Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

July 31,2025

Notice of Updated Disclosure Based on TCFD Recommendations (TCFD Reports 2025)

Company name:	FEED ONE CO., LTD.	
Listing:	Tokyo	
Securities code:	2060	
URL:	https://www.feed-one.co.jp/english/	
Representative:	REPRESENTATIVE DIRECTOR, PRESIDENT	HIDEHIRO SHOJI
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Telephone:	+81-45-211-6520	

FEED ONE CO., LTD. announced that we have updated our disclosure based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

Our corporate group engages in businesses that constitute a vital part of the food value chain, encompassing the manufacture and sale of compound feed for livestock and aquaculture—primarily derived from grains and fishmeal—as well as the sales of livestock and marine products. These operations are fundamentally supported by the blessings of nature.
Given this foundation, we recognize that climate change poses a substantial risk to our business activities and regard it as a critical social issue requiring proactive engagement.

In light of this, our group formally expressed its support for the recommendations of the TCFD in April 2022 and declared its commitment to disclosing climate-related information.
Moving forward, we will continue to actively enhance our disclosures in alignment with the TCFD framework, contributing to the realization of a decarbonized society as envisioned by the Paris Agreement.

END

TCFD Report 2025

CLIMATE-RELATED FINANCIAL DISCLOSURES REPORT

July 31,2025

FEED ONE CO., LTD.

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Introduction

Our corporate group engages in businesses that constitute a vital part of the food value chain, encompassing the manufacture and sale of compound feed for livestock and aquaculture—primarily derived from grains and fishmeal—as well as the sales of livestock and marine products. These operations are fundamentally supported by the blessings of nature.
Given this foundation, we recognize that climate change poses a substantial risk to our business activities and regard it as a critical social issue requiring proactive engagement.

Considering this, our group formally expressed its support for the recommendations of the TCFD in April 2022 and declared its commitment to disclosing climate-related information.
Moving forward, we will continue to actively enhance our disclosures in alignment with the TCFD framework, contributing to the realization of a decarbonized society as envisioned by the Paris Agreement.

Introduction

＜A summary of initiatives related to the four disclosure elements recommended by the TCFD＞

項目	取り組み概要
Governance	➢ The Sustainability Committee, chaired by the President and CEO, identifies and assesses climate-related risks and opportunities, and supports related initiatives. ➢ The committee provides regular reports to the Board of Directors on these matters. ➢ The Board of Directors receives regular reports on sustainability matters, including climate-related risks and opportunities, and exercises oversight and provides strategic guidance on the company's responses.
Strategy	➢ Recognizing 'Promoting harmony between the environment and society through feed' as one of our material issues, we are advancing initiatives to address climate change. ➢ By referencing multiple climate scenarios, we have conducted scenario analysis to identify climate-related risks and opportunities for our group businesses, assess their potential financial impacts, and examine appropriate response measures. ➢ As a result of scenario analysis, we have identified climate-related risks such as increased costs due to stricter regulations on greenhouse gas emissions, and reduced profitability stemming from the impact of climate change on raw material production volumes and prices. ➢ We have identified climate-related opportunities such as increased feed sales through the development and promotion of sustainable feed and the use of sustainable raw materials; enhanced feed demand driven by advancements in heat stress mitigation technologies in livestock farming; and expanded feed sales resulting from the growth of recirculating land-based aquaculture systems that are resilient to rising sea temperatures ➢ In response to identified risks and opportunities, we are implementing measures such as capital investment, logistics optimization, and reduction of plastic packaging materials; diversification of import sources and utilization of competitive domestic raw materials; and development and sales of environmentally friendly feed products.
Risk Management	➢ Leveraging the frameworks, processes, and metrics established under the Enterprise Risk Management (ERM) policy, the Sustainability Committee identifies and assesses climate-related risks and formulates appropriate response measures.
Metrics and Targets	➢ 2030 Target: Reduce Scope 1 and 2 CO_2 emissions by 50% compared to FY2020 levels. ➢ 2050 Target: Achieve carbon neutrality across the entire supply chain.

