

Nichirei Group
CSR Report 2022



NICHIREI CORPORATION

Contents

CONTENTS

■ Message from the President	...	2	■ Governance		
■ Nichirei Group Materiality			Corporate Governance	...	152
Material Matters	...	5	Compliance / Internal Control	...	164
KPIs for Material Matters	...	9	Risk Management	...	170
Designation of Material Matters	...	11			
DX Strategy	...	18	■ Stakeholder Engagement	...	177
A History of Creating Value	...	20	■ Report Archives	...	187
Value Creation Process	...	22	■ ESG Navigation	...	189
Nichirei's Business Model and Advantages	...	23	■ ESG-related Policies	...	191
Helping to Resolve Social Issues through Our Business	...	24	■ ESG Data	...	192
■ Environment			■ External Review	...	223
Environmental Management	...	45	■ External Initiatives	...	229
Climate Change (TCFD)	...	51			
Climate Change (Decarbonization and the Elimination of CFCs)	...	61			
Initiatives for Water Resource Conservation	...	72			
Initiatives for Biodiversity Conservation	...	75			
Management of Wastewater, Waste Matter, and Chemical Substances	...	78			
Initiatives in Products and Services	...	82			
■ Society					
Creating new value in food and health	...	85			
Building a Sustainable Supply Chain	...	96			
Human Rights	...	107			
Providing Safe Products and Services	...	112			
Occupational Health and Safety	...	127			
Cultivating Human Resources and Improving Work Satisfaction	...	132			
Health Management	...	145			

Message from the President

Message from the President



We will help resolve social issues through our business and achieve a sustainable society.

The new coronavirus infection (COVID-19) is still raging and the world continues to be in a difficult situation. We pray for the quick recovery of all those suffering from COVID-19 and their families, and we express our deepest respect and gratitude to all those who are working hard on the front lines, including medical personnel and public health and government agencies, and all those involved in the production and supply of goods that support people's lives.

The Nichirei Group conducts its daily business based on its mission of "Focus on Lifestyles, and Provide True Satisfaction" and its vision of "Focus on Lifestyles, and Provide True Satisfaction We will continue to support good eating habits and health by leveraging our state-of-the-art manufacturing practices that optimize nature's bounty, along with our leading-edge logistics services." We recognize that our mission and the reason for existence is to continue to create and provide valuable products and services that meet the needs of the world and satisfy our customers.

The global environment is changing in the food supply chain due to the effects of climate change, the pandemic crisis, and other factors that are constraining procurement, production, and logistics around the world. Under these difficult circumstances, what contribution can the Nichirei Group, which plays a role in the social infrastructure, make toward the realization of a sustainable society? We recognize that this question is of great concern to society.

In order to keep building a sustainable food supply chain, the Nichirei Group will continue to manufacture products that take advantage of the natural abundance while carefully protecting the rich natural environment and food resources, and will actively promote activities to achieve carbon neutrality. We will also make sincere efforts to address human rights issues and labor problems based on the premise of coexistence and co-prosperity with our business partners and stakeholders. To achieve these goals, the Nichirei Group joined the United Nations Global Compact in November 2021. We support the 10 principles related to human rights, labor, the environment, and anti-corruption, and will work to improve each of them.

Since its founding, the Nichirei Group has grown through businesses that solve various social issues. We will continue to promote sustainability management with the aim of maximizing corporate value by balancing social value and economic value. Through sustainability management, we aim to realize a sustainable society and solve social issues and to realize a society of well-being in which employees of the Nichirei Group, all stakeholders of the Nichirei Group, and people around the world can live healthy lives with smiles on their faces.

We appreciate your continued support.

April 1, 2022

A handwritten signature in black ink, reading "Kenya Okushi". The signature is fluid and cursive, with the first name "Kenya" and last name "Okushi" clearly distinguishable.

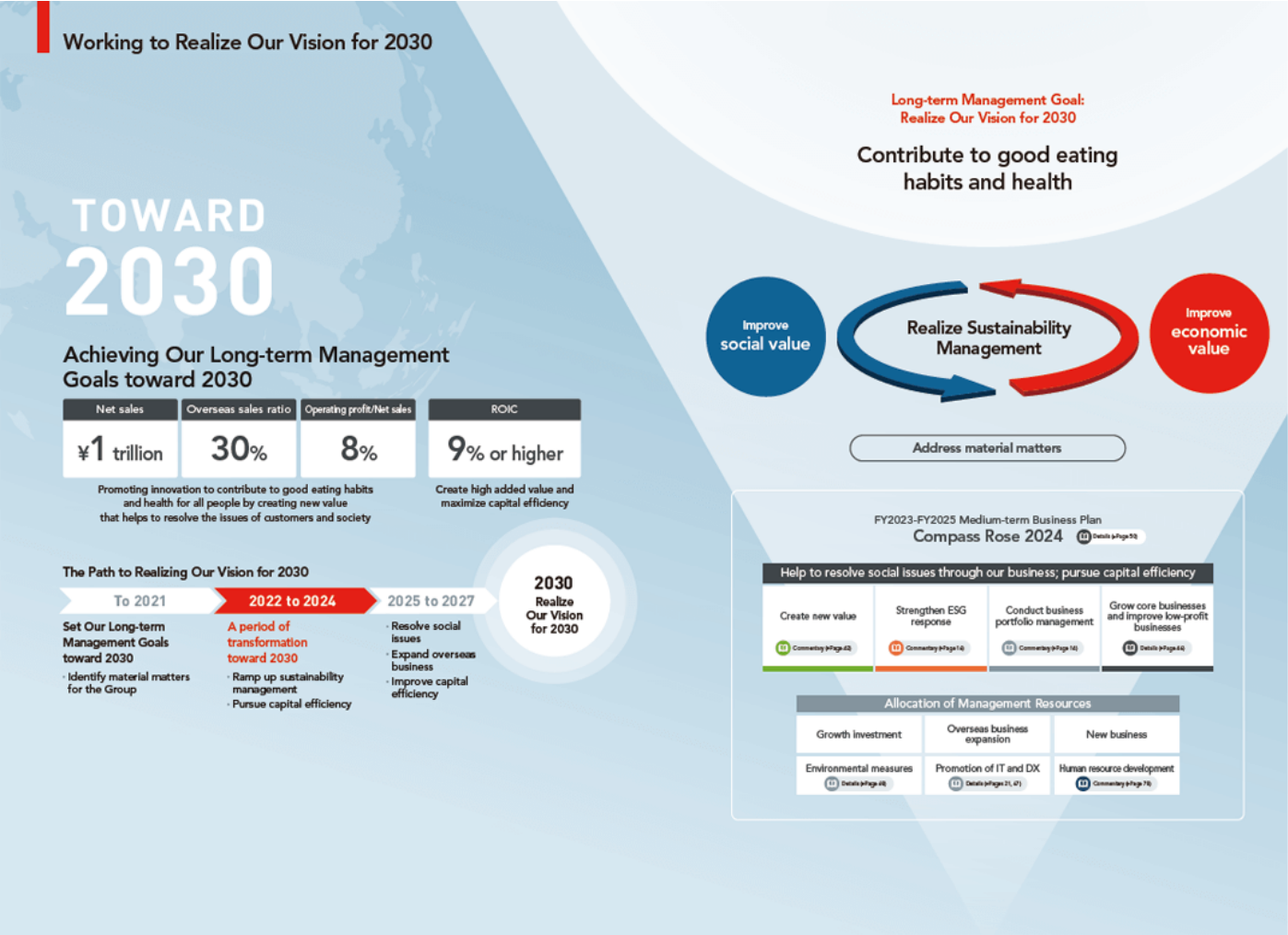
Kenya Okushi

Representative Director, President
Nichirei Corporation

Nichirei Group Materiality

Material Matters	...	5
KPIs for Material Matters	...	9
Designation of Material Matters	...	11
DX Strategy	...	18
A History of Creating Value	...	20
Value Creation Process	...	22
Nichirei's Business Model and Advantages	...	23
Helping to Resolve Social Issues through Our Business		
● Nichirei Foods Providing New Value in Frozen Foods through Development Capabilities for Reproducing the Flavor of Meals Made by Professional Chefs -Honkaku-ItameCha-Han-	...	24
● Nichirei Logistics Group Helping to Reduce Traffic Congestion and CO ₂ Emissions by Introducing an Innovative Logistics System -Cross-Docking Business-	...	27
● Nichirei Fresh Procuring Food through a Sustainable Regional Agricultural and Livestock Cycle Project -Junwakei Chicken-	...	30
● Nichirei Foods Sustainable Procurement That Contributes to Local Community Development -Acerola Business-	...	33
● Nichirei Foods A Chicken Processing Factory That Uses the Entire Chicken (Thailand)	...	35
● Nichirei Logistics Group 「SULS」 Next-generation Transportation and Delivery System	...	37
● Nichirei Logistics Group Truck Loading Dock Reservation System	...	40
● Nichirei Fresh Inochi-no-Mori-Project	...	42

Long-term Management Goals (Vision for 2030)




















Material Matters

In June 2020, Nichirei identified five material matters fitting its concept of materiality through which it would realize its vision regarding long-term management goals for 2030. All officers, including outside directors, participated in the process.

Viewing rising expectations for the realization of a sustainable society as a business opportunity, Nichirei will work with stakeholders to resolve social issues and enhance corporate value. To do so, we will continue to formulate goals (measures and KPIs) that link Group strategies and business strategies.

We will leverage our strengths as we develop business in fields that support good eating habits and health and work on the following five material matters.

Nichirei Group Material Matters		Vision for 2030	Group Measures	Group KPIs for FY2031	Applicable SDGs
Creating new value in food and health	Create new markets and customer value by taking on challenges outside existing business areas in both food and health	Discovering new potential for the health value and cooling properties of materials, and using digital technologies to contribute to good eating habits and longer healthy life expectancy.	<ul style="list-style-type: none"> Step up R&D to develop new eco-friendly food resources and ingredients with health value Allocate resources to marketing and DX to develop delicious, healthy products and provide services for better eating habits Establish mechanisms to create and cultivate value in new fields and conduct innovation activities 	<ul style="list-style-type: none"> Sales of ingredients that explore new potential and products and services for delicious taste and high health value: 100 billion Total number of people who receive information for good eating habits and health: 200 million per year 	 3.d  8.2  9.5
	Further refine core competencies in food processing, production and logistics to resolve social issues and improve profitability through competitive advantages in global markets	Ability to generate cash improved by concentrating management resources on core businesses	Promote capacity expansion, work process innovation, reduction of environmental impact and development of business foundations through proactive capital expenditures in the processed foods and temperature-controlled logistics businesses	<ul style="list-style-type: none"> EBITDA margin: 12% EBITDA CAGR: 7% or higher 	 2.4  9.1 9.4
Strengthening food processing and production technology capabilities; enhancing logistics services			Accelerate overseas expansion by securing and training global human resources, cultivating partner companies, conducting M&A and other means	<ul style="list-style-type: none"> Overseas sales ratio: 30% 	 8.b

Realizing sustainable food procurement and resources recycling	Resolving various social issues related to the supply chain, which is the foundation of our business, and contribute to sustainable food procurement and the realization of a recycling-based society	All raw materials and ingredients are procured from suppliers and partner companies that comply with the Nichirei Group Supplier Code of Conduct and Supplier Guidelines.	Establish a supply chain with consideration for human rights and the environment and conduct due diligence	<ul style="list-style-type: none"> Rate of procurement from suppliers and OEMs that comply with the Nichirei Group Supplier Code of Conduct and Supplier Guidelines: 100% Rate of implementation of ESG due diligence for main raw materials and major suppliers: 100% 	 8.7  12.2  12.6  14.4 
		Promoting a circular economy by creating new business models	Work to conduct sustainable resource procurement and help to realize a circular economy	<ul style="list-style-type: none"> Rate of attendance for the SDGs educational program aimed at realizing a circular economy: 100% (all employees) Rate of waste recycling at all sites: 99% 	 4.7  12.5
		Improving resilience of water resources through an understanding of water-related risks	Identify water-related risks through risk assessments at all sites and conserve water	<ul style="list-style-type: none"> Conduct regular water-related risk assessments at all sites, as well as in conservation activities and the BCP 	 6.3  13.1
Climate change initiatives	As a food and logistics company that is greatly affected by climate change, we will work with stakeholders to counter global warming and reduce energy consumption throughout the supply chain	Efforts underway to reduce CO ₂ emissions both inside and outside the Group toward the goal of becoming carbon neutral by 2050	Reduce CO ₂ emissions per unit of production and utilize renewable energy at food factories and logistics centers, and disclose information based on the TCFD recommendations	<ul style="list-style-type: none"> Reduction in CO₂ emissions: 50% (Compared with FY2016; Scope 1 and 2 in Japan) 	 7.2 7.3
		Elimination of CFCs progressing at production and logistics facilities as a global warming countermeasure	<ul style="list-style-type: none"> Replace all refrigerants used in freezing and refrigerating equipment in Japan with natural refrigerants Switch to natural refrigerants overseas as necessary, based on on-site confirmation 	<ul style="list-style-type: none"> Rate of conversion to natural refrigerants Production equipment (Japan): 100% Logistics (Global): 75% 	 13.3

Securing and developing a diverse array of human resources	Secure and develop a diverse human resources and foster an inclusive corporate culture to achieve sustainable growth	Diverse human resources with various characteristics and skills, maximizing their potential to improve their job satisfaction and support the sustainable growth of the Group	<ul style="list-style-type: none">• Introduce a Group-wide engagement survey* to monitor the effectiveness of measures• Establish a personnel system that enables Group employees to choose work styles according to their career outlook and contributes to productivity improvement• Establish and provide support for application of rules <p>* Engagement survey: A survey that shows degree of understanding of and resonance with the Management Philosophy and independent involvement in the organization (job satisfaction)</p>	<ul style="list-style-type: none">• Ratio of female directors and female Audit & Supervisory Board members (HD*): 30% or higher• Ratio of female line managers (HD*): 30%* HD: Nichirei Corporation (Holding Company)	<div><div>4 QUALITY EDUCATION</div><div>4.3 4.4</div></div> <div><div>5 GENDER EQUALITY</div><div>5.1 5.5</div></div>
			<ul style="list-style-type: none">• Promote communication activities and impartially provide learning opportunities in order to create a work environment and corporate culture in which employees are healthy, lively and satisfied with their jobs	<ul style="list-style-type: none">• Double investment in human resources by 2030** Compared with the average annual investment in human resources in FY2019-FY2021	<div><div>8 DECENT WORK AND ECONOMIC GROWTH</div><div>8.5</div></div>

* Group KPIs for the material matter “Creating new value in food and health” were revised in 2022

KPIs for Material Matters

KPIs for Material Matters

In 2021, we set Group targets for 2030, consisting of measures and KPIs for initiatives for the Group's material matters. Medium-term Business Plan Compass Rose 2024, which began in FY2023, sets Group KPIs for FY2025 as milestones on the road to 2030, as well as measures and quantitative targets for the holding company and each operating company. We aim to achieve our targets by continuously monitoring KPIs and carrying out the plan-do-check-act (PDCA) cycle.

Nichirei Group Material Matters	Group Targets (KPIs)	FY2022 Results	FY2025 Targets	FY2031 Targets	Main Operating Companies Involved
Creating new value in food and health	Sales related to this material matter	-	-	¥ 100 billion	• Nichirei Foods • Nichirei Fresh
	Number of consumers and other external parties who receive information (total per year)	-	-	200 million people	• Nichirei (Holding Company)
Strengthening food processing and production technology capabilities; enhancing logistics services	EBITDA margin	9%	10%	12%	• Nichirei Foods • Nichirei Logistics Group
	EBITDA CAGR Note: FY2022 figure is CAGR for FY2020-FY2022. FY2025 figure is CAGR for FY2023-FY2025. FY2031 figure is CAGR for FY2026-FY2031.	4%	7%	7% or higher	
	Overseas sales ratio	16%	20%	30%	
Realizing sustainable food procurement and resources recycling	Rate of procurement from suppliers and OEMs that comply with the Nichirei Group Supplier Code of Conduct and Supplier Guidelines	-	Under consideration	100%	• Nichirei Foods • Nichirei Logistics Group • Nichirei Fresh
	Rate of implementation of ESG due diligence for main raw materials and major suppliers	-	Under consideration	100%	• Nichirei Biosciences
	Rate of attendance for the SDGs educational program aimed at realizing a circular economy	-	100% (Executives)	100% (All employees)	
	Rate of waste recycling at all sites	99%	99%	99%	

	Conduct water-related risk assessments at all sites	Flood risk survey of all sites in Japan	Conduct in FY2024	Conduct regular water-related risk assessments at all sites, as well as in conservation activities and the BCP	
Climate change initiatives	Reduction in CO ₂ emissions (Compared with FY2016; Scope 1 and 2 in Japan)	-20%	-30%	-50%	<ul style="list-style-type: none"> • Nichirei Foods • Nichirei Logistics Group
	Rate of conversion to natural refrigerants Production equipment in Japan	58%	80%	100%	
	Rate of conversion to natural refrigerants Logistics (Global)	53%	63%	75%	
Securing and developing a diverse array of human resources	Ratio of female directors and female Audit & Supervisory Board members (HD*) * HD : Nichirei Corporation (Holding Company)	20%	20% or higher	30% or higher	<ul style="list-style-type: none"> • Nichirei Foods • Nichirei Logistics Group • Nichirei Fresh • Nichirei Biosciences • Nichirei (Holding Company)
	Ratio of female line managers (HD*)	20%	20%	30%	
	Investment in human resources (Compared with the average annual investment in human resources in FY2019-FY2021)	0.8 times	1.7 times	2.0 times	

Designation of Material Matters

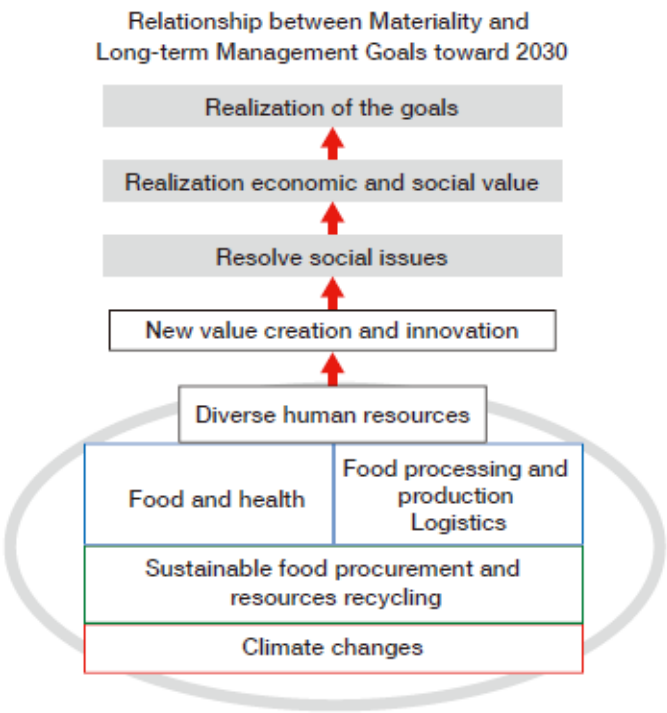
Examination System

Examination System

With the representative director and president responsible for execution, two projects involving materiality and climate change scenarios were implemented simultaneously between September 2019 and June 2020. We conducted repeated examinations while linking information from both parties.

The project to formulate the materiality was led by the executive officer who is the general manager of Strategic Planning, and was examined by members of the Board of Directors and all corporate officers, including executive officers.

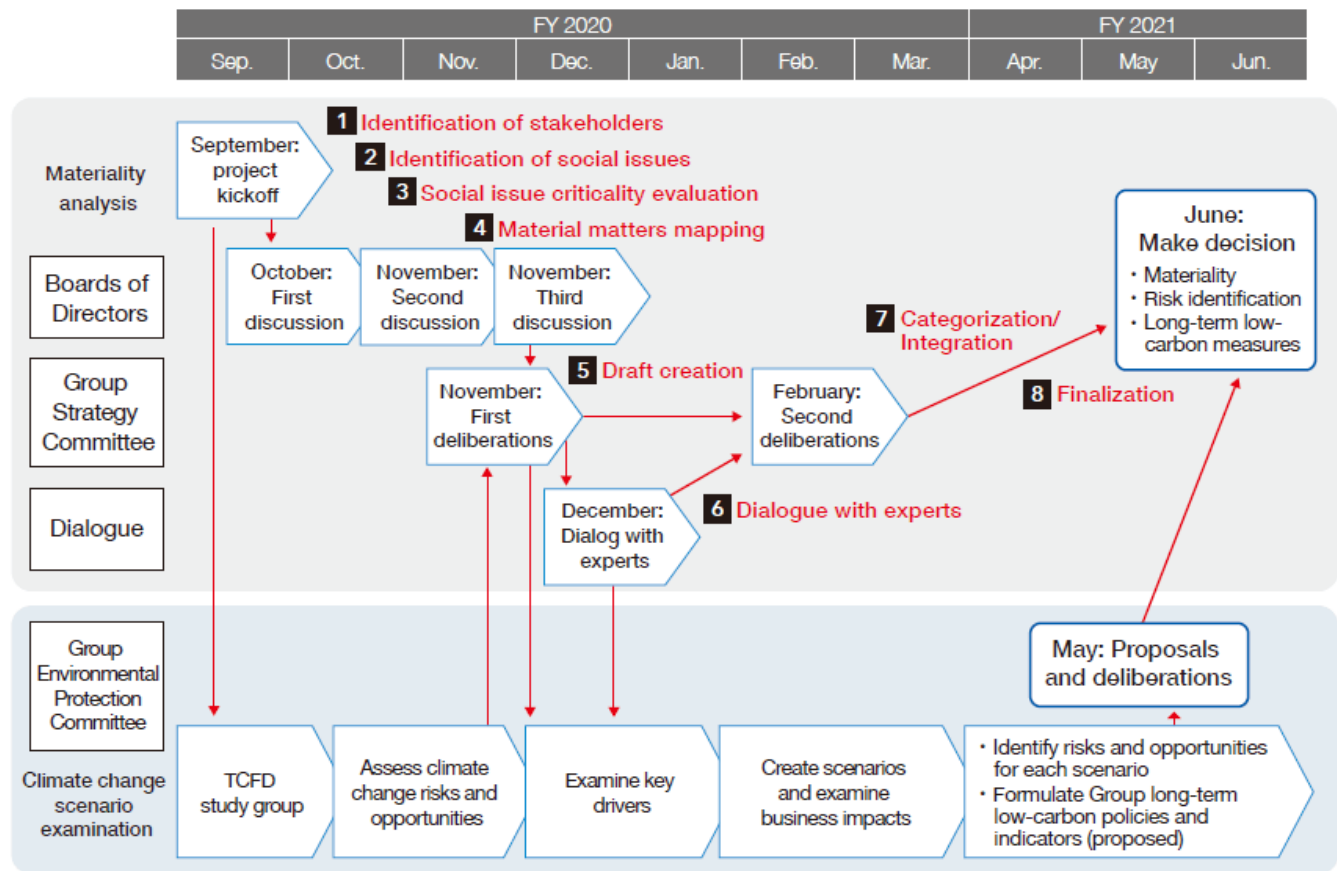
The climate change scenario examination project was led by the executive officer who is the director, and who serves as the managing director in charge of the environment. This was done according to advice from experts and the framework recommended by the TCFD. The reviews themselves were conducted mainly with Technology Management staffers in charge of the environment, as well as each Group company’s Strategic Planning department and the managers undertaking environment-related activities.



Examination Schedule

Examination Schedule

Materiality Formulation and Climate Change Scenario Examination Project Grand Schedule



1 Identifying stakeholders

Since our business domain is food provision, we are aware of our tremendous social responsibility, being involved, as we are, with many stakeholders and impacting their lives and society at large. For this reason, we have identified stakeholders based on the size of their demand and the degree of impact we have on society.

2 Identifying social issues (risks and opportunities)

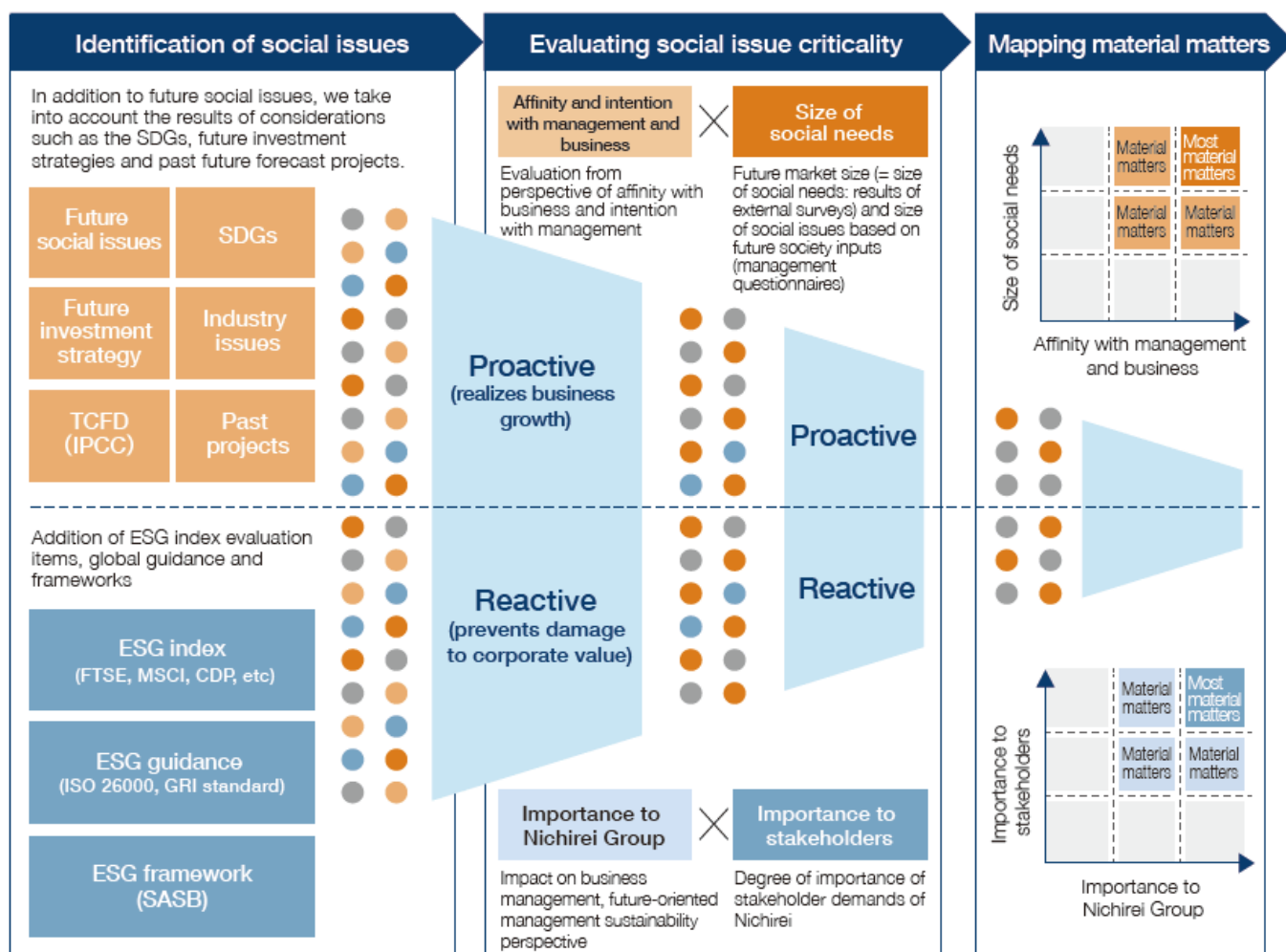
After pinpointing our stakeholders, we have identified social issues from future and global perspectives.

3 Evaluating social issue criticality

We then evaluated the importance of those social issues, based on the fact that proactive measures result in business growth, and reactive ones prevent corporate value from being damaged.

4 Mapping material matters

We mapped material matters that would require proactive and reactive steps to be taken and, in November 2019, held initial deliberations on the details of mapping during the Nichirei Group Strategy Committee meeting, at which we usually discuss overall management strategies.



References: United Nations Global Compact, United Nations Guidelines for Business and Human Rights, OECD Guidelines for Multinational Enterprises, ILO, Japan SDGs Action Plan 2019/2020, Ministry of Economy, Trade and Industry, TCFD Guidance, Society 5.0, etc.

5 Creating drafts

We created separate drafts for those issues that would require a proactive or reactive approach.

Dialog with Outside Experts

6 Dialog with Experts

In December 2019, outside experts evaluated the validity of the drafts under consideration and exchanged opinions with Company corporate officers, including the president.

Experts

<p>Keisuke Takegahara</p> <p>Development Bank of Japan Inc. Executive Officer, Deputy Chief Research Officer, Chief Manager of Sustainability Management Office, Corporate Planning & Coordination Department</p>	<p>Hidemi Tomita</p> <p>Lloyd's Register Japan K.K. Director</p>	<p>Yumiko Murakami</p> <p>Organisation for Economic Co-operation and Development (OECD) Head, Tokyo Center</p>
------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------

■ Nichirei Group (Nichirei Corporation) members

Kunio Otani Representative Director, Chairman	Kenya Okushi Representative Director, President	Takumi Taguchi Director, Executive Officer, in charge of Nichirei Group planning and management division
Yoshifumi Kaneko Director, Executive Officer; Representative Director, President, Nichirei Fresh Inc.	Junji Kawasaki Director, Executive Officer, in charge of Nichirei Group technology management and quality assurance	Masahiko Takenaga Director, Executive Officer; Representative Director, President, Nichirei Foods Inc.
Kazuhiko Umezawa Director, Executive Officer; Representative Director, President, Nichirei Logistics Group Inc.	Masato Takenaga Executive Officer; Representative Director, President, Nichirei Biosciences Inc.	Kazunori Miki (facilitator) Executive Officer General Manager, Strategic Planning



Opinions of outside experts

Granularity of future measures

- Efforts should be made, for example, to reduce CO₂ emissions and switch to natural refrigerants to make developmental leaps part of a long-term strategy.

Timeline to 2030

- Perspectives should be divided into two groups: new management-related goals and the means by which they are to be achieved.
- A way should be devised to apply global standards, such as by using responsible business conduct as a guideline.

Quality assurance

- Quality and safety could be made the most important management issues.
- This is currently a basic proactive item. However, should new risks arise, quality assurance could be positioned as a proactive risk factor needed to strengthen quality control.

Sustainability

- Sustainable food production is linked to climate change response (CO₂ reduction) through expanding agricultural productivity.
- In maintaining temperature-controlled logistics, RE100 may be difficult. One should be aware of any linkage among target items.
- Since the food business is a high-risk industry, risks should be broken down in a way that is tied to particular areas of business.

Ethics

- There are still few Japanese companies making significant efforts in business ethics, which fact could lead to a competitive advantage for Nichirei.
- An ethical angle is missing in marketing. We should convey the message that Nichirei products are delicious and ethical by world standards.

Distinctive aspects of Nichirei

- The Company would benefit were its distinctive features put in a visual format. In addition to its processed foods, these features would include important issues related to temperature-controlled logistics, marine items, as well as meat and poultry products.
- Given that the company is a cold chain leader, one should be able to demonstrate distinctive aspects of Nichirei's temperature-controlled logistics within the TCFD framework. One might consider sending out a message regarding CFC issues.

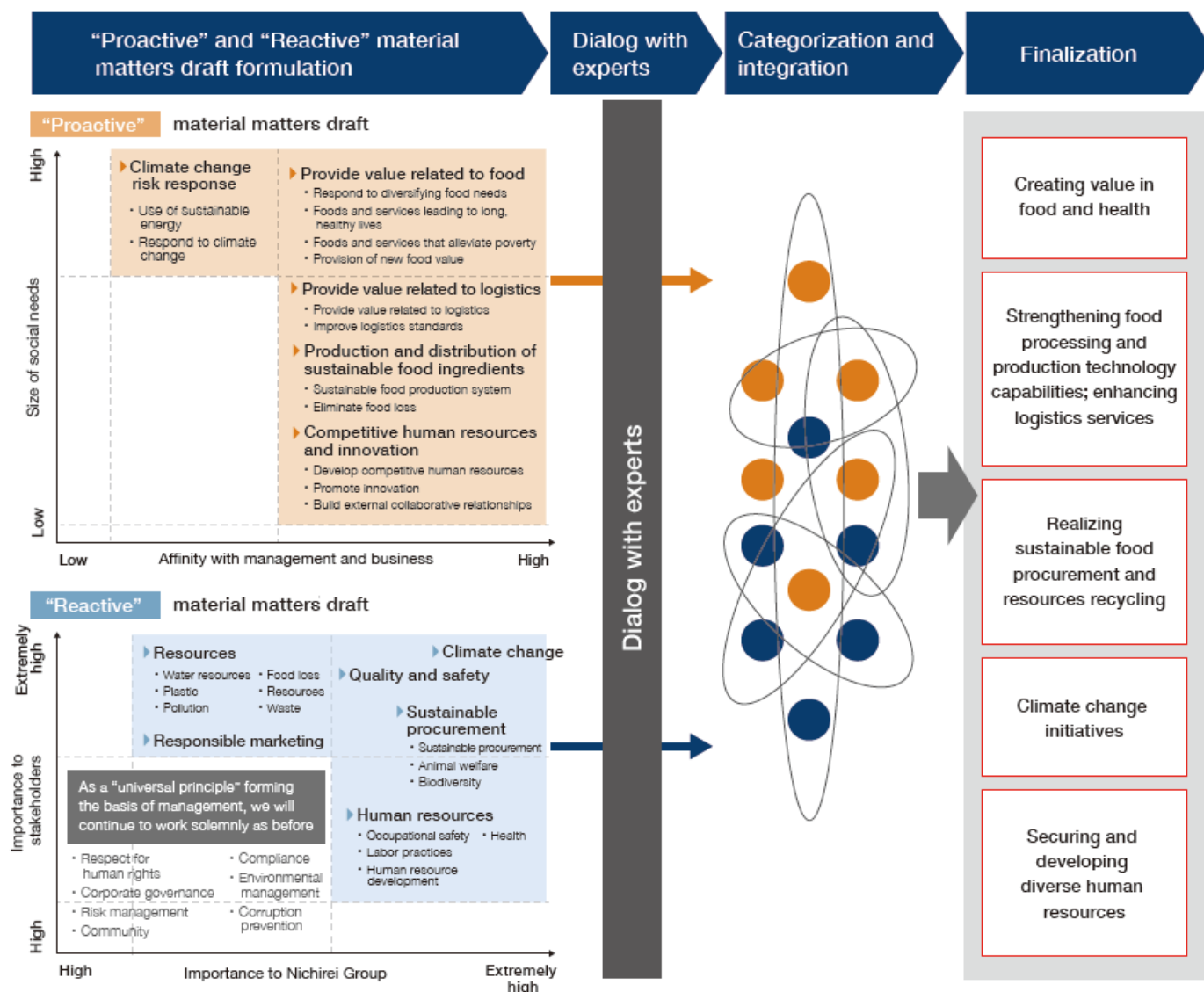
Integration and Narrowing-down

7 Integration and Narrowing-down

Based on opinions received from experts, we integrated and narrowed down material matters as proactive or reactive.

8 Finalizing the draft

In February 2020, at the second Group Strategy Committee meeting, after repeated deliberation on both the validity evaluation by experts and opinions on distinctive Nichirei features, agreement resulted in a draft containing five material matters.



Designation of Materiality

Designation of Materiality

In June 2020, five material matters were designated by the Board of Directors chaired by the Representative Director, Chairman. Nichirei has set long-term Group goals for climate change initiatives, and will continue to consider long-term goals (measures and KPIs) for the other four material matters.

We are discussing the five material matters with Group companies and will incorporate them into each of their business strategies through the formulation of an organizational profile.

Ideas Inherent in the Materiality

Material matter	Ideas inherent in the materiality
Creating value in food and health	In Japan—which constitutes Nichirei's main market—changes are expected in the future, including reduced consumption reflecting the population decline, diversifying consumer needs, and the personalization of food and medical care. For the Group to continue growing in this environment, while building on the core areas of food and health, Nichirei will promote innovation and create new markets and customer value without being bound by the framework of existing businesses.
Strengthening food processing and production technology capabilities; enhancing logistics services	Expectations for frozen foods and temperature-controlled logistics are increasing in terms of meeting diversifying food industry needs and resolving new social issues. Through the utilization of new technologies such as AI, IoT and autonomous driving, we will realize our core competence of enhancing food processing and production technologies, and advancing logistics services, to establish a solid position in Japan and global markets.
Realizing sustainable food procurement and resources recycling	Sustainable food procurement efforts that take into consideration the environment and human rights are the foundation of our business, and are directly linked to the provision of customer value and to Group growth. This will also lead to the realization of a recycling-oriented society that circulates resources as much as possible, and to the strengthening of comprehensive business continuity management.
Climate change initiatives	While the entire planet is required to take measures to prevent global warming, as a food and logistics company greatly affected by climate change, Nichirei will accelerate efforts to reduce greenhouse gas emissions by setting long-term environmental targets. We aim to reduce CO ₂ emissions 30% by 2030 compared with 2015 levels.
Securing and developing diverse human resources	Human resources are the Group's most important management resource. In addition to respecting human rights, fair labor practices and ensuring health and safety, which are standard, Nichirei will promote the creation of workplace environments in which human resources with diverse backgrounds can work. We will also develop an organizational culture in which employees can demonstrate their creativity through the development of human resource systems and the development of skills that will lead to the creation of new value and the resolution of social issues.

DX Strategy

DX Strategy

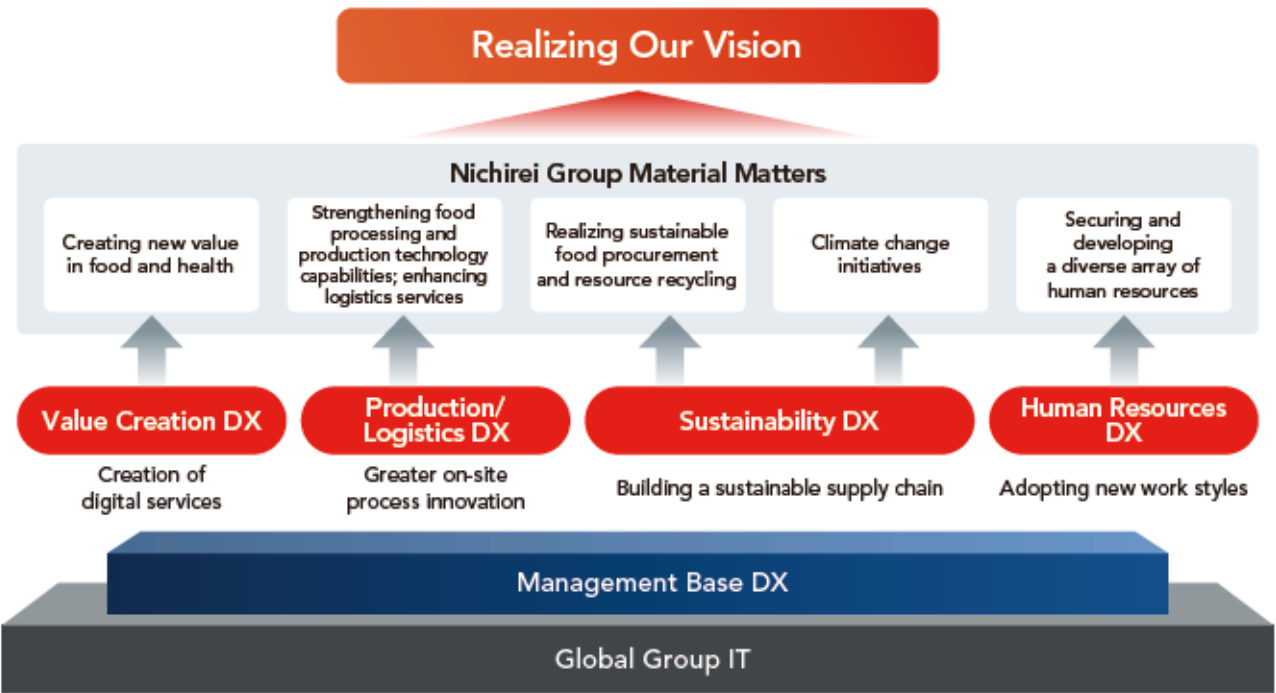
For the Nichirei Group, digital transformation (DX) consists of data technology-driven business transformation activities linked to its five material matters, with the aim of creating new value.

DX Strategy

Each employee should have a command of data technology to continue providing new value for the Earth and its people.

Overview of DX Strategy

To raise the awareness of employees, we will launch a new portal site focusing on our DX activities and conduct DX training for each Group employee to acquire digital literacy. By promoting DX throughout the Group, we will help to innovate existing work, generate new work and resolve supply chain issues, among other benefits. Through these measures, we aim to realize the Nichirei Group Vision.



Development of Education for Digital Transformation (DX)



Value Creation DX

We will utilize data and digital technology to create new businesses that contribute to good eating habits and a longer healthy life expectancy, and to offer improved experience value for customers. Through initiatives that go beyond our own industry, we also aim to build new ecosystems and work to monetize them.

■ Production/Logistics DX

We will work for automation using IoT, AI, robotics and other methods, and for overall optimization to link factories and warehouses in areas such as ascertaining production volume at factories and incoming, outgoing and storage volume at refrigerated warehouses. We will also work to achieve optimal equipment operation and maintenance that mobilizes our factory and warehouse management know-how, and to conduct all-inclusive control of multiple sites.

■ Sustainability DX

We will work to create a sustainable supply chain by collecting, managing and analyzing information on the sustainability of our suppliers and all other parties throughout the chain.

■ Human Resources DX

We will deploy the right human resources to the right places in the Company. At the same time, we will improve work efficiency by promoting cooperation with external human resources.

■ Management Base DX

We will collect, manage and analyze internal and external data to be converted into valuable information and provided to management in a timely manner for speedy decision-making.

Nichirei Group Conducts Digital Human Resource Development Training for All Employees, Aidemy Offers "Aidemy Business" as Training Tool | Nichirei Corporation (nichirei.co.jp)



A History of Creating Value

Establishing a Temperature-controlled Logistics Network

Value Creation Story

A History of Creating Value: Establishing a Temperature-controlled Logistics Network

The Nichirei Group has resolved various issues in each era of its existence. These issues have included the challenge of meeting increased food demand in Japan's period of high economic growth through its ice-making, refrigeration and freezing businesses, and contributing to the improvement of health standards in the 1960s through the development of a cold chain logistics network. In recent years, globalization and social changes have made food logistics increasingly complex and sophisticated, and demands are growing for eco-friendliness, labor saving and efficient use of food resources. We will continue to provide value to society through the leading high-performance facility capacity we have established in Japan and a global rollout of our high-quality, detailed services.

1954 Established a Frozen Food Sales Company

In the early days of frozen foods, there were no vendors equipped to handle them. We therefore decided to establish a sales company specializing in frozen foods and start distribution.

1959

Developed Long-distance Frozen Cargo Vehicle

Nichirei's long-distance frozen cargo vehicle (refrigerator) Haysbusa, which was developed in-house, contributed to the creation of a cold chain logistics network that keeps food at low temperatures.



1964

Provided a Wide Range of Frozen Foods to the Athletes' Village at the Tokyo Olympics



We provided a wide range of frozen foods to the athletes' village at the Tokyo Olympics for a stable supply of safe and delicious meals to more than 5,000 athletes from around the world.

1965

Cold Chain Recommendation Issued by Japan Science and Technology Agency (merged in 2001 with the Ministry of Education, Science, Sports and Culture, the predecessor to the current Ministry of Education, Culture, Sports, Science and Technology)

Nichirei played a central role in establishing a cold chain logistics network, which included the introduction of forklifts, the construction of large-scale refrigerated warehouses and the establishment of an industry group. The cold chain network, which keeps food at a low temperature during distribution to maintain freshness from the production area to the table, also helps to reduce food loss.

Social Issues

- Reduction of food loss and waste
- CO₂ emission reduction
- Response to the labor shortage

More Sophisticated and Efficient Logistics

- Joint shipping
- Modal shift
- Inspection by tablet device
- Truck reservation system
- Driverless forklifts etc.

2021

Started Operation of Japan's First Trucks That Couple Room-Temperature and Low-Temperature Trailers



These 25-meter double-trailer trucks enable simultaneous bulk transportation of frozen and room temperature products. Since simultaneous transport is enabled by simply coupling and decoupling the second trailer, the trucks are expected to significantly lessen the burden on drivers and reduce environmental impact through an improved percentage of truckload capacity utilization and other transportation efficiency improvements.

2020s

2000s

2000

Entered the 3PL Business

We started a third-party logistics (3PL) business, which offers logistics strategy planning and logistics systems on behalf of customer companies. By providing them with comprehensive outsourcing services, we optimize the efficiency of their logistics.

1993

Full-scale Launch of Cross-Docking (XD) Business

Setting up a dedicated XD center between vendors and stores significantly improved delivery efficiency. It also contributed to more efficient store operations and reduction of CO₂ emissions.



1990s

1980s

1988

Launched Logistics Business in Europe

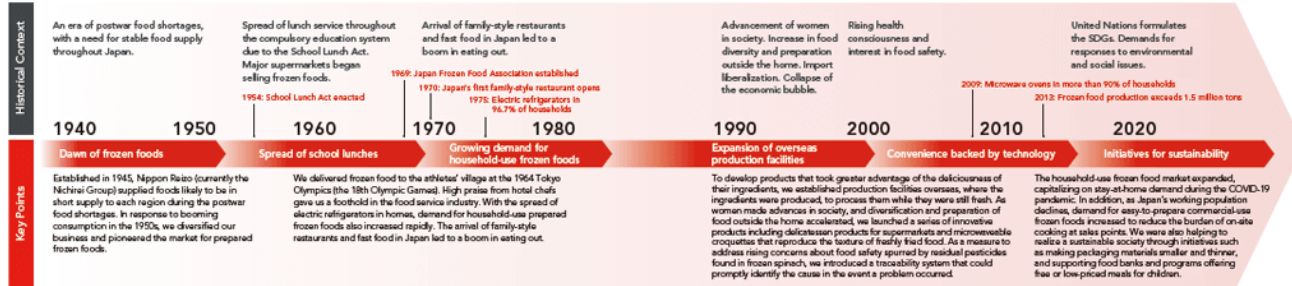
The rollout of our logistics business in Europe started with the acquisition of a cold storage company in the Netherlands. Based on the know-how we have cultivated in Japan, we have rolled out our logistics business in China, Thailand and Malaysia as we spread the quality of Japanese logistics around the world.



Nichirei's History in Frozen Foods

Our Path for Creating Value: Nichirei's History in Frozen Foods

Since developing frozen foods more than 70 years ago, the Nichirei Group has solved the various issues of each era to support more diverse diets. We will use the technological development capabilities we have cultivated to continue to provide new value.



Nichirei's Products and Technology Solutions

Partly because a cold chain network had not yet been established in Japan, there were no permanent frozen food sales sections in stores. In 1952, we opened frozen food sections at the Putya and Toyoko department stores. Most sales at first were of frozen fish, but as we gradually raised the level of our processing, our lineup expanded to include prepared frozen foods such as *Jumai* (Chinese dumplings) and fried foods. At the time, an electric refrigerator was not yet common in ordinary households, so a full-scale rollout required time.

Chawan-Mushi (savory egg custard), which we launched in 1954 as Japan's first heat-and-eat prepared frozen food, was made by adding chicken, ginkgo nuts and other ingredients to soup stock containing beaten eggs, and then freezing. It had to be thawed, then put in a container and steamed, but it was revolutionary at a time when there were no microwave ovens. As nuclear families increased in number, the difficulty of preparing the multiple ingredients required in small quantities also helped to make the product popular.

Commercial-use prepared frozen foods caught on at once in the food service industry. Our easy-to-eat fish sticks made from fish parts and offering uniform quality and standards were delivered pre-breaded and frozen. The convenience of being able to deep-fry a large quantity on-site helped to make it a major hit in meals at schools, hospitals and Self-Defense Forces mess halls.

At the 1964 Tokyo Olympics, meals had to be provided to a large number of people, including about 7,500 participating athletes and officials from 114 countries, as well as the press. To prevent a spike in prices for domestic perishables, the decision was made to use frozen foods. We repeatedly considered the most sensible standards and portion sizes to deliver high-quality frozen food to the athletes' village. Praise from hotel chefs who had gathered from all over Japan to work in the athletes' village gained attention for frozen food from the hotel and food service industries.

As the variety of its household-use prepared frozen food products increased, in 1974 Nichirei integrated all the different brands that had come into being under the Green Shell brand. In 1978, we launched the White Pack series of household-use versions of the commercial-use products in our Restaurant Pack series. We catered to a variety of dining situations with a lineup that ranged from products for boxed lunches to premium-priced dinner items.

In 1994, we launched *Koromo-gae-Sakusaku Gyuniku* (croquette) as part of our *Shin-Arai-Danbatsu* series. It took three years of research and development to succeed in creating freshly-fried crispiness even when cooked in a microwave oven. In addition, we insisted on using *Danbatsu* potatoes from Hokkaido to recreate the proper croquette flavor. Our technology enabled a significant reduction in cooking time, thus responding to changes in lifestyles such as the increase in dual-income households.

In 2001, we introduced *Honkoku-tama-Chikhan* (fried rice), the first household-use frozen fried rice, made by frying rice in large volumes on a continuous production line. By capturing demand as a substitute for fried rice made from scratch, this product changed the concept of frozen rice products. In 2004, we launched the mail-order-only *Kuburan-Gozan*, a mail set of nutritionally controlled frozen dishes for people whose diets tend to be nutritionally unbalanced.

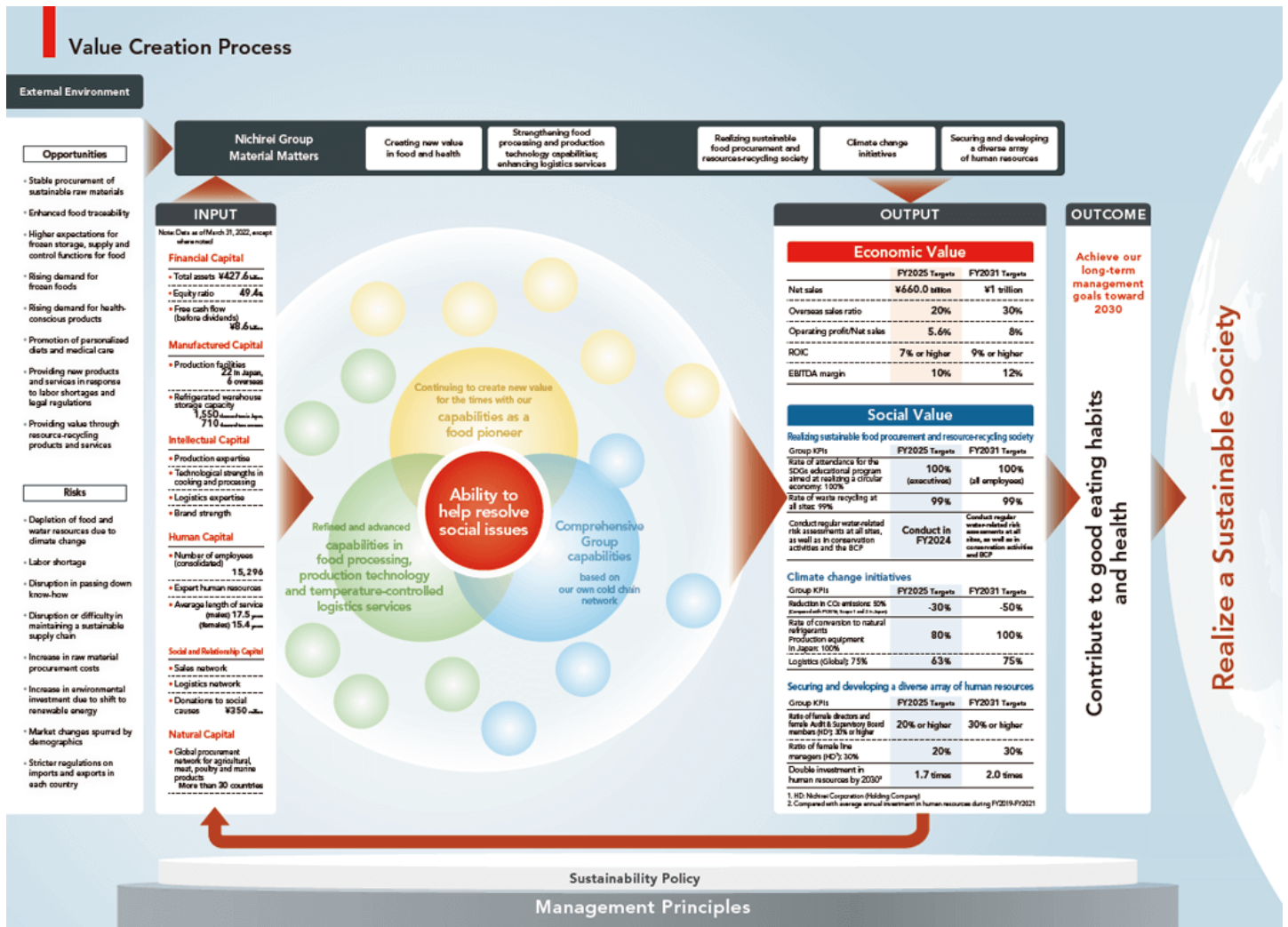
Since 2006, Nichirei Foods and Nichirei Logistics Group have supported the activities of Second Harvest Japan. To far, they have donated a total of more than 20,000 cases of frozen foods to various welfare facilities, including foster homes, mother and child support centers, and disability support facilities. In addition to the products, they also provide logistical support for frozen foods to maintain their quality.

In 2019, we launched the commercial-use *Itai-de-Sakute* series for croquettes and other fried foods that can be prepared by boiling. In 2020, we launched the *Vegetable* series of products for delicatessens. These mail kits containing multiple ingredients and seasonings help to resolve the problem of worker shortages and insufficient cooking facilities.

Initiatives for Eco-friendly Packaging

- FY2007 *Inagawa-Yaki* (Japanese waffle): Elimination of trays
- FY2010 *Yaki-Onigiri* (grilled rice balls): 10-pack: Elimination of trays
- FY2012 *Honkoku-tama-Chikhan* (fried rice): Thinner packaging
- FY2015 *Yaki-Onigiri* (grilled rice balls): 10-pack: Thinner packaging (second reduction)
- FY2016 *Honkoku-tama-Chikhan* (fried rice): Thinner packaging
- FY2019 *Ebi-Maki* (shrimp roll) and *Chikhan* (fried rice): Thinner packaging
- FY2021 *Ebi-to-Cheese-no-Dango* (shrimp gratin) and *Ebi-to-Cheese* (fried rice gratin): Thinner trays, reduced tray handle width
- FY2022 *Yaki-Onigiri* (grilled rice balls): Elimination of trays for entire lineup

Value Creation Process

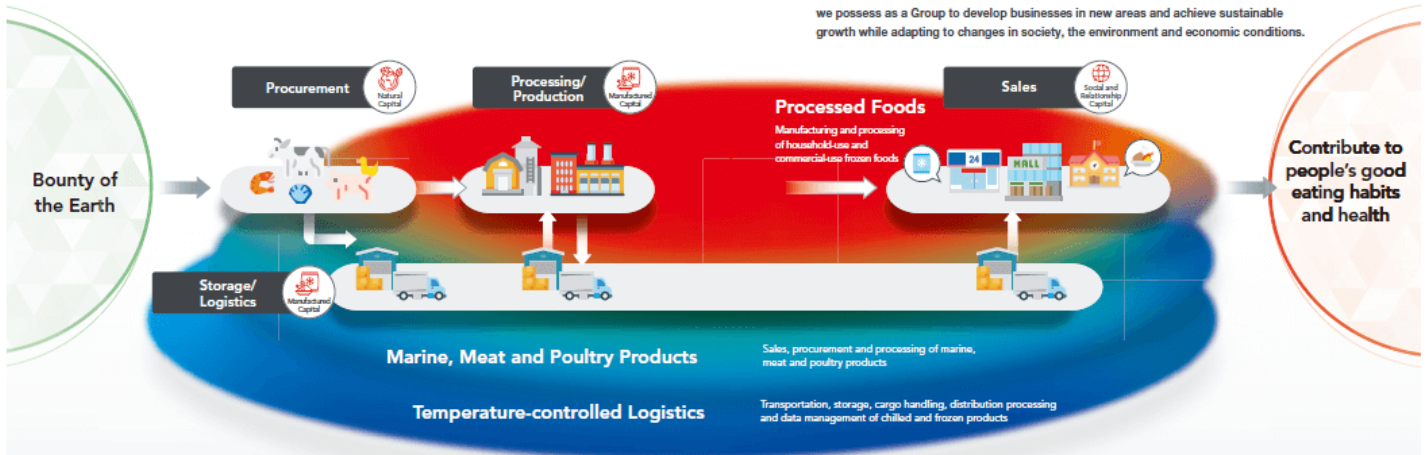


Nichirei's Business Model and Advantages

Value Creation Story

Nichirei's Business Model and Advantages

The Nichirei Group meets the needs of its diverse customers through operations spanning a wide range of fields from food procurement to processing, logistics and sales. Since our establishment, we have utilized the comprehensive strengths of the functions we possess as a Group to develop businesses in new areas and achieve sustainable growth while adapting to changes in society, the environment and economic conditions.



Advantages from Comprehensive

Group Strengths

Unique ingredients procurement network

Global sourcing of high-quality ingredients that meet Nichirei's standards

- Long-standing relationships of trust with suppliers
- Livestock feeding/crop cultivation management under long-term contracts
- Traceability that makes the procurement process clear

Japan's leading advanced temperature-controlled logistics

Maximizing storage and transportation capabilities to provide optimal logistics services tailored to customer needs

- Largest refrigerated warehouse storage capacity in Japan
- Optimal location of bases to connect logistics hubs, production areas and consumption areas
- Operating capacity of 8,000 trucks per day
- Total logistics that proposes and operates optimal systems

Know-how to provide optimal processing

Meeting customer needs by combining high-quality ingredients and optimum processing

- Providing products that have been optimally processed based on a thorough knowledge of ingredients
- Development capabilities for reproducing the flavor and deliciousness of meats made by professional chefs
- Quality assurance that enhances safety and reliability

Ability to handle a wide range of customers and business types

Meeting customer needs and providing convenience through services and responses tailored to diverse customer bases and business types

- Fresh seafood shops/ Butcher shops
- Kaiten sushi/ Conveyor belt sushi shops
- Family style restaurants
- Hotels
- Japanese (Japanese style) pubs
- Single-brand family shops
- Highway service areas
- Fast food restaurants
- Drug stores
- Supermarkets
- Convenience stores
- School facilities
- Employee cafeterias
- Hospitals
- Nursing facilities
- Online sales
- Food co-operatives, etc.

Human resources with high-level expertise and experience



Providing New Value in Frozen Foods through Development Capabilities for Reproducing the Flavor of Meals Made by Professional Chefs -Honkaku-Itame Cha-Han-

Social Issues

- Demand for authenticity as eating habits diversify
- Increase in elderly and single-person households

In the 1990s, food options increased in Japan with the expansion of the convenience store, delicatessen, family-style restaurant and other outlet markets.

As eating habits diversified, demand for products with a more authentic taste began to appear in the early 2000s. In addition, the increasing number of elderly and single-person households spurred needs for meals that were convenient and easy to prepare.

Honkaku-Itame Cha-Han (fried rice) was launched in spring 2001 to address this demand. It was a runaway hit, offering the deliciousness and texture of fried rice from a Chinese restaurant at home just by heating it in a microwave. Since then, we have made ongoing improvements to keep customers smiling.

Advantages

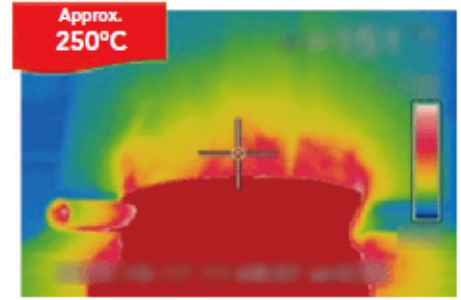
- In-house Development of a Cooking Line That Reproduces the Processes of Professional Chefs

Before the launch of Honkaku-Itame Cha-Han in spring 2001, frozen fried rice was closer to boiled rice with flavoring mixed in than to actual fried rice. To provide authentic taste, Nichirei Foods observed how fried rice was cooked at well-known restaurants, learning about the temperature and time required for heating the oil, when to add eggs, and other considerations. At a time when it was considered impossible to fry rice in large volumes, we perfected a unique frying process that incorporated the skills of professional chefs into a mass production line.



■ Major Renewal for a Three-stage Stir-fry Manufacturing Method in 2015

To further refine the deliciousness of Honkaku-Itame Cha-Han, which had been extremely popular since its launch, in 2015 Nichirei Foods invested about ¥3 billion to establish a three-stage stir-fry manufacturing method. In the first stage, the rice is coated with eggs. In the second stage, excess moisture is removed with a blast of hot air at 250°C or higher, the same temperature as a professional chef's wok when stir-frying, and in the third stage, the final frying is completed. This new process enhanced the deliciousness of Honkaku-Itame Cha-Han.



■ Commitment to Raw Material Quality

We use 100% first-class rice from Hokkaido for the main ingredient of Honkaku-Itame Cha-Han.

