing on ex-

panding the functions of Forward ONE, our digital forwarding service, and on developing new customers through the rollout of products of HACO Lab., our returnable case service. We are also operating TradeWaltz, a trade information sharing platform, through joint investment.

Meanwhile, we are taking on the challenges of new business areas, including the storage and transportation of hazardous materials related to semiconductor manufacturing, and the development of EV-related logistics. We have also started storing and transporting lithium-ion batteries in dedicated containers. We are continuing to consider launching a new business from scratch in the form of a project calling for the submission of ideas from in-house employees, and plan to commercialize and generate profits from the business in the medium to long term.

Based on these efforts, we have assessed the two-year Phase 1 period as a time of preparation for producing results in which progress was generally smooth.

Phase 2: aiming to improve profitability by pursuing operational efficiency and to achieve results by building a foundation

During Phase 2, which began in FY2024, we aim to achieve further growth by expanding investments for growth and capital policies.

As a basic policy, we have newly adopted the term "Supply Chain Logistics Provider" to describe the Group's vision. We aim to be a company that can achieve the ideal logistics flow for our customers, and contribute to solving diverse social issues. We will continue to make greater social contributions by supporting our customers' entire global supply chains from the perspective of logistics.

In addition, in the area of investments for growth, the investment in each facility implemented in Phase 1 will begin to generate profit in earnest. In the three-year peri-

od that forms Phase 2, we plan to make investments for growth totaling 30.0 billion yen. However, in order to execute the plan and achieve our profit targets in a changing business environment, we recognize the need to improve profitability by further pursuing operational efficiency. To achieve this, we will expand our business by investing in growth areas, centered on our core businesses, and by creating new business areas, while also promoting greater efficiency through digital transformation (DX).

In terms of our capital policy, we will flexibly buy back shares and reduce policy shareholdings. With regard to shareholder returns, we have changed our target dividend on equity (DOE) from 2.0% or more to 4.0% or more. The Company has continued to pay stable dividends without any reduction for many years. Going forward, however, we will strive to improve growth potential and profitability in order to maintain a higher level of returns and meet the expectations of our shareholders and investors.

● Financial Targets (Consolidated)

	Sixth Medium-Term Business Plan	Seventh Medium-Term Business Plan	
	Final year	Phase 1	Phase 2
	FY2021 (Results)	FY2023 (Results)	FY2026 (Targets)
Net sales	192.6 billion yen	169.9 billion yen	220.0 billion yen
Operating income	9.0 billion yen	8.0 billion yen	11.0 billion yen
Ordinary income	9.8 billion yen	9.4 billion yen	11.5 billion yen
Profit attributable to owners of parent	6.3 billion yen	8.6 billion yen	9.8 billion yen
Return on equity (ROE)	9.40%	9.70%	Approx. 10.0%

Setting consolidated targets for GHG emissions reduction, and promoting environmental initiatives that lead to corporate value

In promoting ESG management, we will continue to work on important issues (materiality) related to sustainability.

In reducing GHG emissions, we aim to raise awareness throughout the Group and achieve carbon neutrality by 2050 by changing the quantitative targets previously set on a non-consolidated basis to new quantitative targets (Scope 1 and 2) set on a consolidated basis that includes our overseas companies.

Specific initiatives include promoting energy conservation, generating energy through the installation of solar panels in warehouses, and introducing and expanding renewable energy. The reduction of GHG emissions is a prerequisite for being selected by environmentally conscious customers, and we believe that this initiative is directly linked to enhancing the corporate value of the Group.

As part of the environmental response through our business, we place emphasis on proposing environmentally conscious logistics to our customers. In January this year, we launched the CO₂ Emissions Meter, a tool for calculating CO₂ emissions from cargo transportation, on our website. As a tool to promote carbon-free

management for our customers, we aim to build optimal supply chains and solve social issues by visualizing CO₂ emissions in transportation and proposing initiatives to reduce them. We will provide logistics that contribute to decarbonization and environmental conservation by our customers through measures such as promoting a modal shift utilizing rail transport and ocean transport, which have a reduced environmental impact, and adopting Sustainable Aviation Fuel (SAF).

In addition, with regard to human capital management, in FY2024 we introduced a restricted stock compensation plan (RS) as an incentive program for employees in order to promote employee engagement and participation in management.

Regarding diversity, we are striving to create a workplace where human resources with diverse careers can play an active role by strengthening mid-career hires. We have set a target ratio of female managers at 10.0% or more, and in FY2024 we appointed two female operating officers. We will work to create a system where anyone, regardless of gender, can work comfortably and develop their career while making the most of their abilities.

Aiming to be a corporate group that is considered to be of value to all stakeholders

We believe that the value of a company is not merely reflected in its stock price or market capitalization, but in the recognition and trust earned by meeting the expectations of its stakeholders. In order to maximize that value, the Group will steadily implement its medium-term business plan, and make our purpose a reality.

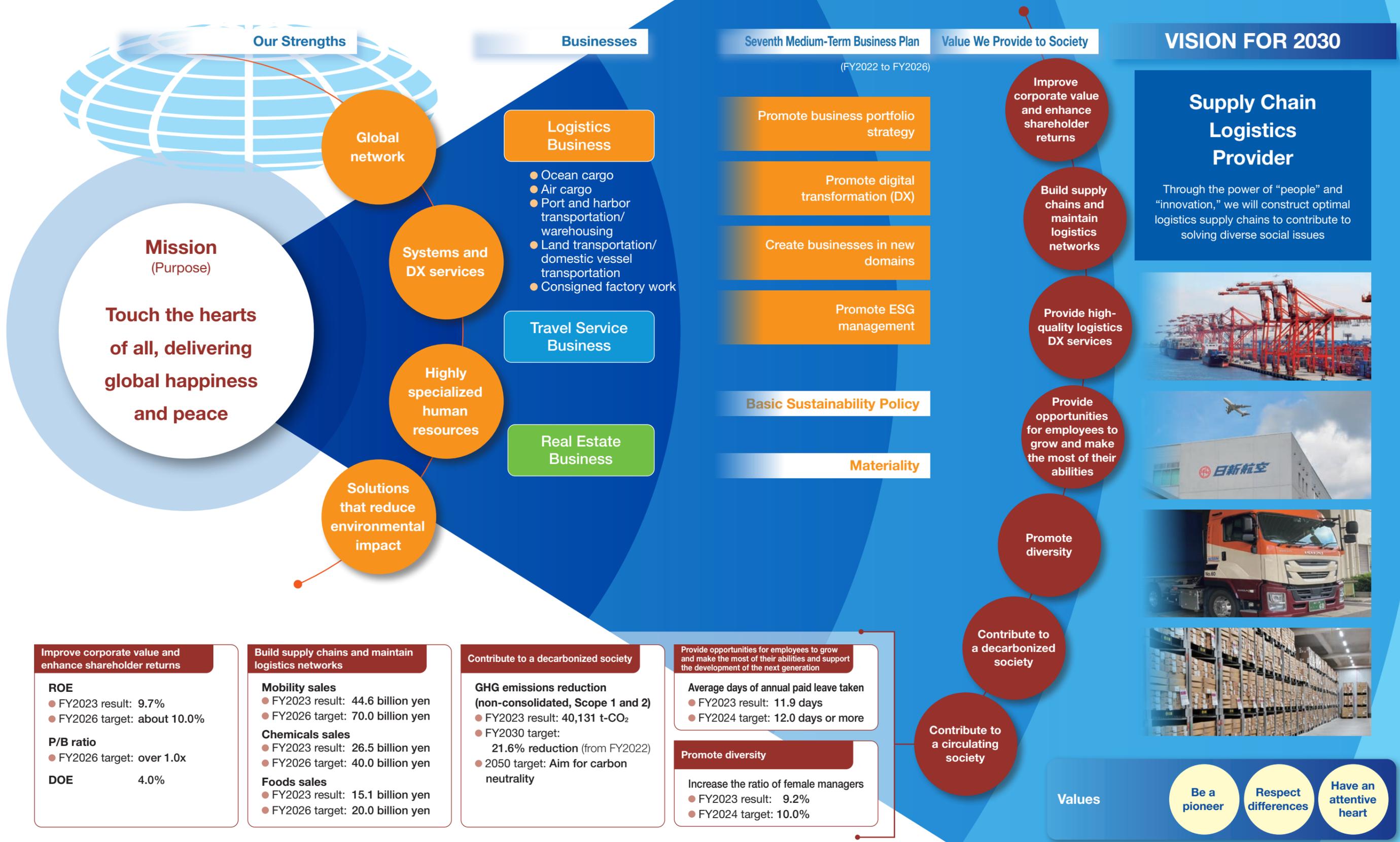
- We aim to be of value to all stakeholders as:
- a business partner that supports our customers
 - a logistics infrastructure that supports people's lives and industry
 - a listed company that rewards the support from shareholders and investors
 - a company where employees can work with a sense of security, grow, and play an active part, and we will deliver happiness and peace, aiming for a prosperous future.

We look forward to all our stakeholders' continued support for the Group as we take on these bold challenges.



Value Creation

The Group's Mission, Vision, Values, and Management Strategies



Improve corporate value and enhance shareholder returns

ROE

- FY2023 result: 9.7%
- FY2026 target: about 10.0%

P/B ratio

- FY2026 target: over 1.0x

DOE 4.0%

Build supply chains and maintain logistics networks

Mobility sales

- FY2023 result: 44.6 billion yen
- FY2026 target: 70.0 billion yen

Chemicals sales

- FY2023 result: 26.5 billion yen
- FY2026 target: 40.0 billion yen

Foods sales

- FY2023 result: 15.1 billion yen
- FY2026 target: 20.0 billion yen

Contribute to a decarbonized society

GHG emissions reduction (non-consolidated, Scope 1 and 2)

- FY2023 result: 40,131 t-CO₂
- FY2030 target: 21.6% reduction (from FY2022)
- 2050 target: Aim for carbon neutrality

Provide opportunities for employees to grow and make the most of their abilities and support the development of the next generation

Average days of annual paid leave taken

- FY2023 result: 11.9 days
- FY2024 target: 12.0 days or more

Promote diversity

Increase the ratio of female managers

- FY2023 result: 9.2%
- FY2024 target: 10.0%

Nissin Group's History

As a pioneer in international comprehensive logistics, Nissin Corporation provides a full range of logistics services including ocean, air, rail, and truck transport, as well as warehousing, moving, and customs clearance.

Major events in society

1951 San Francisco Peace Treaty

1955 - 1973 Japan's rapid economic growth period

1991 Burst of the economic bubble

2011 Great East Japan Earthquake

2008 Global financial crisis

2020 COVID-19



December 1938 Established Nissin Transport Co., Ltd. in Kawasaki, Japan

October 1942 Relocated head office to Yokohama



Head office of Nissin Transport Co., Ltd. Tokyo Sales Office

March 1946 Changed company name to Nissin Trading Co., Ltd.

November 1948 Established Kobe Branch Office
April 1949 Started warehousing business and strengthened warehousing department



Strengthened warehousing department

January 1950 Changed company name to Nissin Transportation & Warehousing Co., Ltd.

April 1950 Listed on First Section of the Tokyo Stock Exchange
April 1950 Port and harbor transportation began in port of Yokohama

November 1954 Established Tokyo Branch Office
May 1958 Established Osaka Branch Office
July 1961 Entered the travel service business
August 1961 Completed Kanagawa Pier and started operations as Nissin Pier



Nissin Kanagawa Pier

April 1969 Established Chiba Branch Office
July 1969 Established Sapporo Branch Office
April 1970 Started ocean export of completely built up (CBU) vehicles



Exporting CBU vehicles

May 1973 Listed on First Section of the Osaka Stock Exchange

December 1973 Established Nissin International Transport U.S.A., Inc. as first overseas subsidiary



NISSIN INTERNATIONAL TRANSPORT U.S.A., INC.

January 1974 Established Nissin Transportation & Warehousing (H.K.) Ltd. as a local subsidiary in Hong Kong

July 1975 Established London Branch Office
April 1978 Spun off air travel section into Nissin Travel Services Co., Ltd.

April 1981 Established Hokkaido Nissin Transportation & Warehousing Co., Ltd.

October 1981 Consolidated five offices in different Tokyo wards to establish Tokyo Office (5, Sanban-cho, Chiyoda-ku, Tokyo)

March 1983 Nissin Aircargo Co., Ltd was established upon obtaining Airfreight Forwarder License

October 1983 Established Nissin Transport (S) Pte., Ltd. as a local subsidiary in Singapore

October 1983 Spun off London Branch Office to the local subsidiary Nissin (U.K.) Ltd.



NISSIN (U.K.) LTD.

October 1984 Established Nissin Transport (Canada) Inc. as a local subsidiary in Canada

January 1985 Established Nissin Transport G.m.b.H. as a local subsidiary in West Germany

October 1985 Changed company name to Nissin Corporation

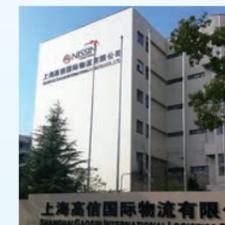
October 1987 Established Siam Nistrans Co., Ltd. as a local subsidiary in Thailand

December 1987 Established Nissin Transport Ges. M.B.H. as a local subsidiary in Austria

October 1988 Established Nissin Transportes Espana S.A. in Spain

April 1992 Established Nissin France S.A.S. as a local subsidiary in France

August 1992 Established joint venture Shanghai Gaosin Trade & Warehousing Industrial Co., Ltd. in Shanghai, China



Shanghai Gaosin International Logistics Co., Ltd.

June 1994 Established Nistrans (M) Sdn. Bhd. as a local subsidiary in Malaysia

February 1995 Established joint venture Changshu Nissin-Sinotrans Transportation Co., Ltd. in China

March 1995 Established Nissin Airport Service Co., Ltd. for ground service in Kansai International Airport.

March 1997 Established joint venture Jiangsu Nissin-Sinotrans International Transportation Co., Ltd. in China

April 1997 Established Nissin Belgium N.V. as local subsidiary in Belgium

December 1997 Established joint venture Nissin Transport Philippines Corporation in Philippines

May 1999 Established joint venture Nissin ABC Logistics Private Ltd. in India



NISSIN ABC LOGISTICS PRIVATE LIMITED

July 2000 Established Nistrans Internacional de Mexico, S. de R.L. de C.V. as a local subsidiary in Mexico

August 2004 Established PT. Nissin Transport Indonesia as a local subsidiary in Indonesia

March 2005 Established LLC Nissin Rus as a local subsidiary in Russia

November 2005 Established joint venture Nissin-Sinotrans International Logistics Co., Ltd. in Beijing, China

May 2006 Established Nissin Logistics (VN) Co., Ltd. as a local subsidiary in Vietnam

June 2007 Established Nissin Logistics Poland Sp. zo. o as a local subsidiary in Poland

November 2009 Acquired Tsurumi Warehouse Co., Ltd., as a subsidiary

February 2012 Established Lao Nissin SMT Co., Ltd. as a local subsidiary in Laos

June 2012 Established Nissin Logistics Shenzhen Co., Ltd. as local subsidiary in Shenzhen City, China

October 2013 Acquired Shanghai Gaosin International Logistics Co., Ltd. as a subsidiary

March 2014 Established joint venture PT. Nissin Jaya Indonesia in Indonesia

January 2017 Established Nissin International Logistics (M) SDN. BHD as local subsidiary in Malaysia

March 2017 Acquired Changshu Nissin-Sinotrans Transportation Co., Ltd. (currently Nissin (Changshu) International Logistics Co., Ltd.) as a subsidiary

December 2018 Marked 80th anniversary

April 2019 Established joint venture Nissin Global Logistics (Taiwan) Co., Ltd. in Taiwan, R.O.C.

March 2021 Established Heiwajima Refrigerated Logistics Center

July 2021 Established Yokohama Heavy Cargo Packing Center

January 2022 Established Nissin International Logistics (C) Co., Ltd. as local subsidiary in Shanghai, China

February 2022 Relocated Tokyo Office to current location (6-4, Kojimachi 1-chome Chiyoda-ku, Tokyo)