Governance

To promote sustainability initiatives, our Group has established the Sustainability Committee. The committee deliberates on key sustainability issues and response measures, including climate-related risks and opportunities, human capital, and human rights. It also supports and advises on the implementation of “One’s Actions,” which are aligned with the medium-term management plan and business strategies, while monitoring progress.

The committee is chaired by the President and CEO, and its members are selected from the heads of business divisions, administrative departments, and the President’s direct reporting units, forming a cross-functional governance structure. The Board of Directors receives regular reports from the Sustainability Committee on sustainability matters—including climate-related risks and opportunities, human capital, and human rights—and provides oversight and strategic guidance on these initiatives.

<Sustainability Promotion Framework>



Governance

The Sustainability Committee fulfills the following roles:

① It deliberates and makes decisions on the Group's sustainability policies, establishes and communicates the governance framework, and promotes initiatives aligned with business operations.

② Based on the business strategies outlined in each division's medium-term management plan, derived from materiality (key issues), the committee sets company-wide targets known as "One's Actions," including climate-related risks and opportunities, and provides support, advice, and progress monitoring.

③ The committee regularly (approximately twice a year) reports to the Board of Directors on sustainability matters, including climate-related issues, and receives oversight and strategic guidance.

<Agenda Items of the Sustainability Committee for FY2024>

Date	Agenda Item
【1st Meeting】 May 27	➢ Revision of Materiality and Company-Wide Targets for FY2024 ➢ CO_2 Emissions for FY2023 ➢ Progress Report on Decarbonization Initiatives for FY2024
[2nd Meeting] August 26	➢ Update of the TCFD Report 2024 ➢ CO_2 Emissions Status for Q1 FY2024 ➢ Progress Report on J-Credit for Feed Rice
[3rd Meeting] November 25	➢ Decarbonization Roadmap: Progress in FY2024 and Initiatives for FY2025 ➢ Progress Report on J-Credit for Feed Rice ➢ Progress Report on Human Rights Due Diligence
[4th Meeting] February 25	➢ Progress Report on the Decarbonization Roadmap ➢ Discussion on the Update Schedule for the TCFD Report 2025 ➢ Progress Report on Human Rights Due Diligence

Strategy

(1) Scenario Setting and Scenario Analysis Process and Framework

① Climate-Related Scenario Setting
Our Group recognizes climate change response as a critical management issue and has conducted scenario analysis for the year 2030 to assess the potential financial impacts of climate change.

In this analysis, we referenced multiple scenarios published by the International Energy Agency (IEA) and the Intergovernmental Panel on Climate Change (IPCC). We examined two key scenarios:

The 1.5°C/Below 2°C Scenario, which aligns with the goals of the Paris Agreement to keep the global average temperature rise well below 2°C compared to pre-industrial levels, and to pursue efforts to limit the increase to 1.5°C, aiming for a decarbonized society.
The 4°C Scenario, which assumes accelerated climate change due to the absence of new policies or regulations.
An overview of these scenarios is provided below.

<Climate-Related Scenarios for Our Group>

Category	Scenario Overview	Key Reference Scenarios
The 1.5°C/ Below 2°C Scenario	➢ A scenario in which policies and regulations are implemented to achieve a decarbonized society, limiting the global temperature rise to approximately 1.5°C–2°C above pre-industrial levels ➢ Increased operational costs due to the introduction of carbon taxes※ and similar measures ➢ Growing customer and market awareness and interest in decarbonization	・IEA WEO 2024 NZE ・IEA WEO 2024 APS ・IPCC SSP 1-2.6 ・IPCC RCP 2.6
The 4°C Scenario	➢ A scenario in which no new climate policies or regulations are introduced, resulting in a global temperature rise of approximately 4°C above pre-industrial levels ➢ Increased risk of factory shutdowns and supply chain disruptions due to more severe natural disasters ➢ Significant impacts on crops, fishmeal, and livestock caused by rising temperatures and sea surface warming	・IEA WEO 2024 「STEPS」 ・IPCC SSP 5-8.5 ・IPCC RCP 8.5