First-class rice has fewer cracked hulls, is less sticky when cooked, and has a non-sticky texture even when prepared in a microwave. It also features uniform-sized grains that enable more even application of seasonings.



Select first-class rice grown in Hokkaido

Supporting good eating habits in Japan with frozen food that applies the skills of professional chefs



Nichirei Integrated Report 2021 Providing New Value in Frozen Foods through Development Capabilities for Reproducing the Flavor of Meals Made by Professional Chefs -Honkaku-Itame Cha-Han-



Helping to Reduce Traffic Congestion and CO₂ Emissions by Introducing an Innovative Logistics System -Cross-Docking Business-

Social Issues

- Diversification of logistics needs due to structural changes in the retail industry
- Strong public demand for reducing traffic congestion and CO₂ emissions
- Need to reduce logistics costs and workloads at stores

In the 1980s, a drastic structural transformation occurred in Japan's retail industry, including the rapid rise of supermarkets and other retail chains, as the population became more concentrated in cities and car ownership increased. This brought about major changes in logistics needs, such as requirements for sorting for just-in-time delivery and stronger management of cargo freshness.

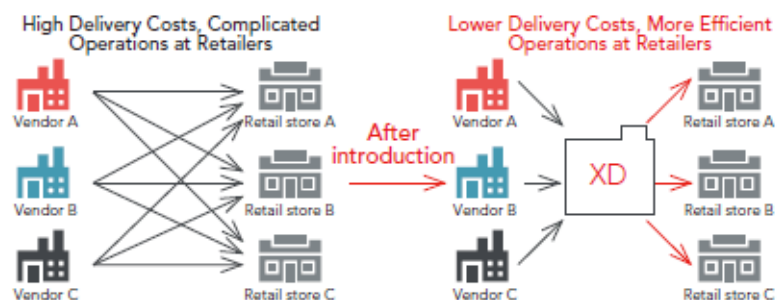
In addition, spurred by the first environmental summit held in France in 1989, noise, CO₂ emissions and traffic congestion due to trucks came to be recognized as major issues, with strong calls to the logistics industry for greater efficiency.



Initiatives

- Establishing Cross-Docking (XD) Centers in Line with the Structural Transformation of the Retail Industry

The greater prevalence of retail and restaurant chains from the 1980s rapidly increased the frequency of warehouse loading, unloading, transportation and delivery. Therefore, Nichirei Logistics Group established a new logistics system using cross-docking centers for rapid sorting and delivery of products without storage. In 1993, we began full-scale commercialization of the XD business tailored to a variety of business types including general merchandise stores, supermarkets, convenience stores and restaurant chains.



■ Reducing Both Costs and CO₂ Emissions through Optimized Logistics

Nichirei Logistics Group's XD business delivers products to various retail stores and restaurants, mainly the three perishables—produce, meat and seafood—and chilled foods. XD centers function as relay points to enable small lot deliveries with substantially fewer routes than conventional deliveries from manufacturers and wholesalers to each store. Because fewer trucks are used, this method not only reduces logistics costs, but also contributes significantly to reducing CO₂ emissions and traffic congestion.

■ Supporting Deliveries to Food Retailers in Train Stations and Department Store Food Floors

Today, our approximately 40 XD centers provide optimized logistics services customized to each customer 24 hours a day, 365 days a year. We also handle outsourced deliveries to commercial spaces inside train stations and food floors in department stores.

In addition, delivery by category and inventory item using the minimum number of trucks has the benefit of making it easy for stores to manage personnel for tasks such as checking and stocking shelves with incoming merchandise. This enables stores to use the staff hours saved for customer service.

■ Helping to Reduce Store Workloads with Our Process Center Function

Nichirei Logistics Group's XD business also operates a processing and packaging service called Process Centers. Process Centers provide rigorously temperature-controlled, one-stop services within a single XD Center ranging from processing meat, poultry and marine products to weighing, packing, packaging, labeling and delivery.

In addition to reducing workloads at stores, centralizing the processing work reduces the storage space required for inventory, thus enabling larger sales spaces.



Helping to improve customer operating efficiency and reduce CO₂ emissions through total services that include sorting, delivery and distribution processing



Nichirei Integrated Report 2021 Helping to Reduce Traffic Congestion and CO₂ Emissions by
Introducing an Innovative Logistics System -Cross-Docking Business-



Procuring Food through a Sustainable Regional Agricultural and Livestock Cycle Project -Junwakei Chicken-

Social Issues

- Improving Japan's self-sufficiency for animal proteins
- Improving Japan's self-sufficiency for animal feed
- Harmonious coexistence with local communities
- Biodiversity (sustainability of breeds)
- Sustainable food production

According to a 2018 survey, Japan's self-sufficiency rate for broilers (chickens used for meat) is relatively high at 64%. However, the self-sufficiency rate for pure Japanese broiler breeders (the parents) that have been selectively bred domestically from the grandparents is only about 1-2%, based on the number of chickens shipped. Avian flu, which has spread repeatedly in Japan and abroad in recent years, has the potential to halt the import of grandparent stock. If this happens, it could devastate the domestic chicken farming industry and cause chicken dishes to disappear from Japanese dining tables.



Initiatives

■ Born and Raised in Japan

In cooperation with an independent administrative agency in Hyogo Prefecture, we succeeded in breeding Junwakei chickens by crossing the Koyuki and Benizakura pure Japanese chicken breeds. Bred in Japan from grandparent stock, the Junwakei chicken brand was created for the domestic market for sustainable food self-sufficiency.

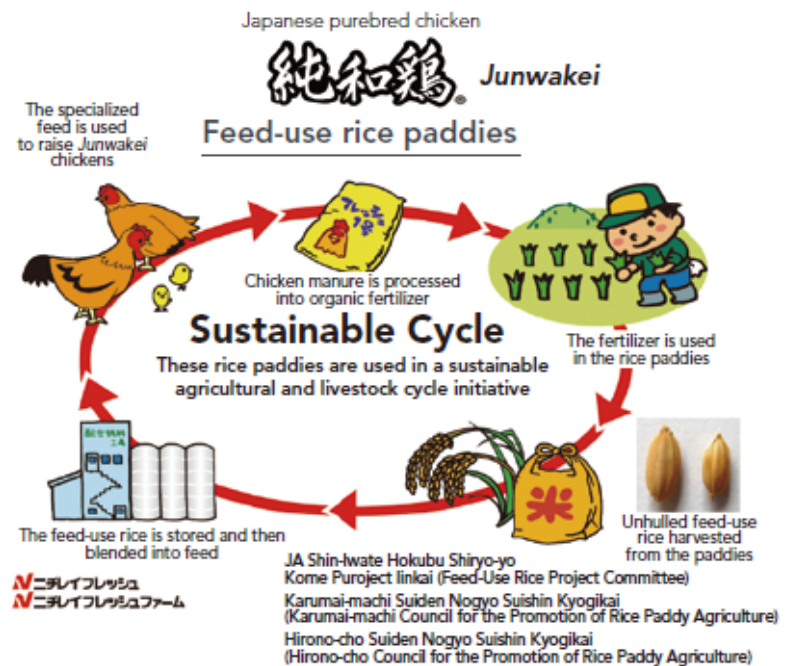


■ A Method of Raising Chickens That Minimizes Their Stress

Using an up-to-date computer-based poultry management system, we strive to create a comfortable environment for our chickens. Since their brooding period is about 60 days, which is longer than other breeds, we take the time to raise them with care. That is why Junwakei chicken meat has the quality and deliciousness Japanese consumers demand, with tender, richly flavorful thigh meat and finely textured, soft and juicy breast meat.

■ Sustainable Production Cycle Project

Using a state-of-the-art high-speed biomass processing plant, we can produce organic fertilizer in about eight hours, rather than the three months or more required by our former fermentation-based composting method. Manure from Junwakei chickens is processed into organic fertilizer for use in cultivating the feed-use rice that is then used in their feed. Most of the paddies we use to produce this feed-use rice are lying fallow due to rice production adjustments. The sustainable production cycle originating from Junwakei chicken is also helping to revitalize regional agriculture.



Sustainable Regional Agricultural and Livestock Cycle through Junwakei Chicken



■ Traceability for Safety and Reliability

To deliver safe and reliable chicken to consumers, every aspect from receipt of chicks to poultry farming records and management of vaccines and other drugs is conducted under a strict program. This enables traceability by lot back through the genealogy to foundation stock.

Providing chicken meat with consideration for resource recycling, food sustainability and animal welfare



sustainability

First Specific Japanese Agricultural Standards (JAS) certification given to a poultry product for

Introductory video on Specific JAS sustainable chickens and eggs (Only Available in Japanese)



Junwakei chicken Nichirei Fresh (Only Available in Japanese)



Reference : Specific Japanese Agricultural Standards (JAS) certification for sustainability for chicken meat and eggs (Only Available in Japanese)



Nichirei Integrated Report 2021 Procuring Food through a Sustainable Regional Agricultural and Livestock Cycle Project -Junwakei Chicken-



Sustainable Procurement That Contributes to Local Community Development -Acerola Business-

Social Issues

- Poverty
- Educational issues
- Agriculture that takes the local environment into consideration
- Nutrition and health of local residents

Acerola, which has a strong antioxidant effect, is attracting renewed attention as a superfood rich in vitamin C. With the spread of the “clean label” movement to keep foods as additive-free as possible, acerola is being used as an alternative to synthetic vitamin C, which is an antioxidant. However, acerola fruit is very delicate and after being harvested can only be kept fresh for two to three days at room temperature. Nichirei Foods therefore utilizes the freezing technology it has cultivated to provide acerola without loss of the fruit or its vitamin C.

Poverty and educational issues are notable in Brazil, which is our main production area. Nichirei Foods’ acerola business helps create jobs for local residents.



Initiatives

■ A Pioneer in the Acerola Business

Nichirei was one of the first companies to introduce acerola to Japan, with the launch of an acerola drink in 1986. In 1990, we made a full-scale start into this business of using acerola as a raw material, and in 1991 we established a subsidiary in Brazil, Nichirei do Brasil Agricola Ltda. (“Niagro”), to conduct this business.

■ Building Relationships of Trust with Contract Farmers

Niagro distributes free seedlings to contract farmers, and its employees personally provide guidance for stable cultivation and harvesting of high-quality fruit. Moreover, Niagro purchases the entire crop, generating stable income for contract farmers and improving their cultivation skills. Through this initiative, Nichirei Foods provides a stable supply of high-quality products to customers worldwide.



■ Contributing to the Region

Niagro provides acerola puree and juice to local residents. Measures to support school operations include providing acerola juice once per week to schools attended by children from poor households and repairing school equipment. Niagro also creates employment through student internships.



■ Consideration for the Environment

We also conduct eco-friendly initiatives, which we consider the duty of a company that operates a business based on acerola, part of nature's bounty. We utilize the pomace (the pulpy residue left over from the processing stage) as feed for livestock, and we are collaborating with Kindai University on the development of Acerolaburi for use as feed for farmed yellowtail (buri). In addition, water used to wash the fruit and water extracted from the fruit when making concentrated juice is returned to rivers after microbial treatment.

Value Provided

Creating “clean label” products by providing vitamin C derived from acerola fruit and contributing to the economy of the production area



In the 2021 sustainability assessment by EcoVadis of France, Niagro received a gold rating, placing in the top 5% of all companies assessed.

Nichirei do Brasil Agricola Ltda. ("Niagro") Receives Gold Rating in EcoVadis Sustainability Assessment (2021)



Nichirei Integrated Report 2021 Sustainable Procurement That Contributes to Local Community Development -Acerola Business-



A Chicken Processing Factory That Uses the Entire Chicken (Thailand)

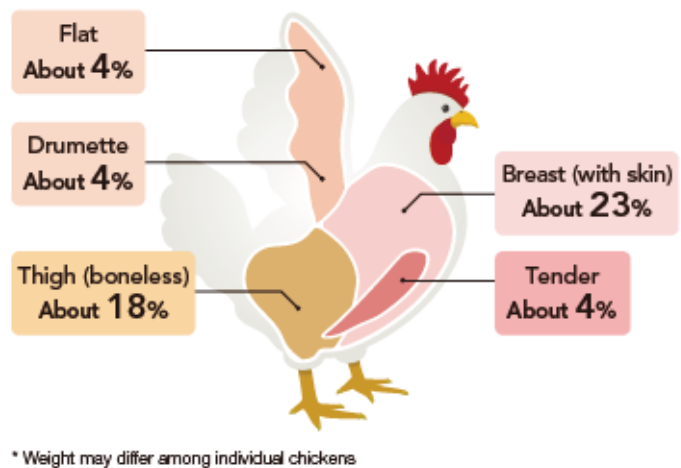
Social Issues

Food Waste:

Thigh and Breast Meat Are Only About 40% of Total Weight

Fried, sauteed or prepared in various other ways, chicken is ubiquitous in daily dining. Thigh meat is the most popular part of the chicken in Japan, but it only accounts for about 20% of the whole bird by weight. Breast meat, which is popular in the United States and Europe, also only accounts for about 20%. On the other hand, non-meat parts such as bones and feathers account for more than 40%, and become waste if they cannot be utilized. Devising processing and sales channels for well-balanced use of the entire bird is necessary to avoid food waste from carefully raised chickens.

Breakdown of Chicken Parts by Percentage of Total Weight*



Initiatives to help resolve social issues

Establishment of a Joint Venture with a Major Poultry Processing Company in Thailand (2008)

Demand for chicken continues to increase worldwide, and Japan is one of the world's leading chicken importers, with consumption far exceeding domestic production.

Aiming for stable procurement of raw materials, in 2008 Nichirei Foods established GFPT Nichirei (Thailand) Company Limited (GFN), a joint venture with a major Thai poultry processing company (GFPT Group). As a joint venture, GFN utilizes the functions of the GFPT Group for fully integrated processing from raw materials to finished products. Under the system, live chickens from poultry farms that use only the best feed and breeding stock are brought in, slaughtered and cut, then cooked, frozen and packaged at a directly connected processing plant.

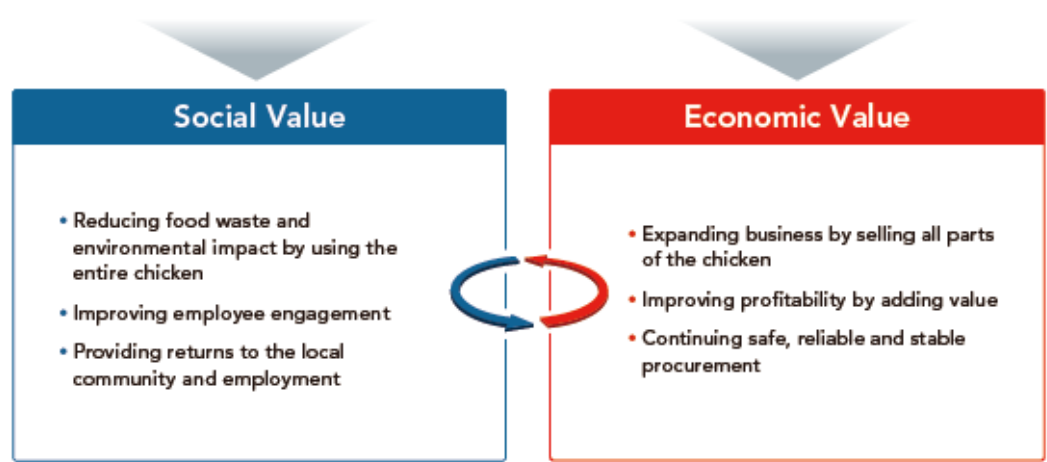


■ Systematic, Effective Use of the Entire Chicken

In addition to facilitating stable procurement and production of safe and reliable raw materials, GFN essentially eliminates food waste by using the entire chicken in various ways. GFN considers effective uses and sales channels for each part, from the meat to the head, feathers and blood, then adds value and sells those parts (see the figure below). For example, feathers are processed and sold for use in feed for farmed fish; bones, intestines and heads are processed and sold as raw materials for pet food; and feet are sold in China, where demand for this part is strong. Aside from product quality, consideration for the environment and human rights is also important, especially in Europe, to which breast products are exported. GFN focuses on initiatives such as creating a comfortable working environment and animal welfare, and has acquired ISO 14001 and other international certifications.



Our integrated measures for safety and reliability, from utilizing GFN Group functions to raise chickens from breeding stock to production at GFN, have earned a positive response from customers in Japan and elsewhere. The factory has no concept of waste when it comes to raw materials. Fully using all resources reduces not only food waste but also environmental impact. Moreover, expanding business by increasing the number of value-added products leads to returns to the local community and provides employment. GFN will continue working to address a variety of social issues through a sustainable chicken business.



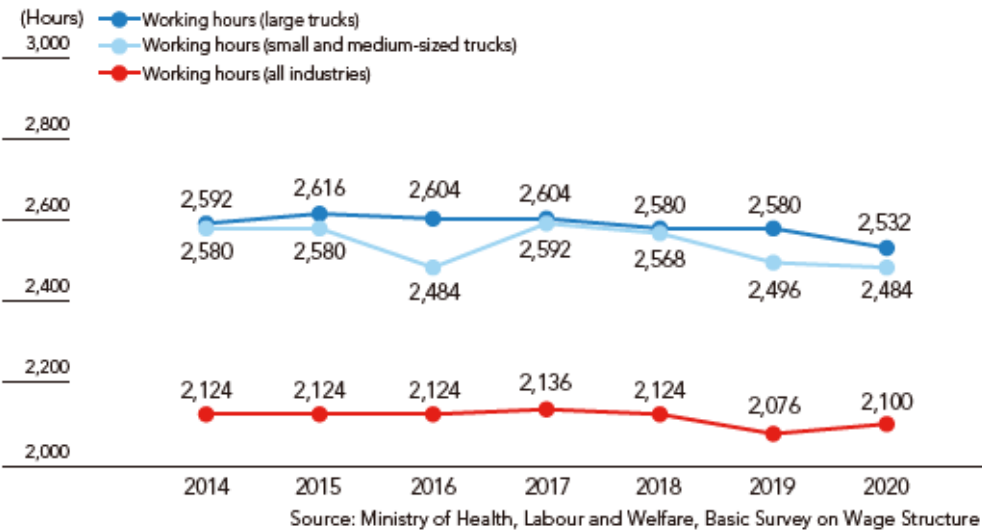
「SULS」 Next-generation Transportation and Delivery System

Social Issues

The Logistics Industry's 2024 Problem: A Shortage of Truck Drivers and Long Working Hours

Long hours have become the norm for truck drivers. In addition to long distances, drivers must contend with factors such as dwell time at logistics facilities and incidental non-driving work that they have been subcontracted to do, which has become standard business practice in the industry. The 2024 Problem for logistics refers to issues such as those that the shipping and logistics industry must address from April 1, 2024, when Japan's Work Style Reform Act imposes a mandatory limit of 960 hours of driver overtime per year to improve the working environment.

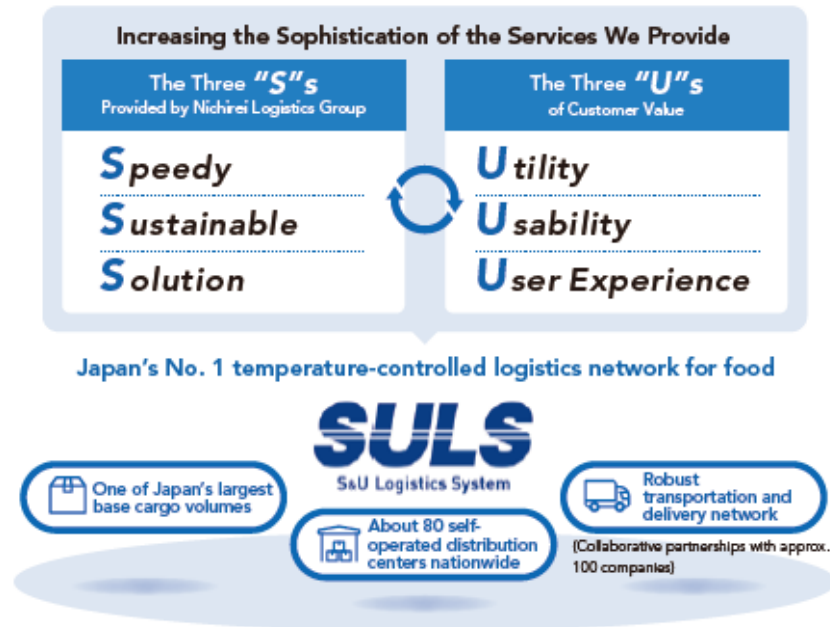
Annual Working Hours for Truck Drivers



Initiatives to help resolve social issues

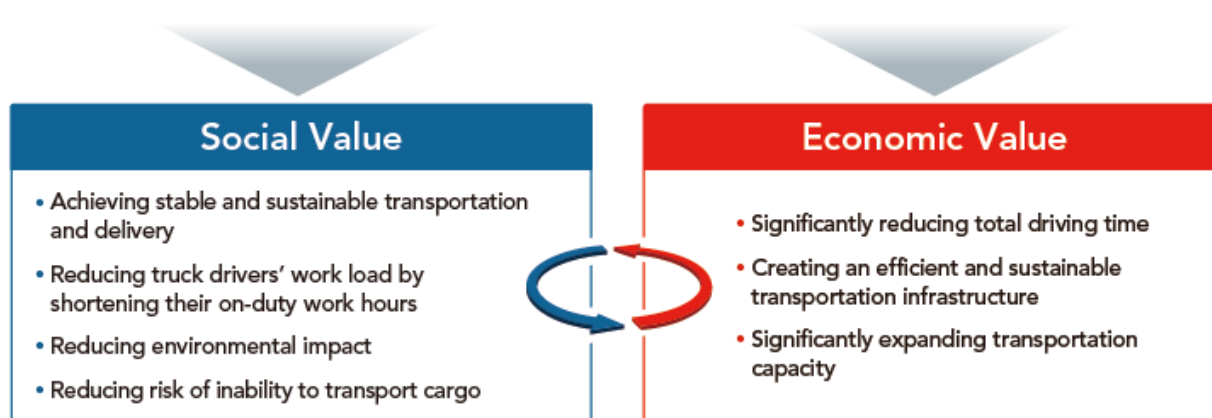
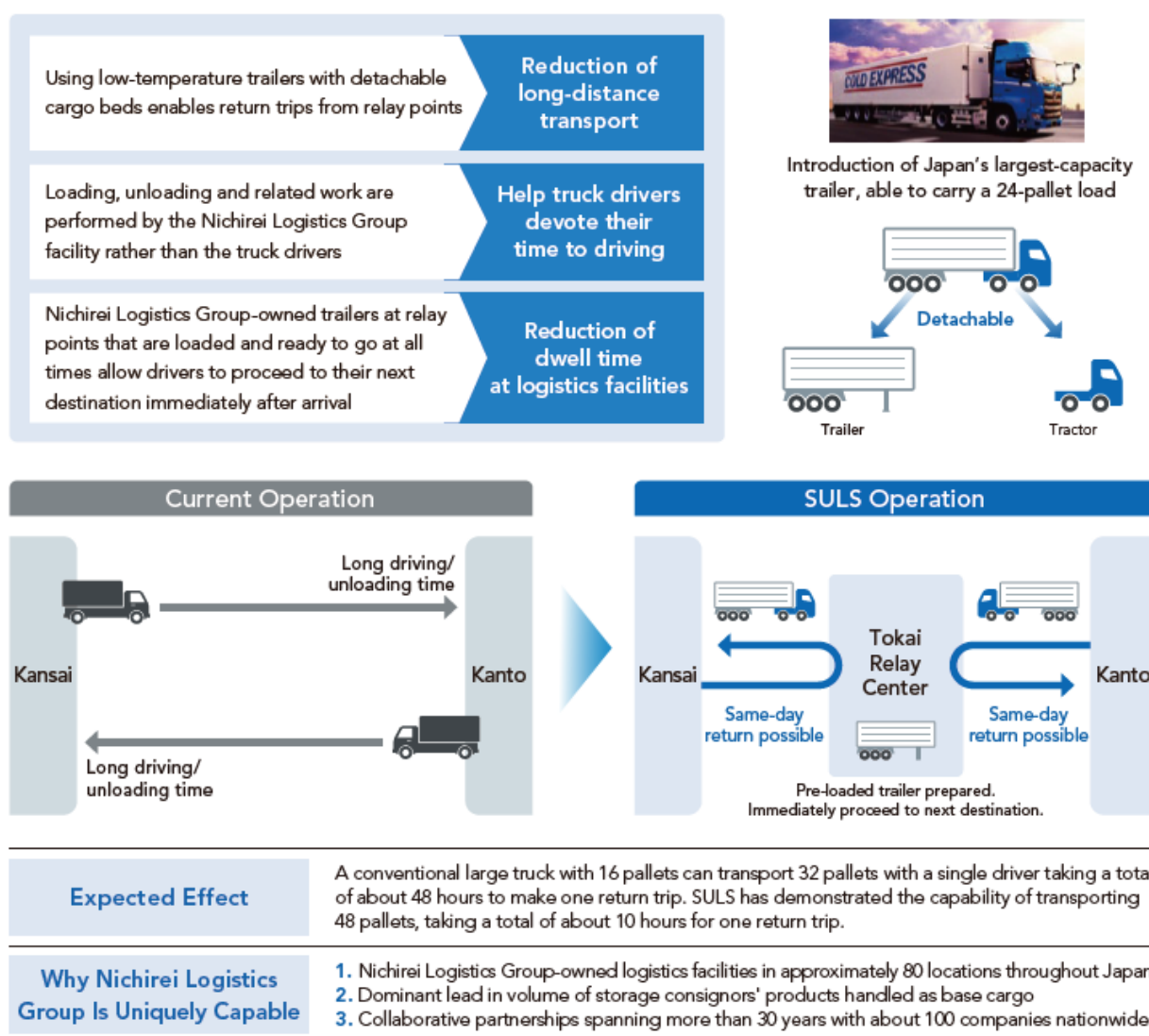
■ 「SULS」 Next-generation Transportation and Delivery System

SULS is an acronym for S&U Logistics System, in which “S” stands for speedy, sustainable and solution, and “U” stands for utility, usability and user experience. By synergizing the advantages of Nichirei Logistics Group, we will generate speedy, sustainable logistics solutions and provide utility, usability and superior user experience to our customers and society.



■ Using SULS to Build a New Transportation and Delivery Infrastructure for Temperature-controlled Logistics

SULS was initially introduced for transportation and delivery among the Nichirei Logistics Group's facilities in Tokyo, Nagoya and Osaka, with plans for a nationwide rollout in stages. We will continue to support our customers' supply chains through the evolution of our temperature-controlled logistics' transportation and delivery operations into higher-quality, more sustainable formats.



Truck Loading Dock Reservation System

Social Issues

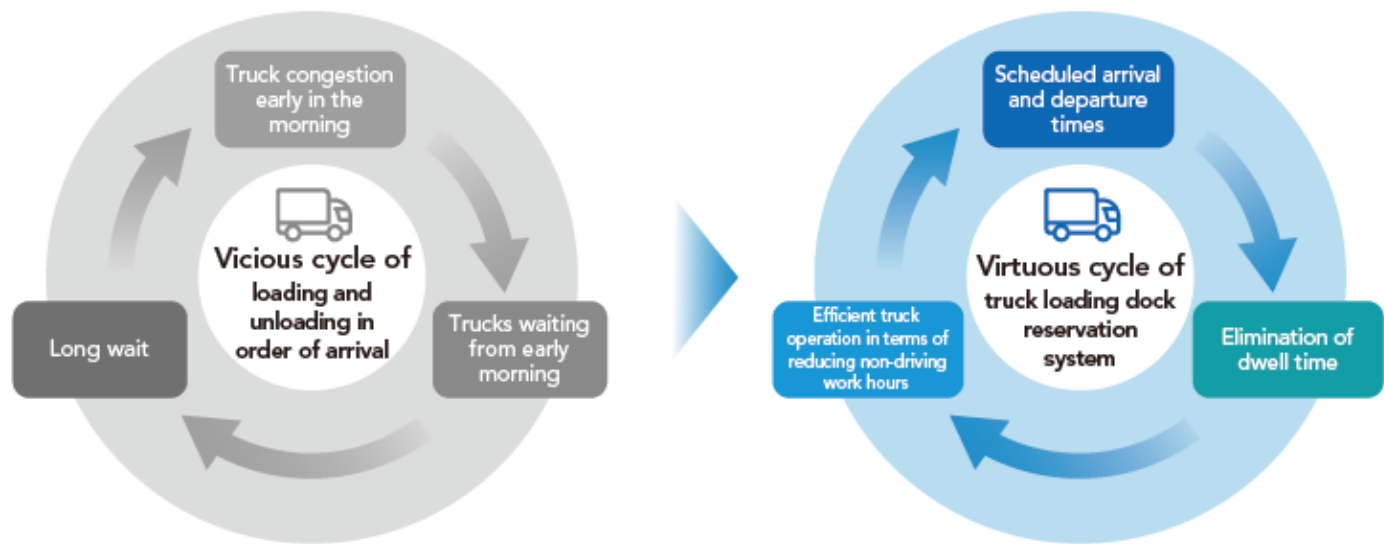
Truck Dwell Time at Distribution Centers

Truck drivers are forced to wait for long periods of time at distribution centers due to the inability to unload and load cargo smoothly. This dwell time has become a social issue. The main reason for the long dwell time and on-duty work hours is that, especially during busy periods, there are periods during the day when the distribution centers’ processing capacity cannot keep up with the numerous vehicles entering and leaving due to the bottleneck created by the limited number of loading docks. In addition, it is burdensome for distribution centers to keep track of when each vehicle will be unloading or loading, because trucks from many shippers come and go, making it difficult for the center to coordinate operations with drivers in advance.

Initiatives to help resolve social issues

Truck Loading Dock Reservation System to Alleviate or Eliminate Dwell Time

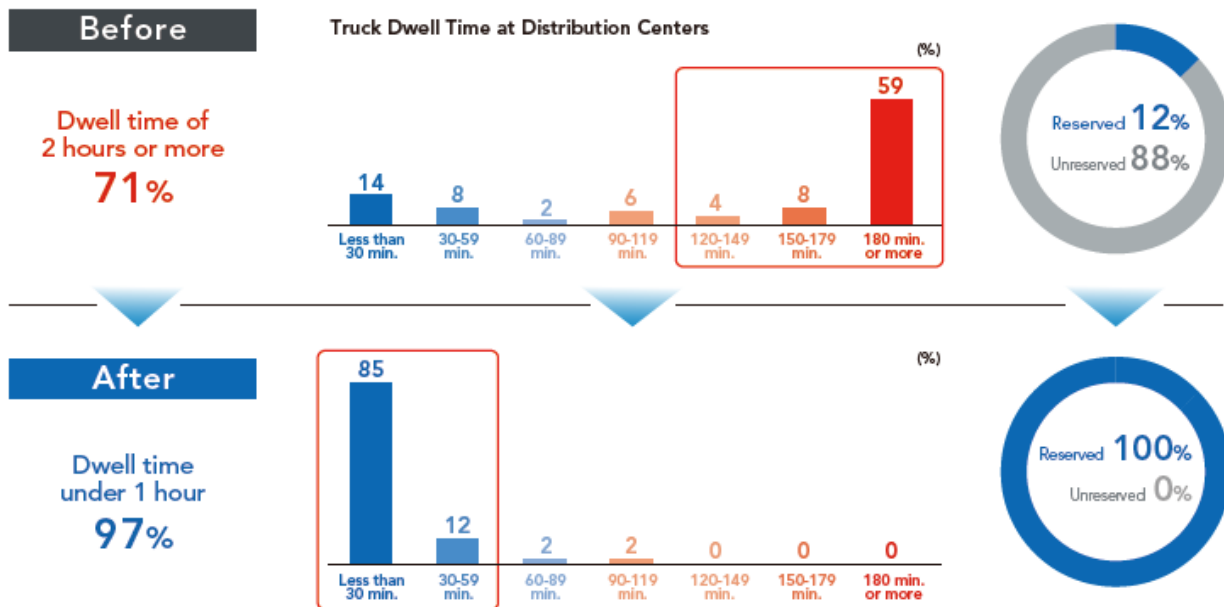
In October 2017, Nichirei Logistics Group began operating a truck loading dock reservation system to alleviate dwell time or eliminate it entirely. The system allows truck operators (the shipper or shipping company) to reserve a desired time for loading or unloading trucks, in line with the loading and unloading time slot framework at each distribution center. As a result, it is no longer necessary to line up and wait.



Introduction at 30 Locations throughout Japan

Confirmation of shipping companies and orders was previously performed by distribution centers after the truck arrived. However, the truck loading dock reservation system enables shipping companies to send the bill of lading, invoice and other details about the cargo to distribution centers ahead of time. Advance confirmation allows smooth assignment of trucks to loading docks upon arrival. In FY2021, we introduced this system at 30 locations nationwide.

For distribution centers where the reservation system has been steadily operating, dwell time, which had been two hours or more for about 70% of trucks before complete introduction of the system, was reduced to less than one hour for 97% of trucks. Meanwhile, the system has reduced both the number of trucks waiting late at night and early in the morning and the number of trucks parked around the distribution center. It has also alleviated the burden of reception duties by reducing the frequency of calls to confirm loading dock arrival time.



Social Value

- Alleviating traffic congestion and noise by reducing the number of trucks waiting
- Reducing truck drivers' work load by shortening time on duty
- Reducing environmental impact (CO₂ reduction)

Economic Value

- Reducing economic loss due to truck non-operational hours, etc.
- Increasing the number of employed truck drivers and curbing driver turnover
- Creating efficient and sustainable transportation infrastructure



Notable reduction in number of trucks waiting

Inochi-no-Mori-Project

Social Issues

Environmental Disruption and Impact on Biodiversity from Intensive Shrimp Aquaculture

Shrimp farming requires large plots of land. In many Asian countries, wide areas of mangrove forests, which buffer the effects of tsunamis and strong winds, have been cut down to make way for artificial ponds for shrimp farming, a practice called intensive aquaculture.

In addition to affecting the ecosystems of birds, fish and small animals, this practice results in contamination of soil, local rivers and the sea by runoff containing the antibiotics and drugs in formula feed. Such marine pollution has become a social issue.

Initiatives to help resolve social issues

Inochi-no-Mori-Project

The *Inochi-no-Mori-Project* is a joint mangrove planting project started in 2006 by Nichirei Fresh, a local shrimp supplier, and Tarakan City in Kalimantan, Indonesia to reduce environmental impact from local shrimp farming and enable sustainable procurement of safe and reliable shrimp.

A portion of the proceeds from this extensive shrimp aquaculture, which has been practiced in Indonesia for hundreds of years, is donated to a fund for systematic mangrove planting in ponds that have been abandoned after intensive aquaculture, in local parks, and elsewhere. We are currently expanding our activities into Java and Sumatra in cooperation with local suppliers.



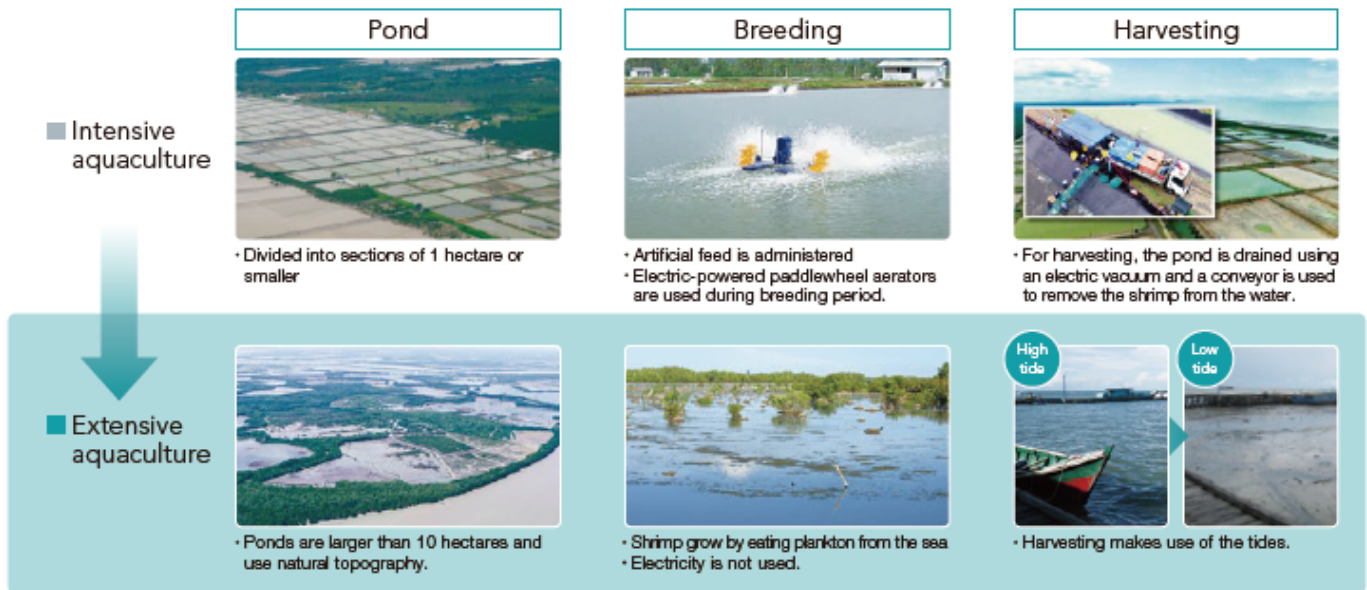
Sign commemorating the project's 10th anniversary



Mangrove planting in coastal areas

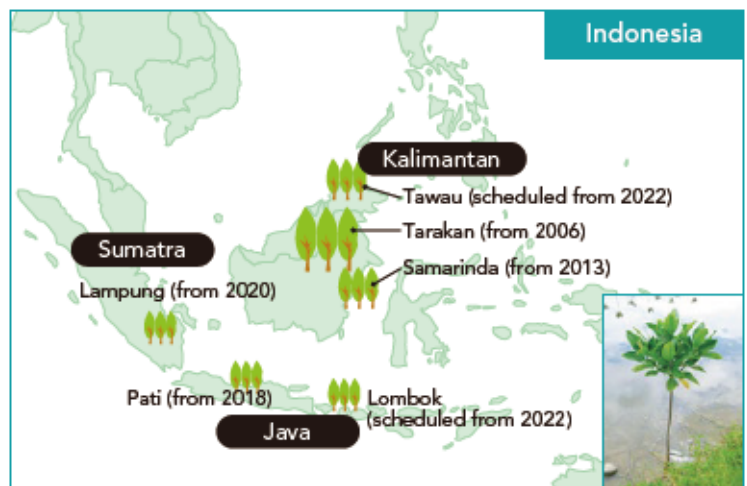
■ Extensive Shrimp Aquaculture

A traditional shrimp farming method in Indonesia, extensive aquaculture makes use of the natural topography. A small number of juvenile shrimp are released into a pond larger than 10 hectares that is surrounded by berms and mangroves. No feed is given, and the shrimp grow by eating plankton from the sea. As a result, impact on the soil is low, diseases peculiar to shrimp are less likely to spread, the shrimp grow larger, and electricity is not used during the cultivation period.

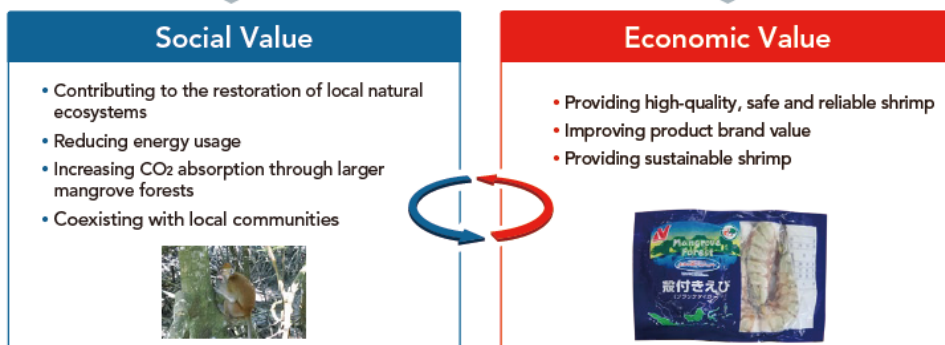


■ Mangrove Planting

The mangrove planting that started in Tarakan City, Kalimantan in 2006 has expanded to the islands of Java and Sumatra. We have been planting for 15 years, reaching a total of approximately 380,000 mangrove trees in 2021. The soil and ecosystem in and around Tarakan City have been recovering as planting has spread.



Inochi-no-Mori-Project activity reports(Only available in Japanese)



Environment

Environmental Management	...	45
Climate Change (TCFD)	...	51
Climate Change (Decarbonization and the Elimination of CFCs)	...	61
Initiatives for Water Resource Conservation	...	72
Initiatives for Biodiversity Conservation	...	75
Management of Wastewater, Waste Matter, and Chemical Substances	...	78
Initiatives in Products and Services	...	82

Environmental Management

Basic Philosophy

Basic Philosophy

The Nichirei Group formulated the Nichirei Group Environmental Policy under the following theme: “If the Nichirei Group is to pass on to future generations the natural abundance that is the source of food and good health and to continue providing freshness and good taste—together with its stakeholders, it must use its superior products and first-class logistics network to reduce the environmental impact of its business activities throughout the entire supply chain and help create a sustainable society.”

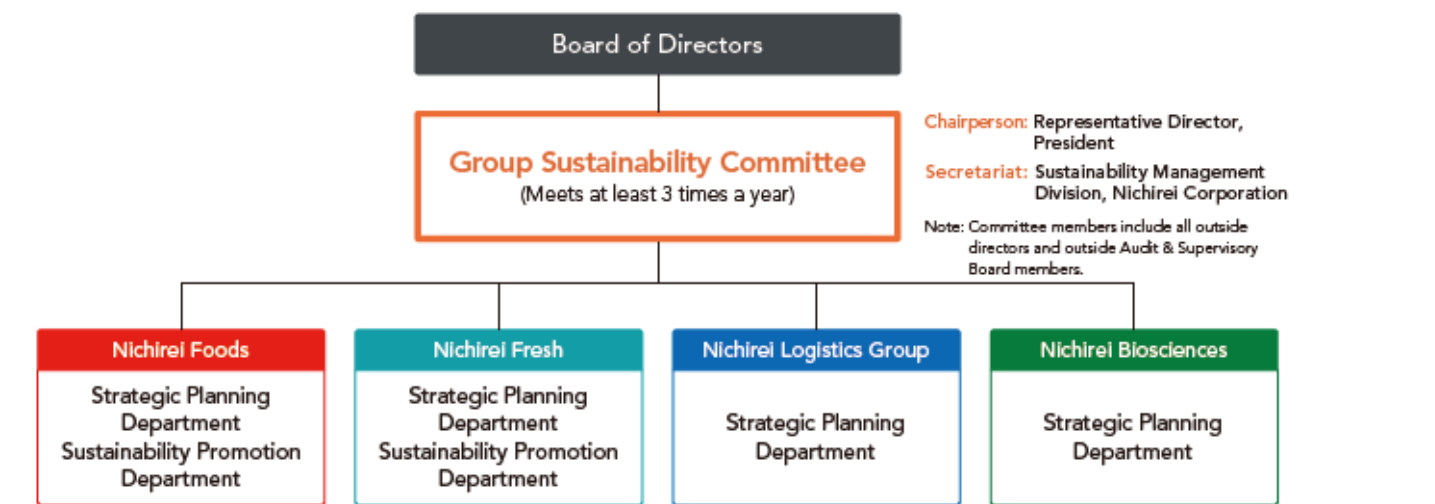
The Nichirei Group Environmental Policy focuses on three priority issues: climate change initiatives, promotion of sustainable recycling, and symbiosis with nature. For climate change initiatives, we recognize that food and logistics companies are greatly affected by climate change. We are implementing the following initiatives as part of our low-carbon policies.

The Nichirei Group’s Environmental Policy / Nichirei Group Bio-diversity Policy

Management System

Management System

The Nichirei Group, comprising a wide variety of different businesses, promotes the design of environmental policies adapted to the business characteristics of each member company, as well as highly effective environmental activities. The initiatives of each company are reported by the Group Environmental Managers Meeting, which meets eight times a year. The Committee determines the environmental protection strategies and policies of the entire Group based on the content and progress of company initiatives and shares social trends on the environment. The Representative Director and President serves as the chairperson of the Sustainability Committee, with executives and presidents of operating companies making up the rest of the Committee membership.





Targets

Medium-term Targets and Results

■ Group Medium-term Environmental Plan Targets

Group Medium-term Environmental Plan Targets (FY2023-FY2025)	
Rate of waste recycling at all sites	99%
Water-related risk assessments at all sites	conducted in FY2023
Reduction in CO ₂ emissions (compared with FY2016; Scope 1 and 2 in Japan)	-30%
Rate of conversion to natural refrigerants Production equipment in Japan	80%
Rate of conversion to natural refrigerants Logistics (Global)	63%

Nichirei Group Medium-term Environmental Plan Targets



The reduction of CO₂ emissions refers to the target reduction of all emissions, and covers all energy consumed at worksites and by company-owned vehicles in Japan. The waste recycling rate continues to be maintained at 99% or higher. Food plants in Japan are also working to reduce residual animal and plant material. As for the conservation of water resources, as a food-related corporate group, Nichirei has formulated behavioral targets for using water efficiently and is promoting efforts toward achieving those targets so that the bounties of nature can be preserved for future generations. The entire Group is also engaged in collecting environmental data at its overseas worksites.

*Applicable Worksites

The scope of the Nichirei Group (in Japan), which accounts for more than 99% of the environmental impact, is tabulated.

Environmental Data: Applicable Worksites for FY2020 Results Calculations

The following company food plants and distribution centers are included in the calculations. In the event of multiple worksites, the number is indicated in parenthesis.

Nichirei Foods

Nichirei-Foods (9), Nichirei Ice (3), Churei, Kyurei, Nichirei Well Dinning

Nichirei Fresh

Fresh Maruichi (3), Nichirei Fresh Process (2), Nichirei Fresh Farm (2), Fresh Chicken Karumai, Fresh Meat Sakudaira

Nichirei Logistics Group

Logistics Network (38), NK Trans (4), Nichirei Logistics Hokkaido (8), Nichirei Logistics Tohoku (5), Nichirei Logistics Kanto (10), Nichirei Logistics Tokai (11), Nichirei Logistics Kansai (13), Nichirei Logistics Chushikoku (15), Nichirei Logistics Kyushu (15), Kyokurei (5)

Nichirei Biosciences

Development Center

Other

New Housing

Notes:

1. Fixed power emission coefficient: The CO₂ emission intensity unit of 0.412 [t-CO₂/MWh] announced by the Federation of Electric Power Companies of Japan in FY2010, used nationwide.
2. Variable power emission coefficient: Power conversion coefficient used by power companies in each fiscal year utilized at each worksite.
3. Scope of power emission intensity: Nichirei Foods (Nichirei Foods-operated factories and affiliated factories in Japan) and Nichirei Fresh (affiliated factories in Japan). Excluding the following factories: Nichirei Foods: Nichirei Ice Inc.; Nichirei Fresh: Nichirei Fresh Farm Inc., Fresh Chicken Karumai Inc., FRESH MEAT SAKUDAIRA Inc.

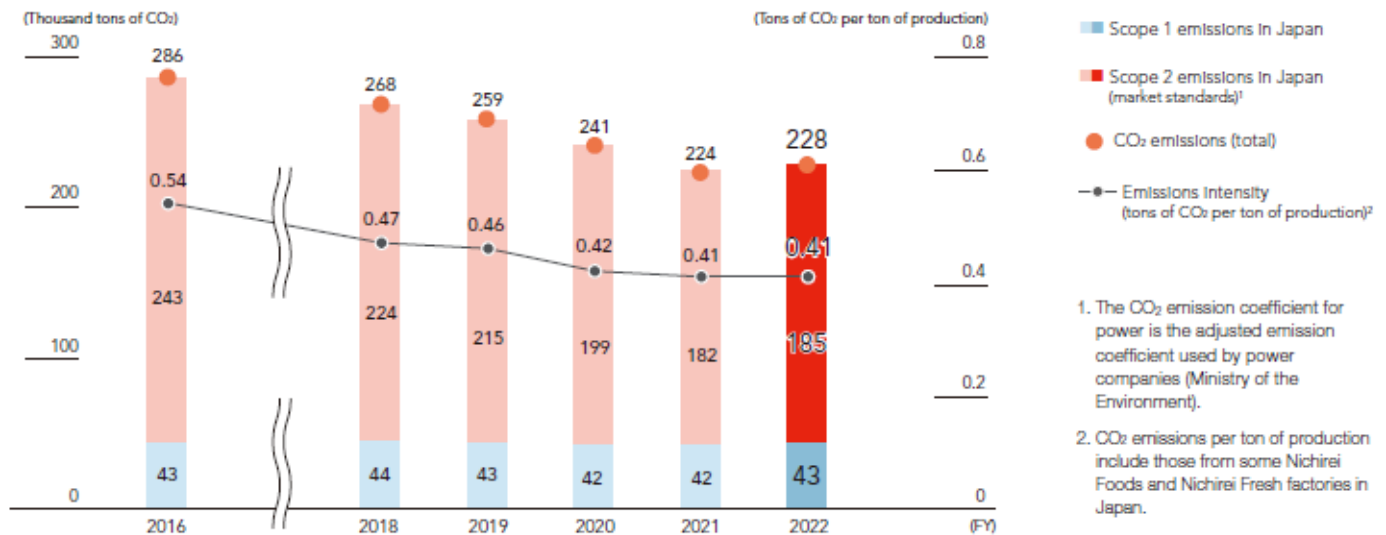
Press Release: Establishment of Long-Term Environmental Goals and Endorsement of TCFD Recommendations



KPIs for Material Matters



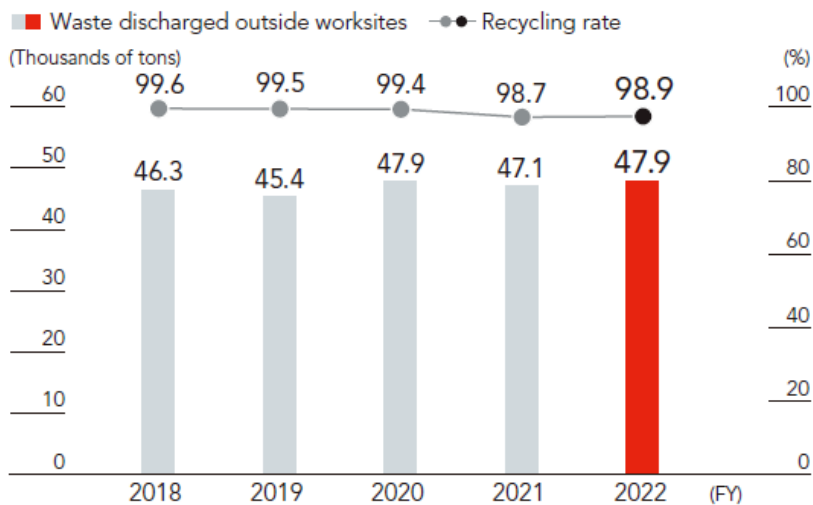
● Nichirei Group CO₂ Emission Trends



Promotion of Sustainable Recycling of Resources

As a material matter for the Nichirei Group, we have set a KPI for and are actively working to reduce the amount of and recycle the food residue and waste generated by our business activities.

● Nichirei Group Waste Discharged outside Worksites and Recycling Rate



Water Resource Conservation

The Nichirei Group grasps and manages its consumption of water and quality of its wastewater through regular monitoring in compliance with various food safety and environmental protection laws and regulations. At worksites in Japan, positive steps are being taken to conserve water. Going forward, the Group will examine the availability of necessary water resources at each regional base and how to assess the impact of risks.

Initiatives for Water Resource Conservation



Initiatives

Material Balance

INPUT



OUTPUT



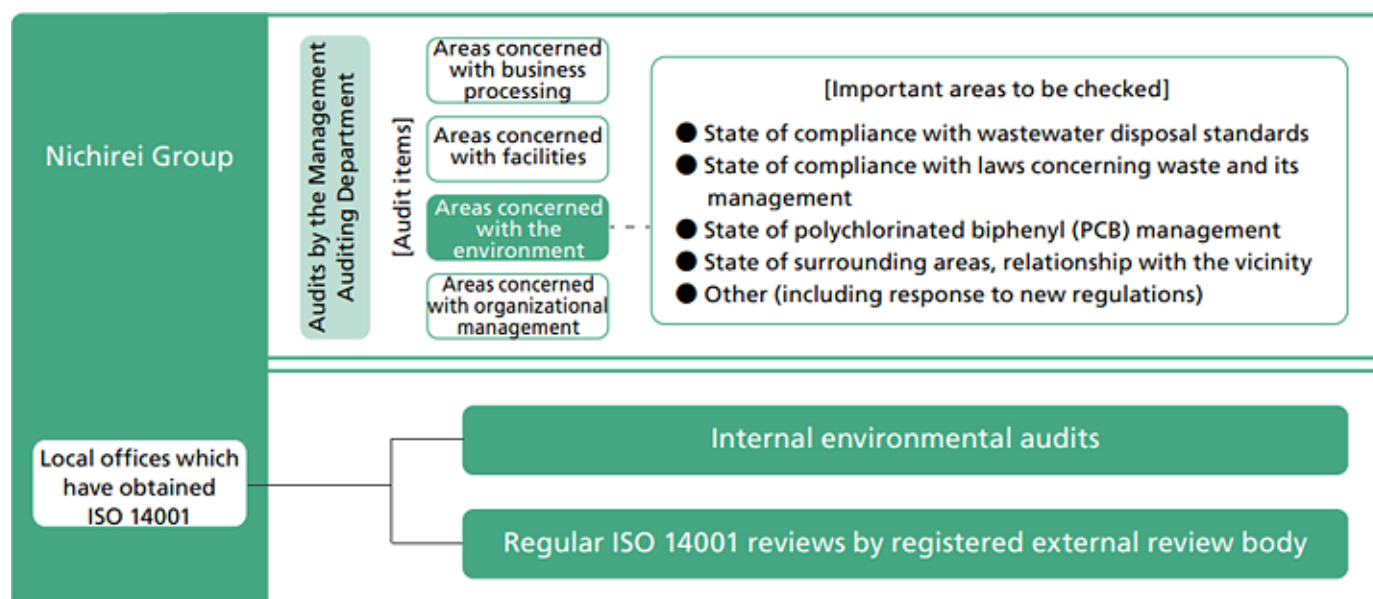
ISO 14001 Certification, etc.

Number of ISO 14001 and ISO 13485 certification




Environmental Audits

In addition to covering areas such as organizational management and business processing, the Nichirei Management Auditing Department also does Group management audits of important areas, such as compliance with environment-related law and conservation activities. Worksites that have obtained ISO 14001 certification undergo internal environmental audits as well as yearly external reviews by a registered external review body.



■ In-house Environmental Education

Name	Content
Environmental e-learning	<p>Held since FY2010 for all employees. Focuses on such pressing issues as prevention of global warming, resource recycling, and biodiversity.</p> <p>e-learning </p>
Training for new employees	<p>They are taught about the company's environmental policies and goals, and the connections between business and the environment.</p>
Hands-on training on company land in Urabanda	<p>Hands-on training for employees was held on company-owned land in the Urabandai region of Fukushima Prefecture between FY2014 and FY2017. There they help eliminate the Signal crayfish, a specified foreign organism, as well as go on hikes in forests surrounding company land.</p>
Hands-on training to support the <i>Cypripedium macranthos</i> an endangered orchid, in the town of Fujimi, Nagano Prefecture	<p>Nichirei has helped restore the endangered <i>Cypripedium hotei atsumorianum</i> —Fujimi, Nagano Prefecture's Cypripedium Restoration Conference—since they were established. The town of Fujimi conducted a hands-on environment-related training program for Nichirei employees that included activities for the protection of the <i>Cypripedium macranthos</i>.</p> <p>Participating in activities to protect the allows one to experience the difficulty of restoring the balance of nature once it has been destroyed.</p>
Hands-on training (Biodiverse forests)	<p>As part of the Good for lunches! Good for the forest! Program which protects biodiverse forests, Nichirei Foods hold a hands-on nature training program for employees in forests it supports.</p>

—— Status of Environment-related Incidents, Legal Violations ——

In FY2022, there were no legal violations or environment-related incidents, fines and penalties that had a serious impact on the environment.

Status of Environment-related Incidents, Legal Violations 

Climate Change (TCFD)

Basic Philosophy

Addressing Climate Change (TCFD)

The effects of climate change are becoming increasingly serious and climate change is considered to be a contributing factor in the frequent abnormal weather patterns and natural disasters currently occurring. The Nichirei Group's business benefits from nature. Therefore, in addition to its importance as a social challenge, we see climate change as a potential threat to business continuity.

In June 2020, the Nichirei Group expressed its support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and announced its participation in the TCFD Consortium. The Group has positioned climate change initiatives as one of the material matters it identified for achieving its vision for 2030. As such, we are actively promoting initiatives to help resolve social issues related to climate change.

In addition to appropriately responding to risks posed by shifts in the external environment caused by climate change, we will consider numerous scenarios in which climate change could give rise to business opportunities, and conduct timely disclosure.



Management System

Management System

The Nichirei Group has established a Group Sustainability Committee that formulates sustainability strategies, including initiatives related to climate change, and manages the progress of those strategies. The committee (chaired by the representative director, president of the holding company), also comprises the officer responsible for climate change initiatives, all other officers including outside directors and outside Audit & Supervisory Board members, as well as relevant personnel from the strategic planning and sustainability divisions of each operating company. Climate change-related strategies and targets discussed by the committee are reported to the Board of Directors by the officer responsible for climate change initiatives. Strategies, targets and plans are reviewed as appropriate. The Group Environmental Protection Committee was responsible for these matters until FY2022. In April 2022, to respond to a wider range of sustainability issues, including climate change, we established a Sustainability Management Division within the holding company. This organization took over the functions of the Group Environmental Protection Committee, and began serving as the secretariat for the Group Sustainability Committee. The Group Sustainability Committee also discusses the details of various scenario analyses that have been conducted since 2019. The latest disclosure includes content discussed at a committee meeting held in July 2022.





Initiatives

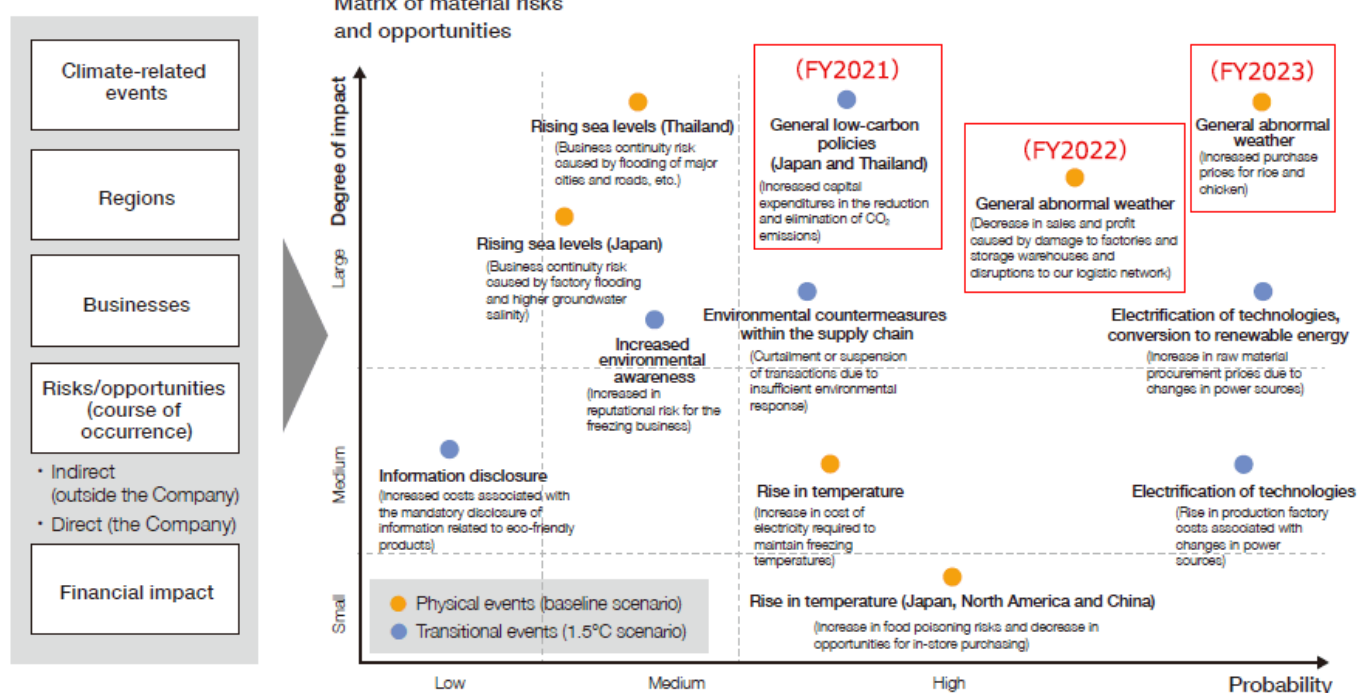
Strategy

Identification of Material Risks and Opportunities

Worldwide, the Nichirei Group is developing a range of food-centered businesses that it expects will be impacted by climate change in various ways. We are conducting scenario analyses of how climate change might affect our business activities. We hope to better quantify the risks and opportunities identified in order to incorporate appropriate responses in our management strategy. In this way, we aim to become a sustainable corporate group.

