



CSR REPORT

NISSIN FOODS GROUP Corporate Social Responsibility

2017





NISSIN's journey begins with the hopes and aspirations of Founder Momofuku Ando guiding the way.

As Momofuku Ando was passing by a black market area in Osaka soon after the Second World War, he happened to see a long line of hungry people waiting in the cold for a bowl of hot ramen noodles. This experience made Ando keenly aware of the critical importance of food. He realized that in the absence of food, clothing and shelter are useless, and there can be no art or culture. A determined Ando set up a makeshift laboratory in a shed behind his home and immersed himself in development of a new food product. Through a process of trial and error, in 1958 he invented *Chicken Ramen*, the world's first instant noodles. This breakthrough marked the beginning of the NISSIN FOODS Group's journey of food creation.

ENDURING VALUES

The Group Philosophy is built on four tenets propounded by NISSIN FOODS founder Momofuku Ando. The spirit of the founder expressed in these tenets is the foundation of the enduring value system that gives direction to the NISSIN FOODS Group.

Shoku-soku Se-hei
食足世平

Peace will come to the world when there is enough food

Food is the most important pillar supporting human life. People can discuss culture, art, and ideas only when they have sufficient food. If the supply of food is disrupted, a country is bound to decline and conflict invariably occurs. The business operations of the NISSIN FOODS Group originated from this basic human principle.

Shoku-so I-sei
食創為世

Create foods to serve society

A spirit of creativity is the most important thing of all for a company. Creativity means the power to create innovative products through new ideas and technologies. The NISSIN FOODS Group creates foods to serve society. We are creating a new food culture and providing people all over the world with happiness and inspiration.

Bi-ken Ken-shoku
美健賢食

Eat wisely for beauty and health

The desire to satisfy hunger and the taste buds is a common human instinct. However, it is not the only role of food. Food is also important for forming strong bodies and maintaining health. Since a beautiful, healthy body is the product of a sensible diet, the NISSIN FOODS Group pursues food functionality and advocates a wise diet.

Shoku-i Sei-shoku
食為聖職

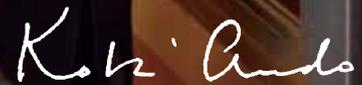
Food related jobs are a sacred profession

Food production is an occupation that supports the very essence of life. For this reason, those who work in the food industry must have a pure spirit that inspires them to serve society and contribute to human health and world peace. Working with food is a sacred profession, and it is the mission of the NISSIN FOODS Group to provide the world with safe, delicious, healthy food.



TOP MESSAGE

Aspiring to Remain a Company Needed by Society



Koki Ando
President & Representative Director
CEO (Chief Executive Officer)

Thinking about a Sustainable Future for the World and Contributing to Society through Food

In January 2016, the Sustainable Development Goals (SDGs), an action plan for people, planet, and prosperity adopted at the historic United Nations Summit in 2015, officially came into force. Subsequently, the Paris Agreement, international rules for global warming countermeasures adopted in 2015, officially came into effect in November 2016. The Japanese government's Japan Revitalization Strategy calls for the promotion of energy saving and the enhancement of corporate governance. These important developments indicate that it is now an urgent imperative for industry to appropri-

ately address ESG (Environment, Social, Governance) issues to help solve problems occurring on a global scale. It is naturally the responsibility of the NISSIN FOODS Group, which seeks "Recognition as a global company," to help find solutions to these issues.

Today, some 800 million people around the world suffer from hunger, and some countries have been plunged into food crises due to the depletion of water resources. Global warming has a serious impact on crops, and there are concerns over the tight supply-demand balance for food accompanying a global population increase. In these circumstances, stable food production is a pressing issue for the entire world.

The NISSIN FOODS Group strives to eradicate hunger in the world through support for the United Nations World Food Programme (WFP)*¹ and works to reduce environmental impacts at every stage of all business activities in accordance with the NISSIN FOODS Group Environmental Charter. Furthermore, *CUP NOODLES* is an extremely efficient food product when considered from the perspectives of original calories*² and virtual water*³. It can be said that the Group contributes to the effective utilization of food resources and reduction of environmental impacts even in product design.

The NISSIN FOODS Group bases its corporate activities on the spirit of the

founder, Momofuku Ando, who believed that “Peace will come to the world when there is enough food.” Contributing to society through food is the mission of the Group.

Accepting Full Responsibility for Product Safety, Security, and Health As a Brand Owner

Food safety is the lifeblood of a food company, and the NISSIN FOODS Group has made the pursuit of safety the highest management priority ever since its founding. We are establishing food safety management systems through measures such as the introduction of pharmaceutical-level safety standards in product quality management.

However, it is insufficient to consider only the safety of food products. Any anxiety at all felt by consumers is enough to disqualify a food product. This is because anxiety can become a “mental hazard” that will destroy enjoyment of eating and experiencing the deliciousness of food.

In September 2016, NISSIN FOODS (U.S.A.) launched *CUP NOODLES* with reduced sodium content, no added MSG (monosodium glutamate), and no artificial flavors. This new recipe was based on surveying hundreds of loyal consumers and mirrors shopper preferences for products with “cleaner” label and natural ingredients. At the same time, people are unwilling to sacrifice taste, so the company made sure the taste was as good, or even better, than the original recipe. Eating with peace of mind contributes to ultimate deliciousness.

At the Health Science Research Division, newly established in 2015 within “the WAVE” R&D center, we conduct research focused on health and nutrition, such as food product functions, immunity, and metabolism. This is based on one of the spirits of the founder, “Eat wisely for beauty and health,” the belief that a beautiful, healthy body is the product of a sensible diet.

A food company that supports people’s lives must be constantly mindful of the physical and mental well-being of consumers. Accepting responsibility for every aspect of product safety, security,

and health is our duty as a brand owner.

Our Business Itself Constitutes CSR Contributing to Society Regardless of Ordinary Times and Emergencies

Food products by definition contribute to society in their function of sustaining life. We believe that instant noodles, which have a long shelf life and are simple to prepare, make a particularly important contribution to society since they are valuable for use as emergency relief supplies.

The NISSIN FOODS Group provides cup-type instant noodles free of charge to persons in disaster areas when a major natural disaster such as the Great East Japan Earthquake or Kumamoto Earthquake occurs. In cooperation with the World Instant Noodles Association (WINA)*4, over the years we have provided free of charge more than five million servings of instant noodles to victims of a total of 27 disasters worldwide.

We provide enjoyable products every day and distribute life-sustaining food during emergencies. We take great pride in contributing to society in ordinary times and emergency situations alike. In other words, the NISSIN FOODS Group’s very business activities constitute CSR.

Strengthening Corporate Governance Managing the Group with Decency and a Sense of Justice

Society has increasingly high expectations for corporate governance. The NISSIN FOODS Group has long sought the opinions of outside experts and promoted management vitalization and transparency. In 2016, we implemented a major reorganization of the Board of Directors that emphasizes the Corporate Governance Code and further strengthened the oversight function of the Board of Directors.

However, no matter how strong a company’s governance system may be, if top management lacks sound management thinking, the company will collapse. As CEO, I will continue to manage the Group with decency and a sense of justice, mindful of the tenet “Food related jobs are sacred profession.”

Following through with Our Commitment to Achieve Market Capitalization of ¥1 Trillion

The NISSIN FOODS Group is currently working under the Medium-Term Business Plan 2021, which started in 2016 and covers five years. The aim of the plan is to enhance our reputation as a global company in order to embody the Group philosophy, signified by “EARTH FOOD CREATOR.” We have set the quantitative target of market capitalization of ¥1 trillion in fiscal year 2021 as one requirement for realization of this vision. It will be impossible to achieve this target unless we share the Group’s vision for growth with all of our stakeholders.

We made a very solid start in the first year of the business plan by exceeding our initial business performance targets for fiscal year 2017. The foundation for achieving market capitalization of ¥1 trillion yen has been laid. All that remains is to follow through with our commitment and execute the business plan.

Aspiring to Remain a Company Needed by Society

The NISSIN FOODS Group strongly desires to remain a company needed by society. Needless to say, this means that we must understand and be responsible for all impacts our corporate activities have on society as relates to consumers, local communities, shareholders, investors, the environment, and all other stakeholders, and contribute to global sustainability through our business activities.

On that basis, in keeping with the tenet “Create foods to serve society,” we will pursue the various possibilities of food, create dream-inspiring deliciousness, and gratify people with pleasures and delights food can provide. I believe that this will ultimately lead to sustained corporate growth.

*1. See page 35.

*2. The amount of feed necessary for the production of meat, fish, eggs, and other items used as foodstuffs, expressed in calories.

*3. The estimated amount of water necessary for the production of imported crops and foodstuffs.

*4. See page 34.

A stylized illustration of a mountain landscape. In the foreground, a woman in a pink shirt and blue pants stands by a campfire, holding a white cup. To her left is a white tent. In the middle ground, a hiker with a blue backpack is crouching on a rocky path. In the bottom right, a person is sitting on the ground, also holding a white cup. The background features a dark brown mountain slope with green foliage at the top. The sky is a light blue gradient.

A flash of insight opened the path to a new creation.

In developing instant noodles, Momofuku Ando struggled with the problem of creating a product with a long shelf life that would be easy to prepare. One day, Ando went into the kitchen when his wife was deep-frying tempura. “This was the answer! Apply the principle of tempura preparation to noodles.” In this way, he had discovered “flash-frying,” the basis of instant noodles.



Ando, who had begun development of instant noodles to be sold in cups and eaten with a fork, struggled to find a suitable method of fitting the noodles snugly into cups. Asleep or awake, he thought about the problem constantly. One night, after he had retired to bed, he had a sudden inspiration that made the ceiling seem to spin. The solution wasn't to drop a block of noodles into a cup, but rather to turn the block upside down and place the cup face down over it from above. This "idea of reversal" made possible the production of *CUP NOODLES*, the world's first cup-type instant noodles, introduced in 1971.

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The NISSIN FOODS Group's Businesses

Instant Noodles

NISSIN FOOD PRODUCTS and MYOJO FOODS

Two NISSIN FOODS Group companies provide a wide variety of products that meet the needs of customers in the instant noodles business. NISSIN FOOD PRODUCTS has a brand portfolio that includes *Chicken Ramen*, the world's first instant noodles, *CUP NOODLES*, the world's first cup-type instant noodles, *NISSIN DONBEI*, *NISSIN YAKISOBA U.F.O.*, and *NISSIN RAOH*. MYOJO FOODS is known for long-selling products such as *MYOJO CHARUMERA*, *MYOJO CHUKAZANMAI*, and *MYOJO IPPEI-CHAN*.





Chilled and Frozen Foods

NISSIN CHILLED FOODS and NISSIN FROZEN FOODS

NISSIN CHILLED FOODS sells food products chilled to a temperature range of 10°C or below. The company pursues a sense of freshness and genuine flavor in products such as *Gyoretsu-no-Dekiru-Mise-no-Ramen* and *Tsukemen-no-Tatsujin*. NISSIN FROZEN FOODS sells convenient and appetizing frozen foods such as *Reito NISSIN Mochitto Nama Pasta* and *Reito NISSIN GooTa*. The Group's chilled foods and frozen foods are enjoyed by a wide range of customers who seek authentic restaurant flavor.



Confectionery and Beverages

NISSIN CISCO, NISSIN YORK and BONCHI

Two Group companies engage in the confectioneries business: NISSIN CISCO markets the long-selling product *COCONUT SABLE* and other confectioneries and cereal products including *CISCORN* and *GOROTTO GRANOLA*, and BONCHI is known for products such as *BONCHI-AGE* rice crackers. In the beverages business, NISSIN YORK sells lactobacillus drinks and yogurt products such as *PILKUL* and *TOKACHI NOMU YOGURT*.



Overseas Business

The Americas, China, Asia, Europe

Since entering the U.S. market in 1970, the NISSIN FOODS Group has expanded its business operations to Mexico, Brazil, Colombia, and other countries in the Americas. We have also expanded into China, Singapore, India, Thailand, Indonesia, and other countries in the Asia region, and into Hungary, Germany, and other countries in the EMEA region. The Group's basic approach to overseas operations is to engage in local production and marketing. The Group has implemented a strategy of globalizing *CUP NOODLES* since 2016 and has begun offering common flavors in markets around the worlds.



OVERVIEW OF THE NISSIN FOODS GROUP (as of March 31, 2017)



Japan

Instant Noodles Products and Incidental Businesses

- NISSIN FOOD PRODUCTS CO., LTD.
- SAPPORO NISSIN CO., LTD.
- NISSIN PLASTICS CO., LTD.
- NISSIN F.D. FOODS CO., LTD.
- KAGAWA NISSIN FOOD PRODUCTS CO., LTD.
- NISSIN ENTERPRISE CORPORATION
- AJINIHON CO., LTD.
- MYOJO FOODS CO., LTD.
- HIGASHINIHO MYOJO CO., LTD.
- NISHINIHO MYOJO CO., LTD.
- UNI-STAR CO., LTD.

Chilled and Frozen Food Products and Incidental Businesses

- NISSIN CHILLED FOODS CO., LTD.
- SAITAMA NISSIN FOOD PRODUCTS CO., LTD.
- SAGAMI FRESH CO., LTD.
- NISSIN FROZEN FOODS CO., LTD.
- SHIKOKU NISSIN FOOD PRODUCTS CO., LTD.
- TAKAMATSU NISSIN FOOD PRODUCTS CO., LTD.
- MIE NISSIN FOOD PRODUCTS CO., LTD.
- CIRCLE LINERS CO., LTD.
- NICKY FOODS CO., LTD.

1 other company

Confectionery and Beverages Products and Other Businesses

- NISSIN CISCO CO., LTD.
- NISSIN YORK CO., LTD.
- BONCHI CO., LTD.
- NISSIN ASSET MANAGEMENT CO., LTD.
- UJI KAIHATSU DEVELOPMENT CO., LTD.
- NISSIN NETCOM CO., LTD.
- KOIKE-YA INC.
- NISSIN BUSINESS SUPPORT PLUS CO., LTD.

EMEA

- NISSIN FOODS GMBH
- NISSIN FOODS KFT.
- NISSIN YILDIZ GIDA SANAYI VE TICARET A.S.
- MAREVEN FOOD HOLDINGS LIMITED
- JKUAT NISSIN FOODS LTD.
- NISSIN MAGHREB SARLAU

Asia

- NISSIN FOODS (ASIA) PTE. LTD.
- INDO NISSIN FOODS PRIVATE LTD.
- NISSIN FOODS INDIA LTD.
- NISSIN FOODS VIETNAM CO., LTD.
- NISSIN FOODS (THAILAND) CO., LTD.
- NISSIN FOODS SINGAPORE PTE. LTD.
- PT. NISSIN FOODS INDONESIA
- THAI PRESIDENT FOODS PUBLIC COMPANY LIMITED
- NISSIN-UNIVERSAL ROBINA CORP.
- PREMIER DRIED FOODS CO., LTD.

1 other company

China

- NISSIN FOODS CO., LTD.
- WINNER FOOD PRODUCTS LTD.
- NISSIN FOODS (CHINA) HOLDING CO., LTD.
- SHANGHAI NISSIN FOODS CO., LTD.
- GUANGDONG SHUNDE NISSIN FOODS CO., LTD.
- ZHUHAI GOLDEN COAST WINNER FOOD PRODUCTS LTD.
- GUANGYOUNAN FOOD PRODUCTS (SHENZHEN) CO., LTD.
- NISSIN FOODS (HK) MANAGEMENT CO., LTD.
- NISSIN FOODS (H.K.) CO., LTD.
- NISSIN KOIKEYA FOODS (CHINA & HK) CO., LTD.
- DONGGUAN NISSIN PACKAGING CO., LTD.
- FUJIAN NISSIN FOODS CO., LTD.
- ZHEJIANG NISSIN FOODS CO., LTD.
- MC MARKETING & SALES (HONG KONG) LIMITED
- FOOD SAFETY EVALUATION RESEARCH INSTITUTE CO., LTD. (Shanghai)
- BEIJING ZHENGBEN ADVERTISING CO., LTD

3 other companies

The Americas

- NISSIN FOODS (U.S.A) CO., INC.
- MYOJO U.S.A., INC.
- NISSIN FOODS DO BRASIL LTDA.
- NISSIN FOODS DE MEXICO S.A. DE C.V.
- NISSIN FOODS DE COLOMBIA S.A.S.

2 other companies

Note ● Consolidated subsidiary ● Equity-method affiliate ● Unconsolidated subsidiary ● Affiliate

Corporate Information

Trade name: NISSIN FOODS HOLDINGS CO., LTD.

Head offices: TOKYO HEAD OFFICE
28-1, 6-chome, Shinjuku, Shinjuku-ku, Tokyo
OSAKA HEAD OFFICE
1-1, 4-chome, Nishinakajima, Yodogawa-ku, Osaka

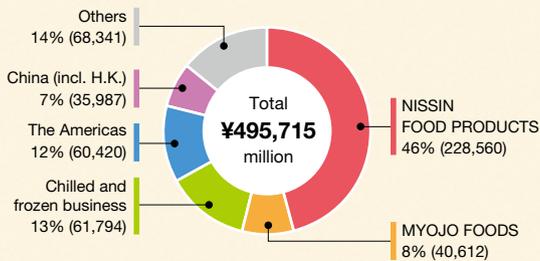
Date of establishment: September 1948

Paid-in capital: ¥25,122 million

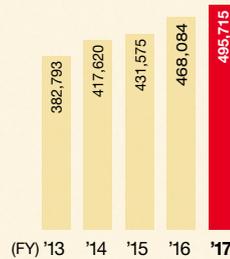
Number of employees: 11,710 (consolidated basis)

Business Results (Consolidated)

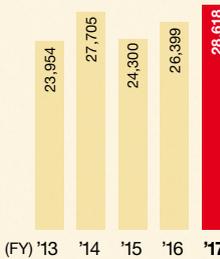
Sales Contribution by Segment (FY2017 in millions of yen)



Net sales (millions of yen)



Operating income (millions of yen)

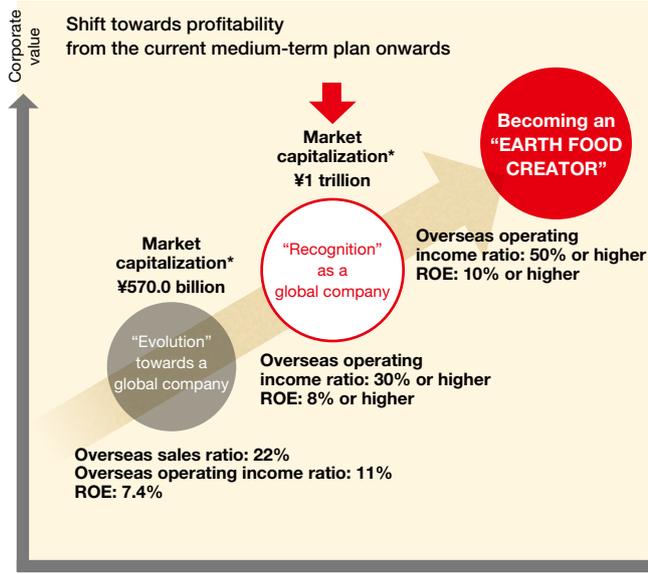


Net income attributable to owners of parent (millions of yen)



NISSIN FOODS Group Medium-Term Business Plan 2021

Positioning of Current Medium-Term Business Plan



Medium-Term Business Plan 2016 (Previous plan)

Medium-Term Business Plan 2021 (Current plan)

*Market capitalization = Share price x Issued shares at fiscal year-end (after deduction of treasury shares)

FY2021 Financial Targets (KPIs)

We treat “earning power through operations” and “value in capital markets (market capitalization)” as requirements for recognition as a global company and set KPIs accordingly.

	FY2017		FY2021	
	Results (Japanese accounting standards)	Reference values (Japanese accounting standards)	Targets (IFRS standards)	
Earning power through operations	Net sales	¥495.7 billion	(¥600.0 billion)	¥550.0 billion
	Adjusted operating income*1	¥32.9 billion	(¥40.0 billion)	¥47.5 billion
Value in capital markets	Market capitalization*2	¥640.0 billion		¥1.0 trillion
	Net income*3	¥23.6 billion		¥33.0 billion
	ROE	6.7%		8% or higher
	Adjusted EPS*4	¥253	CAGR of 10% or higher	¥330

*Payout ratio: 40% or higher on average for the five-year period

*1 Adjusted operating income = Operating income - Impact of retirement benefit accounting

*2 Market capitalization = Stock price x Total number of shares issued (after deduction of treasury stock) as of the end of the period

*3 Net income = “Net income attributable to owners of parent” as per the Japanese Generally Accepted Accounting Principles (JGAAP), “Profit attributable to owners of parent” as per International Financial Reporting Standards (IFRS)

*4 Adjusted EPS = Adjusted NOPAT*5/Average total number of shares issued (after deduction of treasury stock) during the fiscal year

*5 Adjusted NOPAT = Adjusted operating income + Equity method gains or losses + Amortization of goodwill (including equity method companies) - Net income attributable to non-controlling interests

*6 Figures in the table are rounded off to the nearest unit.

SPECIAL FEATURE #1

Interview with Noritaka Ando, NISSIN FOOD PRODUCTS
President and Representative Director

Our unwavering quest to become a “Century Brand Company”

Aspiring to be a sustainable company that shapes the food culture of
the future and continuously provides unique value

NISSIN FOOD PRODUCTS continues to astonish the world with unconventional ideas and unique creativity. Driving this innovation are two key concepts developed by Noritaka Ando, President and Representative Director: “To Become a Century Brand Company” and “Beyond Instant Foods.” We asked President Ando about the ideas and actions that shaped these concepts.



Noritaka Ando

Executive Vice President & Representative Director, COO (Chief Operating Officer)
NISSIN FOODS HOLDINGS CO., LTD.
President & Representative Director
NISSIN FOOD PRODUCTS CO., LTD.

Winning the hearts of the Next Generation

Could you tell us about the key initiatives at NISSIN FOOD PRODUCTS in fiscal 2017?

