

Nichirei Group
CSR Report 2023



NICHIREI CORPORATION

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Message from the President

Message from the President



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

The Nichirei Group conducts its daily business based on its mission of "Focus on Lifestyles, and Provide True Satisfaction" and its vision of "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. In order to achieve these goals, the Nichirei Group established the "Nichirei Group Sustainable Marine Product Procurement Guidelines" and the "Nichirei Group Sustainable Palm Oil Procurement Guidelines" in April 2023, based on the "Sustainable Procurement Policy." We will work together with our suppliers and business partners to build a sustainable food procurement and sustainable supply chain by sharing our values and understanding of these guidelines as well as our own efforts.

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, 2023

Kenya Okushi

Representative Director,
President & Chief Executive Officer

Nichirei Group Materiality

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Material Matters

Long-term Management Goals (Vision for 2030)

Working to Realize Our Vision for 2030

TOWARD 2030

To achieve our long-term management goals toward 2030, we have identified material matters for the Nichirei Group based on the significant changes, risks and opportunities in our business environment.

We aim to realize our vision for 2030 by addressing these material matters and by drafting and implementing a medium-term business plan for every three-year period.



FY2023–FY2025 Medium-term Business Plan

Compass Rose 2024 Details • Pages 34-35

Help to resolve social issues through our business; pursue capital efficiency

Create new value <small>Details • Pages 56-57</small>	Strengthen ESG response <small>Commentary • Pages 53-53</small>	Conduct business portfolio management <small>Commentary • Pages 30-31</small>	Grow core businesses and improve low-profit businesses
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Allocation of management resources




Growth investment <small>Details • Pages 64-73</small>	Overseas business expansion <small>Details • Pages 85-81</small>	New business <small>Commentary • Pages 54-55</small>
Environmental measures	Promotion of IT and DX	Human resource development










Material Matters

In 2020, the Nichirei Group identified five material matters and set a vision for each of them in order to achieve its long-term management goals for 2030. We are conducting sustainability management that achieves both the resolution of social issues and business growth by addressing these material matters.

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 ^{*1}	Create new markets and customer value by taking on challenges outside existing business areas in both food and health	Discover the potential of materials and cooling power to contribute to the future of the Earth and people's mental and physical health through food	<ul style="list-style-type: none"> Allocate resources to R&D to investigate health, the global environment and diversifying customer value, as well as to marketing Develop products and services and convey information to address people's mental and physical health and the global environment Establish mechanisms to create and cultivate value in new fields and conduct innovation activities 	<ul style="list-style-type: none"> Sales of products and services that create added value for people's mental and physical health and the global environment: ¥140.0 billion People provided with information for good eating habits and health (total number of people per year): 200 million 	
Strengthening food processing and production technology capabilities; enhancing logistics services	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 	
		Overseas business has become a new pillar of earnings	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% 	

Nichirei Group Material Matters		Vision for 2030	Group Measures	Group KPIs for FY2031	Applicable SDGs
Realizing sustainable food procurement and a circular economy	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 circular economy	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% 	 
		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% 	
				<ul style="list-style-type: none"> Procurement ratio of sustainable marine products in accordance with the guideline: 100%*2 Procurement ratio of MSC and ASC products: 50%*2 	
				<ul style="list-style-type: none"> Procurement ratio of sustainable Palm oil (RSPO) : 100%*2 	
		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 	

Nichirei Group Material Matters		Vision for 2030	Group Measures	Group KPIs for FY2031	Applicable SDGs
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	Reduction in CO ₂ 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 	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% or higher <p>* HD: Nichirei Corporation (Holding Company)</p>	 4.3 4.4
			<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* <p>* Compared with the average annual investment in human resources in FY2019-FY2021</p>	 8.5

- *1 The vision for 2030, Group measures and Group targets and KPIs for material matter 1, “Creating new value in food and health,” were revised by the Board of Directors of Nichirei Corporation on July 18, 2023.
- *2 For material matter 3, “Realizing sustainable food procurement and a circular economy,” in April 2023 the Nichirei Group established procurement guidelines for marine products and palm oil, which are important food resources underpinning its business activities, and added related Group targets and KPIs.

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)	FY2023 Results	FY2024 Plan	FY2025 Targets	FY2031 Targets	Main Operating Companies Involved
Creating new value in food and health*1	Sales of products and services that create added value for people's mental and physical health and the global environment	¥46.4 billion	-	¥60.0 billion	¥140.0 billion	<ul style="list-style-type: none"> Nichirei Foods Nichirei Fresh
	People provided with information for good eating habits and health (total number of people per year)	103 million	-	-	200 million	<ul style="list-style-type: none"> Nichirei (Holding Company)
Strengthening food processing and production technology capabilities; enhancing logistics services	EBITDA margin	8%	9%	10%	12%	<ul style="list-style-type: none"> Nichirei Foods Nichirei Logistics Group Nichirei Fresh
	EBITDA CAGR Note: FY2022 figure is CAGR for FY2020-FY2022. FY2025 figure is CAGR for FY2023-FY2025. FY2031 figure is CAGR for FY2026-FY2031.	5%	7%	7%	7% or higher	
	Overseas sales ratio	20%	21%	20%	30%	

Nichirei Group Material Matters	Group Targets (KPIs)	FY2023 Results	FY2024 Plan	FY2025 Targets	FY2031 Targets	Main Operating Companies Involved
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	Support rate 89% (main domestic suppliers and OEMs)	Support rate 100% (main domestic suppliers and OEMs)	Support rate 100% (main domestic and overseas suppliers and OEMs)	Procurement rate 100%	<ul style="list-style-type: none"> · Nichirei Foods · Nichirei Logistics Group · Nichirei Fresh · Nichirei Biosciences
	Rate of implementation of ESG due diligence for main raw materials and major suppliers	Domestic meat and poultry 25% (main suppliers and OEMs)	Domestic meat and poultry 50% (main suppliers and OEMs)	Domestic meat, poultry, and marine products 100% (main suppliers and OEMs)	100%	
	Rate of attendance for the SDGs educational program aimed at realizing a circular economy	-	Start educational program	100% (managers or above)	100% (all employees)	
	Rate of waste recycling at all sites	99%	99%	99%	99%	
	Procurement ratio of sustainable marine products in accordance with the guideline* ²	91%	95%	100%	100%	
	Procurement ratio of MSC and ASC products* ²	19%	19%	32%	50%	
	Procurement ratio of sustainable Palm oil (RSPO)* ² * Certified Palm Oil means RSPO certified Palm Oil (Mass Balance and Segregation)	100% (book and claim)	100% (book and claim)	100% (book and claim)	100% (certified oil)	
	Conduct water-related risk assessments at all sites	-	Conduct a survey using a simple questionnaire format	Conduct in FY2024	Conduct regular water-related risk assessments at all sites, as well as in conservation activities and the BCP	

Nichirei Group Material Matters	Group Targets (KPIs)	FY2023 Results	FY2024 Plan	FY2025 Targets	FY2031 Targets	Main Operating Companies Involved
Climate change initiatives	Reduction in CO ₂ emissions (Compared with FY2016; Scope 1 and 2 in Japan)	-25%	-27%	-30%	-50%	<ul style="list-style-type: none"> · Nichirei Foods · Nichirei Logistics Group
	Rate of conversion to natural refrigerants Production equipment in Japan	56%	69%	80%	100%	
	Rate of conversion to natural refrigerants Logistics (Global)	58%	60%	62%	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)	13%	13%	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*)	15%	18%	20%	30%	
	Investment in human resources (Compared with the average annual investment in human resources in FY2019-FY2021)	1.2 times	1.5 times	1.7 times	2.0 times	

*1 The vision for 2030, Group measures and Group targets and KPIs for FY2031 for material matter 1, "Creating new value in food and health," were revised by the Board of Directors of Nichirei Corporation on July 18, 2023.

*2 For material matter 3, "Realizing sustainable food procurement and a circular economy," in April 2023 the Nichirei Group established procurement guidelines for marine products and palm oil, which are important food resources underpinning its business activities, and added related Group targets and KPIs.

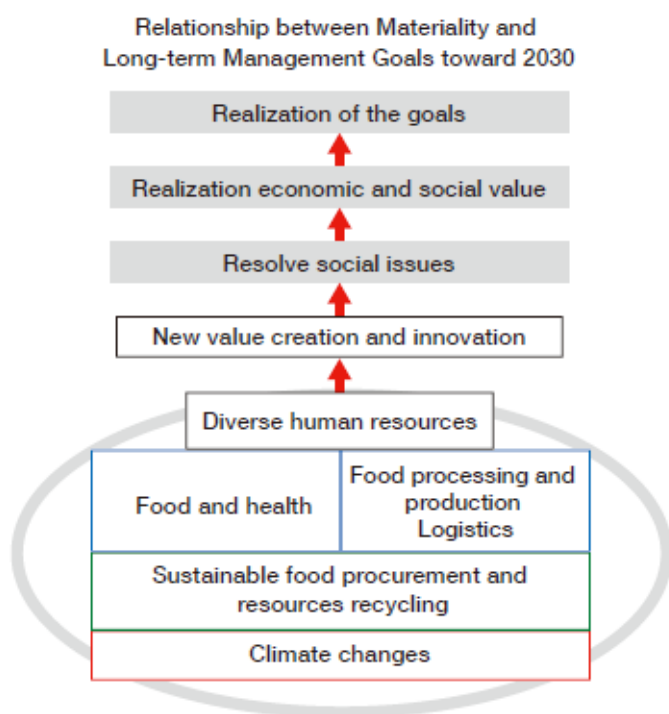
Process for Identifying Material Matters

Project Organization for Identifying Material Matters

With the representative director and president responsible for execution, two projects (Materiality and Climate change scenarios) were working concurrently from September 2019 and June 2020. We conducted repeated considerations while linking information from both parties.

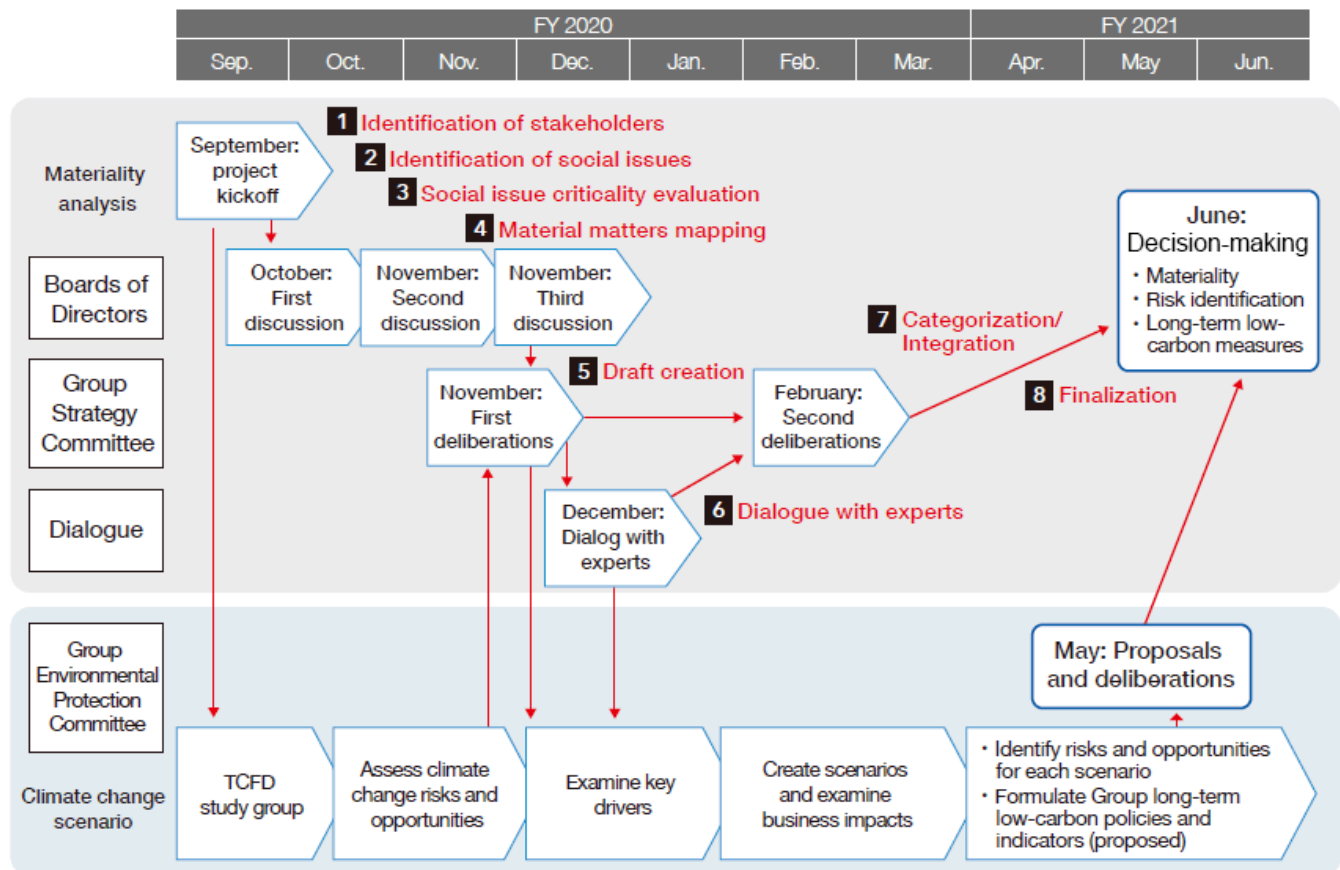
The project to formulate the materiality was led by the executive officer who is the general manager of Strategic Planning, and was examined by members of the Board of Directors and all corporate officers, including executive officers.

The climate change scenario 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.