FY2021

We assessed the material risks and opportunities of the Nichirei Group based on two climate change scenarios, and identified general low-carbon policies (CO₂ emission reduction) as the most significant area of Group-wide risks and opportunities. We established long-term CO₂ reduction goals and launched initiatives.



Climate Change Scenarios in Relation to Water-Related Risks Arising from Abnormal Weather

FY2022 Climate Change Scenario



FY2021 Climate Change Scenario



Climate Change Scenarios for Rice and Chicken Procurement

Business		Risks		
Foods Business	Chicken	Baseline scenario	General abnormal weather	• Reduction of agricultural and dairy production, and steep rise in purchase prices due to deterioration in quality
	Rice			• Difficulty in obtaining raw materials and production delays due to logistic network disruptions
	Shrimp		Flooding, rising sea levels	• Reductions in production efficiency and volume and submerged aquafarms
	Vegetables, marine products, and meat and poultry products			• Submerged agriculture farms, aquafarms and processing factories • Difficulty in obtaining raw materials and production delays due to supply chain disruptions
	Common	1.5℃ scenario	Low-carbon policies	• Increased cost for measures for converting to renewable energy and equipment electrification, elimination of emissions
			Environmental countermeasures within the supply chain	• Curtailment of transactions; higher cost of measures such as the maintenance of global certifications
Logistics		Baseline scenario	General abnormal weather	• Damage to refrigerated warehouses and logistics centers
				• Difficulty securing human resources in disaster risk areas
		1.5℃ scenario	Low-carbon policies	• Opportunity loss caused by the slow increase of investment in natural refrigerants and the slow adoption of technological platforms such as electrical and low-carbon vehicles

Business	Opportunity		
Foods Business	Baseline scenario	Changes in weather patterns	<ul style="list-style-type: none"> Increased demand for frozen and processed foods
	1.5°C scenario	Strengthening of environmental countermeasures within our supply chain	<ul style="list-style-type: none"> Increase demand for ethical products that are compliant with the SEDEX platform and are created using globally certified raw materials
			<ul style="list-style-type: none"> Increase demand for the curtailment of food loss within the supply chain through the development of eco-friendly products and technological development
		Increased environmental awareness	<ul style="list-style-type: none"> Develop and expand demand for products created using sustainable raw materials
Logistics	Baseline scenario	General abnormal weather	<ul style="list-style-type: none"> Increase in sales thanks to customer base expansion achieved through strengthened disaster countermeasures and resilience
	1.5°C scenario	Modal shift	<ul style="list-style-type: none"> Cost reduction achieved through a modal shift that improves transportation efficiency
		Increased environmental awareness	<ul style="list-style-type: none"> Increase in number of business partners due to higher evaluations as a company that actively discloses information related to environmental countermeasures

Note: The bioscience business is characteristically resistant to impact from climate change-related events.

Accordingly, we have not currently identified any material factors in our bioscience business based on the FY2021 Group climate change scenarios.

■ Rice and Chicken Procurement Risks and Opportunities

We examined the risks and opportunities created by climate change in relation to the procurement of rice and chicken, using the “Introduction to Information Disclosure on Climate-related Risks and Opportunities for Food, Agriculture, Forestry and Fisheries” issued by the Ministry of Agriculture, Forestry and Fisheries; and the Representative Concentration Pathway (RCP) scenarios described in the Fifth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC). The analysis showed that, in terms of transition risks (risks related to transitioning to a low-carbon economy), both rice and chicken would be impacted by increasing costs associated with the introduction of a carbon tax and low-carbon production methods.

For physical risks (risks related to the physical impact of climate change), we conducted the following investigation to clarify how a temperature rise would affect our suppliers in terms of the impact on production volume.

■ Physical Risk Impact Assessment (Analysis of Estimated Change in Yield by Climate Scenario)

We analyzed future yield forecasts for each climate scenario, in terms of changes in rice and chicken production. For each climate scenario, we used the IPCC RCP scenarios (2.6, 4.5, 6.0, and 8.5).

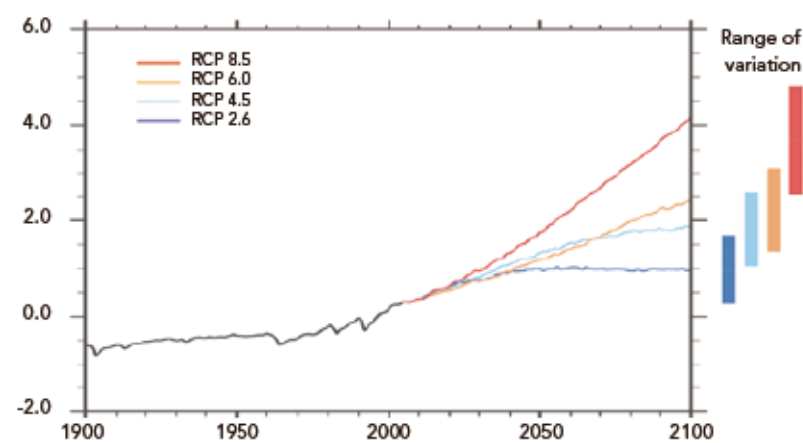
Rice Analysis Criteria

Area	Kanto, Tohoku and Hokkaido production regions: 11 zones
Climate scenarios	RCP2.6、RCP6.0
Data used	ISIMIP (the Inter-Sectoral Impact Model Intercomparison Project)

Chicken Analysis Criteria

Area	Japan: 6 zones, Thailand: 2 zones, Brazil: 1 zone
Climate scenarios	Japan: RCP 2.6, RCP 8.5 Overseas: RCP 4.5, RCP 8.5
Data used	Bias corrected climate scenarios over Japan based on CDFDM method1 using CMIP52 (National Institute for Environmental Studies)

● Trends in Global Average Temperature Deviation (°C)



Source: IPCC <https://www.ipcc.ch/report/ar5/wg1/>

For chicken yield, the analysis used the following formula (based on material published in 2006). According to the literature, meat production decreases when the average temperature rises to 23°C or higher.

$$y = -0.3239x^2 + 15.042x - 74.632$$

y = Meat production volume when production volume for temperatures below 23°C is 100
x = Average temperature during the season to be analyzed (unit is °C)

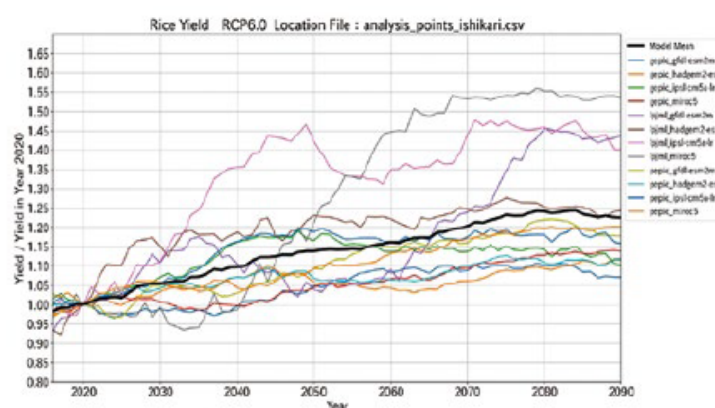
Source: Yamazaki, et al., Animal Science Journal Vol. 77 (2), p. 231–235 (2006)

Using 2020 as the base year, we carried out a rice yield simulation (through to 2090) for our major domestic suppliers. The table below shows the results of analyzing climate scenarios RCP 2.6 and RCP 6.0 for yields in 2030, 2050, and 2080, when the base year is 1.00. (Values are the average of 12 simulations, combining four global climate models and three yield models.) Even in the scenario where temperatures rise (RCP 6.0), yields increase, rising to between 1.11 and 1.50 in Hokkaido in 2080.

● Average Value of Yield Simulations When the Yield for the Base Year (2020) Is 1.00

		RCP2.6			RCP6.0		
		2030	2050	2080	2030	2050	2080
Hokkaido	Ishikari area	1.06	1.15	1.13	1.06	1.14	1.24
	Kamikawa area	1.09	1.27	1.26	1.13	1.26	1.50
	Sorachi area	1.04	1.09	1.10	1.04	1.08	1.11
Kanto	Ibaraki Prefecture	0.99	1.04	1.02	1.02	1.04	1.09
	Gunma Prefecture	1.01	1.05	1.02	1.03	1.05	1.11
	Tochigi Prefecture	1.00	1.05	1.02	1.02	1.03	1.09
Tohoku	Aomori Prefecture	1.02	1.06	1.06	1.03	1.06	1.10
	Akita Prefecture	1.02	1.05	1.03	1.03	1.06	1.10
	Yamagata Prefecture	1.01	1.05	1.03	1.04	1.05	1.10
	Miyagi Prefecture	1.02	1.06	1.04	1.04	1.06	1.13
	Iwate Prefecture	1.03	1.07	1.05	1.03	1.06	1.11

● Analysis Model Example (Ishikari Area, Hokkaido, RCP 6.0, Rice Yield)

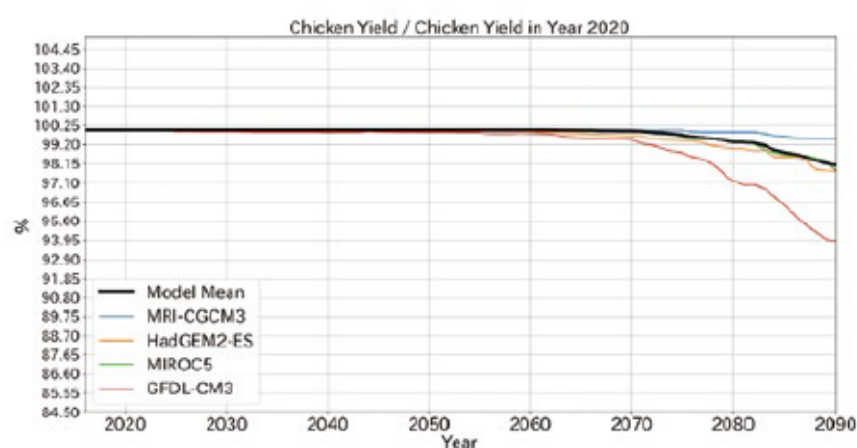


Using 2020 as the base year, we carried out a chicken yield simulation (through to 2090) for our major domestic and overseas suppliers. The table below shows the results of analyzing climate scenarios RCP 2.6 and RCP 8.5 for domestic yields and RCP 4.5 and RCP 8.5 for overseas yields in 2030 and 2050, when the base year is 100. (Four global climate models are used for domestic suppliers, and 21 for overseas. The average value of the simulations is for the period of each year when the average temperature is the highest. The results shown for all domestic suppliers are from July to September.) In Iwate Prefecture, yields do not decrease even in the RCP 8.5 scenario, but under the same conditions yields in Miyazaki and Kagoshima prefectures decrease to 95-97% by 2050. In Thailand, the yield values decrease to 92% by 2050 in the RCP 8.5 scenario.

- Average Value of Yield Simulations When the Yield for the Base Year (2020) Is 100

		RCP2.6		RCP8.5	
		2030	2050	2030	2050
Iwate Prefecture	Kuji City	100.00	100.00	100.00	100.00
	Hachimantai City	100.00	100.00	100.00	100.00
	Karumai-cho, Kunohegun	100.00	100.00	100.00	100.00
Miyazaki Prefecture	Hyuga City	99.30	98.40	99.00	97.40
	Koyugun	99.20	98.00	98.80	96.90
Kagoshima Prefecture Kagoshima City		98.80	97.10	98.10	95.10

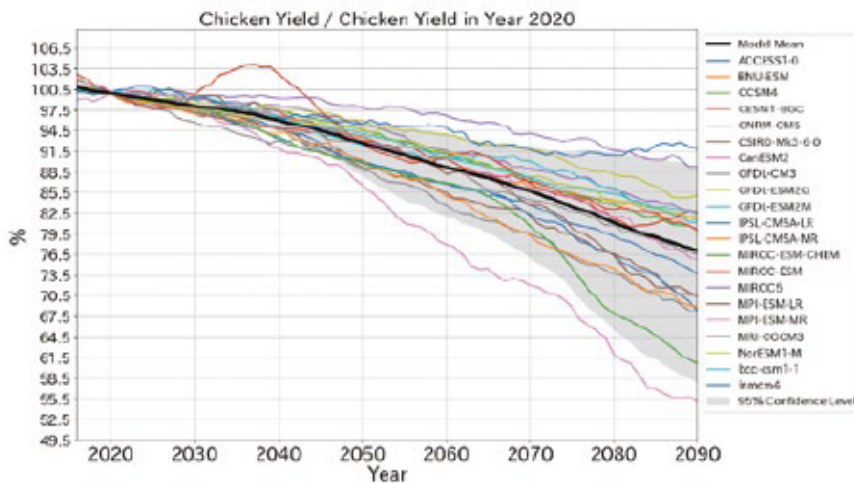
- Analysis Model Example (Karumai-cho, Kunohegun, Iwate Prefecture, RCP 8.5, Chicken Yield from July to September)



- Average Value of Yield Simulations When the Yield for the Base Year (2020) Is 100

		RCP4.5		RCP8.5	
		2030	2050	2030	2050
Brazil (January to March)	Paraná	99.8	99.3	99.6	98.4
Thailand (April to June)	Lop Buri	98.4	95.6	97.5	92.6
	Chon Buri	98.3	95.6	98.1	92.7

● Analysis Model Example (Thailand, RCP 8.5, Chicken Yield from April to June)



■ Financial Impact and Strategy

For Nichirei Foods, cooked rice products account for about 10% of net sales, while chicken products account for about 30%. For Nichirei Fresh, the chicken business accounts for about 40% of net sales in the meat and poultry products business.

In these most recent investigations, even in the scenario of continued global warming, rice yields increase in our current supply areas. However, according to the Ministry of Agriculture, Forestry and Fisheries, there are reports that higher temperatures can lead to deterioration in rice quality, such as an increase in unripe grains, giving rise to concerns about procuring rice that is suitable for processing.

In some areas, chicken yields would decrease in the 2050 temperature increase scenario. However, the chicken farms where we currently procure chicken meat are equipped with air conditioning. Yields are therefore not likely to decrease due to an increase in temperature. However, there could be an increase in cost and amount of energy used to run the air conditioning systems to ensure temperatures suitable for chicken farming.

If climate change mitigation measures are strengthened (transition scenario), tighter regulations on greenhouse gas (GHG) emissions could increase the cost of raw material procurement.

On the other hand, we expect decarbonization measures to be promoted in the agriculture and livestock farming sectors as outlined in the Ministry of Agriculture, Forestry and Fisheries' Act to Promote Environmental Burden Reduction Activities for Establishment of Environmentally Harmonized Food System (effective July 1, 2022). By working with our suppliers and reducing GHG emissions related to raw materials, we believe we could gain an advantage even in the transition scenario.

We will use life cycle assessments (LCAs) to evaluate the environmental impact of each product, as well as develop livestock feeds that reduce such impact. We will also gather data from external research institutions to work toward breeding rice with a higher temperature tolerance and higher yield.

Risk Management

Nichirei ensures that appropriate divisions manage the impact that a variety of risks (including climate change-related risks) have on business management from a comprehensive standpoint employing both rational and optimal methods. The risks are also discussed and reviewed by the Group Risk Management Committee, which is chaired by the representative director, president. The committee has been managing our responses to major risks related to business operations. However, due to the need to respond more quickly and accurately to various ESG-related issues, we established the Group Sustainability Committee as a separate entity in FY2023 to deal with ESG-specific risks and opportunities, including climate change.

The Group Sustainability Committee works with the strategic planning and sustainability divisions of each operating company to identify important ESG-related issues and risks. The most important themes are then discussed by the committee. Specifically, the risk associated with climate change is positioned as a major risk for the Group. The committee discusses and manages business risks and opportunities arising from scenario analyses.

Indicators and Targets

We have set forth the following as material matters: climate change initiatives; and realizing sustainable food procurement and resource recycling.

Nichirei Group Material Matters (Materiality)

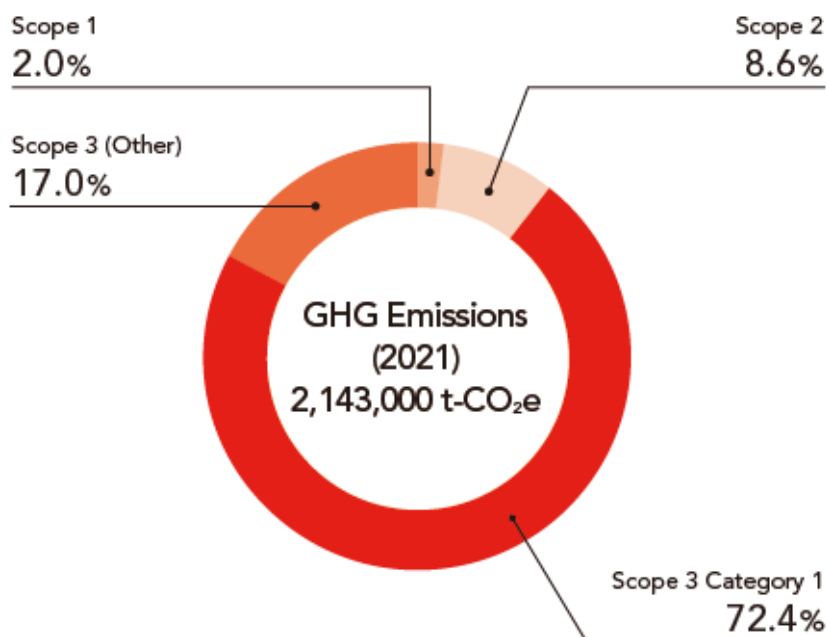
Material Matter: Climate change initiatives

Group Measures	Promote reduction of CO ₂ emissions per unit of production and utilization of renewable energy at food factories and logistics centers, and disclose information based on the TCFD recommendations.
Group KPIs	FY2025 : 30% reduction in CO ₂ emissions (compared with FY2016; Scope 1 and 2 in Japan) FY2031 : 50% reduction in CO ₂ emissions (compared with FY2016; Scope 1 and 2 in Japan)

Material Matter: Realizing sustainable food procurement and resource recycling

Group Measures	Conduct sustainable resource procurement and help to realize a circular economy.
Group KPIs	FY2031 : 100% implementation rate of ESG due diligence for main raw materials and major suppliers

● Nichirei Group GHG Emissions (Scope 1, 2 and 3 in Japan)



As part of its low-carbon policy, the Nichirei Group is promoting measures to reduce Scope 3 emissions.* As shown in the figure on the left, the highest proportion of Scope 3 emissions comes from raw material procurement (category 1). We therefore recognize that, in order to achieve a reduction in Scope 3, supplier efforts to reduce GHG emissions are essential. A cooperative relationship with suppliers is also essential to realizing sustainable procurement. Based on the Nichirei Group Sustainable Procurement Policy, we will promote initiatives that follow the Nichirei Group Supplier Code of Conduct and the Nichirei Group Supplier Guidelines established in April 2022. We will also address human rights and environmental issues, including Scope 3 emissions.

* See the next page for Scope 1 and 2 reduction efforts in Japan.

Climate Change (Decarbonization and the Elimination of CFCs)



Climate Change (Decarbonization and the Elimination of CFCs)

Basic Philosophy

Basic Philosophy

The Nichirei Group formulated the Nichirei Group Environmental Policy under the following theme: “If the Nichirei Group is to pass on to future generations the natural abundance that is the source of food and good health and to continue providing freshness and good taste—together with its stakeholders, it must use its superior products and first-class logistics network to reduce the environmental impact of its business activities throughout the entire supply chain and help create a sustainable society.”

The Nichirei Group Environmental Policy focuses on three priority issues: climate change initiatives, promotion of sustainable recycling, and symbiosis with nature. For climate change initiatives, we recognize that food and logistics companies are greatly affected by climate change. We are implementing the following initiatives as part of our low-carbon policies.

[Environmental Management](#)> [Group Sustainability Committee](#) 

[KPIs for Material Matters](#) 

Initiatives

Long-term Environmental Goals and Low-carbon Policies

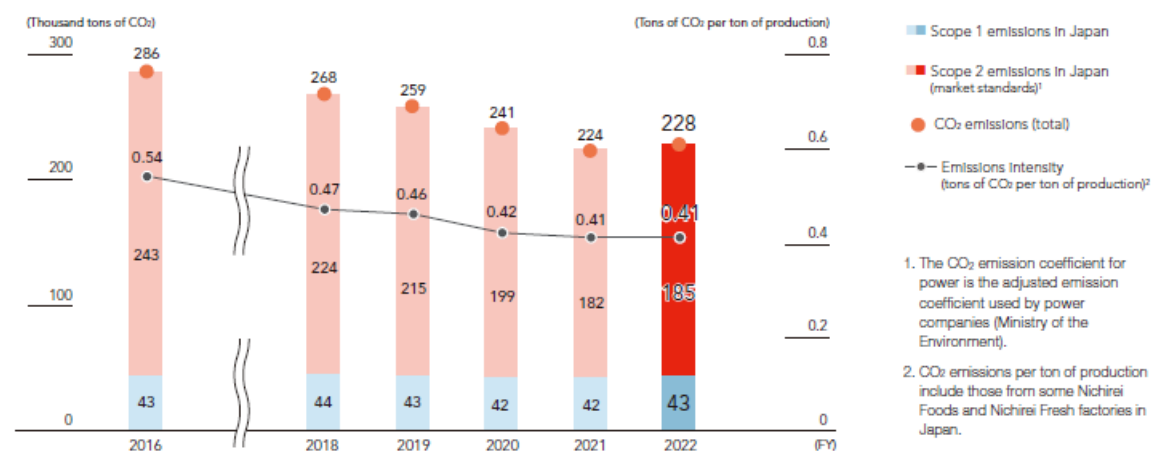
We will implement low-carbon policies in response to one of the material matters and in pursuit of our long-term environmental goals. We will actively implement the three measures during the 10-year span extending from 2021 through 2030.

**Having endorsed TCFD recommendations,
the Nichirei Group is promoting the following low-carbon policies**

Pillar of low-carbon policy	Overview	Target scope
1. The establishment of long-term CO ₂ reduction goals	50% reduction in CO ₂ emissions (compared to fiscal 2016) in Japan, Scope 1 and 2 in 2030	Japan Scope 1 and 2
2. The promotion of CO ₂ reduction countermeasures overseas	<ul style="list-style-type: none"> Promote data collection and other efforts at overseas worksites Review and promote CO₂ reduction countermeasures at overseas worksites 	Overseas Scope 1 and 2
3. The promotion of CO ₂ reduction countermeasures within Scope 3	<ul style="list-style-type: none"> Promote data collection and other efforts within Scope 3 Review and promote CO₂ reduction countermeasures within Scope 3 	Scope3

* In June 2021, the Board of Directors revised the CO₂ emissions reduction target upward from 30% to 50%.

Nichirei Group CO₂ Emission Trends



[Click here for the CDP Climate Change FY2023 Report\(Only Available in Japanese\)](#)



■ Utilizing Electricity Generated from Solar Power

The Nichirei Group is working to reduce CO₂ emissions by installing solar power generation equipment on the premises of food factories and on the rooftops of refrigerated logistics warehouses. We will further strengthen these initiatives as part of Medium-term Business Plan Compass Rose 2024.



Solar Power Generation and CO₂ Reduction

Nichirei Foods	<ul style="list-style-type: none">• Funabashi Plant• Nichirei Ice Inc.
Nichirei Logistics Group	<ul style="list-style-type: none">• Sugito DC• Matsue DC• Kushiro DC• Sakishima DC• Kyokurei Inc. Daikoku DC• Higashi-Ogishima Distribution Center
Nichirei Biosciences	<ul style="list-style-type: none">• Global Innovation Center



Sakishima DC



Matsue DC



Kushiro DC

■ Change of Fuel for Manufacturing Equipment

Food factories use heat energy in a variety of manufacturing processes, including frying and baking. For the boilers that create the heat energy used in manufacturing, we are systematically switching from kerosene and heavy oil to city gas and propane, which produce fewer CO₂ emissions.



■ Conversion of Refrigerated Trucks to EVs

As society requires companies to manage their businesses in a decarbonized manner, it is also necessary to switch from fossil fuels to electricity (and in the future, to renewable energy). However, there are many issues regarding electric refrigerated trucks, such as vehicle price, imitations on charging time and mileage restrictions. Along with the verification of energy-saving facilities such as vehicles and recharging facilities, we will promote verification as a low-temperature logistics system for electrification. In February 2023, we introduced three refrigerated/freezer EV trucks and began operation. We plan to increase the number of vehicles in the future.



■ Purchase of Green Energy

Since 2007, the Nichirei Group has been purchasing and stockpiling Renewable Energy Certificates (RECs)* every year. As a result, in FY2021, the head office building (Nichirei Higashi Ginza Bldg.) shifted to renewable energy (making use of RECs) for all of its power usage. In addition, since March 2020, Nichirei Foods has purchased RECs to cover all electricity used in production lines for Honkaku-Itame-Chahan (fried rice). It is also making the shift to renewable energy.



* Green power is power generated from renewable energy sources, such as biomass, solar and wind. The CO₂ emission reductions achieved through the use of power generated from renewable energy are traded in the form of RECs.

■ Switching to Natural Refrigerants

By 2030, we will have switched to natural refrigerants for 75% of equipment used by Nichirei Logistics Group (based on tons of equipment excluding leased equipment), including overseas facilities, and 100% of the freezers used by Nichirei Foods at its food factories and investee factories in Japan.



自然冷媒冷凍設備（アンモニア）

Example of Switch to Refrigeration Equipment Using Natural Refrigerants

Fiscal Year	Temperature-controlled Logistics Business	Subsidy projects utilized
FY2014	Logistics Network Sugito TC	Subsidies for businesses that rationalize energy usage
FY2015	<ul style="list-style-type: none"> • Nichirei Logistics Kansai Sakishima DC • SCG Nichirei Logistics Co., Ltd. (Thailand) 	—
FY2016	<ul style="list-style-type: none"> • Logistics Network Funabashi DC 8th Expansion Building • Nichirei Logistics Tokai Shiratori DC 8th Expansion Building 	Program for applying advanced technologies to promote wider application of equipment using energy-saving natural refrigerant
FY2017	<ul style="list-style-type: none"> • Nichirei Logistics Chushikoku Takamatsu-Nishi DC 2nd Building • Nichirei Logistics Tokai Haruhi DC 2nd Building • Logistics Network Funabashi DC 4th and 9th Building 	Program for applying advanced technologies to promote wider application of equipment using energy-saving natural refrigerant
FY2018	<ul style="list-style-type: none"> • Nichirei Logistics Tohoku Sendai DC 1st Building • Nichirei Logistics Tohoku Morioka DC 2nd Building • Nichirei Logistics Kanto Mito DC 1st Building 	Project to promote energy-efficient commercial refrigeration and air conditioning, for the creation of a CFC-free society
FY2019	<ul style="list-style-type: none"> • Nichirei Logistics Kyushu Kagoshima Futo DC 1st Building • Nichirei Logistics Kyushu, Inc.: Naha Shinko Logistics Center 	Project to Accelerate Introduction of Energy Saving-Type Natural Refrigerant Equipment To Realize Fluorocarbon-Free and Low Carbon Society
FY2020	<ul style="list-style-type: none"> • Nichirei Logistics Hokkaido Sapporo Oyachi DC 2nd Building • Nichirei Logistics Tokai Haruhi DC 1st Building 	Project to Accelerate Introduction of Energy Saving-Type Natural Refrigerant Equipment To Realize Fluorocarbon-Free and Low Carbon Society

	<ul style="list-style-type: none"> • Nichirei Logistics Kansai Osaka Shinnanko DC 2nd Building • Nichirei Logistics Tokai, Inc.: Nagoya Minato Logistics Center 	
FY2021	<ul style="list-style-type: none"> • Nichirei Logistics Kansai, Inc.: Umemachi Logistics Center • Nichirei Logistics Chushikoku, Inc.: Ujina Logistics Center • Nichirei Logistics Chushikoku, Inc.: Matsuyama Logistics Center • Nichirei Logistics Kyushu, Inc.: Kokura Logistics Center • Kyokurei Inc.: Honmoku Logistics Center 	Project to accelerate the introduction of energy-saving natural refrigerants in equipment for the early realization of a CFC-free, low-carbon society
FY2022	<ul style="list-style-type: none"> • Nichirei Logistics Tohoku, Inc.: Sendai Logistics Center • Nichirei Logistics Tokai, Inc.: Komaki Logistics Center • Nichirei Logistics Tokai, Inc.: Mie Logistics Center • Nichirei Logistics Chushikoku, Inc.: Ujina Logistics Center • Nichirei Logistics Chushikoku, Inc.: Takamatsu Higashi Logistics Center • Nichirei Logistics Kyushu, Inc.: Hakozaki Wharf Logistics Center 	Project to accelerate the introduction of energy-saving natural refrigerants in equipment for the early realization of a CFC-free, low-carbon society

■ Initiatives to Prevent Refrigerant Leaks

Nichirei Logistics Group works to reduce refrigerant leakage from existing refrigerators. In addition to carrying out regular inspections for refrigerant leakage, in FY2022 it introduced detectors capable of 24-hour measurement.

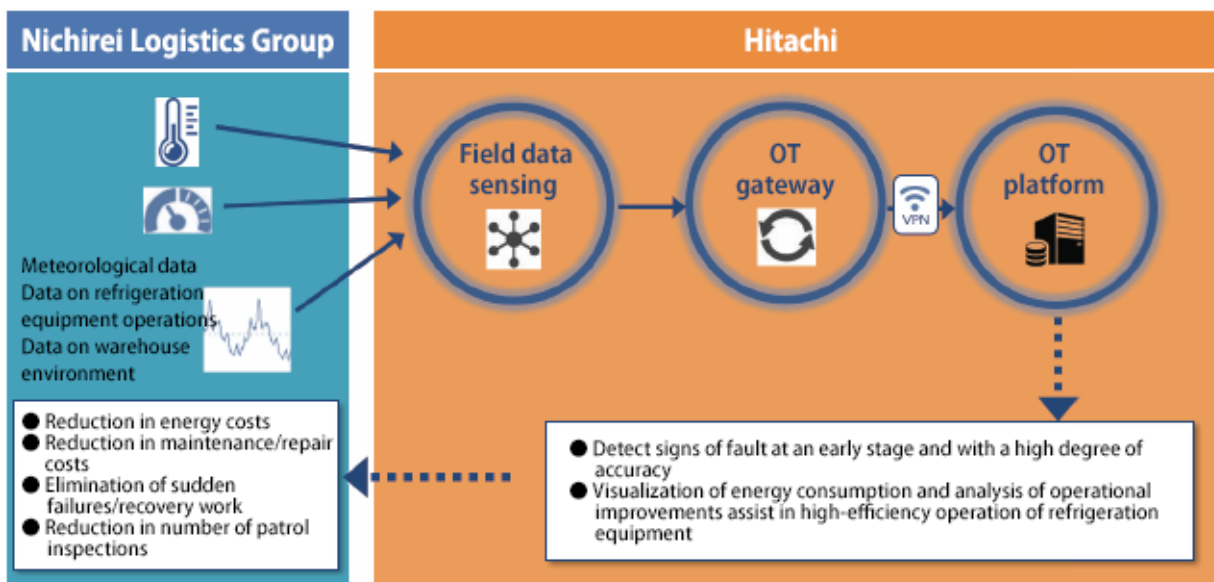
■ Preventing Refrigerant Leaks to Boost Operating Efficiency

The Nichirei Logistics Group is stringently checking equipment to reduce refrigerant leaks at all domestic centers. In FY2014, the Group installed high-sensitivity detectors, which are 10 times more accurate than those previously used, and can detect even minor leaks. By managing the amount of refrigerant used and eliminating leaks, the Group can achieve near-optimum equipment functioning. At the same time, the Group is working to avoid the unnecessary use of electricity. The Group has non-regular staff carry out inspections, since they notice energy-saving points that regular staff may overlook. Energy-saving inspections of the entire center are conducted in parallel with the refrigerant checks as both contribute to CO₂ reduction and the prevention of global warming.

Since September 2018, the Nichirei Logistics Group has been conducting a joint demonstration in collaboration with Hitachi, Ltd. at Funabashi DC, utilizing state-of-the-art IoT technology for the early diagnosis of faults in refrigeration equipment and to improve the efficiency of equipment operations and maintenance. Visualizing energy consumption and analyzing operational improvements will assist the high-efficiency operation of cold storage facilities and will help reduce CO₂ emissions.



● Conceptual Diagram of Joint Demonstration



■ Receives Special Review Committee Award

Nichirei Logistics Engineering Inc. (representative director, president: Tsutomu Ito), which handles engineering operations for Nichirei Logistics Group Inc., won the Special Review Committee Award in the 22nd Protect the Ozone Layer, Prevent Global Warming Awards sponsored by the NK Industrial Research Institute, operated by the Nikkan Kogyo Shimbun, Ltd. The award was received on September 12, 2019, in recognition of efforts to reduce CFC leaks and environmental impacts through the use of systems that predict and diagnose refrigerant leaks.

In addition to further reducing our environmental footprint and responding to customer demands, we plan to better oversee refrigeration equipment maintenance and repair plan proposals, so as to provide overall support that includes recommendations for energy conservation and cost reduction through low-price purchasing.



Nichirei Logistics Group Wins "Advanced Technology Award" and "Special Award" at the 23rd Logistics Environment Grand Prize | News | Nichirei Logistics Group(Only Available in Japanese)

■ Initiatives in Production Regions

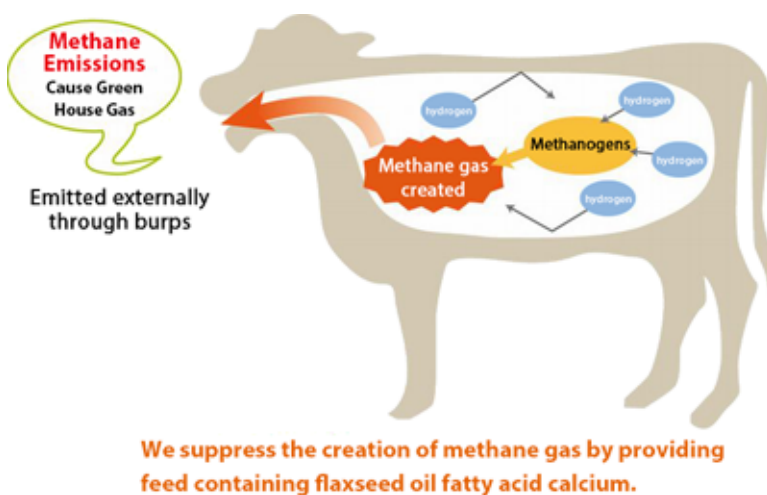
Suppression of Methane Gas Emissions by Cattle (Nichirei Fresh)

Ruminants, such as cattle and sheep, are known for their production of methane gas, which has 21 times the greenhouse effects of CO₂. The gas is produced in their stomachs, released internally when their food is broken down and digested, and then release externally. Since prevention of global warming has become a worldwide issue, Nichirei is undertaking the suppression of methane gas emissions produced by cattle.

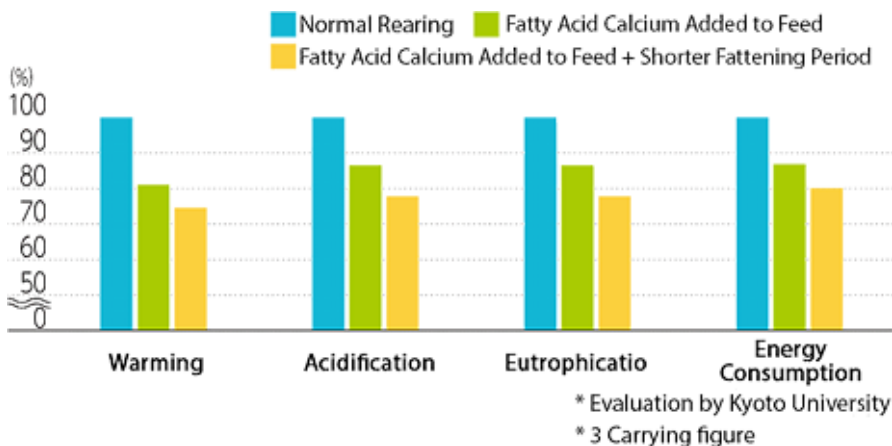
The hydrogen generated by the activity of microbes in the rumen (the first stomach) during the digestive process is turned into methane gas by methanogen, and released externally through burps. If cattle are given flaxseed oil fatty acid calcium^{*1}, the hydrogen in their rumen combines with the unsaturated fatty acids in the oil to form saturated fatty acids. Since research results show that methane gas production can be suppressed, to this end Nichirei has been testing crossbred cattle (male Wagyu and female dairy cattle) on domestic farms since FY2010.

Using Kyoto University's life-cycle assessment (LCA)^{*2} method developed in 2010 to gauge fattening methods, Nichirei has been able to confirm that the environmental impact of these crossbred cattle is 10% less than when conventional fattening methods are used. Further, there is an improved omega balance^{*3}, while feed costs are lower due to the shorter fattening period resulting from improved growth^{*4}. Nichirei is now moving toward the sale of beef produced through a nationwide rearing program using flaxseed oil fatty acid calcium. In addition to cross-breeding, Nichirei is also expanding this production method to crossbred Wagyu and Holstein cattle (bulls).

● Methane Gas Production



● Evaluation of Impact on Global Environment



- *1 Flaxseed oil fatty acid calcium: A fusion of calcium with the oil extracted from flax seeds rich in alpha-linolenic acid (omega-3 fatty acid).
- *2 Life cycle assessment (LCA) is the technique of comprehensively analyzing and assessing a product's environmental impact throughout its entire life cycle, from the raw materials, manufacture and distribution, through to disposal.
- *3 Omega balance: The balance between omega-6 and omega-3 fatty acids, which are particularly important essential fatty acids for the human body.
- *4 This results from the development of low-cost techniques for cattle production, based on a superior balance of omega-6 and omega-3 fatty acids, and the subsequently reduced environmental impact. Source: Ibaraki Prefecture Hitachiomiya Regional Agricultural Research and Promulgation Conference report, 2011.

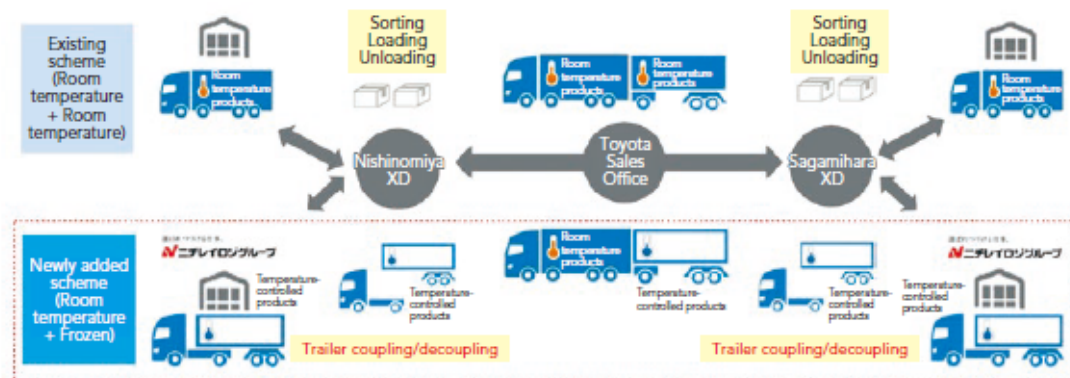
Suppression of Methane Gas Emissions by Cattle (Nichirei Fresh) (Only available in Japanese)



Simultaneous Bulk Transport of Frozen and Room Temperature Products

Nichirei Logistics Group, together with NEXT Logistics Japan, Ltd. (NLJ), started Japan's first simultaneous bulk transport of frozen and room-temperature products using double-trailer trucks in March 2021. These 25-meter double-trailer trucks feature a room-temperature trailer coupled directly to the tractor, towing a refrigerated trailer. These trucks operate between relay points (XD centers) in the Kanto and Kansai regions.

Operating Scheme



Double-trailer truck



Logistics Network Inc. container

■ Enabling Transport of the Load of Two Conventional Trucks in a Single Trip

By improving transportation and delivery efficiency, double-trailer truck operation can also be used to cope with the problem of Japan's shortage of drivers, which has become serious. Combining frozen and room-temperature products for transport in a double-trailer truck enables one driver to transport the load carried by two conventional trucks. Moreover, simply coupling and decoupling the second trailer from the tractor enables simultaneous transportation of two different loads, leading to a reduction in cargo handling work and waiting time at each XD center and substantially reducing the burden on drivers.

Going forward, we will confirm the benefits of this type of operation in areas such as labor saving and reduction of environmental impact. We also plan to increase the types of cargo that can be bundled and carried to promote the evolution of the high-efficiency trunk-route transport scheme that NLJ is building into a system that can be used by a wider range of shippers and transport companies.

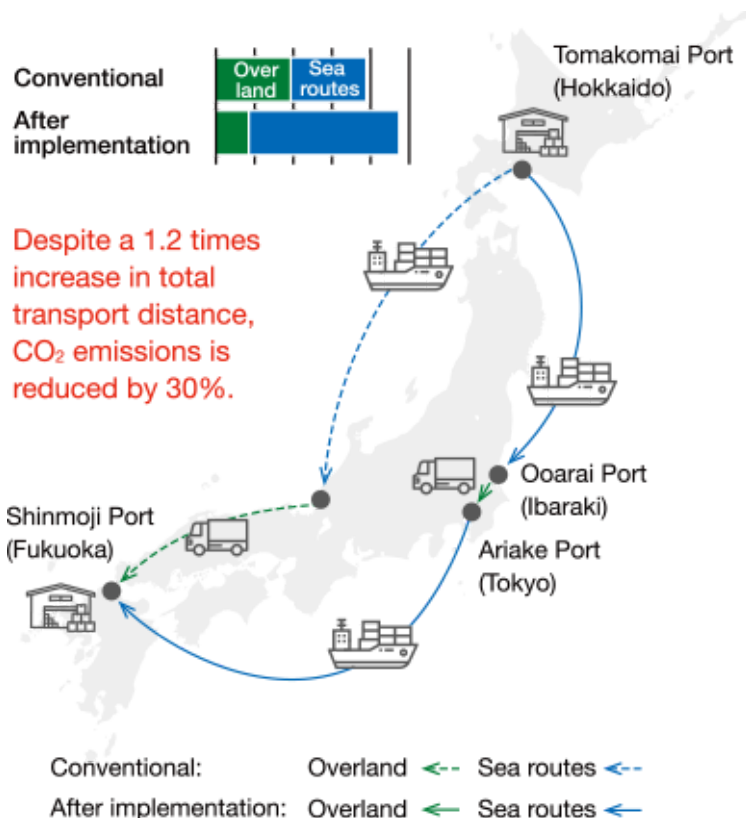
■ Promoting a modal shift¹

Since 2003, in a bid to reduce its environmental footprint, the Nichirei Logistics Group has been switching the means of transportation it uses from haulage by road to that by rail and sea. And, in 2009, the ferry transportation route from Hokkaido to Kyushu was extended, resulting in a 30% reduction² in CO₂ emissions.

Notes:

1. The conversion of road and air transportation by that by rail and sea.
2. The 30% reduction in CO₂ emissions due to modal shifts in Japan is based on per-route calculations.
3. An institution administered by the Ministry of Land, Infrastructure, Transport and Tourism and other bodies that awards excellent initiatives that promote CO₂ reduction in the logistics field.
4. 3PL: Third-Party Logistics

- Comparison of total transportation distances



■ Activities with European Logistics

The Nichirei Logistics Group's overseas business began with its expansion into the Netherlands in 1988. As of March 2020, Nichirei Holding Holland B.V. has thirteen companies (As of October 2022)—including cold storage facilities and low temperature shipping businesses—and is expanding from its hub in Rotterdam. Logistics in Europe center on shipping by truck, reflecting the advanced state of the local infrastructure. During the past few years, a modal shift has been promoted in the interests of the environment, resulting in a transition from highway truck transportation to maritime and railway transportation, making it possible to ship large volumes of goods. Mostly, when a containership docks at Rotterdam, the containers are offloaded and trucked to a warehouse. With containerships are getting progressively larger, and it is now possible to fit 9,000 forty-foot* containers on the larger vessels. Shipping these by truck would mean using 9,000 trucks, which would generate large amounts of CO₂.

Holland's Hiwa Rotterdam Port Cold Stores B.V. uses river barges to reduce its CO₂ emissions when moving containers from the container yard to their warehouses. With up to 25 containers piled on one barge, some 3.5 tons less CO₂ is produced than were 25 trucks used to transfer the containers. Currently there are two barge vessels in the Netherlands that have their own container cranes. Both of them are working for HIWA.

At Transports Godfroy in France, the environmental initiatives of its shipping business include introducing eco-driving training for its drivers in FY2012. Meanwhile, the social contribution activities of its shipping business include the donation to charities—of course with the permission of the consigners—of goods it has had in storage that are past their use-by date.

* 40 feet = 12.192 meters



Hiwa Rotterdam Port Cold Stores B.V.



River barge

■ Greening Initiatives

Nichirei's CO₂ reduction initiatives include developing CO₂ sinks and reducing emissions. In addition to managing green spaces on its properties, it participates in planting trees and flowers and weeding together with its neighbors.



Greening of the Kansai plant



Initiatives for Water Resource Conservation

Basic Philosophy

Basic Philosophy

As one factor in achieving its goal of building sustainable supply chains, the Nichirei Group recognizes the importance of water resources in producing raw materials and conducting business, and strives to conserve such resources. In addressing water risk, it is important to understand the local situation and the status of initiatives at our sites. As part of our water risk assessment, we use a third-party water risk assessment service to evaluate water risk at our locations. In addition to the WRI Aqueduct*, which assesses regional water risks, we conducted a questionnaire survey of all Group sites to ascertain the status of their initiatives. The water risk assessment was conducted for all Nichirei Group sites in Japan and overseas (152 sites), covering the WRI Aqueduct* assessment items of water quantity, water quality, and regulation/reputation. In FY2021, interviews were conducted at the three facilities identified as having high water risk, and the Group confirmed at that time that there were no water risks in terms of quantity, quality or regulatory and reputational risks. In FY2022, investigations were conducted at facilities in Japan with respect to river flooding and storm surge risk due to typhoons and heavy rains.

* WRI Aqueduct: A tool released by the World Resources Institute (WRI), an international environmental NGO, to easily evaluate the world's water risk from location coordinates or addresses.

Management System

Management System

Regarding water resources used in business, the volumes of water used and wastewater discharged at worksites in Japan are disclosed externally on the ESG quantitative data. These data are reported to the Group Sustainability Committee, whose members are members of management.

Forest conservation activities leading to the preservation of water resources are publicized internally and externally via the Group's website and intranet. Nichirei Foods has been conducting its own "Hamidasu Activities" to conserve forests and contribute to local communities at its production plants nationwide. designed to raise employee awareness for the environment.

[Environmental Management > Group Sustainability Committee](#)



[Environmental management > Medium-term targets and results](#)



[Supporting Forest Conservation Activities with a Portion of Sales\(Only available in Japanese\)](#)

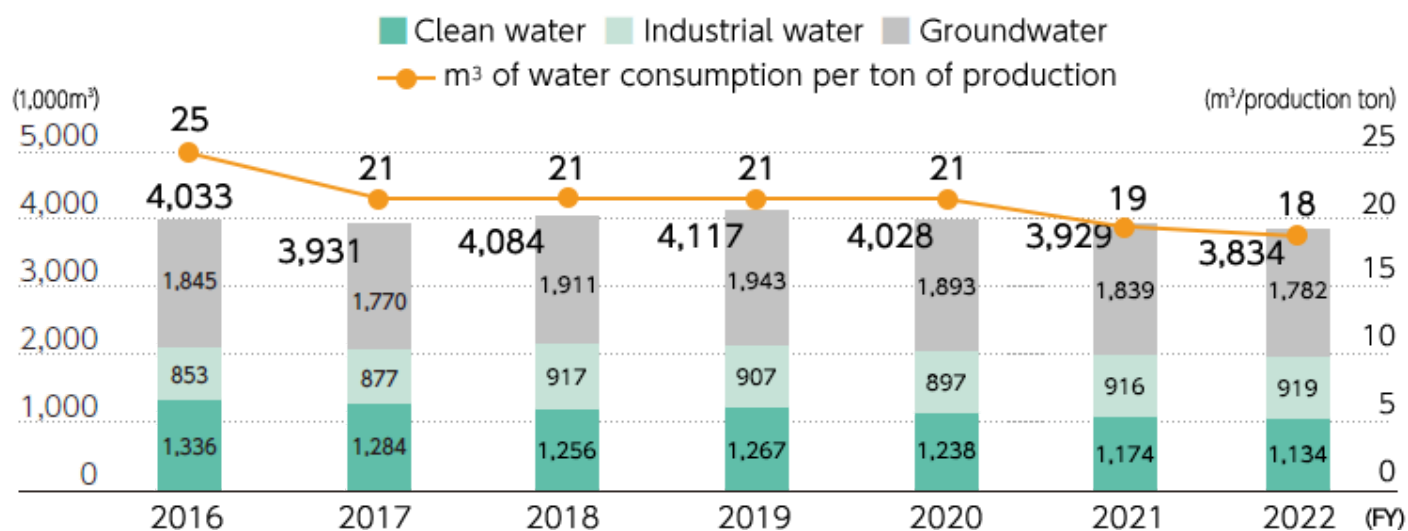


Initiatives

In terms of water-related initiatives associated with business activities, in addition to water-saving efforts at its food factories and distribution centers, the Group is raising employee awareness such as by displaying posters. At worksites in Japan, the Group keeps track and manages consumption of water and quality of wastewater through regular monitoring in compliance with various laws and regulations.

We have set reduction targets for each site and are working to reduce water throughout the Group.

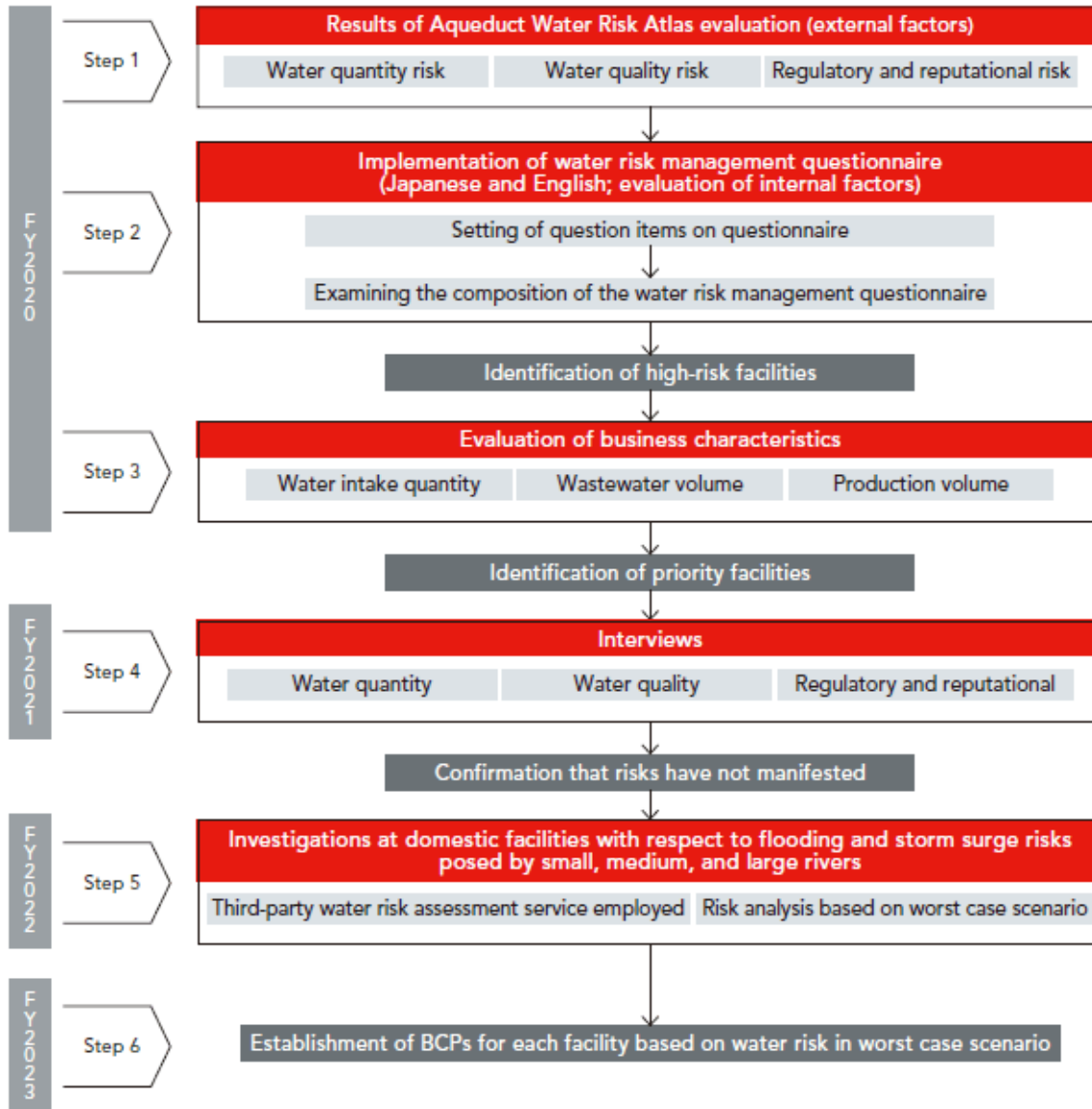
● Water Usage (By water intake source)



Water Risk Assessment

In FY2020, the Group conducted water risk assessments at all of its facilities (152 facilities in Japan and overseas) and identified facilities where water risk was high as a result of internal and external factors. In FY2021, interviews were conducted at the three facilities identified as having high water risk, and the Group confirmed at that time that there were no water risks in terms of quantity, quality or regulatory and reputational risks. In FY2022, investigations were conducted at facilities in Japan with respect to river flooding and storm surge risk due to typhoons and heavy rains.

Water risk assessment flow chart



* WRI Aqeduct: A tool released by the World Resources Institute (WRI), an international environmental NGO, to easily evaluate the world's water risk from location coordinates or addresses.

[Click here for the CDP Water FY2023 Report](#)



External Review



Initiatives for Biodiversity Conservation

Basic Philosophy

Basic Philosophy

The Nichirei Group's Environmental Policy/Nichirei Group Bio-diversity Policy



Management System

Management System

As "living in symbiosis with nature" is one of the three priorities of the Nichirei Group's Environmental Policy, the Group is committed to environmental conservation activities. Within its business activities, the Group actively procures sustainable materials and processed items, builds recycling systems in collaboration with business partners and local communities, and disseminates information and conducts activities for biodiversity conservation and environmental awareness raising at worksites and suppliers.

The initiatives are reported by each operating company's Environmental Protection Committee and by the Group Environmental Protection Committee, which meets twice a year. The environmental protection policies and strategies of the entire Group are then determined based on the content and progress of these initiatives. Initiatives for biodiversity are carried out based on the formulated plans.

Initiatives

Initiatives

Conserving Biodiversity and Maintaining Sustainable Production: MSC Fisheries Certification at Clam Fishery

About 60% of Japan's imported clams are sourced from wetlands along the Yellow Sea coast of China. Since 2006, Nichirei Fresh has procured clams from China for use as a premium ingredient. In recent years, however, we have become concerned about the declining yield of clams and the deterioration of the natural environment.

In 2016, Nichirei Fresh collaborated with Dandong Taihong Foodstuff Co., Ltd., a supplier of clams, and the World Wide Fund For Nature (WWF) in a fisheries improvement project.

In 2021, the shellfish fishery of the Yalu Estuary received Marine Stewardship Council (MSC) certification for sustainable fishing that considers the rich natural environment of the Yellow Sea coast, which is indispensable as a resting and feeding place for migratory birds. The certification was the first example of a shellfish fishery improvement project in China involving cooperation between participants in the supply chains of China and Japan.

Nichirei Fresh will continue to increase the number of products that bear the MSC certification* for sustainable fishing.

* MSC certification requires that wild seafood used has been caught using methods that do not deplete the natural supply.



■ Fukushima: Environmental Research and Protection, Conserving Biodiversity

Nichirei owns land near Lake Hibara in Fukushima Prefecture's Urabandai region. The Company supports research on the natural environment in the surrounding areas and environmental and biodiversity conservation based on that research. Following the 1888 eruption of Mount Bandai, all vegetation disappeared from the Urabandai area, but more than 130 years on, one can see vegetation returning: red pine forests, white willows, reeded wetlands, and aquatic plant clusters in marshlands.

The red pine forests, planted by people who want to see the return of greenery, continue to spread.

But since the Company's land remains unforested, it provides a valuable area for observing the transition of virgin nature. Nichirei has supported the research activities—carried out since FY2012 in the Urabandai area—by the Support Division for Projects in Natural Symbiosis and Regeneration at Center for Practical and Project-Based Learning, Graduate School of Symbiotic Systems Science and Technology, Fukushima University.

In FY2020 (ended in March, 2020), we supported an investigation of insect fauna inhabiting reed marshes in Urabandai area Nichirei-owned land, as well as a study into the diversity of plant species conducted with the goal of publishing a book on Urabandai flora.



Water quality surveys in the Urabandai area wetlands



The Himeshiro dragonfly: a new species

■ Protecting Endangered Orchids

Since FY2004, the Nichirei Group has helped in the conservation and regeneration of the endangered orchid *Cypripedium macranthos* var. *macranthos* and other species through research on and the breeding of orchids and other plants in Fujimi-machi, Nagano Prefecture. In 2014, some artificially propagated orchids of this species flowered and, in FY2020 they produced 32 blooms. Consequently, Nichirei entered a biodiversity conservation partnership agreement with Fujimi-machi, Nagano Prefecture, and the Fujimi-machi Atsumorisou Regeneration Committee in February 2019. The Group will provide the technologies necessary for the conservation and regeneration of *Cypripedium macranthos* orchids and cover a portion of the costs. In June 2021, the Committee began selling artificially propagated blooms and seedlings, which it hopes will help prevent excessive picking of wild indigenous species. In our artificial pollination efforts, we avoid mixing plants from the same lineage as much as possible in order to preserve genetic diversity.



Management of Wastewater, Waste Matter, and Chemical Substances

Basic Philosophy

Basic Philosophy

Established as an environmental initiative, the Nichirei Group's Environmental Policy includes a theme of promoting sustainable recycling. The Group recognizes that corporate business activities have a considerable impact on the natural environment. Emitting pollutants and using chemicals through business activities has an effect on the air and soil, and expanding business activities results in more waste being generated and a greater effect on valuable resources. The Group's business, in particular, relies heavily on natural ecosystems for the procurement of ingredients. Any loss of these ecosystems would be a significant business risk, and in addition, the generation of food waste is a major challenge. Recognizing the issues outlined above, the Group is making the best use of limited global resources in cooperation with its suppliers, partners companies and consumers, and in addition, through its business activities, is promoting reductions of waste and pollutants as well as the reuse and recycling of resources. The Group is also helping build recycling-oriented social systems by procuring recyclable resources and working to develop associated mechanisms.

Two medium-term environmental targets adopted by the Group are to maintain a waste recycling rate of at least 99% at its food factories and distribution centers, and to reduce residual animal and plant material at its food factories in Japan.

The Nichirei Group's approach to environmental conservation



Management System

Management System

Environmental Management > Group Sustainability Committee

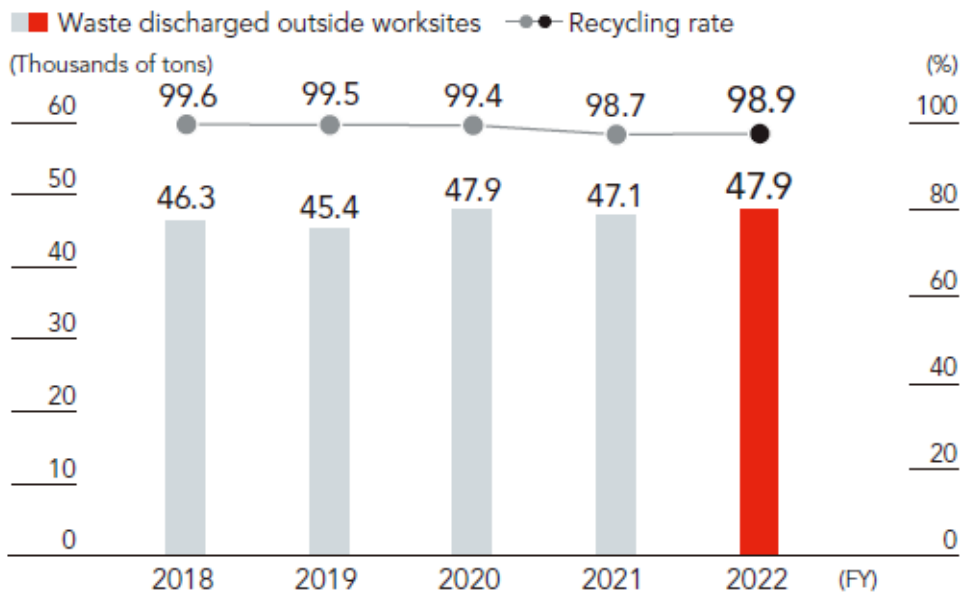


Initiatives

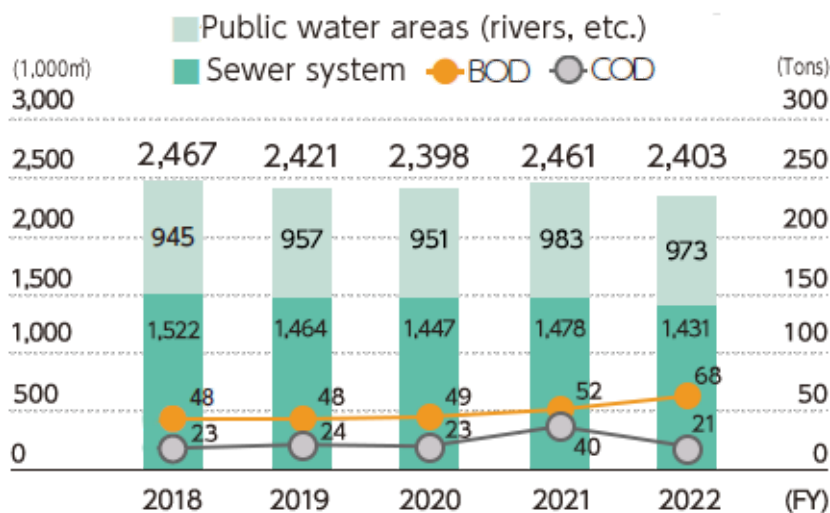
Initiatives

As a material matter for the Nichirei Group, we have set a KPI for and are actively working to reduce the amount of and recycle the food residue and waste generated by our business activities.