Under Medium-Term Business Plan 2021, announced in 2016, the NISSIN FOODS Group aims to achieve market capitalization of ¥1 trillion in fiscal year 2021. "Laying stronger foundations for our domestic profit base" is one of five key strategy themes for achieving this target, and NISSIN FOOD PRODUCTS continuously engaged in our own distinctive brand communication targeting the "Next Generation," our name for the SNS generation.

In the 45th year since the introduction of *CUP NOODLES*, we have launched a brand communication theme under the slogan "CRAZY MAKES THE FUTURE", launched the *CUP NOODLES Rich* product line, the first premium *CUP NOODLES* products, and aired unique TV commercials. Social media-enabled customers were intrigued by the product name *CUP NOODLES Big Nazo Niku*^{*1} *Festival*, a product launched to commemorate the 45th anniversary of the brand. The product became such a huge hit that it temporarily sold out in no time.

What were the results of brand communication?

Our corporate posture of thinking outside the box was well received by large numbers of consumers, especially young people. NISSIN FOOD PRODUCTS surged from 20th last year to 5th in the rankings of "Japanese Companies Predicted to Survive 100 Years from Now" in a Riskmonster survey and ranked 1st for the first time in "the Randstad Award 2017" rankings of the most

attractive employers in Japan. The company also received the grand prize in the WOMJ Awards, newly established in 2016 and recognizing the most sensational word-of-mouth Internet phenomenon in Japan, ranking ahead of other word-of-mouth sensations such as the viral hit song "PPAP (Pen-Pineapple-Apple-Pen)."

I'm delighted with this recognition. I consider it a sign that consumers have strong trust in and high expectations for NISSIN FOOD PRODUCTS because of our technical development capabilities that create one groundbreaking product after another, unique and distinctive brand communication, and rigorous food safety activities.

A beautiful, healthy body is the product of a sensible diet.

Health consciousness about food is increasing.

According to a survey on consumer orientation toward food,^{*2} the aspect of food about which consumers are most strongly concerned is "health," followed by "cost efficiency" and "convenience." The health and wellness foods market has expanded by some 20% during the past four years. Nevertheless, sacrificing good taste, the most basic requirement of food, in the interest of health is putting the cart before the horse.

NISSIN FOOD PRODUCTS launched the new product line, *CUP NOODLES Nice* in April 2017. These are "guilt-free" products that have a richer flavor than regular *CUP NOODLES* but with 50% less fat,^{*3} 40% less carbohydrates,^{*3} and only about half the calories (178 calories). This product reduces fat, carbohydrates, calories, and "guilt."

In recent years, the importance of the intestines in human health has been a hot topic nationwide, so that now it is said that "the intestine is the second brain." NISSIN FOOD PRODUCTS established a health food brand "NISSIN FOODS WELLNESS" in January 2017, to offer a new category of products that respond to recent trends in customer demand. Initially, we have launched the *Allerlight* series, which features high-performance lactic acid bacteria.

NISSIN FOOD PRODUCTS will continue to promote "Eat wisely for beauty and health," one of the company tenets espoused by founder Momofuku Ando.

^{*1} "Nazo Niku" means "mystery meat" which is a dice-shaped topping, made of pork, vegetables, etc, contained in *CUP NOODLES*. NISSIN called it "diced ground meat," but at some point, consumers online began calling it "mystery meat," because it was difficult to tell what it was made of. They enjoyed the mystery of it all, and there was even a group formed called "Nazo Niku Lovers."

^{*2} "Consumer Behavior Survey: Food Orientation," Japan Finance Corporation (July 2016)

^{*3} Comparison with per-serving figures for *CUP NOODLES*

▼ *CUP NOODLES Nice*

The products have a rich flavor but 50% less fat,^{*3} 40% less carbohydrates,^{*3} and only 178 calories.



SPECIAL FEATURE #1
Interview with Noritaka Ando, NISSIN FOOD PRODUCTS
President and Representative Director



▲ **CUP NOODLES 45th Anniversary Commemorative Product**
“CUP NOODLES BIG Nazo Niku Festival”

This product contained ten times the seasoned minced pork, familiar to customers as the “mystery meat,” of ordinary CUP NOODLES BIG.

Innovation in food safety

New NISSIN FOOD PRODUCTS plant is scheduled for completion in 2019.

The Kansai Plant, new NISSIN FOOD PRODUCTS plant, is a challenging initiative to explore a future direction for food plants in preparation for full plant automation. We will pursue the ultimate in safety and productivity improvement utilizing IoT technologies and aim to reduce environmental impacts through energy efficiency improvement. We will fulfill our responsibility as a food company by establishing a supply structure that includes BCP (Business Continuity Plan) measures to strengthen systems capable of maintaining a steady supply of products to customers even when an earthquake disaster occurs.

The New NISSIN FOOD PRODUCTS Kansai Plant, Scheduled for Completion in 2019

A “next-generation smart factory” designed to improve product safety and competitiveness through utilization of IoT

The Kansai Plant, scheduled for completion in 2019, will be a highly advanced production plant that embodies the Company’s concept of a next-generation smart factory. The plant will introduce state-of-the-art facilities developed by “the WAVE”, the company’s R&D center, pursue automation and greater efficiency by utilizing IoT technologies, and improve product safety and cost competitiveness. The plant has been designed to realize cost reductions through labor saving of 50% or more and to reduce environmental impacts through energy efficiency improvement.



Work style reform that enables employees to experience growth

What are the CSR materialities at NISSIN FOOD PRODUCTS?

It goes without saying that the most important priority for a food company is to deliver safe, worry-free, high-quality products to customers. At the same time, I think that it is also important to create an environment where employees can come up with innovative, unique ideas for providing society with valuable products, a fundamental social responsibility of a company.

Since 2016, the Company has been implementing work style reforms with the aim of evolving into a company where employees make possible mutual growth and are able to see the results of their own individual growth, a sort of “Growth Experience Company.” Last year, we implemented various initiatives that have already begun to produce results. For instance, we converted our national sales conference into a training camp and workshop format and named it Growth Experience 2016. The participants explored a future vision as a company where employees break down the barriers imposed by organizations and job titles and work together as colleagues. I want our employees to embody “Think of your work as if it were play,” a phrase favored by the founder Momofuku Ando, while respecting each other’s values and experiencing their own individual growth little by little each day.

Work-life balance is important, too.

The founder said, “Working twenty-four hours isn’t the same as being at work twenty-four hours.” This notion is closely connected to what we now call “work-life balance.” Even if people put in long hours, they haven’t worked if they are merely sitting at their desks without coming up with creative ideas.

In 2015, the Company began “smart working,” a new work style that promotes “working hard, studying hard, and playing

hard.” I think that our success with innovative products, unique brand communication, and these work style reforms result in our public image as an intriguing company, which in turn has led to accolades such as the Randstad Award.

Eating and sports are the two axles of health

The NISSIN FOODS Group actively supports sports activities.

In accordance with founder Momofuku Ando’s belief that “Eating and sports are the two axles of health,” we support various sports activities. For instance, we encourage the efforts of young athletes to compete internationally through support for the initiatives of the Ando Foundation, such as the “NISSIN FOODS Cup” National Elementary School Track and Field Championships. I believe that contributing to the development of sports leads to development of people and society. Ryota Yamagata and Shota Iizuka, two members of the team that won a silver medal in the 400 meter relay race at the 2016 Rio Olympics, participated in the Elementary School Track and Field Championships and a third member, Yoshihide Kiryu, was supported by the Ando Foundation Global Challenge Project in 2016.

NISSIN also emphasizes sports marketing.

NISSIN FOODS HOLDINGS supports the Tokyo 2020 Games as a Tokyo 2020 Olympic and Paralympic Official Partner (in the category of Packaged Noodles and Pasta). NISSIN FOOD PRODUCTS has concluded affiliation agreements with tennis players Kei Nishikori, bronze medal winner at the Rio Olympics, and Naomi Osaka. The bold spirit of these two athletes, who compete against the world’s best with the aim of reaching the pinnacle of their sport, embodies the

Health Products from the NISSIN FOODS Group

NISSIN FOOD PRODUCTS *Allerlight Hyper*

Lactic acid bacteria are thought to have immunoregulatory effects. *Allerlight Hyper* is a dietary supplement that contains 500 billion lactic acid bacteria, equivalent to approximately 50 kilograms of yogurt, in just two tablets.



NISSIN YORK *Tokachi Nomu Yogurt Carbohydrates Off*

This product has 50% fewer carbohydrates and 33% fewer calories than the ordinary *Tokachi Nomu Yogurt* drink. It is slightly sweet, smooth and easy to drink, and has a delicious flavor that can be enjoyed every day.



NISSIN CISCO *Super Barley Granola*

This granola, containing Barley Max, a super barley that includes more than twice the soluble dietary fiber and four times the resistant starch of ordinary barley, is good for the body.



MYOJO FOODS *Myjo Low-Carb Noodles Hajimeya*

This cup-type noodle product, with 50% fewer carbohydrates and 25% less salt content, is for people who want to enjoy ramen but are concerned about carbohydrates.



NISSIN FOODS Group’s ethos “Hungry to win.” By supporting world-class athletes, we hope to fill children with hopes and dreams and foster the competitive spirit to compete on the world stage.

Creation of values that are “currently non-existent”

Do you have any concluding thoughts? NISSIN FOOD PRODUCTS aspires to be a sustainable company that shapes the food culture of the future and will continue to be beloved by consumers even a century from now. This is the desire expressed in “Beyond Instant Foods.”

The Company will continue the quest to be a “food culture innovation company” that provides the world with unprecedented new value, as we did with instant noodles.

We will continue the quest to be a “food culture innovation company”.





NISSIN's journey continues, step by step.

More than a half century after Momofuku Ando brought *Chicken Ramen* to the world, instant noodles, born in Japan, reached approximately 100 billion servings consumed per year. The spirit of the founder, who continued to pursue new possibilities in food, is carried on today by the employees of the NISSIN FOODS Group. The journey of NISSIN to provide enjoyment and excitement to people around the world continues to unfold.

NISSIN Activities Involving Mountains and Nature

August 11 has been designated a national holiday in Japan since 2016. Japan is a land of forests and mountains. Mountainous areas account for nearly 70% of the total land area, and from ancient times, the Japanese people have lived in harmony with mountains. Mount Fuji has even been registered as a World Heritage site.

On the other hand, there are many issues and challenges associated with mountains, including forest degradation, environmental problems, the need for wildlife protection, and climbing and hiking accidents. The NISSIN FOODS Group and the Ando Foundation recognize that mountains and the beauty of nature are essential to our physical and mental health, and engage in a variety of initiatives to pass on a love of mountains and nature to future generations and conserve precious mountain resources.



Protecting Forests and Effectively Using Mountain Resources through Tree Thinning and Crafting Chopsticks

Fantastic Chopsticks!! Forest Conservation Project

Japan's forests are being managed insufficiently and forest degradation is advancing, due in part to forest industry decline. Poorly maintained forests lose their vitality and cause serious problems such as degradation of the ability of forests to absorb CO₂ and increases in the number of landslide and avalanche disasters.

In the 18th Hyakufukushi Project, part of a series of unique CSR activities conducted by the NISSIN FOODS Group, Group employees help conserve a natural forest and effectively utilize a valuable natural resource by thinning trees to create a healthy forest and producing hand-made chopsticks from the thinned timber. (see p. 30)

Creation of a Design Space that Fuses Nature and Art Komoro Treehouse Project

A forest on the grounds of the Momofuku Ando Center, (Komoro City, Nagano) is the site of the Komoro Treehouse Project, in which seven treehouses designed by famous designers and architects are displayed to provide an opportunity for people to commune with nature through art. Together with community residents, the Center, operated by the Ando Foundation, holds an art festival in early summer and a harvest festival in autumn that feature workshops for people to interact with art and nature. In these festivals, food stalls serve specialties prepared with local seasonal ingredients. (see p. 28)



Cultivating Nature-Experience Activities Leaders

The “Idle to Idol” In-House Project

In the 2nd Hyakufukushi Project, Group employees are encouraged to spend their free time contributing to society by obtaining certification as nature experience activity leaders (NEAL)* and teaching children the wonders and fun of nature. The participants receive wide-ranging curriculum in nature experience activities in a program running two nights and three days. A total of 173 Group employees have been certified as nature experience activity leaders on twelve occasions during the eight-year period from 2008 to 2016.

*National Institution for Youth Education accredited NEAL leaders



Cultivating Children’s Independence through Nature Experience!

Tom Sawyer School Idea Contest

In accordance with the concept “Nature activities nurture children’s creativity and can-do spirit,” the Ando Foundation holds the Tom Sawyer School Idea Contest to solicit proposals for hands-on nature activities from schools and organizations from all over Japan to support and recognize unique, highly creative activities. The Ando Foundation introduces the content of these activities on the project’s website (www.shizen-taiken.com) and works to popularize and vitalize hands-on nature experience. (see p. 28)



Making Outdoor Meals More Fun!

Chicken Ramen Outdoor Goods Gift Campaign

In 2016, NISSIN FOOD PRODUCTS held the Outdoor Goods Gift Campaign, a drawing to select winners of outdoor goods featuring *Hiyoko-chan*, the cute yellow chick mascot of *Chicken Ramen*. The prizes were a cooler tote bag and tableware set containing mugs, bowls, and cutlery in an original design and an LED lantern that resembles *Hiyoko-chan*. The merchandise was designed to make meals enjoyed during outings in the mountains or on other outdoor occasions even more fun.

Note: This campaign has already ended.



Front

Back



R&D Center Employees Protect Biodiversity of a Satoyama Landscape in Hachioji

Satoyama Landscape Conservation Activity—Let’s Go for Biodiversity!

“The WAVE”, the NISSIN FOODS Group’s R&D center, is located close to Hachioji Tobuki-kita, designated as a special green conservation area in Tokyo. Since 2016, R&D employees have engaged in a biodiversity conservation activity called Satoyama Landscape Conservation Activity—Let’s Go for Biodiversity!, assisting in environmental maintenance and tree thinning to enable a variety of wildlife to live, grow, and breed in the special green conservation area.



Support for the Designation and Popularization of Mountain Day as a National Holiday

Support for Incorporated Foundation Mountain Day Promoting Association (MDPA)

Thanks to lobbying by MDPA, of which NISSIN FOODS HOLDINGS CEO Koki Ando is a founding member, August 11 has been designated as a public holiday, Mountain Day, since 2016. Ando currently serves as vice-chairman of MDPA, which engages in mountain safety measures such as preparation and maintenance of trail signposts. The MDPA's objectives are the "healthy development of children or young people" and the "conservation of the global environment or protection and maintenance of the natural environment." NISSIN FOODS HOLDINGS endorses these ideas and has been supporting MDPA as an official partner since 2016.



EXTRA EDITION

Helping Eradicate Worldwide Hunger and Poverty through "Mountain Climbing"

Seven Summits Stair-Climb Challenge Project



The 17th Hyakufukushi Project supported efforts to eradicate worldwide hunger and poverty. In this project, Group employees proactively used stairs in their day-to-day activities in the interest of health promotion. The distance climbed by employees was treated as equivalent to a certain height of elevation. Each time the elevation reached that of one of the Seven Summits, the highest mountain peaks on the seven continents, the Group made a charitable donation. The total elevation finally reached all the seven summits within the designated period and the Group donated a total of ¥2.6 million to fund school meals for children suffering from hunger and poverty. (see p. 31)

Cultivation of Sound Minds and Bodies through Trekking in Nature

Popularizing Long Trail Walking

In Japan, the term "long trail" refers to a "trip on foot" in a word. Japan's long trail fans leisurely walk comparatively long distances along mountain trails, alpine passes, highways, and other paths, interacting with the people who live along the way, and experiencing history, culture, and nature. Long trail walking contributes greatly to mental and physical health and to vitalization of the local communities along the trails. The Japan Long Trail Association was founded in 2015 for the purpose of developing and maintaining sustainable trails and promoting long trail culture. The Ando Foundation, in collaboration with the Japan Long Trail Association, is working to popularize and develop long trail with the aim of fostering a culture of walking. (see p. 28)



Supporting Safe Mountain Climbing and Mountain Environments through Two Signpost Initiatives

Smart Mountain Signposts and Unified Design Signposts

Two important challenges for promoting the safety of climbers are submission of climbing plans and the development of signposts and a telecommunications environment. The MDPA is currently proceeding with the development of the Mountain Safety Measures Network, which is based on a program for the online submission of climbing plans. This network links three components: a smartphone, smart signposts that incorporate integrated circuit modules, and satellite Wi-Fi. The Ando Foundation is supporting this project.



NISSIN FOODS HOLDINGS supports climber safety and mountain environment development and maintenance by donating funds for a Nagano Prefecture initiative to develop unified design signposts in the Minami Alps area for the purpose of promoting safer climbing and creating a world-class mountain and highland tourist destination.



Food Safety Initiatives

Consumer Issues

To provide customers with products that they can enjoy with confidence and peace of mind, the NISSIN FOODS Group has established the NISSIN Global Food Safety Institute as its cornerstone of food safety. The Institute develops and oversees independent analytical and inspection systems and quality assurance systems covering all business sites and each operational stage—raw materials procurement, production, distribution, and sales—while assuring rigorous traceability from raw materials to finished product. Furthermore, Group companies share opinions and comments received from customers and contribute to prompt improvement of products and services.

Strengthening of the Quality Assurance Systems of FOOD SAFETY EVALUATION & RESEARCH INSTITUTE (Shanghai)

The Group is preparing systems capable of implementing overseas quality assurance equivalent to that of the rigorous quality assurance systems in Japan. Previously, when problems such as off-odors or foreign matter in raw materials or finished products occurred, specimens were sent for analysis at laboratories in Japan. Since fiscal 2017, however, the FOOD SAFETY EVALUATION & RESEARCH INSTITUTE CO., LTD. in Shanghai has established a system for immediately responding to such problems on-site. By dispatching institute employees for training at laboratories in Japan, we are strengthening quality assurance systems to ensure that testing can be conducted in China with the same accuracy as in Japan.





Analysis and Inspection of Raw Materials

The NISSIN FOODS Group's Quality Assurance Systems

The NISSIN Global Food Safety Institute is responsible for quality assurance, from raw materials to finished products, throughout the NISSIN FOODS Group.



The institute analyzes raw materials for harmful substances (such as residual agricultural chemicals, veterinary drugs, carcinogens, mycotoxins, heavy metals, and pathogenic microorganisms), radioactive substances, and genetically modified agricultural products. It ensures overall quality through quality confirmation at every stage from raw materials production and processing to product completion, regular inspections of the nutrient composition of products, and inspections for allergen contamination and microorganisms. Furthermore, the institute is updating existing analysis methods and equipment with the aim of developing analysis methods for new harmful substances, shortening analysis periods, and improving accuracy. It has also set up a food appraisal group whose sole responsibility is scientific testing of foreign matter, off-flavors, and off-odors reported by customers using the VOICE system (see p. 23). Through these rigorous quality assurance systems, the institute ensures the provision of safe products to our customers.

In 2016, to improve quality assurance systems globally, the institute strengthened systems by beginning confirmation of nutrition labeling and allergen content testing of overseas products and having overseas inspectors participate in the SARFAPS* scientific testing proficiency evaluation system.

*SARFAPS (Food Safety Research Institute's Food Analysis Proficiency System)

Quality Assurance Testing at the Global Food Safety Institute

Independently Developed Testing Methods

► NASRAC and NASVED systems for simultaneous analysis of residual agricultural chemicals and veterinary drugs

NASRAC*¹ and NASVED*² are independently developed analysis systems for agricultural chemicals and veterinary drugs capable of analyzing 545 residual agricul-



tural chemicals and 200 veterinary drugs, respectively. The use of gas chromatography-tandem mass spectrometry (GC/MS/MS) and high-speed liquid chromatography-tandem mass spectrometry (LC/MS/MS) for these systems ensures highly sensitive analysis.

*¹ NASRAC (Nissin's Analytical Systems for Residual Agricultural Chemicals)

*² NASVED (Nissin's Analytical Systems for Veterinary Drugs)

► NESMAGET system for testing of genotoxic carcinogens

NESMAGET*, a system that conveniently tests for genotoxicity of substances contained in food products, is a revolutionary testing method that uses human cells to evaluate carcinogenic DNA damage. The test system has received accolades including awards from several academic societies.

*NESMAGET (Nissin's Evaluation Systems for Mammalian Genotoxicity)

► NESTUP system for testing for carcinogenesis promoters

NESTUP* is a testing method that uses cells to quickly detect tumor promoters. NESTUP provides results two days after specimen addition, compared to 21 days for the traditional testing method.

*NESTUP (Nissin's Evaluation System for Tumor-Promoting Activity)

Independently Developed Systems

► FASRAC and FASVED automatic preprocessing apparatuses for agricultural chemicals and veterinary drugs

Analysis of residual agricultural chemicals requires preprocessing to extract agricultural chemicals from food product components. Independently developed FASRAC*¹ is the world's first automated system for performing complex operations to extract agricultural chemicals from food products. It has more than three times the throughput of human processing and delivers accuracy equivalent or superior to the regulation analytical methods. In fiscal 2017, we developed and began operation of FASVED*², a new automatic preprocessing apparatus for use in analysis of veterinary drugs and other harmful substances, which doubled the number of samples we can process per day.

*¹ FASRAC (Food Automatic analytical Systems for Residual Agricultural Chemicals)

*² FASVED (Food Automatic analytical Systems for Veterinary Drugs)



Initiatives to Enhance Quality Control

Acquisition of ISO/IEC 17025 testing laboratory certification

The NISSIN Global Food Safety Institute is one of the few organizations in the food products industry to acquire certification for ISO/IEC 17025, the international standard for general requirements for the competence of testing and calibration of laboratories. This certification is proof of international recognition of the technical competence of testing performed by the institute. The institute has put in place a framework for the provision of safe products by combining this analytical capability with independently developed analysis systems.