Project Schedule

Materiality Formulation and Climate Change Scenario 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)

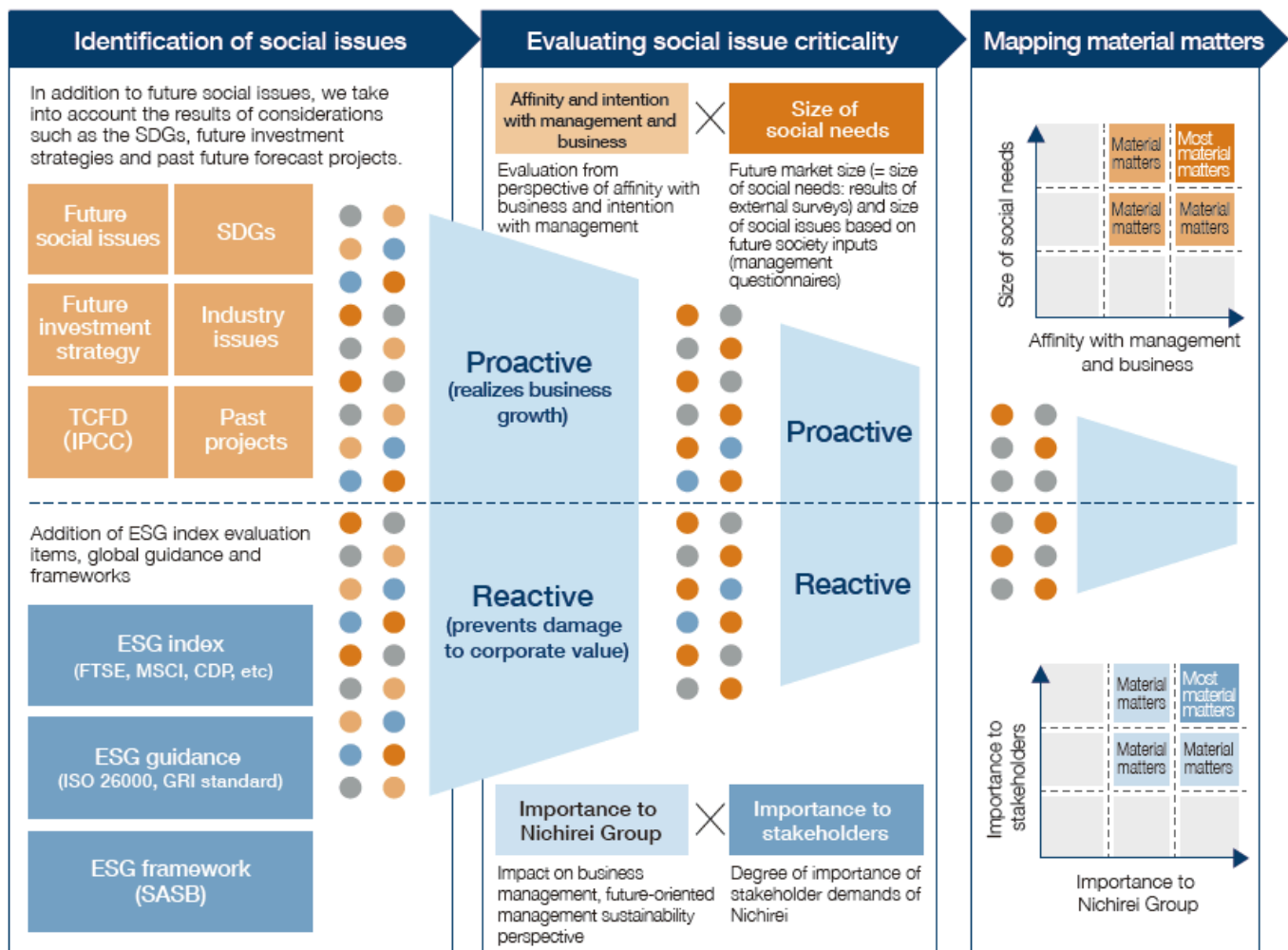
After identifying our stakeholders, we delineated social issues from future and global perspectives.

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 are focused on minimizing damage to corporate value.

4 Mapping material matters

We mapped material matters that would require proactive and reactive steps, and in November 2019 we 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.

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>
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Nichirei Group (Nichirei Corporation) members

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



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

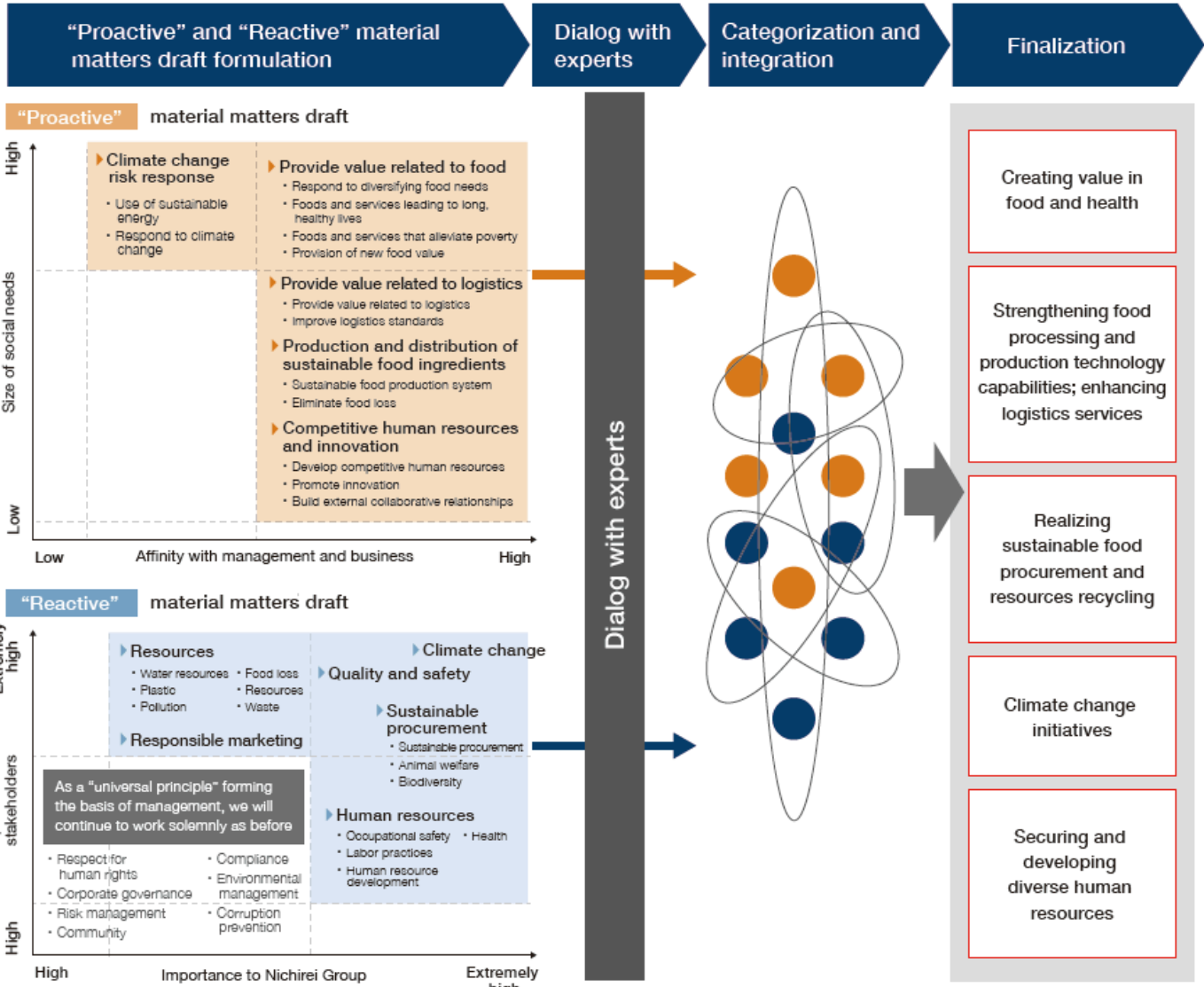
- The Company would benefit were its distinctive features put in a visual format. In addition to its processed foods, these features would include important issues related to temperature-controlled logistics, marine items, as well as meat and poultry products.
- Given that the company is a cold chain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

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 evaluation of validity by experts and opinions on distinctive Nichirei features, an agreement was reached, resulting in a draft containing five material matters.



Identifying Material Matters

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.

* Revised as "Realizing sustainable food procurement and a circular economy" in 2021

DX Strategy

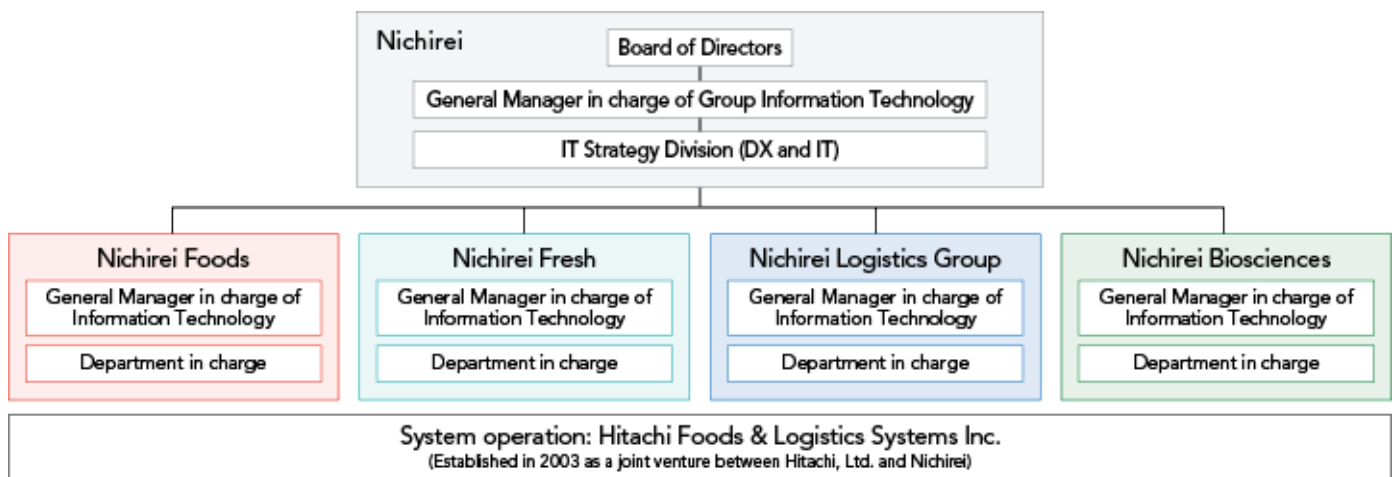
DX Strategy

For the Nichirei Group, DX involves data technology-driven business transformation activities linked to its five material matters. We began implementing DX initiatives in FY2022.

DX Strategy

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

Organizational Structure for Promoting DX



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 a more valuable experience 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 to implement 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 involved in the supply 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 provide that information 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 (Only Available in Japanese)



A History of Creating Value

History of the Nichirei Group

History of the Nichirei Group Nichirei 75th Anniversary https://www.nichirei.co.jp/75th/ (In Japanese only)

Creating Value to Provide True Satisfaction

We have provided true satisfaction by identifying the needs of individuals and society, enabling us to create the products and services required in each era. The Nichirei Group will continue to support eating habits through business activities covering a wide range of foods.

1940s to 1950s

Launch of the Nichirei Group to rebuild the postwar food supply system and respond to rising consumption



Antarctic expedition

Nippon Reizo was established to take over the marine products, refrigeration, and ice-making businesses. With a mission to provide a stable food supply after World War II, we diversified our businesses as consumption rose rapidly in the 1950s.

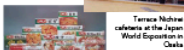
- 1942 Established Talkoku Marine Products Control Company
- 1945 Reorganized as Nippon Reizo Inc., a private company
- 1946 Launched Reiko full juice poppette
- 1952 Launched frozen prepackaged tempura set
- 1955 Started offshore exporting of marine products
- 1956 Launched meat and poultry products business
- 1956 Provided frozen food to Antarctic expedition
- 1959 Developed Hayabusa, a long-distance frozen cargo vehicle

1960s to 1970s

The spread of electric refrigerators changes eating habits. Expanding into the broiler and processed marine products businesses



Raising poultry house at the Kamagaya Laboratory



Terrace Nichirei cafeteria at the Japan World Exposition in Osaka

With brisk economic growth, electric refrigerators became common household appliances and household-use frozen foods began to be accepted. We contributed to the government-led creation of a cold chain logistics network to maintain food freshness during transport from producing areas to stores.

- 1960 Established Kamagaya Laboratory (establishment of a raising poultry house)
- 1960 Launched "Bander" brand loqued cured tuna
- 1964 Provided frozen foods to the athletes' village at the Tokyo Olympics
- 1968 Ranked No. 1 in share of African octopus and Central and South America shrimp handled
- 1970 Opened a cafeteria at the Japan World Exposition (Osaka)
- 1977 Established a subsidiary to handle transport
- 1979 Established a subsidiary to collect and sell agricultural, marine, meat and poultry products in the United States

1980s to 1990s

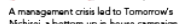
Increasing interest in frozen foods as more women began working outside the home. Actively developing new businesses



Initial Asacola Drink can



Newspaper announcement of the change in the company name



Initial Shin-Aryu Salsalato

A management crisis led to Tomorrow's Nichirei, a bottom-up in-house campaign soliciting employee proposals for innovation and improvement, which led to a series of new businesses. In addition, rising numbers of women working outside the home spurred growth in demand for highly convenient frozen foods. From the latter half of the 1980s, we started full-scale overseas expansion in the fields of processed foods and temperature-controlled logistics.

- 1980 Started Tomorrow's Nichirei
- 1982 Expanded into the biotechnology field
- 1985 Changed company name to Nichirei Corporation
- 1987 Launched Asacola Drink
- 1988 Started European logistics business in the Netherlands
- 1993 Full-scale launch of cross-docking operations (XCD)
- 1994 Launched Shin-Aryu Salsalato, a pioneering series of microwaveable frozen foods
- 1997 Established the Nichirei Technology Development Center

2000s

Addressing diversifying eating habits and consumer concerns about food safety. Accelerating business operations by converting to a holding company structure



Initial Fushiko-Tama-Chiken (fried rice)



GFTT Nichirei (Thailand) Company Limited

We fundamentally revised the structure of our traceability system to enhance quality assurance so we could provide safer, more reliable products. We also converted to a holding company structure and started new initiatives in each business.

- 2001 Launched household-use frozen product Honkaiutama-Chuwan fried rice
- 2004 Started a logistics business in China (Shanghai)
- 2005 Converted to a holding company structure
- Established Jintsu (Vietnam) Food Research and Development Co., Ltd. in China for food safety, inspection, and research and development
- 2006 Started the Inoc-Fresh-Meat Project in Indonesia (sustainable shrimp procurement using extensive aquaculture and mangrove tree planting)
- 2007 Started Anmolok chicken business
- 2008 Established GFTT Nichirei (Thailand) Company Limited, a Thai production subsidiary, for stable supply of processed poultry products

2010s

Conducting management with a medium- to long-term perspective that addresses simplifying food preparation, increasing health consciousness, Japan's labor shortage, and globalization



Global Innovation Center

By strengthening our earnings base and improving asset efficiency, we promoted profit growth and expansion of the scale of our overseas business. We also stepped up our ESG initiatives to increase corporate value.