※ A tax imposed on CO_2 emissions, the primary driver of climate change

Strategy

② Scenario Analysis Process

Step1

Identification of Key Climate-Related Risks and Opportunities Parameter Setting

- Extraction of Climate-Related Risks and Opportunities
- Identification of Material Risks and Opportunities
- Setting of Parameters Related to Material Risks and Opportunities

Step2

Setting of Climate-Related Scenarios

- Based on the information gathered in Step 1, we selected climate scenarios that are highly relevant to our Group's business operations—specifically, the 1.5°C/Below 2°C Scenario and the 4°C Scenario

Step3

Assessment of Financial Impacts Under Each Scenario

- Based on the scenarios defined in Step 2 and the key climate-related risks, opportunities, and associated parameters identified in Step 1, we assessed the potential financial impacts under each scenario

Step4

Assessment of the Resilience of Strategies to Climate-Related Risks and Opportunities, and Consideration of Additional Response Measures

- Assessment of the Resilience of Strategies to Climate-Related Risks and Opportunities
- Consideration of Additional Response Measures

③ Scenario Analysis Framework

To assess financial impacts and formulate appropriate response measures based on materiality, scenario analysis was conducted through discussions with relevant departments across our Group. The Corporate Planning Department, which oversees risk management, played a central role in leading this process.

Strategy

(2) Results of Scenario Analysis

① Identification and Assessment of Climate-Related Risks and Opportunities
In our scenario analysis, climate-related risks were categorized into two types: transition risks and physical risks. We identified risks that could significantly impact our Group's business operations as "material risks." Additionally, we identified "opportunities" that could enhance the value of our products, services, and overall corporate value through proactive climate action.

For each material climate-related risk and opportunity identified through the scenario analysis, we assessed the financial impact—both quantitatively and qualitatively—based on factors such as profit and loss and operational implications, using a three-tier scale: high, medium, and low. The time horizon for each item was also classified into short-, medium-, and long-term categories, based on the expected timing of risk manifestation, using FY2025 as the reference point.

<Financial Impact Level>

High : Financial impact of over 500 million yen or significant disruption to business operations
Medium : Financial impact between 100 million and 500 million yen or moderate disruption to business operations
Low: Financial impact of less than 100 million yen or minimal disruption to business operations

<Time Horizon>

Short-Term : Within 5 years
Medium-Term: More than 5 years and up to 10 years
Long-Term : More than 10 years

Strategy

② Summary of Scenario Analysis Results and Response Measures – Risks

Category		Risks and Opportunities	Explanation	Financial Impact Level		Time Horizon	Response Measures
				1.5/2℃	4℃		
Transition Risk	Policies And Regulations	Increased Costs Due to Strengthened Regulations on Greenhouse Gas Emissions	① Increased Costs Due to the Introduction of Carbon Taxes Carbon taxes are expected to be introduced as a result of strengthened regulations on greenhouse gas emissions aimed at achieving a low-carbon and decarbonized society. (1.5°C Scenario: $140/t-$CO_2$, 4°C Scenario: $140/t-$CO_2$) ■Taxation on CO_2 Emissions from Our Group For detailed calculation results, see Section ③. ■Taxation on the Supply Chain Costs are expected to rise due to price increases passed on from logistics providers and packaging material companies, including freight charges for fossil fuel-based vehicles and cargo ships, as well as plastic packaging materials derived from fossil fuels. ② Increased Costs for Reducing Greenhouse Gas Emissions Costs will increase due to the transition to renewable electricity, installation of solar power systems, and procurement of environmental value such as J-Credits.	High	High	Short-Term	■ Initiatives to Reduce CO_2 Emissions (Scope 1 and 2) <Reduction Target> Reduce CO_2 emissions by 50% by FY2030 compared to FY2020 levels <Reduction Measures> ・Improve energy intensity through energy-saving activities (e.g., productivity enhancement) ・Enhance energy efficiency by expanding the introduction of energy-saving equipment ・Increase adoption of renewable electricity ・Consider installation of solar power systems at factories and business sites ・Restructure aging factories ・Promote activities to generate J-Credits within the supply chain ■ Initiatives to Mitigate Carbon Tax Impact Across the Supply Chain <Livestock Feed Business> ・Promote bulk delivery of compound feed ・Reduce labor for dismantling transbags at factories <Aquaculture Feed Business> ・Consider using feed bags made from recycled plastic-blended polybags <Food Business> ・Maximize logistics and loading efficiency through centralized delivery to distribution centers ・Continue promoting the use of molded pulp packs for commercial egg products ・Reduce the use of plastic packaging materials in meat processing operations
	Reputation	Decline in Corporate Reputation Due to Inadequate Climate Change Response and Disclosure	Inadequate response to climate change or insufficient disclosure may lead to a decline in corporate reputation among stakeholders such as investors and financial institutions, potentially affecting access to capital and the ability to attract and retain talent.	Low	Low	Long-Term	・Promotion of initiatives to achieve CO_2 emissions reduction targets ・Contribution to overall societal CO_2 reduction through food recycling and reduction of food loss ・Enhancement of climate-related disclosures and transparency