April 2022 Moved to Tokyo Stock Exchange Prime Market

September 2023 Established Kanagawa Pier Warehouse



Kanagawa Pier Warehouse

January 2024 NISSIN-SINOTRANS INTERNATIONAL LOGISTICS

April 2024 Established a Group Logo mark

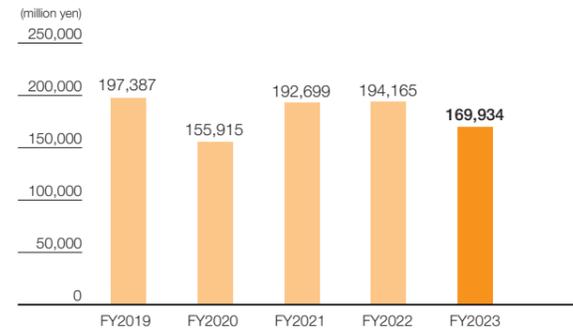


Financial and Non-financial Highlights

Financial Highlights

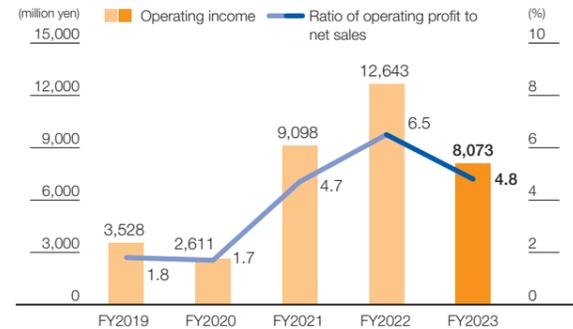
Net sales

169,934 million yen



Operating income

8,073 million yen

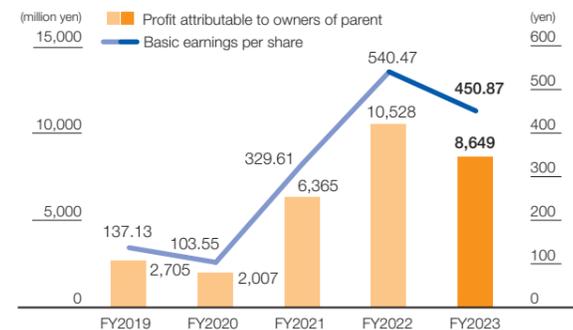


Ratio of operating profit to net sales

4.8%

Profit attributable to owners of parent

8,649 million yen

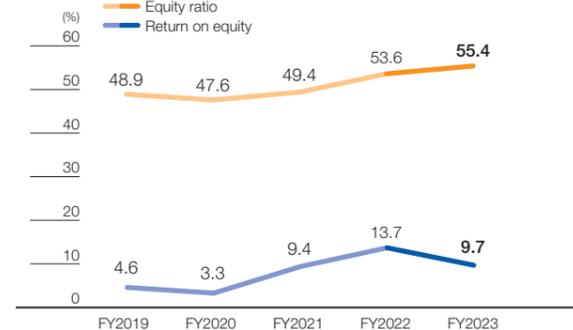


Basic earnings per share

450.87 yen

Equity ratio

55.4%

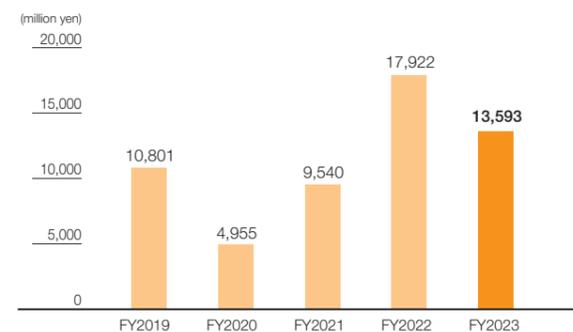


Return on equity

9.7%

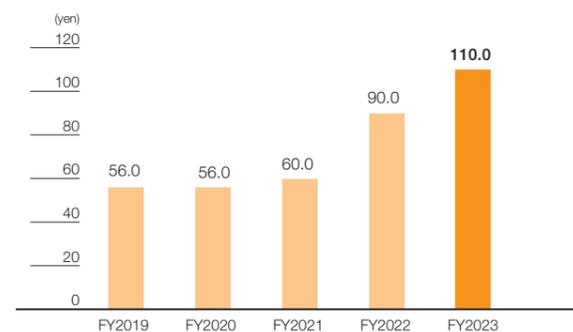
Cash flows from operating activities

13,593 million yen



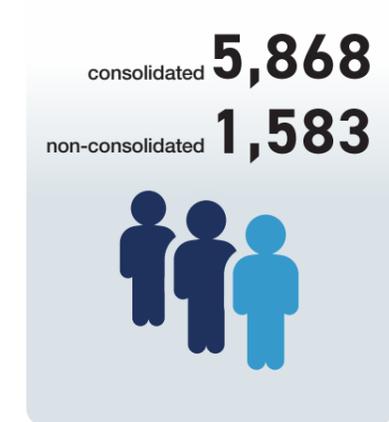
Dividends per share

110.0 yen

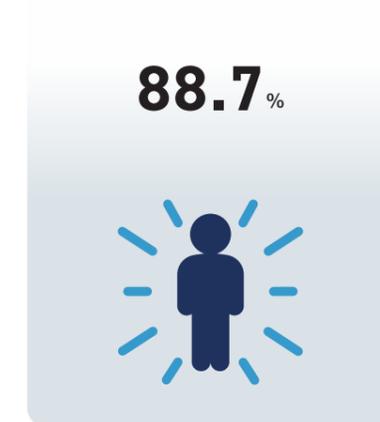


Non-financial Highlights

Number of employees



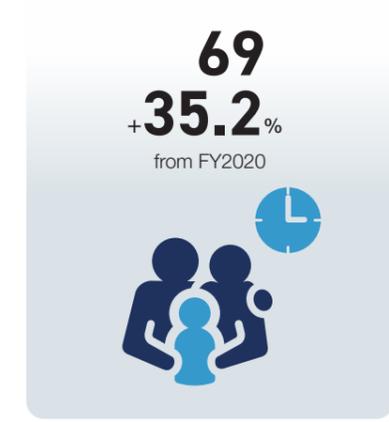
Graduate recruit retention rate*



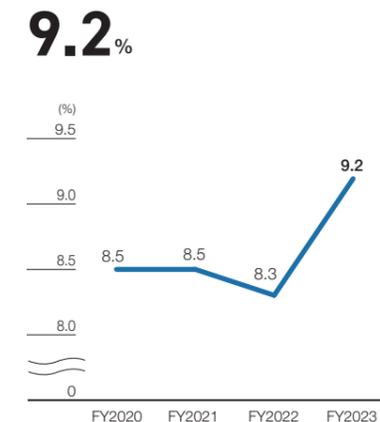
Employees with overseas work experience*



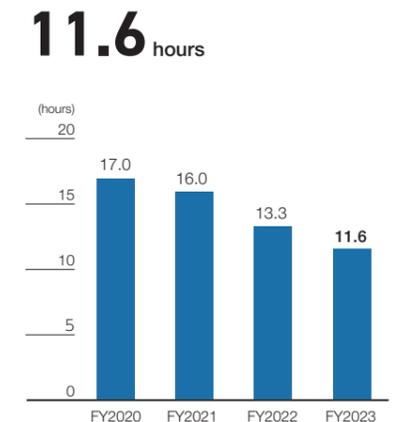
Shortened working-hour program users (Nursing and Childcare)*



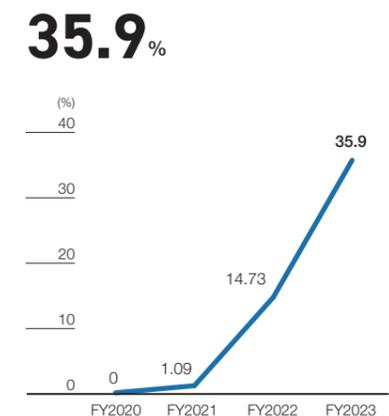
Female managers*



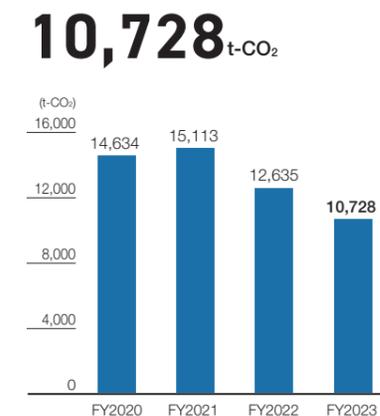
Average overtime hours*



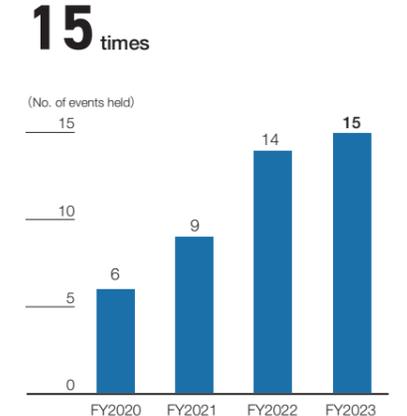
Proportion of electricity consumption from renewable energy*



GHG emissions volume (Scope 1 and 2)*



Dialogue with investors*



(Nissin Corporation on a non-consolidated basis)

Message from the Head of Sales Headquarters



Representative Director
Senior Managing Executive Officer
Junichiro Watanabe

The seeds of Nissin's new businesses are growing steadily. We aim to achieve our Medium-term Business Plan and will continue to target further growth.

In FY2022, the Company performed strongly due to unusual demand caused by the COVID-19 pandemic. However, this demand has since leveled off and earnings in FY2023 largely returned to the levels seen in FY2021.

Nissin's core operating systems, which were renewed in FY2021, are producing results, and we asked Senior Managing Executive Officer, Mr. Watanabe, to talk about how the Company will implement the key measures set out in the Medium-term Business Plan and the Company's future prospects as the Head of Sales Headquarters.

Transformation of organization and business processes through the renewal of core operating systems is producing results

During the previous medium-term business plan (FY2017 to FY2021), we tackled the long-standing challenge of renewed our core operating systems. During the first two years of the current Medium-term Business Plan (Phase 1), we first worked on familiarizing all employees with the new system, and then on further improving its functionality. As a result, operating income, which was around 6.0 billion yen prior to the COVID-19 pandemic, reached 12.6 billion yen in FY2022 after the new system was established, partly due to unusual demand. The actual value, excluding the effect of the unusual demand, is estimated at approximately 8.5 billion yen, which is some 40% higher than the previous levels.

Specific effects of the new system include the introduction of a double-counting system in which the Sales Headquarters (customer sales department) and the Operational Headquarters (operational departments such as ocean transport, air transport and warehousing departments) work together to pursue earnings, the visualization of detailed sales and business data, and the expansion of administrative centers as, the common infrastructure. These have led to an increase in order opportunities and improved profits.

Phase 2 will see the promotion of DX and the acceleration of business development in new domains, leading to further growth

During Phase 1, as the new system was reaching full operation, we held in-depth discussions on future growth potential and Nissin's growth strategy.

As a result, the Company has set the promotion of logistics DX (creation of new logistics services using digital technologies) and the expansion of the logistics business into new areas (the semiconductor chemicals business, lithium battery-related business, etc.) as key strategies for Phase 2 starting from FY2024. These initiatives have gotten off to a good start, with some of the projects already in operation for around two years and starting to generate profits.

To promote DX, we are expanding the functions of our digital forwarding service Forward ONE and developing new customers for our returnable case service HACO Lab.

A new area for us is the handling of highly hazardous chemicals and high-pressure gas used in the semiconductor manufacturing process. Kanagawa Pier Warehouse, which was built in FY2023, is already storing and transporting these products. Preparations are also underway to construct facilities in Kyushu, Kobe, Hokkaido and other areas where the semiconductor business is expected to expand.

Another new area of business is the transportation of lithium-ion batteries, which requires special expertise for new, used, and waste products. We are therefore focusing our efforts on research into this area and have begun storing and transporting these batteries with special containers. In addition, in order to develop a new EV-related logistics business, we will open the Kitakanto Logistics Center in November 2024.

Opportunities to expand business into new areas are also growing overseas. In the United States, we have launched a new comprehensive service that provides management, transportation, and status visualization in customers' entire logistics supply chains. Currently, we are looking for new investment targets to start refrigerated logistics services on the West Coast.

As described above, Nissin has undergone significant changes through the evolution of its businesses, which have been undertaken by the entire Company, and the seeds of these new businesses are steadily growing as new-born Nissin. We will do our utmost to achieve the goals of the new Nissin's Medium-term Business Plan and to achieve further growth beyond that in order to meet the expectations of our stakeholders.

Strategy by Business Segment/Logistics Business

Main initiatives

Japan

Our company started port and harbor transportation services in Yokohama, Japan's primary gateway to the world, and expanded to the Ports of Kobe, Osaka, and Chiba. Today, we provide high-quality services using various modes of transportation such as air, sea, truck, and rail, as well as standard, temperature-controlled, and hazardous materials warehouses located in both port and inland areas. In addition, we have been certified as an Authorized Economic Operator (AEO), organizing a well-developed system of security and compliance management. We provide services with a high added value that are well received by our customers.

● Expanding our framework for handling pharmaceuticals

We acquired GDP certification for our Osaka Nanko Warehouse in April 2023. We have installed temperature-controlled and fixed-temperature spaces, and we are also expanding our new ultra-low temperature transportation service using Panasonic VIXELL vacuum-insulated cooling boxes. In addition, in December, new temperature-controlled spaces like those at our Nanko Warehouse were constructed at the Narita Logistics Center.

Asia

Nissin has subsidiaries and representative offices in the Southeast Asia region, including Thailand and Singapore, as well as in the India region. In response to growing intra-regional transportation, we provide not only air and ocean transportation, but also various services such as cross-border trucking in the Malay Peninsula and Mekong Land Bridge services. We are also expanding our facilities such as halal-compliant and hazardous materials warehouses. In India, we have a logistics network that covers the whole country, handling domestic transport and DC operations.

● Opening a new warehouse in Indonesia

In July 2023, we opened our third warehouse in the MM2100 Industrial Town. The new warehouse handles automotive parts and textile-related goods. In addition to handling simple operations such as palletizing and labeling, it responds to a wide range of customer requests.

China

Starting from when we handled exhibition transport services for the International Commodity Fair held in both China and Japan in 1955, we have a long history and track record in East Asia and currently have offices in major cities throughout the region. In November 2005, we established Nissin-Sinotrans International Logistics Co., Ltd. together with Sinotrans, the largest logistics company in China, and in January 2024, we consolidated the subsidiary company into our group. We aim to build an efficient global logistics supply chain management system by leveraging our logistics network covering all across China. (* SCM: Supply Chain Management)

● Launching a lithium-ion battery transportation service

In April 2023, we began transporting lithium-ion batteries. We aim to offer stable and continuous service based on our established know-how.

● Spreading EMG services

We are progressively spreading Nissin's End to End Management Group (EMG), which enables the visualization of cargo movements from purchase order (PO) to delivery. In addition to offering a wide range of support operations for customers' supply chain management, we also provide services such as ocean and air transportation as a forwarder.

● Acquiring GDP certification at our local subsidiary in Austria

In March 2024, we acquired GDP certification at our local subsidiary in Austria. Following Germany, Belgium, and France, this is the fourth country and seventh location at which we have received this certification. Strengthening our pharmaceutical transportation network further has allowed us to respond to increasingly sophisticated and diverse pharmaceutical logistics needs in Europe, where exports to Japan and other countries around the world are growing.

The Americas

We entered the American market in 1973 ahead of our competitors, and currently have offices in the United States, Canada, and Mexico. As a Supply Chain Logistics Provider, we provide air, ocean, and land transportation, customs clearance, warehousing, and JIT* delivery services, among others. We are constantly working to create new services, such as transport to the Mid-western United States via the port of Manzanillo in Mexico to avoid port congestion along the West Coast of the United States. (* JIT: Just In Time)

Europe

We first opened a sales office in Hamburg in 1974, and currently have local subsidiaries in the nine countries of Germany, the Netherlands, Spain, the United Kingdom, France, Belgium, Poland, Austria, and Russia. We have acquired GDP certification in Germany, Belgium, and France. In Belgium, we operate the European depot for VIXELL vacuum-insulated cooling boxes and are working to strengthen a broad range of pharmaceuticals transportation services.

● Logistics Business Net sales, Operating income,

	FY2022		FY2023	
	Net sales	Operating income	Net sales	Operating income
Japan	114.9 billion yen	5.9 billion yen	94.7 billion yen	3.6 billion yen
Asia	27.6 billion yen	3.1 billion yen	21.6 billion yen	1.3 billion yen
China	16.5 billion yen	1.5 billion yen	17.5 billion yen	0.6 billion yen
The Americas	19.4 billion yen	1.0 billion yen	18.8 billion yen	0.9 billion yen
Europe	8.9 billion yen	0.1 billion yen	8.6 billion yen	-0 billion yen

Strategy by Business Segment/**Logistics Business**

Mobility

1. Review of Phase 1 (FY2022 to FY2023)

While production at automobile manufacturers has gradually begun to recover since the quieting down of the COVID-19 pandemic, the unprecedented supply chain constraints are still ongoing due to ocean container shortages, disruption of ocean transportation due to port congestion, semiconductor shortages, and an unstable supply of parts caused by the situation in Ukraine. On the other hand, ocean and air freight rates have begun to normalize, and we have entered an era in which we are faced with difficulty in maintaining profitability.

Under these conditions, we have developed alternative transportation methods in Japan such as chartering conventional ships and establishing new ocean cargo routes, as well as alternative transportation by truck utilizing our network at overseas locations. In addition, in terms of customers' "just in case" inventory adjustment, we contributed to maintaining a global mutually complementary supply framework for production parts by expanding and amplifying warehouse storage capabilities in a timely manner. Furthermore, we have officially begun offering round-trip air transportation for automotive parts through HACO Lab. (a returnable logistics container management service) in cooperation with overseas subsidiaries as an added value to our transportation service.

Based on our business strategy of deepening ties with existing customers and expanding new customer acquisition,

in Japan, we further cultivated and expanded the handling of commercial trucks, which are in strong demand in emerging economies, at Keihin Port, and captured new orders for the multimodal transportation of large storage batteries. These contributed to earnings and resulted in earnings progressing as planned. On the other hand, in China and other Asian countries where economic recovery has been slow, sluggish cargo handling has resulted in very poor earnings. However, we have worked to strengthen our business infrastructure, aiming for a comeback in Phase 2.



A chartered conventional ship bound for North America

2. Phase 2 (FY2024 to FY2026) initiatives and our vision for the final year ...

In order to achieve net sales of 70.0 billion yen in the final year of Phase 2 (FY2026), we are moving forward globally with the expansion of battery logistics services based on research thus far, strengthening of our motor pool business, and further cultivation of business in new mobility fields.

In Japan, Kitakanto Logistics Center (Haga, Tochigi Prefecture) will open in November 2024. The function of this center will be the safe and secure storage and management of batteries, and it will take the lead on horizontal expansion within the global Nissin Group. Overseas, customers are moving toward electrification at an accelerated pace. In addition, the structure of the production supply chain is expected to change due to increased geopolitical tension. Therefore, along with enhancing facilities in each country, we will progressively strengthen domestic and cross-border transportation and make full use of our digital technology to provide high-precision transportation management.

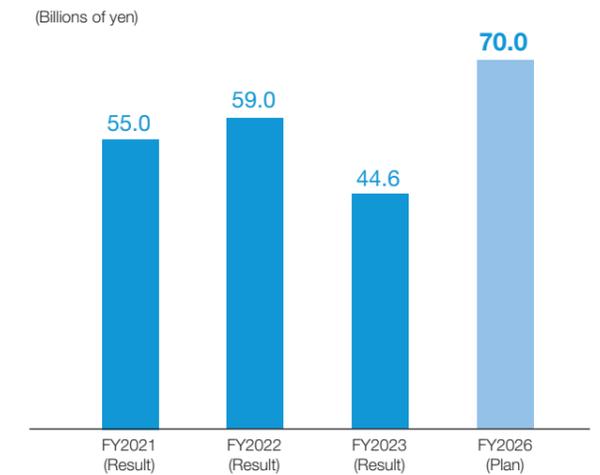


Automotive batteries are expected to be promising as renewable energy storage batteries. We are focusing our efforts on reverse logistics that will lead to the reuse and recycling of batteries as the next growth area.

3. Overview of the business, etc

- Main products handled : Automobiles, automotive parts, etc.
- Client industries : Automobile manufacturers, automotive parts manufacturers, etc.
- Main facilities : Daikoku motor pool, Narashino motor pool, Storage capacity of approximately 7,000 vehicles Haga Warehouse approximately 6,700 m²
- New facilities : Kitakanto Logistics Center (Expected to start operation in November 2024)
Address) Haga, Tochigi Prefecture
Overview of facility) General logistics warehouse, bonded warehouse, fixed-temperature warehouse
Site area) 46,180.53 m²
Total floor area) 24,534.10 m²

• Net sales of automobile-related logistics



Visualization of the completed Kitakanto Logistics Center



Roof-raising ceremony for the Kitakanto Logistics Center



Daikoku motor pool

Strategy by Business Segment/Logistics Business

Chemical Products

1. Review of Phase 1 (FY2022 to FY2023)

With regard to the business environment in the chemical industry, the competitiveness and profitability for chemical manufacturers in Japan are declining due to the new entrance of low-cost basic chemicals (commodity chemicals) from overseas, and in addition, businesses are expected to shrink from a carbon neutrality standpoint. On the other hand, from the perspective of economic security in Japan, semiconductor plant construction is booming, and a steady increase is expected in the amount of chemicals used to manufacture semiconductors going forward.

Therefore, under our Medium-Term Business Plan (Phase 1), as the first stage of enhancing chemicals warehouses (hazardous materials, high-pressure gas, and toxic and deleterious substances) (hereinafter referred to as "chemical warehouses") in Japan, we opened the Kanagawa Wharf Warehouse Office (Kanagawa-ku, Yokohama City) in September 2023. The warehouse (1) has two high-pressure gas warehouses, (2) is equipped with mobile racks in two of the five buildings of the hazardous materials warehouse, and (3) is equipped with an emergency generator, tide protection boards, and shutters that can withstand a maximum instantaneous wind speed of 60 m/s as BCP measures. Currently, at the Port of Yokohama, the total warehouse storage capacity for hazardous materials at our Group company Tsurumi Warehouse Co., Ltd., and the Kanagawa Wharf Warehouse Office is approximately 14,000 kL, the largest warehouse storage capacity for hazardous materials in the Keihin area.



Mobile racks inside the hazardous materials warehouse



Kanagawa Wharf Warehouse

2. Phase 2 (FY2024 to FY2026) initiatives and our vision for the final year ...

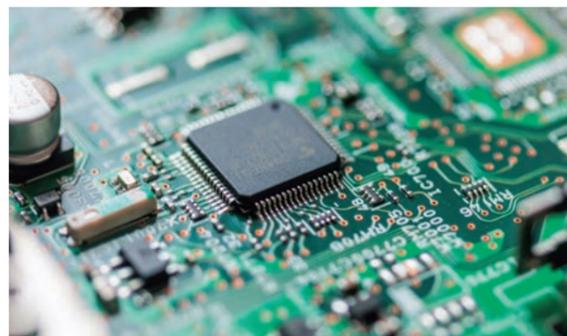
Starting with the Kanagawa Wharf Warehouse Office opened in FY2023 (Phase 1), our vision for the final year is to establish chemical warehouse locations in major port areas across Japan to contribute to the customers' supply chain of products similar to hazardous materials, high-pressure gas, and toxic and deleterious substances.