- 2011 Established Higashiogishima DC (Kawasaki City) and Sakai's second building in 2013 to meet strong demand for logistics
- 2012 Started sales of Asian food in the United States
- 2013 Launched Southeast Asian logistics business, starting in Thailand
- 2014 Established Nichirei Foods Fushiko No. 2 Plant
- 2018 CSR Basic Policy revised as The Nichirei Pledge
- 2018 Opened the MRAnaraoze company display center
- 2019 Established the Global Innovation Center as a bio-science business base for research, development and production
- Established the Nichirei Group Human Rights Policy

2020 onward

Becoming a company that creates new customer value and helps resolve social issues to achieve a sustainable society



Nagoya Minate DC

We are forging a strong link between sustainable corporate growth and the achievement of a sustainable society, dealing openly with the public as we continue to support eating habits.

- 2020 Established Nagoya Minate DC, a model center for business innovation
- Anmolok chicken became the first poultry product in Japan to acquire Specific Japanese Agricultural Standard (SJAS) certification for sustainability for eggs and chicken meat
- 2021 Joined the United Nations Global Compact
- Launched Immunothe SARS-CoV-2 antigen test kit for the SARS coronavirus
- 2022 Established Sustainability Policy: The Nichirei Pledge
- Launched Inoc-Fresh-Meat Project to regenerate Zentara (edible grass) beds
- 2023 Established a new eco-friendly factory for processed rice at Kyurui Inc.

▶ Net Sales



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 (reefer) Hayabusai, 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

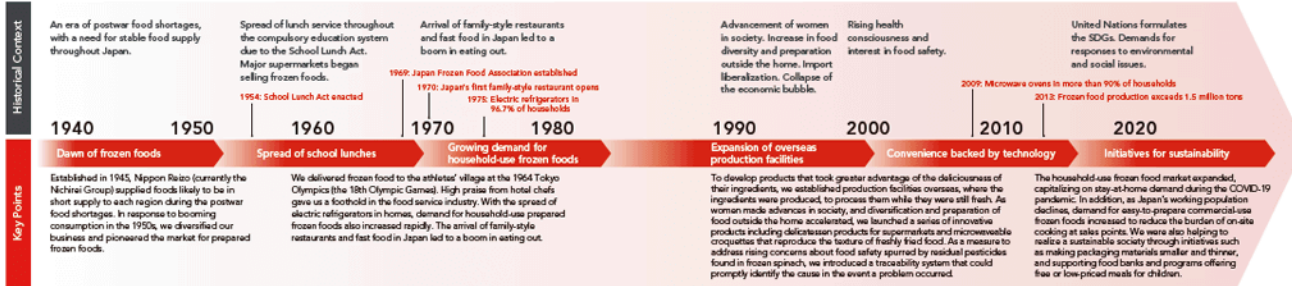
The rollout of our logistics business in Europe started with the acquisition of a cold storage company in the Netherlands. Based on the know-how we have cultivated in Japan, we have rolled out our logistics business in China, Thailand and Malaysia as we spread the quality of Japanese logistics around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

Chicken-Mush (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 microwaves owned. 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 paste and offering uniform quality and standards were delivered pre-breaded and frozen. The convenience of being able to deep-fry a large quantity without help 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 14 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 serviceable 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 1976, we launched the *White Peach* 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 tents.

In 1994, we launched *Kibromi-ga-Salusalu* (Gyudon-croquette) as part of our *Thin-Shell-Croquette* series. It took three years of research and development to succeed in creating freshly-fried crispness even when cooked in a microwave oven. In addition, we insisted on using *Danshaku* potatoes from Hokkaido to increase the proper croquette flavor. Our technology enabled a significant reduction in cooking time, thus responding to changes in lifestyles such as the increase in double-income households.

In 2001, we introduced *Honkaku-Itame-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*. So 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 *Hot-Shell-Salutsu* series for croquettes and other fried foods that can be prepared by boiling. In 2020, we launched the *Vegetalica* series of products for delicatessens. These meal kits containing multiple ingredients and seasonings help to resolve the problem of worker shortages and insufficient cooking facilities.

Initiatives for Eco-friendly Packaging

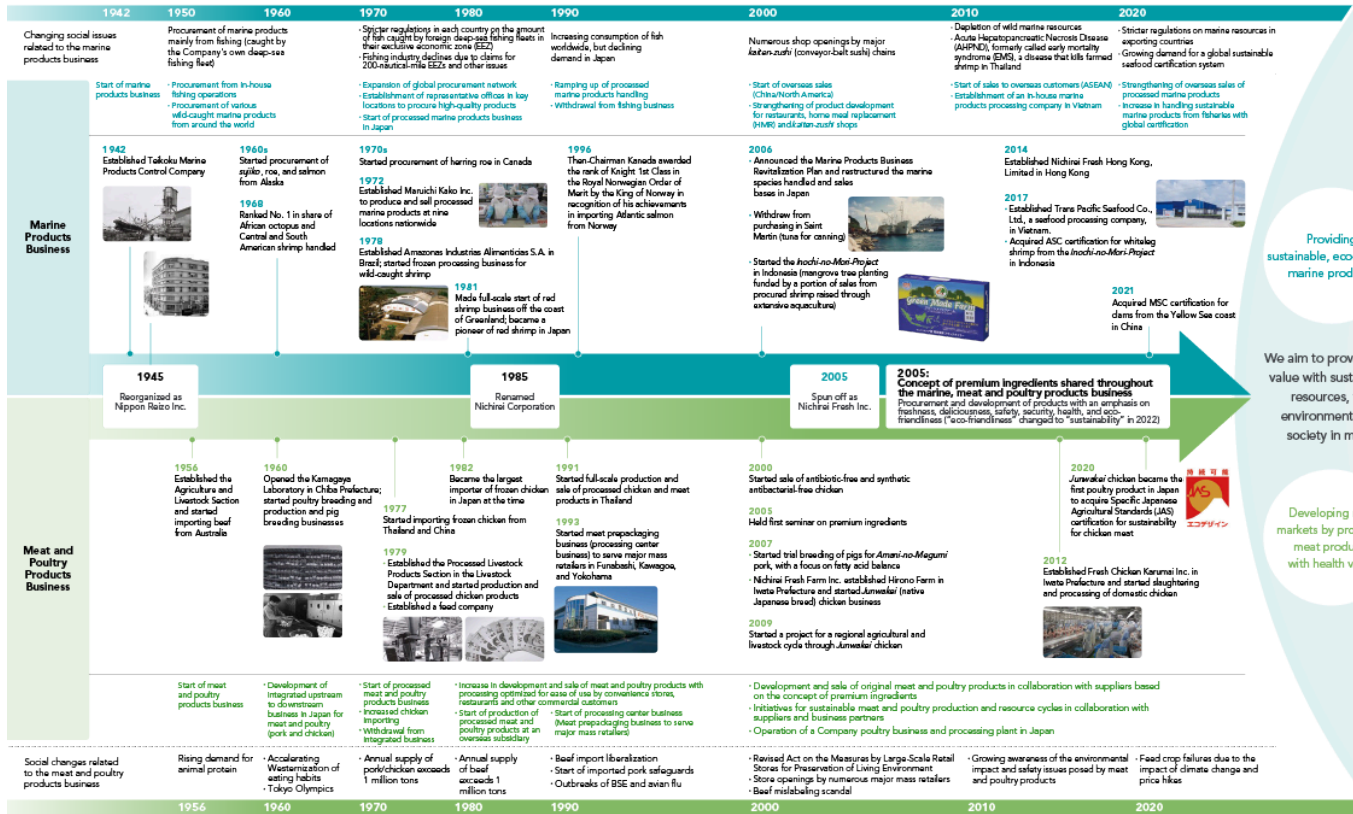
- FY2007 *Imagene-Yaki* (Japanese waffles): Elimination of trays
- FY2010 *Yaki-Chigiri* (grilled rice balls): 10-pack: Elimination of trays
- FY2012 *Honkaku-Itame-Chikhan* (fried rice): Thinner packaging
- FY2015 *Yaki-Chigiri* (grilled rice balls): 10-pack: Thinner packaging
- FY2018 *Honkaku-Itame-Chikhan* (fried rice): Thinner packaging (second reduction)
- FY2019 *EB-16/6* (shrimp puffs) and *Chikhan-Rice*: Thinner packaging
- FY2021 *EB-4/4-Chikhan-Gozan* (shrimp gratin) and *EB-4/4-Chikhan-Gozan* (shrimp gratin): Thinner trays, reduced tray handle width
- FY2022 *Yaki-Chigiri* (grilled rice balls): Elimination of trays for entire lineup

Marine, Meat and Poultry Products Business

A History of Creating Value: Marine, Meat and Poultry Products Business

Amid food shortages during the Second World War, the Nichirei Group made its start in 1942 with marine products procurement and sales, ice-making, and frozen storage businesses. Our mission: nationwide delivery of marine products—a familiar and valuable source of animal protein—from nearby waters through wider distribution and without loss of quality. Then, seeing an opportunity in the Westernization of Japan's dietary

habits in the 1960s, we started the meat and poultry business. We will continue the evolution of our procurement, optimal processing and sales of marine, meat and poultry products both in Japan and overseas to meet the needs of a changing society, and work to offer sustainable foods that are friendly to the global environment and society.



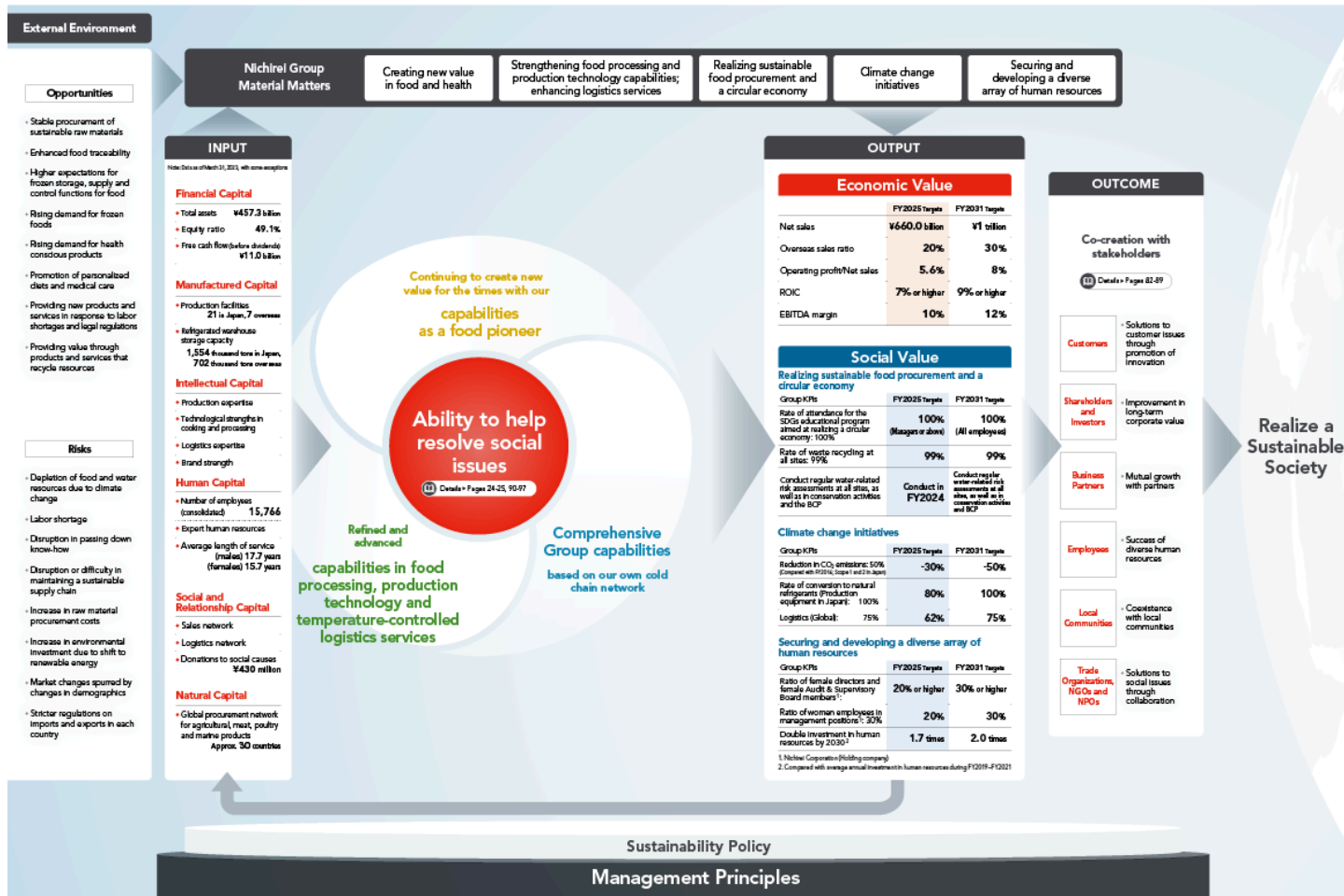
Providing sustainable, eco-friendly marine products

We aim to provide new value with sustainable resources, the environment, and society in mind.