Strategy

② Summary of Scenario Analysis Results and Response Measures – Risks

Category		Risks and Opportunities	Explanation	Financial Impact Level		Time Horizon	Response Measures
				1.5/2℃	4℃		
Physical Risk	Acute	Physical damage to livestock barns and aquaculture pens caused by natural disasters, and reduced feed sales volume due to disruptions in logistics	The likelihood of large typhoons is expected to increase, raising concerns about damage to livestock barns in mountainous areas with weak ground conditions, and damage to fish pens among aquaculture operators. In addition, the growing frequency of localized heavy rainfall may lead to river flooding and landslides, posing risks of disruption to distribution routes.	Low	Low	Short-Term	■Response to Producers <Livestock Feed Business> ・Provide information related to livestock facility equipment and strengthen collaboration with local governments and producers. ・Establish a system that enables timely supply of necessary support in the event of a disaster. <Aquaculture Feed Business> ・Collect and provide information on advanced overseas aquaculture facilities that can withstand wave action. ・Develop feed compatible with such facilities to build a support system for aquaculture operations. ■Measures Against Logistics Disruptions ・Continue training and response activities based on the existing Business Continuity Plan (BCP). ・Ensure a stable supply system by establishing a structure that enables alternative delivery through multiple distribution routes.
		Suspension of factory operations due to natural disasters	Many factories are located in coastal areas, and the increasing risk of storm surges caused by large typhoons poses a threat of operational shutdowns. The intensification of natural disasters may lead to delays in cargo ship arrivals and disruptions in road transportation, resulting in delays in the delivery of raw materials to factories and potentially impacting manufacturing activities.	Low	Low	Short-Term	・Ensure employee safety and protect feed manufacturing and sales operations through training and response activities based on the Business Continuity Plan (BCP). ・Minimize risks in the event of factory damage by securing production support from unaffected factories.
	Chronic	The rise in air and sea temperatures may affect livestock and farmed fish, leading to changes in suitable production areas. As a result, feed sales volumes may decline due to reduced demand in previously productive regions.	■Livestock: Impact on Animals Under the 4°C scenario, Japan's temperature is expected to rise by about 4°C by 2100. Higher temperatures may cause heat stress, reducing pig and poultry productivity by 2060. Cattle may face higher risks of death and lower milk yields. Past heatwaves have already shown declines in productivity, raising concerns about long-term impacts. ■Aquaculture: Impact on Farmed Fish Summer sea temperatures around Japan are rising, leading to more fish deaths. To prevent losses, feeding is often restricted, which reduces feed sales. Further impacts are expected if warming continues.	Low	Medium	Long-Term	■Support for Producers <Livestock Feed Business> ・Contribute to improving livestock productivity by collecting and sharing information on breeding improvements and technologies such as stable air conditioning systems for barns. <Aquaculture Feed Business> ・Develop products compatible with land-based recirculating aquaculture systems, in response to growing demand for farming methods less affected by environmental changes.