We plan to construct a hazardous materials warehouse and high-pressure gas warehouse on land we acquired from Kobe City (approximately 31,000 m²) in March 2024. As features of the hazardous materials warehouse, we are considering introducing an automated warehouse to save acceptance and delivery personnel and labor and constructing a refrigerated warehouse to respond to a wide variety of needs. Going forward, we are also planning to establish chemical warehouses in convenient locations that are suitable for supplying chemical goods to semiconductor plants throughout Kyushu. In addition, we will keep an eye on the situation and proceed with appropriate action regarding the land we acquired around the Port of Tomakomai (approximately 37,000 m²) in December 2023.

On the other hand, in our ISO tank container transportation business, which has seen increasing demand in recent years, we will work to expand the handling of door-to-door

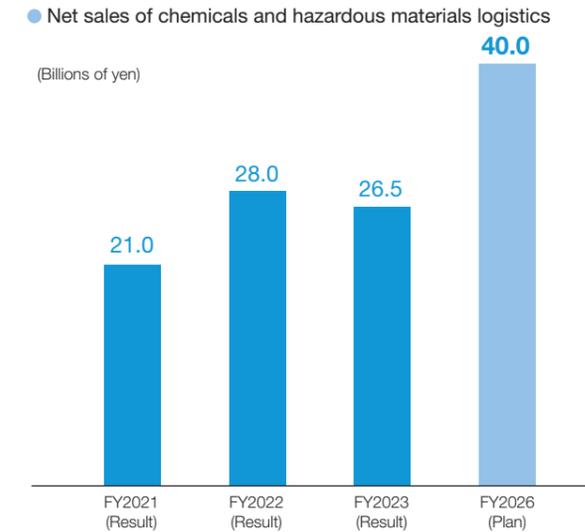
services for tripartite logistics and transportation to and from Japan through cooperation between Den Hartogh (headquarters in the Netherlands) and our overseas subsidiaries.

In the final year of the Medium-Term Business plan, we hope to achieve a synergistic effect through cooperation between our overseas subsidiaries and the Ports of Yokohama, Kobe, Hakata, and Tomakomai, so that, in the future, we can focus our efforts not only within Japan, but also on the handling of goods imported from abroad.



3. Overview of the business, etc

- Main products handled : Chemicals, hazardous materials, high-pressure gas, etc.
- Client industries : Petroleum manufacturers, petrochemical manufacturers, etc.
- Main facilities : Kanagawa Pier Warehouse Office (hazardous materials and high-pressure gas warehouse), Tsurumi Warehouse (hazardous materials warehouse), Kawasaki Oil-Product Storage Office (chemical tanks and silos), Negishi Office (petroleum transportation), etc.



Tsurumi Warehouse



Hazardous materials transportation truck



Tank container transportation truck



Diesel locomotive for on-site transportation at Negishi Office

Strategy by Business Segment/Logistics Business

Food Logistics

1. Review of Phase 1 (FY2022 to FY2023)

Demand in the overall food business, which had slowed due to COVID-19, began to recover during Phase 1. As a typical example of imported goods, the import of livestock products temporarily declined due to the 2023 bird flu outbreak overseas, but handling and storage volume both subsequently made a full recovery. On the other hand, export volume grew steadily, boosted by the government's export promotion policy and the depreciation of the yen.

Under these conditions, as part of measures to coordinate with other divisions, we captured new ocean and air forwarding orders from North America and Europe to Japan using the Group's overseas network. We also captured ocean forwarding orders from Japan to Southeast Asia, as well as orders for the transportation of food manufacturing equipment in addition to food products, expanding our market sphere.

Next, using the food logistics facilities developed as part of measures to expand our facilities, we were able to achieve stable sales by accurately ascertaining our customers' logistics demands and playing a part in the cold chain. Particularly at the Heiwajima Refrigerated Logistics

Center, considering the characteristics of the surrounding area, we increased the volume of imported livestock products handled and began handling the export of frozen foods manufactured in Japan as a new business.

In addition, in room-temperature food logistics, we provided new port-area storage facilities for customers, working to increase earnings while responding to needs.



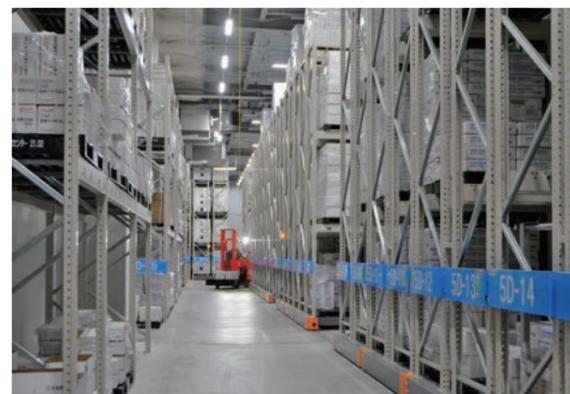
2. Phase 2 (FY2024 to FY2026) initiatives and our vision for the final year ...

In Phase 2, we will further strengthen our forwarding business as part of measures to coordinate with other divisions. We will work with our overseas subsidiaries to expand our logistics services to the furthest edges of the supply chain. In addition, since the merger of a subsidiary that handles air cargo gave us an opportunity to share know-how on food import and export by air, we aim to propose new logistics services to customers and expand our business domain. In particular, the export value of agricultural, forestry, and fishery products and food items from Japan increases every year, and major Japanese food manufacturers have established business plans to further increase their ratio of overseas sales. We will therefore implement a meticulous logistics service centered on ancillary operations to ensure that we ascertain these needs.

Next, as part of measures to expand our facilities, in order to enhance food logistics facilities in Japan (especially temperature-controlled and fixed-temperature facilities), we will deepen dialogue with customers and move forward with plans to provide optimal facilities. Overseas, we are on the lookout for low-temperature logistics facilities to

establish a cold chain in North America, and we are making steadfast efforts to materialize this goal in Phase 2.

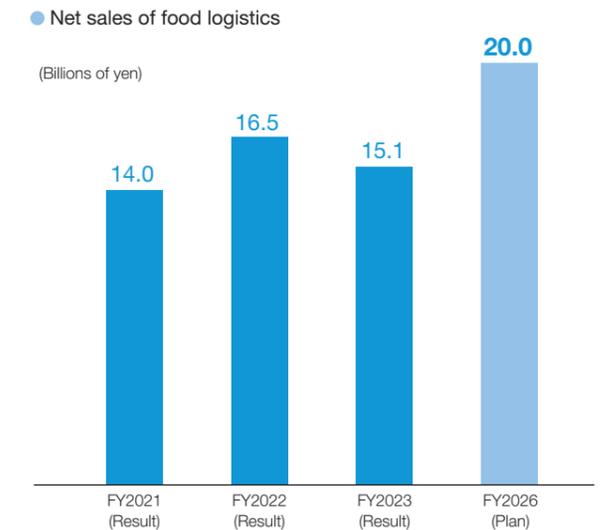
We are aiming for net sales of 20.0 billion yen in FY2026 in the food logistics business. We will use our abundance of logistics services and global network to promote the business as a supply chain logistics provider.



Inside the Heiwajima Refrigerated Logistics Center

3. Overview of the business, etc

- Main products handled : Livestock-based foods, dairy products, seafood, fresh foods, beverages, various processed foods, etc.
- Client industries : Food manufacturers, food trading companies, etc.
- Main facilities : (Kanto) Heiwajima Refrigerated Logistics Center, Oi Warehouse, Daikoku Refrigerated Warehouse
(Kansai) Maya Refrigerated Center (A, B, and C Wings), Nanko Warehouse
(Overseas) Singapore: TUAS Warehouse, USA: LA Warehouse, Seattle Warehouse, etc.
- Main topics : Introduction of truck berth reservation system
Heiwajima Refrigerated Warehouse, Maya Refrigerated Warehouse, Detamachi Office



Multimodal transportation flowchart



DX and New Businesses

1. Review of Phase 1 (FY2022 to FY2023)

With the acceleration of digitalization in the wake of the COVID-19 pandemic and fast-paced advancements in technology such as generative AI, the improvement of competitiveness through DX (the promotion of digitalization and innovation) plays an increasing role. Under these circumstances, we are working on using DX to optimize business processes, contribute to society, and offer services that provide new customer experiences.

In Phase 1 (FY2022 to FY2023), we newly added a cargo tracking function to our Forward ONE digital forwarding service, making it possible to do everything online from

giving/receiving estimates and reserving shipping to providing/receiving follow-up after shipping. As an environmental measure, we began the development of reverse logistics services using dedicated containers for used lithium-ion batteries. In addition to this, we have launched an internal new business proposal system, and are developing mechanisms to take on new business domains in the future.

In Phase 2, which began in FY2024, we will continue to move forward with DX initiatives and work to further enhance functions, create new value, and achieve profitability.

Promotion of DX and Innovation

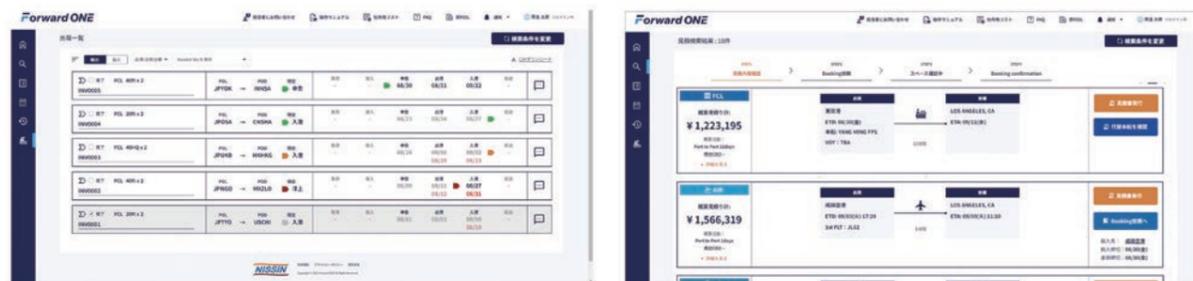


2. Phase 2 (FY2024 to FY2026) initiatives and our vision for the final year ...

1) Providing new customer experiences in forwarding

We will work to further improve customer recognition of our Forward ONE digital forwarding tool by exhibiting it at trade shows and sharing it in e-mail newsletters and webinars. In addition, we will progressively expand our service

provision area by offering new functions such as flexible price quotation suited to each individual customer, calculation of CO2 emissions for international transportation, and global system integration and multilingual support.

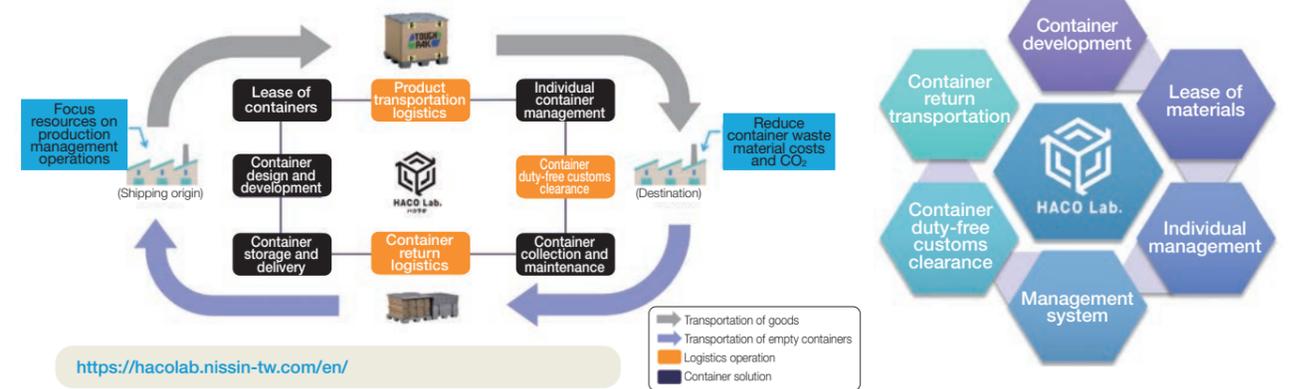


<https://hp.forwardone.nissin-tw.com/> (Japanese only)

2) Supply chain optimization solutions

HACO Lab., a returnable logistics container management service, is a logistics solution that makes repeated use of logistics containers possible, reducing environmental impact and improving operational efficiency. We provide the “development and proposal,” “system administration,” and “international operation” of returnable containers on a one-

stop service basis. We are also moving forward with efforts to use IoT communication and various sensors to visualize the transportation conditions of global cargo along with location information. By visualizing transportation conditions, we will improve transportation quality.



<https://hacolab.nissin-tw.com/en/>

3) Digitalization platforms for trading and international logistics operations

We are an investor in TradeWaltz Inc., a platform that aims to digitalize trading operations, and we will participate in system development from the perspective of a logistics company. We also participate in Cyber Port, an initiative of the Ministry of Land, Infrastructure, Transport and Tourism

that aims to digitalize port logistics procedures. Through participation in this system, we will contribute to improving the efficiency and productivity of trading and logistics operations.

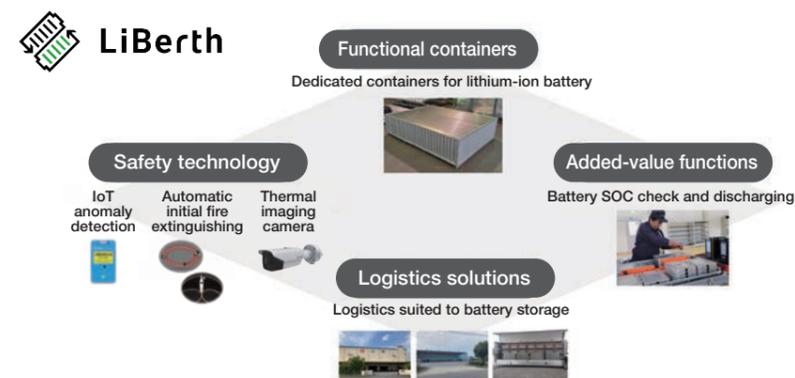
4) Developing logistics business in new domains in response to new social issues

We have launched a reverse logistics solutions service called LiBerth that uses dedicated containers for lithium-ion batteries. We collect used lithium-ion batteries, which will continue to steadily increase in volume going forward, and provide safe, low-cost logistics suited to the battery characteristics. We aim to provide a solution that contributes to achieving a circular society for lithium-ion

batteries and reducing environmental impact. We will accelerate the ongoing development of dedicated containers that comply with legal regulations (particularly the enhancement of safety functions) and the development of container size and ancillary services, while thoroughly testing safety.

The meaning of “LiBerth”

This is a portmanteau combining “LIB,” which is short for lithium-ion battery, and “berth,” which means a bed or mooring area for ships and airplanes, while also sounding similar to “reverse.”



Circular Economy

A circular system in which existing things are not wasted through economic activities, but have their value maximized from the stage of product and service creation, by designing them with recycling and reuse in mind and controlling the amount of new resources invested and consumed as much as possible.

<https://n-avigation.nissin-tw.com/liberth/> (Japanese only)

Strategy by Business Segment/Travel Service & Real Estate Business

Travel Service Business

The travel service business is comprised of four consolidated domestic subsidiaries including Nissin Travel Service Co., Ltd. and overseas subsidiaries and affiliates, operating corporate/retail/wholesale businesses in Japan and abroad.

<https://www.nissin-trvl.co.jp/>

● Travel service Net sales, Operating income,

	Net sales	Operating income
FY2020	4.1 billion yen	-2.3 billion yen
FY2021	2.5 billion yen	-1.0 billion yen
FY2022	5.2 billion yen	-0.014 billion yen
FY2023	7.0 billion yen	0.5 billion yen

Corporate business



We maintain one of the largest market shares in the handling of business travel through transactions with corporate clients nationwide. In order to meet the trust by providing high-quality services, we have sales and on-site offices in Japan and overseas, centered around the Communication Center located within the head office.

Main services for corporate clients

- Provision of contract-based overseas business travel arrangement services
- Support for obtaining short-term work and work visas
- Consultations about cost reductions, risk management, etc.
- Consignment of various types of travel-related procedures

In order to offer support after departing from Japan we also place staff specifically for corporate clients at our overseas subsidiaries and affiliates, providing services such as responses to emergency situations, arranging post-assignment business trips and temporary returns to Japan, and travel procedures related to collaborative projects with Japan.



We will always be there for our customers, focusing on professional services by people and strengthen future investment in IT to realize a “Big Drive & Small Company Feel.”



Retail business

The retail business mainly provide various specialized procedures related to shorts/entertainment long-term studies abroad and homestay programs for educational institutions nationwide as well as arranging various national and international events for sports-related associations. We are expanding our business in a wide range of other areas, including arranging for overseas business inspection tours for corporate clients, various groups related to rewards, and commercial groups visiting Japan.



Wholesale business

The business maintains a unique purchasing power in all areas of the world, and operates the distribution of international airline tickets and sale of sightseeing package products to travel agencies nationwide. In the tourism field, the business is expanding by developing learning and experience-based themed products and collaborating with related subsidiaries to distribute products to all types of customers.

NISSIN TRAVEL ONLINE

Assisting in “people- and earth-friendly travels”

Through business operations based on our corporate slogan, we aim to contribute to society through sound corporate activities while giving due consideration to the global environment.

We always strive to offer the highest-quality service, providing safety, security, and inspiration to our customers, developing our business towards sustainable growth and social development.



Real Estate Business

The Company and our Group companies are involved in leasing land, buildings, and other real estate in the Keihin area and elsewhere, effectively utilizing our assets.

● Real Estate Business Net sales, Operating income,

	Net sales	Operating income
FY2020	1.2 billion yen	0.7 billion yen
FY2021	1.3 billion yen	0.7 billion yen
FY2022	1.2 billion yen	0.8 billion yen
FY2023	1.3 billion yen	0.8 billion yen

Business Model/Global Network

In addition to the logistics business in Japan and overseas, the Nissin Group operates travel and real estate businesses.

Regarding overseas subsidiaries and affiliates in the logistics business, we have four companies in the Americas, seven companies in Europe, 17 companies in the Southeast Asia/India region, and eight companies in China (as of the end of March 2024).

Logistics business Net sales **161.4 billion yen** **95%**

As a pioneer in international comprehensive logistics, we have built a global network encompassing 24 countries and regions worldwide.