Developing new markets by providing meat products with health value

Value Creation Process

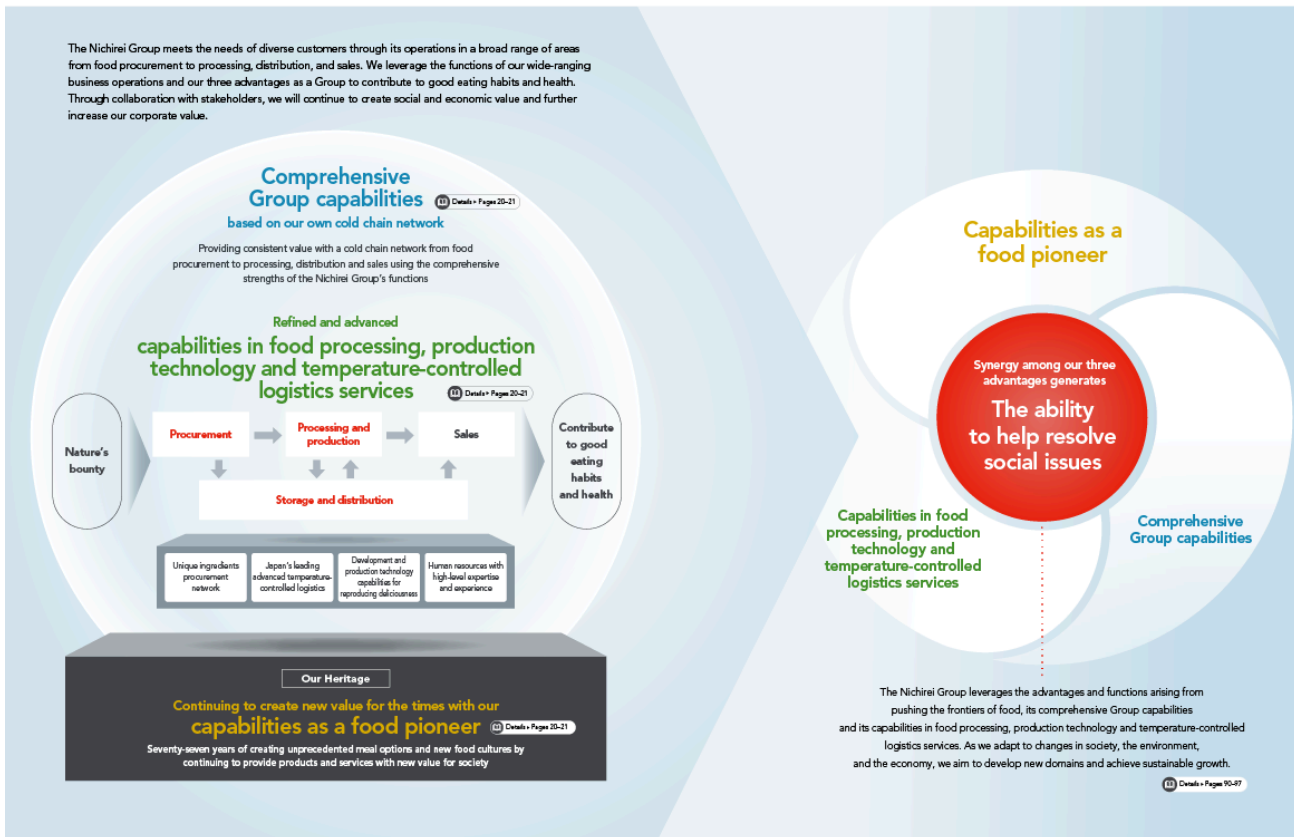
Value Creation Process



Nichirei's Business Model and Advantages

Nichirei's Business Model and Advantages

The Nichirei Group meets the needs of diverse customers through its operations in a broad range of areas from food procurement to processing, distribution, and sales. We leverage the functions of our wide-ranging business operations and our three advantages as a Group to contribute to good eating habits and health. Through collaboration with stakeholders, we will continue to create social and economic value and further increase our corporate value.



Our Accumulated Assets and Three Advantages

Nichirei has a history of diligently working to seek out new solutions to whatever difficulties it faces, with a commitment to continuing its stable supply of safe and reliable food for all. Throughout our history of taking on challenges, we have accumulated a portfolio of not only products and services in which we take pride, but also intangible assets such as our heritage, technologies, know-how, and networks that span entire value chains, which give us the advantages we have today.

These assets are the foundation of our current advantages and strong points: capabilities as a food pioneer, capabilities in food processing, production technology and temperature-controlled logistics services, and comprehensive Group capabilities. They will also lead us to new challenges and further growth as an enterprise that helps to resolve social issues.

	Advantages	Accumulated Assets	Main Results	Capital
Our Heritage	<p>Continuing to create new value for the times with our capabilities as a food pioneer</p> <p>Since our founding, we have continued to take on challenges to create unprecedented meal options and new food cultures, and to provide society with products and services with new value.</p>	<p>A history and heritage of continuing to take on challenges to help resolve social issues</p>	<ul style="list-style-type: none"> • A history of handling sources of animal protein since our founding • Numerous products that were the first of their kind in Japan <ul style="list-style-type: none"> • Frozen prepared food product Chawan-Mushi (savory egg custard) • Commercialization of asarite • Ultra-medical chickens with Specific JAS Certification* *Specific Japanese Agricultural Standards (JAS) certification for sustainability for eggs and chicken meat • Development of long-distance frozen cargo vehicle Hayabusu • Expansion into the biotechnology field • Microwaveable croquettes • Cross-docking centers (KD business) 	<p>Human Capital</p>
Our Uniqueness	<p>Refined and advanced capabilities in food processing, production technology and temperature-controlled logistics services</p> <p>By pioneering our unique ingredients procurement network, honing our technological capabilities for food processing and production, and upgrading our logistics services, we have provided convenience that meets the needs of a wide variety of customers and business types.</p>	<ul style="list-style-type: none"> • Unique ingredients procurement network • Japan's leading advanced temperature-controlled logistics • Development and production technology capabilities for reproducing deliciousness • Human resources with high-level expertise and experience 	<ul style="list-style-type: none"> • Processing and production technology • Original development of refrigeration facilities and equipment • Quality assurance capabilities that enhance safety and reliability • Proposal and response capabilities • Comprehensive logistics services • Proprietary material development capabilities • Providing products that have been optimally processed • Long-standing relationships of trust with suppliers • Ability to develop, produce and evaluate the quality of diagnostic agents 	<p>Intellectual Capital</p> <p>Human Capital</p> <p>Social and Relationship Capital</p> <p>Natural Capital</p>
Our Fields	<p>Comprehensive Group capabilities based on our own cold chain network</p> <p>We have continued to provide consistent value with a cold chain network from food procurement to processing, distribution and sales using the comprehensive strengths of the Nichirei Group's functions.</p>	<p>Comprehensive Group capabilities in food procurement, processing, distribution, and sales functions in its cold chain network.</p>	<ul style="list-style-type: none"> • No. 1 in sales of frozen foods in Japan • In-house manufacturing facilities: 21 in Japan, 7 overseas • No. 1 in Japan in refrigerated facility capacity • No. 5 globally in refrigerated facility capacity • About 8,000 vehicles in operation worldwide every day • Nationwide transportation and delivery network • Procurement capabilities from about 30 countries 	<p>Manufactured Capital</p> <p>Social and Relationship Capital</p>

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

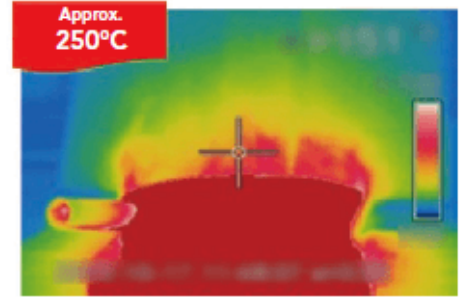
- In-house Development of a Cooking Line That Reproduces the Processes of Professional Chefs

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

Value Provided

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



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.

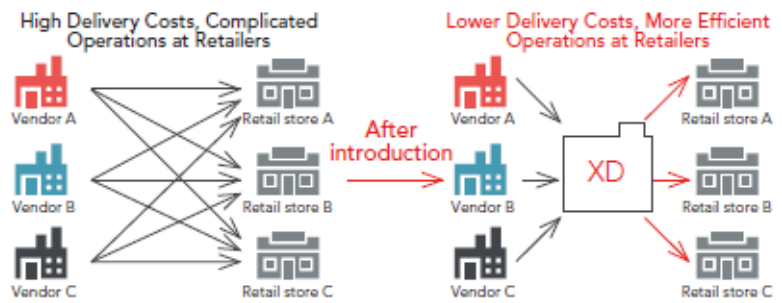
In addition, spurred by the first environmental summit held in France in 1989, noise, CO₂ emissions and traffic congestion due to trucks came to be recognized as major issues, with strong calls to the logistics industry for greater efficiency.



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.



Value Provided

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



[Integrated Report 2021 Helping to Resolve Social Issues through Our 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.

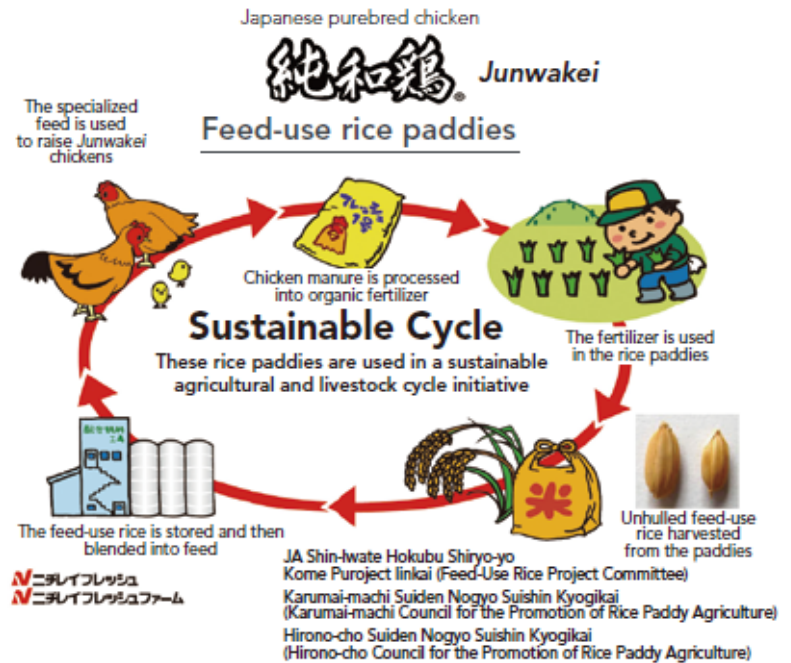


- A Method of Raising Chickens That Minimizes Their Stress

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.

Value Provided

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

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)



Integrated Report 2021 Helping to Resolve Social Issues through Our Business



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

Contribute to the development of local communities and grow by meeting “clean label” demand

Social Issues

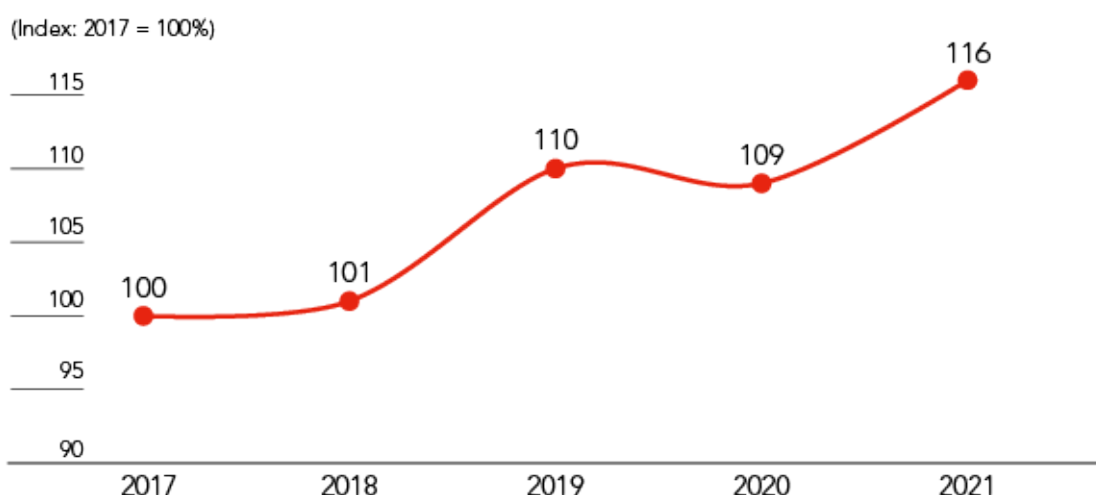
- Poverty
- Educational issues
- Agriculture that takes the local environment into consideration
- Nutrition and health of local residents
- Supplying Clean Label Raw Materials and Ingredients

The number of clean label*¹ products launched in the global market in 2021 was up 16% compared with 2017, mirroring growing consumer concerns about food safety. As this trend is expected to continue, stable growth is predicted in the market for clean label raw materials. As one response, there is an increasing need for using acerola powder, which is rich in natural vitamin C, to maintain food quality and for other applications.

*1 A new trend, primarily in the United States and Europe, that refers to food prepared using simple raw materials and ingredients with easy-to-understand labelling. This concept is described with terms such as additive-free, natural, organic, and non-GMO.



■ Increase in Clean Label Products Launched in the Global Market



Source: Prepared by Nichirei Foods based on data from Innova Market Insights

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 Acerola Drink in 1987 and other initiatives. We started the acerola raw materials business on a large scale in 1990, and established a Brazilian subsidiary, Nichirei do Brasil Agricola Ltda. (Niagro), in 1991. This subsidiary became directly involved in operating a plantation and a juice processing facility, and also began selling acerola juice products in the United States and Europe.

■ Building Relationships of Trust with Contract Farmers

Niagro distributes seedlings to co-growers free of charge, and its employees personally provide guidance on planting for stable cultivation and harvesting of high-quality fruit with guaranteed traceability. Niagro purchases the entire crop, ensuring a stable income for co-growers and improving their cultivation skills. Through these initiatives, Nichirei Foods is able to provide a stable supply of high-quality products to customers worldwide.

■ Sustainability Initiatives

Niagro operates an environmentally friendly acerola business, and supports the development of the local community through job creation and contributions to the region.

1. Building Relationships of Trust with Co-growers

- Supply of seedlings free of charge, support for agriculture through cultivation guidance
- Contract farming with purchase agreements ensures stable income for farmers
- Continuous technical support through regular workshops



2. Contributions to the Region

- Support for childcare facilities for poor families (providing acerola juice, repairing facility equipment, etc.)
- Creation of jobs through internships for students, etc.
- Provision of dental exams for employees and co-growers



3. Consideration for the Environment

- Reduction of water consumption through technical guidance for efficient irrigation
- Environmentally friendly industrial wastewater treatment using microorganisms
- Effective use of pomace from juice production as feed for livestock and farmed sea bream (tai), and acerola seed extract
- Installation of solar panels on factory rooftop



Sustainability Assessment from an External Organization


In a sustainability survey by EcoVadis2 in 2023, Niagro received its first Platinum rating, the highest level, placing it in the top 1% of companies surveyed, based on its ongoing initiatives in the four survey categories—Environment, Labor and Human Rights, Ethics, and Sustainable Procurement. In the 2023 rating, Niagro was recognized in particular for its ongoing efforts with respect to labor and human rights.



Labor and human rights training for employees

EcoVadis Sustainability	2016–2020	2021, 2022	2023
Assessment Ratings	Silver	Gold	Platinum

*2 A global institution that provides sustainability and supply chain assessments. As of June 2023, it has evaluated over 100,000 organizations and companies in 200 industries and 175 countries.