● Waste Discharged Outside Worksites and Recycling Rate



● Nichirei Group Wastewater and Drainage Load



■ Fertilizer, Feed Made from Factory Food Residue

To reduce waste generated at our production facilities, Nichirei Foods is undertaking various initiatives. These include production management, initiatives to prevent problems, and the recycling of processing residue, such as raw ingredients not turned into products.

Process residues generated at the plant are recycled into fertilizer and feed for effective use. The Group plans to continue reducing the amount of waste generated by setting target values, while making the most effective use of processing what residue is inevitably produced.

■ Participation in the Japan Project of the “10x20x30” Food Loss and Waste Initiative

Nichirei Foods is participating in the Japan Project of the “10x20x30” Food Loss and Waste Initiative, a movement by retailers and food manufacturers worldwide to reduce food loss and waste. Advocated by the World Resources Institute (WRI), a U.S. think tank that conducts policy research and develops technologies at the intersection of the environment and human development, the 10x20x30 initiative brings together 10 of the world’s biggest food retailers and providers to each engage with 20 of their priority suppliers with the aim of halving rates of food loss and waste by 2030.



■ Initiatives at Nichirei Foods’ Factories in Japan

In joining the 10x20x30 Japan Project, Nichirei Foods set a target for FY2031 to reduce animal and plant residues per unit of production at domestic food factories by 50% compared with FY2020. We also aim to maintain a recycling rate of at least 99% for waste (including non-food items) at all business sites in Japan. To achieve these targets, we are working to reduce the amount of waste generated by revising production processes and product designs, to donate as food what we previously disposed of as waste, and to conduct recycling, including conversion to animal feed and industrial products.

■ Factory Wastewater Released Only after Having Been Cleaned Using Special Equipment

The water used at food factories becomes wastewater containing food-related organic matter, detergents, and disinfectants. The Nichirei Group cleans its factory wastewater using disposal equipment and only releases it outside the factory once it complies with emissions standards stipulated by law.

■ Management of Pollutant Release and Transfer Register (PRTR) Substances

In FY2022, we continued to have no materials subject to reporting under the Pollutant Release and Transfer Register Law* (handled in quantities of 1 ton or more). We will continue to manage chemical substances appropriately.

* The laws concerning the Pollutant Release and Transfer Register refer to the collection and publication of data related to the release into the environment of chemicals, from any source, which could possibly adversely affect the lives, growth, or development of humans, animals, or plants.

[Click here for details](#)



■ Management of PCBs

Polychlorinated biphenyls (PCBs), a group of man-made compounds, were previously used as insulating oil in transformers, but their use was banned in the 1970s, after their toxicity became apparent. In Japan, equipment that has been confirmed to contain PCBs is being appropriately stored in compliance with standards set by law. Currently, disposal is being carried out systematically, based on the capacity of the nation’s five government-run PCB disposal plants. Three transformers collected from the Nichirei Group in FY2020 and FY2021 have been disposed of at a one of the government plants. In FY2022, three units continued to be collected, transported, and processed throughout the Group.

■ Management of Asbestos

The asbestos that was found to have been sprayed on the underside of the roof, and which had the possibility of spreading, was removed and disposed of during an inspection in FY2006. In addition, when demolishing office buildings that have been closed, the Nichirei Group does another survey and takes legally compliant and appropriate steps to dispose of any building materials containing asbestos.

■ Management of Contaminated Soil

In addition to fulfilling the appropriate disclosure requirements when selling, buying, or renting land, the Nichirei Group does evaluations of soil contamination and carries out the appropriate management.

In FY2020, we conducted soil analysis and performed appropriate treatment in the construction of the Nichirei Logistics Tokai Inc. Nagoya minato DC. Soil analysis is also conducted at the new plant in Kyurei Inc. for proper treatment.

—— Management of Chemical Substance Emissions to the Atmosphere ——

■ Reduction of NOx, SOx, and PM Emissions

Nitrogen oxide (NOx) and sulfur oxide (SOx) are produced when fuel oil and gas are burned in food factory boilers. Through proper facility management at its factories, Nichirei is complying with emissions standards stipulated by law and aiming for an overall reduction in emissions volume. The Nichirei Logistics Group is promoting increased logistical efficiency through joint shipping and modal shifts making use of railways and ferries. The Group is making progress on the reduction of NOx and particulate matter (PM) emissions by using exhaust regulation-compliant vehicles, conducting proper vehicle maintenance, and promoting such initiatives as eco-driving. Furthermore, there are no emissions from the Nichirei Group's business corresponding to the volatile organic compound (VOC) emission standards.

SOx Emissions



■ Switching to Natural Refrigerants

By 2030, we will have switched to natural refrigerants for 75% of equipment used by Nichirei Logistics Group (based on tons of equipment excluding leased equipment), including overseas facilities, and 100% of the freezers used by Nichirei Foods at its food factories and investee factories in Japan.



■ Initiatives to Prevent Refrigerant Leaks

Nichirei Logistics Group works to reduce refrigerant leakage from existing refrigerators. In addition to carrying out regular inspections for refrigerant leakage, in FY2022 it introduced detectors capable of 24-hour measurement.

Natural Refrigerants KPI



Switching to Natural Refrigerants



Initiatives in Products and Services

Basic Philosophy

Basic Philosophy

The Nichirei Group proposes manufacturing and services that are conscious of minimizing the environmental impact throughout the supply chain.

As a food-related corporate group that is greatly affected by climate change, the Group is working on reducing CO₂ emissions in its products.

We will also work to reduce, reuse, and recycle waste in order to use the limited resources of the Earth as sustainably as possible. For bioresources that the Group is unable to use efficiently and economically or is unable to use completely, it is focusing on reusing these bounties of nature in animal feed or fertilizer and returning them to nature.

Management System

Management System

Environmental Management> Group Sustainability Committee



Initiatives

Initiatives

Reducing Plastic Used in Frozen Food Containers and Packaging

Since 2006, Nichirei Foods has been striving to reduce the amount of plastic used for household-use frozen food product containers and packaging. Recently we achieved a reduction of over 200 tons for seven items (series) of products, compared with before these initiatives began. While continuing to reduce plastic use by reviewing product containers and packaging, we will also work toward reducing our CO₂ emissions.



■ Initiatives for Thinner Packaging

Fiscal year	Products	Measures
FY2007	<i>Imagawa-Yaki</i> (Japanese waffles)	Elimination of trays
FY2010	<i>Yaki-Onigiri</i> (grilled rice balls) 10-pack	Elimination of trays
FY2012	<i>Honkaku-Itame-Chahan</i> (fried rice)	Thinner packaging
FY2015	<i>Yaki-Onigiri</i> (grilled rice balls) 10-pack	Thinner packaging
FY2016	<i>Honkaku-Itame-Chahan</i> (fried rice)	Thinner packaging (second reduction)
FY2019	<i>Ebi-Pilaf</i> (shrimp pilaf) and <i>Chicken Rice</i>	Thinner packaging
FY2021	<i>Ebi-to-Cheese-no-Gratin</i> (shrimp gratin) and <i>Ebi-to-Cheese-no-Doria</i> (shrimp rice gratin)	Thinner trays, reduced tray handle width
FY2022	<i>Yaki-Onigiri</i> (grilled rice balls)	Elimination of trays for entire lineup

■ Taking on the Challenge of Upcycling Products

Upcycling non-standard rice from *Yaki-Onigiri* (grilled rice balls) 10-pack

Nichirei Foods has worked to reduce food loss by making donations to children's cafeterias and food banks. We also make use of the food residue generated during the production process by recycling it into fertilizer and feed. As a company that deals with food, however, we also want to add "social value" to food residue by upcycling it as part of our efforts to create a more abundant society.

As a first step, we have collaborated with Fermentation Co., Ltd., a company that uses proprietary fermentation technology to upcycle non-standard products and by-products generated during the food and beverage manufacturing processes, as well as agricultural non-standard products. We provide antibacterial wet wipes made by transforming non-standard rice from our long-selling product *Yaki-Onigiri* (grilled rice balls) 10-pack.

● Creation of *Yaki-Onigiri* Antibacterial Wet Wipes



Launched Upcycled Products(Only Available in Japanese)



Society

Creating new value in food and health	...	85
Maintain a Sustainable Supply Chain	...	96
Human Rights	...	107
Provide Safe Products and Services	...	112
Occupational Health and Safety	...	127
Cultivating Human Resources and Improving Work Satisfaction	...	132
Health Management	...	145

Creating new value in food and health

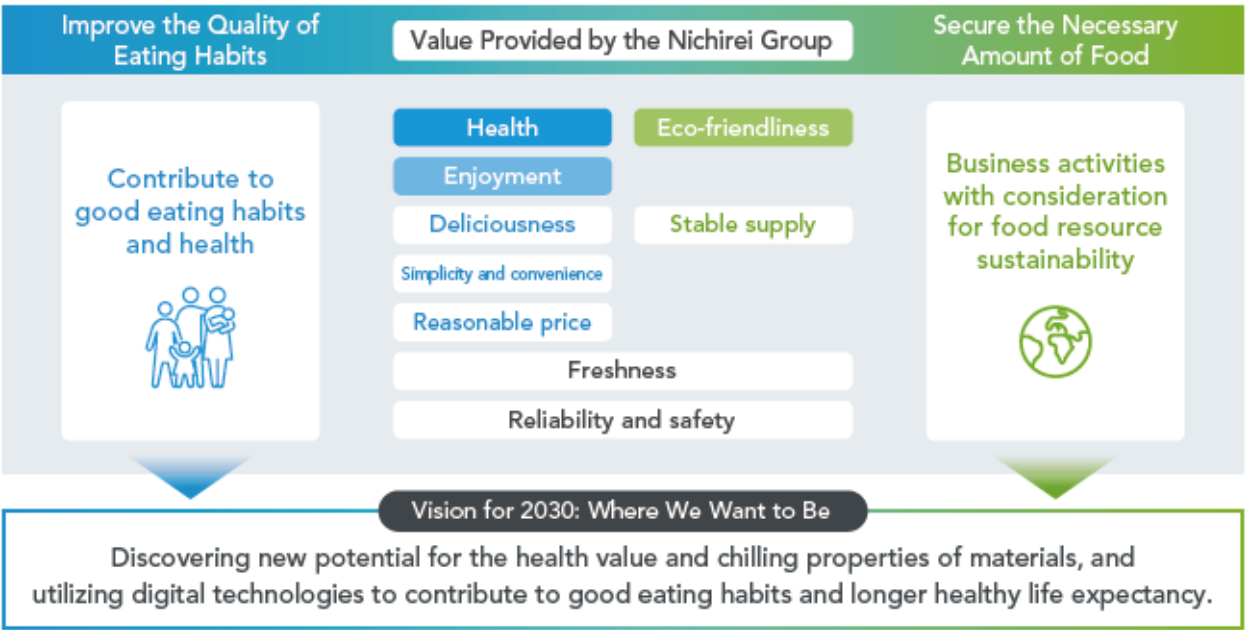
Basic Philosophy

Basic Philosophy

To create new value in food and health, which is one of its material matters, the Nichirei Group will step up development of original new healthy and sustainable ingredients, products and services that are worthy of the Nichirei brand, as well as initiatives for nutrition. We select priority themes for our initiatives from three perspectives: helping to resolve health issues; new food resources and ingredients that are sustainable and eco-friendly; and taking on the challenge of new business models.

Out of a total of five themes, three are being carried out by Nichirei Corporation and two are being conducted in collaboration with operating companies. We will focus our resources on the visualization of consumers’ mental processes using our unique psychological statistics, research to discover new value in freezing, and initiatives to create our own nutritional targets.

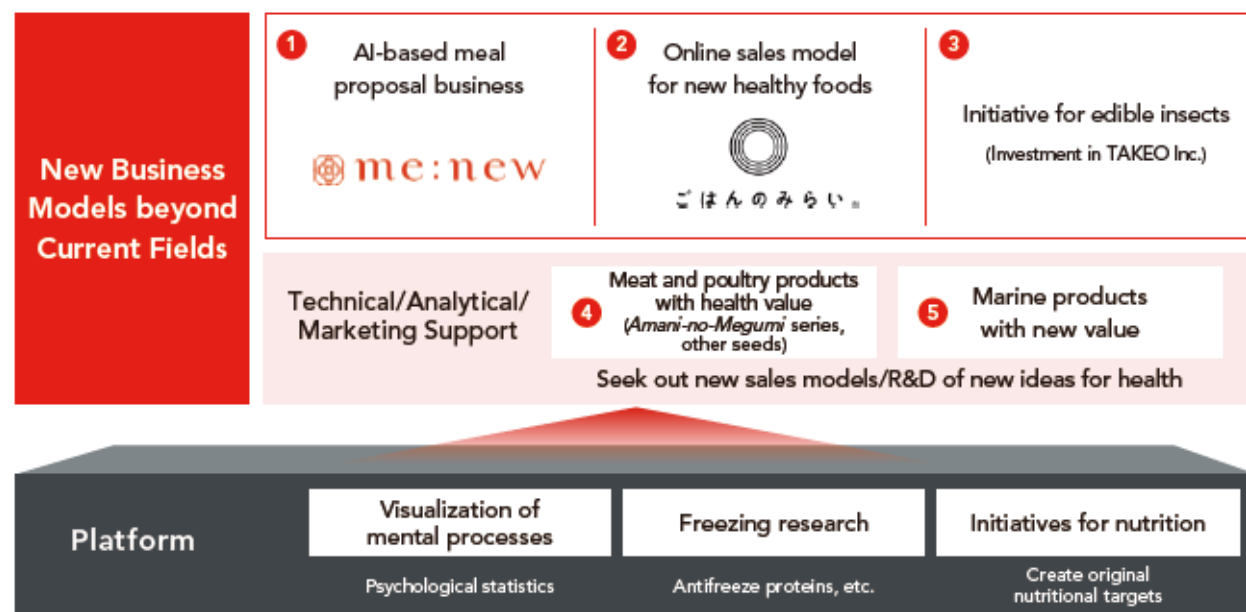
Taking on New Challenges beyond Our Current Domains of Food and Health to Create New Markets and Value for Customers



- | | |
|-----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Group Measures | <ul style="list-style-type: none">• Step up R&D to develop new eco-friendly food resources and ingredients with health value• Allocate resources to marketing and DX to develop delicious, healthy products and provide services for better eating habits• Establish mechanisms to create and cultivate value in new domains and conduct innovation activities |
|-----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Initiatives

● New Business Models for Health and Sustainable Foods



①A Data Service Business Based on Food Preference Analysis: me:new Automatic Menu Generator App

Due to factors including changes in work styles, advances made by women in the workplace and the development of a super-aging society, the need to reduce meal preparation time at home is growing among Japanese consumers. Likewise, needs are rising for meals that take health factors into account, such as nutritional balance and food allergies. Many consumers are finding it difficult to plan daily menus because of these issues. To help resolve them, in August 2021 Nichirei entered the AI-based menu proposal service business by acquiring all the shares of me:new, a startup that operates an automatic menu generator app of the same name, and created a new business by integrating me:new's services with the conomeal kitchen app and services Nichirei developed in-house. The me:new app creates up to a week's worth of menus. Mainly geared toward families with young children, it suggests recipes that parents and children can eat together, as well as allergy-friendly recipes. Needs for such services are rising in the BtoB as well as the BtoC market. Going forward, we will work to provide new value in the form of a data service business based on our research into food preferences and deliciousness.

 **me:new**



me:new Automatic Menu Generator App(Only Available in Japanese)



②New Healthy Food:

Gohan-no-Mirai

In Japan, the consumption of rice, which is the bedrock of the country's food culture, has fallen by half over the past 50 years. Current health fads have led people to avoid carbohydrates, with a tendency to go to extremes in limiting intake. There is also the recent health issue of new types of malnutrition caused by unbalanced diets. Moreover, given the time and trouble required to cook rice, consumption looks likely to continue falling. Nichirei wanted to create an opportunity for Japan to rediscover its rice-based food culture by offering simple and functional new staple foods made from rice, while eliminating concerns about carbohydrate intake. Gohan-no-Mirai is a new staple food made from rice flour and rice-derived dietary fiber using our original restructuring technology. It contains a full day's recommended allowance of fiber with about half the carbohydrates, and nutrients such as iron and calcium can be added according to the health condition of the person eating it. Because it uses ingredients derived from rice, it reproduces rice's familiar texture and flavor. Furthermore it can be prepared by simply adding hot water, making it a stress-free healthy staple food that can be eaten regularly. We also offer personalized health support by providing nutritionally balanced recipes and consultation services with a registered dietitian. We will use customer data obtained through direct sales and communication on our Gohan-no-Mirai website to improve our products and services, ensuring that our services consistently match needs.



Gohan-no-Mirai(Only Available in Japanese)



③Investment in Edible Insect Startup TAKEO

Providing new foods is an important subject for Nichirei, which has an obligation to maintain a stable and sustainable supply to meet potential future food shortages.

Insects have a low environmental impact and excellent nutritional value and production efficiency. As such, they are expected to be a sustainable food resource and have therefore been attracting attention as a new food ingredient over the past several years.

TAKEO Inc., a trailblazer in Japan's edible insect market, has developed a diverse range of products and services for meals in which insects can be enjoyed as ingredients like vegetables, fish or meat. By investing in TAKEO and combining its know-how with our processing technologies, we will broaden the potential of edible insects to create a new culinary domain.

As a new challenge, Nichirei aims to develop products and provide services that are eco-friendly, good for people, and help make edible insects a more familiar ingredient in meals.



TAKEO Inc.(Only Available in Japanese)



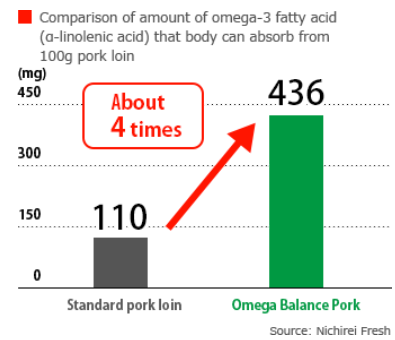
④Meat Production: Focus on Omega-3 Fatty Acids *Amani no Megumi Meat*

Nichirei Fresh produces and sells meat, and has been focusing on omega-3 fatty acids, which are essential for human health. We have improved the balance of omega-3 and omega-6 fatty acids in our meat by giving chickens, pigs and cattle* a formula feed that uses ingredients derived from flax, which is rich in α -linolenic acid. This results in tender and juicy meat, which we have been selling since 2006. Omega-3 fatty acids, abundant in blue-backed fish, flaxseed oil and perilla oil, are converted into eicosapentaenoic acid (EPA) and docosahexaenoic acid (DHA) in the body. However, the diet of people in Japan today is often lacking in essential fatty acids, which the body cannot synthesize, especially omega-3 fatty acids. By promoting everyday diets that include meat containing a balance of these fatty acids, Nichirei Fresh supports people's health.

*There are individual differences among cattle.



あまに
亜麻仁の恵み® 豚



Amani no Megumi(Only Available in Japanese)



Platform

Visualization of Mental Processes

Psychological statistics is the science of quantifying mental processes to visualize them in numerical data and models. It is possible to intuitively identify a consumer's train of thought through quantification and visualization using sophisticated statistical methods such as carefully designed questionnaire surveys, multivariate analysis and structural equation modeling to provide numerical substantiation. Through its joint research with the University, Nichirei is applying and deploying unique psychological statistics techniques in its surveys of employee satisfaction, corporate image and other topics. Going forward, we intend to also use these techniques for original consumer marketing.

Freezing Research

Nichirei is conducting ongoing research on antifreeze proteins (AFPs) for a wide range of practical applications. AFPs bind to ice crystals, inhibiting their growth. Other effects of AFPs include inhibiting recrystallization, promoting uniform dispersion of solutes and protecting cells in low-temperature environments above the freezing point. Applications are expected in a wide range of fields from food to medicine, cosmetics, reagents and industry. Nichirei will combine the results of this research with its freezing technologies to create new products and services.

Initiatives for Nutrition

We will step up our initiatives for nutrition to help resolve the health problem of the double threat of concurrent overnutrition and undernutrition. Initiatives will include participation in the Ministry of Health, Labour and Welfare's Strategic Initiative for a Healthy and Sustainable Food Environment with the aim of being able to set targets that ensure intake in recommended amounts while avoiding excessive intake of substances of concern.

■ Meat Analogue Containing No Animal Meat: Daiz Meat

Nichirei Foods is developing meat analogue products as a new undertaking in frozen foods that will contribute to a more sustainable society. We reproduce the flavor and characteristics of meat without using animal meat by combining various kinds of soy meat, including that from germinated soybeans grown using the proprietary technology of DAIZ, which is engaged in advanced research on soybeans. Moreover, through the application of our know-how and technology for reproducing delicious flavors, we have developed products that are both healthy and tasty.



■ Possibilities of New Effects of Acerola

In research into the body's high rate of absorption of vitamin C from acerola, Nichirei Foods analyzed the effects of acerola powder and acerola juice on gut microbiota. Our analysis showed that when human gut microbiota were supplied with acerola powder or acerola juice, there was an increase not only in beneficial enteric bacteria such as *Lactobacillus bifidus* but also metabolites such as acetic acid and butyric acid, which are known to be good for the body. We will delve deeper into these results and conduct even more sophisticated research. With this, we expect to be able to further clarify mechanisms and utilize the results in new research and development and product development. Food enriches people's lives and by approaching food from a scientific perspective, we aim to realize a healthier society.



Possibilities of New Effects of Acerola(Only Available in Japanese)



■ Companion Diagnostics

Provision of diagnostics for personalized cancer treatments

In 2014, Nichirei Biosciences became the first Japanese company to manufacture and sell “companion diagnostics”, which are used to select treatments and drugs eligible for each patient with cancer in terms of their physical condition and pathology.

Furthermore, immune system-related technologies that we have developed so far are contributing to the advancement of personalized medicine that enables the selection of treatments and drugs that are highly effective and have few side effects.



Histofine ALK iAEP[®] Kit

Histofine ALK iAEP[®] Kit(Only Available in Japanese)



Development of New Technologies

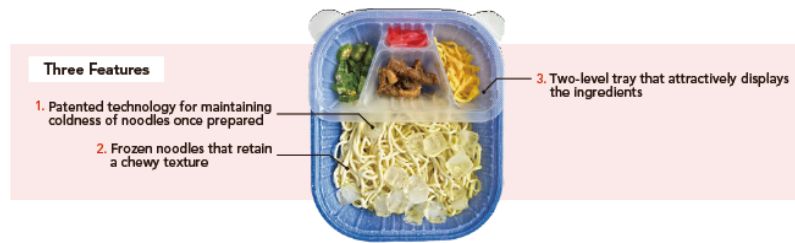
Needs relating to good eating habits have been growing and diversifying among customers and within society at large. In the drive to further strengthen its core competencies and proactively resolve social issues, Nichirei will leverage its production technologies and expertise, while drawing on new developments including those in AI, IoT, autonomous driving, and robotics.

* Artificial Intelligence (AI) is the use of computers to artificially realize the workings of human intelligence. Specifically, AI refers to computer programs that can understand natural human language, perform logical reasoning, and learn from experience.

■ Launch of Single-serving Noodles Using Original Technology That Keeps Noodles Cold When Prepared in a Microwave

In March 2022, Nichirei Foods launched Hiyashi-Chuka (chilled Chinese noodles), a household-use frozen food product it developed as the first in a series of single-serving noodle products that can be prepared in a microwave. A microwave oven heats food by causing the water molecules in food to vibrate. The bonded hydrogen molecules in ice are less affected by microwaves, so they are harder to melt, while the molecules of the frozen noodles are further apart, making them easier to warm. We put these different characteristics of each food product to use in developing an original technology* for producing chilled noodles that remain cold even after they have been prepared in a microwave. This product took about five years to bring to market from the initial concept, with about three of those years for commercialization. With our many years of research into frozen foods, we take pride in the concept behind this unique product, which is the first in the industry to utilize the characteristics of ice in a microwave.

* Patent pending



In fall 2022, we will launch the second product in this series, Gokubuto-Tsukemen (chilled thick Chinese noodles served with a dipping sauce). This product also applies our original technology that uses ice to keep the noodles cold while enabling the broth to warm. It features homemade-style extra-thick noodles made with whole wheat flour and a rich broth with a seafood and pork flavor.

The development of these products was driven by the move toward lifestyles that rely on cooking and eating outside the home, as well as an increase in single-person households that has in turn increased demand for personal-use, single-serving meals containing a staple food and a main dish, as well as snacks that can be eaten with one hand. In response to this situation, Nichirei Foods' Yamagata Plant in Tendo City, Yamagata Prefecture invested approximately ¥4 billion in a production line for personal-use, single-serving frozen foods. It began operating in February 2022. This will help us meet personal-use product demand, which is expected to grow, and capture stay-at-home consumption.



Chilled noodles that remain cold even after they have been prepared in a microwave "Hiyashi-Chuka"
(Only Available in Japanese)

Strengthening Food Processing and Production Technology Capabilities; Enhancing Logistics Services

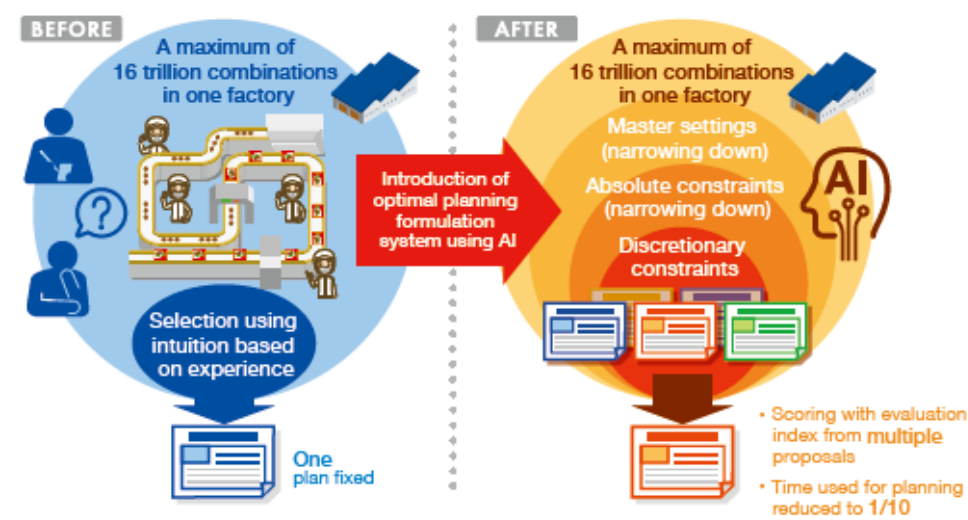
■ Harnessing AI to Automate and Optimize Production and Personnel Planning

Nichirei Foods has collaborated with Hitachi, Ltd. in creating a system that uses AI to automate and optimize production and personnel planning. In FY2021, the system was introduced at two model factories in Japan. It uses sophisticated AI technology to reproduce and refine plans previously formulated by experts based on complex constraints. In addition to legal and regulatory requirements involved in personnel planning, a variety of other conditions must also be considered, including individual ability, overtime, and paid leave. Until now, experts formulated plans based on such preconditions, often relying on experience-based intuition. The new system uses AI to automate planning and identify optimal solutions from among the various permutations, while also quantifying and incorporating intuition-based criteria. As a result, planning requires one-tenth of the time and can be conducted by non-expert employees. The system is expected to contribute to work style reforms such as by reducing the number of hours worked and encouraging more employees to use paid leave. Given that in recent years food manufacturers have been called upon to make and supply products while responding to fluctuations in demand, the system is contributing to improved customer satisfaction due to its application of

advanced digital technologies and the creation of efficient production systems. Nichirei Foods will continue to harness digital technologies to promote further improvements in productivity, reductions in lead time and inventories, as well as work style reforms.



●Production Planning Formulation Image



From a maximum of 16 trillion combinations in one factory, production plans encompassing daily production products and volumes for each line and personnel plans involving shift schedules are formulated automatically.

Automate and Optimize Production and Personnel Planning(Only Available in Japanese) 

■ Expiration Date Reader AI Solution for Tablet Inspections*

Following field tests, in FY2021 Nichirei Logistics Group began introducing an AI solution for automatically reading expiration dates from image data at 50 bases nationwide. As part of its efforts to fully digitalize warehouse operations, the Group has adopted tablet devices and is using AI solutions to enhance their functionality. Previously input manually, expiration date input can now be completed hands-free using AI, enabling highly accurate readings of 93% or higher and fast processing speeds of about two seconds. This has further improved quality control as it enables us to capture expiration date images and to then convert those images into data records, simplifying overall operations so that they can be performed by anyone, thus facilitating stress-free work.

* Automated expiration date reader AI solution: Preprocessing technologies that use AI-OCR (Optical Character Recognition/Reader) and image recognition to identify the characters of the expiration date from the image and cross-reference the recognized expiration date with information in the cloud, thereby achieving higher reading accuracy.



■ Autonomous Driving Forklifts

In January 2018, Nichirei Logistics Group began conducting field tests of autonomous driving forklifts at refrigerated warehouses. In 2021, they were introduced at the Daikoku Distribution Center of Group company Kyokurei. A distinctive characteristic of autonomous driving forklifts is that they can be given instructions using a tablet device, thereby making safe operation possible for employees who might otherwise lack the physical strength or operating skills to manually operate a forklift. Going forward, we will steadily increase the number of facilities with autonomous driving forklifts and tie that measure into reducing working hours, economizing on manpower for on-site work, and improving occupational health and safety at our warehouses.



An autonomous driving forklift featured in OriOri, an in-house Group publication

■ Automated Guided Vehicles (AGVs)

In 2021, Nichirei Logistics Group introduced automated guided vehicles (AGVs) at the Sendai Distribution Center of Nichirei Logistics Tohoku. AGVs are used for transporting pallets supplied by Phoxter Corporation (Headquarters: Toyonaka City, Osaka; President & CEO: Junichi Sonoda), which develops image processing technology and AGVs. AGVs for transporting roll pallets have also been introduced at five transfer centers.

The Group is focused on process innovation to address labor shortages, reduce the load on workers, and revolutionize on-site work so that anyone can do it. We will continue to work on building an optimal labor environment and system leveraging the characteristics of both humans and machines.



AGV for transporting pallets



AGV for transporting
roll pallets

■ Start of Proof-of-Concept for Introduction of New Robot

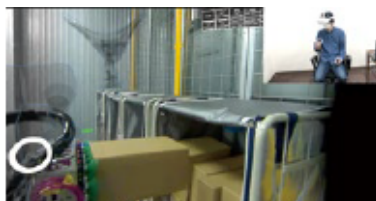
Nichirei Logistics Group Inc. collaborated with Telexistence Inc. to conduct a demonstration test in which Telexistence's remote-controlled robot loaded mixed cargo on basket carts in the refrigerated area of a logistics facility.

The test confirmed the feasibility of creating a remote, stress-free work environment in logistics centers in which an operator in an office remotely controls a robot in a refrigerated area. The work involved the operator visually confirming each piece of cargo and its place of loading, then moving the robot and its arm by remote control.

We will continue to proactively introduce cutting-edge technology and digitalize operations in working to achieve sustainable logistics that support the supply chain.



Robot loading cargo
on a basket cart



Robot operator using goggles
to check the cockpit view
for remote control operation





Building a Sustainable Supply Chain

Basic Philosophy

Basic Philosophy

The Nichirei Group is working to build a sustainable supply chain. On April 1, 2022, the Group established the Nichirei Group Human Rights Policy, the Nichirei Group Sustainable Procurement Policy, the Nichirei Group Supplier Code of Conduct, and the Nichirei Group Supplier Guidelines. These policies are based on the United Nations Guiding Principles on Business and Human Rights and the Ten Principles of the United Nations Global Compact as well as on The Nichirei Pledge, which is the Group's basic sustainability policy. They also provide the foundation for "realizing sustainable food procurement and resource recycling," one of the Group's material matters. Going forward, we will continue to promote the Nichirei Group Supplier Code of Conduct and Guidelines. We will evaluate risk factors in the supply chain and work with suppliers to mitigate these risks in accordance with the potential impact on business.

We will work to build a sustainable supply chain by sharing values and building close relationships within the Group and with suppliers.

Policy	Key Points for Amendment and Enactment
Nichirei Group Human Rights Policy	Respect for human rights in the Group and throughout the supply chain, implementation of human rights due diligence, introduction of system for filing grievances, etc. Human Rights Policy 
Nichirei Group Sustainable Procurement Policy	Respect for human rights throughout the supply chain, reduction of environmental impact, consideration for animal welfare and biodiversity, etc. Sustainable Procurement Policy 
Nichirei Group Supplier Code of Conduct	Clarification of requirements for suppliers based on the Nichirei Group Sustainable Procurement Policy Supplier Code of Conduct 
Nichirei Group Supplier Guidelines	Explanation of items in the Nichirei Group Supplier Code of Conduct Supplier Guidelines 

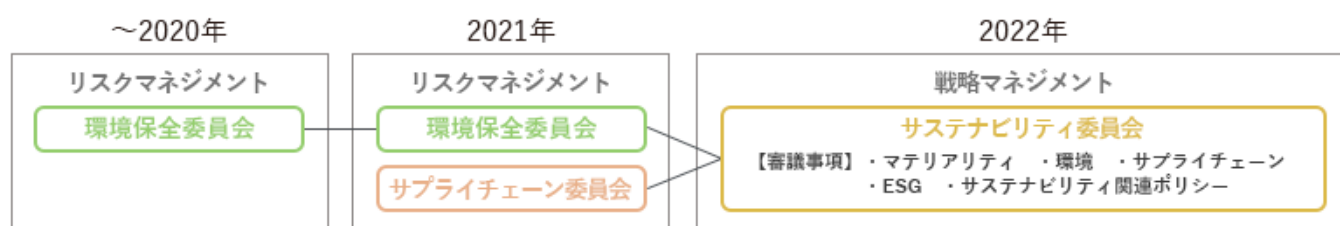
Management System

The Group is aware that it may have various impacts on society and the environment, including in its supply chain, through its domestic and international business activities, so it wishes to forge an appropriate relationship with stakeholders from a social and environmental perspective as well.

■ Establishment of the Group Sustainability Committee

The Group Sustainability Committee, established in FY 2023, deliberates on the Nichirei Group's efforts to realize a sustainable society and works to maximize the Nichirei Group's corporate value by balancing social and economic value.

● 委員会体制の変遷



Sustainability Promotion Structure

From April 2022



Structure for Promoting Sustainability



Initiatives

■ Certified Sustainable Palm Oil (RSPO Oil Credits)

Palm oil from the fruit of the oil palm is used as a raw material in such products as cooking oil, soap and detergent. In recent years, the ongoing large-scale development of oil palm plantations has led to environmental issues, including deforestation of tropical rain forests and CO₂ emissions from peat areas, as well as forced labor and child labor among plantation workers, which are global issues. In August 2018, the Group became a member of the non-profit organization Roundtable on Sustainable Palm Oil (RSPO), which promotes the production and use of sustainable palm oil. We are promoting efforts to make palm oil used in our products sustainable palm oil, and have aggregated all (100%) of the palm oil used at Nichirei Foods' food factories (domestic and overseas consolidated subsidiaries) and will continue to purchase RSPO-certified oil credits (book and claim method) for the relevant amount from 2018 to 2021. Purchased.



4-1055-18-100-00

Membership profile page

<https://rspo.org/members/7750>

ASC/MSC-certified Products

■ Aquaculture Stewardship Council, Marine Stewardship Council Certification

Since 2006, Nichirei Fresh Inc. has been involved in the "Inochi-no-Mori-Project"*1, a natural environment protection activity on Kalimantan Island, Indonesia, through the sustainable black tiger prawn farming and mangrove tree planting. The company has also spread its activities to banamei shrimp aquaculture ponds in Sumatra, Indonesia, and obtained ASC certification*2 in 2018. 280,000 mangrove trees have been planted since 2020. We are also gradually increasing our handling of Marine Stewardship Council (MSC) certification*3 marine products, and as of June 2022, we are handling 18 species of marine products. We will continue to increase our handling of sustainable marine products.

Notes:

1. Inochi-no-Mori Project: <https://www.nichireifresh.co.jp/inochinomori/> (Only Available in Japanese)
2. ASC certification requires that marine products used have been cultivated in a sustainable manner.
3. MSC certification requires that wild seafood used has been caught using methods that do not deplete the natural supply.

■ Nichirei Fresh Products That Have Obtained MSC/ASC Certification

Certification	MSC/ASC Certification
ASC Certification Number ASC-C-01632	Giant tiger prawn, Whiteleg shrimp, Pacific oyster, Atlantic salmon, Coho salmon, Rainbow trout
MSC Certification Number MSC-C-52165	Arctic surf clam, Arrow-tooth flounder, Flathead sole, etc., Atka mackerel, Capelin, Chinook salmon, Silver salmon, Pink salmon, Herring, Japanese carpet shell, Longfin inshore squid, Pacific cod, Pacific oyster, Chum salmon, Red king crab, Snow crab, Sockeye-red salmon, Walleye pollock, Yesso scallop

(As of June 2022)



Shio Sujiko (salted sujiko),
processed roe from MSC-certified
Alaskan sockeye-red salmon

■ Collaboration with WWF Indonesia and WWF Japan Promoting Biodiversity Conservation in North Kalimantan through the More Than Decade-long Forest of Life Project

In the province of North Kalimantan, on the Indonesian island of Borneo, the natural environment is facing destruction from the expansion of plantations, afforestation, and shrimp farming. The rapid increase in the number of shrimp farms in coastal areas has led to the successive felling of forests and mangroves, and the rapid environmental changes are threatening valuable wildlife species with extinction.

In 2006, responding to concerns over the loss of mangroves in North Kalimantan, Nichirei Fresh initiated the Forest of Life Project in cooperation with its local supplier, PT. Mustika Minanusa Aurora (MMA) and the city of Tarakan, on Tarakan Island. The project assists in planting efforts and biodiversity conservation, by selling shrimp cultivated traditionally without using formula feed or electricity, and donating a portion of the proceeds to MMA's Mangrove Foundation. In partnership with WWF Indonesia and WWF Japan, Nichirei Fresh is currently promoting activities improving aquaculture as part of the WWF North Kalimantan Sea and Forest Conservation Project. Over a 10-year period, trees have been planted across an area stretching 302 hectares in an effort to restore mangrove forests. This has resulted in an increase in wildlife, including small birds, crabs and small fish, and even proboscis monkeys introduced from outside the region have begun breeding naturally.



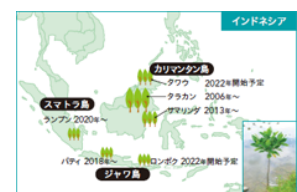
About half of the island's
forest has
been lost over the past
50 years



Shrimp that have grown big



Regeneration of
mangrove trees



Mangrove Planting

Please refer to the following website for further details.

Nichirei Fresh Forest of Life Project (Only available in Japanese)



Helping to Resolve Social Issues through Our Business Nichirei Fresh Inochi-no-Mori-Project



Conserving Biodiversity and Maintaining Sustainable Production: MSC Fisheries Certification at Clam Fishery

About 60% of Japan's imported clams are sourced from wetlands along the Yellow Sea coast of China. Since 2006, Nichirei Fresh has procured clams from China for use as a premium ingredient. In recent years, however, we have become concerned about the declining yield of clams and the deterioration of the natural environment.

In 2016, Nichirei Fresh collaborated with Dandong Taihong Foodstuff Co., Ltd., a supplier of clams, and the World Wide Fund For Nature (WWF) in a fisheries improvement project.

In 2021, the shellfish fishery of the Yalu Estuary received Marine Stewardship Council (MSC) certification for sustainable fishing that considers the rich natural environment of the Yellow Sea coast, which is indispensable as a resting and feeding place for migratory birds. The certification was the first example of a shellfish fishery improvement project in China involving cooperation between participants in the supply chains of China and Japan. Nichirei Fresh will continue to increase the number of products that bear the MSC certification* for sustainable fishing.

* MSC certification requires that wild seafood used has been caught using methods that do not deplete the natural supply.

Key Elements of the Coastal Wetland Ecosystem of the Yalu River Estuary



Winner of "Champion" in the Collaboration category at the 4th Japan Sustainable Seafood Awards(Only Available in Japanese)



Regenerating Marine Habitats

In June 2022, Nichirei Fresh joined Fukuoka Uoichiba Co., Ltd. and the Amakusa Fisheries Cooperative in launching the Inochi-no-Umi-Project. This initiative focuses on regenerating Zostera beds, which are areas of the seabed where this type of marine eelgrass grows. The project is funded using a portion of sales of natural shiba shrimp caught in Amakusa City, Kumamoto Prefecture. Zostera beds are a spawning and nursery ground for marine life. They play an important role in the marine ecosystem. However, Zostera beds are declining in number each year, which impacts the habitat of marine life and causes water quality to deteriorate.

Nichirei Fresh will use the expertise and experience it has gained overseas to protect ecosystems in Japan that support seafood and the marine environment, and engage in sustainable procurement of marine products.



©2010 Kumamoto Prefecture Kumamon #K32003

Sustainable Regional Agricultural and Livestock Cycle through Junwakei Chicken

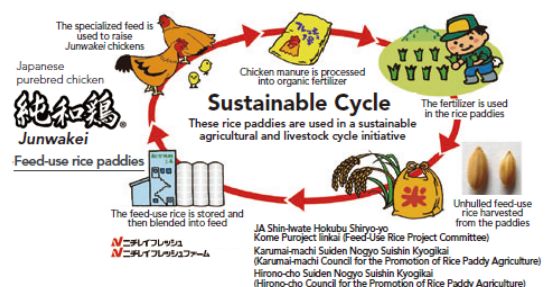
In 2009, Nichirei Fresh launched a feed rice project in collaboration with the Japan Agricultural Cooperative in Iwate Prefecture and farmers from Karumai and Hirono in 2009, and in the 13 years since then the project has been implementing a sustainable regional agricultural and livestock cycle through the production of the Junwakei breed of chicken (a crossbreed of two native Japanese species). When the project was first launched, paddies for feed rice covered around 15 hectares. By FY2022, this area had expanded to around 249 hectares yielding a harvest of roughly 1,700 tons. Manure from the poultry farm is made into organic fertilizer at an on-site high-speed manure processing plant. This fertilizer is spread over the feed rice paddies that were previously fallow rice fields, providing nutrients for the soil. Rice harvested from these paddies is fed to Junwakei chickens as formula feed. Moreover, waste heat energy from the manure processing plant is used to heat the chicken coops.



High-speed chicken manure processing plant



Chicken manure made into organic fertilizer





Antibiotic-free Chicken

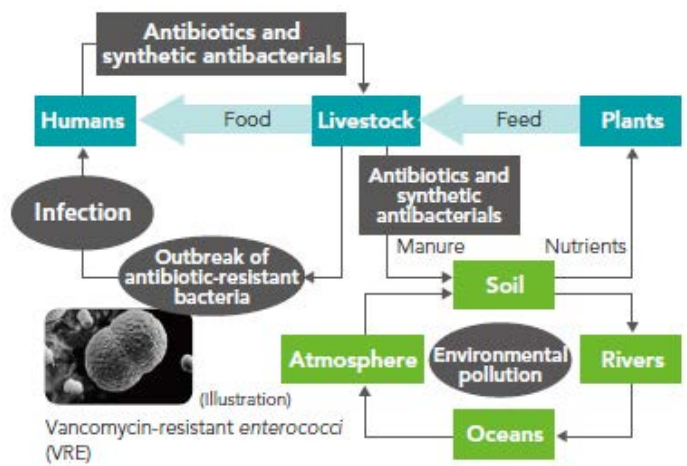
■ Antibiotic-free Chicken

Chemical agents, such as antibiotics and synthetic antibacterials, are used in general broiler chicken farming to treat diseases, prevent the spread of illnesses due to farming conducted in tight spaces, and promote growth.

Nichirei Fresh has been selling antibiotic-free chicken since 2004. While vaccinated, our poultry is not exposed to chemical agents, including antibiotics and synthetic antibacterials, that could contribute to the emergence of antibiotic-resistant bacteria.* Instead, our poultry farming methods take full advantage of the innate immunocompetence of chickens. Our farming technology takes into consideration the growing conditions and applies Nichirei Fresh's proprietary expertise to poultry farming, resulting in chickens with higher natural immunocompetence and greater natural resistance to diseases. This is achieved through the use of such feed ingredients as lactic acid, other probiotics, and plant-based herbal medicines that help maintain the health of chickens and boost their immunity. Since the manure of chickens exposed to antibiotics affects soil bacteria and groundwater, the poultry farming methods used to produce antibiotic-free chicken also contribute to the natural cycles intrinsic to ecosystems.



● Antibiotic-resistant Bacteria That Threaten Ecosystem Cycles

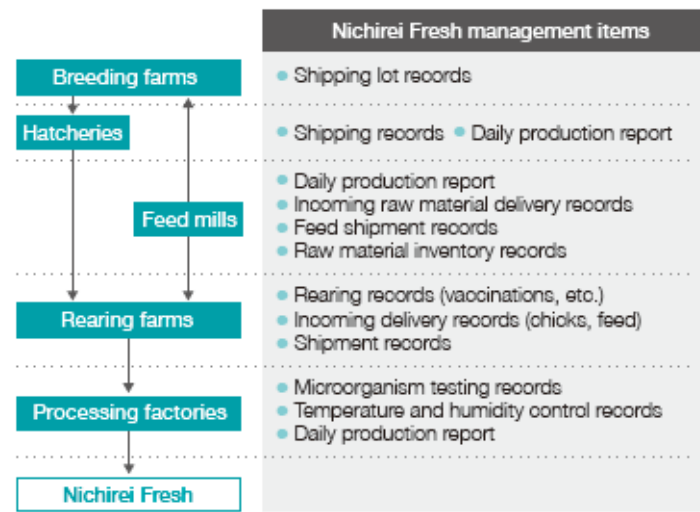


* Drug-resistant bacteria: Protecting people from drug-resistant bacteria (not affected by antibacterial agents) is becoming an issue worldwide. Those with weakened immunocompetence who are exposed to such bacteria may not respond to treatment with antibiotics. Drug-resistant bacteria have been found in livestock continuously exposed to chemical agents such as antibiotics and synthetic antibacterials. As a result of growing consumer interest in the United States, meat from animals not exposed to antibiotics is becoming increasingly popular. We will continue to assess the issue of drug-resistant bacteria as we produce chicken that helps maintain human health.

■ Reliable Management System: Inspections to Ensure Use of Antibiotic-free Chicken

Nichirei Fresh is performing its own inspections to ensure that poultry is antibiotic free. These inspections roughly break down into verification of production processes and product inspections. Personnel responsible for the inspections regularly visit production areas to verify that all production processes (from those in feed mills to those in breeding farms and processing factories) are being performed to the Company’s standards. In addition, the Nichirei Quality Assurance Division’s Food Safety Research Center performs product inspections involving testing for antibiotic residue in special feed used in the production of antibiotic-free chicken and in final chicken products. Nichirei Fresh ensures that quality control is adequate by inspecting all its processes, from the animal feed it uses to final product shipments.

● Quality Control: Antibiotic-free Chicken



FA (free from antibiotics) chickens (Only available in Japanese)

■ Questionnaire Survey and Progress with Major Suppliers

To work on building sustainable supply chains, the Nichirei Group undertakes the procurement of products and services in accordance with its policy and encourages its suppliers to understand the policy and put it into practice.

	FY2018	FY2019		FY2020	FY2021	FY2022
Nichirei Foods	Shared Nichirei Group Sustainable Supply Chain Policy with important suppliers in Japan and overseas, conducted surveys in a questionnaire format	Collected all questionnaires	Analyzed questionnaire content	• Join Sedex	SMETA audits conducted at investee factories in Japan (2 factories)	Conducted SMETA audits at all remaining 13 investee factories in Japan
				• Started creating Supplier CSR Guidelines	Conducted a questionnaire based on CSR guidelines to domestic suppliers	Ongoing collection of questionnaires
Nichirei Fresh			Visited some suppliers and exchanged opinions	Continuation of analysis of questionnaire contents	A new list of domestic and international suppliers is being compiled	A CSR questionnaire is being prepared

From FY2023, we will continue to promote the Nichirei Group Supplier Code of Conduct and Guidelines and apply it to suppliers throughout the Nichirei Group. We will evaluate risk factors in the supply chain, identify and communicate risks, and work with suppliers to mitigate these risks in accordance with the potential impact on business.

We will work to build a sustainable supply chain by sharing values and building close cooperative relationships within the Group and with suppliers.

■ Sedex subscription and SMETA audits

Nichirei Foods joined Sedex^{*1} in July 2019. In October 2020, we established "Nichirei Foods Supplier CSR Guidelines", disseminated in five languages. Preparation for the audits began in FY2021, and in FY2022, we completed the implementation of SMETA audits^{*2} at 13 investee factories in Japan. In addition to our own food factories, we also conducted one audit each at two major OEM customers. FY2023 SMETA audits were also conducted at all plants.

Notes:

1. Supplier Ethical Data Exchange (Sedex): A non-profit organization established in the United Kingdom in 2004 to provide a platform for managing and sharing corporate ethical information with the aim of realizing responsible business practices in supply chains.
2. Sedex Members Ethical Trade Audit (SMETA): An audit methodology developed by the Sedex Stakeholder Forum, whose members consist of brand-owners, companies, and audit firms, by consolidating best practices related to ethical audits.

■ Collaboration with suppliers

Nichirei do Brasil Agricola Ltda. provides contractors with acerola seedlings and cultivation technology, and the fruits that are the result are all purchased by Nichirei do Brasil Agricola, and contributes to the local society including the guidance for the farmers, employment and income.

Helping to Resolve Social Issues through Our Business> Acerola Business



Nichirei Foods > Acerola Powder



Nichirei do Brasil Agricola Ltda. (NIAGRO) awarded "Gold" rating in EcoVadis Sustainability Survey (2022) for the second year in a row, equivalent to the top 5% level.

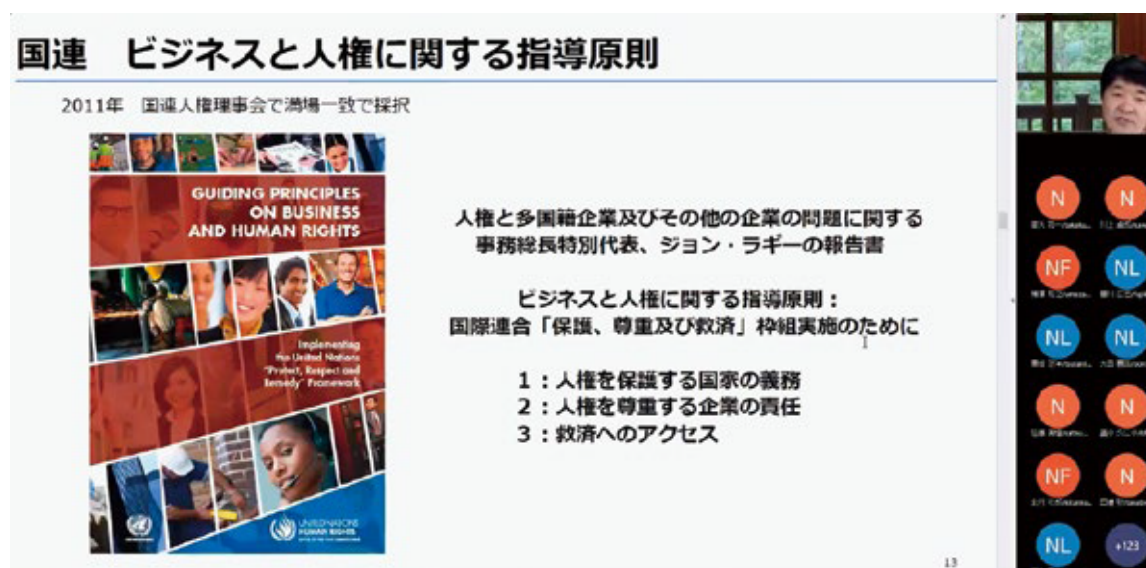


Education for Sustainable Procurement

■ Study Sessions on Sustainability for Management

In FY2023, we are inviting experts to participate in study sessions on sustainability for management. We plan to hold five such sessions. At the third session, Mr. Hidemi Tomita of LRQA Sustainability K.K. gave a lecture on sustainable procurement and human rights. A total of 139 people* attended the event, which created greater awareness of human rights issues in the supply chain.

● Online study session



* Including 85 directors from the holding company and operating companies and 54 officers from related divisions

	Date	Theme	Lecturers	Number of participants (of which, number of directors)	Percentage of directors attending
1st	April 26, 2022	Sustainability Challenges Faced by Corporations	Mr. Kenji Huma, CEO, Neural Inc.	124 participants (10)	100%
2nd	May 24, 2022	The Future of Food and Transportation	Mr. Kenji Huma, CEO, Neural Inc.	127 participants (10)	100%
3rd	June 28, 2022	Sustainable Procurement and Human Rights Issues	Mr. Hidemi Tomita, President, LRQA Sustainability Co.	139 participants (10)	100%
4th	August 23, 2022	The Importance of SDGs and the Significance of Corporate Initiatives	Mr. Kazuo Tase, CEO, SDG Partners, Inc.	131 participants (10)	100%
5th	September 27, 2022	Business Transformation to Circular Economy	Mr. Shinichi Tabei, AMITA HOLDINGS CO., LTD.	140 participants (10)	100%
6th	January 24, 2023	"Human Rights" tackled in the supply chain - What is the human rights due diligence expected of companies nowadays -	Mr. Hiroshi Ishida, Executive Director, Caux Round Table Japan	157 participants (10)	100%

* All members of the Board of Directors, including outside directors, attended all meetings.

■ Offering e-learning sessions for employees

■ FY2023

	Holding period	Theme	Implementation rate
1	May 9 - May 27, 2022	Circular Economy	97.1%
2	Nov 14 - Dec 12, 2022	SDGs in general	93.8%
3	Dec 1 - 28, 2022	Business and Human Rights	93.9%

Human Rights

Basic Philosophy

Basic Philosophy

The Nichirei Group is constantly trying to create new customer value. It does so under the Group’s corporate vision of “continuing to support good eating habits and health by leveraging our state-of-the-art manufacturing practices that optimize nature’s bounty, along with our leading-edge logistics services.” At the same time, we are helping find solutions to challenges facing our society, in an effort to be an indispensable member of society.

Recognizing that our business processes may have a direct or even an indirect effect on human rights, we have instituted the Nichirei Group Human Rights Policy, based on the United Nations Guiding Principles on Business and Human Rights. Our policy guides us as we seek to fulfill our responsibility to respect the human rights of all our stakeholders.

Human Rights Policy


Respect for Human Rights
Human Rights Due Diligence
Human Rights Issues Relating to Our Business Activities Discrimination Harassment、 Forced labor and child labor、 Freedom of association and right to collective bargaining、 Occupational health and safety、 Working hours and wages、 Impact in the supply chain、 Impact on local communities
Grievance Mechanisms
Education and Training
Monitoring and Reporting

The Nichirei Group Human Rights Policy 

Management System

Management System

In addressing the consideration of human rights in our business activities, the Nichirei Group recognizes that through our business activities in Japan and overseas, we may have various impacts on society and the environment, including our supply chain, and we wish to build appropriate relationships with our stakeholders in terms of society and the environment. The Human Rights Policy was established in April 2019 and revised in April 2022 based on the establishment of the Nichirei Group Sustainability Policy "Nichirei Pledge". Issues related to human rights are discussed by the Group Sustainability Committee.

Sustainability Promotion Structure 

External Communications

■ Participation in Stakeholder Engagement Program

The company participated in the 2019-2022 Caux Round Table Stakeholder Engagement Program. In this context, the committee also held in-depth discussions on how to address human rights issues as well as identify human rights issues specific to the food industry and logistics business, including issues raised by NGOs and others, and the exchange of opinions among companies.

The results will be used in our human rights efforts and we will continue to conduct stakeholder engagement to identify industry-specific human rights issues.

■ Participation

Year	Number of participants	Affiliation of participants
2019	2	Nichirei Group Communication Dept.
2020	2	Nichirei Group Communication Dept.
2021	4	Nichirei Group Communication Dept., Nichirei Foods Sustainability Management Dept.
2022	5	Nichirei Sustainability Management Dept, Nichirei Foods Sustainability Management Dept.

The report of stakeholder engagement program can be downloaded from the web site of CRT Japan.

2020 Human Rights Due Diligence Workshop



2021 Human Rights Due Diligence Workshop



2022 Human Rights Due Diligence Workshop



We also participated annually from 2019 to 2022 in the International Conference on Business and Human Rights (organized by the Japanese Committee of the CRT), which is attended by domestic and international NPOs/NGOs and human rights experts.

Business and Human Rights Conference



Caux Round Table Japan



Initiatives for Human Rights of Employees

The Nichirei Group is aware that, when it comes to operating a global business, respecting the human rights not only of the Group's employees, but also all stakeholders involved in its businesses is absolutely essential, and that this philosophy applies to all people and companies. Based on this way of thinking, the Group has referenced both the "ILO Declaration on Fundamental Principles and Rights at Work"*¹ and the "UN Guiding Principles on Business and Human Rights"*², among other international human rights standards, and sets forth the Group's Code of Conduct as follows. The Nichirei Group respects human rights and does not discriminate at all based on race, skin color, gender, religion, political views, nationality, social status, background, or any other factor. The Nichirei Group rejects all forms of forced labor and child labor. Furthermore, discriminatory behavior, violent behavior, sexual harassment, power harassment, and other such behavior is forbidden, and regulatory standards are adhered to with regards to wages (including legal allowances) and working hours.

- *¹ All member nations pledge to respect, promote, and realize the obligation to eliminate discrimination in hiring and employment, implement effective abolition of child labor, forbid forced labor, and effectively approve freedom of association and the right of collective bargaining.
- *² Established by the Special Representative of the Secretary-General John Ruggie with the objective of enforcing the "Protect, Respect and Remedy" framework established to strengthen the standards and customs related to multinational firms' businesses and human rights.

As for informing employees about human rights, we are working to disseminate information related to human rights on the company intranet.



Sustainability Promotion Portal Site

Regarding employee education on human rights, e-learning on "Business and Human Rights" is provided to all employees once a year to coincide with World Human Rights Day.

e-learning

labor-management relations

In order to support the sound development of the Nichirei Group, the Nichirei Labor Union strives to ensure that the individual rights of every union member are respected. This is based on the principle of equality among members of labor and management, as well as the union's vision of a workplace environment with mutual incentives to work.

The union considers labor-management negotiations to be important. It thus narrows down the demands of its members and pushes for workplace improvements, all the while maintaining a productive relationship with management.

Labor union activities; labor-management cooperation

Internal Whistleblower Hotline and Consultation Service

In October 2003, we introduced an internal whistleblower hotline and consultation service (Nichirei Hotline) to respond to reports and consultations from employees regarding actions that violate laws and regulations, the Articles of Incorporation, internal rules, or actions that are ethically questionable. In FY2016, we updated our internal whistleblower hotline system in response to the requirements of Japan's Corporate Governance Code, which specifies that internal whistleblower hotline systems are to be independent from company's management, and introduced monitoring/checking functions through Audit & Supervisory Board members and outside officers. In 2022, we updated the system again in line with the amended Whistleblower Protection Act that went into effect in June of that year and in compliance with the government guidelines. The response system is being redesigned to strengthen whistleblower protection and confidentiality, and to expand the scope of whistleblowers.

To ensure that all officers and employees are aware of the new hotline, the Company created promotional posters for display at workplaces nationwide and distributed reminder cards to all employees. All reports and consultations received by the Nichirei Hotline are investigated by the administration office to confirm the facts and, if necessary, corrective measures are taken in accordance with the Group Whistleblowing Regulations. Whistleblowers are assured anonymity and any adverse treatment is prohibited, including retaliation by the Company, those who are the subject of complaints, or any other party. The whistleblower may also receive feedback from the administration office if he or she so requests.

The status of response to whistleblowing and consultation is regularly reported to the Board of Directors and monitored to ensure that it is being properly managed.