Ocean cargo
We have extensive achievements, including NVOCC* services and large-scale plant transportation. We are a pioneer in global multimodal transport.
* NVOCC: Non-Vessel Operating Common Carrier

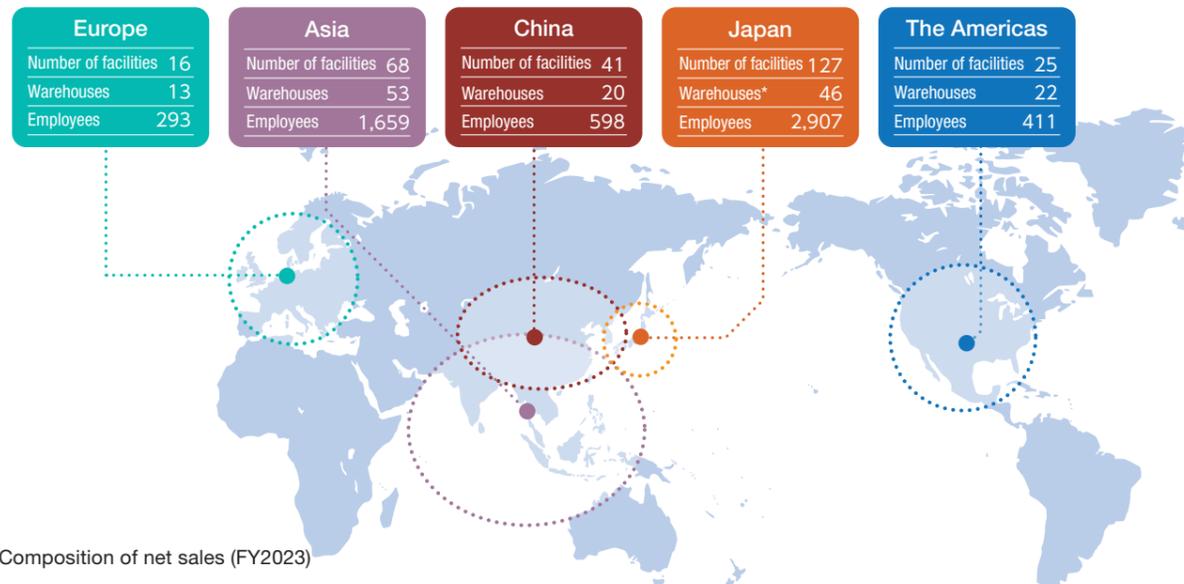
Air cargo
Our consolidated air transport services cover the major cities of the world. At the destination, we provide safe, accurate, and prompt door-to-door service to the consignee through our network of local subsidiaries and agents. Our strengths include the ability to secure cargo space through our cooperative relationships with airlines and our competitive freight rates.

Port and harbor transportation and warehousing
We are engaged in the container terminal business at ports in Yokohama, Osaka, and Kobe. We possess not only standard warehouses but also those with added value, including temperature-controlled, hazardous materials, and automated warehouses, located mainly in port gateways.

Land transportation and coastal transportation
We provide logistics services utilizing extensive transportation modes and networks, such as truck, tanker truck, rail, and domestic vessel transportation.

Onsite logistics support
We undertake various work (packing, packaging, sorting, storage, retrieval, etc.) onsite at customers' factories and logistics centers.

Logistics Network



Travel service business Net sales **7.0 billion yen** **4%**

Nissin provides total support to companies and other organizations for their business trips. Also proposes travel plans for business inspection tours, training trips, and other purposes.

Real estate business Net sales **1.3 billion yen** **1%**

Nissin operates commercial buildings and parking lots and leases land for commercial use mainly in the Keihin area.

Message from the Head of Administration Headquarters



As our business expands, we will boost capital efficiency and achieve sustainable growth.

Director
Managing Executive Officer
Satoshi Kuwahara

We have completed Phase 1, the two-year preparation period of our Medium-term Business Plan, and now moved into Phase 2, which will accelerate growth over the next three years. During Phase 2, we aim to achieve a P/B ratio of over 1x. One of the keys to achieve this is to boost capital efficiency. Managing Executive Officer, Mr. Kuwahara, who is in charge of finance as the Head of Administration Headquarters, will provide an explanation.

Formulating capital policies aimed at improving capital efficiency while preparing to reap the rewards

Phase 1, which consisted of the first two years of the five-year Medium-term Business Plan, was a preparatory period for producing results during the subsequent three years designated as Phase 2, and we made steady progress in establishing a structure for achieving growth. In FY2023, the second year of the plan, sales and profits decreased compared to the previous fiscal year, when business performance was good. However, this was due to the fact that the unusual demand from COVID-19 pandemic has run out its course, and we are aware that our original plan is progressing well toward the target of "operating income of 11.0 billion yen" in the final year of the plan (FY2026). The travel service business, which had been negatively impacted by the COVID-19 pandemic and remained sluggish, has also once again achieved profitability.

During these two years, we have worked to improve and strengthen the efficiency of our sales activities by restructuring our organization based on customer industries and by promoting a one-stop sales system. We also made investments for growth, primarily those in the Kanagawa Pier Warehouse (commenced operation in September 2023) and the Kitakanto Logistics Center (scheduled to commence operation in November 2024).

The most significant financial achievement of Phase 1 was the formulation of a capital policy aimed at boosting capital efficiency. We have clarified our policy of aiming to achieve a P/B ratio of over 1x by increasing profitability through investments for growth, expanding shareholder

returns, flexible share buybacks and streamlining the balance sheet by reducing policy shareholdings.

When it comes to expanding shareholder returns, we have changed our target from the previous DOE of 2.0% or more to DOE of 4.0% or more, and will provide stable dividends based on this target. With fundraising, we plan to utilize leverage, including diversifying fundraising methods through the issuance of corporate bonds.

Aiming for growth three years from now, we will make concentrated investments totaling 40.0 billion yen in order to deepen and expand our business

Reflecting our efforts to boost capital efficiency, the targets for the final year of the Medium-term Business Plan (FY2026) have been upwardly revised from 8.6 billion yen to 9.8 billion yen in profit attributable to owners of parent, and from around 9.0% ROE to around 10.0%. Our targets for operating income of 11.0 billion yen and ordinary income of 11.5 billion yen remain unchanged, but our target for net sales has been changed from 275.0 billion yen to 220.0 billion yen in light of the unusual demand due to the COVID-19 pandemic returning to normal.

We plan to make investments for growth totaling 40.0 billion yen over the five years in the Medium-term Business Plan. As mentioned above, the main investment targets in Phase 1 were Kanagawa Pier Warehouse and Kitakanto Logistics Center, and we executed investments worth 10.0 billion yen. In Phase 2, we plan to allocate 25.0 billion yen for the construction of warehouses in Kobe and Tomakomai and investment in other facilities in Japan and overseas, as well as 5.0 billion yen for the promotion of IT and DX, M&A, ESG-related activities, and human resource development.

In Phase 2, we will aim to achieve the plan with these concentrated investments to deepen and expand our business while also addressing environmental issues and strengthening governance and human capital. We hope you will watch the changes happening within the Group, as well as look forward to seeing the results three years from now.

Growth Strategy Medium-Term Business Plan

Seventh Medium-Term Business Plan [Nissin Next 7th]

Under the Seventh Medium-Term Business Plan, the Group aims for the early realization of a price/book ratio (P/B ratio) of over 1.0x through measures such as expanding new businesses and improving capital efficiency, in addition to further cultivating existing businesses.

Overview of the 7th Medium-Term Business Plan: **Phase 1 :April 2022 through March 2024(two years)**
Phase 2 :April 2024 through March 2027(three years)

	Financial Targets					P/B ratio
	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	ROE	
Phase 1 (FY2023 result)	169.9 billion yen	8.0 billion yen	9.4 billion yen	8.6 billion yen	9.7%	Over 1.0x
Phase 2 (Targets for FY2026)	220.0 billion yen	11.0 billion yen	11.5 billion yen	9.8 billion yen	Around 10.0%	



Basic policy As a "Supply Chain Logistics Provider," we will take on challenges in new business areas, deepen core businesses, and engage in ESG management

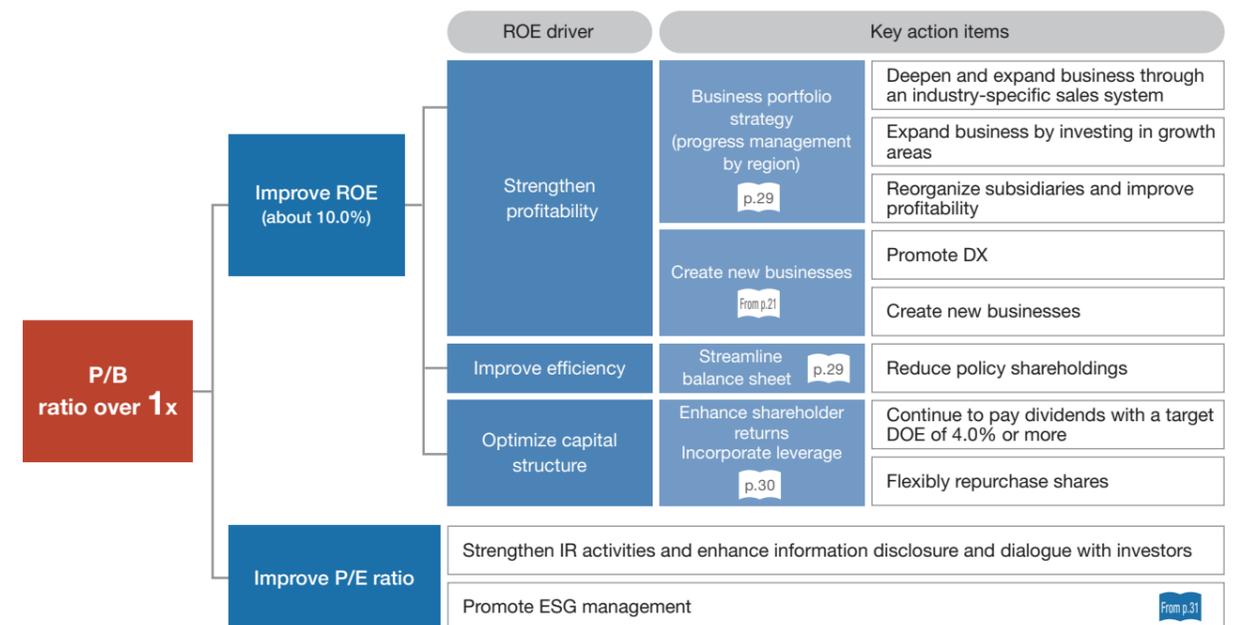


Initiatives to enhance corporate value (P/B ratio tree)

Aiming for early realization of a P/B ratio of over 1x, we have implemented initiatives aimed at improving our ROE (target for the final year of the Seventh Medium-Term Business Plan: around 10.0%) and P/E ratio.

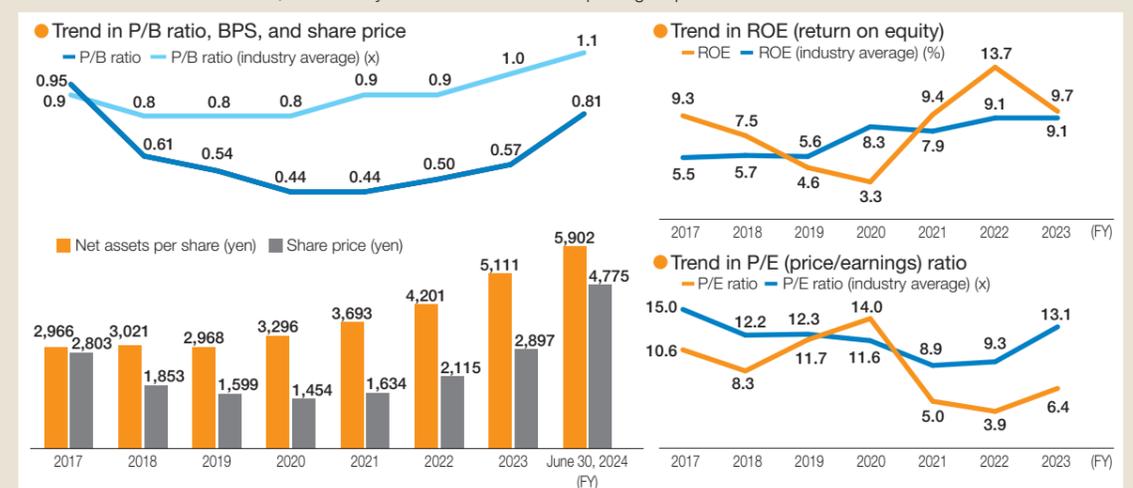
As initiatives aimed at improving ROE, we are working to strengthen profitability by promoting business portfolio strategies and creating new businesses, working to improve efficiency by streamlining our balance sheet mainly through the reduction of policy shareholdings, and working to optimize capital structure by enhancing shareholder returns, including flexible share repurchase.

In order to improve P/E ratio, we are working to strengthen IR activities, enhance information disclosure and dialogue with investors, and promote ESG management.



<Reference> Analysis of current state of cost of capital and return on capital

Our P/B ratio has been below the industry average since FY2018, remaining under 1x.
 ▶ ROE has exceeded the industry average and cost of shareholders' equity for the past three years, maintaining a certain level. (The cost of shareholders' equity is in relation to internal reference values, undisclosed.)
 ▶ P/E ratio has fallen short of the industry average with the exception of FY2020, and there is no correlation between our performance and share price.
 ⇒ Improving the stock market evaluation of our growth potential is considered an issue in the way of early realization of a P/B ratio over 1x. In order to resolve this issue, we will carry out initiatives aimed at improving corporate value.



Growth Strategy Medium-Term Business Plan

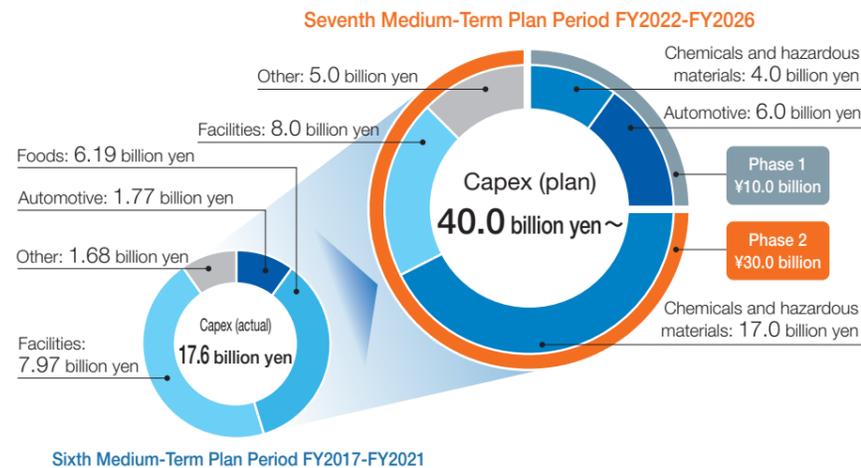
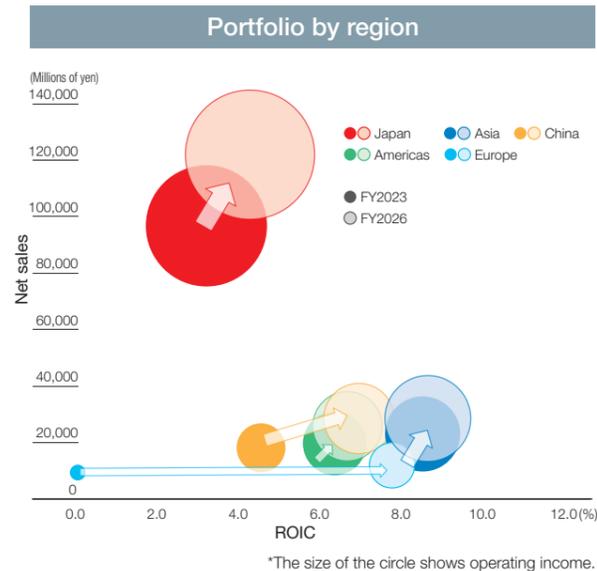
Business portfolio strategy

In the logistics business, we boast a sales structure specialized for each industry, and we will leverage our expert skills and accumulated know-how to provide unique services with higher added value.

We will also expand our businesses and strengthen profitability by analyzing data across the three dimensions of business, industry, and region, as well as through efficient business operations and the appropriate allocation of resources.

Expansion of business by investing in growth fields

We have implemented capital investment in priority areas and growth areas since the time of the 6th Medium-Term Business Plan, mainly focusing on automobile-related, chemicals and hazardous materials, and food logistics. Under the current Medium-Term Business Plan, we further expand our investment plan, targeting 40.0 billion yen in investment through the end of FY2026. Of which, 10.0 billion yen was invested in Phase 1. We will continue to invest in priority areas, further cultivating our core businesses while also strengthening the business foundation and management fundamentals through investment in new revenue sources for the Company, such as businesses in new domains and DX.



Phase 1 results

Invest in growth areas

Chemicals and hazardous materials
: Kanagawa Wharf Warehouse commenced operation in September 2023

Automotive-related
: Kitakanto Logistics Center scheduled to commence operation in November 2024
: Nissin ABC Logistics Private Limited purchased trucks

Phase 2 initiatives

Secure stable earnings from new capex projects
(Kanagawa, Kitakanto)

Further invest in growth areas

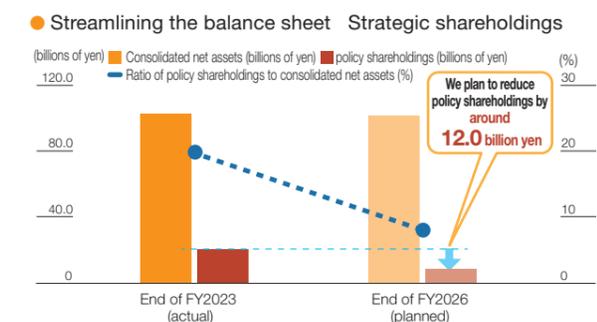
Chemicals and hazardous materials: Kobe, Hokkaido
Facilities: Domestic and overseas facilities
Others: IT, DX, ESG, M&A, and HR development

Note: Above figures are drawn based on internal estimates

Streamlining the balance sheet

Reduction of policy shareholdings

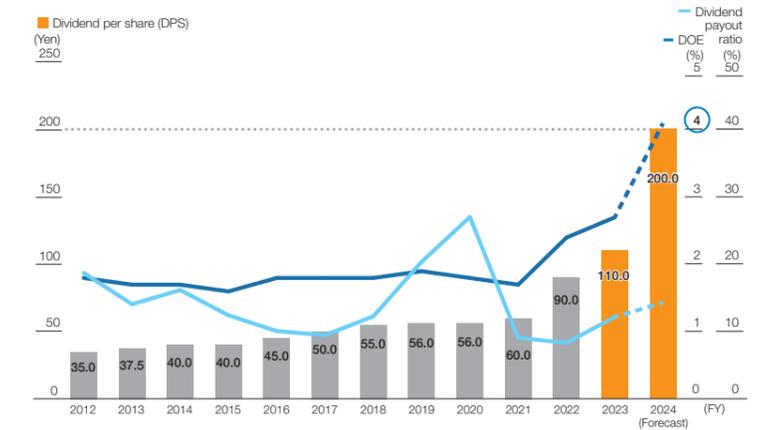
We reduced policy shareholdings by around 8.0 billion yen in FY2023 and aim to further reduce by around 12.0 billion yen by the end of FY2026, for a total reduction of around 20.0 billion yen.



Enhance shareholder returns

Continuation to pay dividends with a target DOE of 4.0% or more

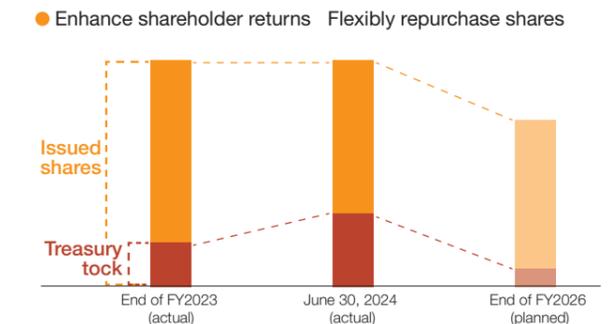
With an eye on future changes in the business environment and business development, our basic policy is to continue providing stable dividend payouts based on a comprehensive consideration of factors such as business performance, financial condition, and the level of the dividend payout ratio. As our new policy on shareholder returns, we established a target dividend on equity (DOE) of 4.0% or more as a dividend indicator.