Nichirei do Brasil Agricola Ltda (NIAGRO) received its first "Platinum" rating in the EcoVadis Sustainability Survey in 2023 

Value Provided

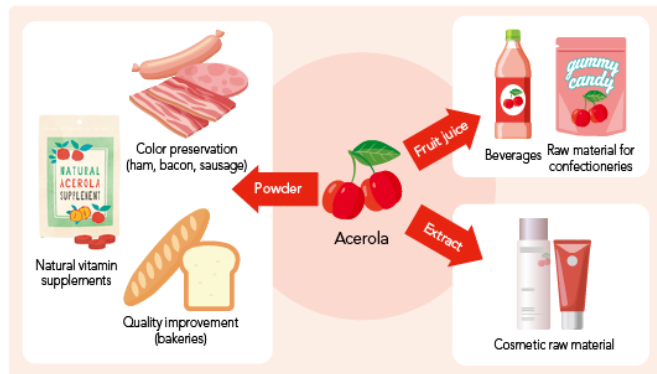
Why the Nichirei Foods Group is Uniquely Capable

Approximately 40 years of know-how in the acerola business	Wholly owned subsidiaries in two major production areas (Brazil and Vietnam) and the world's largest amount handled	Standardized vitamin C content	Superior quality	Guaranteed traceability for all raw materials
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Providing the Diverse Value of Natural Vitamin C, Not Just for Juice

Acerola as a Clean Label Raw Material

Grown primarily in countries such as Brazil and Vietnam, acerola generates a large amount of natural vitamin C—about 34 times more than that found in lemon juice—so that it can withstand the intense tropical sunlight. However, another characteristic of acerola is that the natural vitamin C decreases as the fruit reddens and ripens. Therefore, it is harvested early while it still contains a large quantity of natural vitamin C, and processed into acerola powder. Acerola is currently the only food ingredient that is rich in natural vitamin C and can be produced on an industrial level. It is widely used in supplements, mainly in Europe and North America, and as a clean label raw material for bakery goods, processed meat products and other food products. Demand for acerola powder is expected to grow as the market for clean label raw materials continues to expand.



New Acerola Powder Production Line Established

To meet demand for acerola powder, which is attracting interest as a clean label raw material, Niagro added a new production line, which began producing acerola powder in June 2023. Since Niagro only handles the acerola fruit it purchases from its co-growers, traceability is guaranteed for the entire amount used to produce the powder. Niagro will nurture acerola powder into a new business pillar in addition to acerola juice.



Niagro's new factory



Acerola powder

- Supplying clean label raw materials and ingredients
- Contributing to development of the local economy and community
- Establishing an environmentally friendly, sustainable business



- Generating profit through expansion of the acerola powder business to meet growing need for clean label raw materials
- Effectively using pomace from juice production

Integrated Report 2023 Helping to Resolve Social Issues through Our Business



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

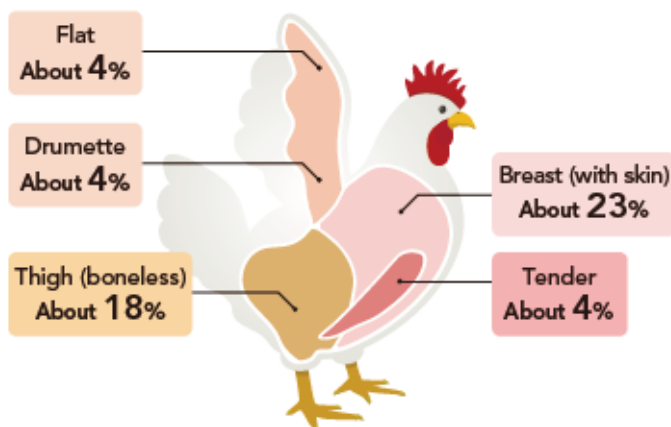
Social Issues

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*



* Weight may differ among individual chickens

Initiatives to 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.



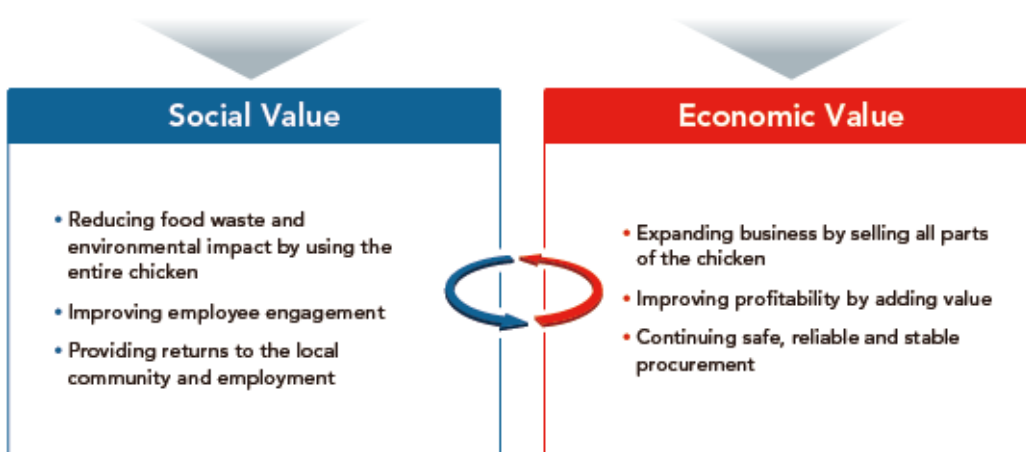
Systematic, Effective Use of the Entire Chicken

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.



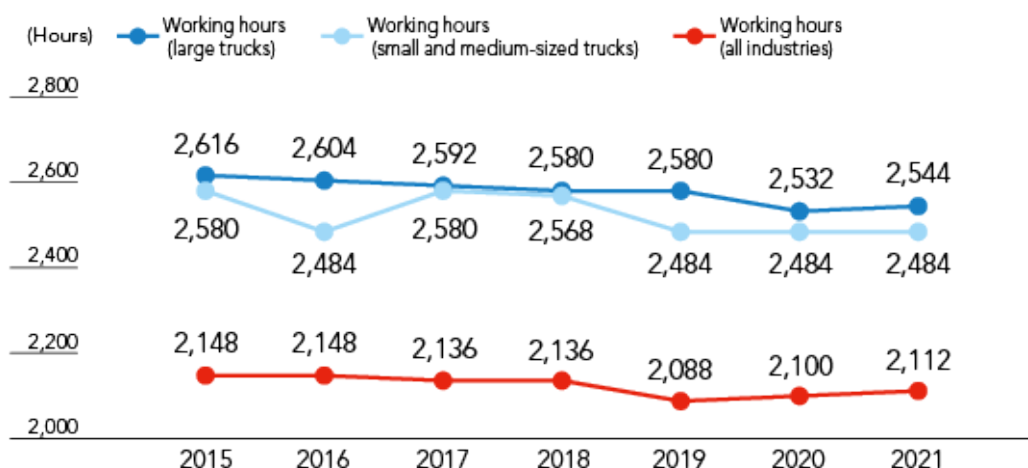
SULS : Next-generation Transportation and Delivery System

Social Issues

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

Long working 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 such issues, which 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

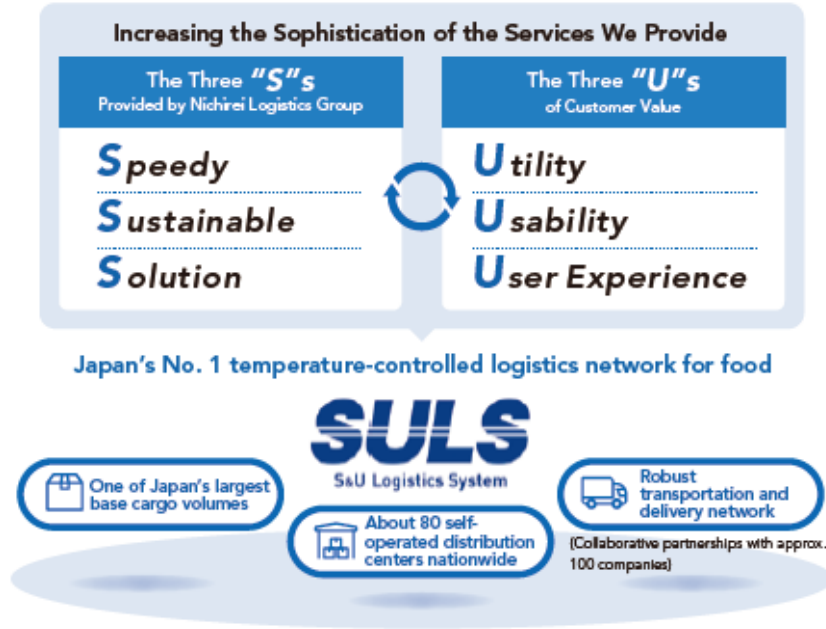


Source: Ministry of Health, Labour and Welfare, *Basic Survey on Wage Structure*

Initiatives to resolve social issues

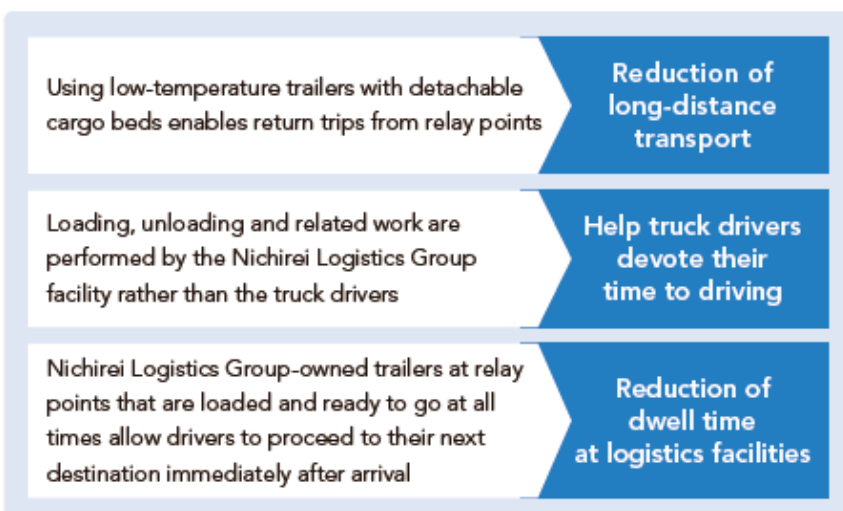
SULS : Next-generation Transportation and Delivery System

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 Platform 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.



Introduction of Japan's largest-capacity trailer, able to carry a 24-pallet load



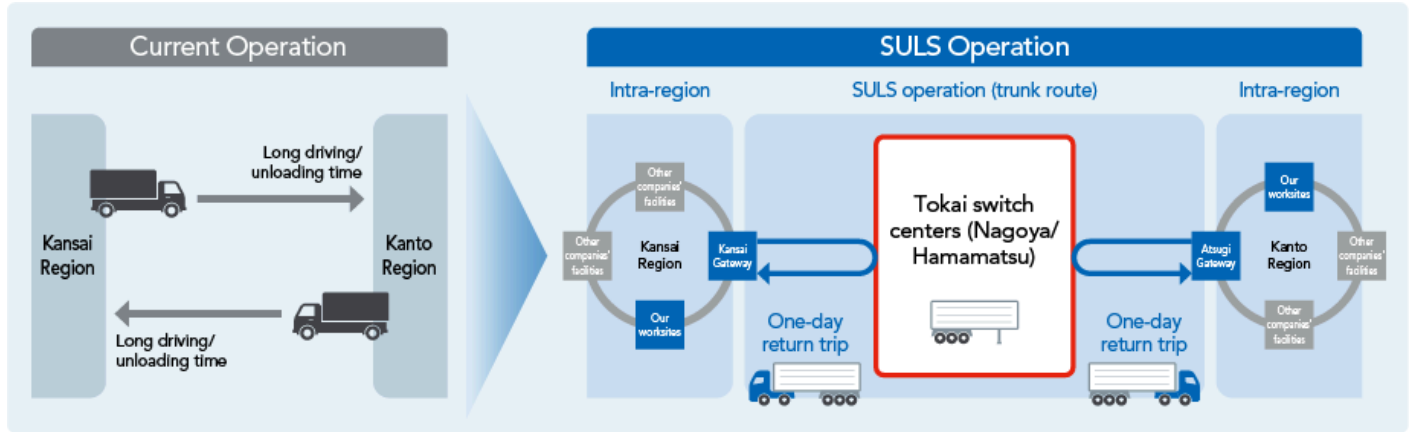
Why Nichirei Logistics Group Is Uniquely Capable

Nichirei Logistics Group-owned logistics facilities in approximately **80 locations** throughout Japan

Dominant lead in volume of storage consignors' products handled as base cargo

Collaborative partnerships spanning **more than 30 years** with about **100 companies** nationwide

Expected Effect



The start of operation of Atsugi Gateway in April 2022 improved load factor by consolidating west-bound cargo. With the benefits of *SALS* switch centers and gateways, it is now possible to transport cargo between the Kanto and Kansai regions using one-day return trips.

Initiatives in FY2024

- Expansion of Gateway Functions (Trunk-Route Relay)

The start of operation of Kansai Gateway will enable east-bound cargo transport to achieve a similar effect as west-bound cargo transport from the Kanto region.

- Expansion of Transportation and Delivery Network (Trailers)

By increasing the number of detachable, large-capacity trailers (from 19 to 34), we will increase *SALS* operation in the Tokyo-Nagoya-Osaka area, and expand it beyond this area.