Nichirei Hotline card

Number of whistleblower reports and consultations regarding human rights issues

Number of Whistleblowing Cases, by Type



Compliance



■ Study Sessions on Sustainability for Management

In FY2023, we are inviting experts to participate in study sessions on sustainability for management. We plan to hold five such sessions. At the third session, Mr. Hidemi Tomita of LRQA Sustainability K.K. gave a lecture on sustainable procurement and human rights. A total of 139 people* attended the event, which created greater awareness of human rights issues in the supply chain.

● Online study session

国連 ビジネスと人権に関する指導原則

2011年 国連人権理事会で満場一致で採択

GUIDING PRINCIPLES ON BUSINESS AND HUMAN RIGHTS

Implementing the United Nations "Protect, Respect and Remedy" Framework

人権と多国籍企業及びその他の企業の問題に関する事務総長特別代表、ジョン・ラギーの報告書

ビジネスと人権に関する指導原則：
国際連合「保護、尊重及び救済」枠組実施のために

1：人権を保護する国家の義務
2：人権を尊重する企業の責任
3：救済へのアクセス

13

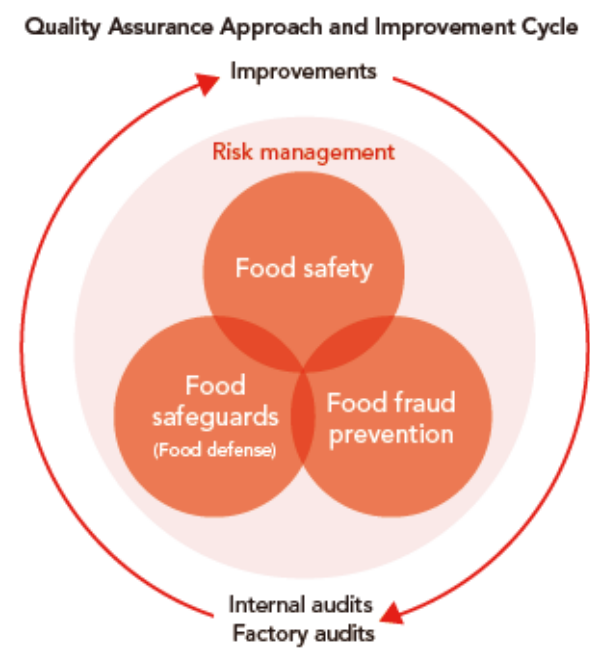
* Including 85 directors from the holding company and operating companies and 54 officers from related divisions

Providing Safe Products and Services

Basic Philosophy

Basic Philosophy

The Nichirei Group’s fundamental policy on quality assurance is to ensure the quality and safety of the food products and services it provides, so that they are safe for consumers. At the same time, we are maintaining and improving Group-wide levels of quality control, quality assurance and customer satisfaction. We aim for further enhancements by implementing the PDCA cycle in our quality management system and food safety management system and encouraging improvements when deficiencies are found through internal audits and quality audits at factories.



Fundamental Policies on Quality Assurance

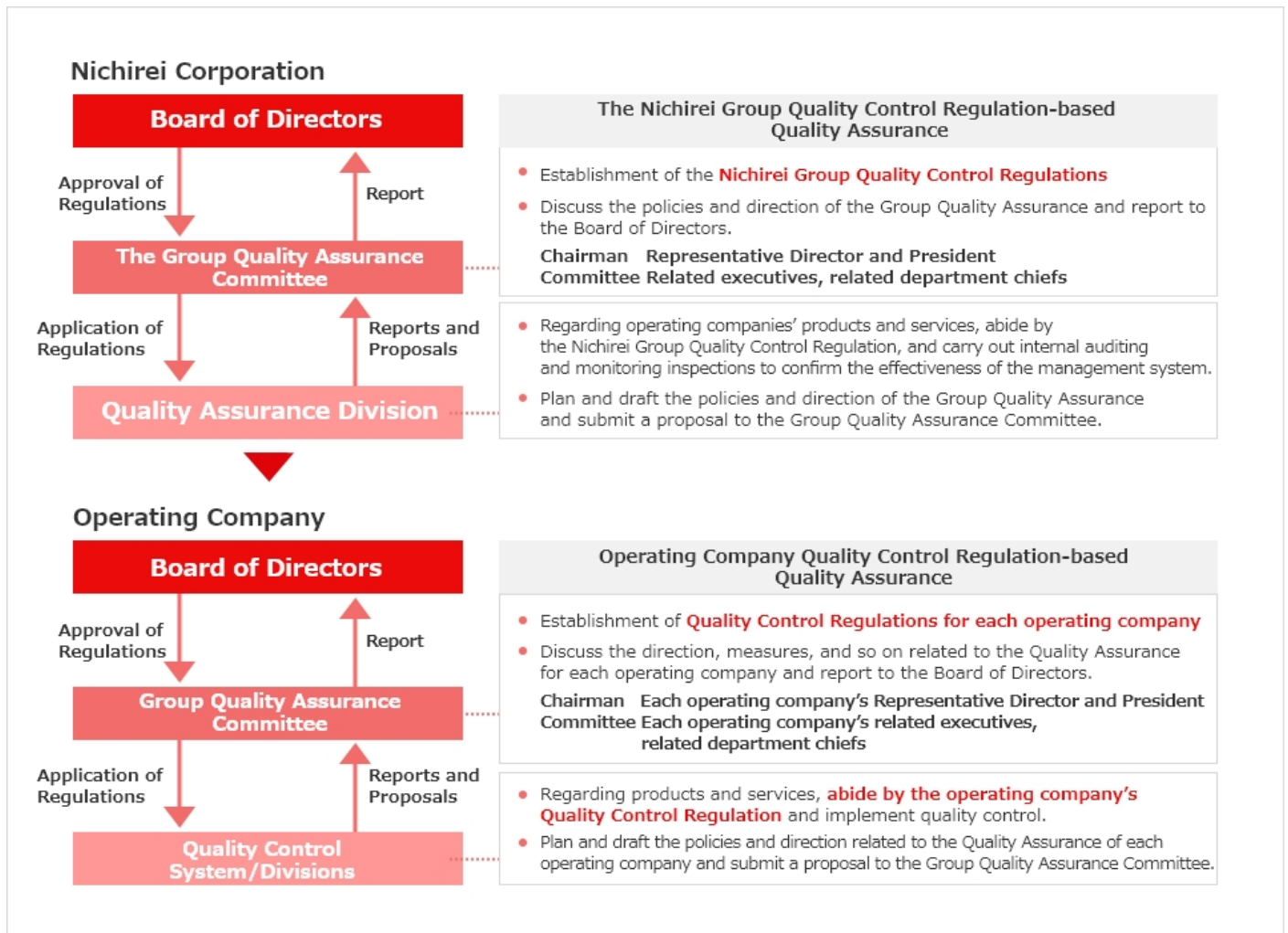
Management System

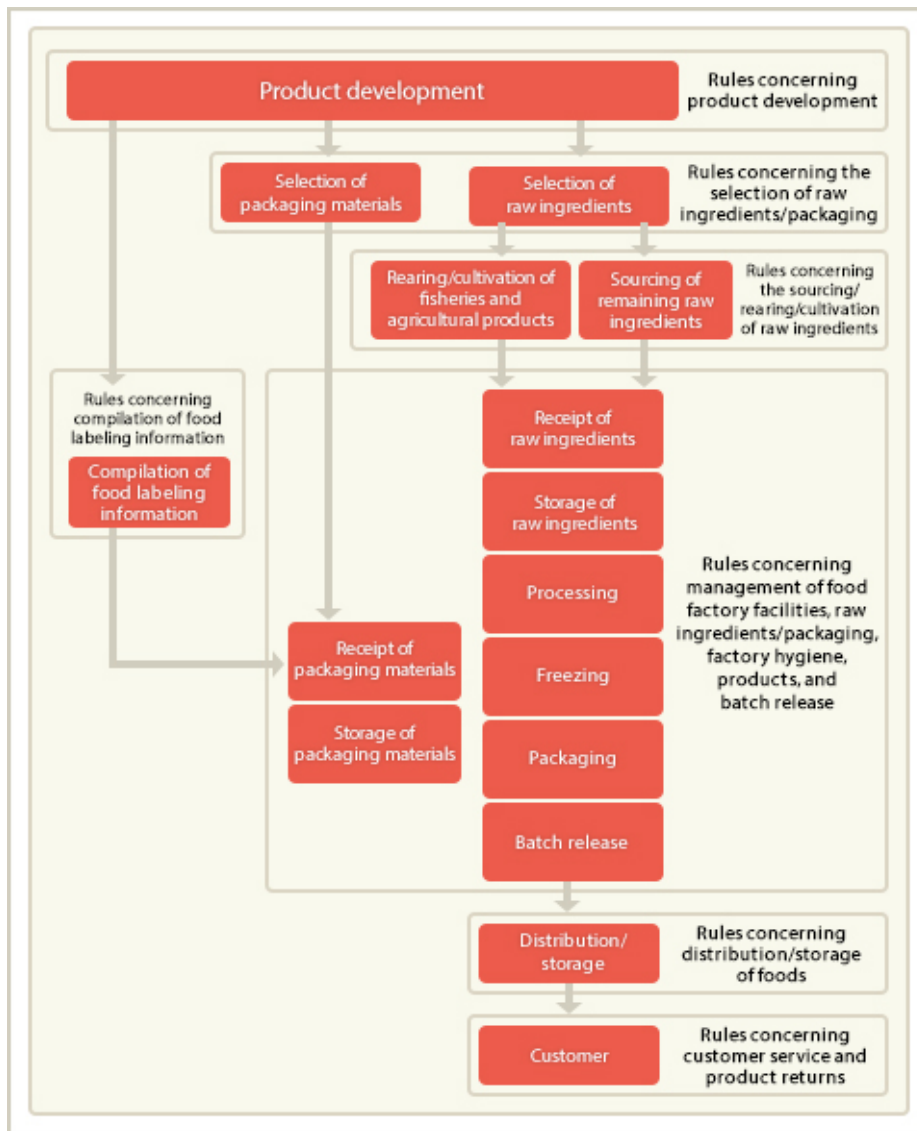
Management System

Nichirei Corporation’s Quality Assurance Division has established rules and standards for quality control and quality assurance and performs internal audits and monitoring inspections based on quality management standards to ensure that the Group’s quality management system is functioning effectively.

Each operating company’s Quality Assurance Division performs quality inspections of its own products and services and reports and shares its implementation status with the Quality Assurance Committee and the Group Quality Assurance Committee, which assists with the further revision and enhancement of its quality assurance system.

● The Nichirei Group Quality Assurance System Diagram





The Nichirei Group offers a variety of products and services. Each operating company has established rules and standards based on the characteristics of the products and services it provides.

The establishment of these rules and standards is based on the hazard analysis and critical control points (HACCP) system. The Nichirei Group's systematic preventative approach to food safety emphasizes the biological, chemical, and physical hazards in production processes and the need for a quality management system. This philosophy generally applies to all food products, and initiatives proceed according to its rules.

The Nichirei Group is working to increase the degree of food safety that it can ensure, through initiatives designed to protect food from intentional tainting that cannot be avoided using food safety initiatives, and crisis management initiatives, which allow accurate information to be revealed quickly in the event of an accident/incident leading to health hazards. It is also working to increase the degree of food safety that it can ensure, and expand its risk communication abilities during emergencies.

Initiatives

■ Conduct periodic audits (FY2019-2022)

Regular audits are conducted by each operating company based on an annual plan. The plans are formulated by rationally and objectively evaluating the magnitude of possible risks (based on risk management), ascertaining whether or not certification of international standards has been obtained, and determining the quantity of products handled annually and product characteristics. The PDCA cycle is also used in regular audits. Audit results are used as a reference when determining audit policies and target worksites when developing audit plans for the upcoming year.

* Since FY2021, we have not been able to conduct as many regular audits as planned due to restrictions on movement caused by the COVID-19 pandemic. However, we have worked to expand and review our use of remote audits in order to confirm compliance with requirements and ensure safety.

■ Regular Audits (FY2019–FY2022)

Quality Assurance Audit	FY2019		FY2020		FY2021		FY2022	
	Japan	Overseas	Japan	Overseas	Japan	Overseas	Japan	Overseas
Number of Annual Group Audits (Japan/Overseas)	66	38	52	20	40	10	46	16
Annual Group Implementation Rate (Compared with plan)	96%	100%	87%	80%	58%	28%	66%	48%

■ Quality Control Based on International Standards

The Nichirei Group offers products and services with a variety of distinguishing characteristics. In addition to having internal rules and regulations that support these characteristics, we are working to acquire international standard certification, while strengthening our quality control system to ensure we continue to provide safe products and services.

■ Certification Status (FY2019–FY2022)

Certification	Operating Company	Rate of Certification ^{*4}			
		FY2019	FY2020	FY2021	FY2022
ISO9001(Quality management system)	Nichirei Foods	20.0% (3/15)	20.0% (3/15) ^{*5}	20.0% (3/15) ^{*5}	20.0% (3/15)
	Nichirei Fresh	88.9% (8/9)	88.9% (8/9)	62.5% (5/8)	62.5% (5/8)
	Nichirei Logistics Group	90.4% (104/115)	70.4% (81/115)	70.9% (83/117)	73.5% (86/117)
FSSC22000^{*1}、ISO22000^{*2}、SQF^{*3}(Food safety management system)	Nichirei Foods	93.3% (14/15)	93.3% (14/15)	93.3% (14/15)	100.0% (15/15)
	Nichirei Fresh	75.0% (6/8)	100% (7/7)	100% (7/7)	100% (7/7)
	Nichirei Logistics Group	1.7% (2/115)	1.7% (2/115)	1.7% (2/117)	1.7% (2/117)
ISO14001(Environmental management system)	Nichirei Foods	73.3% (11/15)	73.3% (11/15)	73.3% (11/15)	66.7% (10/15)
ISO13485(Medical devices and in vitro diagnostics)	Nichirei Biosciences	100% (2/2)	100% (2/2)	100% (2/2)	100% (2/2)

*1 FSSC 22000: An international management system for food safety that is based on ISO 22000

*2 ISO 22000: An international standard for food safety management systems (for reducing food safety risks). It is based on hazard analysis and critical control points (HACCP) food sanitation control techniques

*3 SQF (Safe Quality Food): Certification providing assurance that the product being purchased meets strict international food safety and quality standards such as HACCP. Program recognized by the Global Food Safety Initiative (GFSI) in countries outside of Europe.

*4 Rate of certification: Certified worksites ÷ Total worksites of consolidated subsidiaries in Japan (food factories, logistics centers, etc.)

*5 Switching to FSSC 22000

■ Food Safeguard (Food Defense) Initiatives

To prevent intentional contamination of food products, the Nichirei Group believes it is critically important to foster strong bonds of trust with employees at worksites, creating environments in which accidents are unlikely. Furthermore, it is necessary to employ both procedures and physical safeguards, as well as verification methods in the event of an accident. We have established food safeguard (food defense) systems tailored to each product type. In-house rules covering visitors and contractors, as well as self checks, are in place, and audits of our plants are conducted regularly to confirm safety. We are also working to improve the workplace environment based on employee satisfaction surveys and interviews. We have installed cameras and face recognition systems at all of our plants in Japan and overseas.

To protect the safety of food, we have created a system that is based on the distinguishing characteristics of each product and enables follow-up investigations should issues arise. If an issue does arise, a link is established with our food crisis management system, which facilitates the dissemination of accurate information and quick responses.

Food Defense



■ Safe Workplaces, Better Service

The Nichirei Logistics Group's newly built distribution centers are equipped with state-of-the-art facilities, including advanced security features and seismic isolation. In terms of quality, the center realizes advanced logistics quality through traceability and inventory management functions, in addition to temperature control that draws on the Group's expertise and technology. In our low-temperature logistics network, we support our nationwide distribution network by transporting and delivering approximately 4,000 trucks every day, including our own, and cooperation with transportation companies is essential. For this reason, we have established a cooperative association with transportation companies and have built a close cooperative relationship with them through driver contests, training, award programs, and other initiatives to improve safety and quality.



Loginet Cooperative Association Driver Contest National Competition (once a year: 7th year)



All-Japan Forklift Driving Competition (held once a year every three years)



Judging of inspection skills

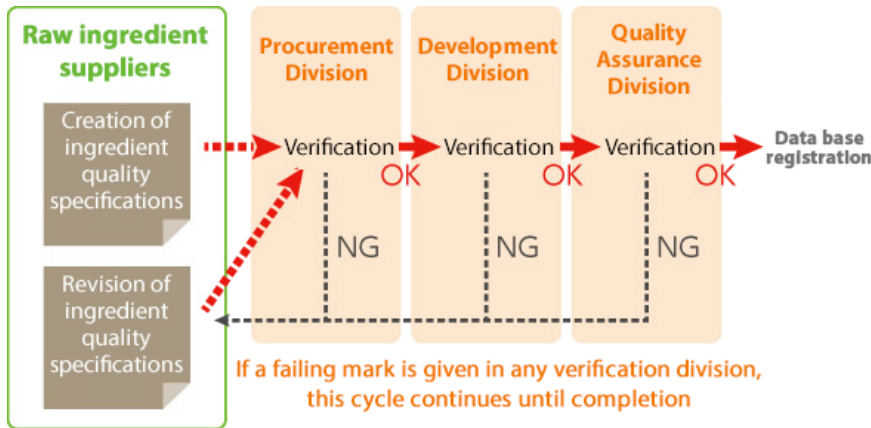


Scene from the competition

Management of Raw Ingredients

Nichirei Foods researches the materials comprising the raw ingredients in three stages, and manages the distribution percentages, quality/microbial specifications, manufacturing process, and allergens contained. Raw ingredient suppliers are required to submit information on each ingredient in the form of ingredient quality specifications. This is placed in its database and used as the basis for nutritional information and to answer customer questions. When the Nichirei Group uses a new raw ingredient, it first evaluates the production facilities, confirms the ingredient quality, and checks samples. An overall assessment follows and, even after an ingredient has been approved for use, the Group continues to do factory evaluations, inspections, and factory improvements, to further enhance the ingredient. By checking the quality of an ingredient when it takes delivery, the Nichirei Group is able to verify the effect of its factory evaluations and inspections.

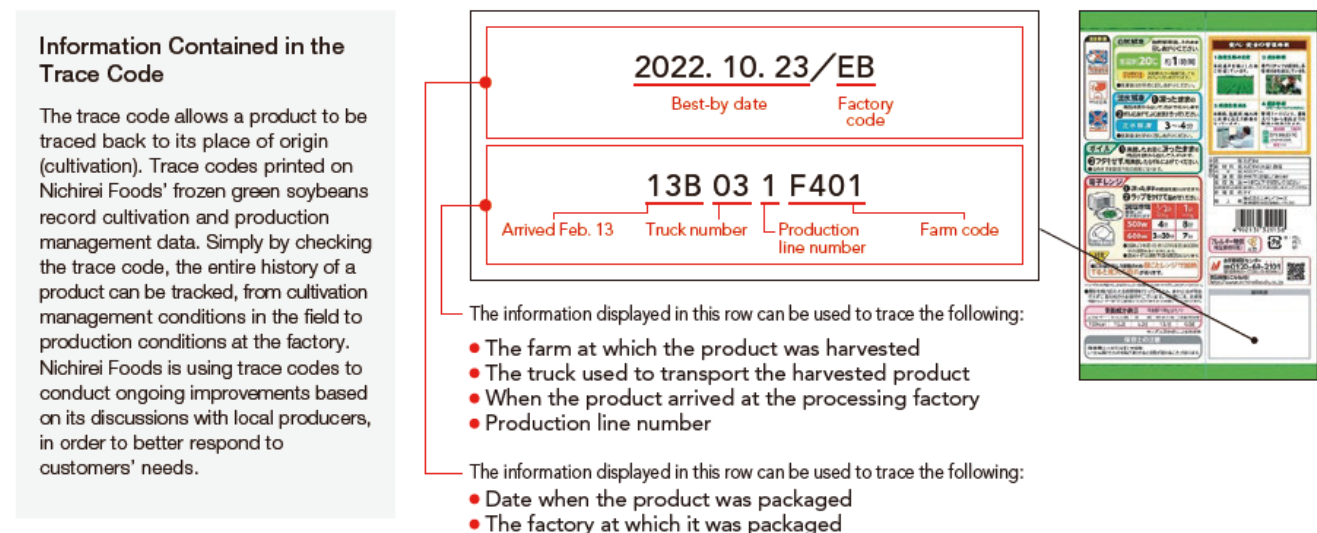
The Evaluation Flow for Ingredient Quality Specifications



Building a Traceability System

To always provide safe, reliable and high-quality food, the Nichirei Group conducts rigorous quality control and inspections, from ingredients to final products and has built a traceability system suited to the distinguishing characteristics of each product. In the event of an accident, enhanced traceability prevents damage from spreading and enables rapid investigation of the cause. We also provide prompt and accurate information to alleviate consumer concerns. Building a traceability system requires collaboration and cooperation on the part of ingredient suppliers, manufacturers and distributors in our supply chain. The Nichirei Group regularly holds study sessions to deepen shared awareness with regard to quality-related information. To digitalize and link information, we are also promoting the utilization of our proprietary system for central control.

Traceability of Frozen Green Soybeans (Illustration)



【Cultivation Management】

The farms, in China and Thailand, where frozen vegetables are produced for Nichirei Foods have been selected based on their ability to meet Nichirei Foods' environmental standards (in terms of soil, water quality, etc.) and agro-chemical management requirements. A farm advisor, from the Group's frozen vegetable production facilities, is regularly sent to these farms to do on-the-spot checks of cultivation conditions and confirm that they are being adequately managed.

Quality Control of Frozen Vegetables(Only Available in Japanese)



【Production Management】

Nichirei Foods provides quality-management guidance for the contract factories that produce its frozen vegetables. Records are kept detailing the importation, selection, cleansing, processing, freezing, packaging, inspection, and shipping of the vegetables cultivated. In addition, the Nichirei Group makes sure with local inspection agencies that there are no problems regarding residual agrochemicals during pre-processing. During shipping it also checks that there are no problems with the production facility inspection divisions that have received technical training from Nichirei. Furthermore, the Nichirei Food Safety Center systematically inspects the hygiene and residual agrochemicals of domestic produce and certifies their safety at the same time as confirming the proper functioning of the local systems.

Quality Control of Prepared Frozen Food Products(Only Available in Japanese)



■ Initiatives for Communication with Customers

Besides providing products with reliable quality, providing relevant information to customers is Nichirei Foods' top priority. Nichirei Foods has eliminated excessive advertising on its packaging and works to provide relevant information. In addition, through the activities of its Customer Support Center, the Nichirei Group uses its customers' opinions to provide feedback to work sites and improve quality.

Adding the N Mark to Packaging

A lot of information is concentrated on packaging. The information in the all-in-one displays on the side or back of packaging cannot afford to be mistaken, and thus undergoes stringent double-checking to ensure that all relevant legal stipulations are met. The name and place of origin of raw ingredients used in products are identified on the packaging, based on the information provided by the producers. Further, since the best-by date and lot number are displayed, it is possible to look up when and where a product was made, and which ingredients were used. Given the Group's belief that a customer's ability to communicate with it is of paramount importance, packaging clearly displays a toll free number for enquiries.

Text is written using an easily legible universal font and color universal design, a system developed for people with various types of color vision. This we complement with icons and illustrations.

Back Side

Icon

Displayed with intuitive illustrations

The Japan Frozen Food Association accreditation mark

Cooking methods

Nutritional information

Information identifying packaging materials

保存の注意
いったん解けたものを再び凍らせると品質が変わることがありますのでご注意ください。
-18℃以下で保存してください。

栄養成分表示 1個当たり(22g)
エネルギー 42kcal | たん白質 2.6g | 脂質 2.4g | 炭水化物 2.5g | ナトリウム 118mg
(食塩相当量 0.3g)

外装: PP(ポリプロピレン) | トレイ: PP(ポリプロピレン)
※捨てる時は自治体の区分に従ってください。

注意事項
オート(自動) | オート(自動)不可
やけど注意

電子レンジ
①凍ったままトレイを切りはなします。
②ラップをかけず温めてください。
調理時間
1個 2個 4個
500w 40秒 1分 1分30秒
600w 40秒 50秒 1分20秒
●加熱ムラを防ぐため500Wまたは600Wでの調理をおすすめします。
●冷たい場合は10秒間ずつ追加加熱してください。
●温めすぎは調理不良の原因になります。

フライパン
①温めたフライパンに油をひき、凍ったままの商品を入れます。
②ふたをして弱火で焼いてください。
表と裏 約3分ずつ (調理時間は目安です)
●加熱しすぎは調理不良の原因になります。

アレルギー物質 (27品目中)
小麦 卵 乳成分 牛肉 大豆 豚肉

森にGood!
売上の一部で日本の森を守ります。詳しくは下記のホームページへ

お客様相談センター
0120-69-2101
受付時間 9:00~17:00(土日祝日を除く)
原料原産地情報や商品情報はこちらから!
<http://www.nichireifoods.co.jp>

2D bar-code
In order to better provide the information our customers want, a 2D bar-code can be found on the packaging that allows customers to check the origins of the raw ingredients and other product information, as well as the production facilities on our mobile site.

All-in-one display
A summary of all the information (raw ingredients, quantity, etc.) necessary for product selection

Name of production facility

Allergy information is conveyed in intuitively understandable illustrations

Toll free number for inquiries

2D bar-code

Part of the proceeds from sales of our Good for Lunches! line goes toward supporting forest preservation-related activities.

In order to ensure the accuracy of information related to product safety and selection, the Nichirei Group conducts a number of checks between the time that information displays are created and products are shipped. It also checks to make sure that nothing on the packaging can cause misunderstanding. It is implementing display checks with these two points in mind in its examinations as well, and only those products that pass can be manufactured.

栄養成分表示 1個当たり(22g)				
エネルギー	たん白質	脂 質	炭水化物	ナトリウム
42kcal	2.6g	2.4g	2.5g	118mg

(食塩相当量 0.3g)

Creation

- First charts with detailed breakdowns and distribution percentages, based on the specifications of the raw ingredients and the recipes are created.
- Next, the information to be displayed on the packaging is decided.
- The checklist is based on legal requirements, industry guidelines, and facts the Nichirei Group has established independently (product highlights, cooking methods).
- Values derived from nutritional information (for home-use products) are also used.



Verification

- The information displayed is correct, based on distribution.
- The information displayed meets legal, policy, and in-house standards.
- Information about allergies, which can threaten health, is sufficient and correct.
- The Customer Support Center endorses the packaging of home-use products.



Display verification

Inspections

- The Nichirei Group checks the label contents for product packaging that receives the N mark. It performs thorough checks of labels that are regulated by law, including allergen displays and other content directly related to health hazards.

- The Nichirei Group checks all the information from a customer's perspective, to ensure that there will be no misunderstanding. In particular, it carefully checks sales pitches and other information with a bearing on product purchases to ensure there are no exaggerations or false statements.



Verification at the Factory: After Packaging and before Shipping



Printing, data checks

Factory

- The packaging film and boxes are checked to ensure they are as stipulated.
- Accuracy of the information printed at the factory (the best-by date, lot number, trace-back code) and printing quality (faint, smeared) are checked.
- Factory packaging is double- and triple-checked before shipping.

Food Allergy

Currently, in Japan, 28 types of foods cause food allergies, 7 of which (shrimp, crab, wheat, buckwheat, eggs, milk, and peanuts) are required by the Food Labeling Act to be labeled due to the number of cases and severity of the allergic reaction.

The Nichirei Group investigates the raw materials used and the possibility of unintentional contamination during the manufacturing process before labeling food allergenic substances by the Food Labeling Act. In particular, Nichirei Foods has devised a list of food allergens contained in the frozen prepared foods for home use that we handle.

Conveying Accurate Product Information

In order to obtain information about raw ingredients, the Nichirei Group requires suppliers to provide detailed specifications. But, before using these as a resource for product packaging, it runs tests to confirm they are correct. Such scrutiny of information, as is relevant to highly processed ingredients, can require several months. In addition, it adapts to changes in laws related to food product labeling as they arise.

Search for information on raw materials, place of origin, and allergies(Only Available in Japanese)



Food Safety Center Initiatives



The initiatives of the Nichirei Foods Customer Support Center



Reporting on Products and Services

In FY2022, there were no violations of laws and regulations related to products and services.

Health and Nutrition Initiatives

As a company engaged in food-related businesses, the Nichirei Group believes that access to better nutrition is a very important part of people's health. Nichirei Foods develops and sells wellness products that promote health. In addition, Nichirei Biosciences provides the public with academic and technical information related to immunostaining and has made it available to health professionals through an information website, allowing it to contribute to a healthy society through its businesses.

Development and sales of "wellness foods" at Nichirei Foods



Providing an information site to health professionals (Nichirei Biosciences)(Only available in Japanese)



Collaboration with Industry Organizations, etc.

The Nichirei Group actively participates in industry group activities and contributes to helping communities improve and solve the issues they face through proposals and recommendations/encouragement.

Nichirei and Nichirei Foods are official members of the Japan Frozen Food Association, both Nichirei Logistics Group and its main subsidiaries are members of the Japan Association of Refrigerated Warehouses, and Nichirei is a member of the Japan Food Industry Association.

Japan Frozen Food Association(Only Available in Japanese)



Japan Association of Refrigerated Warehouses(Only Available in Japanese)



Japan Food Industry Association(Only Available in Japanese)



The Initiatives of the Nichirei Foods Customer Support Center

Initiatives for Quality Improvement

The Nichirei Foods Customer Support Center aims to improve customer satisfaction and corporate value through quickly and appropriately responding to the opinions and reports of customers. In addition, Nichirei aims to provide accurate product information and a brand that is both safe and reliable.

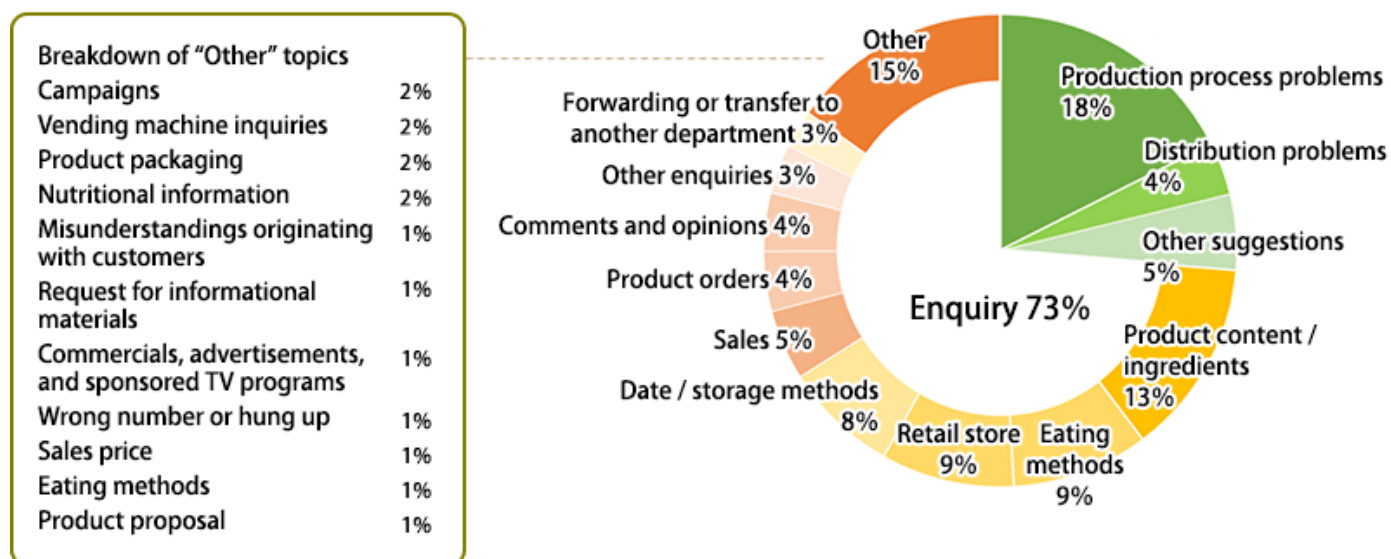
Customer Satisfaction Surveys

In order to improve customer service, the Customer Support Center runs customer satisfaction (CS) surveys.

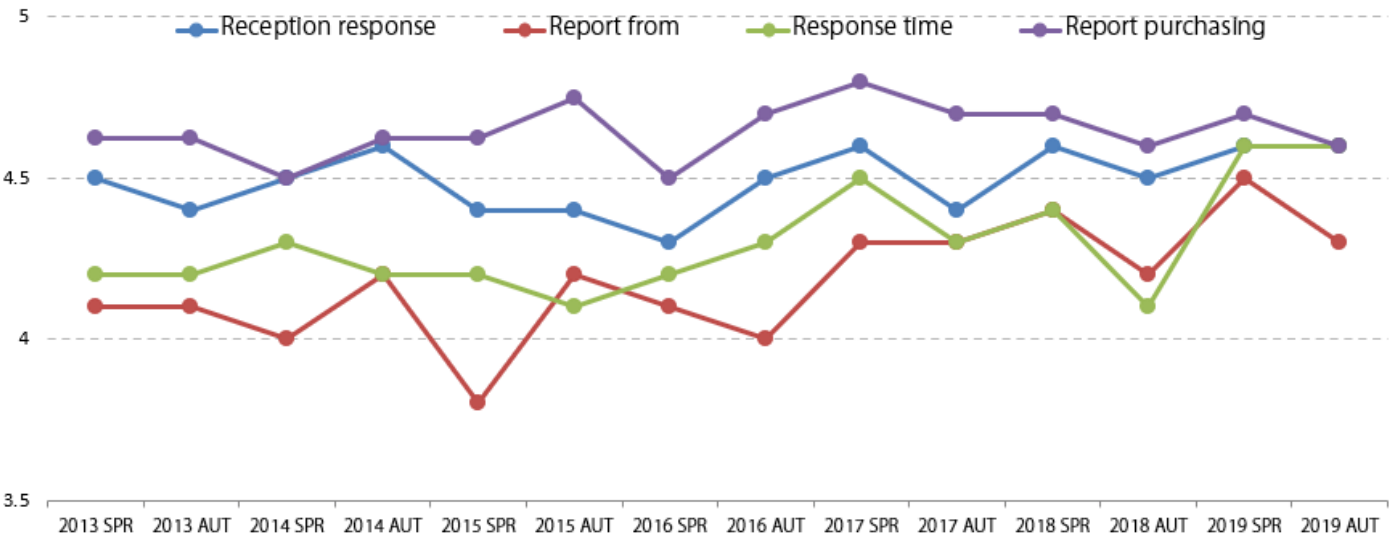
When customers make a suggestion about a product, Nichirei sends them a report form and a survey postcard, both of which it has them return.

The survey uses a five-point scale to evaluate four areas: initial impression contacted by telephone (reception response); items noted by the respondent (on the report form); time taken to submit report (response time); and future purchasing intentions (repeat purchase). Space is also provided for customers to include additional comments. The aggregate results are used to improve Customer Support Center services. Efforts on this direction are ongoing.

● Breakdown of Customer Interactions in 2019



● Evaluation of Customer Satisfaction Reception Response



— Product Recall Information —

These are the product recalls that have occurred in the past five years.

Date	Target
2017	None
2018	None
2019	None
2020	None
2021	None

Staff Training for Quality Improvement

	Training	Description	FY2019		FY2020		FY2021		FY2022	
			Number of People	Hours	Number of People	Hours	Number of People	Hours	Number of People	Hours
Nichirei Foods	First- to third-year employee technical training session	Smooth communication, problem-solving technique, control of production line sanitation	78 people	924 hours	92 people	1,008 hours	97 people	727 hours	107 people	1,058 hours
	Leader candidate training	Management demonstration on educating young employees and accomplishing tasks	41 people	1,309 hours	41 people	1,320 hours	45 people	1,041 hours	42 people	1,029 hours
	Training for obtaining FSSC 22000 certification	Explanation of the items for the FSSC 22000 standard, cultivation of internal auditors, how to create HACCP-related documentation	183 people	72 hours	264 people	84 hours	20 people	140 hours	91 people	547 hours
Nichirei Fresh	First- to second-year employee training session	Basic knowledge of quality assurance, factory check, label, response to requests, etc.	17 people	42 hours	18 people	44 hours	18 people	44 hours	19 people	46 hours
	Mid-career employee training (livestock instructor, livestock processed product meister)	Factory audit / guidance points, selected materials, mechanism of metal / X-ray detector, basics of cleaning and sterilization, label creation, etc.	3 people	6 hours	7 people	26 hours	2 people	12 hours	18 people	48 hours
	Plant Quality Manager Training	Improvement activities, insect and rodent control, laws and regulations, and presentations.	-	-	-	-	-	-	30 people	180 hours
	Information session for revision of laws and regulations	Food labeling standards, addition of food allergies, etc.	25 people	25 hours	30 people	30 hours	300 people	300 hours	-	-

Occupational Health and Safety

Management System

Management System

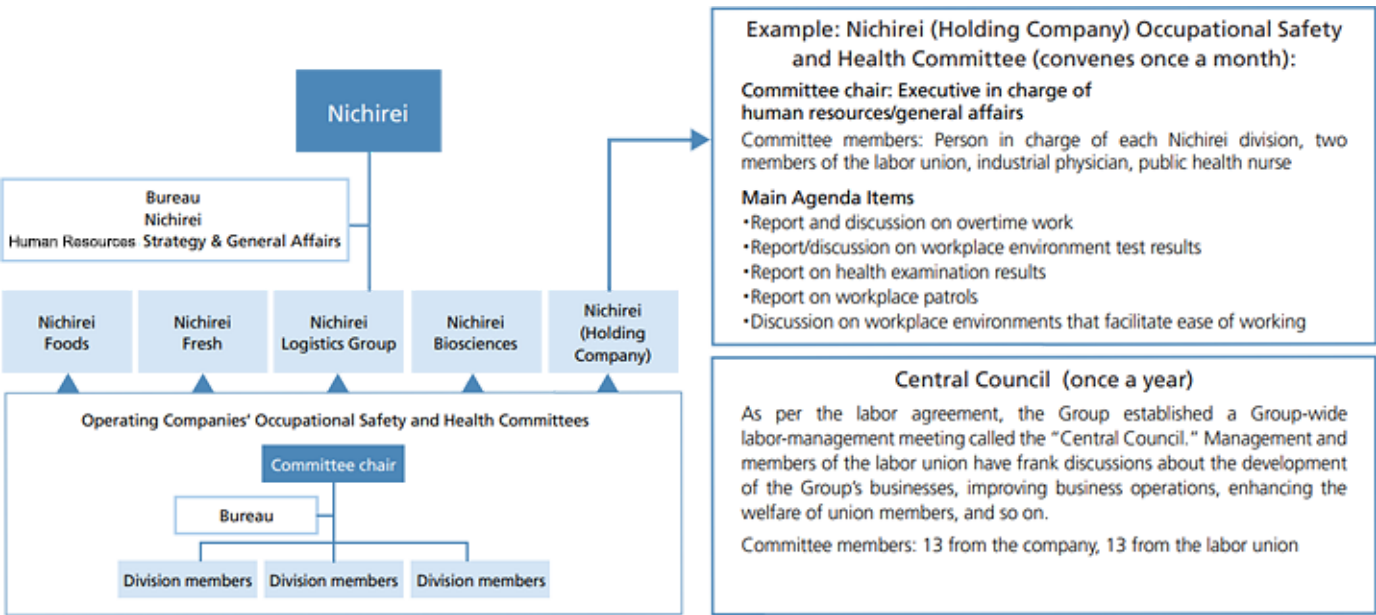
In accordance with the Occupational Health and Safety Law, the Nichirei Group has established a Health and Safety Committee with employee participation to promote health and safety management aimed at preventing occupational accidents and managing employee health. At the head office and branch offices, working hour management initiatives include promoting reductions in overtime hours and total actual working hours, and encouraging employees to take annual paid leave.

In food factories and refrigerated warehouses, we are working to improve the workplace environment according to the conditions of each workplace, with the reduction of work-related accidents as the main issue. Health and safety risks are discussed and addressed by the Group Health Promotion Liaison Committee, and their status is regularly reported and monitored by the Board of Directors and the Group Human Resources Committee. At the Central Council (held once a year), management and labor unions discuss reforms in work styles, job satisfaction among union members, the workplace environment, and other issues.

In addition, as part of our occupational health and safety initiatives, we have achieved a 100% health checkup rate and are thoroughly implementing follow-up measures, including follow-up on the results of the checkups. In addition, we implement "Kenko Juku," a hands-on health support program for all employees, a walking campaign in collaboration with the Nichirei Health Insurance Association, comprehensive mental health measures starting with stress checks, and the implementation, evaluation, and improvement of health and safety plans formulated by the Health and Safety Committee in cooperation with related departments.

In recognition of these efforts, Nichirei Corporation was certified by the Ministry of Health, Labor and Welfare as an excellent health and safety company.

● Occupational Safety and Health Committee Organization Chart



Initiatives

■ Promotion of acquisition of the Occupational Health and Safety Management System (OHSMS)

The Group aims to enhance its workplace and create a workplace that focuses on employees and offers a high level of satisfaction. Please see below for details on efforts.

In March 2005, the Nichirei Foods Shiroishi factory in particular became the first member of the Group to receive JISHA-approved OSHMS (Occupational Safety and Health Management System) certification, and the 49th business establishment overall in the country. Occupational safety and health initiatives are making progress with the aim of improving safety standards.

Nichirei Foods Shiroishi factory receives JISHA-approved OSHMS (Occupational Safety and Health Management System) certification



We have also acquired OHSAS18001^{*}, an international standard for occupational safety and health, at one subsidiary in overseas. Acquisition base in FY2019: GFPT Nichirei (Thailand) Co., Ltd. The ratio of certified establishments is 0.6%.

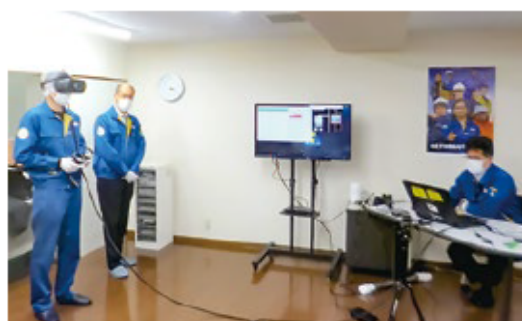
^{*} OHSAS18001 (Occupational Health and Safety Assessment Series)

■ Renovation of Safety and Quality Training Centers That Use Virtual Reality (VR)

Aiming to further improve safety and quality at its work sites, Nichirei Logistics Group completed renovation of its Nagoya training center in June 2022, following renovation of the Tokyo training center in September 2021. We work to promote safe behavior at worksites through interactive education that involves active trainee participation. These activities are aimed at achieving zero accidents by building a safe and secure workplace environment for everyone at Nagoya Nichirei Service. Renovation involved creating an open design classroom to provide trainees with a relaxed classroom environment. For practical training, instructors participate in safety checks twice per month at each worksite, with training tailored to actual onsite conditions. We have also introduced training that utilizes digital technologies such as VR.



Training textbooks created by Nagoya Nichirei Service



VR training

■ Health and Safety Training for Low-temperature Logistics Operations

Logistics Center Safety and Quality-related Training

Placing importance on quality, the environment and safety, the Nichirei Logistics Group has opened safety and quality training centers across Japan. These facilities enable logistics staff to acquire knowledge regarding safety and quality, as well as to develop skills and an appropriate mindset.

The core training content includes “reconfirmation of basic knowledge through classroom learning,” information about “dangerous experiences” and the “reconfirmation of basic forklift operations.” Videos and illustrations are used to enable students to develop an intuitive understanding of the topics.

All training programs and teaching materials are original and veteran employees with a wealth of knowledge and experience give lectures while providing hands-on experience as part of a systematic curriculum.

At logistics centers, heavy loads are carried using forklifts to enable cargo to be sorted in upper floors. We thus strive to improve occupational safety and quality by incorporating into the curriculum practical training to ensure that equipment is correctly used to prevent items from falling.

Nichirei Logistics Group conducts safety training in a new employee training program, and in FY2023, 67 employees participated in the training. We also provide training on occupational safety and health through training for key personnel of quality improvement, and 28 employees participated in the training up until October 2022.



Confirming the usefulness of “falling prevention equipment” while suspended in midair



Specialized course for developing the skill of confirming safety while driving a forklift using the “point and call out” method

Fork lift truck competition (hosted by Nichirei Logistics Group) (Only available in Japanese)



Driver safety training (Logistics Network)



Eco-driving Seminars, Tournaments Boost Driver Awareness

The Nichirei Logistics Group has formed a national network of affiliated transportation and delivery companies, and encourages them to obtain Green Management Certification.

In an effort to improve the quality of shipping by these companies, Logistics Network holds driver tournaments and eco-driving seminars at six locations across the country each year. In the driver tournaments, truck drivers compete against each other for points, which are accumulated from practical exams on general inspections and written tests covering basic safety and quality rules related to shipping services offered to customers.

These tournaments help the participants improve the safety of shipping services, maintain the high quality of those services, gain inspection skills, and increase their awareness of safe driving, while at the same time giving each individual pride in their work and a sense of social responsibility. The seventh national tournament was held in FY2020 with a view to further improve shipping quality.

In addition, Logistics Network began a full-fledged initiative in FY2015 for using pallets in its main shipping operations and establishing services with fixed arrival and departure times. The downtime at bases and time spent loading were vastly reduced, which led to an improvement in the work environment of long-haul drivers. In addition, the fact that vehicles were idle for less time led to their having less of an environmental impact.



Driver contest

Safe Workplaces, Better Service

Nichirei Logistics Group sets themes four times a year designed to prioritize safety and quality at warehouses. Accident prevention activities are conducted under these themes at all domestic facilities (114 locations).



Food Factory Safety

Nichirei Foods has identified three priority measures for safety-related activities at food factories: safety patrols, near-miss-related activities and the mandatory observation of safety rules. Monthly safety patrols are tailored to each factory, with effective checklist items determined based on site feedback. Patrols are conducted mainly in the early morning and late at night, when fewer managers are on staff. We also ask employees to share work-related issues and opinions. Held as needed, near-miss-related activities are designed to reinforce reporting practices and inform employees about possible dangers through the sharing of information about accident near misses. Activities reconfirm evaluation criteria, thus ensuring consistency in methodologies for classifying an incident as a near-miss. Preventive steps are then taken as needed.

Occupational Health and Safety Initiatives for Foreign Technical Interns

Foreign technical interns working in Japan at the Nichirei Group undergo training including occupational health and safety training. This helps to prevent occupational accidents and facilitate health management for those adjusting to life in another country, while at the same time helping them improve their Japanese-language skills. Our goal is to create workplaces where all Nichirei Group employees can work safely and healthily with purpose.



Bilingual poster in Japanese and Vietnamese



Holding Japanese language speech contests

Health Supervisor

ESG Data Collection Health Manager



Cultivating Human Resources and Improving Work Satisfaction

Basic Philosophy

Basic Philosophy

In conducting business, the Nichirei Group places the greatest importance on human resources. To realize our vision for 2030 based on our Sustainability Policy, we need to make our stance on human resources clear. We therefore established the Nichirei Group philosophy on human resources. We have also determined the kind of human resources we need and the organization that we aim to be under the Group Human Resources Policy.

We have set out five human resource-related strategies based on our philosophy and the Group Human Resources Policy. We will consider and then implement specific human resource initiatives, share information, and check their progress.

Our Philosophy on Human Resources

Human Resources Are Critical to Our Sustainability Policy

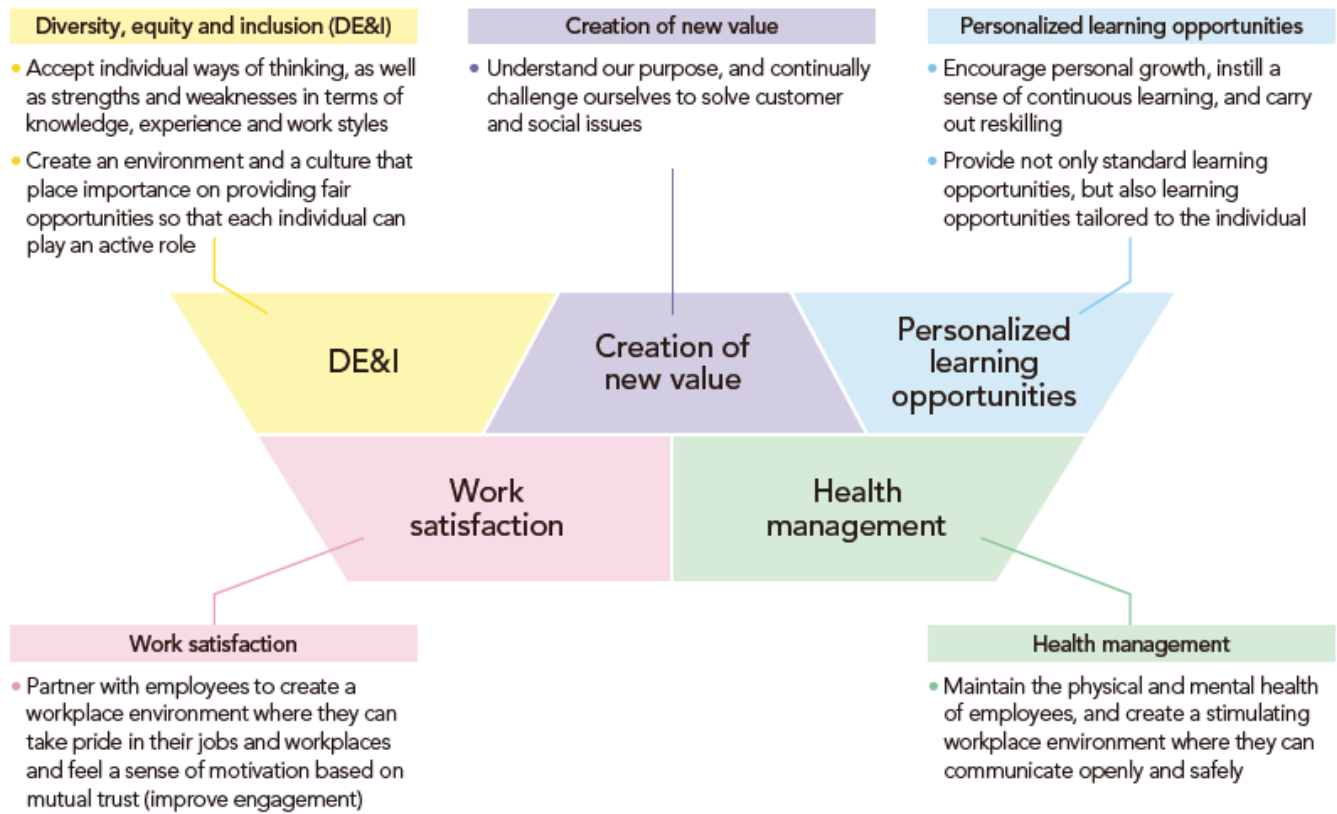
- They are key to helping us support good eating habits and health, which will lead to a more sustainable society
- Through diversity and motivation, they boost the Group’s development
- Their strategies, linked to those of management, underpin the social value of our human resources and promote behavioral change

Group Human Resources Policy (The Kind of Human Resources We Need and the Organization That We Aim to Be)

Encourage empathy; use business to resolve social issues	Develop proactive human resources by aligning employee aspirations with the Group’s targeted social impact, based on the idea that food connects people
Generate value by linking knowledge, digital technologies	Create an organization that contributes to good eating habits and health by incorporating a range of perspectives, as well as using data and digital technologies in response to environmental change
Cultivate a safe, secure corporate culture to tackle challenges	Communicate work-related ideas, develop mutual trust, and cultivate a corporate culture that can tackle challenges without fear of failure

Group Human Resources Policy

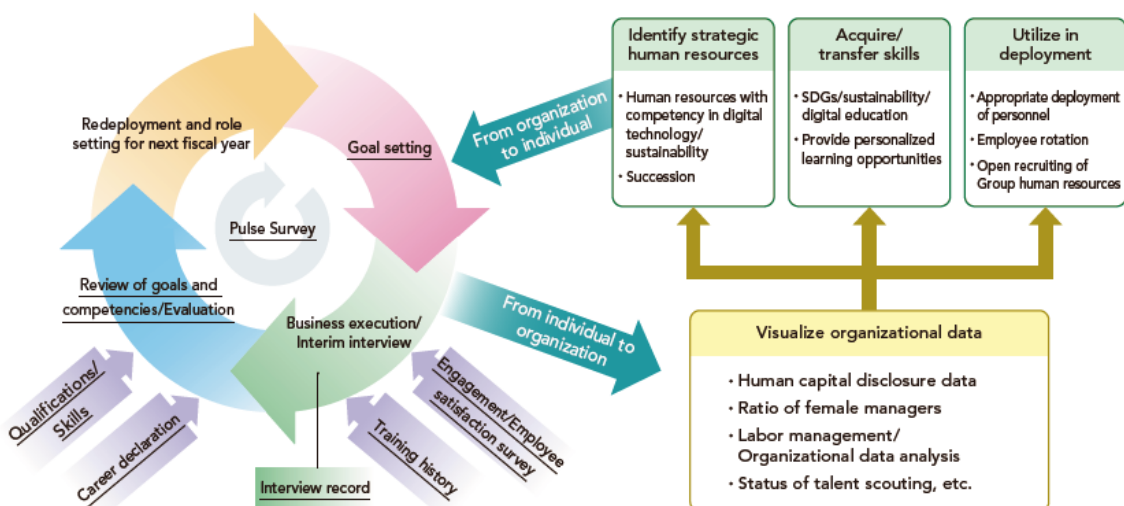
Human Resources Strategies(Five Perspectives to Help Bridge the Gap between the Ideal Situation and Now)



Management System

Management System

Each Group company promotes efforts adapted for its individual businesses, however, the Group has also established the Group-wide Group Human Assets Committee and Diversity Promotion Conference and shares information about and confirms the progress with each company's measures to continually enhance workplaces through these two councils. The Group Human Resources Committee and Diversity Promotion Council are organized across the Group, and the above two meeting bodies share information and confirm progress on measures to improve work satisfaction, which are being promoted by each company.



Cultivating Human Resources

Development of Education for Digital Transformation (DX)

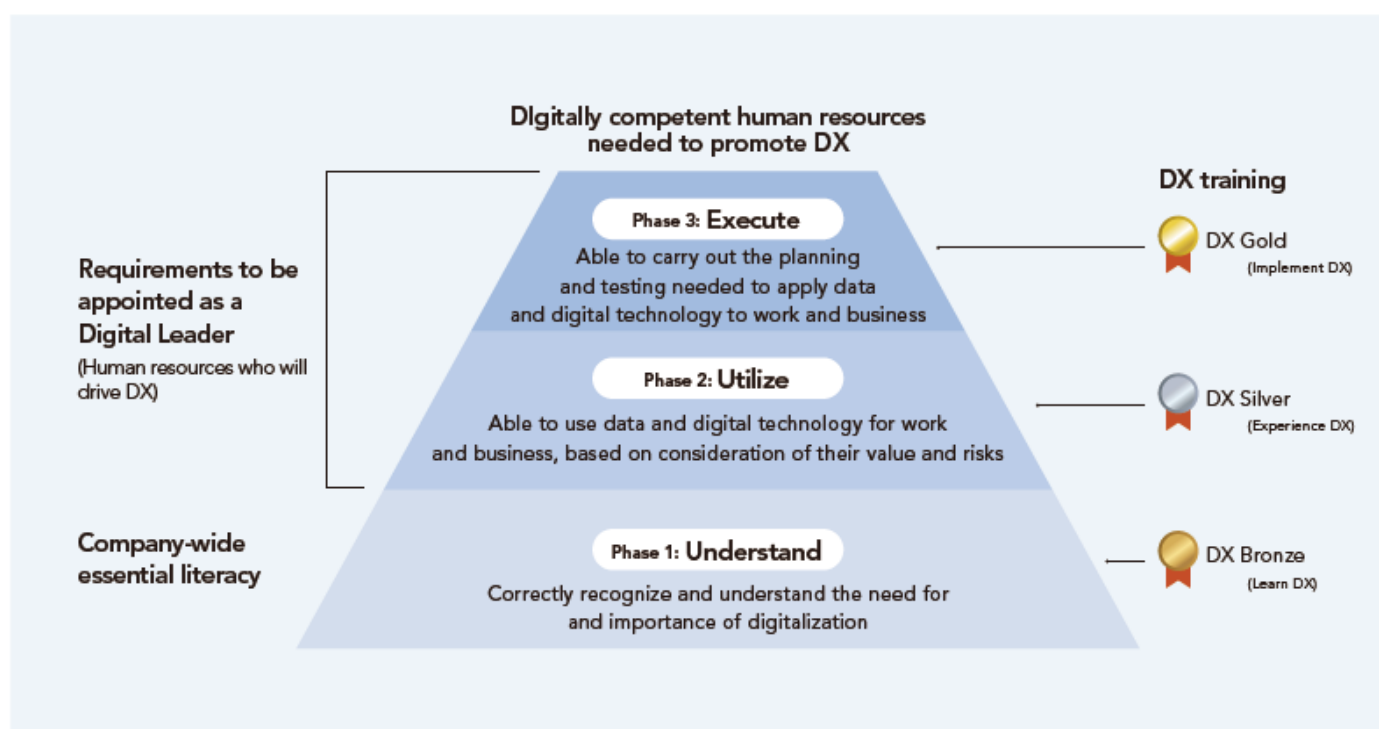
Medium-term Business Plan Compass Rose 2024, which began in FY2023, promotes the use of data and technology within the Nichirei Group as a high-priority human resource development measure. We continue to provide educational opportunities in line with this aim.

As global digitalization continues to accelerate, the use of data and technology will increasingly be needed to help resolve issues for consumers, business partners and society. That is why we believe that being prepared will enhance the Nichirei Group's competitiveness.

Specifically, in the final year of Compass Rose 2024 we aim to appoint a Digital Leader at each department of our main companies in Japan to promote the use of data and technology. The DX program will be implemented in tiers, from DX Bronze (the basic course for acquiring essential digital literacy) to DX Silver and DX Gold. Of the three, the DX Bronze course is being rolled out for all employees (approximately 3,500 people) at our main companies in Japan. We expect all employees to complete the DX Bronze program by FY2024.

Promoting DX is a vital business transformation initiative for realizing the Nichirei Group's vision. We will work as one to move that transformation forward.

Development of Education for DX



■ Level-based training plan(Holding company)

Training plan	Objective	Target
Executive Coaching	To stimulate better management decisions, improve organizational growth, and business performance. Changes in the thinking of executives is expected to have a ripple effect on employees, resulting in improved productivity.	Executive officers
Next-generation Management Team Development Program	To foster management capabilities, world-standard leadership, and decision-making criteria by cultivating ideas based on broad perspectives.	General managers, department managers
Leader Training	Creating true managers: Fostering human assets able to play a part in creating a strong and autonomous organization which discovers problems that need to be solved and creates its own solutions to become an organization that is relied on by businesses.	Managerial staff
Evaluator Training	To teach the principles of evaluation and deepen understanding of the purpose and significance of goal management and evaluation systems.	New attendees (such as recent graduates, career hires, transferred employees)
Facilitation Training	To understand such concepts as meeting preparation, meeting management, and follow-up, in order to conduct efficient meetings.	All employees
Training for Newly Appointed Managers	To elucidate the role of managers expected to lead the organization, and the viewpoints, perspectives and key behaviors required.	Newly appointed managers
First Career Training	To inculcate basic behaviors essential for human assets to produce results expected by the Company and supervisors.	New hires, employees in their second and third years of employment
New Employee Training	<ul style="list-style-type: none"> • To reorient the mindset from that of a student to that of an employee (teaches proactive behavior, disciplined behavior, and expected business etiquette) • To promote understanding of the Nichirei Group and a sense of belonging 	New hires, employees in their second and third years of employment

Nichirei Group Main education and training



Nichirei Group Education time and number of participants



Improving Work Satisfaction

Promoting the Advancement of Female Employees

At Nichirei Foods, we launched an internal project to promote the advancement of female employees. We send out video messages, and conduct surveys in order to gain an accurate grasp of the current situation. We also hold “Women’s Agura” roundtable discussions with female executives. We held these discussions 23 times in FY2022, with 94 employees taking part. The sessions gave participants an opportunity to consider their future careers and helped them to create a communication network for sharing concerns with peers and supporting each other. These activities have created a foundation for enabling female employees to take on various challenges. By continuing to promote the project, we will support the career aspirations of female employees and help improve work satisfaction for all employees, regardless of gender.



As part of its effort to promote the participation of women in the workplace, the Logistics Group held the eighth Sakaseru Roji-Jo Forum in January 2020. About seventy female employees from each region across the country gathered to learn about the background, current status and future prospects of efforts promoting women’s active participation in the workplace. For the first time, senior employees, including men, attended in 2019.

The forum acknowledged people’s values with regard to work, as well as the need to create networks among employees in each region through discussions regarding participant work values and the creation of workplaces where women can work in ways that best suite them.

In fiscal 2020, Nichirei Foods held seminars for female employees in collaboration with other food manufacturers. These seminars included SPIRAL UP!, a diversity forum aimed at building awareness and LADY, GO UP!, a seminar aimed at building external networks and career development.