Flexibly repurchase shares

Towards our target of repurchasing shares of around 16.0 billion yen in total by the end of FY2026, we already repurchased around 2.0 billion yen in FY2023 and around 14.0 billion yen in May 2024. In addition, the target for maximum holdings of treasury stock is 5% of the total number of issued shares, and any portion exceeding this is, in principle, cancelled every fiscal year.

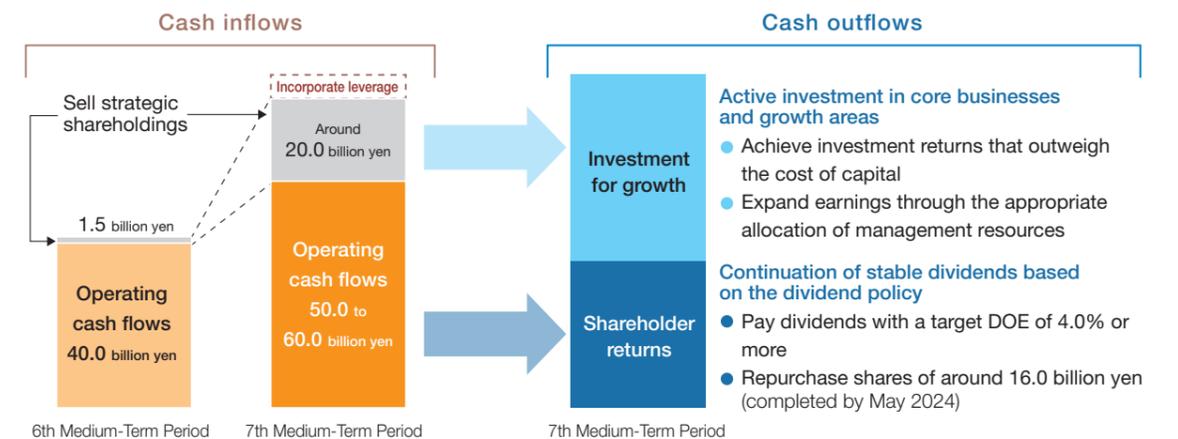
With regard to future repurchase of shares, we will respond flexibly as the situation calls for.



Cash allocation

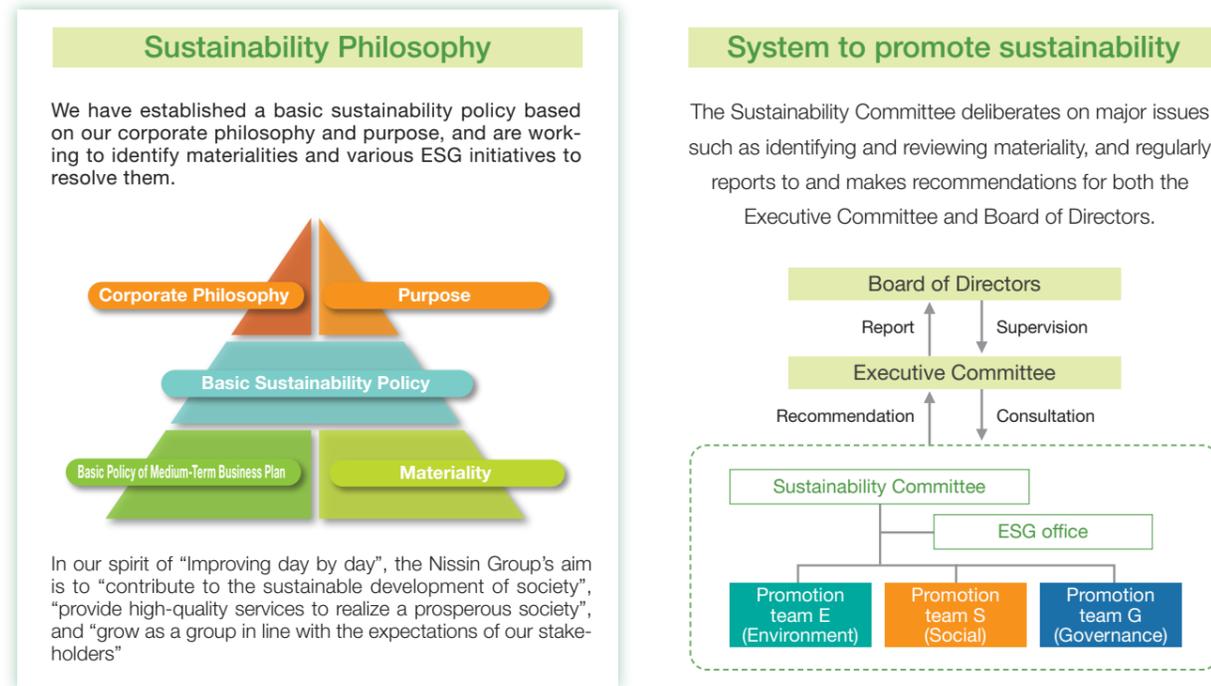
We plan for cash inflows of 50.0 to 60.0 billion yen from the generation of operating cash flows. We will allocate the cash generated to investments for growth and shareholder returns.

Investment for growth will include capital investments in facilities in Japan and overseas, M&A, and investments in IT, DX, ESG, human resources development, and other areas. Shareholder returns will include flexible share repurchases in addition to stable dividends.



Sustainability management

Under the basic sustainability policy based on our corporate philosophy, Nissin has established the four sustainability themes of “Earth, Quality, People, and Trust.” The Nissin Group will contribute to sustainable social development on a global scale through our business activities.



Materiality identification process

Based on our Group’s Purpose of “Touch the hearts of all, delivering global happiness and peace” and our basic sustainability policy, we identified four materiality related to sustainability. We will strive to realize a sustainable society and enhance our corporate value by resolving the identified materiality through the Group’s business activities.



Major issues related to sustainability (Materiality)

Natural capital
Earth

- Environmentally friendly logistics (proposing the use of returnable containers and logistics using rail and coastal vessels)
- Reduce greenhouse gas emissions
- Switch to renewable energy and implement energy-saving equipment
- Respond to extreme weather and natural disasters
- Respond to environmental regulations
- Cooperation in reforestation and conservation activities

Manufactured/
intellectual capital
Quality

- Promote logistics innovation and DX using cutting-edge technology
- Provide safe, attentive, high-quality service
- Expand dialogue and information distribution
- Build partnerships with business partners and customers
- Eliminate illegal labor in the supply chain

Personal/
intellectual capital
People

- Capacity building through human resource development and acquisition of specialized skills
- Optimal placement of human resources
- Respect and promote diversity
- Create a comfortable workplace for women and promote them to management positions
- Improve employee engagement
- Create a safe and comfortable working environment
- Promote health management

Social and
relationship capital
Trust

- Develop a system to promote sustainability
- Reinforce corporate governance and risk management
- Strengthening corporate governance and risk management
- Ensure compliance
- Increase stakeholder engagement
- Strengthen BCP efforts
- Thorough information management



Environment

We are promoting various efforts to reduce the environmental impact through our businesses, aiming to realize a decarbonized and circular society.

I Approach to environmental management

1) Environmental Philosophy

Nissin Corporation and its Group companies aim to be logistics enterprises trusted by customers all over the world. We harmonize the economy and the environment as a key pillar of management and we will strive to curb environmental impact based on the spirit of "improving day by day," aiming to contribute to the sustainable development of society as a good corporate citizen.

2) Environmental Policy

1. We shall establish environmental goals for the conservation of the global environment and prevention of pollution, and strive to continuously improve them through periodical reviews.
2. We shall comply with all environmental laws and regulations, accords and terms of agreements relating to business activities.
3. We shall make active efforts to conserve resources and energy and reduce waste to minimize the burden on the environment.
4. We shall work together with our clients and partner companies to take into account the prevention of global warming and controlling of air pollutants and provide environmentally friendly logistics services from a life cycle perspective.
5. We shall thoroughly inform all employees and affiliated parties and disclose to the general public the contents of this Environmental Policy.

II Initiatives to reduce GHG emissions from our businesses

In the shipping sector of our logistics business, which is our core business, we are promoting various efforts aimed at reducing greenhouse gases (GHG).

1) Initiatives at warehouses

To respond to increasing demand in recent years, we have developed our temperature-controlled warehouses in port and harbor areas, and, as part of decarbonization efforts, we have begun upgrading refrigeration equipment with those that are energy-saving and switching their refrigerants from conventional CFCs to natural refrigerants with nearly zero GHG emissions.

We are also undertaking various efforts to reduce our environmental impact, such as shifting to LED lighting in warehouses and using pallets made of OBPs (ocean bound plastic).

In addition, our Yokohama Heavy Cargo Packing Center has achieved rank A of the Comprehensive Assessment System for Built Environment Efficiency (CASBEE Yokohama) as a building with excellent environmental performance.

● GHG emissions (CFCs)

	FY2020	FY2021	FY2022	FY2023
GHG emissions (CFCs) (t-CO ₂)	719	385	386	45

● LED adoption rate

	FY2020	FY2021	FY2022	FY2023
LED adoption rate	41.0%	48.6%	55.6%	69.6%

2) Air cargo using SAF

Air transportation is an essential mode in international transportation, but its environmental impact is a major issue. SAF (sustainable aviation fuel) is refined from biomass, waste oil, etc. and reduces GHG emissions approximately 80% compared to conventional jet fuel. In the previous fiscal year, we used SAF for Air transportation of machinery cargo for Shanghai. By promoting this kind of environmental friendly logistics service, we will provide environmental value in the form of reducing the Scope 3 emissions of customers' procurement and product distribution.

3) CO₂ Emissions Meter, a tool for calculating GHG emissions

As part of efforts to help our clients reduce GHG emissions in logistics, we made a tool available to the public that can easily calculate and compare emissions, which is the first step in reducing GHGs, for all international transportation modes.

<https://co2emi.nissin-tw.com/>

III Effective use of energy

Aiming to reduce our environmental impact, we are undertaking efforts for the effective use of energy that is essential for business activities.

1) Photovoltaic energy generation

We are promoting the generation of energy through photovoltaic panels installed on the roofs of our warehouses both domestically and internationally, contributing to the reduction of GHGs emitted through energy consumption. Going forward, we will also consider installing them in new facilities based on the characteristics of said facilities.

● Facilities with solar panels

Company name	Facility name	Location	Installation	Forecast annual electricity generation (1,000 kwh)	Forecast annual reduction in CO ₂ emissions (tons)
Nissin Corporation	Sakai Logistics Center	Sakai City, Osaka	Mar. 2013	1,300	400
Nissin Corporation	Kanagawa Pier Warehouse	Yokohama City, Kanagawa	Sep. 2023	40	20
Nissin International Logistics (M) Sdn. Bhd.	Melaka Branch	Melaka	Aug. 2024	340	265

2) Energy-saving initiatives

We are working to save energy through the upgrading of facilities and equipment at our warehouses and continuous power conservation at our offices. We have acquired the highest rank S-class for nine consecutive years in the Ministry of Economy, Trade and Industry's business operator classification evaluation system.

3) Switching to electricity from renewable energy sources

We are progressively switching the electricity we use those sourced from renewable energy, mainly in temperature-controlled equipment in the warehouses and ports (container yards) that consume the most electricity in our business operation, and our Tokyo Head Office, Yokohama Head Office, and Osaka Office where the highest number of employees work.

● Renewable energy adoption rate

FY2020	FY2021	FY2022	FY2023
0.0%	1.1%	14.7%	35.9%

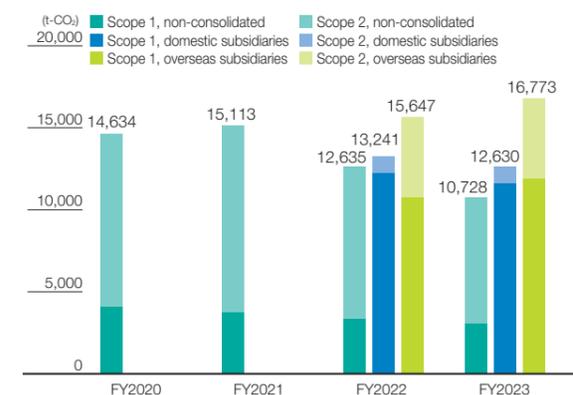
* Nissin Corporation (non-consolidated)

IV GHG emission reduction targets and reduction measures

While GHG emissions at Nissin Corporation (non-consolidated) have been steadily decreasing since FY2022, overseas emissions are in an upward trend due to the establishment of an affiliated company in China as a consolidated subsidiary and other expanding businesses. For this reason, in FY2024, we set targets for the consolidated Nissin Group, including both domestic and international Group companies, and began efforts to reduce GHG emissions. (See p. 36 for reduction targets)

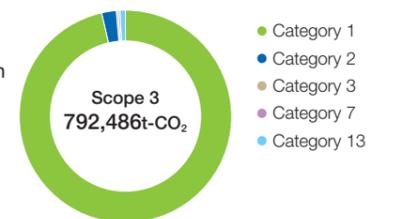
Looking at emissions of each sector, most emissions at Nissin Corporation (non-consolidated) are Scope 2 while most emissions at domestic and overseas subsidiaries are Scope 1, so we are encouraging measures to reduce GHGs based on their respective characteristics.

● Trend in GHG emissions by sector (Scope 1 and 2)



Since most Scope 3 emissions at Nissin Corporation (non-consolidated) are from international transportation by ship and aircraft, Category 1 emissions make up over 96% of overall Scope 3 emissions. We propose logistics to our cargo owner customers that can reduce their environmental impact, and work with customers to reduce Scope 3 emissions.

● FY2023 Scope 3 emissions at Nissin Corporation



Category	Item	Value
Category 1	Purchased goods and services	763,297
Category 2	Capital goods	18,964
Category 3	Fuel- and energy-related activities not included in Scope 1 or 2	2,345
Category 4	Upstream transportation and distribution	5
Category 5	Waste generated in operations	726
Category 6	Business travel	206
Category 7	Employee commuting	1,330
Category 12	End-of-life treatment of sold products	44
Category 13	Downstream leased assets	5,569
Total		792,486



Environment

V Information disclosure based on the TCFD recommendations

Having established the realization of a decarbonized society as one of our materiality, we disclosed climate-related information based on TCFD recommendations in June 2023. In June 2024, we expanded our climate change efforts from Nissan Corporation (non-consolidated) to the entire consolidated Group and made the following revisions.



1) Governance

In order to systematically respond to various sustainability-related challenges around the identified materiality, the Nissan Group has established the Sustainability Committee chaired by the President and Representative Director, which meets biannually. As an advisory body to the Executive Committee, the Sustainability Committee identifies and revises materiality and identifies, evaluates, and manages

risks and opportunities related to sustainability. It also sets targets, plans and formulates measures, and manages progress on initiatives, reporting its recommendations back to the Executive Committee. These results are then reported to the Board of Directors, which passes resolutions on important matters. In this way, our effective governance framework is in place.

2) Strategies

We have identified risks and opportunities, considered response measures, and analyzed the financial impact as of FY2030 for the consolidated Group based on two climate

change scenarios, representing temperate increases of 1.5°C and 4°C, respectively, above pre-industrial levels.

Category	Subcategory	Identified risks	Significance		Timeframe	Impact	Response measures
			1.5°C	4°C			
Transition risks	Policy and law	Increase in costs due to the introduction of carbon taxes	High	High	Medium	Increase in costs payable due to the introduction of carbon taxes on GHG emissions	<ul style="list-style-type: none"> Upgrade to low-emissions vehicles Upgrade to natural refrigerants in refrigeration equipment Promote the introduction of renewable energy
		Increase in vehicle purchase costs due to the transition to low-carbon vehicles	High	High	Medium	Increase in purchase costs due to the need to upgrade to expensive low-carbon vehicles such as EVs and FCVs.	<ul style="list-style-type: none"> Systematically upgrade vehicles by utilizing subsidies Operate our vehicles more efficiently by promoting joint transportation and modal shift
	Technical reputation	Increase in capital investment costs due to stricter regulation of refrigerants such as CFC substitutes	Low	Low	Medium	Increase in the costs of upgrading refrigeration equipment from CFC substitutes to natural refrigerants due to stricter regulation	<ul style="list-style-type: none"> Systematically upgrade equipment by utilizing subsidies
Physical risks	Acute	Decline in sales due to insufficiently addressing customers emphasizing low-carbon transportation	High	Low	Medium	Loss of customers and decline in sales due to insufficiently addressing the increase in demand for low-carbon transportation resulting from rising environmental consciousness and stronger GHG emissions reduction initiatives among customers	<ul style="list-style-type: none"> Expand environmentally friendly services such as the visualization of CO₂ emissions volume, joint transportation and modal shift
		Increase in costs from damage to facilities and compensation for damaged cargo due to more intense wind and flood damage	Medium	High	Short	Repair and compensation costs associated with damage to warehouses and other facilities and consigned cargo resulting from an increase in the frequency of wind and flood damage due to rising temperatures	<ul style="list-style-type: none"> Decentralize facilities Expand the use of standby generators to prevent any pause in the operation of refrigeration equipment Secure alternative transportation routes
	Chronic	Increase in repair costs at logistics facilities in coastal areas due to rising sea levels	High	High	Medium	Repair costs due to damage to warehouses, office buildings, and equipment, with an increase in the probability of flooding from storm surges associated with rising sea levels	<ul style="list-style-type: none"> Strengthen BCPs at facilities in coastal areas where storm surge flooding is anticipated Decentralize facilities
		Decline in work efficiency due to rising temperatures and increase in the cost of counter-measures (air conditioning, etc.)	Low	Low	Medium	Decline in the work efficiency and productivity of employees due to rising temperatures and a corresponding increase in air conditioning costs	<ul style="list-style-type: none"> Achieve greater efficiency and labour-saving in warehouse operations through working robots, electronic tags, and other DX Efficient goods in-out operation at temperature-controlled facilities

Category	Subcategory	Identified risks	Significance		Timeframe	Impact	Response measures
			1.5°C	4°C			
Resource efficiency		Reduce fuel costs by improving vehicle fuel efficiency	High	Medium	Medium	Reduction in fuel costs due to greater fuel efficiency, with the introduction of EVs and FCVs	<ul style="list-style-type: none"> Introduce EVs, FCVs, and other low-emission vehicles and promote eco-driving
		More efficient logistics through the introduction of new transportation modes	Medium	Low	Medium	Greater energy efficiency and the introduction of DX, associated with the expansion of low-emissions logistics services, will contribute to reducing costs by improving work efficiency and reducing the ownership of vehicles and other equipment.	<ul style="list-style-type: none"> Expand modal shift, joint transportation and delivery, uncrewed operation, and other efficient transportation modes and introduce new transportation modes such as drones
		Higher sales with the provision of new services utilizing DX and IoT	High	Low	Medium	Greater energy efficiency due to the introduction of DX and the IoT, as well as the expansion of low-emissions logistics services, lead to an increase in sales due to the patronage of highly environmentally conscious customers	<ul style="list-style-type: none"> Expand services enabling the visualization of CO₂ emissions at the transportation stage Optimize inventory management using electronic tags, etc. Achieve more efficient warehouse operations through the introduction of robots, etc.
Opportunities	Energy sources	Customer acquisition and higher sales due to the introduction of environmentally friendly services	High	Low	Medium	Increase in sales of environmentally friendly services using lower-emissions transportation modes and fuels due to the patronage of highly environmentally conscious customers	<ul style="list-style-type: none"> Transition to transportation modes with low environmental impact Select transportation modes that use fuels with low environmental impact, such as SAF Enter new businesses such as the generation and sale of renewable energy electricity Enter the EV station business
	Markets	Increase in revenue due to expansion into new businesses such as EVs and hydrogen fuel	High	High	Short	Increase in sales due to the launch and expansion of EV- and hydrogen-related businesses and the development of new markets	<ul style="list-style-type: none"> Provide transportation services for EV-related parts and components Import and store completed EVs Enter the domestic transportation and importation businesses for alternative fuels such as hydrogen and ammonia
Resilience		Increase in sales due to greater customer trust resulting from the maintenance of logistics functions and the transportation of supplies in the event of a disaster	Low	Medium	Medium	Increase in sales from strengthening measures and coordination to minimize damage from disasters and capturing customer trust	<ul style="list-style-type: none"> Strengthen operational coordination BCPs with other companies for disaster response Decentralize logistics facilities

■ Timeframes: Short: FY2026, the final year of the 7th Medium-Term Business Plan
 Medium: FY2030
 Long: FY2050
 ■ Financial significance: Financial impact evaluated as high, medium, or low based on qualitative and quantitative factors
 Note: Evaluated for the activities on a consolidated basis.
 A scenario of less than 2°C has also been used in parts.