Strategy

② Summary of Scenario Analysis Results and Response Measures – Risks

Category		Risks and Opportunities	Explanation	Financial Impact Level		Time Horizon	Response Measures
				1.5/2℃	4℃		
Physical Risk	Chronic	Climate change may lead to reduced raw material production and increased prices, resulting in a decline in profitability	■Corn: Impact on Production and Price Corn, a key ingredient in livestock feed, is projected to see a 25% yield reduction in the U.S. by 2030 under a 4°C warming scenario (compared to 2020 levels). However, global production is expected to increase due to advances in agricultural technology and crop breeding, suggesting stable future supply. On the other hand, corn prices are expected to rise by 2030 due to growing demand for bioenergy and other non-feed uses. ■Fishmeal: Impact on Production and Price Fishmeal, a major ingredient in aquaculture feed, is projected to decline by 20–37% in Peru, a key producing country, by the 2050s under a 4°C warming scenario (compared to the 1991–2010 average). Prices are expected to rise by 14–26% by 2050 (compared to 2016 levels). ■Impact on Compound Feed Pricing Raw material costs account for over 80% of the production cost of livestock feed. Currently, feed prices are adjusted quarterly to manage risks from market fluctuations. However, if raw material prices rise sharply beyond expectations by 2030, it may become difficult to pass on costs, leading to reduced profitability. Aquaculture feed also has raw material cost ratios exceeding 80%, with fishmeal accounting for over 40%. Since aquaculture feed prices are not revised regularly, profitability may decline depending on how well cost increases are reflected in sales prices. ■Impact on Price Stabilization Fund Contributions If import prices of five key ingredients including corn surge, compensation payments to support livestock producers may increase. This could lead to a higher financial burden from contributions to the feed price stabilization fund.	High	High	Long-Term	■Use of Cost-Effective and High-Quality Raw Materials <Livestock Feed Business> ・Diversify import sources to reduce risks related to procurement and price fluctuations. ・Promote the use of domestically produced raw materials as alternatives to imported ones. <Aquaculture Feed Business> ・Monitor supply conditions and strengthen collaboration with domestic and local fishmeal producers to enable flexible responses. ・Promote the shift to low-fishmeal and fishmeal-free feeds, which are in growing demand due to concerns over resource depletion and rising prices. ■Appropriate Price Adjustments <Livestock Feed Business> ・Continue quarterly price revisions based on raw material trends. ・Maintain price adjustments for processing fees in response to rising energy costs. <Aquaculture Feed Business> ・Although price revisions are irregular, adjust sales prices in response to raw material cost fluctuations to reduce risk.