Independent verification of plant testing proficiency

Accuracy control in microbiological testing, the most important aspect of quality control, is difficult to achieve. Using accuracy control samples (patent registered) developed in 2010 utilizing the SARMAPS* microbiological testing proficiency evaluation system,

the Global Food Safety Institute conducts proficiency testing of quality control managers of Group companies and affiliated companies twice a year.

Under SARMAPS, plant quality control managers measure the number of bacteria in microbiological test samples prepared by the Global Food Safety Institute and report the measurement results to the Institute. The microbiological testing proficiency of quality control managers who pass the test is recognized, and the institute provides guidance to any managers with unacceptable test results until they pass the test. The institute also has a microbiological testing certification system to certify persons who pass the test. In addition, the institute works to improve the testing proficiency of quality control managers by conducting testing twice a year under SARFAPS, its food analysis proficiency system for scientific testing of moisture and fat content. In fiscal 2017, inspectors from 21 overseas plants participated in SARFAPS testing for the purpose of upgrading quality control overseas.

*SARMAPS (Food Safety Research Institute's Microbiological Analysis Proficiency System)



Quality Assurance Systems and Quality Survey Activities through to the Finished Product

Dual Quality Assurance System

The Group has put in place a dual quality management system involving testing of products at the Global Food Safety Institute in addition to product quality control at the pro-



duction plants. This management system was expanded to overseas room-temperature products in 2015, and each month the Global Food Safety Institute performs tests to confirm nutritional information and allergen labeling of products sent from domestic and overseas plants.

Quality Survey Activities at the Global Food Safety Institute

The NISSIN Global Food Safety Institute engages in quality survey activities to ensure that suitable measures are taken to maintain quality and safety at each stage from the procurement and processing of raw materials to the production of finished products. In fiscal 2017, the institute engaged in quality survey activities over a total of 469 days at 184 production plants—128 in Japan and 56 overseas—and is striving to resolve issues identified at plants by offering improvement proposals. The institute also conducted 129 on-site surveys of production plants using

NISFOS* and a total of 93 special pest control surveys.

*NISFOS (Nissin's Inspection Standards for Food Safety)

Three Types of Quality Surveys

1. Quality surveys of raw materials

The institute conducts quality surveys pertaining to every stage of raw materials production and processing, including surveys of farms, stockyards, and fisheries and on-site inspections of food plants.

2. On-site surveys of manufacturing plants

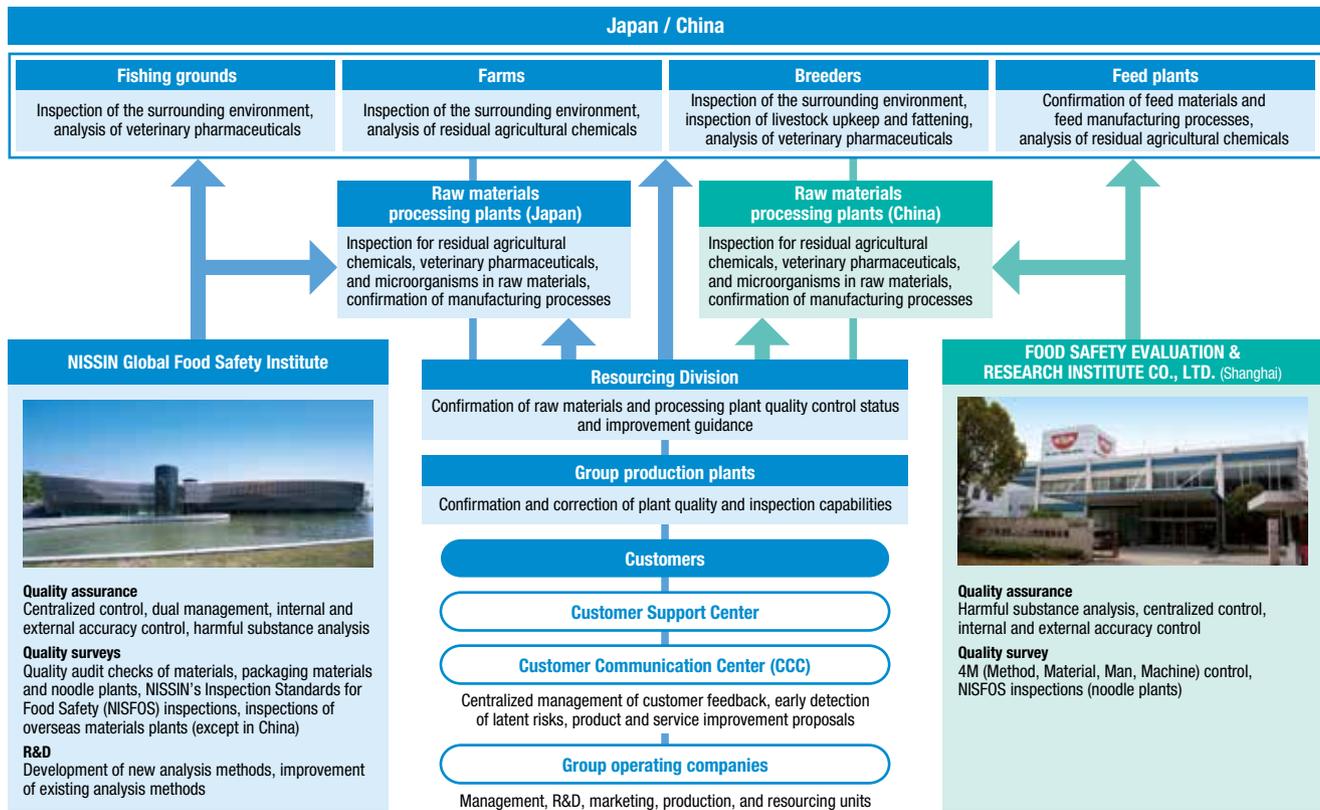
The institute performs on-site assessment of the operating status of product manufacturing plants from the customer's point of view based on NISFOS (Nissin's Inspection Standards for Food Safety), established in 2003 and substantially revised in 2011, dividing aspects of food safety into five quantified categories: food safety management, pest avoidance measures, manufacturing practices, maintenance, and cleaning activities.

3. Process management at manufacturing plants in China

Members of the NISSIN Global Food Safety Institute are posted permanently to the FOOD SAFETY EVALUATION & RESEARCH INSTITUTE in Shanghai as process managers who manage the raw materials and manufacturing processes used in Japan and China by regularly visiting plants across China. In 2014, the institute expanded the scope of NISFOS-based plant inspections it conducts in Japan to include China.



Quality Control System



Quality Control from Procurement to Production

Continuous Improvement of Management Systems

The Group engages in risk management at every stage from raw materials procurement to production and distribution, constantly strengthens safety measures, and continuously improves management systems. NISSIN FOOD PRODUCTS holds bimonthly production technology meetings for the purpose of information sharing among the production plants, Production Division, Resourcing Division, SCM Division, Global Food Safety Institute, Technical Development Division, and other organizations. The participants strive to improve quality by discussing matters such as shared issues and the horizontal deployment and standardization of technologies. The company also holds bimonthly plant manager meetings in which the plant managers and representatives of the Production Division and other involved divisions participate.

Acquisition of Third-Party Certification of Food Safety

The Group is further strengthening operation management by acquiring third-party certification of food safety. By 2015, the Resourcing Division, SCM Division, four plants directly controlled by NISSIN FOOD PRODUCTS (Kanto, Shizuoka, Shiga, Shimonoseki), SAPPORO NISSIN, NISSIN PLASTICS Kanto Plant, NISHINIHO MYOJO Kobe Plant, and AJINIHO had obtained FSSC 22000 food safety systems certification*1, and the HIGASHINIHO MYOJO Saitama Plant, NISSIN PLASTICS Shiga Plant, and UNI-STAR newly obtained certification in 2016, bringing the number of certified domestic Group plants to 11. The Group continues to promote introduction of the HACCP*2 food sanitation management system at 28 Group plants. The number of certified Group plants in Japan increased by 3 in 2016, bringing the Group total to 15 plants.

Overseas, NISSIN FOODS (H.K.), WINNER FOOD PRODUCTS, ZHUHAI GOLDEN COAST WINNER FOOD PRODUCTS, GUANGDONG SHUNDE NISSIN FOODS, and FUJIAN NISSIN

FOODS in China, the Gloria do Goita Plant in Brazil, three plants in INDO NISSIN FOODS (Jigani, Rewari, Khordha), and NISSIN FOODS (THAILAND) have obtained ISO 22000 (food safety management systems) certification, and NISSIN FOODS DE MEXICO has obtained FSSC 22000 certification. WINNER FOOD PRODUCTS, GUANGDONG SHUNDE NISSIN FOODS, NISSIN FOODS VIETNAM, and NISSIN FOODS DO BRAZIL (Ibiuna Plant) have obtained HACCP certification, and NISSIN FOODS (H.K.), ZHUHAI GOLDEN COAST WINNER FOOD PRODUCTS, GUANGDONG SHUNDE NISSIN FOODS, FUJIAN NISSIN FOODS, and NISSIN FOODS DO BRAZIL (Ibiuna Plant) have obtained ISO 9001 certification.

*1 FSSC 22000 is a benchmark recognized by the Global Food Safety Initiative (GFSI) that integrates the ISO 22000 international standard for food safety management systems, ISO/TS 22002-1 (food manufacturing), and ISO/TS 22002-4 (food packaging manufacturing).

*2 HACCP (Hazard Analysis Critical Control Point)

Quality Assurance in Procurement

Rigorous quality control of materials is necessary for ensuring product safety. The NISSIN FOODS HOLDINGS Resourcing Division conducts on-site inspections extending to manufacturing processes at raw materials suppliers and contract manufacturers, confirming the status of management and providing guidance for improvement. In 2015, a quality group that specializes in quality control was set up within the Resourcing Division to strengthen the quality control system for procured items, and the division began conducting supplier inspections using the Raw Materials Manufacturing Plant Checklist covering a total of 32 items related to laws and ordinances, facilities, raw materials and water, manufacturing processes, product inspection, hygiene management, and other quality-related matters and providing guidance for improvement. In 2016, the division began having suppliers perform self-assessments using the checklist ahead of meetings, using the assessment results in discussions for improvement. For use overseas, the division is preparing multilanguage versions in Chinese, English, Spanish, and Portuguese (planned) in addition to Japanese. The checklist content is shared at the Global Purchase Meeting, which has been held since 2015 and is attended by procurement personnel of overseas operating companies.

Quality Control of Raw Materials

Measures to prevent contamination by foreign matter

As a measure to prevent contamination by foreign matter, NISSIN FOOD PRODUCTS is mechanizing to the fullest extent delivery inspections at plants for materials for which automated discrimination of foreign matter is possible. The company installed color sorters in 2015 for use in inspections of certain materials and is promoting their introduction at some materials manufacturers in an effort to improve quality. Four plants directly controlled by NISSIN FOOD PRODUCTS (Kanto, Shizuoka, Shiga, Shimonoseki) have installed filters at the intake openings of the silos to prevent entry of foreign matter at the time of flour delivery.

Assurance of water safety

We test water used in manufacturing processes at plants to confirm its safety. The NISSIN Global Food Safety Institute was among the first to introduce a high-accuracy radionuclide discrimination and analysis system after the Great East Japan Earthquake and continues today to conduct periodic tests of the tap water, groundwater, and products at the Group's production plants and supplier plants in the Kanto region and neighboring prefectures.

Construction of a Traceability System

Raw materials information management

The Group is constructing a rigorous traceability system extending from raw materials to finished products. To enable tracing of raw materials, NISSIN FOOD PRODUCTS attaches QR codes to outer cartons or inner bags and manages information such as lot number (which contains product information), manufacturing date, and supplier. It has also begun introduction of QR codes at overseas plants for raw materials delivered directly from manufacturers.

Information and quality management at plants

NISSIN FOOD PRODUCTS, NISSIN CHILLED FOODS, NISSIN FROZEN FOODS, MYOJO FOODS, NISSIN CISCO, NISSIN YORK, and some other plants have installed a total of more than 5,000 quality control cameras within their production plants to enable confirmation of the cause when an abnormality occurs. We have put in place a system capable of keeping track of product manufacturing time using X-ray emission records and camera images and have made it possible to determine the cause of any problem that occurs within 24 hours even for trace amounts of matter. We are also expanding the introduction of access control systems at Group plants.



NISSIN YORK Kanto New Plant

NISSIN YORK has built the Kanto New Plant in Hanyu City, Saitama Prefecture. The company will seek to improve productivity through automation and laborsaving achieved through introduction of the latest production facilities and will undertake further quality improvement at a sanitary plant that complies with the HACCP method. The company will construct a stable, efficient production and supply structure that includes BCP measures at the Kanto New Plant and the Kansai Plant.





Products Inspired by Communication with Customers

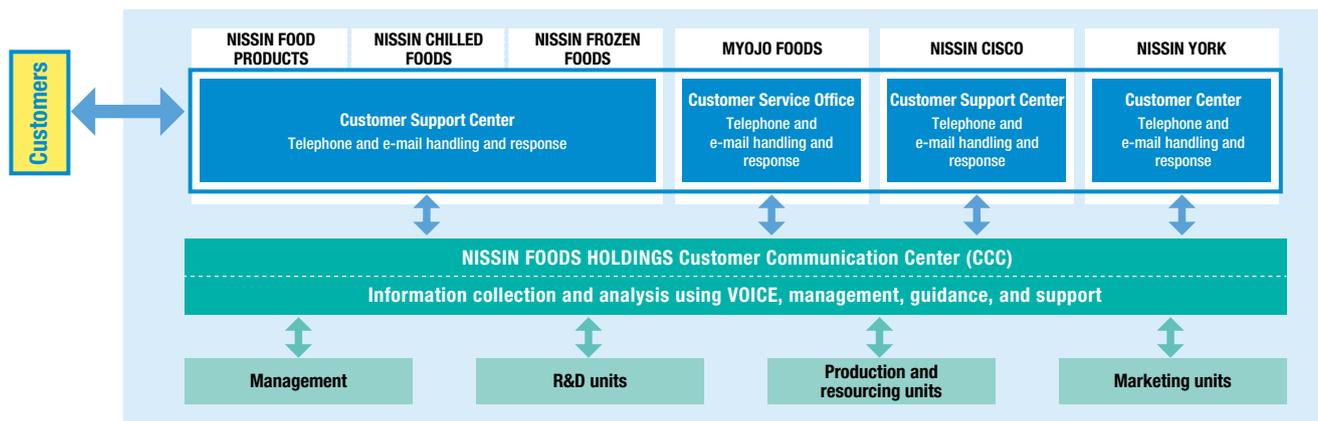
Sharing of Customer Opinions among Group Companies

Opinions and comments from customers received at the customer support centers of six NISSIN FOODS Group companies (NISSIN FOOD PRODUCTS, NISSIN CHILLED FOODS, NISSIN FROZEN FOODS, MYOJO FOODS, NISSIN CISCO, and NISSIN YORK) are collected and analyzed at the Customer Communication Center (CCC), and the results are promptly fed back to management and the appropriate departments. Collected customer feedback is compiled in the customer support database named VOICE, then

applied to improve products and services, and utilized groupwide for customer satisfaction improvement.

Since 2009, the CCC has held the twice-monthly VOC (Voice of Customer) Meetings where NISSIN FOOD PRODUCTS, NISSIN CHILLED FOODS, and NISSIN FROZEN FOODS summarize and share customer feedback, make improvement proposals, and confirm progress of improvements. In fiscal 2017, improvements were made in 49 matters from these improvement proposals. MYOJO FOODS, NISSIN CISCO, and NISSIN YORK hold quality improvement meetings pertaining to production and other business processes.

Customer Response System



Universal Design Initiatives

There are individual differences in human color perception, and text may be difficult to read due to text color, color combinations, or contrast. To enable customers to enjoy our products with peace of mind regardless of age, physique, or physical ability, the NISSIN FOODS Group has adopted the Universal Design (UD) concept to ensure that label information, such as ingredient lists and preparation methods, is easy to read. NISSIN FOOD PRODUCTS aims for wording, color schemes, and designs that are easy for customers to understand through measures including the use of easy-to-read nine-point text, one point larger than the legal minimum size. Out of consideration for people with impaired vision, NISSIN FROZEN FOODS uses black text on a yellow background and easy-to-understand illustration color schemes for the preparation method explanation on packaging. NISSIN CHILLED FOODS uses the UD Font for its main products.

Renewal of the online store for greater ease of use

In September 2016, the NISSIN FOODS web shop was re-launched as the "NISSIN FOODS Group online store"

(<http://store.nissin.com/>), whereas it had been operated by NISSIN FOOD PRODUCTS as "Nissin e-men shop" since 2000. The new design concept focuses on compatibility with the Group's design message and an intuitive user interface, so that users can easily find desired items from among the many products. Also, some features follow UD practices, such as high-contrast colors, easy-to-reach navigation with simple icons, and large font sizes for product names and price information. Customer convenience has been enhanced as well. For instance, products can be sorted by taste and calories and ordered in single servings, and shipping is free for orders of ¥2,000 or more.

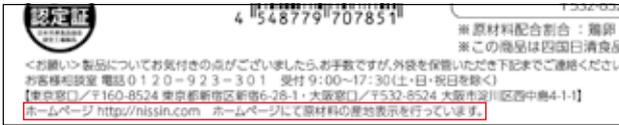
*Free-of-charge registration is required to purchase any goods.



Sharing Information with Customers

Publication of country of origin information on the website

In response to requests from customers who want to know where raw materials are produced, we post country of origin (COO) information for the main raw materials used in each product on the NISSIN FOODS Group website. NISSIN FOOD PRODUCTS and NISSIN FROZEN FOODS include the website URL on product



Example from NISSIN FROZEN FOODS

packaging to guide users to raw materials COO information (in Japanese).

Response to allergens and allergen labeling of products

The NISSIN FOODS Group proactively disseminates information on allergens and publishes a list of allergens contained in raw materials. There are 27 raw materials identified as food allergens, including 7 specified raw materials for which labeling is mandatory under the Food Sanitation Act and 20 raw materials for which labeling is recommended, and the Group indicates all 27 items. Customers can search products that contain or do not contain the 27 allergens on the Group website (in Japanese). To enable greater numbers of customers to enjoy our products, if at all possible we endeavor to avoid increasing allergens when we update products.

Examples of Improvements from Customer Perspectives

Use of an easy-to-spot color for powdered soup packs in Anpanman Ramen and Anpanman Oudon

NISSIN FOOD PRODUCTS

Anpanman Ramen and Anpanman Oudon previously contained powdered soup packs in the same color as the package tray placed under the noodle packs, and customers pointed out that this made it difficult to tell that the product included soup packs. Accordingly, NISSIN FOOD PRODUCTS changed the soup packs to a bright color different from the tray color so that customers are sure to notice the soup packs when they remove the noodles from the tray.



Placement of the CUP NOODLES fork between lids

NISSIN FOODS (CHINA)

Since many people in China have meals outdoors, NISSIN FOODS (CHINA) includes a plastic fork in CUP NOODLES cups. However, since customers pointed out that powdered soup and other ingredients adhered to the forks, the Company made an improvement to prevent the fork from coming into contact with the product contents by putting an inner lid between them and the outer lid and inserting the fork between the lids.



Attachment of the shredded nori bag to the inner package of frozen pasta products

NISSIN FROZEN FOODS

Customers pointed out that when they opened frozen pasta products including shredded nori (dried seaweed), the bag containing the nori would fall out of the package or customers would not notice the nori bag. Accordingly, in March 2016, NISSIN FROZEN FOODS began attaching the nori bag to the inner package containing the noodles.



Example of Allergen Reduction Measures

Partial elimination of allergens in Chicken Ramen and CUP NOODLES

NISSIN FOOD PRODUCTS

In consideration of people with allergies, NISSIN FOOD PRODUCTS began sequentially switching to recipes that do not use yams, a raw material used as a binder in all products containing Chicken Ramen noodles, since the time of launch in June 2016 and completed the changeover in fiscal 2017. To avoid allergy risk as far as possible and enable greater numbers of customers to enjoy the products with peace of mind, since July 2016 the Company has been sequentially switching CUP NOODLES Seafood Noodle, CUP NOODLES Chili Tomato Noodle, and related products' recipes to ones that do not use peanuts.



Chicken Ramen



CUP NOODLES Seafood Noodle



Development of Health Foods

Products for Health-Conscious Customers

The NISSIN FOODS Group is developing products to meet the demands of health-conscious customers, such as lower calories, reduced sodium, lower carbohydrates and higher dietary fiber. The Health Science Research Division of NISSIN Global Innovation Center was established in March 2015 to solidify these

efforts. They analyze food nutrition, taste and physiological functions to make products more delicious through innovation. NISSIN FOOD PRODUCTS already has “Food for Specified Health Uses (FOSHU)” designated products and *KAMING DIET*, a diet food. In January 2017, we established a new brand “NISSIN FOODS WELLNESS”.

CUP NOODLES Nice, rich in flavor but chock-full of nice factors

NISSIN FOOD PRODUCTS

In April 2017, NISSIN FOOD PRODUCTS launched *CUP NOODLES Nice*, a product targeting men in their 30s and 40s, people with rising risk of metabolic syndrome. Two flavours are available, *Rich! Pork Shouyu* and *Rich! Creamy Seafood*. The product has a richer flavor than regular *CUP NOODLES* but with 50% less fat, 40% less carbohydrates, and 178 calories. It is made with newly developed non-fried noodles and contains the dietary fiber of four heads of lettuce.*



*According to Standard Tables of Food Composition in Japan (2015), in which a 300g edible portion of lettuce is considered one head and the dietary fiber in 100g is considered 1.1g.

Launch of no added MSG CUP NOODLES

NISSIN FOODS (U.S.A.)

In response to increasing natural food trends and health consciousness in the U.S., in September 2016, NISSIN FOODS (U.S.A.) launched *CUP NOODLES* with less sodium and no added MSG. The company also removed artificial flavoring and changed to naturally derived flavoring ingredients such as lemon, paprika, lime, and turmeric.