3) Risk Management

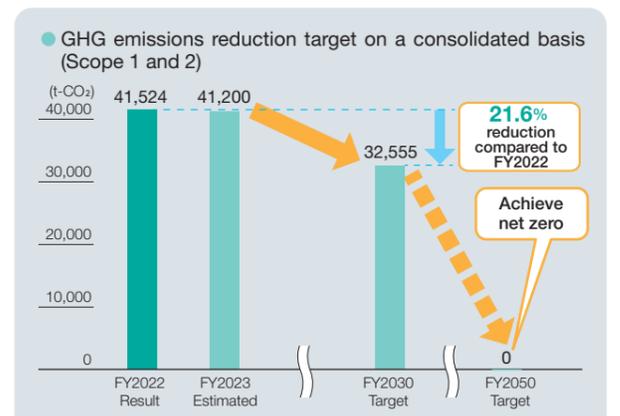
In order to identify and appropriately respond, from a consolidated Group perspective, to risks with a material impact on management, climate change-related risks are assessed and monitored by the Sustainability Committee in addition to the Risk Management Committee.

Risks identified as significant are recognized as significant risks for the Group after debate and approval by the Executive Committee and the Board of Directors, and response measures are considered and implemented for them.

4) Metrics and Targets

- Metric: Scope 1 and Scope 2 greenhouse gas (GHG) emissions
- Target: 2.7% annual reduction in GHG emissions (21.6% reduction by FY2030 compared to FY2022)
- Scope: Nissan Corporation and all consolidated subsidiaries

<https://www.nissan-tw.com/sustainability/environment/tcfd.html>



Reduction measures

Scope1

- Upgrade to vehicles with high environmental performance such as EVs and FCVs
- Switch to biofuels, etc.
- Switch CFC refrigerants used at temperature-controlled equipment to natural refrigerants
- Operate our vehicles more efficiently by encouraging joint transportation and modal shift

Scope2

- Expand the application of renewable energy electricity at our facilities
- Adopt naturally-derived energy such as solar power
- Promote efforts to save energy such as switching to LED lighting at facilities
- Reduce energy consumption by introducing DX
- Purchase non-fossil certificates



Society



We have established a system that enables us to provide safe, high-quality services by developing highly specialized human resources and creating rewarding working environments and systems.

I Human resources strategy

1) Recruitment of human resources

With the spirit of "improving day by day," which is the origin of our company name, the Nissin Group has established a basic business policy of contributing to the realization of a safe, prompt, low-cost, and high-quality society while ceaselessly practicing self-innovation, as well as improving corporate value by building trust with customers and meeting the expectations of all of our shareholders and other stakeholders. In order to recruit and develop employees who embody this basic business policy, we have established the following recruitment policy.

New graduate recruitment

Based on the slogan "Be a challenger," the Company seeks "people with creativity, enterprise, a spirit of cooperation, and high aspirations who can undertake new challenges." We will continue to recruit a certain number of new graduates each year.

Mid-career recruitment

In order to revitalize business activities by allowing mid-career hires to take on active roles as core human resources, we continuously hire human resources with diverse experience and technical expertise, while working to foster an organizational culture in which mid-career hires can take on active roles as core human resources.

Securing diverse human resources

We endeavor to enhance diversity in the global business environment by continually recruiting a wide range of human resources irrespective of gender, nationality, age, religion, or beliefs, and encouraging their promotion to managerial positions.

Number of recruits

	FY2020	FY2021	FY2022	FY2023
New graduates	69	71	48	64
Mid-career	10	9	14	29
Foreign nationals	0	0	0	1

2) Development of human resources

We continually strive to expand our investment in internal training to enable employees to acquire specialist skills suited to their careers and provide them with opportunities to reskill so that all employees can voluntarily continue to pursue and achieve ever-higher goals.

Main internal training programs

01 Expansion of level-specific training

02 Internal internship program

03 Job rotation program

04 Global human resource development

05 Practical training

06 IT literacy training

07 Diversity and inclusion training

08 Personal development and skill enhancement support

1. Comprehensive skill building

We have implemented an internal internship program that allows employees to consider their future careers by learning about the operations of other departments at the Company, and an internal rotation program in which 4th-year employees are essentially transferred to another department.

2. Global human resource development

In addition to providing language training, we have implemented an overseas trainee system in which employees spend two years working at an overseas base, in order to help them develop international perceptions and perspectives early in their careers. We constantly maintain around seven employees in overseas positions, three of whom are women.

3. Practical training

In order to improve employees' basic practical skills, we conduct specialized training related to individual practices. In addition to this, in recent years, we have also implemented IT literacy training aimed at improving basic IT knowledge on a company-wide scale.

4. Diversity and inclusion training

We conduct training on a variety of themes such as women's empowerment, promotion of male childcare leave, employment of persons with disabilities, and promotion of LGBTQ+ understanding.

<https://www.nissin-tw.com/english/sustainability/social/human.html>

II Diversity and work style reform

1) Promotion of women's participation.....

Over a third of Nissin Corporation's overall employees are women, and ensuring that they can each make the most of their skills in accordance with life events is an important theme that is essential to revitalizing the Company's business. In order to provide a comfortable working environment for women where they can advance their careers without hindrance, the following internal programs have been implemented and enhanced to make them easier to use.

Various internal programs for women's empowerment

1 Provision of paid leave before and after giving birth	2 Childcare leave program (at maximum, until the last day of the month in which the child turns 2 years old)
3 Shortened working-hour program (daily work hours of 5 to 7 hours can be chosen in 30-minute increments) <small>* Available until the end of the child's third year of elementary school</small>	4 Flextime work program <small>* Available until the end of the child's third year of elementary school</small>
5 Staggered working-hour program <small>* Available until the end of the child's third year of elementary school</small>	6 Reemployment system for employees who have resigned due to marriage, childbirth, childcare, nursing care, or spouse's transfer (up to ten years after resignation)

Acquisition rate of childcare leave, etc.

	FY2020	FY2021	FY2022	FY2023
Female	100%	100%	100%	100%
Male	58.8%	42.1%	65.2%	83.9%

At the same time, we also offer young female employees support and training for women's career development, which increased the number of female manager role models, leading to a steady increase in the number of female employees who aspire to managerial positions in recent years.

Ratio of female managers

	FY2021	FY2022	FY2023	FY2024
	8.5%	8.3%	9.2%	9.4%

2) Hiring seniors and people with disabilities ...

We actively operate a contract re-employment system and foster a more rewarding and motivating workplace culture so that retirees can continue to make the most of their abilities and pass on their many years of experience and knowledge to younger employees. In addition, we also hire

people with disabilities and have a diverse range of human resources working in various fields.

3) Diverse work styles

We have introduced flextime, staggered working hours, and telecommuting to provide flexible work styles suited to the lifestyle of each individual employee. We will continue to improve the working environment to maintain a highly motivating and rewarding workplace where employees can continue to work safely and securely.

III Human rights

1) Respecting human rights

In order to fulfill our social responsibility to respect human rights, the Nissin Group observes relevant laws and employment regulations in all business activities and prohibits discrimination and harassment under any circumstances. In addition, we strive to thoroughly disseminate the Group's Charter of Corporate Behavior and our Compliance Manual, which stipulate the elimination of all forms of illegal labor in corporate activities throughout the entire supply chain, including forced labor, labor under servitude, and child labor.

2) Statement on the UK Modern Slavery Act ...

Every year, the Nissin Group publishes a statement in accordance with the United Kingdom's Modern Slavery Act 2015, clearly declaring our commitment to eliminating slave labor, child labor, human trafficking, and other forms of illegal labor within our supply chain.

https://www.nissin-tw.com/assets/news/modernslaveryactstatement2023_eng.pdf

3) Harassment prevention

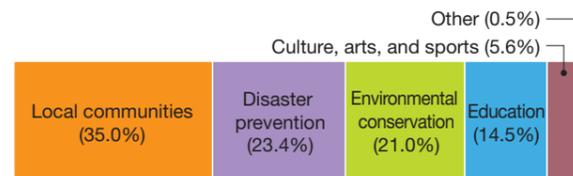
With the awareness that anyone can become involved in harassment, we provide all employees with harassment prevention e-learning incorporating a variety of case studies, and we work to spread and improve awareness of its definition and prevention measures within each organization. In addition, we have established an anonymous reporting and consultation hotline to provide an environment where employees can safely speak out in the event of harassment.

Society

IV Social contribution

We consider social contribution to the communities in which we do business as one of our responsibilities as a company, and we work to return our profits to the communities using the strengths of our businesses.

FY2023 Social contribution results **22** million yen



Main social contribution activities

Local communities	Support of job-seeking activities for international students in Japan (Yokohama YMCA)
	Provision of shelter, food, and medical care to vulnerable groups (India)
	Food donation to reduce food loss (U.S.)
Disaster prevention	Donation to recovery efforts from the 2024 Noto Peninsula earthquake
Environmental conservation	Sponsorship of the Yokohama City Wind Power Plant (Hama Wing)
	"Reforestation partnership (Yadoriki water source forest)," a forest creation project in Kanagawa Prefecture
	Donation of floating trash collection rafts to Bangkok (Thailand)
Education	Cosponsor of <i>Oshigoto Nenkan 2023</i> ("The Job Almanac"), a publication that educates elementary and junior high school students about careers
	Implementation of job training for students learning about logistics (Indonesia)
Sports promotion	2023 Yokohama Marathon supporter
	Official sponsor agreement with Kanagawa Future Dreams
Arts promotion	Support of the Kanagawa Philharmonic Orchestra
	Supporting membership with the Japan Symphony Foundation
	Annual membership with the Yokohama Symphony Orchestra

<https://www.nissin-tw.com/sustainability/social/community.html>

V Quality

1) Customs clearance

Customs clearance in each country is essential to global logistics, and it is a requirement for us to have in-depth expertise on the goods being transported as well as a high awareness of compliance with the relevant legal systems. As an AEO-certified customs agent, the Nissin Group complies with the Customs Business Act and other relevant laws and regulations and updates legal knowledge that changes with the global situation through regular internal training and other means, thereby maintaining a high level of expertise.

AEO certification **3** companies in Japan **9** companies overseas (including C-TPAT in the U.S. and PIP in Canada)

Registered customs specialists **166** enrolled (as of Aug. 2024, Nissin Corporation) (non-consolidated)

2) Pharmaceutical logistics

We have acquired Good Distribution Practice (GDP) certification, quality control standards for pharmaceutical logistics, at our European locations (Germany, France, Belgium, Spain, and Austria) and in Japan and Thailand. Using the Group's global network, we support a wider-ranging, higher-quality pharmaceutical supply chain.

GDP certification **7** countries (as of Aug. 2024)

3) Food logistics

Kobe Maya Refrigerated Warehouse and Kobe Port International Distribution Center have obtained HACCP certification, a globally recognized food safety management standard, ensuring enhanced safety in our food supply chain.

In addition, our subsidiaries in Singapore and Indonesia have obtained Halal certification, allowing us to provide food logistics services that meet a wide range of customer needs, such as handling cargo in accordance with Islamic law.

VI Occupational safety and health

1) Basic policy and management system

We strive to prevent all occupational accidents under a basic occupational safety and health policy that states, "By observing basic operations and with the strong belief that 'all accidents can be prevented,' each and every one of us will thoroughly act with 'safety as our number one priority.'"

To promote this basic policy, we make efforts such as establishing a safety and health management system

centered around the Central Safety Committee (of which the President is the Central Chief Safety and Health Manager), in which the General Manager of each department acts as the Chief Safety and Health Manager, and appointing an Operations Supervisor in accordance with the work site and content. We thus aim to achieve zero accidents and zero disasters.

Safety and health management system (FY2024)



1. ● indicates an internal name
2. Safety and Health Managers and lower positions are appointed by the General Manager of each department, branch, or office

2) Occurrence of occupational accidents

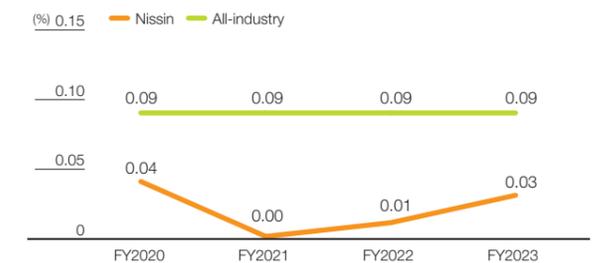
In the previous fiscal year, there were twelve occupational accidents, including nine work-related accidents and three commuting accidents. There were two occupational accidents resulting in four or more days of absence from work. The frequency and severity rates, which indicate the number of occupational accidents at the Company and their degree of severity, respectively, both maintained low levels compared to the all-industry average and industry average. However, when occupational accidents and property damage do occur, accident reports are promptly shared within the Group to prevent similar accidents.

Occupational accident frequency rate



* Applicable to: Nissin Corporation (non-consolidated), all employees

Occupational accident severity rate



* Applicable to: Nissin Corporation (non-consolidated), all employees



Special Feature: Roundtable Discussion

Society

Nissin's "Human Resource Capabilities" Create New Value



Nissin aims to take further strides forward as a Supply Chain Logistics Provider. The key to achieving this is our "human resource capabilities," which are the source of value creation. We held a roundtable discussion with Outside Director, Ms. Kogayu, to discuss initiatives to improve the capabilities of our human resources.

What kind of human resource development and capacity building will be required at Nissin going forward?

Matsui: In today's roundtable discussion, I would like to hear your opinions on the Company's efforts to improve human resource capabilities and link them to corporate and social value. I'm thinking in terms of the three elements of "human resource development and capacity building," "diversity," and "workstyle reforms." There may be some overlap among these elements but I would like to start by discussing human resource development and capacity building. Ms. Ishikawa and Ms. Tominaga, what are your thoughts on personnel development, and how have you been involved in this throughout your careers at the Company?

Ishikawa: 1986, the year I joined the Company, was also the year that the Act on Equal Opportunity and Treatment between Men and Women in Employment came into effect. It was a time when many women of my generation,

including myself, had a keen interest and aspiration to go overseas, and Nissin Corporation possessed a global environment within the company even back then. After joining the Company, I was assigned to the accounting department and was in charge of checking work ledgers and managing income and expenditure in business departments in the Keihin area for around ten years. Shortly before consolidated financial statements were introduced in 2000, I was transferred to a section that was responsible for the Company's entire financial statements and tax processing. Every year we were inundated with work when dealing with system changes that were known as the "Accounting Big Bang," and this enabled me to deepen my knowledge and experience while working tirelessly with my colleagues, which was beneficial for me. It was there that I became involved in human resource



development by training and being trained, all the while communicating to the talented junior staff, who take on the practical aspects of the job, the significance of the work of "supporting management decision-making with numbers." I think what is important in human resource development is for each employee to have a broad perspective and be aware of the Company's mission. Fortunately, under the "external pressure" of the new accounting system, there was a level environment that transcended hierarchical relationships between domestic and overseas affiliates and within departments, which helped me to come to this realization.

Tominaga: I'd like to comment on women's participation in the workforce. I was posted to the United States for three years from 2016, making me the first female manager to be posted overseas. Although this is a relatively recent initiative and a surprisingly late one, female employees have been participating in the trainee system, under which employees learn while on the job at overseas bases, since the 1990s. Many of our female employees have the potential to work overseas and have excellent language skills, and operations in sales departments are conducted regardless of gender.

Takahashi: Roughly half of trainees sent to overseas bases are female employees, and I hear that many of those seeking to become trainees are also women. Of the seven overseas trainees this fiscal year, three are women. During my five years in the U.K., I supervised two female trainees, both of whom were extremely reliable in their work.

Tominaga: I joined the Company in 1992, and both the Manager and General Manager of the department to which I was assigned had a policy of training female employees as salespeople on an equal footing with males. Here I gained experience as a member of the team dealing with customers in the automotive industry. There was a lot of pressure to continue the automobile-related business that my predecessors had built up over many years without causing any damage to it, and I will say that the education I received in human resources placed value on that history.

Matsui: From what I've heard from Ms. Ishikawa and Ms. Tominaga, it seems that human resource development that fosters a sense of mission and purpose in one's work leads to enhanced capabilities and engagement. Mr. Nagayama, after eight years working in the sales department, you were seconded to a government agency for two years. How did that experience affect the way you thought about human resource development?

Nagayama: I was nervous about starting out from scratch at the agency, but I was able to embark on my assignment knowing that I had a good understanding of actual logistics operations. I believe that I was able to fulfill my role in communicating my knowledge of the reality of logistics within the government organization.

Takahashi: Mr. Nagayama was highly regarded at the government agency where he was seconded, and we are proud that a young employee who worked in sales at the Company was able to perform his role at a government agency.

Nagayama: In terms of the training I received in the sales department, I feel that it would have been more helpful if I had been taught systematically how to approach new fields and new industries that are not simply an extension of existing customers. There were times when I felt that I was floundering and unable to move forward.

Tominaga: Improving the efficiency of new sales operations is a major challenge for the sales department, and is something I would like to see addressed as a company-wide educational theme.

Kogayu: We are now in an era where sales destinations that were previously major customers are no longer so. In order to be chosen and entrusted with operations in this environment, we need to understand the needs of society and highlight the strengths that Nissin has in those areas. The digital transformation (DX) that we are currently focusing on has the potential to attract new and different customers, and Nissin's global network should be available to companies looking to expand their business overseas. It's important to let your imagination grow.



NVOC Department
General Manager
Yuko Tominaga



Information System Department
Overseas System Section
Yuri Nagayama

Utilizing diversity to create and provide new value

Matsui: Next I would like to hear your thoughts on diversity. I started working in our former Overseas Removal Department in my twenties when I was a temporary employee, but since the main tasks in the department were carried out by seconded and temporary employees, I got the impression that there was absolutely no sense of alienation toward people from outside the Company. I think that even back then, Nissin was already receptive to diversity.

Ishikawa: The accounting department has long been hiring experienced, mid-career candidates, and we have had numerous people who went from being temporary workers to full-time employees. There were no gender differences, with nearly half of employees being female.

Tominaga: When I was with the Air Department, there were many people who had been seconded from the former NISSIN AIR CARGO (NAC) prior to the merger, and I learned my job from the senior staff at NAC so we were always together. The good thing about the Company is that many different people work hard together toward one goal.

Matsui: The foundations for such diversity already exist, but how do you think Nissin should utilize diversity in order to create new value and expand business with the aim of achieving further growth in the future?

Kogayu: I think it could be beneficial to deepen interaction with the approximately 3,000 local staff working at our overseas bases. New fields and industries that are difficult to enter in Japan may be easier to enter overseas, so there is no reason not to take advantage of the overseas diversity that Nissin possesses.

Takahashi: Yes, we often receive ideas from people overseas. We have also seen cases where local sales people with backgrounds in completely different industries have come up with unusual ideas that we would never have thought of, and some of these ideas turned into business opportunities.