- Achieving stable and sustainable transportation and delivery
- Reducing truck drivers' workload by shortening their on-duty work hours
- Reducing environmental impact
- Reducing risk of inability to transport cargo



- Significantly reducing total driving time
- Creating an efficient and sustainable transportation infrastructure
- Significantly expanding transportation capacity



Truck Loading Dock Reservation System

Social Issues

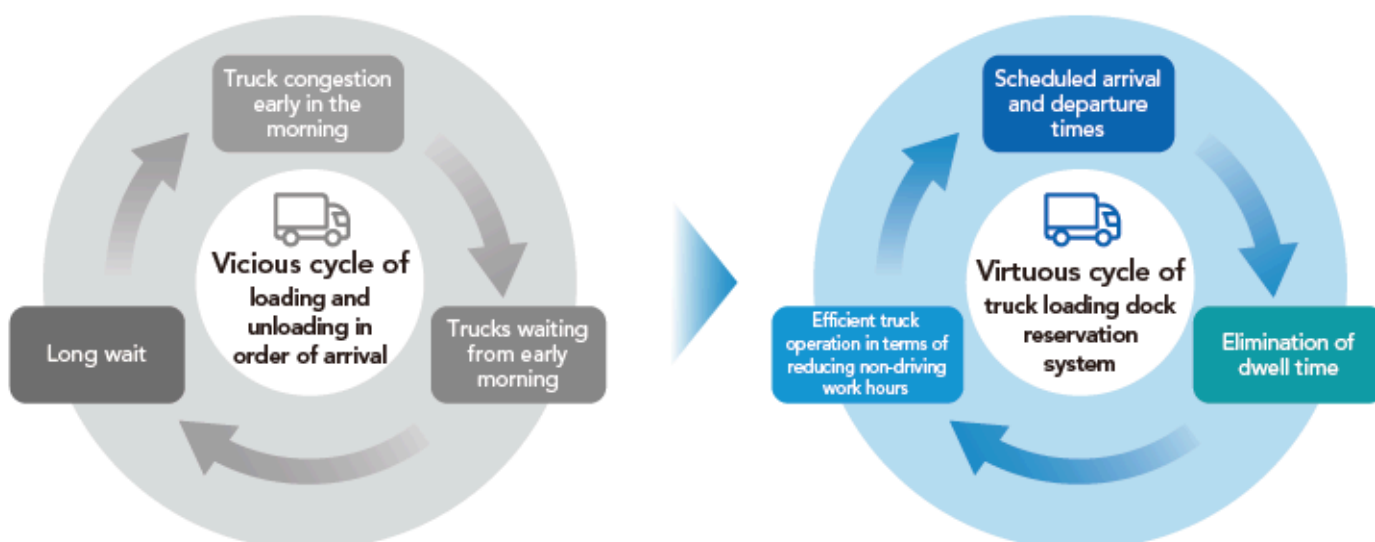
Truck Dwell Time at Distribution Centers

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 resolve social issues

Truck Loading Dock Reservation System to Alleviate or Eliminate Dwell Time

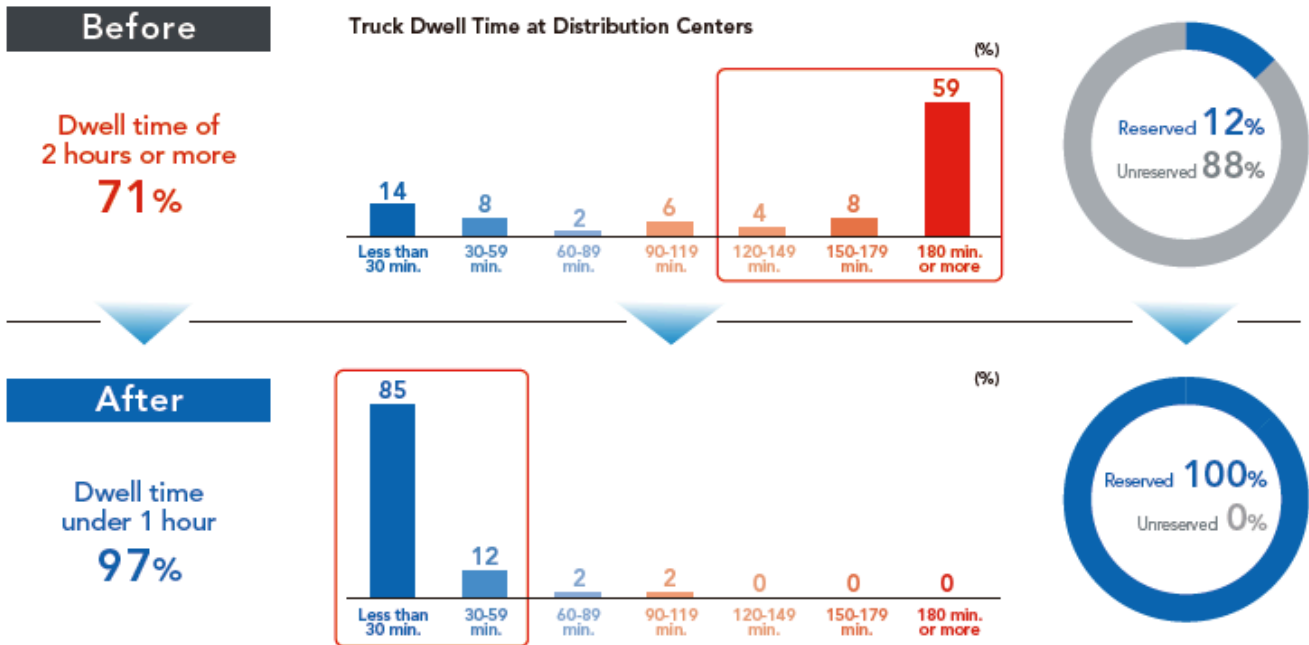
In October 2017, Nichirei Logistics Group began operating a truck loading dock reservation system to alleviate dwell time or eliminate it entirely. The system allows truck operators (the shipper or shipping company) to reserve a desired time for loading or unloading trucks, in line with the loading and 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 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.



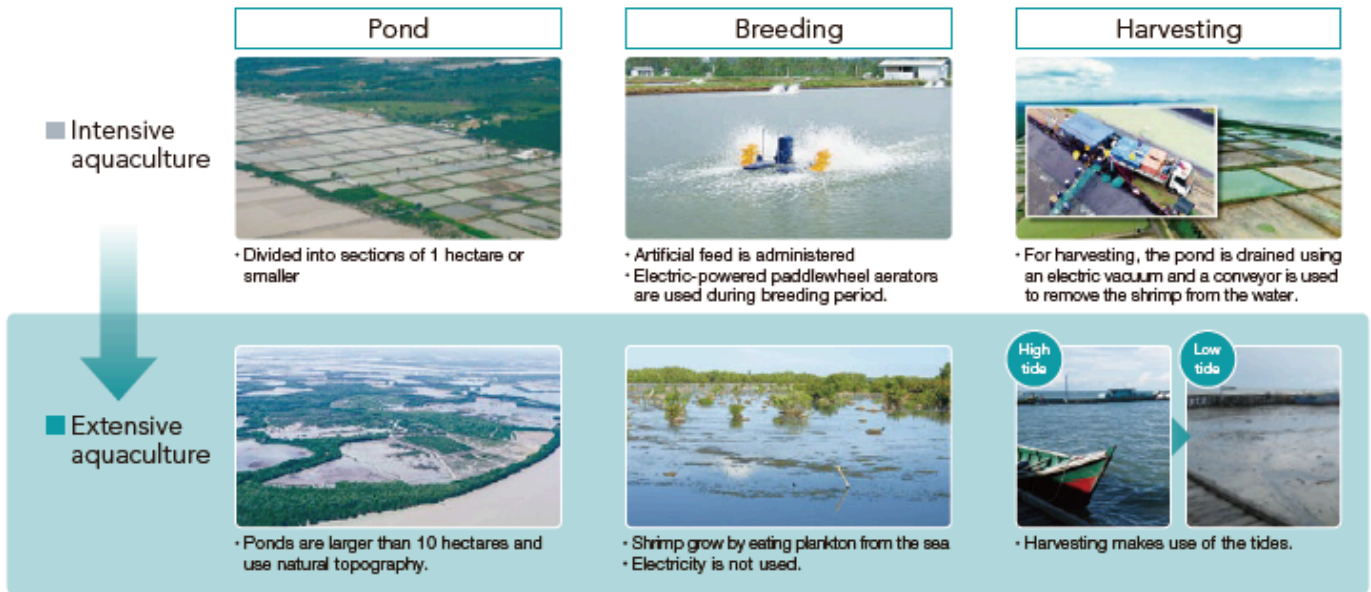
Sign commemorating the project's 10th anniversary



Mangrove planting in coastal areas

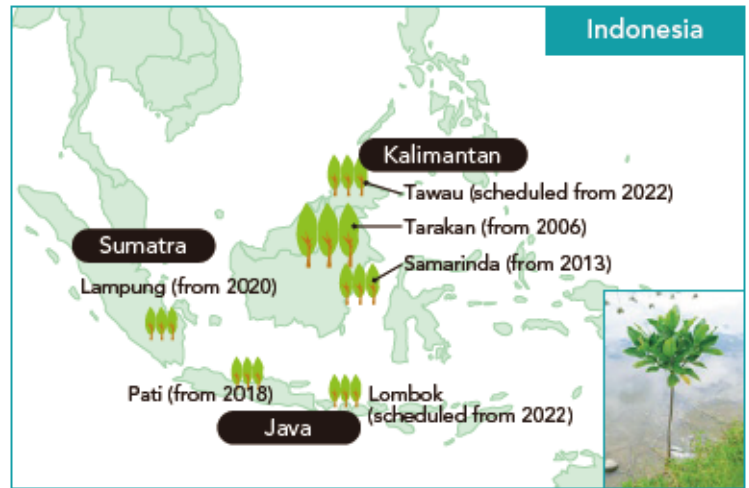
■ Extensive Shrimp Aquaculture

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)



Social Value

- Contributing to the restoration of local natural ecosystems
- Reducing energy usage
- Increasing CO₂ absorption through larger mangrove forests
- Coexisting with local communities



Economic Value

- Providing high-quality, safe and reliable shrimp
- Improving product brand value
- Providing sustainable shrimp



Integrated Report 2022 Helping to Resolve Social Issues through Our Business



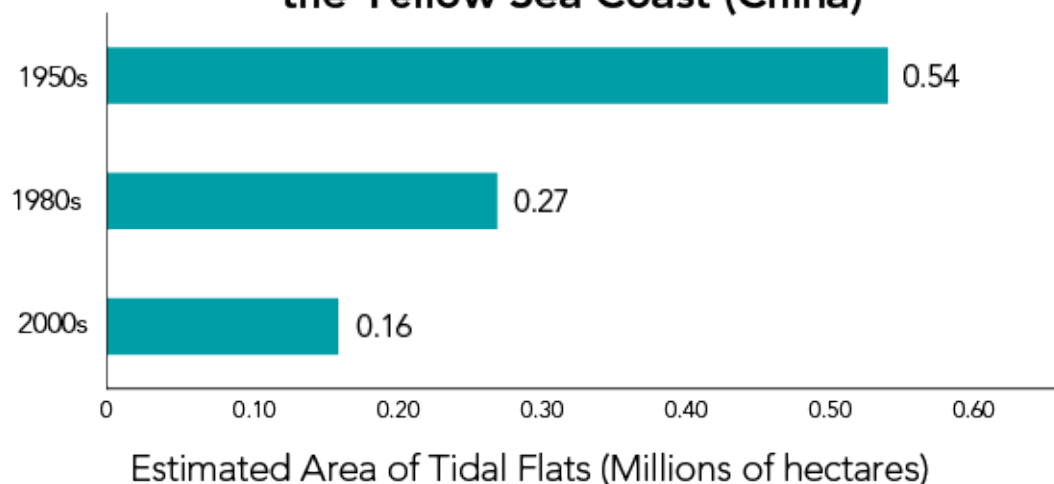
Conserving Biodiversity on the Yellow Sea Coast through a Clam Fishery Improvement Project

Social Issues

Sustainability of Ecosystem of Tidal Flats That Nurture Asari (Japanese Carpet Shell Clams)

Approximately 60% of Japan's supply of asari is imported from China,^{*1} and the natural bounty of the Yellow Sea coast, a major production area for these clams, supports Japanese cuisine. However, the tidal flats have been disappearing because of factors including coastal land reclamation due to rapid urban development, while overfishing has also become a problem. These problems have led to concerns about a decrease in clam stocks and the impact on the natural environment in which the clams are produced. Consequently, it became necessary to take action to preserve the richly productive wetlands of the Yalu Estuary.

Change in Area of Tidal Flats along the Yellow Sea Coast (China)



Prepared by Nichirei Corporation based on Murray, et al. (2014), "Tracking the rapid loss of tidal wetlands in the Yellow Sea." *Frontiers in Ecology and the Environment*

*1 As of 2019.

Initiatives to help resolve social issues

■ Asari Fishery Improvement Project for Sustainable Production and Supply

● Environmental and Biodiversity Study in Yalu Estuary Region

Nichirei Fresh Inc. began handling asari from China in 2006 as a premium ingredient. The environment of the Yalu Estuary, where these clams are produced, is changing day by day, so we have been studying issues such as the shrinkage of clam beaches caused by land reclamation for development and the impact of agrochemicals used in saltwater farming on the clams. In the Yellow Sea Ecoregion Support Project, carried out by the World Wide Fund for Nature (WWF) from 2007 to 2014, a study was conducted on the ecological connections among migratory birds, regional fishing and benthic organisms. Based on the results, the WWF submitted recommendations to the government of China on conservation of biodiversity and promotion of sustainable fisheries.

● Launch of Fishery Improvement Project

In 2011, Nichirei Fresh and the WWF began exchanging information on asari in the Yalu Estuary, and in 2015 agreed on the idea of conserving the biodiversity of the Yellow Sea through promotion of sustainable production and consumption of marine products.

Nichirei Fresh explained to clam processing company Dandong Taihong Foodstuff Co., Ltd. the significance of the Marine Stewardship Council's (MSC) fishery certification,^{*2} which is given only to sustainable fisheries, even though such certification was not well-known in China at the time. Nichirei Fresh gained Dandong Taihong Foodstuff's understanding, and strongly committed to achieving the WWF's sustainable clam fishery. The two companies then launched an asari Fishery Improvement Project (FIP^{*3}) in the Yalu Estuary on the Yellow Sea coast in 2016.

The FIP is a project to make step-by-step improvements to the clam fishery, with the goal of meeting three principles that serve as the criteria of the MSC certification program: 1) Sustainable fish stocks, 2) Minimal environmental impact, and 3) Effective management. Based on the issues identified in the preliminary review, a survey revealed that the clam fishery could potentially have an impact on the ecosystem, and following discussion of a fishery management plan, improvements were made to the clam fishery, including promoting appropriate management over the medium to long term.

There were times at the start of the project when things did not go smoothly. However, numerous consultations were held among those concerned, and the project was carried out tenaciously.



● Acquisition of MSC Certification

As a result of the FIP, the clam fishery underwent MSC assessment in January 2020, and certification was acquired following completion of the assessment in September 2021. Certified clam fisheries are recognized as sustainable fisheries that consider the rich natural environment of the Yellow Sea coastal region.

The Yalu Estuary asari fishery is the first in China to obtain MSC certification. It was made possible by the FIP, a collaborative effort by everyone involved in the supply chain in China and Japan linking the process from the fishing grounds to processing and the commercial product.

*2 A certification program that recognizes properly managed sustainable fisheries that consider aquatic resources and the coastal environment.


*3 This FIP ended in April 2019.