Chemical seasoning-free Hiyashi Chuka, Zaru Soba, and Zaru Udon

NISSIN CHILLED FOODS

In March 2017, NISSIN CHILLED FOODS updated and relaunched *NISSIN-no-Ramen-yasan Hiyashi Chuka* and *Nissin-no-Donbei Nama Zaru Soba* and *Nama Zaru Udon*, eliminating chemical seasonings. The change further enhanced the flavor of the ingredients.



Addition of Vitamin D to CISCORN BIG to boost calcium absorption

NISSIN CISCO

CISCORN BIG, updated and relaunched in March 2017, further strengthens the nutrient function of *CISCORN*, which is formulated with calcium.* It is newly formulated with Vitamin D, which promotes calcium absorption, and with a vitamin that promotes calcium retention.* *CISCORN BIG* has been recommended by “Kotsu-kotsu hone lab”, a third-party organization that recommends a diet mindful of three nutrients important for maintaining healthy bones.

*Except plain-type.



Launch “NISSIN FOODS WELLNESS” Brand

The NISSIN FOODS Group engages in research that taps into the power of food in accordance with the concept “Eat wisely for beauty and health,” one of the company tenets by founder Momofuku Ando. NISSIN FOODS WELLNESS brand was started in January 2017, launching the *Allerlight* line of products (containing lactic acid bacteria) in January, and *DHA&EPA+Quercetin* and *Moist Fusion* (containing a mixture of ceramide and hyaluronic acid) in June.



Social Contribution Initiatives

Community Involvement and Development

Social contribution activities are intrinsic to the NISSIN FOODS Group's business structure. When a natural disaster or other emergency occurs, the Group places priority on assistance activities involving the provision of instant noodles, which have high value as emergency relief supplies. Also, in accordance with founder Momofuku Ando's belief that "Eating and sports are the two axes of health," the Group engages in activities to promote sports and dietary education activities. Through support for the Ando Foundation, the Group also contributes to the nurture of physically and mentally healthy youths, creation of a new food culture, and conveying to children "the importance of invention and discovery."

Opening of Interactive Experience Centers in Hong Kong

The NISSIN FOODS Group engages in activities to convey the fun and importance of invention and discovery through interactive educational food museums. In November 2016, we expanded this activity overseas, opening in Hong Kong International Airport the Demae Iccho Factory, where visitors can make *Demae Iccho*, starting from flour, and the My CUP NOODLES Factory, where visitors create their own completely original *CUP NOODLES*. Through these two interactive experience centers, we illustrate the importance of invention and discovery, and promote the safety of instant noodles overseas.





Activities in Support of Sports and Food Culture

Sports Promotion

Supporting Children's Track and Field Activities

Endorsing the belief of the Japan Association of Athletics Federations that running is where all sports begin, the NISSIN FOODS Group has sponsored the "NISSIN FOODS Cup" National Elementary School Track and Field Championships, since it was first held in 1985. Since 1999, we have sponsored the "NISSIN FOODS Cup" National Elementary School Cross Country Relay, held to enable elementary school children to learn correct long-distance running and endurance running techniques and training methods. Many Olympians and other athletes who compete in international events have emerged from these two competitions, which have contributed to widening the base of sports in Japan. Ryota Yamagata and Shota Iizuka, members of the team that won a silver medal in the 4x100 meter relay race at the Rio Olympics in August 2016, participated in the National Elementary School Track and Field Championships.



Providing Women Amateur Golfers an Opportunity

Against the backdrop of the further advancement of women in society and the popularity of golf, since 2001, NISSIN FOODS HOLDINGS has been a special sponsor of the National Ladies Golf Cup for Companies, held to promote interchanges among companies through golf and expand the base of women golfers. To give even more women golfers the opportunity to compete, the qualifying rounds have been played at two courses in the Kansai and Kanto regions since 2011.

Support for the Activities of the Ando Foundation

Momofuku Ando established the Ando Foundation with his personal funds in 1983. Since its founding, it has engaged in nurturing physically and mentally healthy young people and creating a new food culture in accordance with founder Momofuku Ando's belief that "Eating and sports are the two axles of health." The foundation's main activities are support for track and field events, promotion of nature activities, and an awards program that encourages creative foundational research and solid developments that lead to the creation of new food products. The NISSIN FOODS Group endorses the principles of the Ando Foundation and enthusiastically supports its activities.

Support for Sports

Supporting Overseas Competition by Young Track and Field Athletes

Since 2015, the Ando Foundation, together with the Japan Association of Athletics Federations, has conducted the Ando

COLUMN

A Visit from Rio Olympics Medalists

Ryota Yamagata, Shota Iizuka, Yoshihide Kiryu, and Asuka Cambridge, silver medalists in the men's 4x100 meter relay at the Rio Olympics, and Hirooki Arai, bronze medalist in the men's 50 kilometer race walk, made a courtesy visit to NISSIN FOODS HOLDINGS in August 2016. Ryota Yamagata and Shota Iizuka are former participants in the "NISSIN FOODS Cup" National Elementary School Track and Field Championships, and Yoshihide Kiryu was supported through the 2016 Ando Foundation Global Challenge Project.



The NISSIN FOODS Group Track and Field Team Captures Its Sixth East Japan Ekiden Title

The NISSIN FOODS Group Track and Field Team won the 57th East Japan Corporate Ekiden Championship (road relay), held in Saitama Prefecture in November 2016, capturing its sixth title in the event and first in five years. The winning time was 3:47:45. Team coach Shuichi Morita won the Outstanding Coach Award and runner Keigo Yano established a new stage



record for a third consecutive year and was selected as the most valuable runner in the race. The East Japan Corporate Ekiden Championship is a qualification race for the All-Japan Corporate Ekiden Championship (known as the New Year's Ekiden).

Foundation Global Challenge Project to support overseas competition by young track and field athletes in preparation for 2020. The project is aimed at unsponsored individuals age sixteen or older who aspire to win medals in international competitions. It supports long-term activities such as appearances in multiple overseas competitions, university attendance, and overseas study. It also supports short-term activities through the provision of travel expenses, touring expenses, and living expenses for training camps or overseas study for periods of one to three months. In fiscal 2017, the project provided support to twelve athletes, including Yoshihide Kiryu, a member of the team that won a silver medal in the 4x100 meter relay race at the 2016 Rio Olympics, and men's 400-meter runner Julian Walsh.

Supporting the Development of Young Tennis Players

The Ando Foundation sponsors the junior tennis player development program organized by the Japan Tennis Association, supporting a junior tennis player training camp for selected top performers in national tournaments (Shuzo Challenge), national junior tennis camps, and overseas tours. In fiscal 2017, a total of 61 players participated in 3 top performer training camps, 111 players attended 21 national junior tennis camps, and 40 top junior players and instructors went on 14 overseas tours.

Popularization of Nature-Experience Activities

The Tom Sawyer School Idea Contest

The Ando Foundation has held the Tom Sawyer School Idea Contest since 2002, which supports and awards prizes for unique and highly creative nature activities conducted by schools and groups around Japan. For the 15th Tom Sawyer School Idea Contest in fiscal 2017, entries were received from 209 organizations. "Activities to Foster Hometown Pride and Nurture a Generous Spirit," a proposal from Seikai Elementary School in Uki City,

Kumamoto, won the Minister of Education, Culture, Sports, Science and Technology Award, the highest award in the Schools category. "Desert Island One-Week Challenge Camp 2016," a proposal from the Kyoto Children's Center in Kyoto, won the Momofuku Ando Award, the highest award in the General category. In addition, two organizations were selected for the Award for Excellence, four organizations for the Special Award for Recommended Models, one organization for the Tom Sawyer Encouragement Award, and seven for the Award for Effort.

The Momofuku Ando Center

The Momofuku Ando Center of Outdoor Training (Momofuku Ando Center) in Komoro City, Nagano is a dedicated facility established in 2010 for the purpose of training nature-experience activities leaders and popularizing outdoor activities. A forest on the grounds of the Center is the site of the Komoro Tree House Project, in which seven treehouses designed by famous designers and architects are displayed to provide an opportunity for people to commune with nature through art. In 2016, the center held the "Art Festival to Enjoy in Nature" and the "Shinshu Harvest Festival", each of which drew some 1,200 participants.

In addition, the Japan Long Trail Association executive office is located within the Center. The Center fosters a "culture of walking" in Japan by supporting the popularization and development of "long trail," a cross-country trip on foot, in cooperation with the Long Trail Association.

SHOKUSOKAI Recognizes New Food Creation

The SHOKUSOKAI, founded in 1996 in accordance with Momofuku Ando's principle "Create foods to serve society," established and confers on researchers and entrepreneurs the Momofuku Ando Awards to encourage creative foundational research, food product development, and venture businesses that contribute to the creation and development of new food products. There were two recipients of the Award of Excellence in the 21st Momofuku Ando Awards in fiscal 2017. Dr. Hirofumi Tachibana, a distinguished professor at a graduate school of Kyushu University, received the award for foundational research in a receptor for green tea catechin. Dr. Satoshi Nagaoka, Senior Professor and Professor at Gifu University, received the award for foundational research concerning food product ingredients that improve cholesterol metabolism. Since fiscal 2017, former Prime Minister Junichiro Koizumi has served as chairman of SHOKUSOKAI, further energizing its activities.

COLUMN

Receipt of Letters of Appreciation for Kumamoto Earthquake Assistance

Following the Kumamoto Earthquake of April 2016, the NISSIN FOODS Group dispatched "Kitchen Cars" and volunteers and provided some 300,000 servings of cup-type noodles without charge. The Group received a letter of appreciation from former Minister of Agriculture, Forestry and Fisheries Hiroshi Moriyama and a certificate of appreciation from Governor Ikuo Kabashima of Kumamoto Prefecture in recognition of this activity.





Activities to Convey the Importance of Invention and Discovery

An interactive educational food museum that encourages an entrepreneurial mindset

The Momofuku Ando Instant Ramen Museum

The Momofuku Ando Instant Ramen Museum opened in 1999 in the birthplace of instant noodles, Ikeda City, Osaka. The museum provides interactive food education that conveys the importance of invention and discovery by relating the history of instant noodles. Museum visitors learn through hands-on experience at the Chicken Ramen Factory, where they can make *Chicken Ramen* by hand from flour, and the My CUPNOODLES Factory, where they can create their own original CUP NOODLES. At the CUPNOODLES Drama Theater, an animated video introduces the “work shed” where Momofuku Ando devoted himself to develop-



ment and explains the CUP NOODLES manufacturing process. The museum attracted a record 760,000 visitors in fiscal 2017, and 7.37 million since opening.

An interactive educational food museum for learning creative thinking

CUPNOODLES MUSEUM

(Official name: The Momofuku Ando Instant Ramen Museum)

The CUPNOODLES MUSEUM, which opened in 2011 in the Minato Mirai district of Yokohama City, is an interactive educational food museum opened to showcase the creative thinking of Momofuku Ando and nurture the creativity and curiosity of children. Visitors obtain hints for discovery and invention through unique exhibits such as the My CUPNOODLES Factory and

Chicken Ramen Factory, Creative Thinking Boxes for learning about Momofuku Ando’s creative thinking, and CUPNOODLES Park, where children can experience the CUP NOODLES manufacturing process from the noodles’ point of view. September 2016 marked the opening of the CUPNOODLES MARBLE COASTER, a window display in which 4,000 marbles race along a track laid out like a factory assembly line. The museum drew a record high of 1.07 million visitors in fiscal 2017, and the cumulative number of visitors up to March 31, 2017 was 5.78 million.



Opening of interactive experience centers in Hong Kong

Demae Iccho Factory and My CUP NOODLES Factory

In November 2016, the Demae Iccho Factory and My CUP NOODLES Factory, where visitors can experience making instant noodles, opened in Hong Kong International Airport. Through



these two interactive experiences, we illustrate the importance of invention and discovery and publicize and promote the safety of instant noodles overseas. The combined number of visitors to these two experience centers had reached some 40,000 by the end of March 2017.



Activities in Support of Dietary Education

Chicken Ramen Oishii Dietary Education School

NISSIN FOOD PRODUCTS has held the Chicken Ramen Oishii (Delicious) Dietary Education School program since 2008. We teach children in an easy-to-understand way how *Chicken Ramen* is made and what ingredients are used by enabling them to enjoyably experience the process of making instant noodles, from kneading flour and rolling noodles to frying noodles in oil. In a Toppings Chicken Ramen class (supervision: Kagawa Educa-



tion Institute of Nutrition) children learn about nutritional balance by choosing *Chicken Ramen* ingredients from the four groups recommended by the 4 food groups scoring method.* In fiscal 2017, 1,100 parents and children participated in 20 sessions held at 15 locations.

*A method of dividing foods into four groups with similar nutritional attributes and making a balanced selection of foods from each of the food groups

未来のために百のいいこと

百福士
HYAKUFUKUSHI

プロジェクト

Engaging in 100 Social Contribution Activities in 50 Years Hyakufukushi Project



Since 2008, its 50th anniversary, the NISSIN FOODS Group has been implementing the Hyakufukushi Project. This is the Group's unique CSR activity to carry on the spirit of founder Momofuku Ando, who was filled with enthusiasm for socially beneficial activities, by engaging in a total of 100 social contribution activities in 50 years. Five themes guide project selection: Creation, Food, the Earth, Health, and Children. The NISSIN FOODS Group will continue to contribute to a brighter, richer future through the Hyakufukushi Project.

Project
No. 18

Protecting a Japanese forest through tree thinning and chopstick making! Fantastic Chopsticks!! Forest Conservation Project

January 2017–March 2018

The Fantastic Chopsticks!! Forest Conservation Project, the 18th Hyakufukushi Project activity, is a social contribution activity to help conserve a Japanese forest and effectively utilize a natural resource. Japan's forests aren't being managed appropriately, and forest degradation is advancing, due in part to forest industry decline. Insufficiently maintained forests lose their vitality, and lack of forest maintenance degrades the ability of forests to absorb CO₂ and entails serious problems such as landslide and avalanche disasters.

Accordingly, in the 18th project, NISSIN FOODS Group employees engage in tree thinning and produce hand-made chopsticks from the felled timber. Tree thinning is the selective removal of trees to restore an overcrowded forest to suitable density. Thinning enables sunlight to reach the ground and promotes tree growth, resulting in a healthy forest. When sunlight reaches the ground, vegetation grows, wildlife gathers, and biodiversity increases.

In January 2017, 34 NISSIN FOODS Group voluntary employees visited a forest in Shimoichi town, Yoshino-gun, Nara where they thinned trees and assisted with mountain path maintenance. From June 2017 to March 2018, Group employees will produce some 30,000 pairs of chopsticks using the felled timber. The idea is to effectively utilize a limited resource by providing the chopsticks for use at various events.

Fantastic-Chopsticks!!
森林保全プロジェクト





Project
No. 17

Helping eradicate hunger and poverty by scaling the Seven Summits!

Seven Summits Stair-Climb Challenge Project

December 2016–April 2017



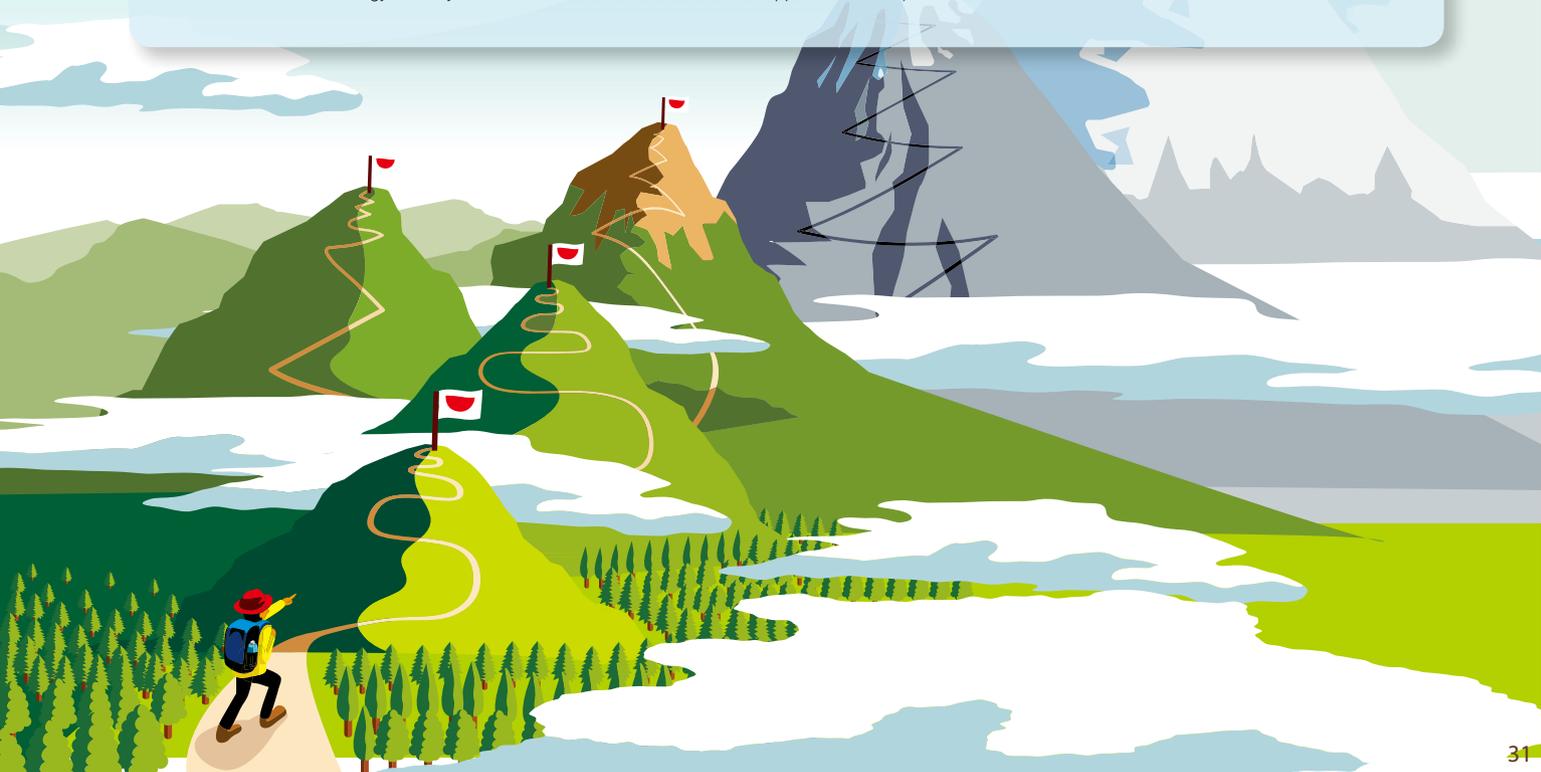
The mission of the NISSIN FOODS Group is to contribute to society and the Earth through food. The Group has embraced the concept of Health and Productivity Management and actively promotes the health of employees.

Accordingly, the 17th Hyakufukushi Project activity combined promotion of employee health with assistance for children suffering from hunger and poverty. In this project, Group employees made a point of using stairs in their day-to-day activities in the interest of health. The height of the stairs climbed was converted to elevation, and the employees successively climbed the Seven Summits, the highest mountain peaks on the seven continents.*1 For each summit conquered, the Group put aside money for a charitable donation. Upon completion of the project, the Group donated the money to fund school meals for children suffering from hunger.

A total of 210 Group employees volunteered to participate in the project, which began in December 2016. They conquered the seventh and final summit on the 133rd day, bringing the project to a successful conclusion. The Group donated ¥2.4 million to the United Nations World Food Programme (WFP) (see p. 35), the U.N.'s food assistance organization, to fund school meals for children in hunger-stricken areas. In addition, the Group donated a total of ¥210,000 in participation fees to the Fund to Support Children's Future,*2 aimed at eliminating child poverty in Japan.

*1 Jaya (Oceania, 4,884 m), Vinson Massif (Antarctica, 4,892 m), Elbrus (Europe, 5,642 m), Kilimanjaro (Africa, 5,895 m), Denali (North America, 6,194 m), Aconcagua (South America, 6,960 m), and Everest (Asia, 8,848 m)

*2 A fund established in October 2015 as a measure to address child poverty in Japan (promoted by the Cabinet Office, Ministry of Education, Culture, Sports, Science and Technology, Ministry of Health, Labour and Welfare, and The Nippon Foundation)





Project
No. 16

Peeling off stickers to deliver school lunches to children!
Peel off and Deliver Food—Stickers of Life Project

November 2016

Some eight hundred million people around the world suffer from hunger, and one in four children under five suffers from chronic malnutrition.

Accordingly, the aim of the 16th Hyakufukushi Project was to enlighten consumers about the global hunger problem. Large photographic panels made up of 3,200 peel-off stickers were installed at the CUPNOODLES MUSEUM and The Momofuku Ando Instant Ramen Museum, and donations were solicited from museum visitors. Visitors making a donation of ¥100 were allowed to peel off a sticker. As the stickers were removed, the photographs on the panels gradually change from scenes of pitiful hungry children to scenes of smiling children enjoying school lunches.

Visitors to the two museums made total donations of ¥644,995, matched by NISSIN FOODS HOLDINGS for a total of ¥1,289,990, which was donated to the WFP School Meals Programme. Thanks to the project, 43,000 school meals were provided to hungry children around the world.



Project
No. 15

**Nissin Walking for Charity Project—to the Moon:
9,000 Steps Each Day**

April–September 2016

In accordance with “Food-related jobs are sacred professions,” a tenet of founder Momofuku Ando, in the 15th Hyakufukushi Project the NISSIN FOODS Group engaged in an activity to contribute to world peace as a food products company. In the project, 422 participants recruited from among Group employees sought to improve their health by walking at least 9,000 steps per day. The project continued until the combined distance walked by participants equaled the distance from the Earth to the Moon (384,400 km). Through highly motivated effort, the walkers reached the Moon in the 21st week of the project as planned, and the Group donated ¥2,100,000 to the WFP. In addition, we donated ¥422,000 in participation fees to the Nippon Foundation Fund to Support Children’s Future.