Strategy

② Summary of Scenario Analysis Results and Response Measures – Opportunities

Category		Risks and Opportunities	Explanation	Financial Impact Level		Time Horizon	Response Measures
				1.5/2℃	4℃		
Opportunities	Resource Efficiency	Reduction of energy consumption through improved manufacturing efficiency	Energy consumption is expected to decrease through the development of efficient manufacturing processes as part of energy-saving efforts in response to stricter greenhouse gas emission regulations	Low	Low	Short-Term	■Initiatives using IoT ・Visualizing energy usage by monitoring electricity and steam consumption by process and managing operating equipment appropriately to reduce energy consumption. ■Initiatives to improve manufacturing efficiency ・Improving manufacturing efficiency by consolidating product types and raw materials and reviewing pellet sizes in aquaculture feed.
		Reduction of logistics costs through the development of efficient distribution processes in raw material procurement	By reviewing logistics efficiency in response to rising fuel costs due to stricter greenhouse gas emission regulations, it is expected that the risk of increased logistics costs can be reduced, and a more sustainable distribution process can be established	Low	Low	Short-Term	■Raw material initiatives ・Promote procurement of raw materials from locations closer to factories. ・Encourage a shift from long-distance truck transportation to coastal shipping.
	Products and Services	Increase in feed sales volume through the development and sale of sustainable feed and the use of sustainable raw materials	■Livestock feed business Demand is expected to grow for environmentally friendly feed that reduces greenhouse gas emissions. By advancing research and development of feeds that reduce methane from cattle burps and emissions from livestock manure, feed sales volume is expected to increase. ■Aquaculture feed business Demand is expected to rise for low-fishmeal and fishmeal-free feeds that do not rely on natural resources. The use of insect-based ingredients with high sustainability as alternatives to fishmeal is expected to expand. Interest is also growing in feed ingredients such as algae and methanotrophs that absorb greenhouse gases, and sales of feeds containing these ingredients are expected to increase.	Medium	Medium	Short-Term	■Livestock feed business ・Continue developing and selling products that improve feed conversion ratios and reduce manure volume. ・Continue efforts to develop feed that reduces methane emissions from cattle. ・Expand feed sales by leading product development through ongoing global sourcing and information gathering. ■Aquaculture feed business ・Increase sales volume through low-fishmeal and fishmeal-free feed that does not rely on natural resources. ・Lead efforts to utilize and commercialize insect-based ingredients, algae, and methanotrophs—despite challenges such as limited supply and high cost—and gain formulation expertise to expand feed sales.
		Increase in feed sales volume through improved heat stress mitigation technologies in livestock production	Due to heat stress caused by rising temperatures, pig and poultry productivity in Japan is expected to decline, and cattle may face increased risks of mortality and reduced milk yields. As a result, sales of feed designed for heat stress mitigation are expected to grow.	Medium	Medium	Short-Term	Contributing to improved livestock productivity through continued development and sales of heat stress mitigation feed and supplements, ongoing research and development, and continuous information gathering on livestock management technologies to provide high-quality, environmentally conscious services
	Market	Increase in feed sales volume through the expansion of land-based recirculating aquaculture systems unaffected by rising sea temperatures	Land-based aquaculture is not affected by rising sea temperatures and can be operated near consumption areas, making it likely to expand in the future. Major foreign companies have already decided to enter the recirculating land-based aquaculture business, and the feed market is expected to grow as a result.	Low	Low	Short-Term	Expansion of feed sales volume in new markets through the advanced development of feed technologies that meet new performance requirements in recirculating land-based aquaculture, such as water quality management and waste reduction, which were not issues in traditional farming methods

Strategy

③ Carbon tax calculated through scenario analysis

As a result of the scenario analysis, we recognized that the transition risk of "increased costs due to stricter greenhouse gas emission regulations" could have a significant quantitative impact on our group. Regarding the carbon tax, we examined two scenarios based on Scope 1 and 2 CO_2 emissions from our company and consolidated subsidiaries (feed manufacturing plants and food/farm subsidiaries):

(i) If our group takes no action to reduce CO_2 emissions
(ii) If our group reduces CO_2 emissions by 50% by FY2030 compared to FY2020

<Carbon tax amount and calculation method for our group under the 1.5°C scenario in FY2030>

Unit: million yen

	Impact amount	Calculation method
(i)	1,103	➢ Calculated by multiplying the projected CO_2 emissions in FY2030, adjusted for business growth rate, by the carbon tax※
(ii)	486	➢ Calculated by multiplying the projected CO_2 emissions in FY2030, adjusted for business growth and assuming a 50% reduction compared to FY2020, by the carbon tax※

※ Carbon tax under the 1.5°C scenario: FY2030 – $140/t-$CO_2$
(based on IEA WEO 2024 NZE for advanced economies)
Exchange rate used for calculation: 149 yen per US dollar
(as of March 31, 2025)

Under the 1.5°C scenario, if our group takes no action to reduce CO_2 emissions and emissions increase in line with business growth, the estimated carbon tax in FY2030 would be approximately 1.1 billion yen.
On the other hand, if our group achieves its CO_2 reduction target of 50% by FY2030 compared to FY2020, the carbon tax could be reduced by approximately 600 million yen, resulting in a total of around 500 million yen.
Please note that the cost of achieving CO_2 reductions is not included in this estimate.