Why Nichirei Fresh Group is Uniquely Capable

Human resources capable of building relationships of trust with partners in initiatives	Know-how in handling marine products that have been certified for sustainability	Ability to link the food supply chain from production areas to customers
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Success from Acquisition of MSC Certification through a FIP

Key Elements of Yalu Estuary Coastal Wetlands Ecosystem



Three Principles of the MSC Fisheries Standard

- 1) Sustainable fish stocks
- 2) Minimal environmental impact
- 3) Effective management

Met the conditions of these principles and acquired certification as an environmentally friendly, sustainable fishery

■ Highlight and Future Developments

● Japan Sustainable Seafood Award

At the fourth Japan Sustainable Seafood Awards held in October 2022, this project, “Acquisition of MSC Fisheries Certification for Japanese Carpet Shell Clams through a Fishery Improvement Project on the Yellow Sea Coast in China,” was honored as a Champion in the collaboration category. The award was shared by the four entities that collaborated in the project: Nichirei Fresh Inc., Dandong Taihong Foodstuff Co., Ltd., WWF China, and WWF Japan.



The 4th Japan Sustainable Seafood Award

● Working toward Expansion of MSC-Certified Products

Nichirei Fresh will continue to promote both conservation of biodiversity and sustainable production of marine products, and will work toward the expansion of MSC certification for asari products.



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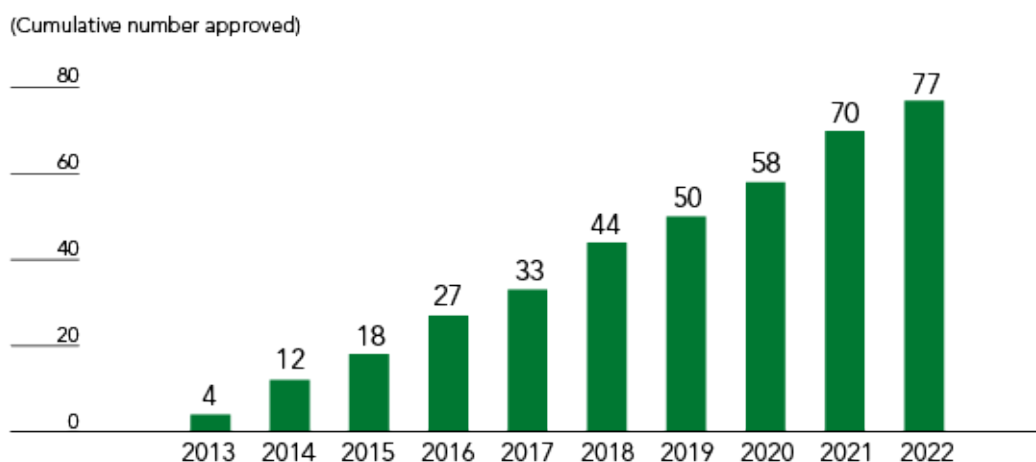
Development of Companion Diagnostics

Social Issues

How to Deliver Optimal Treatments for Cancer Patients

In the past, patients diagnosed with the same type of cancer were all given the same treatment. In recent years, though, advancements in biomarker research have led to the discovery of gene mutations involved in the initiation and progression of cancer, and therapies targeting those genes and proteins created from them (molecular targeted therapies) have been developed. Compared to conventional anti-cancer drugs that also act on normal cells, molecular targeted therapies offer advantages including minimizing side effects. However, since these treatments are unlikely to be effective in patients who do not have the target gene or protein, *in vitro* diagnostics (companion diagnostics) have been developed to accurately diagnose whether the patient is a suitable candidate for treatment with the molecular targeted therapy before treatment begins.

Cumulative Number of Molecular Targeted Therapies Approved in Japan over the Past 10 Years



Compiled by Nichirei Biosciences from the List of Approved Cancer Molecular Targeted Therapies 2022

Source: Mizukami, T., *List of Approved Cancer Molecular Targeted Therapies*

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Initiatives to help resolve social issues

Development, Manufacture and Supply of Companion Diagnostics*

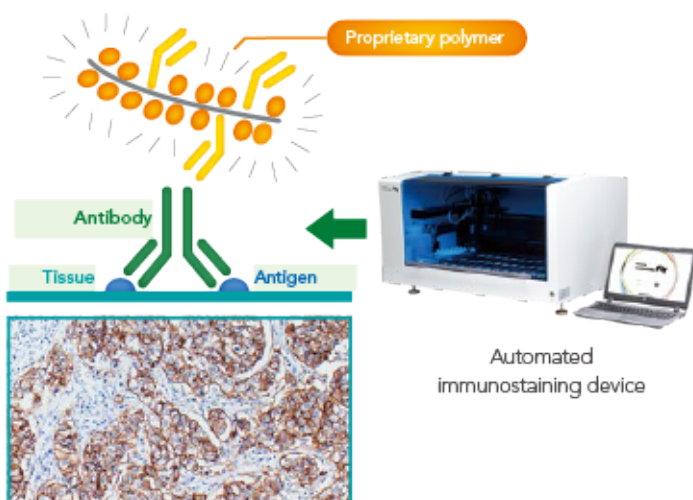
In cancer treatment, pathological diagnosis is performed on tumor tissue collected from the patient. A thin specimen, sliced from the tumor tissue, is examined by a pathologist to obtain critical information about the cancer. This information is then used to determine a treatment plan. An important testing technique widely used in pathological diagnosis is immunohistochemical staining, which enables the detection and visualization of specific substances, such as proteins, in the specimen. A specialized reagent is required to perform immunohistochemical staining, and Nichirei Biosciences is one of the few companies with the technology to develop and manufacture that reagent. Based on this technology, the company develops, manufactures and supplies companion diagnostics. In 2019, Nichirei Biosciences acquired and made a subsidiary of U.S. company Pathcom Systems Corporation, which develops and manufactures equipment for automating immunohistochemical staining, to further strengthen its capabilities in companion diagnostic development.

* An in vitro diagnostic agent used for testing to determine whether a patient is a suitable candidate for a specific therapy, in order to maximize the therapy efficacy and safety



[Principle of Companion Diagnostics] Application of Proprietary Technology to Immunohistochemical Staining

Nichirei Biosciences developed a proprietary amino acid polymer reagent called Universal Immuno-enzyme Polymer. The use of this reagent enables the detection of proteins or other biomolecules (antigens) through antibodies that bind to them specifically. Applying this reagent to immunohistochemical staining, a technique used in pathological diagnosis, makes it possible to detect and visualize antigens in the pathological tissue sample. This reagent has been commercialized for immunohistochemical staining, and also applied to a companion diagnostic product.



A specific protein in a pathological tissue sample is made visible with brown dye using a proprietary polymer.

Why Nichirei Biosciences Group is Uniquely Capable

Proprietary technology in immunohistochemical staining

Experience and know-how in commercialization of companion diagnostics

Structure for providing information to medical institutions and for conducting follow-up

Expected Effect

Conventional Diagnosis and Treatment

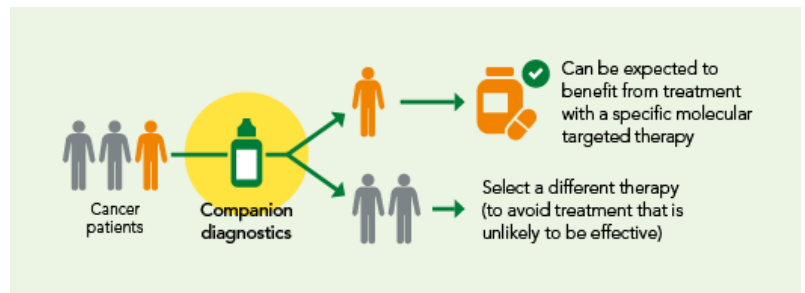
Even in the same type of cancer, there are patients who have different types of gene mutations, but until recently, a one-size-fits-all treatment regimen was implemented, using drugs with mechanisms that suppress the active proliferation of cancer cells.



Using Companion Diagnostics in Medical Practice

The emergence of molecular targeted therapies has enabled patients to select a therapy according to each one's gene mutations, and therapies with relatively mild side effects are now possible.

Companion diagnostics have become an essential test for accurately choosing patients who can be expected to benefit from a specific molecular targeted therapy, as well as patients who are unlikely to benefit.



Future Developments

The market for molecular targeted therapies continues to expand, and development of molecular targeted therapies and other treatments targeting specific gene mutations and proteins is expected to increase. Possessing unique technologies applicable to development of companion diagnostics, Nichirei Biosciences will contribute further to the advancement of personalized medicine in cooperation with academia and partners who develop therapies.

- Improving safety and efficacy of therapies
- Enhancing patients' quality of life
- Reducing healthcare costs by selecting optimal treatments
- Contributing to the advancement of personalized medicine
- Contributing to the advancement of life sciences

Social Value

Economic Value

- Expanding the companion diagnostics business to promote personalized medicine
- Enhancing brand value as a companion diagnostics manufacturer
- Accumulation of know-how in diagnostics development through joint development with academia and other partners

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Environment

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Environmental Management

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 Environmental Policy/The Nichirei Group Biodiversity Policy



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.



■ Group Sustainability Committee Activities in FY2023

Number of meetings	4
Main agenda items	<ul style="list-style-type: none"> • Renewable energy portfolio policy • Current status of Scope 3 CO₂ emissions • KPIs for material matters and TCFD disclosure in <i>Integrated Report 2023</i> • Human rights issues • Supply chain management to achieve sustainable procurement • Establishment of new procurement guidelines for sustainable marine products and palm oil • Initiatives for the material matter “Securing and developing a diverse array of human resources” and human capital disclosure • Progress on KPIs for material matters and FY2024 targets

Environmental Management > Group Sustainability Committee



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 FY2024
Reduction in CO₂ 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)	62%

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. 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 Dining

Nichirei Fresh

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

Nichirei Logistics Group

Logistics Network (40), 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 (3)

Nichirei Biosciences

Global Innovation 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.

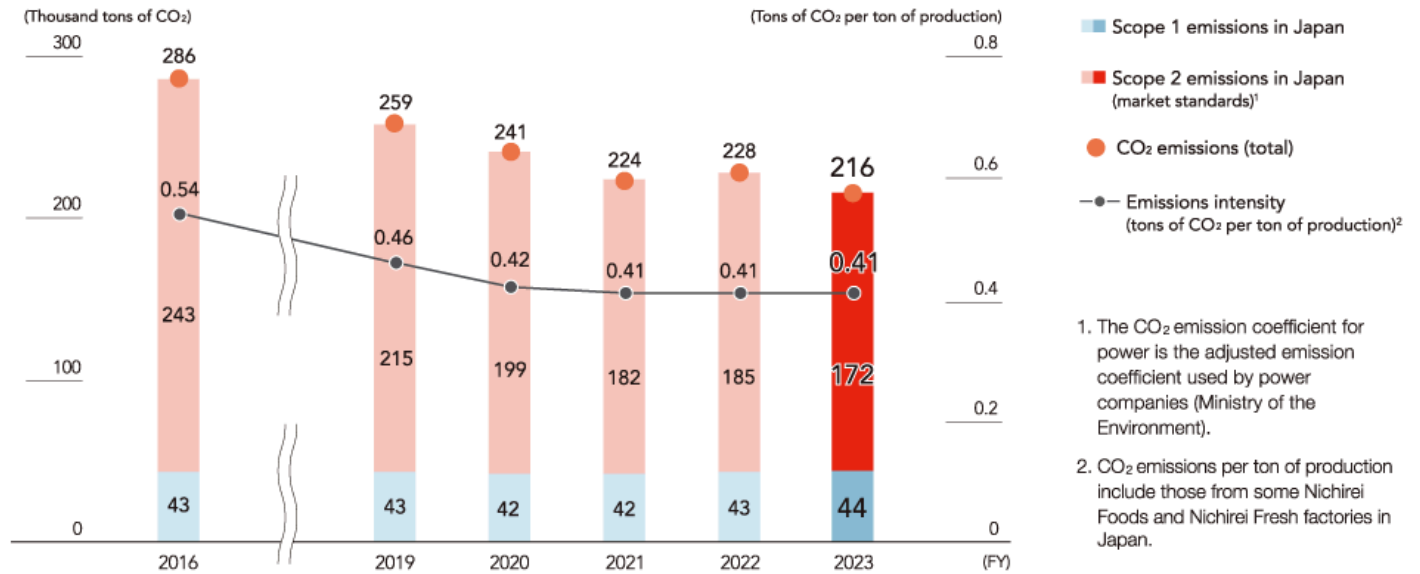
Press Release: Establishment of Long-Term Environmental Goals and Endorsement of TCFD Recommendations(Only Available in Japanese)