**Certification as a “Tokyo Sports
Promotion Company 2016” in Recognition
of the 15th Hyakufukushi Project**

NISSIN FOODS HOLDINGS was certified by the Tokyo Metropolitan Government as a “Tokyo Sports Promotion Company 2016” in recognition of “Nissin Walking for Charity Project—to the Moon: 9,000 Steps Each Day,” the 15th Hyakufukushi Project.

The Tokyo Sports Promotion Company Program, created to make Tokyo a “sports city” by 2020, certifies companies that promote sports activities by employees and support various sports. This marks the second time NISSIN FOODS HOLDINGS has been certified, following certification for 13th Hyakufukushi Project, the One-Ton Weight Loss Challenge Project.



TOKYO
東京都スポーツ推進企業



The Hyakufukushi Projects so far

www.nissin.com/en_jp/csr/social/hyakufukushi/



Project
No.1

Supporting African Communities

The Kenya Oishii Project

February 2008–January 2013

In Kenya, Africa, an area struggling with hunger, we held classes on the value and manufacturing of instant noodles and worked to empower the local economy.

Project
No.2

Cultivate Nature-Experience Activities Leaders

The “Idle to Idol” In-House Project

Since October 2008

Middle-aged Group employees are encouraged to contribute to society by obtaining certification as nature experience activity leaders. A total of 173 employees have been certified as activity leaders during the eight-year period from 2008 to 2016.

Project
No.3

Encouraging Emergency Preparedness

The Canned Chicken Ramen Just-in-Case Project

August 2008

We donated 100,000 units of Canned *Chicken Ramen*, a product that can be stored for up to three years, to Osaka Prefecture, Osaka City and Ikeda City for times of emergency.

Project
No.4

STOP Global Warming Even with Instant Noodles Hot Water

The Living with Hot Water Project

March 2010–March 2014

We advocated simple methods of reducing the CO₂ emissions produced when boiling water to make instant noodles, and taught how these steps can help fight climate change.

Project
No.5

Employee Volunteering Support Program

The Support for Employees' Great Volunteerism Project

March 2010–November 2012

In this project, to support Group employees who volunteer with NPOs, we recognized outstanding volunteers and provided partial financing for their volunteer activities.

Project
No.6

Japan's Fastest Teach Running Techniques

The Run and Eat Children's Education Project

September 2010–March 2013

The athletes of NISSIN FOODS Group Track and Field Team visited elementary schools to explain to students the importance of nutrition and proper running form, which is the basis for all kind of sports.

Project
No.7

Appreciating Food's Deliciousness and Fun through Learning and Cooking

Kids, Come into the Kitchen! Project

July 2011–August 2013

To raise interest in cooking and foster gratitude for good food and a keener knowledge of nutrition, we conducted 251 nutrition and cooking classes for a total of 1474 children.

Project
No.8

Giving Inspiration to Children

The Brighter Future for Tohoku Project

May 2012–March 2013

One thousand children and their guardians from Iwate, Miyagi and Fukushima Prefecture, areas devastated by the Great East Japan Earthquake, were invited on a trip to the CUP-NOODLES MUSEUM and the Tokyo and Yokohama area.

Project
No.9

Storing 3-Minute Deliciousness for 3 Years

The Canned Chicken Ramen & CUP NOODLES Project

August 2012

We donated 50,000 units (25,000 each) of Canned *Chicken Ramen* and *CUP NOODLES*, which can be stored for three years, to the Shinjuku Ward in Tokyo, Yokohama City in Kanagawa, and Ikeda City in Osaka.

Project
No.10

Father and Child Teams Going for the Win!

The All Japan “Ikumen” Menu Contest

October 2012–March 2013

Approximately 300 father and child teams entered our All Japan “Ikumen” Menu Contest with recipes using instant noodles. From these, we chose ten teams to demonstrate their recipes for the final cooking contest.

Project
No.11

Cheering on Children and their Dreams

Let's Have Some Run! Project

September 2013–February 2015

The NISSIN FOODS Group Track and Field Team visited schools in Iwate, Miyagi and Fukushima Prefectures, areas devastated by the Great East Japan Earthquake, teaching “creative thinking” and providing “fun to run.”

Project
No.12

Protecting Ourselves and Saving Others

NISSIN Employee Disaster Preparation Training Project

May and July 2014

To ensure NISSIN FOODS Group employees can protect themselves and help others in an emergency, we held overnight training at an evacuation center to learn how to provide hot meal assistance and emergency first response.

Project
No.13

Losing Weight and Increasing Donations

One-Ton Weight Loss Challenge Project

April–September 2015

The NISSIN FOODS Group donated ¥5,000 to the WFP School Meals Programme for each kilogram of weight lost by any participating Group employee who wanted to get in shape.

Project
No.14

Promoting Cross Cultural Understanding and the Value of Sports

NISSIN Speed Running Project

October–November 2015

Kenyan and Japanese athletes of NISSIN FOODS Group Track and Field Team visited elementary schools in the area devastated by the Great East Japan Earthquake to help children gain further understanding of different cultures, and to learn proper running form.



Collaboration with WINA

Instant noodles are extremely useful relief supplies in times of natural disaster. When major disasters occur in areas around the world, the NISSIN FOODS Group cooperates with local companies that are members of the World Instant Noodles Association (WINA) in providing food assistance. In March 2016, NISSIN FOODS HOLDINGS made a US\$100,000 donation to the WINA Food Safety Research Fund to vitalize safety research.

Emergency Food Aid Activities

Earthquake in Ecuador (April 2016) Donation of 100,000 servings of instant noodles

WINA and NISSIN FOODS (U.S.A.), delivered 100,000 servings of *CUP NOODLES* as emergency rations for victims in stricken areas following the earthquake in Ecuador on April 16, 2016.



Typhoon in Fujian, China (July 2016) Donation of 120,000 servings of instant noodles

WINA, in a joint effort with NISSIN FOODS (China), provided some 120,000 servings of *CUP NOODLES* as emergency rations for victims of the giant typhoon that lashed Fujian Province from July 9 to 11, 2016.



Hurricane in Haiti (October 2016) Donation of 74,000 servings of instant noodles

WINA and NISSIN FOODS (U.S.A.), donated 74,000 servings of *CUP NOODLES* for victims of Hurricane Matthew, which struck Haiti in October 2016.



What is WINA?

The World Instant Noodles Association (WINA) is a worldwide industry organization that was established in 1997 on the proposal of Momofuku Ando for the purpose of improving the quality of instant noodles, expanding their consumption, and contributing to development of the industry and dietary habits around the world. As of March 2017, WINA had 169 member companies and organizations in 24 countries and regions around the world.

The NISSIN FOODS Group is a driving force behind WINA's activities. NISSIN FOODS HOLDINGS houses WINA's secretariat office, while CEO Koki Ando currently serves as the WINA Chairman. To maintain and improve the quality of instant noodles, WINA shares among its members information on the latest R&D case studies, the safety of chemical substances, and other matters and holds the Food Safety Conference and World Instant Noodles Summit to share information and exchange views on food safety. WINA established the WINA Food Safety Research Fund and the WINA Disaster Relief Fund in 2008 and devotes itself to food safety research for instant noodles and emergency food aid activities through the provision of instant noodles to natural disaster victims around the world.

Establishment of the Forum of Instant Noodle Manufacturers in India

In March 2016, five instant noodles companies in India (Nestlé, Hindustan Unilever, CG Foods, Capital Foods, and INDO NISSIN FOODS) launched the industry organization Forum of Instant Noodle Manufacturers in India (FINMI). The organization was established when commotion surrounding a recall of some products in India's instant noodles market convinced WINA and major local instant noodle makers of the need to establish an industry association to improve quality and develop the industry.



World Food Programme

Cooperation with WFP

Some eight hundred million people around the world, or one in nine persons, suffer from hunger. Child hunger is also a serious problem, with one in four children under five suffering from chronic malnutrition. In accordance with the spirit of founder Momofuku Ando expressed in the phrase “Peace will come to the world when there is enough food,” the NISSIN FOODS Group actively supports the activities to eradicate hunger through the Japan Association for the WFP (JAWFP), of which CEO Koki Ando serves as Chairman.



©Mayumi Rui



Koki Ando, Chairman of JAWFP, at Buramino refugee camp in Ethiopia in 2012

The Group's Cooperation and Support Activities

Participation in the Red Cup Campaign



NISSIN FOOD PRODUCTS has participated in the Red Cup campaign, led by JAWFP, donating a portion of sales of *Chicken Ramen* and *Chicken Ramen Donburi* to the WFP School Meals Programme since 2012. The amount of donations in 2016 was ¥30,240,000, and cumulative donations since 2012 have reached ¥153,500,000*.

Special Sponsorship of WFP Events

Since 2008, NISSIN FOODS HOLDINGS has been a special sponsor of WFP Walk the World, an event held by JAWFP, which calls for support of the WFP School Meals Programme to contribute to fighting child hunger in developing countries. Since 2010, we have served as a special sponsor of the WFP Essay Contest also organized by JAWFP. The contest is held for the purpose of increasing public awareness of the problem of hunger and raising support for the WFP School Meals Programme. In addition to special sponsorship of the contest, we donate ¥30 to the WFP for each essay entered, enough to provide one school meal for one child.



WFP Walk the World 2017 (Osaka)

What is WFP?

Assisting 80 million people in around 80 countries each year, the World Food Programme (WFP) is the leading humanitarian organization fighting hunger worldwide, delivering food assistance in emergencies and working with communities to improve nutrition and build resilience. It is also the largest humanitarian organization implementing school feeding programmes worldwide and has been doing so for over 50 years.

The Japan Association for the WFP (Chairman: Koki Ando) is a non-profit organization registered in Japan that focuses on raising funds for and awareness about WFP's work to achieve zero hunger.

Main WFP Support Activities of the NISSIN FOODS Group (excluding the above)

Date	Company name	Support activity	Donation amount*
June 2016	NISSIN FOODS HOLDINGS	Kumamoto earthquake assistance	¥500,000
June 2016	NISSIN FOODS HOLDINGS	Ecuador earthquake assistance	¥500,000
July 2016	NISSIN FOODS HOLDINGS	Charity donations from the gallery at the Japan PGA Championship Nissin Cup Noodle Cup	¥270,000
August 2016	SAPPORO NISSIN	Donation of the full amount of entrance fees to the Ramen Anniversary Festa	¥510,000
September 2016	NISSIN FOODS HOLDINGS	Hyakufukushi Project No. 15, Nissin Walking for Charity Project	¥2,100,000
December 2016	NISSIN FOODS HOLDINGS	2016 WFP School Meals Programme support campaign	¥3,000,000
December 2016	NISSIN FOODS HOLDINGS	Hyakufukushi Project No. 16, Peel off and Deliver Food—Stickers of Life Project	¥1,290,000
May 2017	NISSIN FOODS HOLDINGS	Hyakufukushi Project No. 17, Seven Summits Stair-Climb Challenge Project	¥2,400,000

*Amounts are rounded to the nearest ¥10,000.

Caring for the Environment

The Environment

Care for the environment is a guiding principle for the business activities of the NISSIN FOODS Group. In 2008, we defined our basic philosophy and code of conduct in the NISSIN FOODS Group Environmental Charter. We are working to ensure the sustainability of the global environment by reducing our environmental impacts at all stages of our business operations.

In fiscal 2016, we established medium-term environmental targets for fiscal 2021. These targets are based on the philosophy of our founder, Momofuku Ando, who believed that “Peace will come to the world when there is enough food.” Our environmental conservation activities include measures to reduce global warming, which will have a negative impact on food production.

Progress toward Medium-Term Environmental Targets for FY2021

Materialities	Targets for fiscal 2021	Results for fiscal 2017	Related pages
Energy conservation and global warming mitigation measures	30% reduction in greenhouse gas (CO ₂) emissions from business operations* ¹	23.9%	P. 38
Resource conservation and recycling measures	Maintenance of recycling rate of 99.5% or higher	99.6%	P. 38
Strengthening of the environmental management structures	100% ISO 14001 certification rate at Group plants* ²	60.0%	P. 37
	Improvement of environmental resource manager qualifications (Eco Test pass rate of 100%)* ³	20.8%	—

*1 Reduction target per unit of output at domestic business sites subject to reporting (compared to fiscal 2006)

*2 Certification rate at domestic and international plants subject to inspection (at the time of target setting)

*3 Including alternative qualifications, such as Environmental Planner certification



Environmental Management System

Establishment of Environmental Management System

Environmental conservation activities by the NISSIN FOODS Group are coordinated by the Environmental Council, which is chaired by a representative director of NISSIN FOODS HOLDINGS. In addition to setting group-level environmental policies, the Environmental Council also deliberates on important matters relating to environmental targets and activities. Other roles include the development of environmental management structures within the Group. Staff members in each business area also convene working group meetings as required. In addition, the environmental managers of plants attend meetings of the NISSIN FOODS GROUP Environmental Council to share information about progress on environmental initiatives at the Group's factories. BONCHI Co., Ltd., which became a consolidated subsidiary in 2016, established organizations to implement environmental and energy countermeasures in January 2017 and is now engaged in environmental conservation activities on a company-wide basis.

Surveys of Regulatory Compliance and Environmental Activities Based on Independent Survey Standards

In 2012, the Environmental Promotion Division was established to implement groupwide environmental management activities. Since 2013, the Environmental Promotion Division has been conducting surveys about environment-related regulatory compliance and environmental activities based on the NISSIN FOODS Group's own standards (RISEA*). Results from these RISEA surveys are fed back to each plant and used to monitor subsequent improvements.

In fiscal 2017, BONCHI's four factories were surveyed for the first time, bringing the total number of factories subject to RISEA standards to 28. RISEA surveys were conducted at 19 of these factories. At each plant, we disseminated and shared information, including environment-related regulatory procedures, the Ministry of Environment's guidelines for the reduction of greenhouse gas emissions, products based on low-carbon technology, and progress toward the achievement of environmental targets.

*RISEA (Food Safety Research Institute Inspection Standards for Environmental Activities)

Environmental Risk Management Structure

The NISSIN FOODS Group regularly monitors and measures emissions of air pollutants, such as sulfur oxides (SO_x) and nitrogen oxides (NO_x), and indicators of water pollution, such as biochemical oxygen demand (BOD) and chemical oxygen demand (COD) using its own standards, which are more rigorous than those stipulated in regulations and ordinances. We also imple-

ment risk countermeasures, including the preparation of emergency response manuals, in readiness for various contingencies, such as contaminant spills resulting from equipment breakdowns. All factories are continually strengthening their environmental risk management organizations through emergency drills based on manuals. As part of our business continuity planning (BCP) for major disasters, the Group's Shiga Plant is equipped with emergency power generators.

ISO 14001 Certification

Companies in the NISSIN FOODS Group place great importance on the achievement of certification under ISO 14001, which is the international standard for environmental management systems.

Group Companies with ISO 14001 Certification

Japan	NISSIN FOODS HOLDINGS (Tokyo Head Office, Osaka Head Office), NISSIN FOOD PRODUCTS (Kanto Plant, Shizuoka Plant, Shiga Plant, Shimonoseki Plant), NISSIN CHILLED FOODS, NISSIN FROZEN FOODS, MYOJO FOODS (Head Office, Research Center), NISSIN CISCO (Tokyo Plant, Osaka Plant), NISSIN YORK (Kanto Plant, Kansai Plant), SAPPORO NISSIN, NISSIN PLASTICS (Kanto Plant, Shiga Plant), HIGASHINIHOON MYOJO (Saitama Plant), NISHINIHOON MYOJO (Kobe Plant), UNI-STAR, SAITAMA NISSIN FOOD PRODUCTS, SHIKOKU NISSIN FOOD PRODUCTS, NISSIN F.D. FOODS, AJINIHOON, KAGAWA NISSIN FOOD PRODUCTS
Overseas	NISSIN FOODS DO BRASIL (Ibiúna Plant), NISSIN FOODS (Hong Kong), WINNER FOOD PRODUCTS, ZHUHAI GOLDEN COAST WINNER FOOD PRODUCTS, GUANGDONG SHUNDE NISSIN FOODS, FUJIAN NISSIN FOODS

(As of May 2017)

COLUMN

Architectural Award for "the WAVE"— An Environmentally Harmonious Research Facility



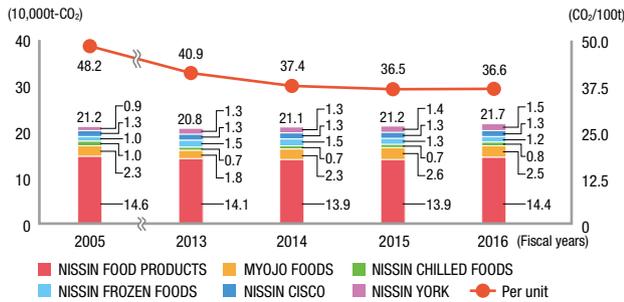
"The WAVE", the R&D center of NISSIN FOODS HOLDINGS, was selected for the 57th BCS Award. The BCS Awards are presented by the Japan Federation of Construction Contractors in recognition of architectural excellence in Japan. The WAVE was selected not only for its excellence in terms of design and functionality, but also for other qualities, including harmonization with the local community, and the consideration shown for the surrounding environment and townscape.



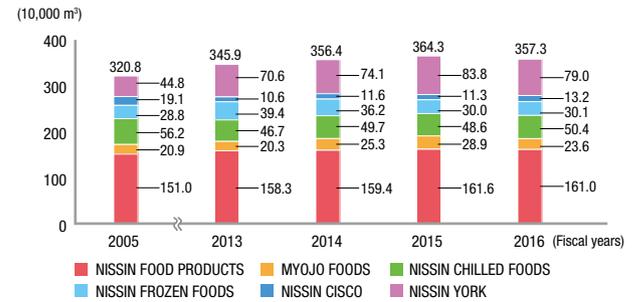
Environmental Performance

Japan

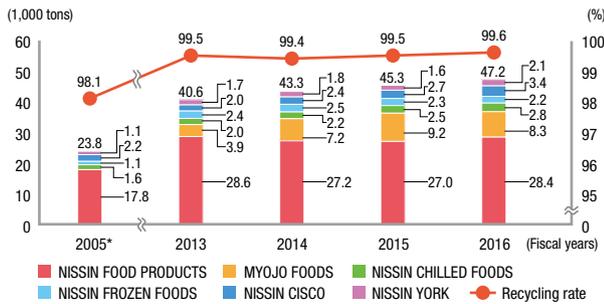
CO₂ emissions/CO₂ emissions per unit of production



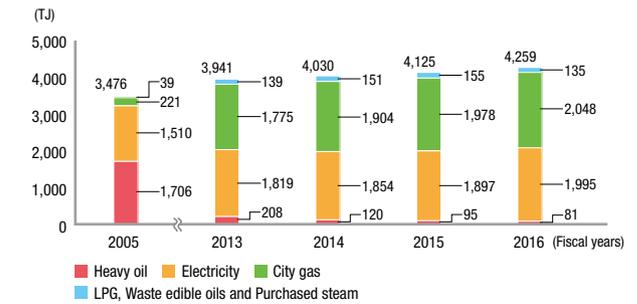
Water use



Waste emissions/Recycling rate



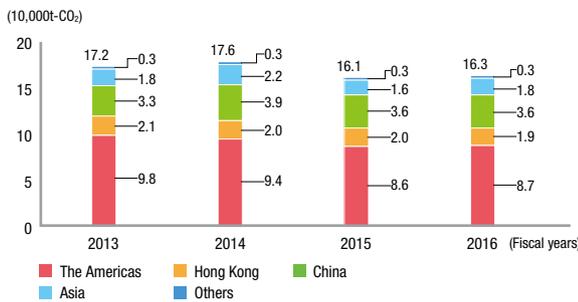
Energy consumption



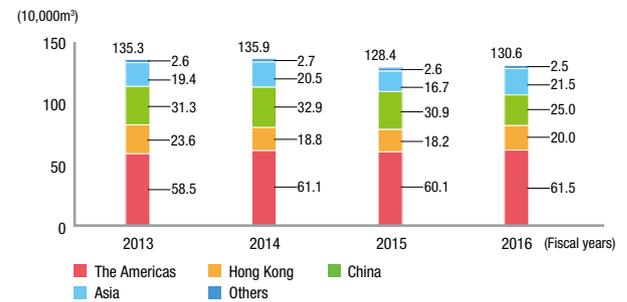
*Waste emissions and recycling rate data for Myojo Foods in fiscal 2006 are unavailable.