Sakaseru Roji-Jo Forum

Hiring People with Disabilities

The Group encourages the employment of people with disabilities, 34 of whom work at our special subsidiary, Nichirei Aura. They are engaged in a wide range of operations, including the cleaning of the head office and food factories located at Group companies, as well as office interiors within our logistics centers and the maintenance of green spaces. The Group will continue to create comfortable working environments for individuals with disabilities.



The Nichirei Group provides training opportunities based on career path planning and development so that diverse human resources are able to play an active role in their respective workplaces, based on satisfying and stimulating work. In Japan, we strive to create workplaces that offer foreign technical interns a sense of job satisfaction. In addition, we provide introductions for foreign technical interns to Group company workplaces in their own countries, and opportunities that enable them to continue their careers utilizing expertise acquired in Japan. Training covers such topics as food hygiene management and occupational health and safety.

Fresh Maruichi (Head Office: Onahama Factory in Fukushima Prefecture)

A Vietnamese technical intern trainee who worked at the Fresh Maruichi Onahama Plant for four years starting in 2015 continues to perform quality control work at the newly established Nichirei Fresh fish processing plant in Vietnam. She plays an active role in her home country by utilizing what he learned at food manufacturing sites and by doing quality control-related work in Japan. In FY2021, one former foreign technical intern trainee began work at the same Vietnamese plant. Nichirei plans to continue supporting the career advancement of its foreign trainees.



Articles introducing the Onahama Plant in the 2020 Spring edition of the Group's in-house magazine *OriOri* were translated and shared at Trans Pacific Seafood's factory in Vietnam (left: Japanese, right: Vietnamese)

Comment from a Former Vietnamese Intern Employed at TPS



Do Thi Yen
Came to Japan in 2015. After working at the Fresh Maruichi Wakamatsu Plant as a technical intern for three years, she learned the basics of quality control at the Onahama Plant for one year. Since returning to Vietnam, she has been working at the marine product processing factory of Trans Pacific Seafood (TPS), established by Nichirei Fresh in 2018.

Fresh Maruichi is a very employee-friendly company. Everyone, from the president to part-time workers, is kind and friendly, which makes every day enjoyable. Because I had studied pharmaceuticals at university in Vietnam, when my training ended at the Wakamatsu Plant, Fresh Maruichi President Onishi (president at that time) suggested that I try working in quality management, and I transferred to the Onahama Plant. I have come to feel strongly about the importance of quality control.

I wanted to work in Japan longer, but when I heard the company planned to build a factory in Vietnam, I was happy since that would enable me to live with my children. My current goal is to work hard alongside my TPS colleagues, and first and foremost, generate solid profits!

Offering Employees Workplace Transfer Options

Nichirei Foods Inc. revised its personnel system during FY2016 and FY2017, in order to specify which employees are not subject to job transfers. Those who are unable to move to a distant location due to marriage, childcare, nursing, injury or sickness, or other personal reasons, or those who have worked more than a set amount of time, can remain at their desired workplace based on their individual career objectives regardless of reason, and can themselves decide whether they are eligible to be transferred. The revisions were instituted out of respect for the diverse circumstances and preferences of Nichirei Foods employees, and to create workplaces in which all members are motivated to work.

Work for Seniors

In 2002, the Nichirei Group set up the Senior Staff System to provide employment opportunities for employees on retirement. After reaching the retirement age of 60, those wishing to continue working may do so until the age of 65. At present, we employ more than 100 senior members of staff, whose experience and knowledge contribute to Group development.



Lecture on frozen foods during a virtual factory tour

Career Declaration System

To improve job satisfaction, it is important to provide employees with roles compatible with their career plans. The Group has introduced a Career Declaration System in which all employees assess their career and declare their future career objectives once a year. This information is taken into account when deciding transfers and assignments.

Return-to-work rates from childcare leave and male employees taking childcare leave

■ Promoting Male Employees to Take Childcare Leave

The Nichirei Group's childcare leave system originally exceeded the statutory requirements, but as a result of the revision of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members, the system has been further enhanced and employees now have more options for taking childcare leave. The Nichirei Group has taken this opportunity through labor-management discussions to set a target value for leave and leave for childcare of "100% of male employees taking 3 or more days" as a means of expanding opportunities for women to play an active role in the workplace by encouraging men to participate in childrearing, consequently aiming to achieve a work-life balance for both men and women during their childrearing years.

Employees Using Time Off for Childrearing



Gender Discrepancies in Salary

The Group decides salary based on position and job description and does not set differences based on gender. In addition, gender does not play a role in deciding promotions or salary increases.

Impartial Hiring Opportunities

The Group releases recruiting essentials and all other information on its website, accepts a wide variety of applications, and impartially selects new graduates.

Labor union activities and labor-management cooperation



Number of employees (by type of employment, by level, and by gender)



Number of employees hired (new graduates and career)



Percentage of non-company Employees



Diverse Styles of Working (Provide working condition options)

In-House Childcare Facility

In April 2018, Nichirei opened an in-house daycare center at its Head Office, located in the Tsukiji district of Tokyo's Chuo Ward. This is one of the Group's workstyle reforms, designed to enable the early return to work by those employees raising children and to support a work-life balance.

In an effort to assist members of the community, by helping alleviate the problem of long waiting lists at childcare facilities, we are also accepting a fixed number of local children at the daycare center.



Daycare children visit the workplace

Volunteer Leave System

The Nichirei Group supports employee activities through its volunteer leave system.

Number of employees taking time off in order to volunteer



Past Initiatives (2017-2021)

The Nichirei Group considers its employees to be irreplaceable and refers to them as "human assets" rather than "human resources." (Only for Japanese notation) By accepting diverse human resources, values, and ideas and revitalizing the organization, we aim to further improve productivity and create an energetic workplace. In 2017, we established the "Nichirei Group Workplace Reform Policy," and each operating company set targets based on this policy and promoted various initiatives over the five years through FY2022.

The Group Diversity Promotion Council and the Group Health Promotion Liaison Committee were organized under the Group Human Resources Committee as organizations to promote the "enhancement of job satisfaction." These groups discussed human resource strategies that would contribute to the realization of sustainable growth of the entire Group, exchanged opinions on measures, shared information, and confirmed progress.

Enable Diverse Working Styles	▶ Provide working condition options	Employees shall have a certain degree of freedom to choose their workplace and working hours, to suit personal circumstances. Systems to maintain these conditions are to be put in place.
	▶ Set up systems to prevent disruption of employee careers	Systems are to be established to prevent employees' careers from being disrupted or ended because of such circumstances as childbirth, childcare, nursing care, poor health, relocation of a spouse, or disease.
Prevent excessive working hours		Through collaborative labor and management initiatives for workplace improvement, working hours shall be limited to levels that allow each employee to demonstrate their ability and perform satisfying work in good health.
Ensure Equal Opportunity	▶ Promote the advancement of female employees	Female employees shall be given the same opportunities as their male peers and offered necessary training in recognition of their value to the Nichirei Group.
	▶ Provide stimulating employment opportunities for people with disabilities	Job positions and employment opportunities for people with disabilities shall be created to allow them to earn a living through stimulating work, with a vision to ultimately eliminate the distinction between people with or without disabilities in society.
	▶ Create employment opportunities for older people	As people live longer, healthy lives, opportunities shall be created to allow older people to play an active role in the workplace by drawing on their particular skills bearing in mind individual working styles and values.

Human Assets Committee

The Human Assets Committee, which promotes the increased job satisfaction-related part of the Nichirei Pledge, meets twice each year.

The Diversity Promotion Conference, under the Group Human Assets Committee, meets with labor and management twice a year to monitor measures undertaken at each Group company in relation to human rights, job satisfaction, the workstyle of each employee, support for active participation in the workforce by women, the employment of foreigners, workstyles that differ according to life stage and age, as well as the employment of and collaboration with, the disabled.

Human Assets Development

The president of each Nichirei Group operating company is responsible for building systems that develop optimal human assets for the Company.

These measures are reviewed annually, as required by the education and training policies of each operating company, while related plans and their results are monitored by the Group Human Assets Committee, which meets twice each year.

■ Workstyle Reforms: Main Measures and Activity Progress (FY2019–FY2021)

Policy	Ideal State	Priority Measure	Main Activity			
			FY2019	FY2020	FY2021	FY2022
Enable Diverse Styles of Working	Employees shall have a certain degree of freedom to choose their workplace and working hours, to suit personal circumstances. Systems to maintain these conditions are to be put in place.	Provide working condition options	<ul style="list-style-type: none"> New in-house childcare facility Opened in the Tokyo head office building in April 2018 	<ul style="list-style-type: none"> Full-scale introduction of telework All worksites except food factories and logistics offices 	<ul style="list-style-type: none"> Introduction of super flextime work system Core time eliminated except at some work sites such as factories and distribution centers 	<ul style="list-style-type: none"> Expansion of Satellite Offices in the Logistics Group <ul style="list-style-type: none"> SateCo Osaka Umeda (opened in February 2022) SateCo Yokohama (opened in March 2022)
	Systems are to be established to prevent employees' careers from being disrupted or ended because of such circumstances as childbirth, childcare, nursing care, poor health, relocation of a spouse, or disease.	Set up systems to prevent disruption of employee careers	<ul style="list-style-type: none"> Implementation of career development programs for women Women's success event "Next Step for 2021" Target: 163 people Nursing care seminar Conducted four times, 115 participants 	<ul style="list-style-type: none"> Introduction of comeback system Purpose: Ongoing career support for life events and growth Leave system due to spouse transfer Purpose: Examination and introduction of multi-career formation in collaboration with other companies Nursing care seminars and nursing care handbook creation Conducted four times, 103 participants 	<ul style="list-style-type: none"> Expansion of childcare and nursing care leave <ul style="list-style-type: none"> Leave can be taken in hourly units Half days and whole days can be converted and taken as accumulated annual paid leave Nursing care seminars (held online) Conducted on November 18 and 26 (60 minutes each), 60 total participants Information (provided on intranet) on support for balancing nursing care with work 	<ul style="list-style-type: none"> Care-giving Seminar (held online) <ul style="list-style-type: none"> 31 participants Support for balancing work and medical treatment, reviewing the flow of measures for returning to work and reinstatement in the workplace, and strengthening the occupational health staff system
Prevent Excessive Working Hours	Through collaborative labor and management initiatives for workplace improvement, working hours shall be limited to levels that	Promotion of paid leave	<ul style="list-style-type: none"> 100% introduction of new working hours management system Guidance on long working hours through introduction of 	<ul style="list-style-type: none"> Introduced new expense settlement system Introduced planned five-day annual leave system Implemented e-learning: 	<ul style="list-style-type: none"> Set quantitative target (average annual paid leave use of at least 10 days across the Group), and encouraged employees to take annual leave 	Continued implementation of overwork measures through labor-management cooperation Average paid leave rate: 68.3%

Policy	Ideal State	Priority Measure	Main Activity			
			FY2019	FY2020	FY2021	FY2022
	allow each employee to demonstrate their ability and perform satisfying work in good health.		<ul style="list-style-type: none"> a working time management system Implementation of measures against overwork through labor-management collaboration Nichirei Group working hours guidelines formulated through labor-management collaboration 	<ul style="list-style-type: none"> Revised labor laws, working-hour awareness Target: Employees; 5,101 participants Implementation of measures against overwork through labor-management collaboration 	<ul style="list-style-type: none"> Ongoing implementation of measures against overwork through labor-management collaboration Implementation of human resource management education via e-learning 	
Ensure Equal Opportunity	In providing employees with equal opportunities and education, we support their development into a valuable force for the Nichirei Group.	Promote the advancement of female employees	<ul style="list-style-type: none"> Logistics Group: 5th and 6th "Sakaseru Roji-Jo Forum" Target: Female employees; 129 participants (404 participants in total) Theme: Work values and workplace for women Nichirei Foods: LADY, GO UP! Target: Female employees at 6 food manufacturing companies (8 female Nichirei Foods employees participated) Summary: Seminar for building external networks and career development 	<ul style="list-style-type: none"> Logistics Group: 7th and 8th "Sakaseru Roji-Jo Forum" Target: Female employees; 118 participants (522 participants in total) Nichirei Foods: LADY, GO UP! Target: Female employees at 6 food manufacturing companies (8 female Nichirei Foods employees participated) Summary: Seminar for building external networks 	<ul style="list-style-type: none"> Nichirei Foods: LADY, GO UP! Target: Female employees at 6 food manufacturing companies (8 female Nichirei Foods employees participated) Summary: Lecture by external female officer and seminar for building external networks and career development 	<ul style="list-style-type: none"> Foods: Implementation of a joint program by six "LADY GO UP" food manufacturers Foods: Implementation of a program to promote the advancement of female employees (Networking Agura (round-table meeting)) Logistics Group: Implementation of training for female line managers accompanied by supervisors. (Expected effects) <ul style="list-style-type: none"> Expansion of job areas Setting the ideal image and stepping forward Networking
		Diversity and inclusion	<ul style="list-style-type: none"> Nichirei Foods: Diversity Forum Deepen understanding 	<ul style="list-style-type: none"> Nichirei Foods: Diversity Forum Deepen understanding 	<ul style="list-style-type: none"> Nichirei Foods: Diversity Forum <ul style="list-style-type: none"> Lecture held (February 25, 	<ul style="list-style-type: none"> Foods: Implementation of the diversity

Policy	Ideal State	Priority Measure	Main Activity			
			FY2019	FY2020	FY2021	FY2022
			of various work styles centered on department and section managers at each of 6 food manufacturing companies. 35 Nichirei Foods employees (26 men, 9 women)	of various work styles centered on department and section managers at each of 6 food manufacturing companies. 60 Nichirei Foods employees (46 men, 14 women)	2021) <ul style="list-style-type: none"> Target: Officers (8 participants) and employees (approx. 140 participants) Nichirei Foods: Meeting of general managers from 6 food manufacturing companies Meeting of general managers of planning departments from 6 food manufacturing companies 2 executive officers, 5 general managers, 14 employees from secretariat (21 people from 6 companies) Nichirei Foods: 10th year of J-win Female leaders training program organized by non-profit organization J-win (one-year program) 	forum "SPIRAL UP" <ul style="list-style-type: none"> Logistics Group: Appointed diversity officers at each regional company Logistics Group: Disseminated and shared information on diversity and inclusion activities through the intranet (MIRU mind) Logistics Group: Implemented Unconscious Bias e-Learning * Total number of executives and positions: 450 / Total number of general employees: 1,340 Logistics Group: Unconscious Bias Organization Analysis (12 domestic companies)
	Job positions and employment opportunities for people with disabilities shall be created to enable them to earn a living through	Provide stimulating employment opportunities for people with disabilities	<ul style="list-style-type: none"> Disabled employment rate: 2.56% (104 people with disabilities employed) 	<ul style="list-style-type: none"> Disabled employment rate: 2.75% (101 people with disabilities employed) 	<ul style="list-style-type: none"> Disabled employment rate: 2.80% (101 people with disabilities employed) 	<ul style="list-style-type: none"> Ratio of employees with disabilities: 2.80% (Number of employees with disabilities: 101)

Policy	Ideal State	Priority Measure	Main Activity			
			FY2019	FY2020	FY2021	FY2022
	stimulating work, with a vision to ultimately eliminate the distinction between people with or without disabilities in society.					
	As the healthy life span of people becomes longer, we will create workplaces that enable seniors to leverage their distinctive experience and play an active role reflecting their individual values and workstyles.	Create employment opportunities for older people	• 59 employees rehired after retirement (64 retirees)	• 57 employees rehired after retirement (65 retirees)	• 51 employees rehired after retirement (59 retirees)	• Number of employees rehired after retirement: 27 (Number of employees who retired after retirement: 33)

Health Management

Basic Philosophy

Basic Philosophy

Since 2015, the Nichirei Group has been promoting initiatives based on the concept that the health and wellbeing of employees is fundamental to increasing their work satisfaction. The maintenance and improvement of employee health has been set as a management issue, and the Nichirei Health Promotion Center plays a key role in our efforts.

The Nichirei Group Health Declaration

Creating Savory Moments. With that core value deep in our hearts, every single person who works at Nichirei Group will strive for good health maintenance.

Basic Policy

1. We will promote the creation of a workplace that has a lively cooperation between labor and management, based on the ideal that states that good work has its basis in a healthy mind and body.
2. Each of our employees will work hard to increase his/her health awareness, and will take an active role in creating a work environment that promotes good health.
3. We will strive for health management based on the three pillars of "health maintenance and improvement," "mental health measures," and "safety and hygiene control."

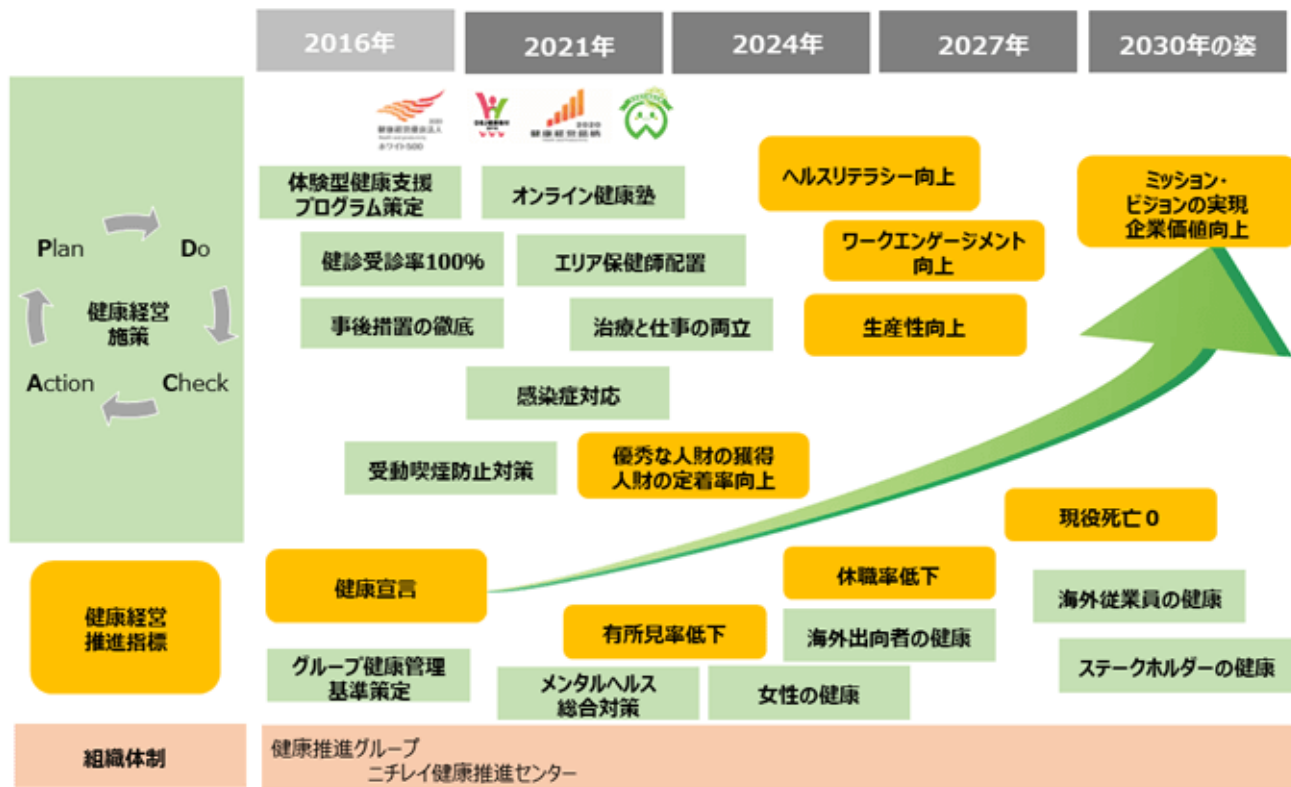
Management System

Management System

In FY2016, the Health Promotion Group was established in Human Resources Strategy & General Affairs as the section dedicated to health management. In FY2017, the Group formulated the Nichirei Group Health Declaration and Group Health Management Standards. In addition to publicizing this declaration both internally and externally, the Group has appointed a holding company health promotion manager as well as operating company health promotion managers and representatives. In April 2018, the Health Promotion Group was reorganized into the Nichirei Health Promotion Center to ensure that the entire Group is thoroughly informed of the policy and to promote measures promptly. We emphasize the analysis of health check results as a risk assessment measure for health and safety. The contents of the analysis are described in the "health white paper" and published internally. In addition, they are used as a reference in conducting health-related education and initiatives in line with trends in employee health conditions, as well as for providing healthier meals at employee cafeterias.

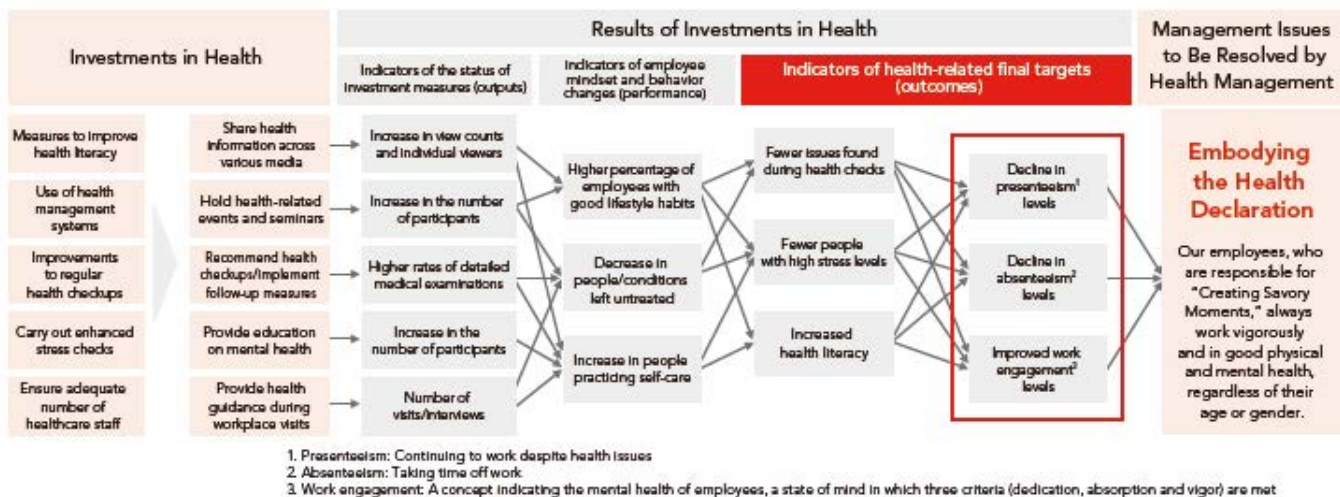
Image of promoting health management

To achieve our future vision by 2030, we will implement PDCA cycles in health management measures to promote health initiatives.



Nichirei Group Health Management Strategy Map

Management issues to be resolved by health management is the Embodying the Health Declaration, and we aim to ensure that our employees, who are responsible for “Creating Savory Moments,” always work vigorously and are in good physical and mental health, regardless of their age or gender.



Health Management Initiatives

Health Management Initiatives

Recognizing the health of employees as an important management issue for a company seeking sustainable growth, Nichirei set up the Health Promotion Group in FY2016. This is a dedicated health management section within Human Resources Strategy & General Affairs. In April 2018, the Health Promotion Group was reorganized as a "Health Promotion Center" to ensure that the entire Group is thoroughly aware of the policy and to promote measures promptly. In regular medical check-ups, x-ray examinations are conducted for the early detection of tuberculosis, and we are also working on issues related to tuberculosis. Various types of cancer examinations are added, and thorough follow-up measures are taken by the occupational health staff. We are also implementing various health promotion measures, including conducting health awareness activities and stress checks during the medical check-ups, and hands-on health-related support events for employees that utilize Nichirei Foods' Kikubari Gozen frozen health management meals. For our small offices and employees overseas, we conduct remote interviews using information and communication technology systems. As a result of these efforts, the Nichirei Group was recognized for the sixth consecutive year by the Ministry of Economy, Trade and Industry (METI) under "the Certified Health and Productivity Management Organization Recognition Program under the large enterprise category (White 500)"(Only available in Japanese).

List of Certifications

Improve health literacy

—Health-related Events—

To provide employees with specific health promotion opportunities and help them avoid lifestyle-related diseases, we have been holding hands-on health-related programs regularly since FY2017. With the important issues of "blood pressure," "blood glucose," and "lipids" as themes, the pathophysiology, diet, and exercise sections are explained by specialists in each section, and there are also hands-on learning activities such as flexibility tests and quizzes, allowing the learners to deepen their understanding while having fun. Special seminars on various topics such as "Dietary Seminar for Shift and Late Night Work," "Sleep," and "Mental Health" were also held to promote health and improve productivity. In questionnaires, more than 92% of participants at each seminar responded that the event was "beneficial." Due to the COVID-19 pandemic, we switched to an online format in FY2021, and since FY2022, we have been holding monthly sessions so that more employees can participate. 3,791 employees participated in total by the end of FY2022. Furthermore, in order to contribute to "promoting good health throughout society," including our stakeholders, we are widely inviting employees' families and business partners to participate in the health-related events, "Nichirei Kenko Juku," with the aim of promoting efforts to address health issues beyond the Group's framework.



In-house mental health seminars



—Prevent secondhand smoke—

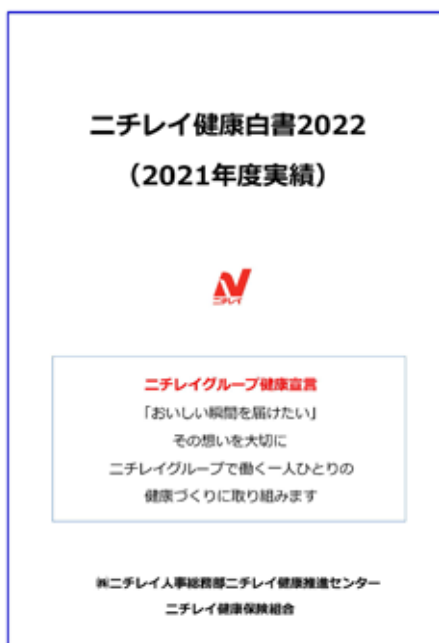
Since April 2022, smoking has been banned during working hours for all Group employees, and in principle, indoor smoking rooms have been closed. Since June 2021, the Nichirei Health Insurance Association has introduced an assistance system for outpatient smoking cessation treatment and is supporting those wishing to quit smoking in cooperation with the Nichirei Health Promotion Center. By the end of FY2022, 101 people had participated in the smoking cessation program and smoking cessation assistance, 41 of whom had successfully quit smoking.

—Women's Health Promotion—

In January 2022, we conducted a survey of all employees in an effort to promote the Women's Health Promotion policy. The results revealed that there are female employees who are "troubled by women-specific health issues" and that many male managers are "unaware of their troubles." Based on the results, we continue to hold seminars to improve the health literacy of our employees. In addition, by FY2024, we will introduce online medical care (menstruation and menopause) to better visualize ways in which improvements in physical condition can contribute to increased work productivity.

—Health White Paper, Health Management Guidebook—

A health white paper and health management guidebook (for all employees in Japan, first edition in July 2020, second edition in October 2022) have been published with the aim of creating an environment where each and every employee is aware of their health and proactively promotes their health.



Health White Paper (Only available in Japanese)

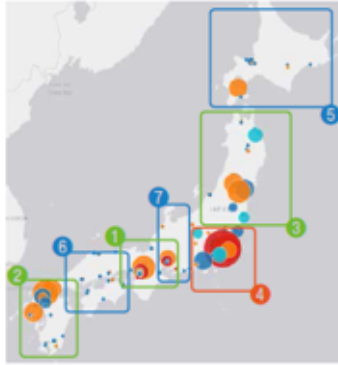


Health Management Guidebook (Only available in Japanese)



■ Enhancing our occupational health system

With the goal of "providing the same level of health support services to workplaces nationwide," health nurses visit our workplaces. We provide post-health checkup interviews, check on safety management in the workplace, and offer other consultations related to the health of workers, such as mental health and infectious diseases. In addition to face-to-face meetings and consultations, we also offer online consultations. Public health nurses have been assigned to each area in Japan since FY2021, and the number will be increased sequentially through FY2028.



2020年度10月 関西エリア保健師配置①

2021年度7月 九州②、1月 東北③

2022年度7月 本社保健師による首都圏訪問開始④

2025年度以降北海道エリア保健師配置予定⑤

中四国エリアへの関西エリア保健師の訪

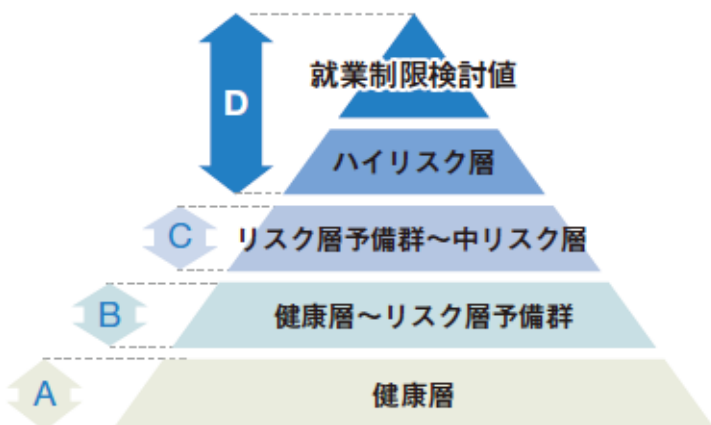
問範囲拡大予定⑥

中部への本社保健師の訪問開始予定⑦

■ Promoting mental health

Having started with stress checks, we now implement a fully integrated mental health strategy. In addition to helping employees with mental health concerns, we promote good mental health via self-care and line care* and work to revitalize workplace communication. We also offer e-learning courses about self-care and line care, and hold webinars 10 times a year, with over 400 employees taking part.

* Line care: A system in which managers/supervisors are attentive to changes in employees, provide opportunities for consultation, and work to make the workplace environment better.



■ Ensuring health management and follow-up measures

Since FY2019, we have achieved a 100% annual health check rate for our employees, even during the COVID-19 pandemic. After health checks, we send out automatic e-mails to those who need medical care, and conduct interviews with industrial physicians based on the industrial physician's judgment, as well as thorough follow-ups by public health nurses until the end of the fiscal year.

■ 具体的な健診後のフォローは主に下記の3つを行っています。

1. D判定(要医療)者全員への受診勧奨
(自動メール等で受診を促し受診日を確認)
2. 最も心配な就業制限検討値該当者への産業医面談実施や、保健師による年度末までの徹底的なフォロー
3. 産業医が「治療状況詳細確認」「面談指導」等を必要と判断した方への個別対応

■ Countermeasures against COVID-19

We are building a support system for preventing COVID-19 infections and handling confirmed cases. Occupational health staff at the Health Promotion Center work with the Group Countermeasures Headquarters, the Nichirei Health Insurance Association and the Nichirei Labor Union.



Flowchart of countermeasures for COVID-19

Governance

Corporate Governance	...	152
Compliance / Internal Control	...	164
Risk Management	...	170

Corporate Governance

Basic Philosophy

Basic Philosophy

On the basis of its holding company structure, the Group engages in business through its Group companies across a wide range of fields which include processed foods, marine products, meat and poultry products, logistics, and biosciences. In pursuit of sustainable growth and the enhancement of corporate value over the medium to long term, the Company's Board of Directors formulates Group strategies and supervises the business execution of operating companies.

The holding company maintains awareness regarding the principles of the Corporate Governance Code and views the achievement of fair and transparent management as an important management issue. Accordingly, under the supervision of the Board of Directors, we will promote appropriate resource allocation, speed up decision-making, and ensure thorough compliance while continuing to strengthen our governance.

In addition, we have established ourselves as a company with Audit & Supervisory Board system, an institutional design specified within the Companies Act of Japan.

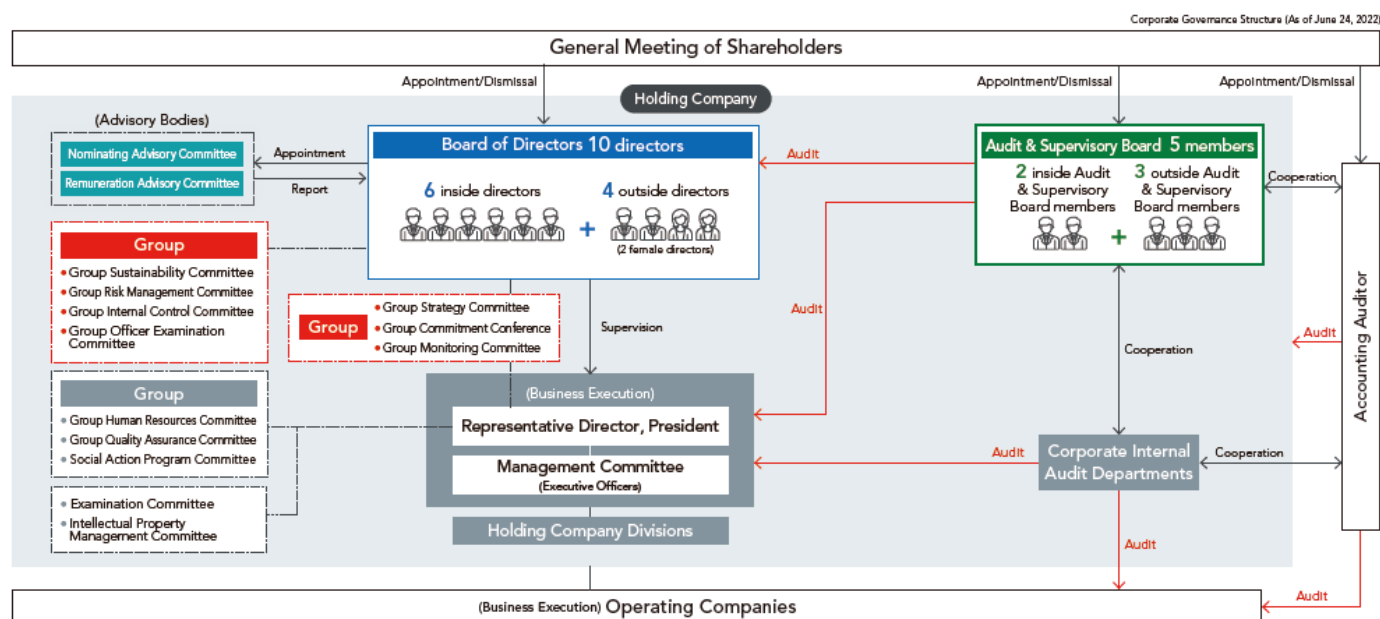
Basic Policy on Corporate Governance



Management System

Management System

■ Corporate Governance Structure





Activities Aimed at Strengthening the Nichirei Group's Corporate Governance Structure

	FY2002	FY2006	FY2007	FY2013	FY2016	FY2017	FY2019	FY2020	FY2021	FY2022	FY2023
Group Structure		Shift to holding company system									
Separation of Management Supervision and Execution	Implementation of executive officer system										
Outside Directors		Shift to three independent outside directors								Four outside directors	
Female Outside Directors		One First female outside director appointed				Two				Three	Two
Outside Audit & Supervisory Board Members				Three							
Establishment of Voluntary Committees											
Evaluation of Effectiveness of Board of Directors						Board of Directors effectiveness evaluations started					
Officer Remuneration			Retirement bonuses for directors discontinued					Revision of officer remuneration system			Revision of officer remuneration system
Others					Basic Policy on Corporate Governance established	Discontinuation of rules regarding the high-volume purchase of Nichirei share certificates, etc. (Anti-takeover measures)	Formulation of Group Disclosure Policy	Revision of Basic Policy on Corporate Governance (Revisions to policy on capital management and other protocols and adjustments to maximum terms of office for outside Audit & Supervisory Board members to ensure their independence)			Disclosure of skill matrix

Overview of Board of Directors

Composition	10 directors (4 outside directors)
Number of meetings in FY2022	19
Description of operations	Promotes proper allocation of Group resources, swift decision-making and thorough compliance through supervision of the Group's strategy planning and business execution of operating companies. After discussion by the Group Strategy Committee, which meets twice a year, the Board of Directors formulates and approves the Group's strategies and conducts quarterly checks of the status of implementation at each Group business. It also engages in highly effective supervision of executive directors and executive officers.

■ Overview of Audit & Supervisory Board

Composition	5 Audit & Supervisory Board members (3 outside Audit & Supervisory Board members)
Number of meetings in FY2021	16
Description of operations	As a body that is independent from the Board of Directors, the Audit & Supervisory Board communicates with directors, the corporate internal audit departments and other departments of the holding company in accordance with the annual audit policy and audit plan to gather information and prepare the audit environment.

■ Status of the Establishment of Voluntary Committees, Their Composition and the Attributes of Their Chairpersons

Committee	Role	Chairperson	Frequency
Nominating Advisory Committee	Discusses the suitability of candidates for senior management and directors/Audit & Supervisory Board members, as well as successor plans, and reports its findings to the Board of Directors.	Kuniko Shoji Outside Director	6
Remuneration Advisory Committee	Discusses the remuneration system, remuneration levels, the appropriateness of remuneration amounts, and other related matters, and reports to the Board of Directors.	Kenji Hamashima Outside Director	6

■ Election and Term of Office of Directors

The Board of Directors comprises up to 11 members, appointed to one-year terms in order to enhance flexibility in response to changes in business conditions. Resolutions to appoint directors must be approved by a majority of shareholders, with at least one third of those shareholders who have voting rights in attendance. To improve transparency and strengthen supervisory functions, three of the current 10 directors are outside directors. The Board meets at least once a month. The Board of Directors is chaired by the Representative Director and Chairman, who also serves as an executive officer. Together, the Representative Director and Chairman and the Representative Director and President oversee the Group's overall execution of business.

■ Audit & Supervisory Board Member System and Role of Audit & Supervisory Board meetings

Nichirei has adopted the audit & supervisory board member system. Of the five audit & supervisory board members, three are outside audit & supervisory board members, of whom one has experience at a financial institution, another is an experienced attorney, and the third has worked at a government agency. Audit & Supervisory Board meets once a month, in principle, convening additional meetings as necessary. Nichirei has established a framework to enhance the supervisory functions of audit & supervisory board members, allowing for the effective use of audit & supervisory board members, and strengthening the supervisory role of management.

■ Independent Outside Directors and Outside Audit & Supervisory Board Members










The Company adheres to its Criteria for Independence when appointing outside directors and outside audit & supervisory board members designated by the Company as independent directors/audit & supervisory board members. A vested interest in Nichirei is denied outside directors and their close relatives, as well as outside audit & supervisory board members and any companies or organizations of which they are directors or that they serve in other important positions.








■ Skill Matrix

The Nichirei Group believes that in order for the Board of Directors to effectively fulfill its roles and responsibilities, it must be composed of members with sufficient knowledge and experience, both internal and external, in fields related to business management. We have designated the following knowledge and experience as important from a corporate management perspective. In addition to having appropriate experience in all of the following areas, the Company selects director candidates based on the areas in which the Company has particular expectations.

■ Experience and Skills

		Corporate Management	ESG/ Sustainability	Global	Innovation/ Marketing	Financial Accounting/ Finance	Legal Affairs/ Compliance
Directors	 Kenya Okushi	●	●	●	●		
	 Junji Kawasaki		●		●		●
	 Kazuhiro Umezawa	● (Logistics)		●	●		
	 Masahiko Takenaga	● (Processed foods)		●	●		
	 Wataru Tanabe	● (Marine, meat and poultry products)		●	●		
	<small>New Appointment</small>  Kenji Suzuki ²		●	●		●	
	<small>Designated as Independent Officer</small>  Kuniko Shoji		●		●		●
	<small>Designated as Independent Officer</small>  Mana Nabeshima		●	●		●	
	<small>New Appointment</small> <small>Designated as Independent Officer</small>  Itsuo Hama ²	●	●		●		

Audit & Supervisory Board Members	 <small>New Appointment Designated as Independent Officer</small> Kenji Hamashima ²	●	●	●			
	 Tatsushi Kato		●				●
	 <small>New Appointment</small> Tetsuro Katabuchi ²		●				●
	 <small>Designated as Independent Officer</small> Yuhiko Saito		●				●
	 <small>Designated as Independent Officer</small> Kiyoshi Asahina			●			●
	 <small>Designated as Independent Officer</small> Muneaki Kiyota			●		●	

*1 Mr. Tanabe, Ms. Nabeshima, and Mr. Kato were newly appointed at the 103rd General Meeting of Shareholders held on June 22, 2021. Their attendance reflects meetings of the Board of Directors, Nominating Advisory Committee, Remuneration Advisory Committee or Audit & Supervisory Board held after that date.

*2 As Mr. Suzuki, Mr. Hama, Mr. Hamashima and Mr. Katabuchi were newly appointed at the 104th General Meeting of Shareholders held on June 24, 2022, their attendance for FY2022 is not presented.

Officer Career Summaries (As of June 24, 2022)



Board of Directors Composition



Number of Meetings of Various Committees, etc., and Number of Board Members in Attendance



■ Officer Remuneration System

Design of the remuneration scheme for directors and executive officers incorporates the opinions of a third-party organization. Remuneration comprises a base remuneration component and a bonus component. Base remuneration is paid at a fixed rate determined in accordance with a remuneration schedule. Bonuses are paid according to the concept of productivity-linked bonuses, based on the results of the Nichirei Group, the performance-budget achievement rate of the relevant officer's business area, and an individual qualitative assessment. Outside directors receive base remuneration only; they are not paid a bonus. Nichirei has established a Remuneration Advisory Committee which meets, in principle, once a year to deliberate on such topics as the remuneration system, remuneration levels, and the validity of remuneration, before reporting its findings to the Board of Directors. The committee comprises the Representative Director and President, a audit & supervisory board member, and outside directors. Officer remuneration is determined by the Board of Directors. The total amount of remuneration and bonuses paid to directors must be within the limit resolved at a General Meeting of Shareholders.

① Policies and Methods for Determining Officer Remuneration

The policy for determining individual director remuneration is for the Remuneration Advisory Committee to discuss the appropriateness of each director's remuneration each fiscal year and for the decision to be made by the Board of Directors. In these discussions, the Remuneration Advisory Committee reflects changes in the management environment and the opinions of shareholders and investors, and obtains information necessary for discussion from third-party agencies with extensive global knowledge and experience.

② Changes in Policies for Determining Officer Remuneration

We have decided to change the performance-linked bonus key performance indicator (KPI) in conjunction with the start of Medium-Term Business Plan Compass Rose 2024 in FY2023. Specifically, ROIC and profit were selected to replace REP1 in order to optimize the business portfolio and improve capital efficiency and shareholder returns. In addition, we adopted a new way of utilizing ESG third-party assessments² to strengthen our response to sustainability-related issues. There are no other significant changes in the policy for determining officer remuneration.

■ [Company-wide KPIs for Performance-linked Bonuses]

Before Revision (Up to FY2022)	After Revision (From FY2023)	Reasons for Selection of KPIs
Consolidated net sales	Consolidated net sales	Expansion of size of Company
Consolidated EBITDA	Consolidated EBITDA	Improvement of ability to generate cash and profitability of core businesses
Consolidated REP ^{*1}	Consolidated profit	Improvement of shareholder returns
	Consolidated ROIC	Optimization of business portfolio and improvement of capital efficiency
—	ESG third-party assessment ^{*2}	Strengthen response sustainability-related issues

*1 Retained Economic Profit (REP) is a unique business management indicator used by the Group and is calculated by deducting capital costs (capital used x WACC) from NOPAT.

*2 For ESG third-party assessments, we utilize the assessments of multiple ESG assessment organizations to ensure objectivity and fairness. Specifically, we will utilize the following three types of assessment.

ESG Third-party Assessments	Reason for Selection
<ul style="list-style-type: none"> • FTSE4Good Index Series • MSCI ESG Ratings • CDP Climate Change 	<ul style="list-style-type: none"> • Appropriate management of ESG-related risks and opportunities • Strengthening of response to climate change

■ Policies for Determining Officer Remuneration

① Basic Policies

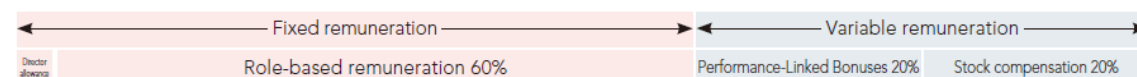
Directors (Excluding Outside Directors)	<ul style="list-style-type: none"> • Remuneration shall strongly encourage directors to perform their duties in accordance with the Group's Management Principles, Sustainability Policy, The Nichirei Pledge and management strategies. • In order to achieve long-term management goals, remuneration is set to strongly motivate directors to achieve specific management goals with regard to the Group's material matters and medium-term business plans. • In order for remuneration to serve as an incentive toward the Group's sustainable growth, the ratio of remuneration linked to short-term results, performance of duties, etc. (performance-linked bonuses) and remuneration linked to medium- to long-term results and corporate value (stock compensation) will be set in an appropriate manner. • Directors and executive officers shall be treated in a manner befitting their positions as officers of the Company in consideration of the significance of the Group's social role and responsibilities, trends at companies competing with the Group in business and human resources, including those in the food and logistic industries, and changes in the business environment.
Outside Directors	<ul style="list-style-type: none"> • In light of their role of supervising the Company's management from an independent and objective standpoint, outside directors are paid only basic (fixed) remuneration.

② Remuneration Composition and Levels

■ Remuneration for Directors Other Than Outside Directors

Basic (fixed) remuneration consists of role-based remuneration and a director allowance, and variable remuneration consists of performance-linked bonuses and stock compensation. Remuneration levels are set at appropriate amounts with reference to objective compensation market survey data (compensation levels of companies competing with the Group in terms of business and human resources, including those in the food and logistics industries), taking into consideration the responsibilities and number of directors, changes in the business environment going forward, and the opinions of third-party organizations.

● Guideline for the Ratio of Remuneration for Directors Excluding Outside Directors



Remuneration Composition	Purpose/Description
Role-based Remuneration	Basic remuneration performance of duties Set according to the significance of the role of each director
Director Allowance	Remuneration for the responsibilities of making and supervising the execution of management decisions Set at a uniform amount for all directors
Performance-linked Bonuses	Remuneration for motivating directors to achieve annual financial and strategic goals The amount paid when achieving goals ("standard amount") is set as a percentage of role-based compensation Paid within a range of 0-200% of the standard amount according to degree of achievement
Stock Compensation (Restricted Shares)	Remuneration for encouraging management from a long-term/Group-wide perspective and the perspective of shareholders and investors Value of shares issued each fiscal year ("standard amount") is set as a percentage of role-based compensation Restricted shares are issued annually in an amount equal to the standard amount, and restrictions are lifted upon a director's retirement

■ Remuneration for Outside Directors

Only basic (fixed) remuneration is paid to outside directors. The level of remuneration is set at an appropriate amount, taking into consideration the time and effort spent by each outside director fulfilling expected roles and functions, as well as objective compensation market survey data (compensation levels of companies similar in business type and size to that of the Company).

③Performance-Linked Bonuses

The amount of money to be paid to each individual as a performance-linked bonus varies within a range of 0% to 200% of the base amount for each position, depending on the achievement of Company-wide, business and individual performance targets.

Amount of individual bonus = Base amount by position × Performance evaluation coefficient (0–200%)

Performance evaluation coefficient = (a) Company-wide performance evaluation coefficient + (b) Business performance evaluation coefficient + (c) Individual performance evaluation coefficient

Evaluation Weight	(a) Company-wide Performance Evaluation					(b) Business Performance Evaluation			(c) Individual Performance Evaluation
	Net sales	EBITDA	Profit	ROIC	ESG	Net sales	EBITDA	ROIC	
Representative Director, President	100%					-			-
	10%	40%	10%	20%	20%				
Director (In Charge of Business)	60%					30%			10%
	10%	20%	10%	10%	10%	5%	15%	10%	
Director (In Charge of Function)	70%					-			30%
	5%	30%	5%	15%	15%				

④Procedures for Determining Remuneration

In order to ensure appropriateness and objectivity in matters related to remuneration for individual directors, the Remuneration Advisory Committee, comprising mainly independent outside directors, discusses matters first and reports its findings to the Board of Directors, which then makes its decisions.

The amount of officer remuneration for FY2022 is presented in the 104th Annual Securities Report.

[Annual Securities Report > Procedures for Determining Remuneration](#)



■ The total amount of officer remuneration in FY2022

Classification of Officers	Classification of Officers' Total Amount of Compensation, etc. by Type (Millions of Yen)			Total Amount of Compensation, etc. (Millions of yen)	Number of eligible persons Number of officers (persons)
	Basic remuneration	Performance-linked bonus	Restricted shares compensation		
Directors (excluding outside directors)	259 (159)	69 (40)	80 (80)	409 (280)	8 (8)
Outside directors	40	-	-	40	4
Audit & Supervisory Board (excluding outside Audit & Supervisory Board members)	48	-	-	48	3
Outside Audit & Supervisory Board members	32	-	-	32	3
Total	380 (280)	69 (40)	80 (80)	529 (401)	18 (18)

*1 The above includes one director and one Audit & Supervisory Board Member who retired at the conclusion of the 103rd Annual General Shareholders Meeting held on June 22, 2021, and one director who resigned on January 17, 2022.

*2 The total amount of remuneration, etc. above is stated as consolidated remuneration, etc. (total amount of expenses, etc. paid or to be paid or borne by the Company and its subsidiaries). For directors (excluding outside directors), the amount in parentheses is the total amount of remuneration, etc. paid or to be paid by the Company. With respect to outside directors and Supervisory Board Members, the total amount of the consolidated remuneration, etc. is the total amount of remuneration, etc. to be borne by the Company. For the total, the amount in parentheses is the total amount of remuneration, etc. to be borne by the Company.

*3 The amount of "basic remuneration" above is the total amount of remuneration, etc. paid in FY2022 (all monetary remuneration).

*4 The above "performance-linked bonuses" amount is the amount expected to be paid in June 2022 based on the results of business performance, etc. in FY2022 (all monetary compensation).

*5 The amount of "Restricted Shares Compensation" above is the total amount expensed in FY2022. In FY2022, the Company granted monetary compensation claims to seven directors (excluding outside directors) and had all such claims contributed in kind to the Company, resulting in the delivery of 27,770 shares of common stock of the Company as stock compensation. The delivery of such shares is subject to the condition that they do not transfer their positions as officers of the Company until they retire from the Company.

* The Company has introduced a restricted shares compensation plan similar to that for directors for executive officers who do not concurrently serve as directors, and in FY2022, 9,748 shares of the Company's common stock were issued to four executive officers.

*6 The maximum remuneration amounts, etc. for directors and Audit & Supervisory Board Members approved at the General Shareholders Meeting are as follows.

Classification of Officers	Date of resolution of the General Meeting of Shareholders	Basic remuneration	Performance-linked bonus	Restricted shares		Number of officers
Director	June 25, 2019 (101st Annual General Shareholders Meeting)	Up to 270 million yen (including Outside Directors: up to 50 million yen)	Up to 130 million yen	Up to 100 million yen	Up to 70,000 shares	10(including Outside Directors: 3)
Audit & Supervisory Board Members	June 26, 2012 (94th General Shareholders Meeting)	Up to 120 million yen	—	—	—	5(of which Outside Audit & Supervisory Board Members: 3)

* The maximum amount of remuneration, etc. for directors does not include salaries for employees of directors who concurrently serve as employees.

[Annual Securities Report 2022 > Total Amount of Officer Remuneration in FY2022](#)



[Amount of Remuneration, etc. for Directors and Audit & Supervisory Board Members Notice of the 104th Annual General Shareholders Meeting P33](#)



■ Evaluations of Effectiveness

Board of Directors Evaluations

As necessary, and with the assistance of outside experts, the Company conducts analyses and evaluations of the Board of Directors' activities to ensure its decision-making is effective. Summaries of the results are subsequently disclosed.

Evaluation Procedure	Subjects: Directors and Audit & Supervisory Board members (15 individuals in total) Period: January–February 2022 Method: Self-assessment involving questionnaires conducted by third-party experts
Evaluation Results for FY2022	Although some of the methods of management by Nichirei's Board of Directors changed due to COVID-19 as in the previous fiscal year, discussions were free and lively and the atmosphere conducive to speaking up. Moreover, there were many positive opinions to the effect that the Nichirei Board of Directors has achieved a considerable degree of overall effectiveness, reflecting efforts such as further improving the content and timing of materials in order to enhance discussions.

■ Issues to Be Addressed

Issues Identified	Evaluation and Opinion	Future Approach
1.Institutional Design	The current institutional design of a company with Audit & Supervisory Board system was deemed appropriate, and many respondents were of the opinion that there was no need to transition to a different institutional design. However, several respondents said that it is necessary to clarify the pros and cons of the current design and examine it again, and to consider transitioning to another institutional design, taking into account changes in the business environment going forward.	Although we do not consider a change in the institutional design to be necessary at this time, the Nominating Advisory Committee confirmed at its meeting held in May 2022 that it will continue to address the issue of the effectiveness of the current institutional design of a company with an Audit & Supervisory Board system. The committee considers it a medium- to long-term issue and will look at it in light of management strategies, changes in the business environment going forward and Corporate Governance Code requirements. The Nominating Advisory Committee will continue to hold concrete and lively discussions, including comparing the company with an Audit & Supervisory Board system with other institutional designs, and will report and deliberate on these issues at Board of Directors meetings as appropriate.
2.Agenda Items for the Board of Directors	While many respondents were of the opinion that agenda items for meetings of the Board of Directors were appropriate, there was also concern that meetings are becoming longer due to the large number of agenda items and the time required to deliberate on each one. Some were also of the opinion that the agenda items could be reevaluated (further narrowed down). In addition, several respondents mentioned that one of the roles of the Board of Directors is to set the direction of medium- to long-term management strategies.	In order to prevent lengthy meetings and to ensure sufficient time for the deliberation of important agenda items, such as setting the general direction of corporate strategy, which is listed as one of the roles and responsibilities of the Board of Directors in the Corporate Governance Code, we decided to create an annual agenda schedule and reorganize the current agenda items. We also decided to review the agenda items and consider issues related to institutional design mentioned above.
3.Size and Composition of the Board of Directors	The size and composition of the Board of Directors was evaluated positively as a whole. However, many respondents expressed the need for more female directors (especially female inside directors). In addition, some expressed a desire for an academic expert to join the board as an outside director, and several others wanted a person with expertise in DX.	Through the development of a skill matrix, the Company identifies the skills and other attributes that the Board of Directors should possess in light of management strategies and discloses them in the Corporate Governance Report. In addition, for “securing and developing a diverse array of human resources,” which is one of the material matters identified as necessary for achieving our long-term management goals (vision for 2030), we have set achieving a ratio of female line managers at Nichirei Corporation of 30% as a KPI and are working toward that goal. Increasing the number of female managers will link with efforts to appoint female inside directors and ensure diversity of the board. We will continue to review the size and composition of the Board of Directors and revise the skill matrix as appropriate in response to changes in management strategies and the business environment.
4.Training for Officers	While many respondents gave a positive assessment of training opportunities (provision of basic training, etc.) designed to help them fulfill their roles on the Board of	In addition to identifying the knowledge required due to a changing external environment, we will continue to consider ways in which we can provide opportunities

Issues Identified	Evaluation and Opinion	Future Approach
	Directors, some commented that training and knowledge acquisition opportunities were not always adequate during FY2022. Several respondents expressed the desire for more opportunities for knowledge acquisition and learning in order to keep pace with the rapidly changing external environment.	for the acquisition and study of such knowledge. For example, we have organized study sessions by outside experts on sustainability management, a material matter, and will conduct five sessions in 2022.

Nichirei Integrated Report 2021> Evaluations of Effectiveness



Nichirei Integrated Report 2022> Evaluations of Effectiveness



■ Efforts to Ensure Meaningful Discussions

Nichirei distributes materials for use at Board of Directors meetings to each director and Audit & Supervisory Board member at least three days in advance of meetings in order to ensure meaningful discussions.

When internal communication and coordination are required to accurately provide Company information in response to instructions from independent outside directors or independent outside Audit & Supervisory Board members, the secretary in charge acts as the contact point in order to ensure necessary coordination with relevant departments.

Newly appointed directors and Audit & Supervisory Board members are given training as necessary on the Companies Act and other related laws, management strategy, financial analysis and other such matters. Additional training on legislative revisions and management issues is provided as necessary after new members assume office. Moreover, explanations of the Group's businesses and tours of the major facilities are provided to outside officers as necessary.

■ Approach to Cross-Shareholdings

Cross-shareholdings are only utilized when it is determined that they will contribute to improvement of the Company's corporate value; for example by maintaining and strengthening trade and cooperative relationships. In addition, every year, the Board of Directors reviews the economic rationale of individual shareholdings of this type from a medium- to long-term perspective. If the importance of a particular shareholding is determined to have diminished, the shares are sold. In conducting such reviews, the Board of Directors carefully examines and makes a comprehensive judgment on whether the benefits, such as profits from transactions, and dividends or risks are commensurate with the cost of capital, followed by consideration of a qualitative evaluation of the strategic importance of the shareholding. In regard to the exercise of voting rights for cross-shareholdings, the Company will review all the details of the relevant proposal in the investee company's shareholders meeting agenda, and if any of the following apply to the investee company, the Company will make a decision after carefully examination on a case-by-case basis:

- (1) The investee has engaged in acts that will lead to a loss of shareholder value
- (2) The investee's performance or stock price has deteriorated significantly
- (3) There are other serious doubts with respect to agreeing to the proposal

Compliance/Internal Control

Basic Philosophy

Approach to Internal Control

The Group recognizes that developing and operating an internal control system to facilitate operational effectiveness and efficiency, ensure the accuracy of financial reports, comply with laws and regulations pertinent to business, and to safeguard its assets will translate into higher corporate value. In terms of the development of systems necessary to ensure that the execution of the duties by the directors complies with laws and regulations and the Articles of Incorporation, and other systems prescribed by ordinance of the Ministry of Justice as systems necessary to ensure the propriety of operations of the Company and the operations of the group of enterprises consisting of the Company and its subsidiaries pursuant to the Companies Act of Japan, the Company has established the basic policy for its internal control system as follows. The Company will endeavor to improve the policy by reviewing it annually to adapt to changes in the business environment, etc.

[Internal Controls Basic Policy](#)



[Latest Internal Control Report](#)



Basic Philosophy

The Nichirei Group is implementing various initiatives to promote highly ethical business activities in compliance with the laws and social norms of all the countries in which it operates. We have established a code of ethics, which serves as a guideline for officers and employees for following laws and regulations and the Articles of Incorporation and for acting in accordance with corporate ethics, and a code of conduct, which sets forth basic matters to be observed by everyone working for the Nichirei Group to ensure thorough compliance. The code of conduct also includes information concerning prevention of corruption-related matters that have been deemed important from the perspective of international compliance, including insider trading bans and the prohibition of engagement or trading with antisocial forces. In addition to providing this information, the Group conducts compliance training for officers and employees aimed at ensuring a more pervasive understanding of compliance management and a more universal compliance management framework.

Nichirei Group Code of Conduct (Table of Contents)

1. Compliance with Laws and Regulations Concerning Respect for Human Rights and Labor
2. Environmental Protection
3. Compliance with Laws and Regulations and Internal Regulations
4. Management and Preservation of the Company's Property
5. Prohibition on Personal Use of the Company's Property
6. Prohibition on Insider Trading
7. Ensure the Reliability of Financial Information
8. Management and Use of Information
9. Prohibition of Personal Acts Conflicting with the Company's Interests
10. Prohibition on Unfair Benefits Given to/Received from Public Officers or Business Partners
11. Prohibition on Involvement/Trade with Antisocial Forces
12. Compliance with/Reporting of and Consultation on Code of Conduct

Corporate Governance Report (Only available in Japanese)



Compliance



Management System

Management System

■ Strengthening and Ensuring Compliance Awareness

The internal regulations of the Nichirei Group clarify the rules necessary for a Group company to be managed in a systematic and effective manner. They are indispensable for the governance and internal controls of the company. Accordingly, all people working for the Nichirei Group must properly understand and comply with them. Based on this line of thinking, compliance and anti-corruption initiatives are implemented company-wide, while the Board of Directors oversees compliance with the Code of Conduct.

Specifically, to ensure that all employees comply with laws, regulations and Nichirei's articles of incorporation, and act in keeping with corporate ethics, Nichirei has formulated and distributes a Code of Conduct along with a collection of examples of how the code is to be applied. Moreover, so that the principles and systems of compliance management contained in the Code of Conduct and so on better permeate within the company, employees and new recruits are provided training using a collection of examples on the Code of Conduct. By learning about the Code of Conduct based on concrete examples, the aim is to educate and raise awareness for compliance among existing and new employees. The effectiveness of the Code of Conduct and compliance initiatives will be regularly evaluated and revised or improved as necessary.