Matsui: The reports received from overseas trainees indicate that they have had the experience of creating new sales together with the national staff. It seems they are working together with local staff, who are familiar with local markets and business environments, to provide services that go beyond what is offered in Japan.

Ishikawa: I have also heard that the Company has hired local human resources to act as key personnel for overseas sales.

Tominaga: The Global Business Department is currently working on a plan to invite national staff from overseas bases to Japan for training lasting for around a week to ten days. The aim is for participants to gain a deeper understanding of the head office of Nissin Corporation and its entire Group through meetings with employees in Japan and tours of logistics facilities.

Ishikawa: After all, when working with overseas personnel, it's better to first get to know one another face-to-face. By utilizing the diversity of our human resources to expand our work and grow the Company, I hope we can continue to make Nissin an attractive place where young people will choose to work.

Establishing systems for workstyle reforms and enhancing communication

Matsui: What are your opinions on workstyle reforms? In terms of efforts to achieve work-life balance and create a comfortable workplace, it seems to me that Nissin has more enhanced personnel systems than its competitors, but what do you think?

Ishikawa: I think that the personnel systems are being improved. I believe that another major factor when it comes to improvements to work styles is the effectiveness of using tools and introducing technology. Similarly to how the use of email for work reduced the burden of communication



and improved efficiency in the past, the introduction of telecommuting since the COVID-19 pandemic has made it much easier to balance work and family life. Further improvements can be expected as DX continues to achieve standardized and streamlined operations.

Nagayama: I'm currently using the flextime system to commute to and from work during off-peak hours in order to take my child to and from daycare. I think that combining multiple systems such as flextime, shortened working hours, and remote work would facilitate the balance of private life and work, making it easier to work. I also think that even if you choose not to take childcare leave, it would be good to have guidance for different situations such as encouraging employees to take paid leave or to work remotely.

Tominaga: I agree. Some aspects are inflexible, such as the time constraints of remote work, but I think that there are issues that could be resolved by combining multiple systems. Although the Company provides in-depth explanations to female employees before they give birth about how to use childcare leave, it would be helpful if the explanations provided to male employees whose wives are about to give birth were a little more comprehensive.

Takahashi: While there may still be room for improvement in how the system is used, the number of users has increased significantly. I hope that this will make it easier for employees to plan their lives, which will lead to employee retention and create a positive spiral.

Ishikawa: I think it's important not only to establish systems, but also for the Company and workplace to communicate with each employee. When it comes to life events, it may be difficult for people to talk about them themselves, so this is an area where support should be provided.

Nagayama: In my case, when my child was born, my supervisor at work was extremely considerate of my situation, which helped me a great deal.

Kogayu: I think it would be a good idea to further share examples of effective ways to use the system and examples of workstyles that make good use of them within the Company. Furthermore, I think it would be useful to exchange information about what efforts are being made to improve work styles through venues such as cross-industry networking events.

Matsui: Finally, I would like to ask Ms. Kogayu for a few comments to conclude this roundtable discussion.

Kogayu: I believe that Nissin's greatest strength is that it has already made significant strides forward in diversity. This is a professional group with many qualified individuals, and we have fostered a corporate culture in which we teach one another about work and aim to grow together. The challenge for the future is to expand our work into new fields and industries, and many indications on how to do this have emerged during today's discussions. I hope that the Company will put this into practice and greatly expand the creation and provision of value.

Matsui: Thank you all very much for your time today.



Corporate Planning Department
ESG Office
Deputy General Manager
Katsuaki Takahashi



Human Resources Department
Deputy General Manager,
Diversity Career Development
Center
Mie Matsui



Governance

We are working to strengthen and enhance our fair governance structure in order to further increase management transparency for our shareholders and other stakeholders.

I Corporate governance

We have established a corporate governance system building on ensuring business transparency and improving business efficiency across the entire Group, and are working to enhance this system. In addition to minimizing legal risk and aiming for steady business growth and development, we are working to ensure and enhance corporate value.

1) Promotion system

1. Board of Directors

The Board of Directors, chaired by the President and Representative Director, is comprised of seven directors (excluding Audit & Supervisory Committee Members) and three Audit & Supervisory Committee Members. The Board of Directors holds regular monthly meetings as well as special meetings on an as-needed basis to supervise business execution across the entire Group.

2. Nominating and Compensation Committee

The Nominating and Compensation Committee is comprised of three internal directors and four outside directors. When consulted by the Board of Directors, the committee deliberates and reports back to the Board of Directors on matters related to the appointment and dismissal of directors (excluding Audit & Supervisory Committee Members), the promotion and demotion of executive officers, independence standards for outside directors, remuneration for directors (excluding Audit & Supervisory Committee Members), succession planning for senior managers and directors, and the basic policies, regulations, and procedures necessary to make decisions on these matters.

3. Audit & Supervisory Committee

The Audit & Supervisory Committee is comprised of three outside directors who serve as Audit & Supervisory Committee Members. The committee audits and supervises decision-making and business execution based on reports concerning businesses received from directors and employees by written request or through attendance at important meetings such as the Board of Directors meetings, Executive Committee meetings, and other meetings.

4. Executive Committee

The Executive Committee is comprised of directors with representation rights and executive officers with special titles. Meetings are held once a week to conduct preliminary deliberation on important matters and make decisions regarding important matters that do not require a resolution of the Board of Directors.

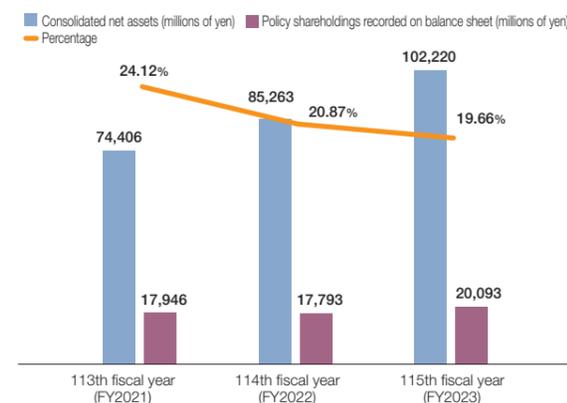
5. Internal Controls Evaluation Committee

The Internal Controls Evaluation Committee, chaired by the President, is comprised of directors with representation rights and executive officers with special titles. It deliberates on important matters concerning the internal controls reporting system. The Internal Controls Evaluation Committee reports to the Board of Directors on corrective measures for any defects found in internal controls and other important matters concerning internal controls.

2) Policy shareholdings

The Company holds policy shareholdings based on comprehensive consideration from the perspective of maintaining and strengthening relationships with business partners in the Group business, expanding transactions, etc. However, it has been decided not to acquire new policy shareholdings unless there is a rational reason. We regularly verify the appropriateness of holding individual policy shareholdings by closely examining the objective and benefits of doing so, taking into account capital efficiency and other factors. In addition to the reduction of around 8.0 billion yen in FY2023, we plan to reduce policy shareholdings by an additional around 12.0 billion yen by FY2026. The proceeds from sale will be used for investments for growth and shareholder returns.

Trend in policy shareholdings

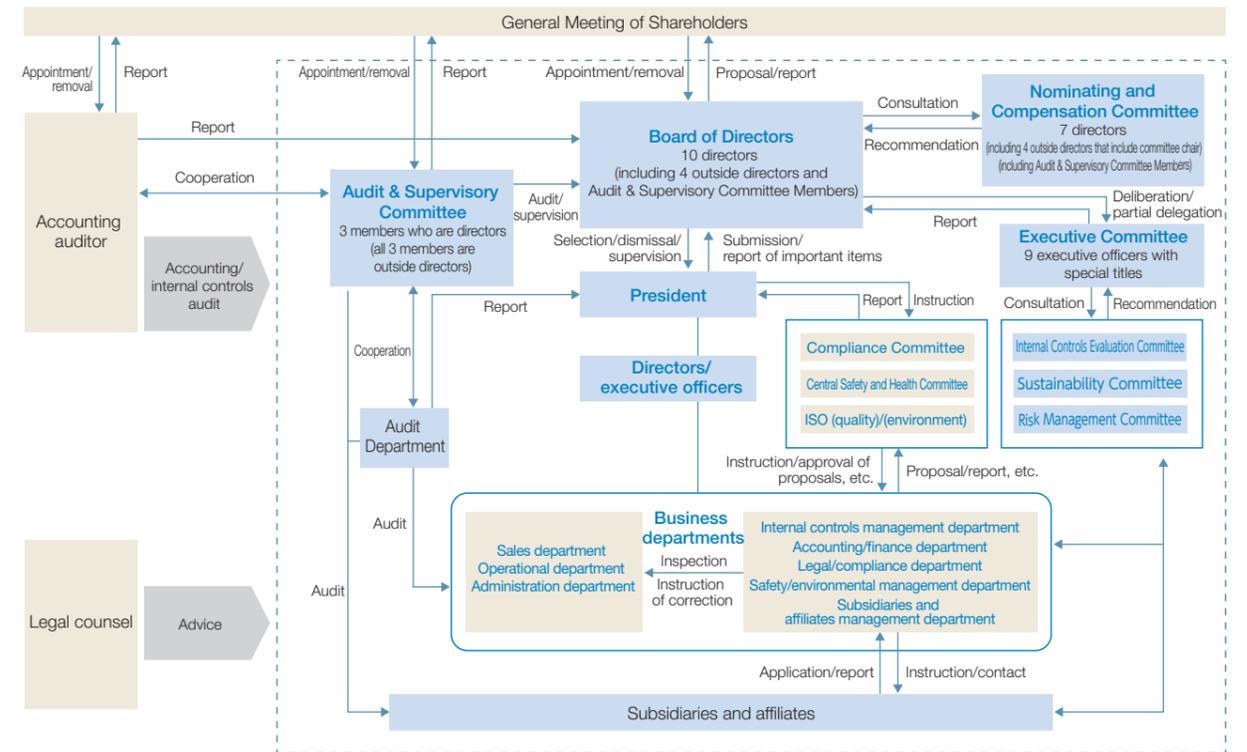


3) Assessing effectiveness of Board of Directors ...

With the objective of improving effectiveness, the Company conducts self-evaluations through an annual survey for all 10 directors regarding the functions and operation methods of the Board of Directors. The Board of Directors discusses the issues identified and how to specifically respond to them in order to ensure its effectiveness and make further improvements.

Governance Structure

(As of September 30, 2024)



II Compliance

The Nissan Group believes that exhibiting responsible corporate behavior rooted in high ethical values is its social responsibility and will build trust with stakeholders. Under our Charter of Corporate Behavior, we ensure that all officers and employees of the Group carry out business with a deep understanding of its importance.

1) Promotion system

The Compliance Committee, chaired by the President, formulates companywide policies and key measures related to compliance, confirms their implementation status, and deliberates on matters such as investigations into the cause of compliance violations and measures to prevent recurrence. The committee reports to the Board of Directors.

In addition, we have established a Compliance Manual that cross-references our various business activities with relevant laws and regulations in order to ensure thorough compliance education through employee training.

2) Whistleblowing system

We have established whistleblowing hotlines via our internal helpdesk and an external legal firm in order to report or receive advice on violations and potential violations of laws. We strive to detect business-related misconduct early and take measures to correct it and prevent its recurrence. In addition, we have established a system that allows reporting without fear of retaliation by appropriately disciplining employees who violate the law and thoroughly managing information.

III Risk management

All necessary matters regarding risk awareness and management surrounding our business activities have been established in the risk management regulations, which anticipate direct or indirect loss to executing the Group's business or maintaining its systems. The regulations work to efficiently and effectively prevent the occurrence of such risks and minimize any loss if they do occur. The Risk Management Committee, chaired by an executive officer with a special title, recognizes and identifies significant risks, evaluates and deliberates on loss prevention measures, and conducts regular monitoring.



Governance

IV Executives

Masahiro Tsutsui
President and Representative Director
President and Executive Officer

Apr. 1975 Joined Mitsui O.S.K. Lines, Ltd.
Jul. 1986 Joined the Company
Jun. 1993 Director
Apr. 2001 Managing Director
Jun. 2005 Senior Managing Director
Jun. 2007 Representative Director and Vice President
Jun. 2008 President, Chief Operating Officer and Representative Director
Jun. 2019 President and Representative Director, Yokohama Air Cargo Terminal Co., Ltd.
Jun. 2020 President and Representative Director, President and Executive Officer (to present)

Junichiro Watanabe
Representative Director and Senior Managing Executive Officer

Apr. 1981 Joined The Sanwa Bank, Ltd.
Nov. 2009 Joined the Company
Jun. 2010 Executive Officer
Jun. 2012 Director and Executive Officer
Oct. 2012 Director and Managing Executive Officer
Apr. 2016 Director and Senior Managing Executive Officer
Apr. 2020 Assistant to the President, General Manager, Sales Division and Head of Operational Headquarters (to present)
Jun. 2020 Representative Director and Senior Managing Executive Officer (to present)

Masataka Tsutsui
Director and Senior Managing Executive Officer

Apr. 1990 Joined the Company
Apr. 2011 General Manager, Personnel Department
Apr. 2013 Executive Officer
Jun. 2014 Director and Executive Officer
Apr. 2016 Director and Managing Executive Officer
Apr. 2020 Director and Senior Managing Executive Officer (to present)
Apr. 2024 Customs Brokerage Department (to present)

Satoshi Kuwahara
Director and Managing Executive Officer

Apr. 1986 Joined the Company
Apr. 2013 General Manager, Corporate Planning Department
Apr. 2015 General Manager, Human Resources Department
Apr. 2016 Executive Officer
Apr. 2020 Managing Executive Officer
Apr. 2022 General Manager, Administration Headquarters (to present)
Jun. 2022 Director and Managing Executive Officer (to present)

Tetsuo Sakurai
Director and Managing Executive Officer

Apr. 1985 Joined the Company
Apr. 2014 General Manager, General Sales Department No. 1
Apr. 2017 Executive Officer
Apr. 2020 Managing Executive Officer
Jun. 2022 Director and Managing Executive Officer (to present)
Apr. 2024 Food Logistics Department, Global Logistics Sales Department No.1, Global Logistics Sales Department No.2, Global Logistics Sales Department No.3 (to present)

Shigeki Mine
Director and Managing Executive Officer

Apr. 1985 Joined the Company
Apr. 2012 General Manager, Kobe Branch
Apr. 2014 General Manager, Osaka Branch
Apr. 2015 Executive Officer
Apr. 2021 Managing Executive Officer (to present)
Jun. 2023 Director and Managing Executive Officer (to present)
Apr. 2024 General Manager, Operational Headquarters (to present)

Susumu Fujimoto
Director

Apr. 1972 Joined Ministry of Finance
Jun. 1992 Director, Asian Development Bank
Jun. 1998 Director-General, Yokohama Customs
Jun. 2007 Director, MS&AD Insurance Group Holdings
Apr. 2008 Director, Managing Executive Officer, Mitsui Sumitomo Insurance Company, Limited
Apr. 2014 Director, Executive Vice President, MS&AD Insurance Group Holdings
Apr. 2014 Vice President, Executive Officer, Mitsui Sumitomo Insurance Company Limited
Oct. 2018 Advisor, the Company
Jun. 2019 Outside Director, the Company (to present)

Shinya Yamada
Director (Audit & Supervisory Committee Member(Full-time))

Apr. 1982 Joined The Bank of Yokohama, Ltd.
Apr. 2007 General Manager, Direct Sales Department
Apr. 2008 General Manager, Individual Customers Department
Apr. 2009 Executive Officer
Apr. 2014 Managing Executive Officer
Apr. 2015 Supervisory Manager, Kanagawa Prefecture SME Business Rehabilitation Support Co-operative
Jun. 2019 Full-time Audit & Supervisory Board Member, The Bank of Yokohama, Ltd.
Jun. 2023 Outside Director who is an Audit & Supervisory Committee Member, the Company (to present)

Junko Kogayu
Director (Audit & Supervisory Committee Member)

Apr. 1991 Joined Chuo Shinko Audit Corporation
Mar. 1994 Registered as certified public accountant
Sep. 2006 Joined PricewaterhouseCoopers Aarata (currently PricewaterhouseCoopers Aarata LLC)
Aug. 2012 Group leader, Research and Consultation, Self-regulation, Professional Standards and Practices, The Japanese Institute of Certified Public Accountants
Oct. 2012 Professor, Accounting School, Graduate School of Economics and Management, Tohoku University (to present)
Jan. 2020 Established Junko Kogayu Certified Public Accountant Office (to present)
Mar. 2020 Registered as tax accountant
Apr. 2020 Joined Ayako Takeuchi Tax Accountant Office (to present)
Jun. 2021 Outside Director who is an Audit & Supervisory Committee Member, the Company (to present)

Kazuhiro Suzuki
Director (Audit & Supervisory Committee Member)

Apr. 1980 Joined Yokohama City Hall
Apr. 2008 General Manager, Financial Department, Administrative Management Coordination Bureau, Yokohama City
Apr. 2010 Deputy Director, General Affairs Bureau
May 2011 Mayor, Hodogaya Ward
Apr. 2014 Director, Finance Bureau
Jun. 2018 President and Representative Director, Yokohama Bayside Marina Co., Ltd.
Jun. 2023 Outside Director who is an Audit & Supervisory Committee Member, the Company (to present)

V Skill Matrix

We appoint directors by identifying the knowledge, experience and skills that directors should possess in light of our management strategy and ensuring a balance of knowledge, experience and diversity on the Board of Directors as a whole.

● Composition of the Board of Directors

Name	Position	Attributes	Specialization and knowledge, experience									
			Corporate management	Sales planning	Financial Accounting and Finance	Operations	Global operations	Administration and research institute	Personnel affairs, labor and human resource development	Legal affairs and compliance	DX-IT	ESG
Masahiro Tsutsui	President and Representative Director President and Executive Officer	—	●	●	●	●	●	●	●	●	●	●
Junichiro Watanabe	Representative Director and Senior Managing Executive Officer	—	●	●	●	●	●	●	●	●	●	●
Masataka Tsutsui	Director and Senior Managing Executive Officer	—	●	●	●	●	●	●	●	●	●	●
Satoshi Kuwahara	Director and Managing Executive Officer	—	●	●	●	●	●	●	●	●	●	●
Tetsuo Sakurai	Director and Managing Executive Officer	—	●	●	●	●	●	●	●	●	●	●
Shigeki Mine	Director and Managing Executive Officer	—	●	●	●	●	●	●	●	●	●	●
Susumu Fujimoto	Director	Outside, independent	●	●	●	●	●	●	●	●	●	●
Shinya Yamada	Director (Audit & Supervisory Committee Member)	Outside, independent	●	●	●	●	●	●	●	●	●	●
Junko Kogayu	Director (Audit & Supervisory Committee Member)	Outside, independent	●	●	●	●	●	●	●	●	●	●
Kazuhiro Suzuki	Director (Audit & Supervisory Committee Member)	Outside, independent	●	●	●	●	●	●	●	●	●	●

The above list does not represent all of the expertise or experience possessed by each individual.

VI Evaluation from society

Inclusion in ESG Indexes, etc



Carbon Disclosure Project (CDP)

The Carbon Disclosure Project (CDP) is an international NGO that promotes environmental information disclosure by companies around the world.

We have been responding to the climate change questionnaire since FY2022, and were awarded a B rating (management level) in CDP2023.

This indicates that the Company has been evaluated as "understanding and acting on its own environmental risks and impacts."



FTSE Blossom Japan Sector Relative Index

FTSE Blossom Japan Sector Relative Index

An index created by FTSE Russell that reflects the performance of Japanese companies that are relatively superior in their response to environmental, social, and governance (ESG) issues within each sector.