Risk Management

(1) Process for identifying and assessing climate-related risks
Through discussions with relevant departments within our group, the Corporate Planning Department, which oversees risk management, takes the lead in identifying climate-related risks and opportunities by considering both internal and external factors.
The identified risks and opportunities are analyzed and evaluated both quantitatively and qualitatively using the systems and indicators defined in our Enterprise Risk Management (ERM) regulations, and appropriate response measures are formulated.

(2) Process for managing climate-related risks
The Sustainability Committee monitors the implementation status of responses to climate-related risks and opportunities, verifies the validity of these measures, and works to improve them.
Important matters are reported to the Management Committee and the Board of Directors.
The Board of Directors supervises and advises on the response measures reported by the Sustainability Committee.

(3) Integration of climate-related risk processes into overall risk management
Climate-related risks are managed in coordination with the company-wide RM (Risk Management) meetings, aiming to minimize risks and maximize opportunities across the entire group.。

Metrics and Targets

Our group has designated CO_2 emissions as a key indicator to minimize climate-related risks and maximize opportunities.
As a medium-term target, we aim to reduce Scope 1 and 2 CO_2 emissions by 50% by FY2030 compared to FY2020.
As a long-term target, we are committed to achieving carbon neutrality across our supply chain by FY2050.

(1) CO_2 emission reduction targets
① Medium-term target
・Target year: FY2030
・Target: 50% reduction in Scope 1 and 2 CO_2 emissions compared to FY2020
・Scope: Our company and consolidated subsidiaries (feed manufacturing plants and food/farm subsidiaries)
② Long-term target
・Target year: FY2050
・Target: Achieve carbon neutrality
・Scope: Entire supply chain

(2) CO_2 reduction roadmap for the medium-term target
To achieve our medium-term target, our group has formulated three key reduction measures and developed a decarbonization roadmap toward FY2030.
Although emissions are expected to increase due to business growth, we are committed to further reductions within our group.
It is also essential to contribute to decarbonization and low-carbon transitions across the entire supply chain through our business activities.
By implementing reduction measures that include contributions to emission reductions, we aim to accelerate our efforts.

① Energy-saving and energy-creation initiatives
We will improve energy intensity at production sites and upgrade to high-efficiency equipment.
We will also promote fuel conversion (e.g., heavy oil to LNG) and electrification of equipment (e.g., heat pumps, electric forklifts).
In addition, we will install solar power generation systems to promote in-house energy creation and improve energy efficiency through production site reorganization, ensuring steady reductions.

② Renewable energy initiatives
By utilizing electricity derived from renewable energy sources, our group aims to decarbonize its power usage and contribute to the acceleration of renewable energy adoption in Japan.

③ Offsetting through contribution to emission reductions
We contribute to the reduction of greenhouse gases from livestock, such as methane from cattle burps and methane/nitrous oxide from manure, as well as methane emissions from rice production processes used as feed ingredients.
By purchasing and offsetting the environmental value of these reductions (e.g., J-Credits), we support low-carbon and decarbonization efforts across the supply chain.