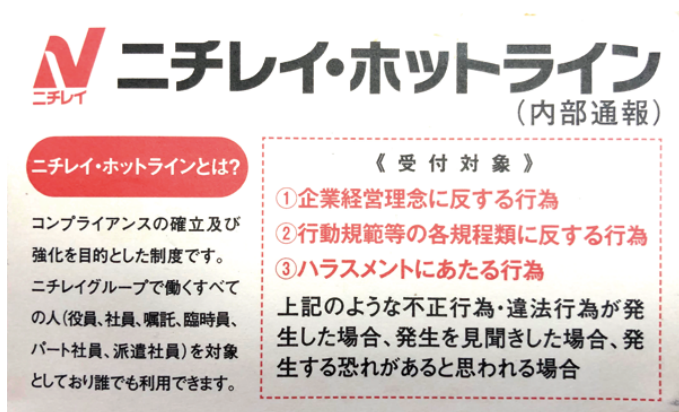
Internal Whistleblower Hotline and Consultation Service

In October 2003, we introduced an internal whistleblower hotline and consultation service (Nichirei Hotline) to respond to reports and consultations from employees regarding actions that violate laws and regulations, the Articles of Incorporation, internal rules, or actions that are ethically questionable. In FY2016, we updated our internal whistleblower hotline system in response to the requirements of Japan's Corporate Governance Code, which specifies that internal whistleblower hotline systems are to be independent from company's management, and introduced monitoring/checking functions through Audit & Supervisory Board members and outside officers. In 2022, we updated the system again in line with the amended Whistleblower Protection Act that went into effect in June of that year and in compliance with the government guidelines. The response system is being redesigned to strengthen whistleblower protection and confidentiality, and to expand the scope of whistleblowers.

To ensure that all officers and employees are aware of the new hotline, the Company created promotional posters for display at workplaces nationwide and distributed reminder cards to all employees. All reports and consultations received by the Nichirei Hotline are investigated by the administration office to confirm the facts and, if necessary, corrective measures are taken in accordance with the Group Whistleblowing Regulations.

Whistleblowers are assured anonymity and any adverse treatment is prohibited, including retaliation by the Company, those who are the subject of complaints, or any other party. The whistleblower may also receive feedback from the administration office if he or she so requests.

The status of response to whistleblowing and consultation is regularly reported to the Board of Directors and monitored to ensure that it is being properly managed.



N ニチレイ・ホットライン
(内部通報)

ニチレイ・ホットラインとは?

コンプライアンスの確立及び強化を目的とした制度です。ニチレイグループで働くすべての人(役員、社員、嘱託、臨時員、パート社員、派遣社員)を対象としており誰でも利用できます。

《 受付対象 》

- ① 企業経営理念に反する行為
- ② 行動規範等の各規程類に反する行為
- ③ ハラスメントにあたる行為

上記のような不正行為・違法行為が発生した場合、発生を見聞きした場合、発生する恐れがあると思われる場合

Nichirei Hotline card



内部通報・相談先

受付窓口：ダイヤル・サービス株式会社(ニチレイ委託先)

① TELの場合 フリーダイヤル **0120-** [redacted]
受付時間:月曜～金曜12:00～21:00、土日・祝日9:00～17:00(12/29～1/4を除く)

② WEBの場合 <http://www.dial-soudan.jp/et/nichirei/>

③ FAXの場合 フリーダイヤル **0120-** [redacted]

通報者のプライバシーや秘密は、規定により保護されます。
通報・相談したことを理由に不利益な扱いを受けることは一切ありません。

Number of Whistleblowing Cases, by Type



Educating Employees about the Code of Conduct to Ensure Compliance

The Nichirei Group aims to continue to operate and develop as a company that is widely trusted and favorably received by society due to the high ethical standards of its officers and employees. In order to foster a sense of ethics in each and every officer and employee, the Code of Conduct (in addition to the Management Principles and The Nichirei Pledge) is included at the beginning of the employee handbook, so that officers and employees can refer to it anytime, anywhere as a basis for their actions.

In addition, we have created a monthly series of slideshow-style materials designed to help employees understand case studies related to the code of conduct, and post them on the Group's intranet.

The Nichirei Group is committed to continue providing compliance training, including offering e-learning sessions to educate and train employees, based on its in-house educational rules.



Presentation materials related to the Code of Conduct

e-learning



■ Establishment of the Nichirei Group Global Governance Basic Rules

In 2021, we established the Nichirei Group Global Governance Basic Rules, which are based on existing policies and rules and have been reorganized for overseas subsidiaries to make them easier to understand. Laws and cultures differ in Japan and overseas, and companies acquired through M&As have their own corporate climates built up over time. These rules therefore only incorporate the most important concepts for Nichirei, while respecting the autonomy of each company. The rules are available in five languages (Japanese, English, Chinese, Vietnamese and Portuguese), and are gradually being applied, disseminated and implemented. Through these efforts, we will strengthen the governance of overseas subsidiaries in order to achieve our vision for 2030 of an overseas sales ratio of 30%.



■ Awareness-raising Activities for Anti-corruption and the Prohibition of Bribery, etc.

The Nichirei Group has established the Bribery and Corruption Prevention Standards and the Bribery and Corruption Prevention Manual. They clarify the basic matters that all officers and employees must follow to prevent bribery of public officials and others. In addition to Japanese laws and regulations, the documents provide an overview of laws and regulations in major countries such as the United States, the United Kingdom, and China, and present specific matters that require caution in a Q&A format.

For overseas subsidiaries, the Nichirei Group Global Governance Basic Rules stipulate the prohibition of bribery, and we are raising awareness of applicable laws and regulations of each country and the bribery and corruption standards among employees.



Bribery or Other Acts of Corruption

During FY2021, no employees were penalized for bribery or other acts of corruption. Moreover, no payments were made for fines relating to bribery or other acts of corruption.

Anti-corruption and Bribery



Protection of Personal Information

In FY2021, there were no issues related to the leaking of personal information, etc.

Personal Information Protection Leaks, etc.



Risk Management

Basic Philosophy

Basic Philosophy

The Nichirei Group has established the Group Risk Management Committee, chaired by the representative director, president, to manage the various risks associated with its business activities, in the most appropriate and rational way from a comprehensive standpoint, and to maximize the Group’s corporate value. The committee identifies and evaluates Group-wide risks, and Nichirei and its operating companies take countermeasures to these risks on their own accord, based on the established risk management cycle. Important items are reported to the Board of Directors of Nichirei Corporation, the holding company, which considers countermeasures.

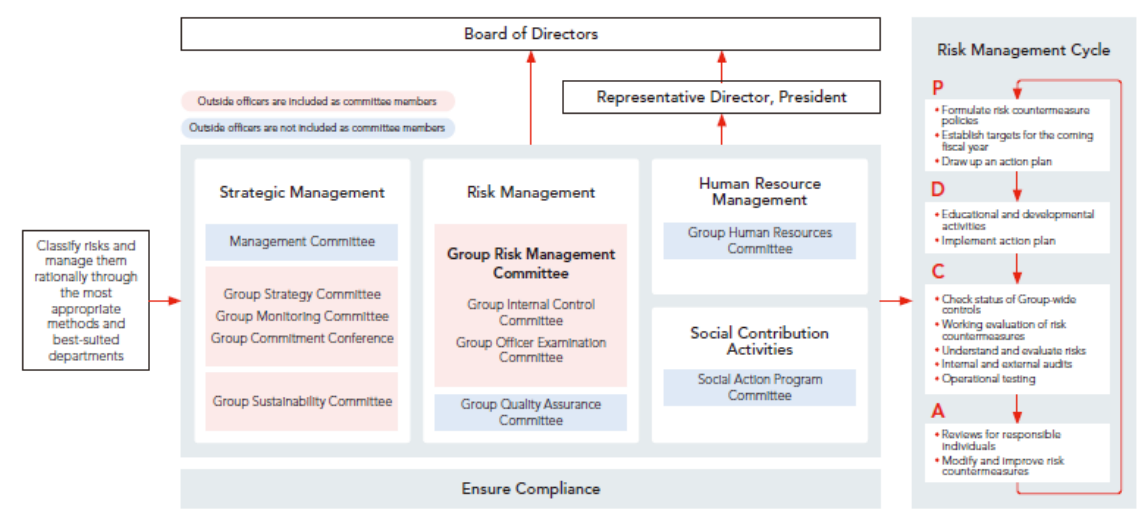
Risk Management

Management System

Management System

Believing that the actions of each employee count in preventing a number of risks, Nichirei devised a Code of Conduct comprising 12 articles (revised in 2014). The code involves compliance and ethical behavior regarding the environment, society, and governance. It is designed to minimize, thorough awareness, the risk of compliance infractions and other issues.

The Group Risk Management Committee identifies and evaluates risks(including ESG), while running a risk management system for the Group. Any significant risks identified by the risk management process are reported to the holding company’s board of directors for discussion.




Educating Employees about the Code of Conduct to Ensure Compliance

Important Risks and Countermeasures of the Nichirei Group

Risk Category	Risks	Countermeasures and Initiatives	Management System
1.Economic conditions and business environment	<ul style="list-style-type: none"> Market in Japan: Long-term contraction of total demand due to declining population/new demand due to changes in household composition and lifestyles Overseas markets: Rise of different needs in each region underpinned by factors including economic growth Growing expectations and demands for the achievement of a sustainable society 	<ul style="list-style-type: none"> Promotion of innovation and creation of new value to solve social issues 	<ul style="list-style-type: none"> Strategic management
2.Situation in Ukraine	<ul style="list-style-type: none"> Impact on financial markets Rising energy prices and impact on supply chain 	<ul style="list-style-type: none"> Close monitoring and minimization of impact on business activities 	<ul style="list-style-type: none"> Strategic management
3.Impact of COVID-19	<ul style="list-style-type: none"> Further global economic stagnation and supply chain disruptions Interruption of business activities due to an outbreak within the Group Labor shortages due to restrictions on cross-border movement of workers 	<ul style="list-style-type: none"> Implementation of various infectious disease control measures that place the highest priority on employee health and safety Promotion of automation that uses advanced technologies Creation of new business opportunities in line with changes in people's lifestyles and values 	<ul style="list-style-type: none"> Strategic management Group Risk Management Committee
4.Food quality issues	<ul style="list-style-type: none"> Food quality problems, such as not meeting sanitation and pesticide and animal drug residue standards, contamination with foreign materials, and specified livestock infectious diseases Occurrence of large-scale product recalls 	<ul style="list-style-type: none"> Introduction of a food safety management system Appropriate quality and production control of raw materials and products, traceability system, food defense, training and proper allocation of personnel 	<ul style="list-style-type: none"> Group Quality Assurance Committee
5.Securing and developing diverse human resources	<ul style="list-style-type: none"> Securing and developing the necessary human resources Responding to labor shortages due to Japan's declining birthrate and aging population 	<ul style="list-style-type: none"> Improvement of workplace environment and productivity Promotion of health management Investment in human capital 	<ul style="list-style-type: none"> Group Human Resources Committee
6.Information security	<ul style="list-style-type: none"> System outages, leakage or falsification of important information due to operational problems or cyberattacks in systems used for business purposes 	<ul style="list-style-type: none"> Establishment of firewalls and intrusion detection and authentication systems Establishment of internal rules and regulations, e-learning and other training for employees, and an information management structure 	<ul style="list-style-type: none"> Group Risk Management Committee
7.Price fluctuations of	<ul style="list-style-type: none"> Significant fluctuations in raw material prices (including meat, 	<ul style="list-style-type: none"> Cost reduction through productivity improvements 	<ul style="list-style-type: none"> Strategic management

Risk Category	Risks	Countermeasures and Initiatives	Management System
commodities and raw materials	poultry and marine products) due to market conditions and yields	<ul style="list-style-type: none"> • Development of products with enhanced value and expansion of distinctive products • Procurement and sales balanced with supply and demand 	
8.Fluctuations in crude oil prices, etc.	<ul style="list-style-type: none"> • Increase in electricity, diesel oil, heavy oil and other fuel procurement costs due to soaring crude oil prices; increase in procurement costs of commodities and raw materials 	<ul style="list-style-type: none"> • Cost reductions through the introduction of new technologies and improvement of operations 	<ul style="list-style-type: none"> • Strategic management
9.Impact of exchange rate fluctuations	<ul style="list-style-type: none"> • Fluctuations in currencies including the U.S. dollar, Thai baht and euro that impact procurement prices of commodities and raw materials, as well as the impact of currency translation on the results of overseas subsidiaries 	<ul style="list-style-type: none"> • Use of forward exchange contracts, etc. 	<ul style="list-style-type: none"> • Strategic management
10.Changes in laws and regulations, etc.	<ul style="list-style-type: none"> • Changes in laws, regulations and soft laws in Japan and overseas 	<ul style="list-style-type: none"> • Monitoring of trends in laws and regulations in each country and region, and thorough compliance with such laws and regulations 	<ul style="list-style-type: none"> • Strategic management
11.Sustainable food procurement	<ul style="list-style-type: none"> • Growing social demands for consideration of human rights and the workplace environment in the supply chain, management of natural marine resources, reduction of food loss, and resolution of the marine plastic problem, as well as changes in and establishment of laws, regulations and soft laws • Difficulty in ensuring stable procurement of raw materials and other resources or damage to social credibility due to inadequate efforts or those deemed insufficient 	<ul style="list-style-type: none"> • Development of a Sustainable Procurement Policy, Supplier Code of Conduct and Guidelines, and implementation of ESG questionnaires for business partners • Handling of MSC/ASC-certified marine products • Implementation of initiatives related to the procurement of sustainable palm oil and conducting of a sustainable-cycle poultry business 	<ul style="list-style-type: none"> • Group Sustainability Committee
12.Climate change	<ul style="list-style-type: none"> • Social demand for reduction of greenhouse gas emissions, and strengthening of regulations such as the imposition of a carbon tax and other policies (our fundamental technologies are for freezing and refrigeration, and we consume energy, mainly electricity) • Impact of rising temperatures and extreme weather associated with global warming on supply chains, including raw material procurement, production and logistics 	<ul style="list-style-type: none"> • Switching from fluorocarbon to natural coolants, use of renewable energy sources through installation of solar power generation equipment and the purchase of green power certificates • Ongoing climate change impact assessment and information disclosure in accordance with TCFD recommendations 	<ul style="list-style-type: none"> • Group Sustainability Committee

Risk Category	Risks	Countermeasures and Initiatives	Management System
13.Large-scale natural disasters	<ul style="list-style-type: none"> Extensive damage to roads, ports and railroads at or near the Group's sites, market contraction, supply chain disruptions, or restrictions on business activities due to factors such as a massive earthquake or localized rain storms 	<ul style="list-style-type: none"> Seismic retrofitting work; deployment of emergency generators; establishment of an employee safety confirmation system, disaster prevention manuals and business continuity plans (BCPs); and use of multiple data centers 	<ul style="list-style-type: none"> Group Risk Management Committee
14.Technological innovation	<ul style="list-style-type: none"> Decline in competitiveness of the Group's technologies and products and services due to technological innovations, including rapid progress in digital technologies and food tech 	<ul style="list-style-type: none"> Reform of business processes and promotion of innovation through the use of digital technologies and data Implementation of an innovation management system based on ISO 56002 	<ul style="list-style-type: none"> Strategic management
15.Holding of fixed assets	<ul style="list-style-type: none"> Impairment loss due to deterioration of conditions at logistics centers caused by relocation of shipping companies and changes in road transportation networks Impairment loss due to aging and obsolescence of equipment at production plants or poor sales Impairment and write-down of goodwill and investment securities due to deviation from the business plan at the time of investment 	<ul style="list-style-type: none"> Clarification of items for consideration when preparing investment plans, and the rules for post-investment verification 	<ul style="list-style-type: none"> Strategic management
16.Cross-shareholdings	<ul style="list-style-type: none"> Significant changes in the market value of cross-shareholdings or in the financial position of the issuing company 	<div>Approach to Cross-Shareholdings </div>	<ul style="list-style-type: none"> Yearly report to the Board of Directors

Business Continuity Plan Initiatives

Employee Safety

Group Countermeasures Headquarters in Response to COVID-19

In January 2020, the Nichirei Group Countermeasures Headquarters, headed by the president, was established to respond to COVID-19. In addition to collecting, analyzing and sharing information throughout the Group, we sent out messages and notifications 50 times from January 2020 to July 2022 regarding infection prevention measures from the perspective of business continuity. We are creating a crisis management system that will help prevent infection while enabling our employees to carry out their work.

Confirming Safety in Emergency Situations

We have introduced a Group-wide safety confirmation system using a dedicated website. In the event of a disaster, such as an earthquake with an intensity of five or higher, messages will be sent via email to employees to check whether they are safe, and relevant local information will be provided promptly on the website. The system allows for the rapid collection and sharing of information.

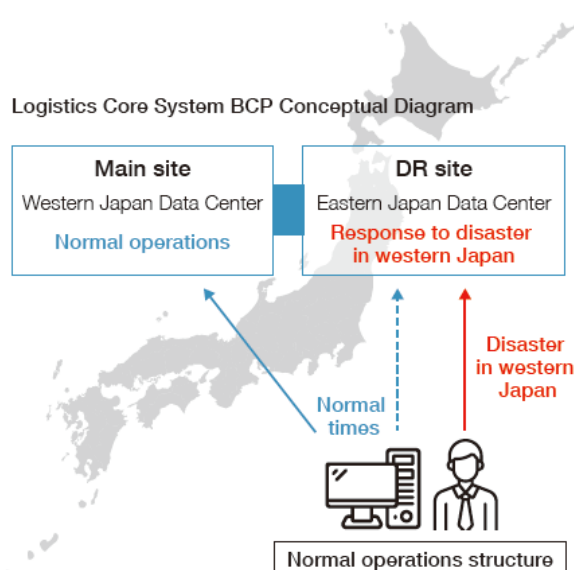
BCP for Information Systems

The Group's main core system is redundant for the purpose of business continuity, and includes a disaster recovery (DR) system. Specific examples are as follows.

Enhancing Core Logistics System BCP

As part of its risk management, Nichirei Logistics Group has been enhancing BCP support for its core logistics system since February 2018. Assuming the possibility of damage to the data center, where operations are heavily concentrated, the company created a DR system that enables rapid resumption of business. In the event of a large-scale disaster, the company can quickly resume operations through the use of two bases, each of which can switch from the system at its main site to the DR site.

Approximately one hour is needed from the activation of the system until an online restart is possible. The system is designed to ensure that customer businesses and food distribution are not affected. Nichirei Logistic Group plans to implement advanced initiatives to provide a food logistics lifeline that will contribute to the business continuity of its business partners.



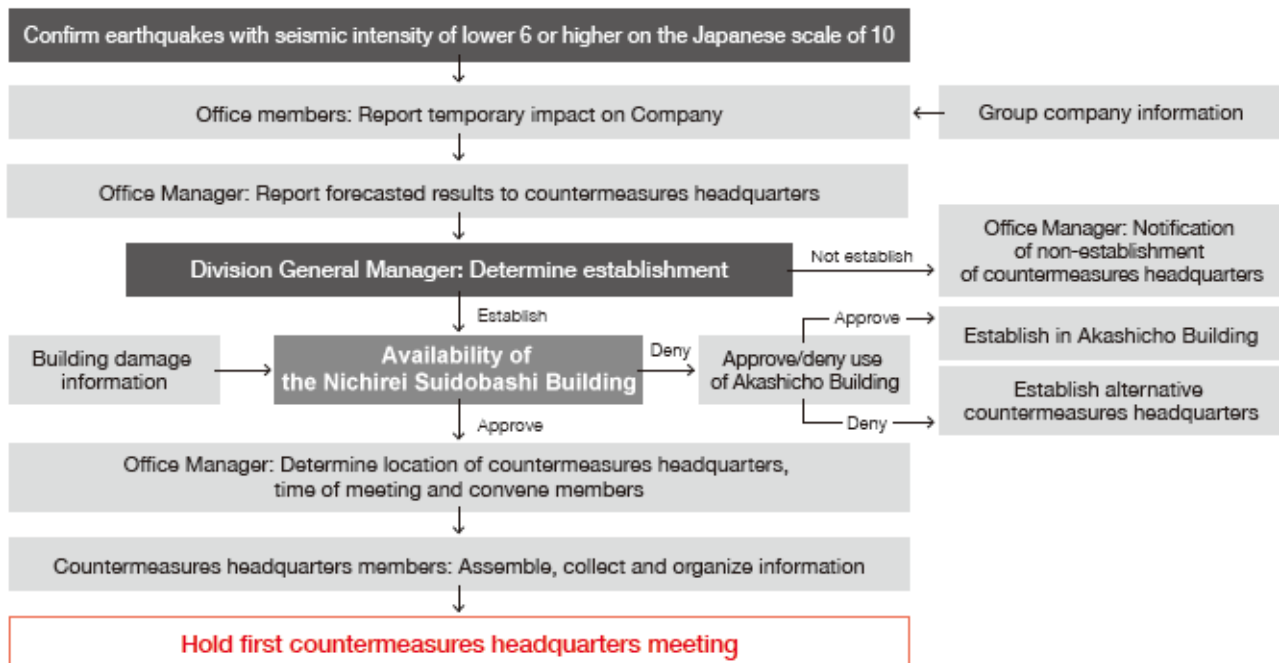
Overview

In recent years, with a number of areas having experienced enormous damage as a result of natural disasters, the Nichirei Logistics Group has formulated a BCP to be implemented in the event of earthquakes, tsunamis, typhoons, major storms, and floods. Such risk management prioritizes ensuring the safety of employees and cargo being handled.

Every year before the typhoon season, in addition to circulating a document detailing our anticipated response to forecast typhoons and other weather-related disasters on the Company website, we provide business partners with information on how to deal with temporary closures and changes in business hours.

In response to COVID-19, we are conducting infection prevention measures at businesses, while at the same time changing work styles by, for example, staggering commuting times, encouraging teleworking, and opening satellite offices to help ensure employee safety and business continuity.

Countermeasures Headquarters Establishment Flow



(1) Office / Reception:
(Reference: Partition method)

■ Office / Reception

- Install partitions (substitute with plastic wrap) in front of reception (to prevent face-to-face droplet infection)
- Install partitions between opposing and adjacent seats (to prevent droplet infection from opposing and adjacent seats)

176

Stakeholder Engagement

Basic Philosophy

Basic Philosophy

As it engages in global business activities, the Nichirei Group recognizes the importance of communicating and maintaining dialogue with its diverse stakeholders. The Group works to build corporate value by establishing long-term relationships of trust while reflecting the expectations and concerns of stakeholders. It does so by fostering deeper mutual understanding, advancing various initiatives and proactively disclosing relevant information.

Stakeholder	Objective	Issues Recognized	Means and Method of Communication	Frequency
Customers	Better customer satisfaction and corporate branding: to be achieved through prompt, appropriate and sincere responses to consumer requests and feedback	<ul style="list-style-type: none"> Quality assurance for products and services Proper delivery of information Supply of delicious food and a rich variety of meal options 	<ul style="list-style-type: none"> Customer Service Center Customer satisfaction surveys Websites Social media 	<ul style="list-style-type: none"> Routine Once a year As necessary As necessary
Shareholders and investors	Deeper understanding of the Company and higher corporate value: to be achieved through timely and appropriate disclosure	<ul style="list-style-type: none"> Maintaining and improving corporate value Appropriate distribution of profits Timely and appropriate disclosure of information 	<ul style="list-style-type: none"> General Meetings of Shareholders Financial results briefings Business information sessions, facility tours Detailed interviews with individual investors in Japan and overseas IR website ESG website Integrated Report Shareholder Report 	<ul style="list-style-type: none"> Once a year Four times a year Once a year As necessary As necessary As necessary Once a year Twice a year
Business Partners	Strong, favorable, and stable long-term relationships with business partners throughout the supply chain	<ul style="list-style-type: none"> Sustainable procurement Mutual development achieved through customer intimacy 	<ul style="list-style-type: none"> Sustainable procurement survey for suppliers Meetings and seminars with participation from business partners 	<ul style="list-style-type: none"> Survey ongoing since 2018 Once a year (held by three operating companies)
Employees	Favorable labor-management relations;	<ul style="list-style-type: none"> Occupational health and safety 	<ul style="list-style-type: none"> Establishment of an internal reporting center 	<ul style="list-style-type: none"> Available 24 hour

Stakeholder	Objective	Issues Recognized	Means and Method of Communication	Frequency
	greater employee motivation; a dynamic organizational climate	<ul style="list-style-type: none"> · Job satisfaction · Workstyle reform · Health management 	<ul style="list-style-type: none"> · Establishment of an employee assistance and mental health consultation center · Labor-management council · Health and safety committee · Symposiums involving management and employees · PR brochures · Intranet · Employee award system · Employee satisfaction survey · Employee stress checks 	<ul style="list-style-type: none"> · Available 24 hour · Twice a year · Once a month · Once a year (all worksites) · Four times a year · Routine · Once a year · Once a year · Once a year
Local Communities	Stable, enduring business operations as a trusted and respected company: to be achieved by building favorable relations with local communities.	<ul style="list-style-type: none"> · Harmonious coexistence with local communities · Preservation of local environments · Educational activities in local communities 	<ul style="list-style-type: none"> · Social contribution activities · Participation in local events · Volunteer activities · Dietary education activities (ethical consumption) · Food factory and distribution warehouse tours · Sponsorship of sporting events 	<ul style="list-style-type: none"> · As necessary · As necessary · As necessary · As necessary · As necessary · As necessary
Trade Organizations, NGOs and NPOs	Collaboration with other companies: to be achieved through participation in associations and other entities relating to trade organizations; resolution of social issues through collaboration and cooperation with NGOs and NPOs in Japan and abroad.	<ul style="list-style-type: none"> · Human rights · Climate change · Food loss · Sustainable procurement of food 	<ul style="list-style-type: none"> · TCFD Consortium · Japan Frozen Food Association · Japan Association of Refrigerated Warehouses · Japan Fisheries Association · World Wide Fund for Nature · Roundtable on Sustainable Palm Oil · Caux Round Table Japan · The Consumer Goods Forum · The UN Global Compact 	<ul style="list-style-type: none"> · As necessary · As necessary · As necessary · As necessary · As necessary · Once a year · As necessary · As necessary · As necessary

Contributions through Use of Company Resources

Chichijima, Ogasawara Islands

The Nitto Ice Manufacturing Company set up an ice-making plant on Chichijima one of the Ogasawara islands. It survived the confiscation of Ogasawara by the US military after World War II ended and, when the island was returned to Japan in 1968, the land and buildings were registered as the property of Nichirei. Chichijima had several flourishing activities at the time, including the production of crafts made using Pandanus boninensis leaves, and hula dancing by local groups. The Nichirei Group wanted its facilities to be used for those pursuits, so it demolished the buildings and planted grass, for which it cared.



Urabandai

Contributions through Use of Company Resources > Urabandai



Food and Logistics Education Making Use of Business Characteristics

Nichirei Foods' Food Education Activities

Nichirei Foods conducts various food education programs to promote a healthy future for all children. Food is indispensable and intricately connected to our everyday life. Good eating habits nurture a healthy spirit and healthy body. In order that children may grow up healthy, it is important that they understand the importance of food and are able to choose it properly. Nichirei Foods conducts various initiatives designed to enable people to learn and think about food, and do related hands-on work with children.

Nichirei Foods' Food Education Activities (Only available in Japanese)



Food Development Center "KidZania Tokyo," "KidZania Koshien"

KidZania Tokyo and KidZania Koshien(Only available in Japanese)



Children on a Factory Tour

The concepts are See! Learn! Enjoy!, and Nichirei Foods employees are the teachers. They use videos and PowerPoint slides to explain the frozen food manufacturing process to elementary school students, including the production of frozen food products, Honkaku-Itamae Cha-Han (fried rice) and Imagawayaki. The program, which allows children to have fun while learning, is full of frozen food quizzes and videos that they otherwise would never see, even on an actual tour. In that way, the program teaches the students about Nichirei Foods' careful approach to manufacturing and the merits of frozen food. In FY2020, the Group held 52 factory tours with 1,700 children participating. Sometimes they were watching videos while smiling, and sometimes they had intent expressions.



Five Flavors Identification Test

In this food education program, participants took a taste test in which they tried to identify the five tastes of sweet, sour, salty, bitter, and umami. Employees gave talks on how the tastes felt and what makes a frozen food. In FY2020, this event was held eleven times with more than 400 people participating.

* Not available to the public.

FamilyApps

With FamilyApps, a smartphone app that families can enjoy together, Nichirei Foods has distributed an app called "Let's Make a Delicious Nichirei Lunch!" that enables users to make lunches using Nichirei Foods' frozen products. The content, which allows kids to have fun while making lunch, helps deepen their interest in, and concern regarding, food. In FY2020, this event was held 11 times with 4,400 people participating.

Nichirei Fresh Food Education Activities

Food education classes are organized in elementary schools and preschools in the town of Karumai using a dish the Group call Fresh Chicken Karumai. In the classes the Group presents easy-to-understand information that includes the following: Iwate Prefecture boasts the nation's third-highest production of poultry, after Miyazaki and Kagoshima Prefectures; the company's *Junwakei* breed of chicken is raised on feed rice produced in Karumai; and the guano from *Junwakei* chickens is used as an organic fertilizer for the feed rice. In addition to teaching the children about the production cycle, they are served *Junwakei* chicken in their school lunch that day. The Group will always value opportunities such as these to connect with people in the region, as it continue to develop attractive business opportunities.

Visited Elementary and Junior High Schools in Karume-cho, Iwate Prefecture to Promote "Junwakei chicken" (Only available in Japanese)





Logistics-related Education

Internships in the Logistics Industry

Since 2014, the Nichirei Logistics Group has been participating as an intern-accepting company in the Logistics Industry Internship program hosted by the Japan Association for Logistics and Transport. This initiative allows university students to get a broad view of, and experience in, the logistics industry. On the first day of the internship, the Group gave a presentation on the Nichirei Logistics Group's business, followed by discussions concerning food logistics and tours of logistics centers. Students who attended told us that this opportunity had enabled them to understand the importance of food logistics, and that it increased their interest in logistics as a commercial activity to transport goods to customers. The Group will continue to participate in tertiary-level courses, to further broaden the appeal of the logistics industry.

Workplace Tours and Job Experience

Logistics Center Field Trip/Internship

The Nichirei Logistics Group continues to accept business site tours centered on elementary and junior high school students in the surrounding area at distribution centers around the world. In July 2019, at the Sendai DC of the Nichirei Logistics Tohoku Inc., we conducted a tour for a total of 29 people (parents and children living in the prefecture) who participated the event named "Join an Expedition to Explore the Port of Sendai During the Summer Holidays" sponsored by the Ministry of Land, Infrastructure, Transport and Tourism. As part of our community contribution activities, the Sendai DC holds similar tours every year for elementary school students during the summer vacation to deepen their understanding of the companies that use Sendai Port, including the role of "the Port". On the day of the event, after explaining the outline and business contents of the center, we visited the premises of each temperature zone and conducted an experiment to freeze wet towels in the freezer. By actually experiencing the distribution center, we had them deepen their understanding of food distribution.

Activities to Reduce Food Loss

“Nichirei Food Loss Research Institute” Website

The Nichirei Group is working to address the social issue of food loss. Our activities include reexamining causes of food loss from both scientific and supply chain standpoints to determine effective reduction approaches. We also propose reduction methods using the cold chain function of the Nichirei Group.



Food Loss Research Institute (Only available in Japanese)



Food Bank

Since 2006, Nichirei Foods and Nichirei Logistics Group have supported the activities of the NPO Second Harvest Japan. So far, we have donated a total of more than 20,000 cases of frozen foods to various welfare facilities, including foster homes, mother and child support centers, and disability support facilities. In addition to delivering these products, we also provide logistical support for frozen foods to ensure that the items can be consumed with peace of mind.



Process Leading Up to Delivery

Sampling Events at Employee Cafeterias

At employee cafeterias, Nichirei Foods holds sampling events through a unique initiative that uses products whose external packaging has been crushed or otherwise damaged in logistics or distribution but are otherwise still fully suitable for consumption. We have also endorsed the NO-FOODLOSS PROJECT of the Ministry of Agriculture, Forestry and Fisheries. In support of this project, we are working to make donations that reduce food loss and to raise internal awareness.



Initiative website (Only available in Japanese)



Children's Cafeterias

In 2021, Nichirei Foods began supporting children's cafeterias with the cooperation of the NPO Japan Kodomo-Shokudo Support Center Musubie, which provides such support all over Japan.



Support through Business Activities

Nichirei Foods Hagukumi Forest

Nichirei Foods' Mori factory in Hokkaido began a partnership with the town of Mori in Kayabe District, Hokkaido to perform forest maintenance on town-owned lands as part of the "Nichirei Hagukumi Forest" initiative. This initiative, "Good for the forest!," as part of the Group's activities to help the forest, involves a plan to plant trees in a 1.2 hectare plot of land owned by Mori, as well as plant and nurture 400 cherry blossom (Someiyoshino) trees, the town's plant symbol, over ten years. The employees at the Mori factory along with their families and the rest of the community participate as well, and the Group is working to help the activity take root in the region.

The "Good for the forest!" conservation activity is spreading to other factories, with Kyurei working to restore the pine trees of the Satsuki Matsubara area in Munakata City, Fukuoka Prefecture, and Nichirei Foods' Shiroishi Factory supporting beech forestation efforts in the Zao area.

Continuation of support for areas affected by the Great East Japan Earthquake — On-site class "Virtual Factory Tour" held at an elementary school in Ishinomaki City (Nichirei Foods)

In an effort to support communities that have been affected by the massive earthquake and tsunami that struck Japan's Tohoku region in 2011, Nichirei Foods Inc. has organized cooking classes in temporary housing facilities. Even after large numbers of people moved from those facilities, Nichirei Foods continued its support. Employees were sent schools to give students a virtual experience of a factory tour. Using audio-video materials showing an actual production plant, the employees gave the students easy-to-understand lessons about the processes involved in making frozen food products, Nichirei Foods' safety and security initiatives, and its fastidious manufacturing techniques. In FY2020, cooking classes were held in Ishinomaki City, Miyagi Prefecture at Futamata Elementary School and Minato Elementary School, with a total of 41 children participating.

Providing Test Drugs to Myanmar Medical Institutions (Nichirei Biosciences)

Since 2006, we, Nichirei Biosciences, have been donating our test drugs for pathological examinations, which are difficult to obtain in Myanmar, to local medical institutions through Department of Pathology, Niigata University School of Medicine. Our donations include forty-three types of antibodies for immunostaining and reagents, to First and Second Medical Universities, Sanpya Hospital, and Yankin Children Hospital to a total of six facilities, and these antibodies have been used for medical treatment like practical research and pathological diagnosis. In January 2020, Dr. Makoto Naito of Niigata University visited the Second Medical College with our products and explained the precautions, main points of quality control, as well as the importance of immunostaining in pathological diagnosis through his own experiences. We would like to continue contributing to the improvement of pathological research/diagnosis and medical education in Myanmar.



Support for Hospitality Guest House

There are over 500 incurable diseases of unknown origin that affect children, and there are 200,000 children fighting these illnesses. It is impossible to calculate the financial burden and mental anguish inflicted on them and their families. The foundation A Dream A Day In Tokyo conducts activities to help give courage to children with major illnesses, reduce their family's anguish, and create happy memories during their trip to Tokyo. As an endorsee of the foundation's aims, the Nichirei Group provides support in the form of tours of Nichirei Foods and KidZania, and use of the Sukore Yukigaya training center for accommodations.



Nichirei's training center provides lodgings

Rollout of MIRAI MEAT to Support Young Athletes with Meat

On December 20, 2019, Nichirei Fresh began rolling out MIRAI MEAT, a new project to provide meat to support young up-and-coming athletes. In this project, we supply our Amani-no-Megumi series of specialty meat products to young athletes between the ages of 10 and 29 who are pursuing their dreams.

Athletes require a high-quality diet for fatigue recovery, physical fitness and weight control. Although top athletes often receive specialized dietary support, access to such support is limited to only some athletes.

In keeping with the important role we play in supplying high-quality animal proteins, we launched this project with a strong commitment to providing more dietary support to new athletic talent of the next generation.

Over a one-year period, up-and-coming athletes that pass Nichirei's selection process are provided with products from the Amani-no-Megumi meat series, which are made from animals raised on feed containing ingredients derived from omega-3 fatty acid-rich linseed meal.

MIRAI MEAT(Only available in Japanese)



Supporting Sports for Healthy Living

Along with food, Nichirei supports sports as one of the pillars of health.

Supporting Sports for Healthy Living(Only available in Japanese)



NICHIREI LADIES(Only available in Japanese)



"Nichirei Presents All Japanese Medalists on Ice 2022" Special Sponsorship(Only available in Japanese)



Nichirei Group Social Contribution Activities

Nichirei Group Social Contribution Activities (five Years)

Donations to Non-profit Organizations



Donations to Support Disaster-hit Areas

In FY2012, Nichirei decided to donate 10 million yen per year for five years, for a total of 150 million yen, to each of the three prefectures—Iwate, Miyagi, and Fukushima—hardest hit by the Great East Japan Earthquake of March 11, 2011. At Nichirei Ladies, the official Ladies Professional Golfers' Association of Japan tour held in June 2011, all entrance fees were donated to the city and prefecture of Chiba.

In addition, after the Kumamoto earthquake in 2016, in addition to donating 10 million yen to Kumamoto Prefecture, we responded to requests from the prefecture and provided 9,000 **Restaurant Use Only** beef curry meals to the Uki City Hall. In response to support the early recovery of devastated area, we offered some donations through the Japanese Red Cross Society and also by the Nichirei Fureai Fund, in which the company matches contributions made by employees, we donated to the Japanese Red Cross Society to assist with initial restoration efforts in areas heavily damaged by the disaster.

Fureai Fund Donations

The Nichirei Group's social contributions include fund-raising activities and donations. Through endorsement contributions from employees and donations made by the company itself, the Nichirei Fureai Fund, set up in 1993, provides financial support for social welfare, disaster and medical relief, and donations to disaster areas affected by natural disasters and other events.

Through the Central Community Chest of Japan and the Tokyo Good Will Bank, we provide support via graduation congratulatory money to help support the independence of children in social care, as well as via "children's cafeterias" to aid those in difficult circumstances and victims of bullying, etc. Nichirei also provides support for preparation expenses for disaster relief to the Japanese Red Cross Society.

In FY2019, we contributed 310 million yen as the total amount of group social contributions(donations, etc.).

Support for the Keidanren Nature Conservation Fund

Nichirei endorses the spirit of the Keidanren Nature Conservation Fund, to which it has been donating since 1994. The fund supports nature conservation activities primarily in the developing areas of the Asia-Pacific region, as well as conservation activities and the sustainable use of natural resources in order to maintain the preservation of Japan's splendid natural environment.

Eco-caps

At all workplaces of the Nichirei Group plastic bottle caps from PET bottles are collected to support the activities of NPOs that sell them as plastic raw materials to recycling companies, thereby raising money to fund vaccines for children in developing countries. The sale of 800 caps brings in roughly 20 yen, which pays for a polio vaccine for one person. By contrast, were the caps burned as garbage, 3,150 grams of CO₂ would be released per 400 caps, so recycling the caps also helps reduce CO₂ emissions.

Participation in Table for Two

The Nichirei Group participates in Table for Two, an employee-participation social contribution activity that starts in the employee cafeteria. The project involves adding 20 yen—the cost of a school lunch for one child in a developing country—to the cost of the cafeteria food to make a food-support donation. Moreover, the foods that can provide this donation are limited to healthy, low-calorie items, so that the program also plays a role in improving employee health. The program is currently conducted at two workplaces, the Nichirei Higashi Ginza Building and the Technology Development Center.

Nichirei MIRAIterrace Foundation established

The Nichirei MIRAIterrace Foundation was established on August 10, 2022 with the aim of addressing social issues related to "food" and "health" from a long-term perspective.

Based on our strong desire to deliver fresh foods in a stable supply to people suffering from postwar food shortages, we have been working to solve various social issues since our establishment as a company that supports the Japanese diet through food production and cold storage logistics business.

In recent years, there have been major changes in the environment surrounding food and health, such as the diversification of lifestyles and the increase in households with small numbers of people, and there are concerns about the lifelong impact on health resulting from unbalanced nutritional intake in the daily diet.

We have established this foundation because we believe that in order to resolve these issues, we need to engage in broad dialogue, think together, and act together with all concerned members of society.

The Foundation will provide support mainly through grants to organizations engaged in social welfare, including children's cafeterias. We are committed to contributing to the realization of good eating habits and the promotion of good health, and to bringing spiritual satisfaction to as many people as possible.

Nichirei MIRAIterrace Foundation(Only available in Japanese)



Report Archives

Integrated Report

Integrated Report 2022	PDF (Japanese)
	PDF (English)
Integrated Report 2021	PDF (Japanese)
	PDF (English)
Integrated Report 2020	PDF (Japanese)
	PDF (English)
Integrated Report 2019	PDF (Japanese)
	PDF (English)
Integrated Report 2018	PDF (Japanese)
	PDF (English)




CSR Report

CSR Report 2022	PDF (Japanese)
CSR Report 2021	PDF (Japanese)
	PDF (English)
CSR Report 2020	PDF (Japanese)
	PDF (English)
CSR Report 2019	PDF (Japanese)
	PDF (English)
	ESG Data
CSR Report 2018 *Refer to the contents of GRI standards (2016)	PDF (Japanese)
	PDF (English)
CSR Report 2017	PDF (Communication Version)
CSR Report 2016	PDF (Communication Version)











CSR Report 2015	<u>PDF</u>
CSR Report 2014	<u>PDF (Digest Verstion)</u>
CSR Report 2013	<u>PDF (Digest Verstion)</u>
CSR Report 2012	<u>PDF (Digest Verstion)</u>
CSR Report 2011	<u>PDF (Digest Verstion)</u>
CSR Report 2010	<u>PDF (Digest Verstion)</u>
CSR Report 2009	<u>PDF (Digest Verstion)</u>
Social and Environmental Report 2008	<u>PDF</u>
Social and Environmental Report 2007	<u>PDF</u>
Social and Environmental Report 2006	<u>PDF</u>
Social and Environmental Report 2005	<u>PDF</u>
Environmental Report 2004	<u>PDF</u>
Social and Environmental Report 2003	<u>PDF</u>
Environmental Report 2002	<u>PDF</u>
Environmental Report 2001	<u>PDF</u>
Environmental Report 2000	<u>PDF</u>

ESG Navigation

ESG Navigation

		Link to each location
Promoting Sustainability Management in the Nichirei Group	Message from the President	
	Sustainability Policy: The Nichirei Pledge	
	Sustainability Promotion System	

		Commitment	Management Structure	Targets and Performances	Initiatives
Environment	Climate Change				
	Water Use				
	Waste and Efficient Use of Resources				
	Management of Waste Water, Waste Matter and Chemical Substances				
	Initiatives for Biodiversity Conservation				
	Supply Chain (Environment)				
Social	Supply Chain (Social)				
	Human Rights				
	Stakeholder Engagement				
	Providing Safe Products and Services				
	Occupational Health and Safety				
	Workplace Improvement (including Diversity)				

			Link to each location
Governance	Corporate Governance	Basic Policy on Corporate Governance	
		Remuneration Scheme and Process for the Directors and Executive Officers	
		Basic Approach for nomination of Directors	
		Expertise and Background of Directors	
		Basic Policy Internal Control System	
		Corporate Governance Structure (Composition of the Board of Directors and the Board of Company Auditors)	
		Committees for Effective Corporate Governance	
		Management Supervisory System	
	Compliance	Compliance Structure	
		Internal reporting and Consultation Hotline	
		Code of Conduct	
	Risk Management	Basic Approach fo Risk Management	
		Information Security	
	Matters relating to the General Meetings of Shareholders	Notification of the Convocation	
		Notification of the Resolution	

ESG-related Policies

ESG-related Policies

■ The Nichirei Group ESG-related Policies

Topics	Policies
Corporate Basic Policies	<u>Sustainability Policy: The Nichirei Pledge</u> <u>Human Rights Policy</u>
Environment-related Policies	<u>Environment-Related Policies</u> <u>Environmental Policy</u> <u>Biodiversity Policy</u>
Social-related Policies	<u>Fundamental Policies on Quality Assurance</u> <u>Sustainable Procurement Policy</u> <u>Social Contribution-Related Policies</u> <u>Human Resources-Related Policies</u> <u>Supplier Code of Conduct</u> <u>Supplier Guidelines</u>
Governance-related Policies	<u>Basic Policy on Corporate Governance</u> <u>Internal Control</u> <u>Code of Conduct</u>

ESG Data

ESG Data

- ▼ Environmental Data
- ▼ Corporate Governance Data

- ▼ Social Data

Environmental Data

Note: Fiscal years (FY) indicate years ended March 31.

Group Medium-term ▼ Environmental Plan Targets	Nichirei Group CO ₂ Emissions	CO ₂ Emissions Intensity ▼ (1,000 tons CO ₂)	Nichirei Group Amount ▼ of Discharged Waste and Recycling Rates
Nichirei Group Material Balance INPUT	Nichirei Group Material Balance OUTPUT	Nichirei Group specially ▼ controlled industrial waste emissions	Status of Environment- ▼ related Incidents, Legal Violations
Solar Power Generation ▼ and CO ₂ Reduction	Management of Pollutant Release and Transfer ▼ Register (PRTR) Substances	SOx Emissions	

Group Medium-term Environmental Plan Targets

Group Environmental Goals for FY2023-2025	
Rate of waste recycling at all sites	99%
Water-related risk assessments at all sites	conducted in FY2023
Reduction in CO ₂ emissions(compared with FY2016; Scope 1 and 2 in Japan)	-30%
Rate of conversion to natural refrigerants Production equipment in Japan	80%
Rate of conversion to natural refrigerants Logistics (Global)	63%

Engaged in collecting environmental data at overseas work

Group Environmental Goals for FY2020-2022	
Reduction of CO ₂ Emissions	Maintain" total CO ₂ emissions in FY2021 at the FY 2013 level.
	*Electricity coefficient: Fixed at the FY 2013 coefficient
Maintaining Waste Recycling Rate and Controlling Waste Discharging	• Maintain 99% or more recycling rate of waste generated from food factories and distribution centers
	• Reduction of animal and vegetable residues (food factories in Japan)
Water Resource Conservation	Through efficient water use for sustainable water use, taking into consideration environmental circumstances surrounding water in each region,
	Work to conserve water resources (domestic food plants).

Engaged in collecting data regarding the environment at overseas worksites

■ Nichirei Group CO₂ Emissions

	Unit	FY2016 base year	FY2018	FY2019	FY2020	FY2021	FY2022
SCOPE 1 emissions	Thousand tons of CO ₂	43	44	43	42	42	43
SCOPE 2 emissions (Market standard)*¹		243	224	215	199	182	185
SCOPE 1 and 2 emissions (Total)*²		286	268	259	241	224	228

■ CO₂ Emissions Intensity

	Unit	FY2016	FY2018	FY2019	FY2020	FY2021	FY2022
SCOPE 1 and 2 emissions intensity (per ton of production)*³	tons CO ₂	0.54	0.47	0.46	0.42	0.41	0.41

*1 CO₂ emissions factors for electricity: Emissions factor after adjustment of the emissions factor by electric utility (Ministry of the Environment). The published values before last fiscal year (electricity emissions factor change) were based on the fundamental emissions factors, but since the FY2031 target is now managed using the adjusted emissions factors, the figures have been revised to the values calculated using the adjusted emissions factor.

*2 Totals may not add up due to individual rounding off.

*3 The emission intensity per ton of production covers Nichirei Foods (domestic self-managed factories and affiliated factories) and Nichirei Fresh (domestic affiliated factories).

Excluding the following plants

Nichirei Foods: Nichirei Ice Inc.

Nichirei Fresh: Nichirei Fresh Farm Inc., Fresh Chicken Karumai Inc., FRESH MEAT SAKUDAIRA Inc.

■ Nichirei Group Amount of Discharged Waste and Recycling Rates

Item	Unit	FY2018	FY2019	FY2020	FY2021	FY2022
Amount of discharged waste	1,000 tons	46.3	45.4	47.9	47.1	47.9
Recycling Rates	1,000 tons	99.6	99.5	99.4	98.7	99.0

■ Nichirei Group Material Balance INPUT

Item		Unit	FY2018	FY2019	FY2020	FY2021	FY2022
Energy	Total	1,000 GJ	5,078	5,107	5,079	5,024	4,925
	Purchased power	1,000 kWh	443,480	447,277	444,335	439,135	471,952
	Heavy oil	kl	3,319	2,609	1,926	1,850	1,935
	Kerosene	kl	191	173	192	195	194
	City gas	1,000m ³	6,923	7,142	9,036	9,328	9,708
	LGP	tons	4,650	4,814	3,614	3,425	3,522
	Gasoline (Company-owned vehicles)	kl	461	402	322	273	285
	Light oil (Company-owned vehicles)	kl	1,378	1,556	1,452	1,522	1,388
	Solar power generation	1,000 kWh	400	1,444	2,068	2,149	2,974
Breakdown of energy (1,000 GJ) used at each business company	Nichirei Foods	1,000 GJ	1,726	1,761	1,759	1,793	1,859
	Nichirei Fresh	1,000 GJ	169	173	172	174	174
	Nichirei Logistics Group	1,000 GJ	3,098	3,089	3,046	2,966	2,812
	Nichirei Biosciences	1,000 GJ	11	12	33	30	22
	Others	1,000 GJ	74	72	69	61	58
Water	Total	1,000m ³	4,084	4,117	4,028	3,929	3,834
	Clean water	1,000m ³	1,256	1,267	1,238	1,174	1,134
	Industrial water	1,000m ³	917	907	897	916	919
	Groundwater (well water)	1,000m ³	1,911	1,943	1,893	1,839	1,782
Breakdown of water (1,000 m ³) used at each business company	Nichirei Foods	1,000m ³	2,789	2,812	2,739	2,679	2,676
	Nichirei Fresh	1,000m ³	331	322	318	338	330
	Nichirei Logistics Group	1,000m ³	947	963	952	899	816
	Nichirei Biosciences	1,000m ³	6	6	8	7	6
	Others	1,000m ³	12	13	11	6	7

* Total figures may differ due to rounding.

■ Nichirei Group Material Balance OUTPUT

Item		Unit	FY2018	FY2019	FY2020	FY2021	FY2022
Waste	Amount of Discharged Waste	1,000 tons	46.3	45.4	47.9	47.1	47.9
	Recycle volume	1,000 tons	46.1	45.2	47.6	46.5	47.4
	Volume of waste for final disposal *1	1,000 tons	0.2	0.2	0.3	0.6	0.5
Breakdown of discharged waste (tons) at each business company	Nichirei Foods	tons	21,904	18,155	21,561	21,145	21,280
	Nichirei Fresh	tons	11,426	13,973	13,609	13,887	14,188
	Nichirei Logistics Group	tons	12,905	13,236	12,666	11,962	12,246
	Nichirei Biosciences	tons	46	44	72	103	170
	Others	tons	—	—	—	—	—
Atmospheric system	CO ₂ *2	1,000 tons	268	259	241	224	228
	SO _x *3	tons	4	3	3	2	3
Breakdown of CO ₂ emissions (tons) at each business company	Nichirei Foods	tons	92,049	90,413	84,427	79,060	82,322
	Nichirei Fresh	tons	9,162	9,430	9,458	9,433	9,009
	Nichirei Logistics Group	tons	162,776	154,971	142,561	132,931	134,380
	Nichirei Biosciences	tons	526	553	1,526	1,380	1,011
	Others	tons	3,629	3,417	3,201	1,501	1,343
Water system	Drainage	1,000m ³	2,467	2,421	2,398	2,461	2,403
	Sewer system	1,000m ³	1,522	1,464	1,447	1,478	1,431
	Public water area (river etc.)	1,000m ³	945	957	951	983	973
	Drainage load BOD *4	tons	48	48	49	52	68
	COD *4	tons	23	24	23	40	21
Breakdown of drainage (1,000 m ³) at each business company	Nichirei Foods	1,000m ³	1,758	1,751	1,752	1,798	1,783
	Nichirei Fresh	1,000m ³	328	308	309	325	316
	Nichirei Logistics Group	1,000m ³	362	343	317	308	291
	Nichirei Biosciences	1,000m ³	6	6	8	6	6
	Others	1,000m ³	12	14	12	24	8

* Total figures may differ due to rounding.

*1 Within waste discharged, the volume of waste directly disposed of in landfills and simply incinerated not to be used as energy source.

*2 Calculations based on laws related to global warming countermeasures.

*3 Measurement implemented for facilities emitting soot and smoke. Does not include vehicle emissions

*4 Calculates amount of emissions only in cases where drainage concentration measurements are conducted.

■ Nichirei Group specially controlled industrial waste emissions

	Unit	FY2018	FY2019	FY2020	FY2021	FY2022
Special controlled industrial waste emissions ("Flammable waste oil" and "Strong acid/strong alkali") etc. classified as industrial waste due to danger and toxicity)	kg	9	9.3	7.4	4.3	7.0

*1 Within waste discharged, the volume of waste directly disposed of in landfills and simply incinerated not to be used as energy source.

*2 Calculations based on laws related to global warming countermeasures.

*3 Measurement implemented for facilities emitting soot and smoke. Does not include vehicle emissions

*4 Calculates amount of emissions only in cases where drainage concentration measurements are conducted.

■ Status of Environment-related Incidents, Legal Violations

	FY2018	FY2019	FY2020	FY2021	FY2022
Domestic	0	0	0	0	0
Overseas	0	0	0	0	0

■ Solar Power Generation and CO₂ Reduction

	Unit	FY2019	FY2020	FY2021	FY2022
Power generation	Mwh	1,444	2,068	2,149	2,974
CO ₂ reduction	t	765	1,003	986	1,408

■ Management of Pollutant Release and Transfer Register (PRTR) Substances

	Unit	FY2018	FY2019	FY2020	FY2021	FY2022
Substances subject to reporting under the PRTR Law* (handled in quantities of 1 ton or more)	tons	0	0	0	0	0

* The laws concerning the Pollutant Release and Transfer Register refer to the collection and publication of data related to the release into the environment of chemicals, from any source, which could possibly adversely affect the lives, growth, or development of humans, animals, or plants.

■ SO_x Emissions

	Unit	FY2018	FY2019	FY2020	FY2021	FY2022
SO _x Emissions	tons	4	3	3	2	3

* Facilities where measurements of smoke and soot are taken. Not including emissions derived from vehicles.

*Applicable Worksites

The scope of the Nichirei Group (in Japan), which accounts for more than 99% of the environmental impact, is tabulated.

Environmental Data: Applicable Worksites for FY2020 Results Calculations

The following company food plants and distribution centers are included in the calculations. In the event of multiple worksites, the number is indicated in parenthesis.

Nichirei Foods

Nichirei-Foods (9), Nichirei Ice (3), Churei, Kyurei, Nichirei Well Dinning

Nichirei Fresh

Fresh Maruichi (3), Nichirei Fresh Process (2), Nichirei Fresh Farm (2), Fresh Chicken Karumai, Fresh Meat Sakudaira

Nichirei Logistics Group

Logistics Network (38), NK Trans (4), Nichirei Logistics Hokkaido (8), Nichirei Logistics Tohoku (5), Nichirei Logistics Kanto (10), Nichirei Logistics Tokai (11), Nichirei Logistics Kansai (13), Nichirei Logistics Chushikoku (15), Nichirei Logistics Kyushu (15), Kyokurei (5)

Nichirei Biosciences

Development Center

Other

New Housing

Notes:

1. Fixed power emission coefficient: The CO₂ emission intensity unit of 0.412 [t-CO₂/MWh] announced by the Federation of Electric Power Companies of Japan in FY2010, used nationwide.
2. Variable power emission coefficient: Power conversion coefficient used by power companies in each fiscal year utilized at each worksite.
3. Scope of power emission intensity: Nichirei Foods (Nichirei Foods-operated factories and affiliated factories in Japan) and Nichirei Fresh (affiliated factories in Japan). Excluding the following factories: Nichirei Foods: Nichirei Ice Inc.; Nichirei Fresh: Nichirei Fresh Farm Inc., Fresh Chicken Karumai Inc., FRESH MEAT SAKUDAIRA Inc.

Social Data

Note: Fiscal years (FY) indicate years ended March 31.

▼ Number of employees	▼ Percentage of Non-company Employees	▼ Female Managers Ratio	▼ Average age
▼ Average Number of Years Employed	▼ Number of Employees Hired (new graduates, mid-career)	▼ Number of Resignations/Resignation Rate/Reasons for Resignation	▼ Number of Employees Rehired After Retirement
▼ Employment Rate of People with Disabilities	▼ Annual Total of Actual Hours Worked	▼ Annual Paid Vacation: Average Number of Days and Acquisition Rate	▼ Number of employees taking time off in order to volunteer
▼ Employees Using Time Off for Childrearing	▼ Employees Using Time Off for Caregiving	▼ Number of Work-Related Accidents at Food Plants	▼ Number of occupational deaths
▼ General regular health checkup rate	▼ Stress Check Coverage	▼ New Graduate Hire Turnover Status	▼ Nichirei Group Main education and training
▼ Nichirei Group Education time and number of participants	▼ e-learning	▼ Quality Assurance (number of audits, certifications, and training hours)	▼ Percentage of receiving a Full Medical Examination after Periodic Health Checkups
▼ Donations to Non-profit Organizations	▼ Health Manager	▼ Personal Information Protection Leaks, etc.	▼ Number of Violations of Laws and Regulations in Advertisements/Publicity and Labeling

Number of employees

Coverage	Item		Unit	FY2018	FY2019	FY2020	FY2021	FY2022
Nichirei Group total	Executives and employees total		Number of people	6,073	6,002	5,943	5,994	5,926
	Breakdown	Male		3,792	3,748	3,729	3,753	3,722
		Female		2,281	2,254	2,214	2,241	2,204
	Number of executives			65	62	62	61	60
	Breakdown	Male		63	60	60	58	56
		Female		2	2	2	3	4
	Number of company employees			3,780	3,782	3,841	3,903	3,937
	Breakdown	Male		2,786	2,789	2,779	2,787	2,776
		Female		994	993	1,062	1,116	1,161
	【Number of employees in management positions】			1,293	1,309	1,335	1,362	1,378
	Breakdown	Male		1,205	1,216	1,215	1,222	1,218
		Female		88	93	120	140	160
	【Number of general employees】			2,487	2,473	2,506	2,541	2,559
	Breakdown	Male		1,581	1,573	1,564	1,565	1,558
		Female		906	900	942	976	1,001
Number of staff other than employees		2,228	2,158	2,040	2,030	1,929		
Breakdown		Male	943	899	890	908	890	

Nichirei holding company		Female	1,285	1,259	1,150	1,122	1,039
	Executives and employees total		277	252	252	254	268
	Breakdown	Male	156	148	153	151	151
		Female	121	104	99	103	117
	Number of executives		21	19	19	19	19
	Breakdown	Male	19	17	17	17	16
		Female	2	2	2	2	3
	Number of company employees		213	187	214	218	226
	Breakdown	Male	128	122	123	124	124
		Female	994	65	91	94	102
	【Number of employees in management positions】		111	112	116	112	116
	Breakdown	Male	85	85	87	85	87
		Female	26	27	29	27	29
	【Number of general employees】		102	75	98	106	110
Nichirei Foods	Breakdown	Male	43	37	36	39	37
		Female	59	38	62	67	73
	Number of staff other than employees		43	46	19	17	23
	Breakdown	Male	9	9	13	10	11
		Female	34	37	6	7	12
	Executives and employees total		3,133	3,054	3,010	3,023	3,039
	Breakdown	Male	1,866	1,821	1,816	1,834	1,826
		Female	1,267	1,233	1,194	1,189	1,213
	Number of executives		12	12	11	10	9
	Breakdown	Male	12	12	11	9	8
		Female	0	0	0	1	1
	Number of company employees		1,535	1,524	1,505	1,528	1,541
	Breakdown	Male	1,146	1,134	1,114	1,118	1,114
		Female	389	390	391	410	427
	【Number of employees in management positions】		534	532	525	536	555
	Breakdown	Male	498	497	487	494	499
		Female	36	35	38	42	56
	【Number of general employees】		1,001	992	980	992	986
	Breakdown	Male	648	637	627	624	615
		Female	353	355	353	368	371
	Number of staff other than employees		1,586	1,518	1,494	1,485	1,489
	Breakdown	Male	708	675	691	707	704
		Female	878	843	803	778	785

Nichirei Fresh	Executives and employees total		308	315	315	319	318
	Breakdown	Male	228	228	225	223	222
		Female	80	87	90	96	96
	Number of executives		9	9	10	10	10
	Breakdown	Male	9	9	10	10	10
		Female	0	0	0	0	0
	Number of company employees		252	256	267	271	272
	Breakdown	Male	200	197	200	198	197
		Female	52	59	67	73	75
	【Number of employees in management positions】		149	149	155	158	149
	Breakdown	Male	144	142	143	143	138
		Female	5	7	12	15	11
	【Number of general employees】		103	107	112	113	123
	Breakdown	Male	56	55	57	55	59
		Female	47	52	55	58	64
	Number of staff other than employees		47	50	38	38	36
Nichirei Logistics Group	Breakdown	Male	19	22	15	15	15
		Female	28	28	23	23	21
	Executives and employees total		2,224	2,252	2,226	2,253	2,168
	Breakdown	Male	1,479	1,488	1,466	1,475	1,460
		Female	745	764	760	778	708
	Number of executives		18	16	16	16	18
	Breakdown	Male	18	16	16	16	18
		Female	0	0	0	0	0
	Number of company employees		1,701	1,738	1,769	1,798	1,821
	Breakdown	Male	1,262	1,287	1,289	1,294	1,294
		Female	439	451	480	504	527
	【Number of employees in management positions】		464	479	499	513	515
	Breakdown	Male	451	464	469	470	464
		Female	13	15	30	43	51
	【Number of general employees】		1,237	1,259	1,270	1,285	1,306
	Breakdown	Male	811	823	820	824	830
		Female	426	436	450	461	476
Nichirei Biosciences	Number of staff other than employees		505	498	441	439	329
	Breakdown	Male	199	185	161	165	148
		Female	306	313	280	274	181
	Executives and employees total		131	129	140	145	131
	Breakdown	Male	63	63	69	70	63
		Female					

	Female	68	66	71	75	70
Number of executives		5	6	6	6	4
Breakdown	Male	5	6	6	6	4
	Female	0	0	0	0	0
Number of company employees		79	77	86	88	77
Breakdown	Male	50	49	53	53	47
	Female	29	28	33	35	30
【Number of employees in management positions】		35	37	40	43	43
Breakdown	Male	27	28	29	30	30
	Female	8	9	11	13	13
【Number of general employees】		44	40	46	45	34
Breakdown	Male	23	21	24	23	17
	Female	21	19	22	22	17
Number of staff other than employees		47	46	48	51	52
Breakdown	Male	8	8	10	11	12
	Female	39	38	38	40	40

* Staff other than employees: Includes temporary employees, contract employees, fixed-term employees and part-time employees; excludes dispatched employees

* Employee-related Data applies to employees working at the following 15 companies (FY2021)

1. Nichirei Corporation
2. Nichirei Foods
3. Nichirei Fresh
4. Nichirei Logistics Group
5. Logistics Network
6. Nichirei Logistics Hokkaido
7. Nichirei Logistics Tohoku
8. Nichirei Logistics Kanto
9. Nichirei Logistics Tokai
10. Nichirei Logistics Kansai
11. Nichirei Logistics Chushikoku
12. Nichirei Logistics Kyushu
13. Kyokurei Operation
14. Nichirei Logistics Engineering
15. Nichirei Biosciences

■ Percentage of Non-company Employees

	FY2018	FY2019	FY2020	FY2021	FY2022
Number of company employees	3,780	3,782	3,841	3,903	3,937
Number of non-company employees	2,228	2,158	2,040	2,030	1,929
Percentage of non-company employees (%)	37.1	36.3	34.7	34.2	32.6

* Non-company Employees: includes temporary employees, contract employees, contract employees, part-time employees, and part-time employees, excluding temporary employees.