Overseas

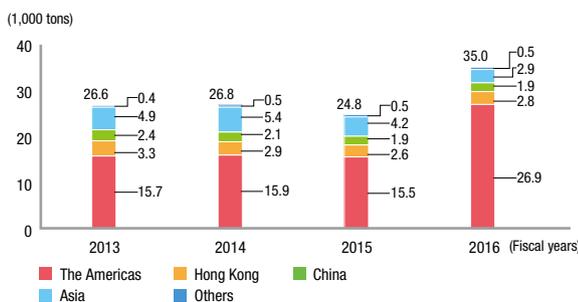
CO₂ emissions



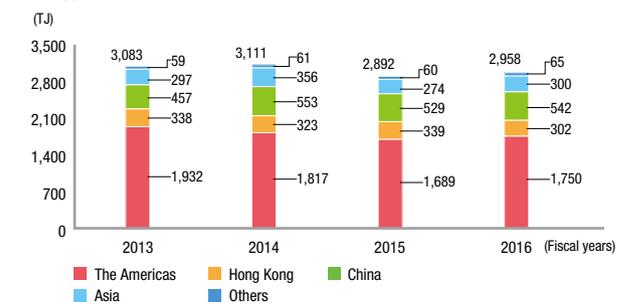
Water use



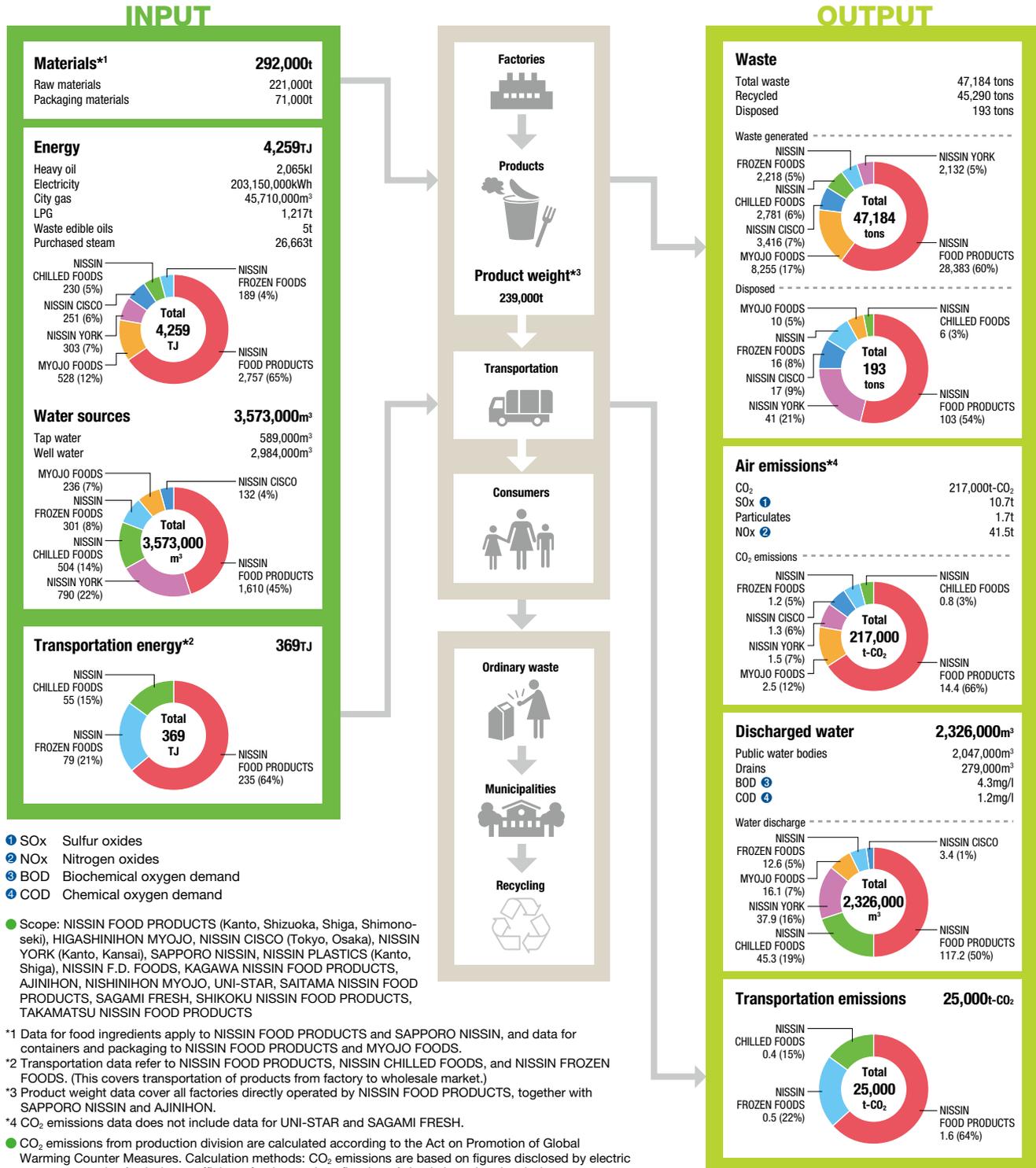
Waste emissions



Energy consumption



Business Activities and Environmental Loads





Initiatives Relating to Production, Logistics, and Procurement

Reducing Greenhouse Gas Emissions and Energy Consumption

In fiscal 2007, the NISSIN FOODS Group began to convert the boilers in its factories to use natural gas instead of heavy fuel oil. The conversion has been completed at 22 of the 28 factories covered by RISEA standards. We are taking steps to minimize energy losses at the production stage, including the reduction of

the amount of steam used in steaming processes, and improvements in the efficiency of the deep-frying process. We have also implemented measures for conversion to LED lighting and to ensure compliance with the Fluorocarbon Emission Control Law. In India and Thailand, we are introducing energy-efficient low-carbon emission facilities based on the use of biomass. We have also completed the conversion from heavy fuel oil to natural gas at plants in China.

Examples of Initiatives to Reduce Greenhouse Gas Emissions and Save Energy

Installation of Cogeneration System

▶ NISSIN FOOD PRODUCTS Shizuoka Plant

As part of our business continuity planning (BCP), we installed a gas-fired cogeneration system at the Shizuoka Plant in March 2017. The new system is designed to utilize waste heat and will allow operations at the plant to continue even during power outages. It has been fully operational since April 2017.

Biomass Utilization

▶ INDO NISSIN FOODS Khordha Plant

Fuel oil consumption at the Khordha Plant has been reduced through the installation, in October 2016, of a briquette boiler designed to use biomass in the form of wood pellets. Now, all three factories in India, Jigani in the south, Rewari in the north, and Khordha in the east, are equipped with energy-efficient low-carbon emission biomass boilers.

▶ BONCHI Central Industrial Park Plant

In the Number 2 Plant, steam from biomass boilers is used as a heat source. Sources for the woodchips used as fuel include thinning timber from local forests, making this an example of local energy production for local consumption.

Improved Thermal Insulation Efficiency for Steam Pipes

▶ NISSIN CISCO Osaka Plant

Order-made thermal insulation jackets have been installed on steam pipes to improve insulation and thermal efficiency. The resulting reduction in gas consumption has reduced CO₂ emissions by the equivalent of 22 tons per year.

Credit Certification in Japan

▶ BONCHI Yamagata Plant

In 2011, heavy fuel oil boilers were replaced with highly efficient LPG boilers, resulting in lower energy consumption and reduced CO₂ emissions. This reduction in CO₂ emissions has been certified for offset credits in Japan.

Electricity Consumption Reduced through Thermal Insulation of Roof

▶ NISSIN CISCO Tokyo Plant

In 2016, thermal insulation was applied to part of the roof of the Number 1 Plant to curb heat build-up inside the building. Yearly power consumption for air conditioning has been reduced by 73,882kW, which is equivalent to 37 tons of CO₂.

COLUMN

Reducing Environmental Loads at the NISSIN YORK Kanto New Plant

The environmental impact of the NISSIN YORK Kanto New Plant has been minimized through the use of the most advanced equipment. Its boilers are fueled by natural gas, which emit 28% less CO₂ per hour than heavy fuel oil boilers. Compared to fluorescent lighting, LED lighting in the Plant buildings decreases electricity use by 85 kW per hour. In addition, the amount of waste has been reduced by 13.5 tons* by converting from corrugated paper into kraft paper as the packaging material for drink pack containers.

*The transition to this material is being implemented progressively, starting in August 2016. The figure represents the result up to March 2017.



Reducing Water Usage and Wastewater

We are working to reduce water usage in manufacturing processes at all of our factories, while also recycling water. For example, water used as a coolant in manufacturing processes is reused to wash equipment. We are also taking steps to reduce environmental loads by minimizing wastewater.

Examples of Initiatives to Reduce Water Usage and Wastewater

Reduction of wastewater

▶ HIGASHINIHO MYOJO

The installation of a pre-treatment system has reduced the load on wastewater treatment equipment. This has resulted in a 30% reduction in wastewater.

Reduction of water usage and wastewater

▶ NISSIN FOOD PRODUCTS Shizuoka Plant

Because the boiling time required varies according to the shape of the noodles, we have been able to reduce water usage and wastewater by installing partitions in boiling vats to allow the water flow to be varied.

Achieving Zero Emission Status, Reducing Waste

Since 2001, we have been working to achieve zero emission status by expanding our recycling activities and reducing the amount of waste produced. We are also shifting away from the thermal recycling*1 of waste as fuel, toward material recycling*2, which results in the reuse of waste as materials. Food residues, which make up the bulk of waste from our factories, are reused in animal feed or fertilizers. Careful sorting procedures allow some food waste to be sold commercially. Other waste is recycled after processing to reduce bulk and volume. In overseas production bases, our Thailand plant has achieved zero emission status by turning waste into saleable resources.

*1 Thermal recycling involves the recovery of heat energy through the combustion of waste.

*2 Material recycling results in the use of waste as materials for new products.

Examples of Initiatives to Achieve Zero Emission Status, and Reduce Waste

Use of Waste Syrup in Animal Feed

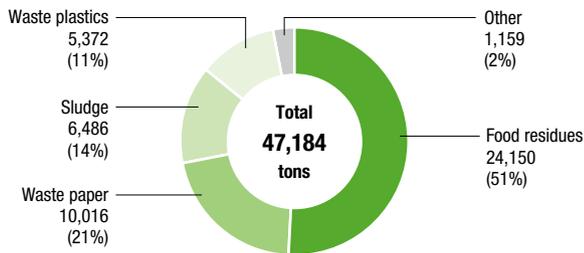
► NISSIN CISCO Tokyo Plant

In the past waste syrup from cereal manufacturing processes was incinerated. We have now switched to a new method that turns this material into a saleable resource in the form of animal feed. This will reduce the amount of material incinerated each year by an estimated 25 tons and is expected to raise the food recycling ratio from 97.2% to 99.2%.

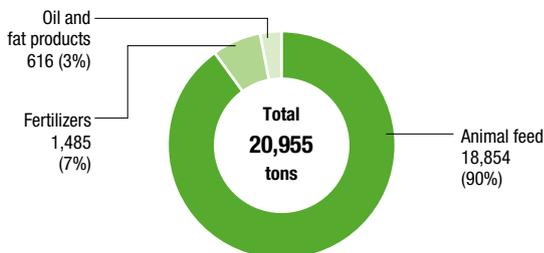
Appropriate Disposal of Waste

All NISSIN FOODS Group companies dispose of industrial waste according to the Industrial Waste Manual, which is an important

Types of by-products and waste emissions



Types and quantities of materials reused cyclically (derived from food cycle resources)



set of regulations for the Group. We outsource disposal of industrial waste to disposal contractors. Agreements with industrial waste disposal contractors are always based on the format stipulated by the NISSIN FOODS Group. We also check and assess contractors' sites using our own contractor checklist. In addition, agreements, waste manifests, waste quantities, and other data are regularly forwarded to the Environmental Promotion Division for double-checking. Waste materials in product form are in principle collected by packer trucks. If this is not possible, they are collected using standard trucks with members of our staff present at all stages from collection and transportation through to arrival at disposal sites. The photographs showing the material being incinerated or crushed must be retained for five years, together with the manifests.

Examples of Appropriate Waste Disposal

Use of Environmentally Responsible Analysis Method

► MYOJO FOODS Research Institute

We have switched from the Kjeldahl method*1 of protein analysis to the environment-friendly combustion method*2, which was adopted as the analysis method for the food labeling standards in 2015. Because this method allows analysis to be carried out without using hazardous substances, such as sulfuric acid or sodium hydroxide, it is no longer necessary to treat waste liquids.

*1 With this method, the sample is broken down using heat and acid. The protein is converted into ammonia, which is measured by means of titration, allowing the equivalent amount of protein to be calculated.

*2 High-temperature combustion of the sample converts the proteins into nitrogen gas. By measuring the amount of nitrogen, the equivalent amount of protein can be calculated.

Promotion of Modal Shift

We are implementing a modal shift from trucking to ship and rail transportation. In 2012, NISSIN FOOD PRODUCTS began to move freight between the Shimonoseki Plant and the logistics centers in eastern Japan using rail containers and coastal shipping. Most freight on this route is now covered by this modal shift. In fiscal 2017, the modal shift ratio on a ton-kilo* basis increased by 1.3 points to 29.3%, reducing carbon dioxide emissions by approximately 300 tons annually. MYOJO FOODS has been implementing a modal shift for part of its freight transportation operations from its production facilities to its Kyushu logistics center since 2014. Freight is now moved by sea from the HIGASHINIHON MYOJO Saitama Plant, and by rail from the NISHINIHON MYOJO Kobe Plant. Compared with road transportation, these methods reduce carbon dioxide emissions by around 220 tons per year. NISSIN FROZEN FOODS has also started to implement a modal shift for some of its logistics operations. Since 2015, it has transported freight by sea from SAITAMA NISSIN FOOD PRODUCTS to the Kyushu Area.

*A unit of freight traffic—1 ton-kilo = 1 ton of freight transported for 1 kilometer

Improving Transportation Efficiency

We are working to improve transportation efficiency and optimize our transportation systems through various initiatives, including changes to routes, the rearrangement of delivery areas and logistics centers, and the use of shared transportation. In January 2016, NISSIN FOOD PRODUCTS established the SCM Division to strengthen supply management with the aim of achieving group-

wide optimization at all stages from production to marketing. Our goal is to develop networks based on local production for local consumption. We are working to improve production patterns and transfer ratios for key products so that we can shorten transportation distances and reduce the amount of energy used. NISSIN FROZEN FOODS is taking steps to improve logistics efficiency across its entire supply chain by restructuring its logistics routes.

Examples of Initiatives to Improve Transportation Efficiency

Introduction of Folding-deck Trucks

► NISSIN FOOD PRODUCTS

Loading ratios have been increased through the use of folding-deck trucks to transport materials on some routes from the Shizuoka plant. This has reduced the number of vehicles used by 39%.



Reducing CO₂ Emissions through Shared Transportation

► NISSIN FOOD PRODUCTS

In June 2017, we began to share transportation with Suntory Holdings Ltd. in the Obihiro area of Hokkaido. This initiative will enable both companies to reduce CO₂ emissions by approximately 50 tons per year.

► MYOJO FOODS

Since July 2016, MYOJO FOODS began sharing transportation with NISSIN FOOD PRODUCTS in the northern Tohoku region. Centralized management of trucks has resulted in improved transportation efficiency compared with the separate systems used previously.

Reducing Transportation Distances through Changes to Transfer Points

► MYOJO FOODS

In January 2017, MYOJO FOODS began to use a warehouse next to its Kobe Plant as the logistics base for shipments to other regions. The shorter distance between the plant and the warehouse is expected to reduce transportation operations by around 15,000 ton-kilometers per year.

Reduction of Packaging Materials

We are working to reduce the weight of packaging while maintaining the required strength. We are also improving storage efficiency by modifying packaging methods. NISSIN FOOD PRODUCTS and MYOJO FOODS have reduced the amount of packaging materials and improved transportation efficiency by packing some cup-type instant noodles in corrugated cardboard cases in an alternating standard and upside-down configuration. NISSIN FROZEN FOODS has also taken steps to improve efficiency and

reduce the amount of materials used, including the introduction of wrap-around corrugated cardboard packaging machines.

Initiatives Relating to Procurement

In May 2007, we adopted our “Basic Policy on Green Procurement,” which includes provisions relating to global warming prevention. In accordance with that policy, we always take environmental considerations into account when procuring raw materials. In 2016, we began to conduct environment-related surveys of our main suppliers. In response to growing concern about environmental issues and other problems relating to palm oil, we joined the Roundtable on Sustainable Palm Oil (RSPO) in the United States in 2013, and in Hungary in 2016. In February 2016, NISSIN HUNGARY completed its transition to the use of 100% certified palm oil. NISSIN FOODS (U.S.A.) switched to 100% mass balance, certified sustainable palm oil in December 2016.

Examples of Initiatives to Reduce Packaging Materials

Wrap-around Corrugated Cardboard Packaging

► NISSIN YORK

NISSIN YORK has reduced the amount of corrugated cardboard used by 174 tons per year by switching from Type A corrugated cardboard boxes to wrap-around type.



Type A box

Wrap-around type

Changes to Corrugated Cardboard Packaging Format

► NISSIN FOODS DO BRASIL

NISSIN FOODS DO BRASIL has switched to packaging CUP NOODLES on corrugated cardboard half-trays covered with shrink wrap. By alternating right-side-up and upside-down cups, the company reduced the tray size from 572×382×108mm to 523×354×73mm, thereby reducing the quantity of packaging materials used by 624 tons per year.

Basic Policy on Green Procurement

1. We will comply with environment-related laws, regulations, and agreements, and all applicable international standards.
2. We will show consideration for the environment, including efforts to mitigate global warming and improve the global environment.
3. We will work to reduce energy and resource consumption.
4. We will strive to use materials that facilitate waste processing and disposal and reduce environmental loads.
5. We will strive to use recyclable or recycled materials.
6. We will develop procurement systems that enable us to ensure that our products can be enjoyed safely and with confidence.
7. We will not use materials that have a negative effect on human health.



Initiatives Relating to Offices, Business Operations, and Products

Office-related Initiatives

We have installed energy-saving equipment, including energy-efficient air-conditioning systems and LED lighting, in our offices. The NISSIN logo on the roof of our R&D center, the WAVE, is made from solar panels that provide some of the electricity used for lighting and other purposes inside the building. We also promote energy-saving behavior, such as the “Cool Biz” and “Warm Biz” dress codes, and the “2 up 3 down” campaign to promote the use of stairs when moving between adjacent floors. Other initiatives include a shift to paperless operations, as well as waste reduction, sorting, and recycling.

Initiatives Relating to Business Operations

Company vehicles used in business operations are selected for their excellent environmental performance. We use hybrids and other vehicles that meet the highest exhaust emission standards. In fiscal 2017, our six business companies* achieved 100% utilization of environment-friendly vehicles. Employees are encouraged to use eco-driving techniques, including the avoidance of rapid acceleration or braking, and to use public transportation if available.

*NISSIN FOOD PRODUCTS, NISSIN CHILLED FOODS, NISSIN FROZEN FOODS, MYOJO FOODS, NISSIN YORK, NISSIN CISCO

Reducing the Amount of Packaging Materials Used

In May 2007, the NISSIN FOODS Group adopted a basic policy on container packaging design development, which requires the

reflection of environmental considerations in designs. Under this policy, we are working to develop environment-friendly products and contribute to the creation of a recycling-based society by reducing, reusing, and recycling resources (the 3Rs). Methods used to reduce the amount of container packaging materials include the development of more compact products designs, the reduction of individual packaging and container packaging, a switch to trayless packaging, and the use of simplified packaging.

Examples of Initiatives to Reduce Container Packaging

Changes to Cup Materials

► NISSIN FOOD PRODUCTS

By changing the materials used in the *NISSIN DEKABUTO* cup, we have reduced weight of materials used by 11.31 tons per year. A further reduction of 2.72 tons per year has been achieved through changes to the materials used in the *NISSIN RAOH* cup.

Paper Containers for *CUP NOODLES* in Overseas Markets

► NISSIN FOODS DO BRASIL

In September 2016, NISSIN FOODS DO BRASIL switched from polypropylene cups to paper cups (ECO cup) for the *CUP NOODLES* series in Brazil. This will reduce the weight of materials used in the cups by 712 tons per year. We have also completed the transition to ECO cups in China and Thailand.



Changes to Packaging Formats

► NISSIN CHILLED FOODS

NISSIN YAKISOBA was previously packaged in a drawstring-type packaging film sealed with binding tape. By replacing this with a bag-type package, we reduced the amount of plastic used for this product group by approximately 3.9 tons per year.



COLUMN

Townscape Beautification Award from Shinjuku Ward

In February 2017, NISSIN FOODS HOLDINGS received an award from Tokyo's Shinjuku Ward in recognition of its contributions to townscape beautification and garbage reduction/recycling in fiscal 2017. These awards are presented to companies and other organizations that have made significant contributions to townscape beautification, including the reduction and recycling of garbage. This award resulted from our efforts to raise awareness of waste quantities and sorting.



Recycling of Containers and Packaging

We outsource the recycling of plastic, paper and other materials from containers and packaging to the Japan Containers and Packaging Recycling Association. That organization produces recycled materials from containers and packaging collected by municipalities as sorted household garbage. Companies use these recycled materials to produce such things as pallets, imitation wooden logs, benches, and reconstituted paperboard.

Working with Our Employees

Human Rights and Labor Practices

Our goal is to supply products that will bring even greater enjoyment to consumers while fulfilling our responsibility as a food producer. One of the ways in which the NISSIN FOODS Group works to achieve that goal is by fostering the creativity of individual employees, supporting employee health, and creating working environments that empower each individual to work autonomously. Human resource development and improvement are also essential to the fulfillment of our role as an “EARTH FOOD CREATOR.” That is why we have created an extensive range of training courses and programs and global human resource development systems.

TOPICS

Commitment to Work Styles Diversity and a Healthy Work-life Balance

The NISSIN FOODS Group encourages employees to work smart in ways that match their working environments and lifestyles. For example, we encourage all employees to use their paid leave, and we are also reducing overtime hours and diversifying work formats. In fiscal 2017, we introduced several new systems based on initiatives by the Diversity Committee, including a working-from-home system, and a new “Child Leave” program under which male employees are encouraged to take parental leave.





Promotion of Diversity

Fair Hiring Practices Respecting Human Rights

All hiring is carried out fairly in accordance with our recruitment manual. In addition to respect for fundamental human rights, we also ensure that hiring is carried out without any advantage or disadvantage on the basis of nationality, gender, race, marital status, or other attributes. After recruitment, all employees are treated fairly and without discrimination in relation to promotion and advancement.

Employment Diversity

More Active Roles for Women

The NISSIN FOODS Group is participating in the Japan Business Federation's voluntary action plan for the promotion of women to managerial and board positions. We established a Diversity Committee in 2015 as part of our initiatives to create working environments that better enable women to contribute and succeed. We have also introduced various training programs designed specifically for women. (see p.47)

Employment for People with Disabilities

The NISSIN FOODS Group is working to increase employment of people with disabilities and create amenable working environments for them. Currently, the NISSIN FOODS Group in Japan, including a special subsidiary*1, employs 73*2 people with disabilities. In 2013, we established a special subsidiary, NISSIN BUSINESS SUPPORT PLUS to facilitate employment for people with disabilities. Now, that company employs 34 people*2 in tasks that

include building maintenance, office support, and cleaning. In April 2018, it will become mandatory to employ people with mental disabilities. In preparation for that change, we are establishing a model case by accepting trainees in collaboration with hospitals, while receiving support to help people settle into their new roles.