The index is designed to be sector-neutral and, in order to promote the transition to a low-carbon economy, only includes companies that are recognized for their efforts to improve their greenhouse gas emissions through the Transition Pathway Initiative Management Quality (TPI MQ) score*, particularly for companies with high greenhouse gas emissions.

* Assesses the quality of a company's management of greenhouse gas emissions and the risks and opportunities associated with the low-carbon transition.



S&P/JPX Carbon Efficient Index

The S&P/JPX Carbon Efficient Index determines the weight of constituents in the TOPIX based mainly on the disclosure status of environmental information and the level of carbon efficiency (carbon emissions per unit of sales). We are a constituent of the index.



DBJ BCM Rating

DBJ BCM Rating is a rating system by which Development Bank of Japan Inc. (DBJ) evaluates and selects companies with excellent disaster prevention and business continuity efforts. We have received a rating certification stating that our efforts in disaster prevention and business continuity are sufficient.

Certifications



Eruboshi certification (Ministry of Health, Labour and Welfare)

This is a system in which the Minister of Health, Labour and Welfare certifies companies with excellent implementation of initiatives related to the promotion of women's active participation, based on the Act on the Promotion of Women's Active Engagement in Professional Life (Women's Engagement Promotion Act). We were evaluated on a three-point scale based on five evaluation items, and on January 11, 2022, we received the highest three-star certification, meeting all the criteria.



Kurumin certification (Ministry of Health, Labour and Welfare)

This is a system in which the Minister of Health, Labour and Welfare certifies companies that have an excellent track record of initiatives related to childcare support, based on the Act on Advancement of Measures to Support Raising Next-Generation Children. We met all ten certification criteria and received certification on February 8, 2022.



Tomonin mark

Companies that are working to create a workplace environment that allows for a balance between work and nursing care can apply to the Ministry of Health, Labour and Welfare to use this mark. We acquired the mark on January 23, 2018.



Yokohama City SDGs Certification System "Y-SDGs"

We received "Supreme" certification in the 9th certification project of the Yokohama City SDGs certification system "Y-SDGs." Our efforts in the areas of "environment," "society," "governance," and "community" were evaluated.



Minato SDGs Partner

We are registered with the "Minato SDGs Partner Registration System" established by the Ministry of Land, Infrastructure, Transport and Tourism. The purpose of this system is to widely disseminate the efforts of port-related companies and organizations to achieve the SDGs and the importance of such efforts, thereby communicating the social role of ports and port-related industries, and leading to sustainable development in the future.



Kanagawa SDGs Partner

We are registered with the "Kanagawa SDGs Partner" program, a system under which Kanagawa Prefecture solicits, registers, and disseminates information on companies and organizations that are actively engaged in activities promoting the SDGs, and these companies and organizations work together with the prefecture to promote the SDGs.

Data Section

11-Year summary

	Unit	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
Operating results												
Net sales	millions of yen	193,709	204,461	201,705	201,209	216,924	218,040	197,387	155,915	192,699	194,165	169,934
Operating profit	millions of yen	4,042	4,664	5,587	5,607	6,389	5,698	3,528	2,611	9,098	12,643	8,073
Ordinary profit	millions of yen	4,681	5,135	5,887	6,266	6,869	6,584	4,114	4,287	9,859	13,634	9,463
Profit attributable to owners of parent	millions of yen	2,624	2,447	3,196	4,457	5,210	4,426	2,705	2,007	6,365	10,528	8,649
Financial position												
Current assets	millions of yen	46,362	48,760	48,284	52,489	55,384	55,285	48,693	53,506	62,209	62,485	67,720
Total assets	millions of yen	109,486	114,224	108,439	112,413	120,030	120,516	118,678	132,973	144,898	153,263	174,346
Current liabilities	millions of yen	34,016	34,277	27,854	29,615	32,910	33,384	31,518	33,824	38,815	35,880	41,922
Net assets	millions of yen	46,636	52,282	50,747	55,128	61,041	62,070	60,437	65,848	74,406	85,263	102,220
Cash flows												
Cash flows from operating activities	millions of yen	5,970	3,934	6,342	8,368	7,142	6,987	10,801	4,955	9,540	17,922	13,593
Cash flows from investing activities	millions of yen	(3,807)	(1,118)	(1,486)	(2,143)	(3,131)	(4,650)	(6,117)	(8,938)	(3,586)	(5,557)	(1,922)
Cash flows from financing activities	millions of yen	(1,595)	(1,965)	(4,189)	(4,636)	(3,050)	(1,266)	(4,711)	1,973	(5,438)	(8,615)	(9,600)
Free cash flow	millions of yen	2,163	2,816	4,856	6,225	4,011	2,337	4,684	(3,983)	5,954	12,365	11,670
Cash and cash equivalents at end of period	millions of yen	12,595	14,272	14,598	15,936	17,106	17,846	18,474	16,949	18,168	22,466	26,359
Per-share information												
Dividends per share*	yen	37.5	40.0	40.0	45.0	50.0	55.0	56.0	56.0	60.0	90.0	110.0
Basic earnings per share*	yen	132.83	123.41	160.47	223.29	263.61	223.95	137.13	103.55	329.61	540.47	450.87
Net assets per share*	yen	2,279.27	2,541.96	2,454.49	2,674.49	2,965.95	3,020.69	2,968.03	3,296.04	3,693.10	4,201.29	5,111.10
Financial indicators												
Return on assets (ROA)	%	4.4	4.6	5.3	5.7	5.9	5.5	3.4	3.4	7.1	9.1	5.8
Return on equity	%	6.1	5.1	6.4	8.8	9.3	7.5	4.6	3.3	9.4	13.7	9.7
Equity ratio	%	41.2	44.2	45.2	47.0	49.1	49.5	48.9	47.6	49.4	53.6	55.4
Price/earnings ratio	Times	11.1	12.4	9.6	8.3	10.6	8.3	11.7	14.0	5.0	3.9	6.4
Others												
Capital investment	millions of yen	2,097	2,127	2,062	2,265	2,933	6,744	6,310	10,177	5,359	14,139	15,025
Depreciation	millions of yen	2,768	2,881	2,724	2,625	2,681	2,609	5,062	5,311	5,878	5,571	6,415

* The Company executed a 1-for-5 reverse stock split of common stock effective October 1, 2017.
"Dividends per share," "basic earnings per share," and "net assets per share" are calculated as if the reverse stock split was carried out at the start of FY2013.

Financial and Non-financial Information

Financial Information

Consolidated Balance Sheet (millions of yen)

Item	FY2022	FY2023
Assets		
Current assets	62,485	67,720
Cash and cash equivalents	25,923	28,927
Notes and accounts receivable-trade	29,169	30,327
Others	7,507	8,589
Allowance for doubtful accounts	(115)	(124)
Noncurrent assets	90,777	106,626
Property, plant, and equipment	64,703	72,292
Buildings and structures	31,291	35,651
Machinery, equipment, and vehicles	4,108	4,686
Land	26,379	29,844
Other noncurrent assets	2,923	2,110
Intangible assets	1,380	2,940
Investments and other assets	24,693	31,393
Investment securities	18,156	21,106
Others	6,537	10,287
Total assets	153,263	174,346
Liabilities		
Current liabilities	35,880	41,922
Notes and accounts payable-trade	11,066	13,188
Short-term loans payable	7,738	9,909
Others	17,075	18,824
Noncurrent liabilities	32,120	30,203
Bonds payable	1,000	1,000
Long-term loans payable	16,934	12,387
Others	14,185	16,816
Total liabilities	68,000	72,125
Net assets		
Shareholders' equity	73,182	78,082
Capital stock	6,097	6,097
Capital surplus	4,712	4,721
Retained earnings	63,428	70,114
Treasury stock	(1,056)	(2,849)
Other comprehensive income	8,952	18,520
Non-controlling interests	3,129	5,617
Total net assets	85,263	102,220
Total liabilities and net assets	153,263	174,346

Consolidated Statement of Income (millions of yen)

Item	FY2022	FY2023
Net sales	194,165	169,934
Cost of sales	167,560	146,488
Gross profit	26,605	23,445
Selling, general and administrative expenses	13,961	15,372
Operating income	12,643	8,073
Non-operating income	1,889	1,920
Non-operating expenses	898	530
Ordinary income	13,634	9,463
Extraordinary income	1,071	3,010
Extraordinary loss	333	400
Income before income taxes	14,371	12,072
Income taxes-current	4,057	4,523
Income taxes-deferred	(599)	(1,459)
Total taxes	3,458	3,064
Net income	10,913	9,008
Profit attributable to non-controlling interests	385	359
Profit attributable to owners of parent	10,528	8,649

Consolidated Statements of Cash Flows (millions of yen)

Item	FY2022	FY2023
Cash flows from operating activities	17,922	13,593
Cash flows from investing activities	(5,557)	(1,922)
Cash flows from financing activities	(8,615)	(9,600)
Effect of exchange rate change on cash and cash equivalents	548	1,822
Net increase (decrease) in cash and cash equivalents	4,298	3,893
Cash and cash equivalents at beginning of year	18,168	22,466
Cash and cash equivalents at end of year	22,466	26,359

Non-Financial Information (Nissin Corporation on a non-consolidated basis)

Environmental data

Item	Unit	FY2020	FY2021	FY2022	FY2023
CDP score	—	—	—	D	B
Total energy consumption	Crude oil equivalent KL	7,474	7,740	7,508	6,986
Electricity	Crude oil equivalent KL	6,110	6,355	6,276	5,716
Diesel	Crude oil equivalent KL	1,098	1,112	965	993
Gasoline	Crude oil equivalent KL	70	71	74	81
Other	Crude oil equivalent KL	195	201	191	195
GHG emissions (non-consolidated)					
Scope 1	t-CO ₂	4,040	3,733	3,304	3,035
Scope 2	t-CO ₂	10,593	11,380	9,330	7,693
Scope 3	t-CO ₂	—	—	1,035,381	792,486
GHG emissions (consolidated)					
Scope 1	t-CO ₂	—	—	26,243	26,533
Scope 2	t-CO ₂	—	—	15,280	13,598
CFC leakage	t-CO ₂	719	385	386	45
Electricity consumption	1,000 kWh	24,270	25,246	24,932	26,191
Electricity generated from renewable energy	1,000 kWh	1,407	1,336	1,365	1,320
Electricity consumption from renewable energy	1,000 kWh	0	277	3,672	9,207
Proportion of electricity consumption from renewable energy	%	0.0	1.1	14.7	35.9
Eco-car rate (business vehicles)	%	13.5	12.9	26.2	48.6
Proportion of LEDs	%	41.0	48.6	55.6	69.6
Proportion of electric forklifts	%	—	—	66.9	71.9
Amount of industrial waste (total)	t	—	11,584	8,993	2,416
Environment-related legal and regulatory violations	Cases	0	0	0	0

Social data

Item	Unit	FY2020	FY2021	FY2022	FY2023
Total number of employees		1,636	1,685	1,601	1,583
Male	Persons	1,081	1,091	1,041	1,029
Female	Persons	555	594	560	554
Ratio of female managers	%	8.5	8.5	8.3	9.2
Number of new graduate recruits		69	71	48	64
Male	Persons	40	38	32	33
Female	Persons	29	33	16	31
Graduate recruit retention rate	%	78.0	83.1	87.0	88.7
Number of mid-career recruits		10	9	14	29
Male	Persons	2	2	1	17
Female	Persons	8	7	13	12
Number of foreign nationals employed	Persons	8	13	13	14
Employment rate of people with disabilities	%	2.0	2.0	2.1	3.0
Average length of employment		13.3	13.3	13.9	14.0
Male	Years	15.2	15.3	15.9	16.4
Female	Years	9.4	9.4	10.2	10.3
Employee turnover rate	%	2.7	3.4	4.0	3.0
Average overtime hours	Hours	17.0	16.0	13.3	11.6
Number of female childcare leave-takers	Persons	26	21	14	23
Number of male childcare leave-takers	Persons	20	16	15	26
Number of shortened working-hour program users (childcare/nursing care)	Persons	51	63	68	69
Days of annual paid leave taken	Days	8.9	9.5	10.9	11.9
Number of employees working overseas (those dispatched from Japan)	Persons	108	101	101	105
Training costs	Millions of yen	9	13	14	25

Governance data

Item	Unit	FY2020	FY2021	FY2022	FY2023
Directors' compensation (total)	Millions of yen	233	270	305	327
Attendance rate of Audit & Supervisory Committee Members at meetings of the Audit & Supervisory Committee	%	100.0	100.0	100.0	100.0
Attendance rate of Outside Directors at meetings of the Board of Directors	%	100.0	100.0	100.0	100.0
AEO training participation rate (compliance)	%	99.6	99.4	100.0	99.8
Reports through the internal whistleblowing system	Reports	4	5	9	4
Dialogue with investors	Reports	6	9	14	15

Company Data & Stock Information

Company Data (as of March 31, 2024)

Name: NISSIN CORPORATION
 Established: December 14, 1938
 Yokohama Head Office: 6-81 Onoe-Cho, Naka-Ku, Yokohama
 Tokyo Head Office: 1-6-4 Kojimachi, Chiyoda-ku, Chiyoda-ku, Tokyo
 Representative: Masahiro Tsutsui, President
 Capital: 6,097 million yen
 Fiscal year-end: March
 Accounting auditor: KPMG AZSA LLC
 Companies subject to consolidated accounting: 54 companies
 Number of employees: 5,868 (consolidated), 1,583 (non-consolidated)
 URL: <https://www.nissin-tw.com/>

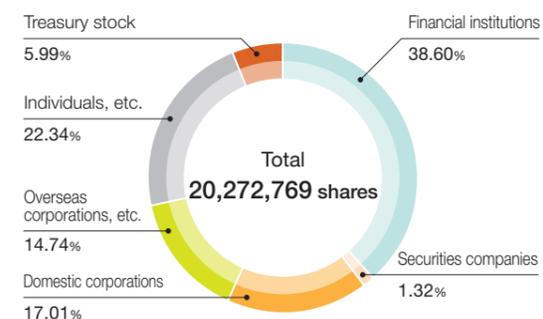
Stock Information (as of March 31, 2024)

Total number of authorized shares: 40,000,000 shares
 Total number of issued shares: 20,272,769 shares
 Total number of shareholders: 5,017
 Shares per unit: 100 shares
 Listed stock exchange: Prime Market of Tokyo Stock Exchange
 Securities code: 9066
 Shareholder registry administrator: Mitsubishi UFJ Trust and Banking Corporation

Rating

Rating agency: Rating and Investment Information, Inc. (R&I)
 Type: Issuer rating
 Rating: A-
 Rating outlook: Stable

Distribution of shareholders (as of March 31, 2024)



Main shareholders (as of March 31, 2024)

Name	No. of shares held (thousand shares)	Ownership of Voting Shares (%)
The Master Trust Bank of Japan, Ltd. (trust account)	1,806	9.47
The Bank of Yokohama, Ltd.	978	5.13
Nissin Shoji Co., Ltd.	890	4.67
The Bank of Mitsubishi UFJ, Ltd.	870	4.56
Nissin Employee Stock Ownership Association	861	4.51
Custody Bank of Japan, Ltd.	794	4.16
Nippon Life Insurance Company	735	3.85
Sumitomo Mitsui Banking Corporation	649	3.40
Nissin Kyoeikai	574	3.01
Sompo Japan Insurance Inc.	423	2.22

(Note) Percentage of shares held is calculated by the total number of shares excluding treasury stock (1,213,971 shares).

Group companies (as of April 31, 2024)

Japan

Hokkaido region

Hokkaido
 HOKKAIDO NISSIN CORPORATION
 HOKUSHIN KOUN CORPORATION

Kanto region

Chiba
 NISSEI KOUJUN CORPORATION
 Tokyo
 NISSIN TRAVEL SERVICE CO., LTD.
 NISSIN SHOJI CO., LTD.
 ITABASHI TRANSPORTATION CO., LTD.
 TAIYO MARINE CO., LTD.
 SHOWA NITTAN CORPORATION.
 KINKAI TANKER CO., LTD.

Kanagawa

TSURUMI WAREHOUSE CO., LTD.
 KEIHIN REAL ESTATE CO., LTD.
 NISSIN RIKUUN CO.,LTD
 YOKOKAI RIKUUN CO., LTD.
 NISSIN PACKAGING CO., LTD.
 NISSIN INDUSTRY CORPORATION
 MARUSHIN CO., LTD.
 NISSIN KOUSAN CORPORATION
 SHINEI UNYU CO., LTD.
 KOEI UNYU CO., LTD.
 HARADA KOWAN CO., LTD.
 SHINKO LUMBER CO., LTD.

Chubu region

Aichi
 AICHI NISSIN CO., LTD.

Kansai region

Osaka
 NISSIN AIRPORT SERVICE CO., LTD.
 TSURUMARU UNYU CO., LTD.
 MARUSHIN KOUN CO., LTD.
 MATSUBISHI UNYU CO., LTD.
 Hyogo
 SHIGA NISSIN CORPORATION
 NICHIEI UNYU CO., LTD.
 SHINKO KONPO CO., LTD.

Kyusyu region

Fukuoka
 KYUSYU NISSIN CORPORATION

Overseas

Americas

United States
 NISSIN INTERNATIONAL TRANSPORT U.S.A., INC.
 Canada
 NISSIN TRANSPORT (CANADA) INC.
 Mexico
 NISTRANS INTERNACIONAL DE MEXICO,S.DE R.L.DE C.V.

Europe

Germany
 NISSIN TRANSPORT GMBH
 Netherlands
 NISSIN TRANSPORT GMBH TILBURG BRANCH
 Spain
 NISSIN TRANSPORT GMBH SPAIN BRANCH

United Kingdom

NISSIN (U.K.) LTD.

France

NISSIN FRANCE S.A.S.

Belgium

NISSIN BELGIUM N.V.

Poland

NISSIN LOGISTICS POLAND SP. Z O.O.

Austria

NISSIN TRANSPORT GES. MBH

Russia

LIMITED LIABILITY COMPANY "NISSIN RUS"

Asia

Singapore

NISSIN TRANSPORT (S) PTE. LTD.

Thailand

SIAM NISTRANS CO., LTD.
 BEST COLD CHAIN CO., LTD.
 SIAM NISSIN & SEO LOGISTICS CO., LTD.
 NALUX TRADING (THAILAND) CO.,LTD.

Malaysia

NISTRANS (M) SDN. BHD.
 NISSIN INTERNATIONAL LOGISTICS (M) SDN. BHD.
 KONSEP EKSPRES SDN.BHD.

Philippines

NISSIN TRANSPORT PHILIPPINES CORPORATION
 ANCHOR LOGISTICS FACILITIES CORPORATION.

India

NISSIN ABC LOGISTICS PRIVATE LIMITED

Indonesia

PT.NISSIN JAYA INDONESIA
 PT.NISSIN TRANSPORT INDONESIA

Vietnam

NISSIN LOGISTICS (VN) CO., LTD.
 NR GREENLINES LOGISTICS CO., LTD.

Laos

LAO NISSIN SMT CO., LTD.

China

China
 NISSIN-SINOTRANS INTERNATIONAL LOGISTICS CO., LTD.
 SHANGHAI GAOSIN INTERNATIONAL LOGISTICS CO., LTD.
 NISSIN INTERNATIONAL LOGISTICS(C)CO., LTD.
 NISSIN (CHANGSHU) INTERNATIONAL LOGISTICS CO., LTD.
 NISSIN LOGISTICS SHENZHEN CO., LTD.

Hong Kong

NISSIN TRANSPORTATION & WAREHOUSING (H.K.) LTD.

Taiwan

NISSIN GLOBAL LOGISTICS(TAIWAN) CO., LTD.