■ Female Managers Ratio

Coverage	Unit	FY2018	FY2019	FY2020	FY2021	FY2022
Nichirei Group total	%	6.8	7.1	9.0	10.3	11.6
Nichirei holding company		23.4	24.1	25.0	24.1	25.0
Nichirei Foods		6.7	6.6	7.2	7.8	10.1
Nichirei Fresh		3.4	4.7	7.7	9.5	7.4
Nichirei Logistics Group		2.8	3.1	6.0	8.4	9.9
Nichirei Biosciences		22.9	24.3	27.5	30.2	30.2

* Applicability: Employees

■ Average age

Coverage	Item		Unit	FY2018	FY2019	FY2020	FY2021	FY2022
Nichirei Group total	Breakdown	Male	Age	41.9	42.1	42.3	42.5	42.7
		Female		39.6	39.8	39.9	40.0	40.1
Nichirei holding company		Male		43.3	44.1	44.2	44.1	44.5
		Female		41.9	43.1	44.5	44.6	44.0
Nichirei Foods		Male		42.3	42.5	42.8	43.1	43.6
		Female		41.2	41.5	41.5	41.5	41.6
Nichirei Fresh		Male		42.9	42.6	42.7	42.9	42.8
		Female		42.5	41.2	41.5	41.4	42.2
Nichirei Logistics Group		Male		41.2	41.6	41.6	41.8	42.0
		Female		37.6	37.9	37.8	37.9	38.1
Nichirei Biosciences		Male		40.2	40.7	40.9	40.7	40.7
		Female		36.3	36.7	36.2	36.6	37.7

* Applicability: Employees

* There may be differences between the year in which calculations began and the year that an employee joined the Company due to factors including the merger or separation of the company to which they are assigned and employee promotions.

■ Average Number of Years Employed

Coverage	Item		Unit	FY2018	FY2019	FY2020	FY2021	FY2022
Nichirei Group total	Breakdown	Male	Year	16.7	16.7	17.0	17.3	17.5
		Female		15.3	15.7	15.3	15.4	15.4
Nichirei holding company		Male		18.2	19.1	19.0	19.0	19.4
		Female		14.4	18.5	15.8	16.8	16.0
Nichirei Foods		Male		17.3	17.7	18.0	18.4	18.8
		Female		16.3	16.7	16.8	16.8	16.8
Nichirei Fresh		Male		18.8	18.4	18.4	18.7	18.6
		Female		20.5	18.6	18.0	17.4	17.7
Nichirei Logistics Group		Male		15.9	15.9	15.9	16.1	16.3
		Female		14.1	14.3	13.9	14.0	14.1
Nichirei Biosciences		Male		14.2	15.3	15.2	15.0	14.7
		Female		11.9	12.1	11.7	12.3	13.1

* Applicability: Employees

* There may be differences between the year in which calculations began and the year that an employee joined the Company due to factors including the merger or separation of the company to which they are assigned and employee promotions.

■ Number of Employees Hired (new graduates, mid-career)

Coverage	Item		Unit	FY2018	FY2019	FY2020	FY2021	FY2022
Nichirei Group total	New graduates		Number of people	101	88	104	117	117
	Breakdown	Male		54	46	49	63	65
		Female		47	42	55	54	52
	Mid-career			45	80	113	61	51
	Breakdown	Male		36	60	52	36	22
		Female		9	20	61	25	29
Nichirei holding company	New graduates			3	0	4	4	5
	Breakdown	Male		2	0	4	3	3
		Female		1	0	0	1	2
	Mid-career			4	2	37	5	9
	Breakdown	Male		2	2	5	2	3
		Female		2	0	32	3	6
Nichirei Foods	New graduates			27	31	33	37	36
	Breakdown	Male		18	20	14	19	19
		Female		9	11	19	18	17
	Mid-career			8	13	16	28	21
	Breakdown	Male		1	6	11	16	11
		Female		1	7	5	12	10
Nichirei Fresh	New graduates			10	10	9	11	8
	Breakdown	Male		7	6	6	6	5
		Female		3	4	3	5	3
	Mid-career			0	5	11	3	4
	Breakdown	Male		0	1	2	0	0
		Female		0	4	9	3	4
Nichirei Logistics Group	New graduates			53	42	50	58	66
	Breakdown	Male		24	19	22	32	36
		Female		29	23	28	26	30
	Mid-career			32	60	46	25	17
	Breakdown	Male		26	51	31	18	8
		Female		6	9	15	7	9
Nichirei Biosciences	New graduates			8	5	8	7	2
	Breakdown	Male		3	1	3	3	2
		Female		5	4	5	4	0
	Mid-career			1	0	3	0	0
	Breakdown	Male		1	0	3	0	0
		Female		0	0	0	0	0

* Applicability: Employees

■ Number of Resignations/Resignation Rate/Reasons for Resignation

Coverage	Item		Unit	FY2018	FY2019	FY2020	FY2021	FY2022
Nichirei Group total	Number of Resignations		Number of people	137	146	159	141	121
	Breakdown by reason	Retirement		48	64	65	59	45
		Personal circumstances		69	74	84	63	72
		Company circumstances		0	0	0	0	0
		Others		20	8	10	19	4
	Resignation rate			2.3%	2.1%	2.4%	2.1%	1.9%
	Employee turnover rate (for personal reasons)			—	—	1.3%	0.9%	1.1%
Nichirei holding company	Number of Resignations			9	12	10	12	7
	Breakdown by reason	Retirement		3	6	3	5	2
		Personal circumstances		4	5	6	5	4
		Company circumstances		0	0	0	0	0
		Others		2	1	1	2	1
	Resignation rate			2.8%	3.0%	3.1%	3.1%	2.2%
	Employee turnover rate (for personal reasons)			—	—	2.7%	2.2%	1.8%
Nichirei Foods	Number of Resignations		43	57	59	50	50	
	Breakdown by reason	Retirement	17	30	29	21	20	
		Personal circumstances	23	26	26	24	29	
		Company circumstances	0	0	0	0	0	
		Others	3	1	4	5	1	
	Resignation rate		1.7%	1.7%	1.9%	1.9%	1.9%	
	Employee turnover rate (for personal reasons)		—	—	1.7%	1.5%	1.9%	
Nichirei Fresh	Number of Resignations		10	14	9	13	6	
	Breakdown by reason	Retirement	2	7	4	3	3	
		Personal circumstances	7	4	5	5	2	
		Company circumstances	0	0	0	0	0	
		Others	1	3	0	5	1	
	Resignation rate		3.1%	2.7%	1.8%	3.6%	1.9%	
	Employee turnover rate (for personal reasons)		—	—	1.8%	1.8%	0.7%	

Nichirei Logistics Group	Number of Resignations		72	60	74	63	49
	Breakdown by reason	Retirement	25	21	29	29	17
		Personal circumstances	35	36	41	27	31
		Company circumstances	0	0	0	0	0
		Others	12	3	4	7	1
	Resignation rate		2.7%	2.3%	2.5%	1.9%	1.8%
	Employee turnover rate (for personal reasons)		—	—	2.3%	1.5%	1.7%
Nichirei Biosciences	Number of Resignations		3	3	7	3	9
	Breakdown by reason	Retirement	1	0	0	1	3
		Personal circumstances	0	3	6	2	6
		Company circumstances	0	0	0	0	0
		Others	2	0	1	0	0
	Resignation rate		2.6%	3.6%	8.1%	2.2%	6.6%
	Employee turnover rate (for personal reasons)		—	—	7.0%	2.2%	6.6%

* Applicability: Employees

* The turnover rate is calculated based on employees who resigned excluding retired employees

* "Others" includes appointed executives who resigned

■ Number of Employees Rehired After Retirement

Coverage	Unit	FY2018	FY2019	FY2020	FY2021	FY2022
Nichirei Group total	Number of people	44	59	57	51	36
Nichirei holding company		3	5	3	5	2
Nichirei Foods		14	28	25	16	17
Nichirei Fresh		2	7	3	3	1
Nichirei Logistics Group		24	19	26	26	14
Nichirei Biosciences		1	0	0	1	2
Ref. Number of employees who retired group total		48	64	65	59	45

* Applicability: Employees, people working in their 60s

* Number of people rehired among employees who retired in each fiscal year

* Rehired nearly 100% of those who wanted to be rehired

■ Employment Rate of People with Disabilities

Coverage	Unit	FY2018	FY2019	FY2020	FY2021	FY22
Nichirei Group total	%	2.50	2.56	2.75	2.80	2.80

* Legal employment rate of 2.0%.

* Applicable scope: Nichirei Aura (special subsidiary) Group applied company

* Group applied companies (FY2019): Nichirei, Nichirei Foods, Nichirei Fresh, Nichirei Logistics Group, Nichirei Biosciences, Logistics Network, Nichirei Logistics Kanto, Nichirei Logistics Engineering, Tokyo Nichirei Services, Nichirei Aura

■ Annual Total of Actual Hours Worked

Coverage	Item	Unit	FY2018	FY2019	FY2020	FY2021	FY2022
Nichirei Group total	Total	hours	2,025	1,997	1,977	1,975	1,993
	Official working hours-Hours of vacation time		1,801	1,780	1,758	1,767	1,759
	Hours worked outside official working hours		225	217	219	208	234
Nichirei holding company	Total		1,906	1,905	1,899	1,949	2,004
	Official working hours-Hours of vacation time		1,729	1,718	1,724	1,754	1,762
	Hours worked outside official working hours		176	187	175	196	242
Nichirei Foods	Total		2,020	1,998	2,005	2,011	2,018
	Official working hours-Hours of vacation time		1,790	1,772	1,758	1,768	1,757
	Hours worked outside official working hours		230	226	247	243	261
Nichirei Fresh	Total		1,981	1,948	1,948	1,929	1,994
	Official working hours-Hours of vacation time		1,795	1,770	1,754	1,759	1,765
	Hours worked outside official working hours		185	178	194	170	229
Nichirei Logistics Group	Total		2,052	2,014	1,970	1,958	1,972
	Official working hours-Hours of vacation time		1,821	1,796	1,763	1,771	1,760
	Hours worked outside official working hours		231	218	207	187	212
Nichirei Biosciences	Total		1,980	1,954	1,882	1,901	1,971
	Official working hours-Hours of vacation time		1,749	1,736	1,716	1,754	1,768
	Hours worked outside official working hours		232	218	166	148	203

* Average number of hours worked per employee annually

* Applicability: Employees

■ Annual Paid Vacation: Average Number of Days and Acquisition Rate

Coverage	Item	Unit	FY2018	FY2019	FY2020	FY2021	FY2022
Nichirei Group total	Average days acquired	Days	6.6	8.0	10.2	11.0	12.5
	Acquisition rate	%	34.8	41.8	53.4	59.7	65.6
Nichirei holding company	Average days acquired	Days	14.3	15.1	14.8	13.2	13.1
	Acquisition rate	%	76.9	78.0	77.1	71.7	68.6
Nichirei Foods	Average days acquired	Days	7.4	8.3	10.2	10.8	13.3
	Acquisition rate	%	37.9	42.7	52.4	57.2	69.1
Nichirei Fresh	Average days acquired	Days	7.9	9.9	11.6	12.6	13.0
	Acquisition rate	%	41.2	51.9	60.9	69.2	68.5
Nichirei Logistics Group	Average days acquired	Days	4.6	6.5	9.3	10.6	11.7
	Acquisition rate	%	24.8	34.6	49.3	58.7	61.8
Nichirei Biosciences	Average days acquired	Days	12.6	12.5	14.2	11.7	12.1
	Acquisition rate	%	70.7	69.0	79.4	69.3	65.7

* Applicability: Employees

* Acquisition rate = Days acquired ÷ Number of days granted (excluding carry over days)

* Other special holidays (summer vacation) averaged 2.9 days per employee (FY2019).

■ Number of employees taking time off in order to volunteer

Coverage	Unit	FY2018	FY2019	FY2020	FY2021	FY2022
Nichirei Group total	Number of people	0	0	0	1	1

■ Employees Using Time Off for Childrearing

Coverage	Item	Unit	FY2018	FY2019	FY2020	FY2021	FY2022
Nichirei Group total	Male	Number of people	2	1	2	2	9
	Female		34	42	48	31	36
Nichirei holding company	Male		2	0	1	0	1
	Female		1	2	6	3	4
Nichirei Foods	Male		0	1	1	1	1
	Female		17	14	17	14	12
Nichirei Fresh	Male		0	0	0	1	2
	Female		0	2	1	2	3
Nichirei Logistics Group	Male		0	0	0	0	5
	Female		15	20	22	11	16
Nichirei Biosciences	Male		0	0	0	0	0
	Female		1	4	2	1	1

* Applicability: Employees (includes full-time employees)

* From FY2015, includes employees taking maternity leave

■ Employees Using Time Off for Caregiving

Coverage	Unit	FY2018	FY2019	FY2020	FY2021	FY2022
Nichirei Group total	Number of people	0	3	2	2	3
Nichirei holding company		0	0	0	0	0
Nichirei Foods		0	3	2	1	2
Nichirei Fresh		0	0	0	0	0
Nichirei Logistics Group		0	0	0	1	1
Nichirei Biosciences		0	0	0	0	0

* Applicability: Employees (includes full-time employees)

■ Number of Work-Related Accidents at Food Plants

Coverage	Item	Unit	FY2018	FY2019	FY2020	FY2021	FY2022
Food Plants	Number of lost time injuries ^{*1}	Case	34	34	29	20	21
	Number of days of inactivity		12	11	16	19	19
	Lost time injury frequency rate ^{*2}		-	-	-	-	5
	Lost time injury intensity rate ^{*3}		-	-	-	-	0.09

* Scope of applicability: Employees at Nichirei Foods-owned plants and subsidiary of Nichirei Fresh in Japan

* Includes contract employees, fixed-term employees and part-time employees

*1 Number of fatalities and injuries due to work-related accidents (number of people who lost at least one day of work)

*2 Number of fatalities and injuries due to work-related accidents per 1,000,000 total actual working hours

*3 Total number of lost workdays per 1,000 total actual working hours

■ Number of occupational deaths

Coverage	Item	Unit	FY2018	FY2019	FY2020	FY2021	FY2022
Nichirei Group total	Regular employees	Case	0	1	0	0	0
	Non-employees (including temporary employees, contract employees, part-time workers, etc. & excepting agency temps)		0	0	0	0	0

■ General regular health checkup rate

Coverage	Unit	FY2018	FY2019	FY2020	FY2021	FY2022
Nichirei Group total	%	99.8	100	100	100	100
Nichirei holding company		100	100	100	100	100
Nichirei Foods		99.9	100	100	100	100
Nichirei Fresh		100	100	100	100	100
Nichirei Logistics Group Inc.		100	100	100	100	100
Nichirei Biosciences		100	100	100	100	100
Nichirei Logistics Hokkaido, Inc.		98.3	100	100	100	100
Nichirei Logistics Tohoku, Inc.		100	100	100	100	100
Nichirei Logistics Kanto, Inc.		100	100	100	100	100
Kyokurei Inc		100	100	100	100	100
Nichirei Logistics Tokai, Inc.		100	100	100	100	100
Nichirei Logistics Kansai, Inc.		100	100	100	100	100
Nichirei Logistics Chushikoku, Inc.		100	100	100	100	100
Nichirei Logistics Kyushu, Inc.		99.3	100	100	100	100
NK Trans Inc.		99.7	100	100	100	100
Logistics Network Inc.		99.8	100	100	100	100
Nichirei Logistics Engineering Inc.		99.4	100	100	100	100

* Covered employees insured by the Nichirei Health Care Association

(Employees who joined the company on or after April 2 of the current fiscal year, employees working overseas, employees on secondment in Japan, employees on leave, and employees receiving pre-employment medical examinations are excluded from the population).

■ Stress Check Coverage

Coverage	Unit	FY2018	FY2019	FY2020	FY2021	FY2022
Nichirei Group total	%	89.2	90.1	89.6	90.8	90.1

■ New Graduate Hire Turnover Status

Coverage	Item		Turnover (number of people)	Turnover rate (%)	Number of hires
Nichirei Group total	Joined Company in FY2018	End of first year	4	4.3%	101
		End of second year	10	10.9%	
		End of third year	17	18.5%	
	Joined Company in FY2019	End of first year	2	2.3%	88
		End of second year	5	5.7%	
		End of third year	11	12.5%	
	Joined Company in FY2020	End of first year	1	1.0%	104
		End of second year	5	4.8%	
		End of third year	9	8.7%	
	Joined Company in FY2021	End of first year	3	2.6%	117
		End of second year	7	6.0%	
		End of third year	—	—	
	Joined Company in FY2022	End of first year	2	1.7%	117
		End of second year	—	—	
		End of third year	—	—	
Nichirei holding company	Joined Company in FY2018	End of first year	0	0.0%	3
		End of second year	0	0.0%	
		End of third year	0	0.0%	
	Joined Company in FY2019	End of first year	0	0.0%	0
		End of second year	0	0.0%	
		End of third year	0	0.0%	
	Joined Company in FY2020	End of first year	0	0.0%	4
		End of second year	0	0.0%	
		End of third year	0	0.0%	
	Joined Company in FY2021	End of first year	0	0.0%	4

	Joined Company in FY2022	End of second year	0	0.0%	5
		End of third year	—	—	
		End of first year	0	0.0%	
		End of second year	—	—	
Nichirei Foods	Joined Company in FY2018	End of third year	—	—	27
		End of first year	0	0.0%	
		End of second year	1	4.0%	
	Joined Company in FY2019	End of third year	3	12.0%	31
		End of first year	1	3.2%	
		End of second year	2	6.5%	
	Joined Company in FY2020	End of third year	5	16.1%	33
		End of first year	0	0.0%	
		End of second year	2	6.1%	
Nichirei Fresh	Joined Company in FY2021	End of third year	4	12.1%	37
		End of first year	2	5.4%	
		End of second year	4	10.8%	
	Joined Company in FY2022	End of third year	—	—	36
		End of first year	1	2.8%	
		End of second year	—	—	
	Joined Company in FY2018	End of third year	—	—	10
		End of first year	1	11.1%	
		End of second year	2	22.2%	
	Joined Company in FY2019	End of third year	3	33.3%	10
		End of first year	0	0.0%	
		End of second year	0	0.0%	
		End of third year	0	0.0%	

	Joined Company in FY2020	End of first year	0	0.0%	9
		End of second year	2	22.2%	
	Joined Company in FY2021	End of third year	2	22.2%	11
		End of first year	0	0.0%	
		End of second year	0	0.0%	
	Joined Company in FY2022	End of third year	—	—	8
		End of first year	0	0.0%	
		End of second year	—	—	
	Joined Company in FY2018	End of third year	—	—	53
		End of first year	3	6.4%	
		End of second year	6	12.8%	
	Joined Company in FY2019	End of third year	8	17.0%	42
		End of first year	1	2.4%	
		End of second year	2	4.8%	
Nichirei Logistics Group	Joined Company in FY2020	End of third year	4	9.5%	50
		End of first year	1	2.0%	
		End of second year	1	2.0%	
	Joined Company in FY2021	End of third year	3	6.0%	58
		End of first year	1	1.7%	
		End of second year	2	3.4%	
	Joined Company in FY2022	End of third year	—	—	66
		End of first year	1	1.5%	
		End of second year	—	—	
Nichirei Biosciences	Joined Company in FY2018	End of third year	—	—	8
		End of first year	0	0.0%	
		End of second year	1	16.7%	

		End of third year	3	50.0%	
		End of first year	0	0.0%	
	Joined Company in FY2019	End of second year	1	20.0%	5
		End of third year	2	40.0%	
		End of first year	0	0.0%	
	Joined Company in FY2020	End of second year	0	0.0%	8
		End of third year	0	0.0%	
		End of first year	0	0.0%	
	Joined Company in FY2021	End of second year	1	14.3%	7
		End of third year	—	—	
		End of first year	0	0.0%	
	Joined Company in FY2022	End of second year	—	—	2
		End of third year	—	—	

* Applicability: Employees

■ Nichirei Group Main education and training

	General employees	Managers	Officers
Training by rank	*New employees training *1st to 3rd year employees follow-up training *Mid-career employees training	*New managers training *Next-generation executives training course *Management training	
Training by purpose	*Facilitation training *Career seminar for female employees *Female leaders development program *Coaching training *Foreign Languages training *Evaluators training *Critical Thinking *Marketing *Accounting		*New officers seminar *Media training *Directors and executive officers training *Management training *Coaching training

■ Nichirei Group Education time and number of participants

Training by rank and purpose	Education time (cumulative total)	Number of participants (cumulative total)
FY2018	45,649	1,379
FY2019	49,730	1,699
FY2020	47,190	1,596
FY2021	37,201	1,429
FY2022	68,552	2,651
Total	248,322	8,820

		FY2018			FY2019			FY2020			FY2021			FY2022		
		Number of Sub-jects	Number of People	Implem-entation Rate	Number of Sub-jects	Number of People	Implem-entation Rate	Number of Sub-jects	Number of People	Implem-entation Rate	Number of Sub-jects	Number of People	Implem-entation Rate	Number of Sub-jects	Number of People	Implem-entation Rate
E	Envi-ronment	5,234	5,016	95.8%	5,396	5,035	93.3%	-	-	-	-	-	-			
S	SDGs	-	-	-	-	-	-	5,659	5,304	93.7%	5,780	5,066	87.6%	5,835	5,667	97.1%
	Ensuring Food Quality Hygiene and Safety	-	-	-	-	-	-	5,619	5,302	94.4%	5,771	5,230	90.6%	5,792	5,373	92.8%
	Quality Assu-rance	5,308	5,178	97.6%	5,403	5,032	93.1%	-	-	-	-	-	-			
	Intel-lectual Property	5,308	5,037	94.9%	5,357	5,050	94.3%	5,659	5,324	94.1%	5,786	5,318	91.9%			
	Personal Infor-mation Pro-tection Law	5,311	4,973	93.6%	5,381	5,121	95.2%	5,645	5,347	94.7%	5,763	5,293	91.8%	5,806	5,448	93.8%
	Infor-mation Security	5,214	5,115	98.1%	5,362	4,993	93.1%	5,595	5,352	95.7%	5,725	5,477	95.7%			
	Haras-sment	5,356	5,166	96.5%	5,367	5,008	93.3%	5,680	5,421	95.4%	5,765	5,350	92.8%	5,835	5,656	96.9%
	Working Hours	-	-	-	5,381	5,101	94.8%	5,645	5,363	95.0%	5,763	5,371	93.2%	5,835	5,572	95.5%
	Health Literacy	5,320	4,988	93.8%	5,403	5,047	93.4%	5,681	5,409	95.2%	5,778	5,310	91.9%	5,835	5,557	95.2%
	Stress Check	-	-	-	5,358	4,948	93.1%	-	-	-	-	-	-			
	Health Infor-mation	-	-	-	-	-	-	5,649	5,371	95.1%	-	-	-			
G	Compl-iance	-	-	-	-	-	-	-	-	-	5,771	5,252	91.0%	5,792	5,395	93.1%
	Internal Control	5,247	5,080	96.8%	5,435	5,088	93.6%	5,643	5,247	93.0%	5,750	5,281	91.8%			
	Whistl-eblower and Consul-tation System	5,256	4,901	93.2%	5,471	4,862	88.9%	5,618	5,282	94.0%	-	-	-			
	Compet-ition Law Compl-iance and Anti-bribery	5,308	5,005	94.3%	5,357	5,057	94.4%	-	-	-	5,786	5,276	91.2%	5,820	5,275	90.6%
	Anti-bribery	-	-	-	-	-	-	5,655	5,228	92.4%	-	-	-			
	Insider	-	-	-	5,358	4,904	91.5%	5,649	5,361	94.9%	5,757	5,216	90.6%	5,806	5,487	94.5%
	Retir-ement benefit plans	-	-	-	-	-	-	-	-	-	3,873	3,569	92.2%	3,963	3,768	95.1%

■Quality Assurance (number of audits, certifications, and training hours)

		Department in Charge	FY2018		FY2019		FY2020		FY2021		FY2022		
			Domestic	Overseas	Domestic	Overseas	Domestic	Overseas	Domestic	Overseas	Domestic	Overseas	
Quality Assurance Audits	Number of Group Audits per year (Domestic/Overseas)	Quality Assurance Department	156	7	66	38	52	20	40	10	46	16	
	Nichirei Foods (Domestic/Overseas)	Nichirei Foods Quality Assurance Department	30	4	26	20	6	5	16	6	5	5	
	Nichirei Logistics Group (Domestic/Overseas)	Nichirei Logistics Group Quality and Safety Management Department	112	-	24	0	34	-	19	-	26	0	
	Nichirei Fresh (Domestic/Overseas)	Nichirei Fresh Quality Assurance Department	7/7(7/8:One case is a poultry farm, so no audit was performed.)		11/13	10	17	9	15	5	4	15	11
	Nichirei Bioscience (Domestic/Overseas)	Nichirei Bioscience Quality Assurance Department	7	0	7	1	3	0	0	0	0	0	
	Group Annual Implementation Rate (vs. plan) (Office coverage domestic/overseas)	Quality Assurance Department	100% implementation of the plan	88% (=15/17) of the plan	99% (=67/68) of the plan *One BIO case was delayed from November to April of the following year due to a manufacturing delay.		100% (=38/38) of the plan	87% (=52/60) of the plan	80% (=20/25) of the plan	58% (=40/69) of the plan	28% (=10/36) of the plan	66% (=46/70) of the plan	48% (=16/33) of the plan
	Group Annual Implementation Rate (Actual number) (Office coverage domestic/overseas)	Quality Assurance Department	38% (157/408)	7% (15/210)	18%(67/370)	20% (38/189)	17% (52/307)	11% (20/180)	13% (40/305)	6% (10/172)	15% (46/299)	9% (16/176)	
	Nichirei Foods (Domestic/Overseas)	Nichirei Foods Quality Assurance Department	100%(30/30) /61	100%(4/4) /49	100%(26/26) /61	100% (20/20) /49	100% (6/6) /53	100% (5/5) /43	(16/38)/52	(6/20) /43	(5/25)/55	(5/17)/42	
	Nichirei Logistics Group (Domestic/Overseas)	Nichirei Logistics Group Quality and Safety Management Department	100%(112/112) /112	-	100%(24/24) /110	-	87% (34/39) /115	-	(19/19) /117	-	(26/26)/117	-	
	Nichirei Fresh (Domestic/Overseas)	Nichirei Fresh Quality Assurance Department	100%(7/7) /222	85%(11/13) /158	100%(10/10) /189	100% (17/17) /139	100% (9/9) /129	83% (15/18) /135	(5/8) 127	(4/14) /126	(15/17)/123	(11/16)/131	
	Nichirei Bioscience (Domestic/Overseas)	Nichirei Bioscience Quality Assurance Department	100%(7/7) /13	- (0/0) /3	75%(6/8) /10	100% (1/1) /1	71% (5/7) /10	0%(0/2) /2	(0/4) /9	(0/2) /3	(0/2)/4	(0/0)/3	

Quality Assurance Related Data			Number of Offices Acquired/Number of Offices of Consolidated Subsidiaries in Japan									
Number of certifications as of the end of March of each fiscal year												
HACCP (Food Hygiene Management System)	Nichirei Foods		13/15	-	14/15	-	14/15	-	15/15	-	-	-
	Nichirei Fresh		6/7	-	7/7	-	7/7	-	7/7	-	-	-
Number of ISO9001 Certifications	Number of Group Certifications (Domestic/Overseas)	Quality Assurance Department	126/135	3	114/139	3/5	89/138	3/5	89/140	2/5	94/140	2/5
	Nichirei Foods (Domestic/Overseas)	Nichirei Foods Quality Assurance Department	13/15	3	3/15	3/5	3/15	3/5	3/15	2/5	3/5	2/5
	Nichirei Logistics Group (Domestic/Overseas)	Nichirei Logistics Group Quality and Safety Management Department	105/112	-	104/116	-	81/115	-	83/117	-	86/117	-
	Nichirei Fresh (Domestic/Overseas)	Nichirei Fresh Quality Assurance Department	8/8	-	7/8	-	5/8	-	5/8	-	5/8	-
	Nichirei Bioscience (Domestic/Overseas)	Nichirei Bioscience Quality Assurance Department	-	-	-	-	-	-	-	-	-	-
ISO14001 and ISO13485 Certifications	Number of Group Certifications (Domestic/Overseas)	Quality Assurance Department	13/17	2	12	3	13	2	13	3	12	6
	Nichirei Foods (Domestic/Overseas)	Nichirei Foods Quality Assurance Department	11/15	2	11/15	2/5	11/15	2/5	11/15	2/5	10/15	5/5
	Nichirei Logistics Group (Domestic/Overseas)	Nichirei Logistics Group Quality and Safety Management Department	-	-	-	-	-	-	-	-	-	-
	Nichirei Fresh (Domestic/Overseas)	Nichirei Fresh Quality Assurance Department	-	-	-	-	-	-	-	-	-	-
	Nichirei Bioscience (Domestic/Overseas)	Nichirei Bioscience Quality Assurance Department	2/2	-	1	1	14000: 0/1 13485: 2/2	-	2/2	1/1	2/2	1/1
FSSC22000 ISO22000 Number of SQF Certifications	Number of Group Certifications (Domestic/Overseas)	Quality Assurance Department	21/135	2	22/139	4/5	23/137	4/5	23/139	6/6	24/139	6/6
	Nichirei Foods (Domestic/Overseas)	Nichirei Foods Quality Assurance Department	13/15	-	14/15	4/5	14/15	4/5	14/15	5/5	15/15	5/5
	Nichirei Logistics Group (Domestic/Overseas)	Nichirei Logistics Group Quality and Safety Management Department	2/112	-	2/116	-	2/115	-	2/117	-	2/117	-
	Nichirei Fresh (Domestic/Overseas)	Nichirei Fresh Quality Assurance Department	6/8	-	6/8	-	7/7	-	7/7	1/1	7/7	1/1

	Nichirei Bioscience (Domestic/Overseas)	Nichirei Bioscience Quality Assurance Department	-	-	-	-	-	-	-	-	-	-	-
Quality Assurance – Number of Critical Cases	Group Annual Number (Domestic/Overseas)	Quality Assurance Department	3	0	7	0	1	3	4	2	3	2	
	Nichirei Foods (Domestic/Overseas)	Nichirei Foods Quality Assurance Department	1	-	1	-	-	-	0	0	0	0	
	Nichirei Logistics Group (Domestic/Overseas)	Nichirei Logistics Group Quality and Safety Management Department	-	-	-	-	-	0	0	-	0	0	
	Nichirei Fresh (Domestic/Overseas)	Nichirei Fresh Quality Assurance Department	-	-	6	-	1	3	4	2	3	2	
	Nichirei Bioscience (Domestic/Overseas)	Nichirei Bioscience Quality Assurance Department	2	-	-	-	-	0	0	0	0	0	
Quality Assurance Training Hours	Group Annual Hours (Domestic/Overseas)	Quality Assurance Department	199.1	86	210	19	221.5	10	455.5	21	790	25	
	Nichirei Foods (Domestic/Overseas)	Nichirei Foods Quality Assurance Department	67	34	42.5	19	42.5	10	24	21	24	25	
	Nichirei Logistics Group (Domestic/Overseas)	Nichirei Logistics Group Quality and Safety Management Department	41	0	77	0	77	0	334	-	678	-	
	Nichirei Fresh (Domestic/Overseas)	Nichirei Fresh Quality Assurance Department	23.1	50	26.5	0	38	0	40	0	30	0	
	Nichirei Bioscience (Domestic/Overseas)	Nichirei Bioscience Quality Assurance Department	68	2	64	0	64	0	57.5	0	58	0	
Number of Major Meetings and Committee Meetings as well as Attendance Rates													
Group Quality Assurance Committee	Quality Assurance Department	Quality Assurance Department	95%	-	(1st meeting) 91% (10/11) (2nd meeting) 91% (10/11)	-	(1st meeting) 100% (11/11) (2nd meeting) 82% (9/11)	-	(1st meeting) 100% (11/11) (2nd meeting) 91% (10/11)	-	(1st meeting) 92% (12/13) (2nd meeting) 100% (12/12)	-	

■ Percentage of receiving a Full Medical Examination after Periodic Health Checkups

Coverage	Unit	FY2018	FY2019	FY2020	FY2021	FY2022
Nichirei Group total	%	6.1	12.3	17.5	66.1	70.1

■ Donations to Non-profit Organizations

Donations to Non-profit Organizations (Millions of yen)	FY2017	FY2018		FY2019		FY2020		FY2021		FY2022	
	Domestic	Domestic	Overseas	Domestic	Overseas	Domestic	Overseas	Domestic	Overseas	Domestic	Overseas
Social welfare and disaster support (Social welfare, social inclusion)	25	19	-	19	-	19	-	20	-	18	-
Social welfare and disaster support (Support for disaster-stricken areas)	18	2	1	14	0	16	0	2	0	4	0
Education (Academia & research)	5	3	-	15	-	10	-	8	-	6	-
Education (Education and social education)	77	77	-	82	-	77	-	67	-	57	-
Health, sports and the arts (Health, medicine, sports)	118	120	-	133	-	138	-	134	-	134	-
Health, sports and the arts (Culture and arts)	1	6	-	0	-	0	-	0	-	0	-
Environmental conservation (Environment)	17	18	-	17	-	50	-	57	-	59	-
Community contribution (Community activities, preservation of historic sites and traditional culture)	16	16	-	24	-	19	-	48	-	67	-
Political contributions	0	0	-	0	-	0	-	0	-	0	-
Other	4	2	-	3	-	2	-	2	-	2	-
Nichirei Group total	281	262	1	306	0	330	0	338	0	347	-

■ Health Manager

Coverage	Item	Unit	FY2021	FY2022
Nichirei Group total	First-Class Health Manager	Number of people	89	78
	Second-Class Health Manager	Number of people	11	11
	Total	Number of people	100	89

■ Personal Information Protection Leaks, etc.

	FY2018	FY2019	FY2020	FY2021	FY2022
Nichirei Group total	0	0	0	0	1

■ Number of Violations of Laws and Regulations in Advertisements/Publicity and Labeling

	FY2018	FY2019	FY2020	FY2021	FY2022
Nichirei Group total	0	0	0	0	0

■ Corporate Governance Data

Note: Fiscal years (FY) indicate years ended March 31.

▼ Board of Directors composition	▼ Board of Directors meeting attendance rate	▼ Number of Meetings of Various Committees, etc.	Number of Meetings of Various Committees, etc., and Number of Board Members in Attendance
▼ Facilities audits of compliance audits and internal controls	▼ Number of Whistleblowing Cases, by Type	▼ Anti-corruption and bribery	

Outside Directors and Outside Audit & Supervisory Board Members Appointments



Notice of the 104rd Annual General Shareholders Meeting



■ Board of Directors composition

Category	Gender	FY2018 (Number of people)	FY2019 (Number of people)	FY2020 (Number of people)	FY2021 (Number of people)	FY2022 (Number of people)
Inside directors	Male	7	7	7	7	7
	Female	0	0	0	0	0
	Total	7	7	7	7	7
Outside directors	Male	1	1	1	1	1
	Female	2	2	2	2	3
	Total	3	3	3	3	4
Total	Male	8	8	8	8	8
	Female	2	2	2	2	3
	Total	10	10	10	10	11

■ Board of Directors meeting attendance rate

Category	FY2018 (%)	FY2019 (%)	FY2020 (%)	FY2021 (%)	FY2022 (%)
Inside directors	97.7	97.4	100	100	97.6
Outside directors	96.5	98.2	94.4	100	100

■ Number of Meetings of Various Committees, etc.

		Number of Meetings Held				
		FY2018	FY2019	FY2020	FY2021	FY2022
Board of Directors	Meets regularly on the third Tuesday of each month	19	19	18	18	19
Management Committee	Meets regularly on Tuesdays except for the third Tuesday of each month	21	23	20	17	23




		Number of Meetings Held				
		FY2018	FY2019	FY2020	FY2021	FY2022
Group Human Resources Committee	Convened twice a year and at other times as needed by the chairperson of the committee	2	2	2	2	2
Group Risk Management Committee	Convened twice a year and at other times as needed by the chairperson of the committee	2	2	2	2	2
Group Environmental Protection Committee	Convened twice a year and at other times as needed by the chairperson of the committee	3	3	2	2	2
Group Quality Assurance Committee	Convened twice a year and at other times as needed by the chairperson of the committee	2	2	2	2	2
Group Internal Control Committee	Convened once a year, and as needed, convened by the chairperson	1	1	1	1	1
Group Officer Examination Committee*¹	Chairperson convenes as needed	-	-	1	1	1
Social Action Program Committee	Convened once a year, and as needed, convened by the chairperson	1	1	1	1	1
Nominating Advisory Committee	Convened twice a year and at other times as needed by the chairperson of the committee	1	2	2	5	6
Remuneration Advisory Committee*²	Convened twice a year and at other times as needed by the chairperson of the committee	1	6	3	5	6*
Examination Committee	Chairperson convenes as needed	-	-	1	2	0
Intellectual Property Management Committee	Chairperson convenes as needed	-	-	-	-	0

* Includes 6th meeting in writing.

*1 Meetings are called by the chairperson on an as-needed basis

*2 As of January 2020, meets twice a year in principle according to the Remuneration Advisory Committee rules

■ Number of Meetings of Various Committees, etc., and Number of Board Members in Attendance

Classification	Name	Board of Directors Meeting Attendance	Nominating Advisory Committee Meeting Attendance	Remuneration Advisory Committee Meeting Attendance	Audit & Supervisory Board Meeting Attendance
Directors	 Kenya Okushi	19/19	6/6	6/6	
	 Junji Kawasaki	19/19			
	 Kazuhiko Umezawa	19/19			

Classification	Name	Board of Directors Meeting Attendance	Nominating Advisory Committee Meeting Attendance	Remuneration Advisory Committee Meeting Attendance	Audit & Supervisory Board Meeting Attendance
	 Masahiko Takenaga	18/19			
	 Wataru Tanabe	15/15 ^{*1}			
	 Kenji Suzuki ²	*2			
	 Kuniko Shoji	19/19	6/6	5/6	
	 Mana Nabeshima	15/15 ^{*1}	4/4 ^{*1}	4/4 ^{*1}	
	 Itsuo Hama ²	*2	*2	*2	
	 Kenji Hamashima ²	*2	*2	*2	
	 Tatsushi Kato	15/15 ^{*1}			11/11 ^{*1}
	 Tetsuro Katabuchi ²	*2			*2
Audit & Supervisory Board Members	 Yuhiko Sato	19/19			16/16
	 Kiyoshi Asahina	19/19			16/16
	 Muneaki Kiyota	19/19			16/16

*1 Mr. Tanabe, Ms. Nabeshima, and Mr. Kato were newly appointed at the 103rd General Meeting of Shareholders held on June 22, 2021. Their attendance reflects meetings of the Board of Directors, Nominating Advisory Committee, Remuneration Advisory Committee or Audit & Supervisory Board held after that date.

*2 As Mr. Suzuki, Mr. Hama, Mr. Hamashima and Mr. Katabuchi were newly appointed at the 104th General Meeting of Shareholders held on June 24, 2022, their attendance for FY2022 is not presented.

■ Facilities audits of compliance audits and internal controls

		Department in charge	FY2018		FY2019		FY2020		FY2021		FY2022		Remarks
			Domestic	Overseas	Domestic	Overseas	Domestic	Overseas	Domestic	Overseas	Domestic	Overseas	
Communication with all employees on governance and internal controls													
Number of training/seminars conducted (including e-learning)		Corporate Audit Department	1		1		1		1			1	1
Participation ratio (% of all employees covered)		Corporate Audit Department	95.50%		96.80%		93.60%		93.00%		91.80%	100%	Overseas includes only those stationed abroad
Governance Management													
Internal audit	Number of Group audits per year (Domestic/Overseas)	Corporate Audit Department	290	7	301	16	285	8	222	0	272	0	Compliance and facilities combined
	Group annual implementation rate (office coverage rate domestic/overseas)	Corporate Audit Department	77%	16%	82%	36%	73%	19%	58%	0%	69%	0%	Compliance and facilities combined
Compliance audits	Number of Group audits per year (Domestic/Overseas)	Corporate Audit Department	172	4	181	8	162	4	152	0	162	0	Compliance only (the number of Group annual audits and the Group annual implementation rate includes corporate departments)
	Group annual implementation rate (office coverage rate domestic/overseas)	Corporate Audit Department	71%	15%	74%	31%	66%	17%	61%	0%	62%	0%	
	Nichirei Foods (Domestic/Overseas)	Corporate Audit Department	85%	8%	74%	8%	88%	40%	75%	0%	68%	0%	
	Nichirei Logistics Group (Domestic/Overseas)	Corporate Audit Department	58%	10%	68%	70%	59%	0%	49%	0%	51%	0%	
	Nichirei Fresh (Domestic/Overseas)	Corporate Audit Department	100%	50%	100%	0	100%	0	88%	0%	76%	0%	
	Nichirei Bioscience (Domestic/Overseas)	Corporate Audit Department	100%	0	100%	0	0	0	100%	0%	100%	0%	
Facilities audit	Number of Group audits per year (Domestic/Overseas)	Corporate Audit Department	118	3	120	8	123	4	70	0	110	0	Facilities only (the number of Group annual audits and the Group annual implementation rate includes corporate departments)
	Group annual implementation rate (office coverage rate domestic/overseas)	Corporate Audit Department	87%	16%	87%	42%	87%	22%	51%	0%	82%	0%	
	Nichirei Foods (Domestic/Overseas)	Corporate Audit Department	94%	33%	100%	17%	94%	33%	82%	0%	94%	0%	
	Nichirei Logistics Group (Domestic/Overseas)	Corporate Audit Department	84%	0	85%	58%	87%	14%	43%	0%	79%	0%	
	Nichirei Fresh (Domestic/Overseas)	Corporate Audit Department	100%	100%	100%	0	100%	0	89%	0%	89%	0%	
	Nichirei Bioscience (Domestic/Overseas)	Corporate Audit Department	100%	-	0%	-	100%	0	100%	0%	100%	-	
Number of major meetings and committees held and the attendance rate													
Percentage of directors attending each committee meeting (10 individuals)	Group Internal Control Committee	Corporate Audit Department	100%	-	90%	-	100%	-	100%	-	100%	-	

■ Number of Whistleblowing Cases, by Type

	FY2018	FY2019	FY2020	FY2021	FY2022
Mistreatment	6	6	2	2	0
Workplace Disputes	11	2	5	8	2
Harassment	12	1	12	10	3
Compliance-related Breaches	3	1	1	5	11
Human rights issues	0	0	0	0	0
Other Consultations	3	2	1	2	4
Total	35	12	21	27	20

■ Anti-corruption and bribery

	FY2020	FY2021	FY2022
Punished employees	None	None	None
Payment of fines	None	None	None

External Review

External Review

The Nichirei Group has been rated highly by various external organizations as a corporate group that is enhancing communication, and which shares its CSR activities to a wide range of stakeholders.

By conducting regular reviews based on the categories and results of these external evaluations, the Group is making further improvements to its activities and reporting.

External Evaluations (As of March 24, 2023)

Incorporation of ESG Indexes

FTSE4Good Index Series

World-renowned ESG investment index published since 2001 by FTSE International (currently FTSE Russell), a wholly-owned subsidiary of the London Stock Exchange (LSE) Group.



FTSE4Good

2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
2010	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
✓	✓	✓	✓	✓	✓	✓	—	—			

FTSE Blossom Japan Index

FTSE Russell announced in 2017, an index composed of Japanese companies that have made excellent responses to the environment, society and governance (ESG), and promoting active participation of female workers.



FTSE Blossom
Japan

2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
✓	✓	✓	✓	✓	✓							

FTSE blossom japan sector relative index

An index constructed by FTSE Russell reflects the performance of Japanese companies with relatively strong environmental, social, and governance (ESG) responsiveness in their respective sectors.



FTSE Blossom
Japan Sector
Relative Index

2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
✓												

■ MSCI ESG ratings

This is an index developed by MSCI in the US, and companies with excellent ESG (Environment, Society and Governance) are selected in each industry (formerly MSCI Global Sustainability Indexes).



Disclaimer:
The inclusion of Nichirei in any MSCI Index, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement or promotion of Nichirei by MSCI or any of its affiliates. The MSCI Indexes are the exclusive property of MSCI. MSCI and the MSCI Index names and logos are trademarks or service marks of MSCI or its affiliates.

2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
AA	AA	A	A	A							

■ MSCI Japan ESG Select Leaders Index

The index composed by MSCI, Inc. by selecting stocks with relatively high ESG ratings from among the constituents of the MSCI Japan IMI Top 700 Index.

**2022 CONSTITUENT MSCI JAPAN
ESG SELECT LEADERS INDEX**

2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
AA	AA	A	A	A							

■ MSCI Japan Empowering Women Index (WIN)

ESG investment index released in 2017 by US-based MSCI. Companies with excellent gender diversity are selected from the top 500 stocks by market value in Japan.

**2022 CONSTITUENT MSCI JAPAN
EMPOWERING WOMEN INDEX (WIN)**

2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
AA	AA	A	A	A							

■ SOMPO Sustainability Index

An index consisting of companies whose ESG score is above the standard in company surveys on SOMPO Risk Management Inc.'s environment (E), Integrex Inc.'s society (S) and governance (G).



2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
✓	✓	✓	✓	✓	✓	✓	✓	✓	—	—		

■ CDP (Climate Change / Water Security)

CDP is an international NGO that operates a global information disclosure system for investors, companies, cities, nations and regions to manage environmental impacts.

On behalf of institutional investors, investigating, evaluating and disclosing environmental initiatives. For climate change, more than 7,000 companies, which are equivalent to more than 50% of the global market capitalization, responded.



■ Climate Change

2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
A-	B	B	B	C	A-	C	C	C	31	—	

■ Water Security

2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
A-	B	B	B-	B-	—	—	—	—	—	—	

■ S&P/JPX Carbon Efficient Index



2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
○	○	○	—	—	—	—	—	—	—	—	—

■ JPX-NIKKEI 400



2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
○	○	○	○	○	○	○	○	○	—	—	—

■ List of Certifications

Acquisition Year	Name		
2021年7月- 2024年6月	an Excellent Occupational Safety and Health Enterprise		https://www.nichirei.co.jp/news/2021/391.html (Only Available in Japanese)
FY2023	Health & Productivity Stock Selection		https://www.nichirei.co.jp/news/2023/436.html (Only Available in Japanese)
From FY2019	DBJ Employees' Health Management Rated Loan Program		https://www.nichirei.co.jp/news/2022/419.html (Only Available in Japanese)
From FY2017	The Certified Health and Productivity Management Organization Recognition Program under the large enterprise category		https://www.nichirei.co.jp/news/2023/436.html (Only Available in Japanese)
From FY2018	Eruboshi "Stage 3" (Accredited by the Minister of Health, Labor and Welfare based on the "The Act of Promotion of Women's Participation and Advancement in the Workplace")		https://www.nichirei.co.jp/news/2017/293.html (Only Available in Japanese)
From FY2010	"The Act on Advancement of Measures to Support Raising Next-Generation Children" certification mark (nickname: Kurumin)		https://www.nichireifoods.co.jp/corporate/sustainability/human_resources.html (Only Available in Japanese)

Awards

Awards Year	Name	Outline
FY2023	Nichirei Bioscience received a "Silver" rating in the EcoVadis Sustainability Survey (2022) for the second consecutive year, which is equivalent to the top 25% level.	The study was conducted by EcoVadis Nichirei Biosciences Inc. (President: Hideo Yokoi) has received a "Silver" rating, equivalent to the top 25% of all companies evaluated, in the 2022 EcoVadis Sustainability Survey for the second year in a row. https://nichireibiosciences.co.jp/wp-content/uploads/2023/02/NB_HP_Ecovadis%E3%83%97%E3%83%AC%E3%82%B9%E3%83%AA%E3%83%AA%E3%83%BC%E3%82%B9_230202.pdf
FY2023	Awarded "Champion" in the collaboration award at the 4th Japan Sustainable Seafood Awards	Sponsored by Seafood Legacy Inc. and Nikkei ESG We won the "Champion" award in the collaboration award at the 4th Japan Sustainable Seafood Awards, sponsored by Seafood Legacy, Inc. and Nikkei ESG. https://www.nichireifresh.co.jp/news/detail/?id=1659
FY2023	Received the "SDGs Carbon Offset Award"	Sponsored by J-Credit Tohoku Region Promotion Council (Secretariat: Tohoku Bureau of Economy, Trade and Industry) The "Obento-ni-Good! Good for the Earth! Program" received the "SDGs Carbon Offset Award." https://www.nichireifoods.co.jp/news/2022/info_id13768/
FY2023	Nichirei do Brasil Agricola Ltda (NIAGRO) received a "Gold" rating in the EcoVadis Sustainability Survey in 2022, equivalent to the top 5% level, for the second year in a row	Sponsored by EcoVadis Nichirei do Brasil Agricola Ltda (NIAGRO), a subsidiary of Nichirei Foods Inc. (President: Masahiko Takenaga), received a "Gold" rating, equivalent to the top 5% of all companies evaluated, in the 2022 EcoVadis Sustainability Survey for the second year in a row. https://www.nichireifoods.co.jp/news/2022/info_id14062/ 
FY2023	Received the "Advanced Technology Award" and "Special Award" at the 23rd Logistics Environment Awards	Sponsored by the Japan Federation of Freight Industries The Nichirei Logistics Group received the "Advanced Technology Award" and "Special Award" at the 23rd Logistics Environment Awards sponsored by the Japan Federation of Freight Industries. https://nichirei-logi.co.jp/news/2022/20220708.html
FY2022	Sustainability Awards 2021 Strategy for Sustainable Food Systems(MeaDRI) Promotion award	Sponsored by Ministry of Agriculture, Forestry and Fisheries Junwakei Chicken® won the "MeaDRI Promotion Award" at the Sustainability Awards 2021, a joint project sponsored by the Ministry of Agriculture, Forestry and Fisheries of Japan, "Sustainable Consortium 2030 - for Agriculture, Forestry, Fisheries and Food(SCAFFF)". 
FY2022	The 10th Smart Life Project Award (Let's extend healthy life expectancy!) Received the Director General of the Health Bureau of the Ministry of Health, Labor and Welfare (MHLW) Award for Excellent	Organized by MHLW and Japan sports agency Received the Excellence Award from the Director General of the Health Bureau of MHLW in the 10th Smart Life Project Award (Let's extend healthy life expectancy!) organized by MHLW and Japan sports agency. 

FY2022	Commendation from WICI Japan, a general incorporated association	Awarded in WICI Japan "Integrated Report Award 2021" Received the Gold Award for Excellence, the highest award, in the WICI Japan "Integrated Report Award 2021".
FY2021	City of Yokosuka Commendation	City of Yokosuka Commendation Nichirei Fresh Inc. was commended for having employed people with disabilities over many years, and for contributing to their social independence through vocational guidance.
FY2021	The Yokohama Global Warming Countermeasures Award	Sponsored by City of Yokosuka The Yokohama Global Warming Countermeasures Award commends businesses that have significantly reduced greenhouse gas and other emissions. Assessments are made based on the implementation status of priority measures and the achievement status of reduction targets over a three-year period. Nichirei Logistics Kanto received the Yokohama Climate Change Countermeasures Award, part of the Yokohama City Action Plan for Global Warming Countermeasures.
FY2019	1st Award for Good Practices of Consumer-oriented Received the Consumer Affairs Agency Director's Commendation	Sponsored by Consumer Affairs Agency A system that recognizes businesses that promote consumer-oriented business activities, "consumer-oriented management" (nickname: sustainable management) Effort to promote SDGs was evaluated by supporting employees' voluntary activities through Nichirei Foods' unique "Hamidas activities", promoting food education activities, contributing to the local community through environmental conservation activities, and working with food banks. 
FY2018	Tokyo Stock Exchange, Inc. 6th Corporate Value Improvement Award Excellent Award	Sponsored by Tokyo Stock Exchange, Inc. This award recognizes companies that have achieved high corporate value by implementing management with a strong focus on investor perspectives, including capital costs. Nichirei was recognized as a high-level practice of "Corporate Value Improvement Management" that aims to create corporate value that exceeds the cost of capital.
FY2018	Green Logistics Partnership Conference Award from the MLIT Minister's Secretariat Deputy Vice-Minister of Logistics	Sponsored by Green Logistics Partnership Conference A system implemented by the Ministry of Land, Infrastructure, Transport and Tourism to recognize outstanding efforts to promote CO ₂ reduction in the logistics field. Logistics Network Inc. of the Nichirei Logistics Group Inc. has been promoting a modal shift for more than 10 years as a 3PL operator that improves and operates all logistics for customer companies that are shippers, from procurement and inventory management to delivery. The effectiveness of these efforts was recognized, and the award was given jointly with three companies including Nichirei Foods Inc., the shipper.
FY2017	Modal Shift Excellent company announcement / commendation system "The award for Excellent Business Entities Working on Modal Shift"	Sponsored by Japan Association for Logistics and Transport A system that announces and commends excellent companies that have actively promoted modal shifts in order to encourage logistics companies to promote voluntary efforts and to raise awareness of efforts to promote modal shifts. The Nichirei Logistics Group Inc. started with a modal shift in 2003, and it was recognized that it has continued to expand its transportation area and handling volume.
FY2017	Nano Tech 2017 Life Nanotechnology Award	Sponsored by International Nanotechnology Exhibiton & Conference Exhibitors' innovative and pioneering technologies and products are selected for each field, and excellent exhibitors are selected. Nichirei is trying to make use of the research and results of antifreeze proteins discovered from fish inhabiting cold regions in a wide range of fields such as food, medicine and industry, and their activities were evaluated. As an example of an application field, there is a reduction in tissue damage after freezing and thawing in gel foods such as tofu and agar.

External Initiatives

The Nichirei Group promotes efforts to realize a sustainable society by participating in initiatives and organizations in Japan and overseas.

Global

United Nations Global Compact

<https://www.unglobalcompact.org/>

On November 15, 2021, Nichirei joined the United Nations Global Compact, a worldwide effort to achieve sustainable growth in the international community. In accordance with the Global Compact's 10 principles, which involve human rights, labor, the environment, and anti-corruption efforts, Nichirei will work toward the realization of a sustainable society.

Participation in the UN Global Compact (Only available in Japanese)



The Consumer Goods Forum (CGF)

<https://www.theconsumergoodsforum.com/>

The Consumer Goods Forum is a global consumer goods distribution industry network, in which retailers and manufacturers cooperate to promote activities driven by member companies. The network encourages the introduction of practices and standardization that are useful to the consumer goods industry around the world. Nichirei Foods has been a forum member since 2011.



Roundtable on Sustainable Palm Oil (RSPO)

<https://www.rspo.org/>

In response to growing global concern regarding the impact of the rapidly expanding palm oil plantations, in Malaysia and Indonesia, on the environment and human rights, the RSPO was set up in 2004 by stakeholders from the seven sectors of the palm oil industry, including the World Wildlife Fund (WWF).

The RSPO aims to promote the sustainable production and use of palm oil through the formulation of international certification standards and stakeholder participation. The Nichirei Group became a member of the RSPO in August 2018.



4-1055-18-100-00

Membership profile page

<https://rspo.org/members/4-1055-18-000-00/>

WWF Japan

WWF Japan | WWF Japan

Established in Switzerland in 1961, the WWF is a global environmental conservation organization that is active in more than 100 countries. Aiming to build a future in which people and nature can live in harmony, the WWF develops activities to protect biodiversity on Earth and reduce the burden that human life places on the natural environment and wildlife. Since October 2009, the Nichirei Corporation has supported the organization's conservation efforts as a WWF Japan corporate member.



TCFD Consortium

Top | TCFD Consortium (tcfcd-consortium.jp)

The Task Force on Climate-related Financial Disclosures (TCFD), chaired by Michael Bloomberg, was created by the Financial Stability Board (FSB) at the request of the G20. Its aim is to set up a framework to help companies and organizations disclose climate-related risks and opportunities and, at the same time, support financial institutions.



The TCFD Consortium was established in May 2019. the Nichirei Group has been a member company since June 2020.

Japan Climate Initiative (JCI)

Japan Climate Initiative – JCI

To strengthen information dissemination and the exchange of opinions among Japanese companies, local governments, research institutions, and NGOs that are engaged in climate change-related measures, the Japan Climate Initiative (JCI) was founded in July 2018, as a loose network of 105 participating organizations. The Nichirei Group has been a member since March 2021.



Green Purchasing Network (GPN)

<https://www.gpn.jp/english/>

This loose network of Japanese companies, government bodies, and private organizations was set up in Japan in 1996, to promote green purchasing, which prioritizes the buying of products and services that have a low environmental impact and are socially responsible.



The GPN promotes green purchasing, formulates purchasing guidelines for products and services, and operates the Eco-products Database, an environmental information website for products and services. Nichirei has been a member of the network since August 1996.

Life Cycle Assessment Promotion Consortium

RISS (aist-riss.jp)

The Life Cycle Assessment (LCA) Promotion Consortium is operated by the Research Institute of Science for Safety and Sustainability, and is designed to promote a wider understanding of appropriate evaluation methodologies. It also serves to support evaluations leading to the realization of a sustainable society, by promoting the adoption of products facilitating decarbonization-related innovation and sustainable business management. Nichirei has been a member since April 2021.



Japan Clean Ocean Material Alliance (CLOMA)

Japan Clean Ocean Material Alliance | English HOME | Alliance for reducing marine plastic litter (cloma.net)

The Japan Clean Ocean Material Alliance (CLOMA) was founded in January 2019 as a platform to accelerate innovation and strengthen alliances between a wide range of stakeholders across industry sectors. It aims to develop and promote the more sustainable use of plastic products, introduce and adopt innovative alternatives to plastic and, in the end, to completely eliminate plastic waste in order to resolve the global environmental issue of marine plastic litter. Nichirei has been a member since December 2018.



United Nations World Food Programme

The United Nations World Food Programme (WFP)—WFP.org

The United Nations WFP Japan office—a certified non-profit organization that supports the WFP in its mission to eliminate hunger—was established in January 1999 as the official support organization for the United Nations WFP in Japan.

In 2020, the United Nations WFP was awarded the Nobel Peace Prize in recognition of its efforts to prevent hunger from being used as a weapon in conflict and civil war. The Nichirei Group has been a member of the WFP in Japan since September 2005.

The Caux Round Table Japan, a Non-Profit Organization (NPO)

<https://crt-japan.jp/en/>

The Caux Round Table (CRT) was established at Caux in Switzerland in 1986 by a group of Japanese, American, and European business leaders. In Japan, it was organized in 2000 as the Caux Round Table Japan (CRT Japan Committee), which became a non-profit organization in 2006. It is a global network of business leaders working to realize a fair, free and transparent society through sustainable and socially responsible business. As corporate activities become increasingly globalized, investors, the civil society, and consumers are becoming increasingly aware of the need for companies to respect human rights. Since 2019, the Group has participated annually in the Stakeholder Engagement Program sponsored by the Caux Roundtable, which brings together companies, NGOs/NPOs, academics, and others to discuss "Business and Human Rights."

Participation in the Stakeholder Engagement Program



Japan Food Safety Management Association (JFSM)

Japan Food Safety Management Association (JFSM)

The JFSM was founded in January 2016, to help improve food safety in the Japanese and Asian food industries, as well as among consumers. To this end, it set up and managed food safety management certification and accreditation standards, which are consistent with international standards. The Nichirei Group plays a leading role in this association as a founding member, with one Nichirei director serving as a JFSM director.