*1 NISSIN FOODS HOLDINGS, NISSIN FOOD PRODUCTS, and four directly managed factories, NISSIN CHILLED FOODS, NISSIN FROZEN FOODS, MYOJO FOOD, and NISSIN BUSINESS SUPPORT PLUS

*2 As of March 31, 2017.



Main Initiatives of the Diversity Committee

Promotion of more active roles for women	
"Global SAMURAI" leadership training program for women (Catalyst course)	
"Sister Program" to support young women working in sales	
Sales career development for women	
Career planning training for young women	
Creating amenable working environments for women/ Work-life balance	
Support for early return to work after parental leave	Increased flexibility in working hours for women with children
Subsidies for emergency childcare costs	Extension of parental leave
Introduction of work-from-home system	Enhancement of flex-time system
Introduction to "Child Leave" system to encourage male employees to take parental leave	Introduction of "Come Back Recruitment" system for former employees who left before their retirement age
Awareness-raising	
Training for male managers on how to manage female employees	
Implementation of "Beyond Me Today" diversity seminar	
"Diversity in your Workplace" employee socialization events	



NISSIN CISCO's Women's Project Team

In April 2016, NISSIN CISCO formed a project team made up entirely of women. The team has been named the "Nadecisco" from the Japanese word "nadeshiko," which is the name of a flower said to symbolize the ideal characteristics of Japanese women. Women are invited to join the team for specific projects and play key roles in a variety of areas. In November 2016, we launched a new product, *Gorotto Granola Ginger Chai*, which resulted from an idea put forward by Nadecisco team members. This product was devised by women in response to the problem of discomfort from cold that many women experience in the winter.



NISSIN BUSINESS SUPPORT PLUS

NISSIN BUSINESS SUPPORT PLUS is working to foster understanding about people with disabilities and facilitate their transition into employment by accepting people for visits and training. In fiscal 2017, it welcomed visitors on 30 occasions, providing participants with opportunities to observe mail sorting and cleaning work. The company also accepts trainees from special support education schools, support organizations, hospitals and other organizations. In fiscal 2017, it accepted 18 trainees at its Tokyo office and three at its Osaka office. Employees who take parental leave called "Child Leave" (see p.49), which is one of our diversity promotion systems, receive hand-made congratulatory gift sets produced by NISSIN BUSINESS SUPPORT PLUS.



Creating Opportunities for Extended Careers

We have created a system that enables people who have reached the retirement age of 60 to continue working until they are 65 if they wish. We also hold post-retirement life planning seminars for executives aged over 50.

Active Employment of Foreign Workers and Acceptance of New Graduates in October

We are building a future for NISSIN FOODS Group as a global company. As part of that process, we actively recruit talented workers without connection to their nationality, including active recruitment of new graduates from other countries. In fiscal 2017, the number of non-Japanese employees reached 34. To facilitate the recruitment of diverse human resources from overseas as well as Japan, we also accept new graduates from overseas universities in October in addition to accepting domestic graduates in April.



Human Resource Development

Human Resource Management Systems

Job Rotation through Three Divisions in 10 Years

We place great importance on the development of employees during their first 10 years after joining the company as new graduates. Each employee undergoes a job rotation process tailored to individual characteristics, including ambitions, abilities, and personality. By experiencing multiple types of work, employees become aware of their own abilities and aptitudes. This helps them to envision their future career paths and also improves their motivation and commitment to self-improvement. We have also established the Nissin Career Development Program (NCDP), which helps people to acquire professional abilities during their first 10 years with the company.

Early Advancement System

The Company actively promotes talented people under our early advancement system. Employees who demonstrate ability and performance and are judged to have the qualities needed for senior positions can be promoted early so that young leaders can be developed more efficiently.

Open Internal Job Posting System

A key feature of the NISSIN FOODS Group is our career change system, which allows not only young employees but also people with years of experience with the company to take up new challenges. We offer an excellent open application scheme for young employees, while those at supervisor level or higher can apply to become branch managers. People at assistant manager level or higher can apply for positions as brand managers or product managers, and managers are eligible to apply when general manager positions become available. This system has helped to revitalize our organization by broadening the range of opportunities available to employees and enabling them succeed and contribute.

Award Systems

NISSIN CREATORS AWARD are presented to employees in

recognition of meritorious service and contributions to the improvement of the Group's brand value. Employees who have demonstrated the "NISSIN CREATORS SPIRIT," resulting in notable inventions and innovations, or who have shown originality through new ideas or innovative process improvements are eligible for these awards. The number of entries increased by 56% over the previous year's level in fiscal 2017, and a number of awards were presented.

Rank-Based Training

Training for New Employees

New employees undergo training for approximately one month. After learning about our company history and philosophy and gaining an overall understanding of our organization and business



HR Forums

The 2020 Human Resource Development Plan was launched in fiscal 2017 with the aim of building a robust work force and energizing organizational structures toward the achievement of the goals in the Medium-Term Business Plan. As part of this initiative, we held two HR forums in fiscal 2017.

Yoshiyuki Suzuki, one of Japan's leading management coaches, was invited to present a lecture at the first forum. His theme was "Realization of Personal Independence through Management." The speaker at the second forum was Ichiro Kishimi, author of *The Courage to be Disliked*. In his lecture, Mr. Kishimi explained that people need to free themselves from the fear of being disliked as they strive to contribute in the workplace.



operations, the new employees visit factories and our R&D center, known as “the WAVE.” They also experience training with instructors at the CUPNOODLES MUSEUM in Yokohama City, Kanagawa. In addition, they learn what is expected of them as members of the work force, as well as business skills and other basic knowledge. The final stage of the training is a three-day training retreat at the Momofuku Ando Center in Komoro City, Nagano. New employees who are assigned to factories or the R&D center then undergo cookery training to learn basic knowledge about cooking and soup. There is also a driving skills improvement program for new administrative employees who have been assigned to sales units. Employees assigned to research and development units also complete a two-month R&D training program starting in May. In 2016, we further strengthened our systematic approach to training in collaboration with workplaces by introducing OJT seminars for the supervisors and senior workers who welcome the new employees.

Milestone Training

▶ Second and Third Year Training

Employees undergo training programs in their second and third years. The purpose of these programs is to identify worries and problems early and speed up personal growth. In fiscal 2017, the second- and third-year programs were combined. This gave third-year employees an awareness of their responsibility toward younger colleagues, while second-year employees were able to learn from the experiences of older colleagues.

▶ 10th-Year Training, Training for Employees Aged 40 and 50

Career training at these levels is designed to support career development for employees in the generation that forms the backbone of the organization by helping them to assess their achievements so far and redefine their roles and focus within the organization. Training for 10th-year employees was introduced for the first time in fiscal 2017. Through these milestone based training programs, the Group encourages and helps employees to achieve personal growth.

Management Training for Leadership

▶ Desert Island Training

Desert island training is a program designed to build physical and mental toughness in newly appointed managers. By finding food and shelter, lighting a fire, and completing various other tasks in an environment with limited resources, participants develop the strength to face and overcome difficulties without giving up. In fiscal 2017, 16 newly appointed managers, seven mid-career manager appointees, and one newly appointed executive officer participated in desert island training on Oshima Island, an uninhabited island in Yamaguchi Prefecture. That year, three female managers became the first women to participate in desert island training. We



are working to overcome gender imbalance in our efforts to develop robustness in our leadership.

▶ New Executive Training/“Beat Brain” Training

In their first year in management positions, new executives learn how to manage our increasingly diverse human resources and are provided with individualized leadership training. In their second year, new executives learn more powerful leadership techniques through case studies as part of the “Beat Brain” training program.

Other Training Programs

Training for Female Employees

Employees with the potential to become future management executives are selected for the Global SAMURAI Academy program. In 2015, we added a “Catalyst” course to the program specifically to provide leadership training for female employees. The 10 women selected for this program learn the knowledge and skills needed for their roles as female leaders during eight months of training. They also gain a heightened awareness of their potential as next-generation leaders.

Since 2015, we have also implemented a career planning program for women. This training program, which was developed in collaboration with other food industry companies, is designed to overcome concerns and problems specific to young females in the food industry through a process of discussion. In fiscal 2017, approximately 50 young female employees from various companies took part in the program.

Another example of our efforts to create good working environments for young female employees is the “Sister Program.” This allows young female employees in their first four years with the Group to seek advice at any time from older employees who play a role as their sisters in the company.

Area-Specific Training

We also provide training programs specific to the areas in which employees work. These include leadership and communications training programs tailored to the needs of employees working in sales, research, production, and other areas.

Employee Interviews

▶ Interviews with the President and Executive Vice President

Every year we create opportunities for management executives to meet with the President and Executive Vice President. These meetings are valuable opportunities to ask directly about management strategies and policies and seek advice about their mission and responsibilities at work.

▶ Personnel Management Interviews

Individual employees are interviewed as part of our personnel management processes. In 2016, we introduced a system under which all young employees undergo personnel interviews by their third year with the specialists at Human Resource Development Office. Employees are also able to request interviews at other times.

Education about the Founder's Philosophy

We regularly provide opportunities for our employees to learn about the philosophy of the founder, Momofuku Ando, so that they can understand their role as employees of the NISSIN FOODS Group and renew their awareness of how they should approach their work. Executives and supervisors from overseas subsidiaries also learn about our philosophy.

Selective Programs

Global Challenge Path Program for Young Employees

This system was established to help young employees to succeed when working overseas and encourage them to take up global challenges. For example, employees who meet specific criteria are given preference when applying to be sent for training in overseas work practices under the Overseas Trainee program.

Overseas Trainee Program

We encourage our employees to achieve personal growth as global management personnel by selecting young employees for one-year training assignments at our overseas business sites. In 2016, the scope of this system was expanded to include employees working in our R&D center, the WAVE. Employees were selected for a total of 13 posts.

Marketing Trainee Program

This trainee program was established in 2015 to help employees achieve growth as creative people early in their careers. Employees selected for this program are able to experience actual creative work while working in the Marketing Division for one year.

Global SAMURAI Academy

This program was established as an in-house university to train core management personnel at all levels from junior employees through to executives. Participants study a variety of subjects, including management skills, logical thinking, foreign languages,

cross-cultural understanding, and liberal arts. There are four levels: the "Young Warrior" course for new employees through to mid-level employees, the "Samurai" course for team managers through to section managers, the "Robust Manager" course, which prepares people at the assistant manager and divisional manager levels for a future role in top management, and the "Executive" course for current management executives. In 2015, we added the "Catalyst" course, which provides leadership training for female employees. The program also includes mechanisms to support systematic, long-term personal development.

Self-Improvement Programs

Support for Correspondence Education, e-Learning, and Obtaining Qualifications

To support employees who show determination to improve themselves, we offer 350 correspondence education and e-learning courses. Support is also available for employees who are working to obtain official qualifications. For example, we fully fund exam preparation expenses and tuition fees for employees who seek to earn qualifications that will be useful to their work, while those working toward qualifications for self-improvement purposes are eligible for 50% subsidies.

Support for Foreign Language Learning

Our commitment to global human resource development includes support for employees working to improve their foreign language skills. The NISSIN COLLEGE offers English lessons for employees transferred overseas and those who need English for their work. General employees wishing to learn English are also able to enroll in the NISSIN COLLEGE, which employs a full-time conversational English teacher. In fiscal 2017, a total of 1732 people attended classes. We are also working to improve access to language courses in languages other than English in cooperation with language schools.

COLUMN

NISSIN FOODS HOLDINGS the Most Popular Company for Prospective Employees Two Awards in the Hong Kong/China region

Awarded by Randstad, one of the world's leading recruitment companies, the Randstad Awards are given to companies selected as the most attractive employers. NISSIN FOODS HOLDINGS (NISSIN FOOD PRODUCTS) was ranked 1st in the Randstad Award 2017 as an attractive place to work. The Company has been in the top 10 ranking in each of the six years since the awards were established in 2012. After being placed 7th last year, we surged into first place out of the 220 companies considered in Japan.

In the Hong Kong/China region, we won the Asia-Pacific region award in the Employer of Choice Awards 2016 presented by Job Market, a recruitment magazine affiliated with Sing Tao News Corporation. The award was in recognition of our initiatives toward business development and the improvement of employee motivation through efforts in such areas as personnel systems, education and training, and welfare. We also won an award for excellence in the Southern China section of the 2017 Top Human Resources Management Awards presented by the human resource service company 51job, Inc.





Good Working Environments

Achieving a Healthy Work-Life Balance

Smart Working

The NISSIN FOODS Group is implementing the “smart working” concept as a new approach to innovation that also helps employees to achieve a healthy work-life balance.

We are taking steps to eliminate excessive working hours. For example, employees are encouraged to go home at the normal closing time every Wednesday, which has been designated as “no overtime day.” Since 2016, overtime after 8 p.m. has been prohibited in principle, and people are also encouraged to leave work 30 minutes earlier than they usually do. A number of steps have been taken to improve the working lives of employees, including the introduction of a work-at-home system and flextime. We also encourage employees to make full use of their paid leave, which can be taken in half-day units. Since March 2017, production workers employed by NISSIN FOODS HOLDINGS have also been able to take their paid leave in half-day units.

Parental Support Systems

Employees are able to take parental leave until their child reaches the age of two years. We have also established support measures to help employees return to work early after taking parental leave. In addition, we offer skill development support during parental leave, as well as advice sessions to assist employees preparing to return to work. There is also a work-at-home program, while employees with children in the third year of elementary school or younger can opt to work reduced hours. Other initiatives to create a reasonable working environment for employees with young children include a subsidy for childcare expenses incurred in emergency situations, such as when overtime work is required. We

also hold seminars as opportunities to think about work-life balance from a child-raising perspective. In fiscal 2017, 40 employees opted for shorter working hours for parental reasons, and 100% of employees who took parental leave returned to work.

Energizing Communications within the Organization

Leave and Subsidies for Recreational Activities

Apart from paid leave, the Group also provides additional leave, including days off in summer. In fiscal 2017, 8 such leave days were provided. The first Friday of June each year has been designated as a recreation day. This event is an excellent opportunity to foster friendship within organizational units. We also provide subsidies for in-house club activities, which further strengthen the sense of unity among employees. In October 2016, NISSIN CISCO introduced a subsidy system for in-house recreational activities.

Global Employee Surveys

Every year, we build an accurate picture of employee attitudes to the company and their work through a self-assessment process and attitude surveys. This process gives employees the opportunity to communicate directly with the Human Resources Division about their aptitude for their current positions, and their wishes concerning redeployment or transfers. They are also able to make suggestions to the company. Employee opinions submitted through the employee attitude survey and reports on the survey results are shared with senior management and top executives in each unit. They are also converted into key performance indicators (KPIs), which are used to improve the working environment.



Launch of “Child Leave” Program

In January 2017, we launched the parental leave program, called “Child Leave,” which resulted from an initiative by the Diversity Committee to help employees achieve a good work-life balance. The system allows a male employee to take leave before and after his spouse has given birth. All employees, regardless of gender, receive a congratulatory gift set of baby goods featuring *Hiyoko-chan*, our cute yellow chick mascot.



Designation as a Leading Employer for Women by the Osaka City Government

In March 2017, NISSIN FOODS HOLDINGS received the highest “2 Star” rating under the Osaka City Government’s Leading Employer for Women program. Under this program, the Osaka City Government rates companies according to their efforts to create good working environments for women. NISSIN FOODS HOLDINGS was also selected from among the companies certified for recognition as an “Ikumen Project” promoting company, which helps male employees to play an active role in child-raising.



Since 2015, we have also implemented Global Employee Surveys through overseas subsidiaries. In fiscal 2017, the survey results indicated that 75% of employees in Japan and 79% of overseas employees feel “motivated toward their current tasks.”

Health Improvement and Work Safety Initiatives

Health and Productivity Management

The Group is committed to health and productivity management, which is defined as the strategic monitoring of employment health from a management perspective. In addition to regular health checks, we also help employees to prevent disease and improve their health. For example, employees aged 35 and older undergo intensive medical checkups, including testing for lifestyle diseases, and managers undergo complete medical checkups including brain scans and colorectal examination. There are also various initiatives unique to the Group. For example, under the Hyakufukushi Project, a CSR program established by the NISSIN FOODS Group, we have also some programs designed to link employee health improvement with social contribution. (see p.30)

In March 2016, we refurbished the staff cafeteria in our corporate headquarters and renamed it “KABUTERIA.” KABUTERIA plays a pivotal role in employee health management from a dietary perspective by offering menu choices based on one of the founder’s tenets “Eat wisely for beauty and health.”

Health Support Room

Established in 2004, the NISSIN FOODS Group Health Support Room functions as a specialized contact point for advice about health, healthcare, care for sick or aging family members, child-raising, and mental health. In collaboration with industrial physicians, we have established a system to provide timely advice as a basis for preventive care, support for returning to work after illness, and prevention of recurrences. The Health Support Room is also available to part-time workers employed in NISSIN FOOD PRODUCTS factories. Furthermore, we help to maintain a good working environment for foreign workers by providing regular opportunities for consultation.

COLUMN

Support for Work-Family Balance

The Ministry of Health, Labour and Welfare has accredited NISSIN FOOD PRODUCTS under the “Kurumin Mark” system as a company that helps its employees to achieve a healthy work-life balance and reconcile child-raising with work. In fiscal 2017, we acquired “Tomonin Mark” status as a company that has taken steps to support a good balance between work and family life for its employees, including the development of a good working environment for employees who are also caring for sick or aged family members.

Commitment to Occupational Safety and Health

In accordance with the Industrial Safety and Health Act, we are committed to occupational safety and health and the provision of good working environments for our employees. Monthly Health and Safety Committee meetings are held at each worksite to ensure that employees are not exposed to stress relating to lighting levels, temperature, humidity, air quality, noise, working space, and other factors. In addition to these efforts to create good working environments, we also carry out stress checks.

The Group has established its own Corporate Guidelines for Responding to Harassment. Under these guidelines, we have created a mechanism to ensure that any harassment incident is dealt with promptly and in good faith. This mechanism has been shared with employees. We regularly conduct internal audits. Documents listing important issues identified during these audits, together with the method used to correct them, are shared with Group employees.

Improving Working Environments in Factories

Employees carry out monthly safety and health patrols in production facilities as members of the Health and Safety Committee. In addition, monthly Health and Safety Committee meetings are held at each factory to give committee members representing the workers opportunities to inform factory managers, who also attend the meetings, about any problem areas, unsafe behavior, or other issues. Every factory has been equipped with a suggestion box to enable employees to express their views directly to the factory manager.

Health and Safety Risk Management for Employees Traveling Overseas

One of the ways in which we ensure the safety of employees affected by emergency situations while traveling overseas is by maintaining English-language personal medical data files that contain each employee’s vaccination history, existing conditions, and medical history. Under this system, which was established in October 2016, employee information is managed by the managers of factories operated by overseas subsidiaries, and by the Production Division of NISSIN FOODS HOLDINGS. The information is used for risk management when emergency situations, such as accidents or illness, occur overseas, that result in the individual affected becoming unable to speak. After the overseas travel has been completed, the data files are returned to the individuals concerned to ensure that their privacy is protected.

Traffic Safety Measures and Educational Activities

To encourage the safe operation of our company vehicles, we maintain monthly accident statistics and implement educational activities with the aim of preventing accidents. Documents stored in vehicles, such as maintenance and inspection certificates, are thoroughly checked to raise awareness of vehicle management. Drivers who are involved in accidents are encouraged to attend safe driving courses. In fiscal 2017, we displayed traffic safety improvement posters in offices where company vehicles are used. We also implemented traffic safety campaigns, including stringent

driving behavior checks. These efforts to raise awareness of safe driving resulted in a reduction in the number of accidents.

Maintaining Safety through Accident Prevention and Disaster Preparedness Measures

▶ Manual Compilation and Disaster Drills

In the event of a disaster or accident, we will take action to minimize the damage in accordance with various regulations, including the NISSIN FOODS Group Disaster Response Regulations, and the BCP Regulations (Business



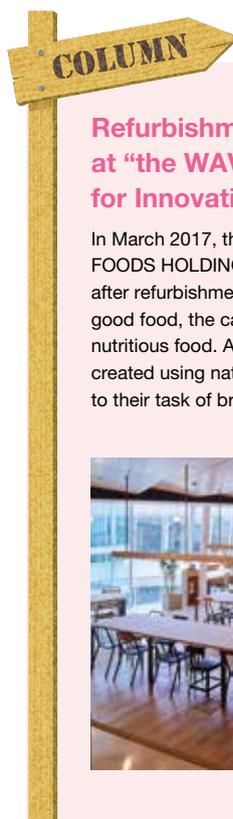
Continuity Plan). As part of our disaster preparedness measures, we regularly hold disaster drills at our head office, business sites, factories, and other facilities. The purpose of these drills is to ensure the safety of our employees in the event of an earthquake or other disaster by practicing appropriate firefighting and evacuation activities. During a disaster drill at the Tokyo head office in March 2017, members of the company firefighting team improved their emergency response capabilities by practicing the use of automated external defibrillators (AED) and fire extinguishers and practicing cardiopulmonary resuscitation (CPR). Disaster drills based on a fire scenario are carried out annually at our R&D center, the WAVE, with the participation of local firefighting authorities.

▶ Development of Emergency Communication Systems

We inform all employees about the knowledge and specific actions required to ensure safety in an emergency by distributing survival cards containing essential information. We have also introduced an Internet-based safety confirmation system that allows us to check the safety of employees quickly. Since March 2017, we have added functions to our system that also allow us to confirm the well-being of employees' families.

▶ Stockpiles and Emergency Goods

All Group companies and business sites stockpile food, drinking water, blankets, and other items in preparation for a situation in which employees are unable to reach their homes following a major earthquake or other disaster. We also distribute helmets and emergency packs to enable employees to reach their homes safely. To prepare for power outages, we have expanded our emergency generation capacity and provided backup equipment, including storage batteries and LED lanterns.