Metrics and Targets

（3）CO_2 emissions performance: Scope 1, 2, and 3

UNIT : t-CO_2

Item	Target scope	FY2020	FY2021	FY2022	FY2023	FY2024
Scope1・2	Total	46,626	46,267	49,546	48,412	44,331
Scope1	FEED ONE	6,226	7,727	11,221	10,039	9,687
	FEED ONE and subsidiaries※1	10,167	9,626	9,462	9,007	8,951
	Subtotal	16,393	17,353	20,684	19,046	18,638
Scope2	FEED ONE	14,910	14,938	14,964	14,333	9,965
	FEED ONE and subsidiaries※1	15,323	13,975	13,898	15,033	15,728
	Subtotal	30,233	28,913	28,862	29,366	25,693
Scope 3	Total	1,433,714	1,634,175	1,730,980	1,737,428	1,724,828
①Purchased goods and services※2	FEED ONE and subsidiaries※1	1,391,146	1,611,030	1,712,159	1,717,291	1,695,577
②Capital goods※2	FEED ONE and subsidiaries※1	29,172	10,375	7,581	9,918	14,453
③Fuel-and energy-related activities※2	FEED ONE and subsidiaries※1	6,625	6,363	4,602	4,728	9,268
⑤ Waste generated in operations	FEED ONE(factories and Research & Development Center) and subsidiaries※1	953	1,047	950	944	1,122
⑥Business travel	FEED ONE(Head Office)	71	78	104	162	183
⑦Employee commuting	FEED ONE	336	359	346	346	360
⑧Upstream leased assets)	-	N/A	N/A	N/A	N/A	N/A
⑩Processing of sold products	-	N/A	N/A	N/A	N/A	N/A
⑪Use of sold products	-	N/A	N/A	N/A	N/A	N/A
⑫Disposal of sold products	FEED ONE	854	842	862	897	819
⑬Downstream leased assets	FEED ONE	4,558	4,081	4,375	3,142	3,045
⑭Franchises	-	N/A	N/A	N/A	N/A	N/A
⑮Investments	-	N/A	N/A	N/A	N/A	N/A

Note 1: Consolidated subsidiaries (feed manufacturing plants and food/farm subsidiaries)
Note 2: The aggregation criteria were revised starting from FY2024. Figures for FY2023 and earlier were calculated based on the previous criteria.
Remark : Due to rounding, totals may not match exactly.

Metrics and Targets

（4） Initiatives to reduce CO_2 emissions

① Introduction of electricity from renewable energy sources (Renewable energy)
・Location: Kitakyushu Aquaculture Feed Plant
・Start date: April 2024
・Purpose and overview:
To reduce CO_2 emissions associated with electricity use, 100% of the electricity used at this plant has been switched to renewable energy sources.
This enables the procurement of clean electricity with low environmental impact.

② Introduction of electric forklifts with lithium-ion batteries (Energy saving)
・Location: Kitakyushu Livestock Feed Plant
・Start date: July 2024
・Purpose and overview:
To reduce CO_2 emissions associated with fuel use, electric forklifts equipped with lithium-ion batteries have been introduced.
Compared to conventional diesel forklifts, these models maintain high performance while achieving lower CO_2 emissions and reduced operating costs.

③ Creation of J-Credits (Contribution to reduction)
・Methodology ID: AG-005
・Methodology name: Extension of mid-season drainage period in rice cultivation
・Purpose and overview:
To offset CO_2 emissions from our group, we launched a J-Credit creation project targeting feed rice producers who are our business partners, with our company acting as the project operator and manager.
The feed rice produced is used as a raw material in our compound feed, contributing to greenhouse gas reduction across the supply chain.
In FY2024, we received certification for 1,582 t-CO_2 in credits. These credits are planned to be used to offset our group’s emissions.

Conclusion

Our corporate group is committed to contributing to a sustainable society and achieving long-term growth. As part of our materiality theme, “Promoting harmony between the environment and society through feed,” we have positioned climate change as a key focus area and are actively working to address it.

To achieve our previously stated medium- to long-term targets, we have developed a roadmap and are advancing efforts to reduce Scope 1 and 2 CO_2 emissions through continuous energy-saving initiatives, capital investment, and a transition to renewable energy sources.

In terms of contribution to emission reductions, we are developing and promoting feed products that reduce methane emissions from cattle digestion, as well as feed that lowers manure volume to reduce methane and nitrous oxide emissions from livestock waste. Additionally, we are working to reduce methane emissions generated during the rice production process, as rice is one of our key feed ingredients. Visualizing these reductions in greenhouse gases from livestock and agriculture and converting them into environmental value—such as through J-Credit schemes—is considered a priority for our Group.

By collaborating across the supply chain and leading decarbonization efforts in the livestock and aquaculture industries, we aim to contribute to the achievement of the Paris Agreement goals and realize a decarbonized society.

Going forward, Feed-One Group will continue to strengthen its climate-related initiatives by regularly reviewing climate-related risks and opportunities, reassessing financial impacts, and enhancing the quality and transparency of disclosures in line with the framework recommended by the TCFD.