Refurbishment of Employee Cafeteria at “the WAVE”—The Starting Point for Innovation

In March 2017, the employee cafeteria at the NISSIN FOODS HOLDINGS R&D center, the WAVE, was reopened after refurbishment. Designed as a place to relax and enjoy good food, the cafeteria offers an extensive menu of highly nutritious food. After enjoying lunch in the welcoming interior created using natural materials, our research staff can return to their task of bringing innovative products into the world.



Key Personnel and Labor Data (As of March, 2017)

Fiscal year	Number of employees					New graduates (sub-total: females)	Average years of service	Employees taking parental leave	Accidents resulting in lost work days	Accidents not resulting in lost work days	Disabled employee ratio*
	Total	Male	Female	Permanent	Contract						
2012	1667	1338	329	1526	141	51 (18)	15.3	26	9	5	1.50
2013	1717	1385	332	1575	142	46 (11)	15.1	18	8	8	1.83
2014	1788	1447	341	1641	147	50 (12)	14.6	15	10	10	1.92
2015	1911	1563	348	1764	147	58 (12)	13.4	14	2	8	1.93
2016	1968	1599	369	1807	161	38 (8)	14.1	17	6	21	2.16
2017	2044	1661	383	1869	175	52 (11)	14.4	19	13	23	2.06

Note: Data are for NISSIN FOODS HOLDINGS, NISSIN FOOD PRODUCTS, NISSIN CHILLED FOODS, and NISSIN FROZEN FOODS
*Data for NISSIN BUSINESS SUPPORT PLUS are also included.

Corporate Governance

Organizational Governance and Fair Operating Practices

The NISSIN FOODS Group regards the enhancement and strengthening of corporate governance as one of its most important management priorities and strives to realize highly objective and transparent management. The Group pursues management vitalization and transparency by reflecting in management the opinions of outside experts. We reinforce the oversight function of the Board of Directors by appointing multiple outside directors and outside audit & supervisory board members and clearly segregating business execution and oversight.

TOPICS

Strengthening of a BCP (Business Continuity Plan)

The NISSIN FOODS Group believes that maintaining product supply even when a major earthquake or other emergency occurs is the most important way of fulfilling the social responsibility as a food products company. In December 2016, NISSIN FOOD PRODUCTS and NISSIN FOODS HOLDINGS further strengthened their BCP by formulating the “Regulations for BCP (Business Continuity Plan).” In the regulations, we have placed emphasis on preparing for the occurrence of an earthquake with its epicenter directly beneath the Tokyo metropolitan area (which would likely cause heavy damage to the Tokyo Head Office, where the core business operations are concentrated) and on establishing a framework to make it possible to perform important operations at alternative business sites and continue supplying products even if the Tokyo Head Office ceases to function.



Corporate Governance System

Strengthening of Corporate Governance

NISSIN FOODS HOLDINGS recognizes that enhancement and strengthening of corporate governance is one of its most important management priorities. To realize highly objective and transparent management, we have long appointed multiple outside directors and outside audit & supervisory board members and proactively reflected the opinions of outside experts in management. In particular, with regard to directors, since 2016 we have reduced the number of internal directors by 6, to 3, and increased the number of outside directors by 1, to 5. By making outside directors the majority, we are further strengthening supervisory functions and promoting swifter decision-making.

Construction of Internal Control Systems

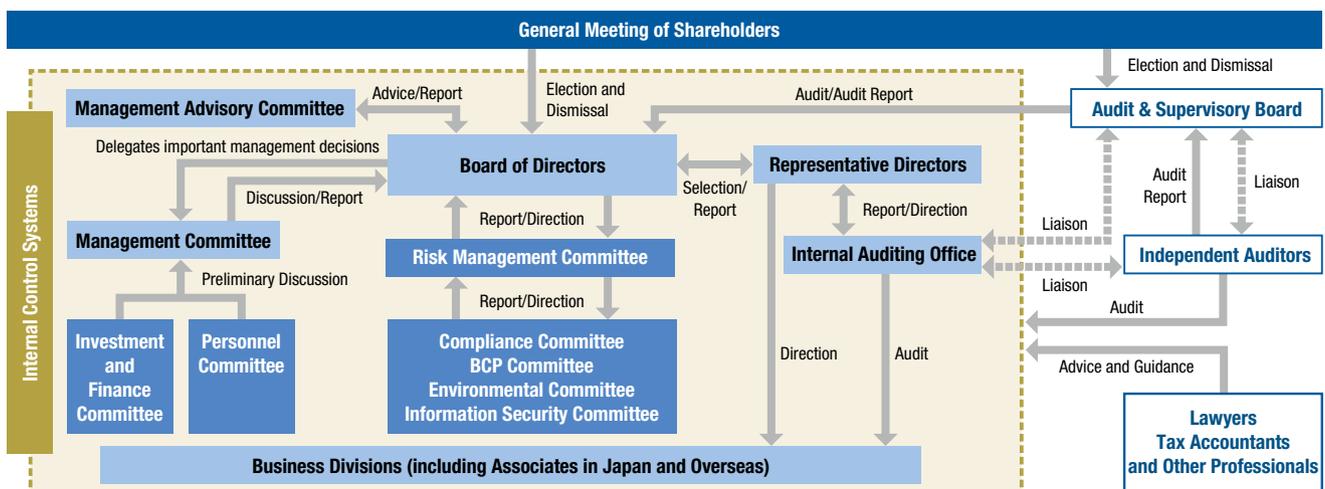
The NISSIN FOODS Group considers the development, construction, and appropriate operation of internal control systems to be one of its most important management priorities, conducts appropriate reviews of the basic policy on construction of internal control systems, and is working to construct more appropriate and efficient systems. The audit and supervisory board members audit the internal control systems related to overall business management, and the audit and supervisory board members and Internal Audit Office conduct operational audits of the business divisions, audit and verify the effectiveness of internal controls, and provide improvement suggestions, guidance, and instructions as necessary. In addition, at the time of introduction of the Financial Instruments and Exchange Law, we designed and put into operation internal controls pertaining to financial reporting in conformance with the basic framework on internal control indicated in the document “On the Setting of the Standards and Practice Standards for Management Assessment and Audit concerning Internal Control over Financial Reporting (Council Opinions).”

Strengthening of Compliance Management Systems

The NISSIN FOODS Group is working to strengthen compliance management systems as part of the construction of internal control systems. In accordance with the NISSIN FOODS Group Ethics Rules, all of the Group’s managers and employees recognize corporate social responsibility, comply with relevant laws and regulations, and make an effort to behave in line with social ethics. Furthermore, in accordance with the NISSIN FOODS Group Compliance Rules, we develop fair, equitable, and transparent relationships with raw materials suppliers, subcontractors, and other business partners and strive to conduct business dealings based on laws, regulations, and fair business practices. If a detected potential violation is reported by an employee, we respond in accordance with the NISSIN FOODS Group Compliance Rules and the NISSIN FOODS Group Whistleblower Rules. We assign a manager in charge of Compliance in each main division of NISSIN FOODS HOLDINGS and each Group company and hold quarterly meetings of the Compliance Committee. We are working to strengthen compliance management systems by preparing compliance training in our business seminar programs and sharing violation case studies with Group employees.

Risk Management System

We instituted the NISSIN FOODS Group Regulations for Risk Management in February 2008, set up the Risk Management Committee chaired by a representative director, and are endeavoring to avoid damage to corporate value from various risks facing the Group. We established the Risk Management Office in March 2016 to centrally manage important risks arising within the Group and are strengthening the risk management system.



IALOGUE WITH STAKEHOLDERS

The NISSIN FOODS Group is dedicated to the supply of safe, dependable food products in ways that bring the greatest possible benefits to all stakeholders, including consumers, shareholders, investors, suppliers, local communities, the government sector, and employees. We also maintain high standards of transparency by disclosing information and engaging in dialogue on a continuing basis. We incorporate the views and requests that we learn through these processes into our efforts to achieve further improvement in our corporate value.

Consumers

We take the initiative in seeking input from consumers as part of our efforts to achieve consumer satisfaction with our products.

Opportunities and Means for Dialogue

- Customer Communication Center (contact points for inquiries) (see p. 23)
- Website
- Consumer mail (see p. 23)
- Events
- Face-to-face selling by employees
- Food education activities/food education support activities (see p. 29)
- Tours of research and production facilities
- Participation in international conferences
- Presentation of research results at academic conferences
- Questionnaire surveys

Shareholders/ Investors

In addition to the timely distribution of accurate information, we are also intent on appropriate profit return to shareholders and investors.

Opportunities and Means for Dialogue

- General Affairs Division (contact point for inquiries from individual shareholders)
- Investor Relations Office (contact point for inquiries from institutional investors)
- General meetings of shareholders and shareholder gatherings
- Corporate presentations for individual shareholders
- Briefings on financial results
- IR website
- Annual Report
- NISSIN REPORT (shareholder bulletin)
- Dedicated toll-free number and e-mail address for shareholders (exclusive contact points for stock inquiries)
- Dissemination of information in English
- Questionnaire surveys

Suppliers

We are committed to the development of good relationships with our suppliers, including fair dealing in all purchase transactions and contracts.

Opportunities and Means for Dialogue

- Policy briefings
- Press conferences
- New-product launches
- Business negotiations and presentations
- Display booths at exhibitions
- Tours of research and production facilities
- Resourcing
 - Social gathering for New Year's Celebration
 - Plant inspections and quality guidance
 - Constructive business negotiations
- Logistics and warehousing
 - Policy briefings and meetings to exchange views
 - Safety check system

Local communities/ Government

We deepen reciprocal understanding with local communities through activities based on regional characteristics, while helping to enrich community life.

Opportunities and Means for Dialogue

- Agreements on the procurement of emergency supplies
- Disaster drills
- Sponsorship of and participation in local events
- Tours of research and production facilities
- Participation in local community organizations
- Community clean-up activities
- Exclusive local product launches
- Donations
- Briefings for local residents about construction projects
- Participation in government study/research groups
- Presentation of lectures at personnel training seminars

Employees

NISSIN FOODS Group creates environments in which every employee can work with autonomy and passion.

Opportunities for Dialogue

- Company-wide morning assemblies
- Group intranet
- Group in-house magazines
- Self-assessments and employee attitude surveys (see p. 49)
- Regular workplace meetings
- Recreational day (see p. 49)
- Training programs (see p. 46)
- Employee interviews (see p. 47)
- Counseling
- Labor-management consultations
- HR forums (see p. 46)
- Diversity seminars and social events (see p. 45)
- Sister Program (see p. 47)
- Global Employee Surveys

Top in “My Best Shareholder Benefits Comprehensive Ranking” for Two Straight Years

Shareholder gatherings attended by board members, executive officers, and group company directors, are an important way to obtain valuable input from our shareholders. Shareholder benefits include special privileges for long-term share ownership (three years or longer). We are continually enhancing these systems, which include the distribution of original products developed exclusively for shareholders. Numerous shareholders enjoy our shareholder benefits, as evidenced by the fact that we have placed first for two consecutive years (2016, 2017) in the “My Best Shareholder Benefits Comprehensive Ranking,” which ranks the quality of shareholder benefits according to shareholders’ opinions, in the magazine “How to Gain from Shareholder Benefits” issued by Nomura Investor Relations Co., Ltd.



Product gift packs as benefits for shareholders with 3000 or more shares.

School Tours of the Hachioji R&D Center (the WAVE)

“The WAVE” is the product development and safety research facility of NISSIN FOODS HOLDINGS. In July 2016, the WAVE hosted a tour for 19 local elementary and junior high school students and their caregivers, and five employees of Hachioji City.

The visit was arranged after the WAVE was selected by Hachioji City for a program of visits to manufacturing facilities as part of its public information activities. During the visit, participants learned about NISSIN products, participated in tastings, and toured test lines and other areas of the facility. We received positive comments from the visitors, with many saying that they valued the opportunity to learn in detail about food manufacturing methods.



Donation of Hot Instant Noodles during the Sapporo Snow Festival

The Hokkaido Branch of NISSIN FOOD PRODUCTS donated hot servings of instant noodles to local volunteers and Self-Defense Force members engaged in the construction of snow sculptures for the Sapporo Snow Festival. NISSIN FOOD PRODUCTS has supported this event for over 30 years as part of its contribution to enrichment of local community life.



MYOJO FOODS Launches New Product to Support Tohoku Recovery Efforts for the Seventh Straight Year

Since the Great East Japan Earthquake of 2011, MYOJO FOODS has been creating new products to support recovery efforts in the Tohoku region, and since 2013 it has developed new products in collaboration with leading restaurants in the region. In March 2017, it launched *MYOJO Kontoki Kamaishi Ramen*, which was developed under the supervision of the owner of Kamaishi Ramen Kontoki, an old-established ramen restaurant in Kamaishi City, Iwate. A share of the proceeds from sales of this product will be donated to the Kamaishi Hometown Donation Fund.



Hiyoko-chan Appointed as Tourism Ambassador for Ikeda City

In August 2016, the *Chicken Ramen* mascot *Hiyoko-chan* was appointed as a tourism ambassador for Ikeda City, Osaka, birth place of *Chicken Ramen*. On August 25, the anniversary of the launch of *Chicken Ramen*, Mayor Kaoru Kurata of Ikeda City presided at the commissioning ceremony. As tourism ambassador, *Hiyoko-chan* is attending various events within and beyond Ikeda City with the aim of boosting the city’s image and promoting tourism.



■ Emergency Preparedness and Disaster Relief Activities

NISSIN FOOD PRODUCTS

Support agreement with Osaka, Hyogo, Kanagawa and other prefectures, providing for the supply of instant noodles during emergencies

NISSIN CISCO Tokyo Factory

Support agreement with Kumagaya City, Saitama, providing for the supply of instant noodles during emergencies

NISSIN FOOD PRODUCTS Kanto Factory

Participation in the 65th Tone River Basin Alliance Flood Prevention Exercises

■ Dialogue with Communities

NISSIN FOODS HOLDINGS

Donation of educational comic books to elementary schools and libraries

SAPPORO NISSIN

Hosting of the Ramen Anniversary Festa

FUJIAN NISSIN FOODS, China

Factory tours for local elementary school children

■ Community Events

NISSIN FOODS HOLDINGS

Sponsorship of the 2016 Shinjuku Sports and Recreation event

NISSIN FOOD PRODUCTS

Sponsorship of Ikemon Fair 2016

NISSIN YORK Kanto Factory

Product co-sponsorship for the World Character Summit in Hanyu 2016

MYOJO FOODS

Product co-sponsorship for the Sendagaya Festival

NISSIN YORK HQ/ Kansai Factory

Special co-sponsorship of the 9th Nishiwaki-Taka Ekiden (road relay) for New High School Students

NISSIN FOOD PRODUCTS Kanto Factory

Co-sponsorship of the Toride Tone River Fireworks Festival

BONCHI

Co-sponsorship of the Resona Kids Money Academy hosted by Resona Holdings

■ Community Clean-up

NISSIN CISCO Osaka Factory

Participation in the Yamato River/Ishi River Clean-up Campaign

NISHINIHON MYOJO

Participation in the Ashiya Wagamachi Fall Clean-up Campaign

MYOJO FOODS Research Center

Clean-up activities on roads around the R&D center every Wednesday for six straight years



Hiroshi Kito

Ph. D Graduate, Graduate School of Economics, Keio University
 Emeritus Professor, Sophia University
 President, University of Shizuoka (since April 2015)
 Research fields: economic history, historical demography, environmental history

Principal bibliography: *Jinko kara Yomu Nihon no Rekishi* (Japan's History from a Population Perspective) (Kodansha), *2100-nen, Jinko Sanbun no Ichi no Nihon* (Japan's Population Reduced to One-Third by 2100) (Media Factory), *Ai to Kibou no Jinkogaku Kougi* (Love and Hope: Demography Lectures) (Wedge), *Kankyo Senshinkoku Edo* (Edo Period Japan, an Environmentally Advanced Country) (Yoshikawa Kobunkan)

The 2017 CSR Report of the NISSIN FOODS Group offers a wide variety of content again this year. In addition to the usual message from top management and two special features, this year's edition also includes detailed information about interactions with stakeholders, including food safety and social contribution activities, the Hyakufushi Project, environmental responsibility, employee relations, and corporate governance. Anyone who studies this report will immediately understand that the NISSIN FOODS Group has built internal control systems backed by robust corporate governance, and that the Group is continually strengthening its compliance systems and is prepared to cope with all types of risks.

Of particular note is the fact the company substantially reduced the number of inside directors and increased the number of outside directors in 2016. The purpose of this change was to strengthen supervisory functions and speed up decision-making. In addition to wise decisions such as this, we can also learn from this report about the efforts made by NISSIN FOODS HOLDINGS to deepen its interactions with various stakeholders, including consumers, shareholders, investors, suppliers, local communities, and employees, and about the performance improvements achieved through these efforts. As a person in charge of another type of organization, specifically a university, I view the structures established by NISSIN FOODS HOLDINGS with considerable envy.

In many ways, I believe that 2015 will be seen as a turning point in world history. One significant change was China's decision to join the Paris Agreement on efforts to prevent global warming. In a related move, the United Nations adopted its wide-ranging Sustainable Development Goals (SDGs). First introduced in 1980, the concept of "sustainable development" is defined as an approach to development that preserves usable resources and the environment for future generations. This concept was adopted at the United Nations Millennium Summit in 2000 as the Millennium Development Goals (MDGs). When the MDGs target year was reached, the United Nations General Assembly adopted the Sustainable Development Goals (SDGs) with 2030 as the target year. The SDGs define a strategic direction for the world based on targets in 17 areas, including the elimination of poverty and hunger, the improvement of health, the spread of education, and the achievement of gender equality. Pope Francis issued an encyclical letter entitled "Laudato Si: On Care for Our Common Home," in which he actively directed Catholics to work toward the achievement of sustainable development.

The NISSIN FOODS Group is part of this historical shift. I find it very significant that the company's President and Representative

Director, Koki Ando, referred to the SDGs in his CEO message. We should also be aware of the significance of the efforts made by the NISSIN FOODS Group, as one of the world's leading food manufacturers, to implement ESG management. This commitment can be traced back to the four values espoused by the company's founder, Momofuku Ando, who said that peace would come to the world when there is enough food, that the creation of food is a service to society, that wise eating is the key to beauty and health, and that food production is a sacred profession.

In this year's report, the CEO's message is followed by two special features. One is a declaration of the company's determination to become a Century Brand Company by Noritaka Ando, the energetic President of NISSIN FOOD PRODUCTS. The Company was established in 1948, shortly after the end of World War II. That was the year before the year in which I was born, so the history of instant noodles covers the same period as my own life history. I have great admiration for the company's endless efforts to respond to changing needs with new products resulting from flashes of inspiration. As someone who has started to feel a little guilty when eating instant noodles as I grow older, new products like *CUP NOODLES Nice*, which was launched this year, are very welcome. The NISSIN FOODS Group has dedicated itself to the creation of totally new value. I look forward eagerly to seeing what challenges they will take up in the future.

In his *Theory of Economic Development*, the economist Joseph Schumpeter emphasized that innovation was absolutely essential to development. By this he meant that enterprises expand their earnings and enhance their corporate value by bringing together various elements, including new resources, new technologies, and new markets, to form new combinations. Business growth is essential to economic development. The NISSIN FOODS Group's real contribution to society comes from its continuing efforts as an innovative company in the field of food culture. One of the goals in the Medium-Term Business Plan that the company announced in 2016 is the achievement of a market capitalization value of ¥1 trillion by fiscal 2021. This does not mean the company is simply trying to enrich itself. Any increase in earnings brings benefits to all stakeholders of the NISSIN FOODS Group. From the perspective of Joseph Schumpeter's theory, all citizens benefit when all enterprises improve their corporate value through innovation. In this sense, the improvement of corporate value can be seen as a barometer of social contribution. I look forward to the future growth and further development of the NISSIN FOODS Group.

Editorial Policy

This report provides information about the philosophy and activities of the NISSIN FOODS Group in relation to its corporate social responsibilities (CSR) as a member of society. The report contains detailed information about our ongoing initiatives in the areas of food safety, social contribution, the environment, employees, and corporate governance, in accordance with the founder's spirit. We have endeavored to include content that will help stakeholders to understand the activities of Group companies and initiatives by the entire Group. We have also included illustrations and photographs to enhance the attractiveness and readability of the report.

Guidelines Used in this Report

- Ministry of the Environment, *Environmental Reporting Guidelines 2012*
- GRI (Global Reporting Initiative), *G4 Sustainability Reporting Guidelines*
- ISO 26000 - Guidance on social responsibility

Period Covered by this Report

This report covers fiscal 2017 (April 1, 2016–March 31, 2017) but also includes any significant information from before and after that period.

Scope of Report

This report covers the seven Japanese business corporations and overseas business corporations in the NISSIN FOODS Group, as well as the holding company, NISSIN FOODS HOLDINGS Co., Ltd. The scope of aggregation for environmental performance data is stated in each case.

Publication Date

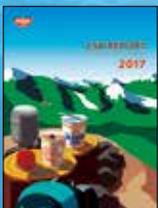
June 2017 (previous report: June 2016)

For Further Information:

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Relationship between this report and the website

CSR Report 2017 (this report)



This report provides an easy-to-understand overview of the CSR activities of the NISSIN FOODS Group, with a particular focus on activities in which progress was made during fiscal 2017.

CSR Website

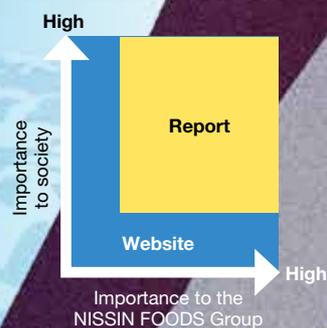


The website provides comprehensive coverage with more detailed information than this report. The latest CSR news can also be found there.

- Recent topics
- Detailed reports on CSR activities
- CSR Report 2017 (this report) in PDF format

Website address:

https://www.nissin.com/en_jp/csr/



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