KPIs for Material Matters



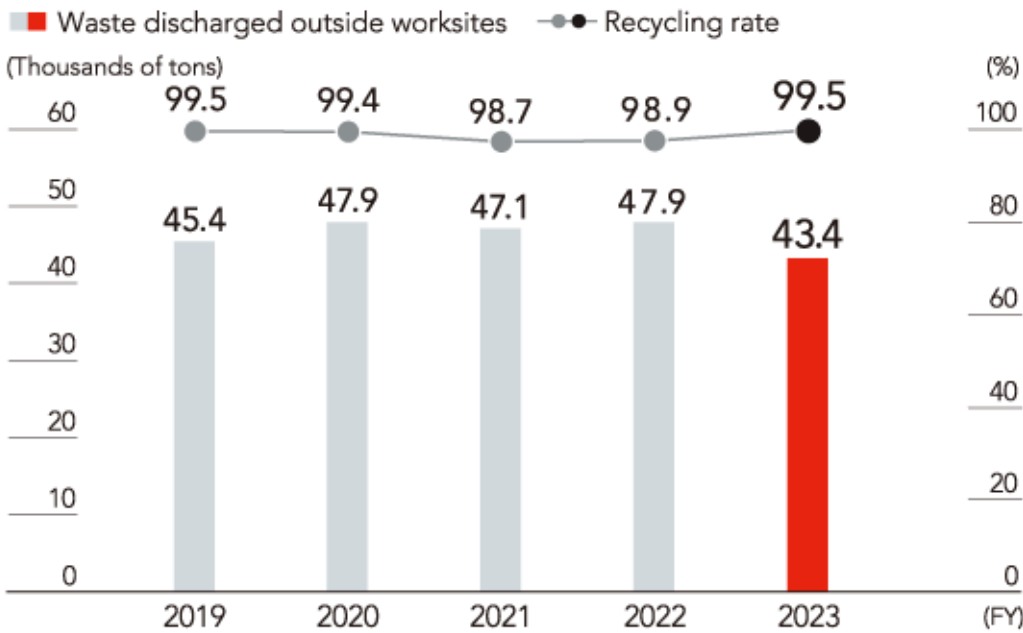
● Nichirei Group CO₂ Emission Trends



— 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



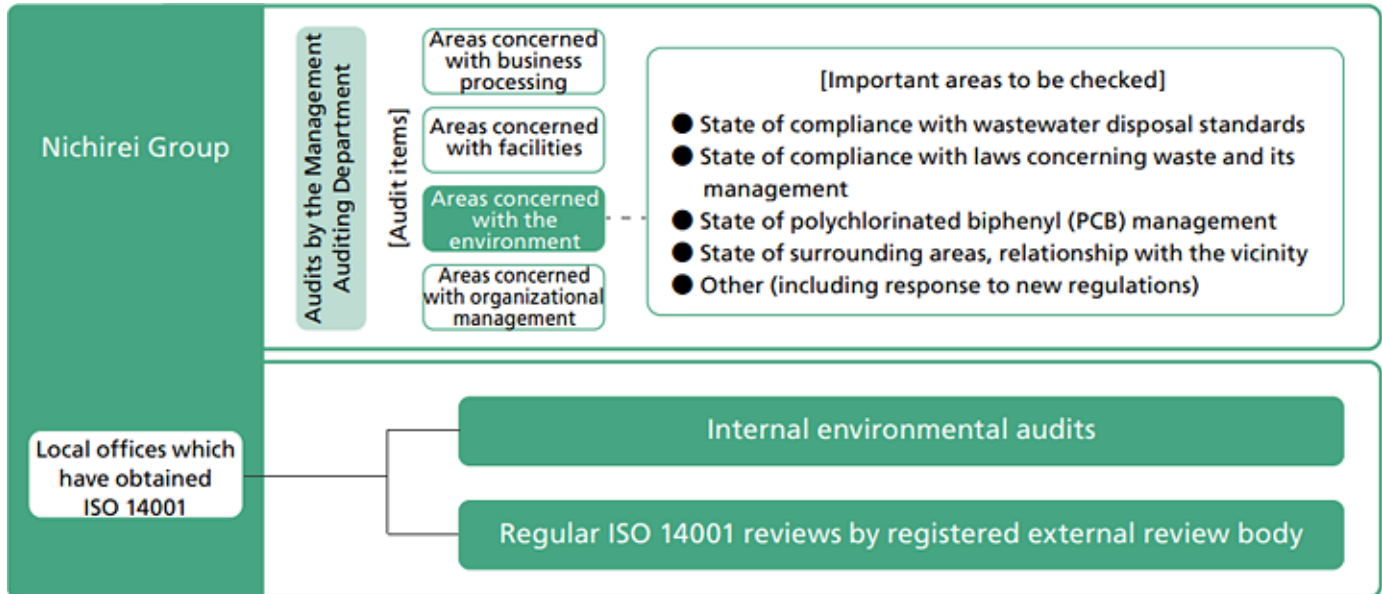
ISO 14001 Certification, etc.

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
Sustainability Education	<p>Aiming to ramping up sustainability management by implementing position-based study sessions and education & training programs for all revels of employees since FY2023.</p> <p>Sustainability Education</p>
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 Urabandai	<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>. 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 FY2023, 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 that we see currently. 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 several scenarios in which climate change could give rise to business opportunities, and conduct timely disclosure.



Management System

In April 2022, the Nichirei Group established the Group Sustainability Committee, which formulates sustainability strategies, including initiatives related to climate change, and manages the progress of those strategies. Chaired by the representative director and president of the holding company, the committee comprises the director and executive officer responsible for implementing climate change strategies, 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 deliberated and reviewed by the committee are reported to the Board of Directors of the Nichirei Group by the director and executive officer responsible for climate change initiatives. Strategies, targets and plans are reviewed as appropriate.

Furthermore, in April 2022, to respond to a wider range of sustainability issues, including climate change, we established the Sustainability Management Division within the holding company.

The Group Sustainability Committee also deliberates the details of various scenario analyses that have been conducted since 2019. The latest disclosure includes content deliberated at a committee meeting held on July 25, 2023.

[Environmental Management > Group Sustainability Committee](#)



[KPIs for Material Matters](#)



Initiatives

Strategy

■ Identification of Material Risks and Opportunities

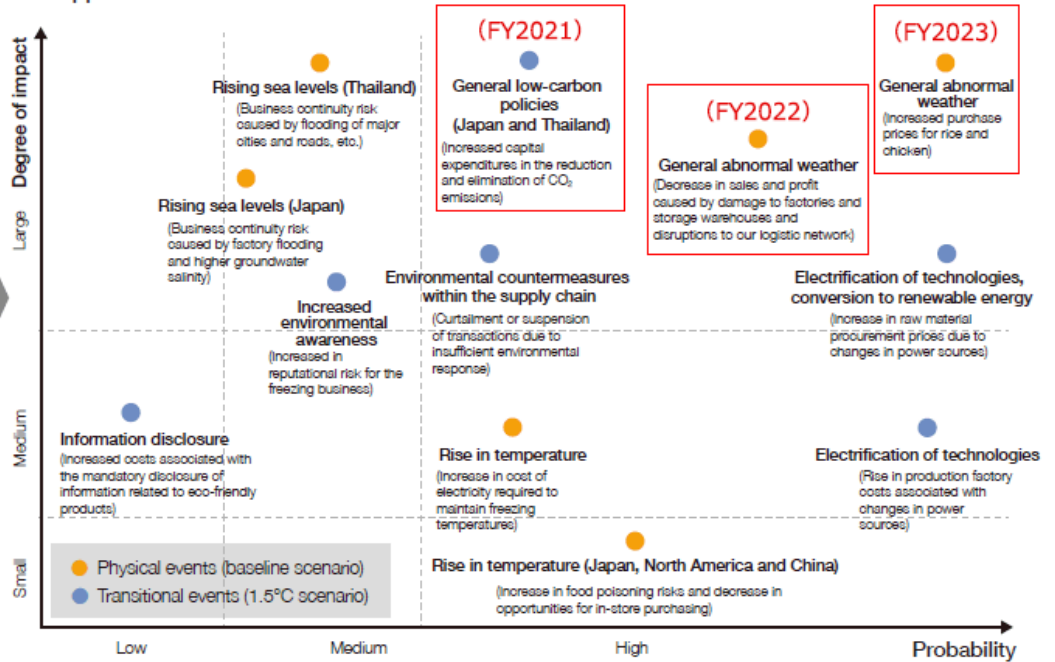
Worldwide, the Nichirei Group is developing a range of food-centered businesses that it expects will be impacted by climate change in various ways. We are conducting scenario analyses of how climate change might affect our business activities. We hope to better quantify the risks and opportunities identified 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.



Matrix of material risks and opportunities



FY2022

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

FY2022 Climate Change Scenario



FY2021 Climate Change Scenario



FY2023

Climate Change Scenarios for Rice and Chicken Procurement

Climate Change Scenarios for Rice and Chicken Procurement



Climate Change Scenarios for Shrimp 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°C 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°C 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	' Increased demand for frozen and processed foods
	1.5°C scenario	Strengthening of environmental countermeasures within our supply chain	' Increase demand for ethical products that are compliant with the SEDEX platform and are created using globally certified raw materials
			' 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	' Develop and expand demand for products created using sustainable raw materials	
Logistics	Baseline scenario	General abnormal weather	' Increase in sales thanks to customer base expansion achieved through strengthened disaster countermeasures and resilience
	1.5°C scenario	Modal shift	' Cost reduction achieved through a modal shift that improves transportation efficiency
		Increased environmental awareness	' 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.

Risk and Opportunity Analysis for Shrimp Procurement

● Items Assessed

Survival rate* and body length (= weight) of adult shrimp in the main production areas (11 locations in total) in the top three countries from which Nichirei Fresh procures shrimp (Indonesia, Vietnam and Thailand).

● Areas Assessed



● Measurement Parameters

Climate change scenarios

RCP 4.5 (Rise in temperature between 2.0°C and 3.0°C),
RCP 8.5 (4.0°C rise in temperature)

Minimum spatial resolution

Seawater temperature: Approximately 50 km grid mesh
(Isotherms at approximately 0.5 degree intervals)

Temperature: Approximately 25 km grid mesh
(Isotherms at approximately 0.25 degree intervals)

Temporal cross-section

Annually from baseline year through 2090

Data used

Seawater temperature:
GBI (Global climate model provided by C3S)
Temperature: NEX-GDDP
(Global climate model provided by NASA)

Types of shrimp: Black Tiger (1), Whiteleg (2-11)

● Assessment Outcomes (Climate Change Scenario RCP 8.5)

	Risks	Opportunities
Impact of physical changes (Current scenario)	Survival rate of late stage larvae (juvenile shrimp) decreases by up to 30% compared with 2020	Shrimp body length increases by up to 30% compared with 2020
Impact in transition scenario	Increase in production and procurement costs due to carbon price transfers	Response to changes in consumer demand from a longterm perspective, procurement of certified sustainable raw materials, and support for producers

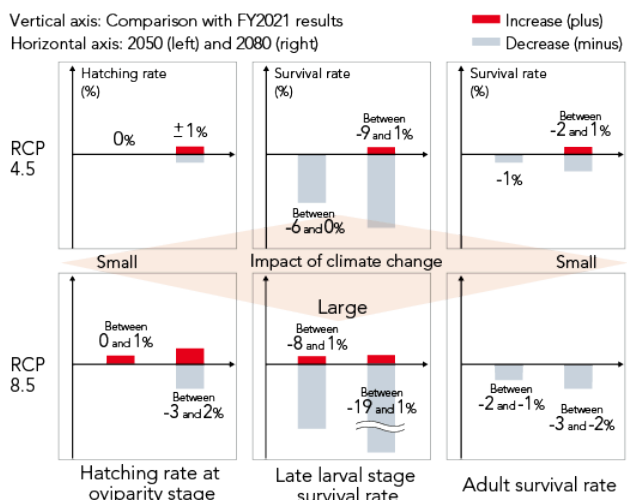
● Production Area Assessment (Climate Scenario RCP 8.5)

		Effect of the increased body length of adult shrimp			
		Extra large	Large	Medium	Small
Impact of decreasing survival rate	Large		① Indonesia Tarakan ③ Indonesia East Java ④ Indonesia South Sulawesi	⑪ Thailand Samut Songkhram Province	⑨ Thailand Chanthaburi Province
	Medium	② Indonesia Lampung		⑥ Vietnam Can Tho	⑤ Vietnam Soc Trang ⑩ Thailand Rayong Province
	Small	⑦ Vietnam Da Nang	⑧ Vietnam Hue		

The effect of increasing body length is higher at the main four production areas in Indonesia than in other areas. Although the impact of the decreasing survival rate is significant for late larval stage, the impact is considered to be limited because breeding is at indoor hatcheries with air-conditioning controls and other features.

● Survival Rates by Shrimp Growth Stage

Whiteleg shrimp growth stages and the impact of climate change

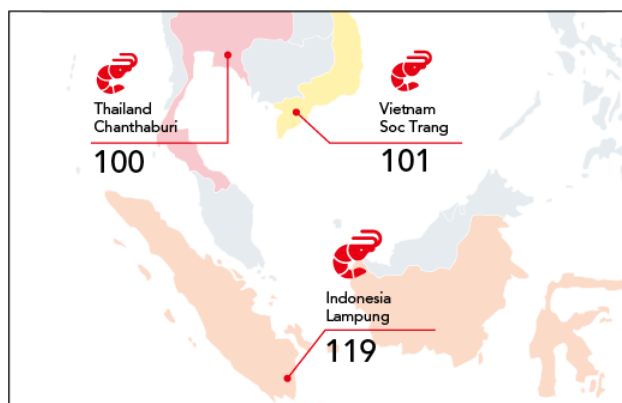


Note: Final survival rate is obtained by calculating (hatching rate at oviparity stage) x (late larval stage survival rate) x (adult stage survival rate)

● Adult Shrimp Body Length Prediction Map





2090 Whiteleg shrimp body length in RCP 8.5 (4.0°C rise in temperatures)
Prediction (Excerpt)
(Index: FY2021 = 100)

Note: Despite some differences among areas, body length tends to remain the same or increase.



Financial Impact

We expect the financial impact on the shrimp business to include higher purchasing costs resulting from higher supplier costs, and various issues arising from market distribution of higher-priced products. Over the medium to long term, we expect that we will be able to effectively deliver social value by maintaining stable distribution of protein-rich shrimp.

Phenomena Confirmed	Assumed Financial Impact on Suppliers	Assumed Financial Impact on Nichirei	Measures to Address Financial Impact 1	Measures to Address Financial Impact 2
Decrease in late stage larvae survival rate	Decrease in final survival rate • Higher shipping costs • Higher energy costs due to increased use of air conditioning  Reduced profit margins	Higher purchasing costs  Current profit margin to slightly lower profit margin	<ul style="list-style-type: none"> Develop new supplier relationships (Consider suppliers with little exposure to the impact of higher temperatures) 	<ul style="list-style-type: none"> Plant and strictly manage mangrove forests, which are a critical shrimp habitat Cooperate financially with producers to offset the increased administrative expense component of annual purchasing costs
Increase in adult shrimp body length	Shorter breeding period • Reduced cultivation costs • Increased production capacity for high-margin products  Increased profit margins	Impact of purchase costs  Lower profit margin to slightly higher profit margin	<ul style="list-style-type: none"> Base response on market trend toward price increases for lower-priced products Control costs with seasoning processing technology Create new product categories (For example, develop higher-priced products in sizes that do not currently exist) 	

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 deliberated and reviewed by the Group Risk Management Committee, which is chaired by the representative director and 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 in FY2023 as a separate entity 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 deliberated by the committee. Specifically, the risk associated with climate change is positioned as a major risk for the Group. The committee deliberates and manages business risks and opportunities arising from scenario analyses.

Indicators and Targets

Nichirei Group Material Matters (Materiality)

Realizing sustainable food procurement and a circular economy

Group Targets (KPIs)	Procurement ratio of sustainable marine products complying with the Nichirei Group Sustainable Marine Product Procurement Guidelines in marine products business	100% (FY2025 target, FY2031 target)
	Ratio of marine products in the above from fisheries with MSC, ASC or other global certification	32% (FY2025 target) 50% (FY2031 target)

Initiatives for MSC/ASC Certification



Climate Change (Decarbonization and the Elimination of CFCs)

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](#)



We support laws, regulations, and policies related to climate change mitigation and adaptation at our domestic and overseas sites. For example, in Japan we support Act on Promotion of Global Warming Countermeasures and Act on the Rational Use of Energy.

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%.

● Greenhouse Gas (GHG) Emissions

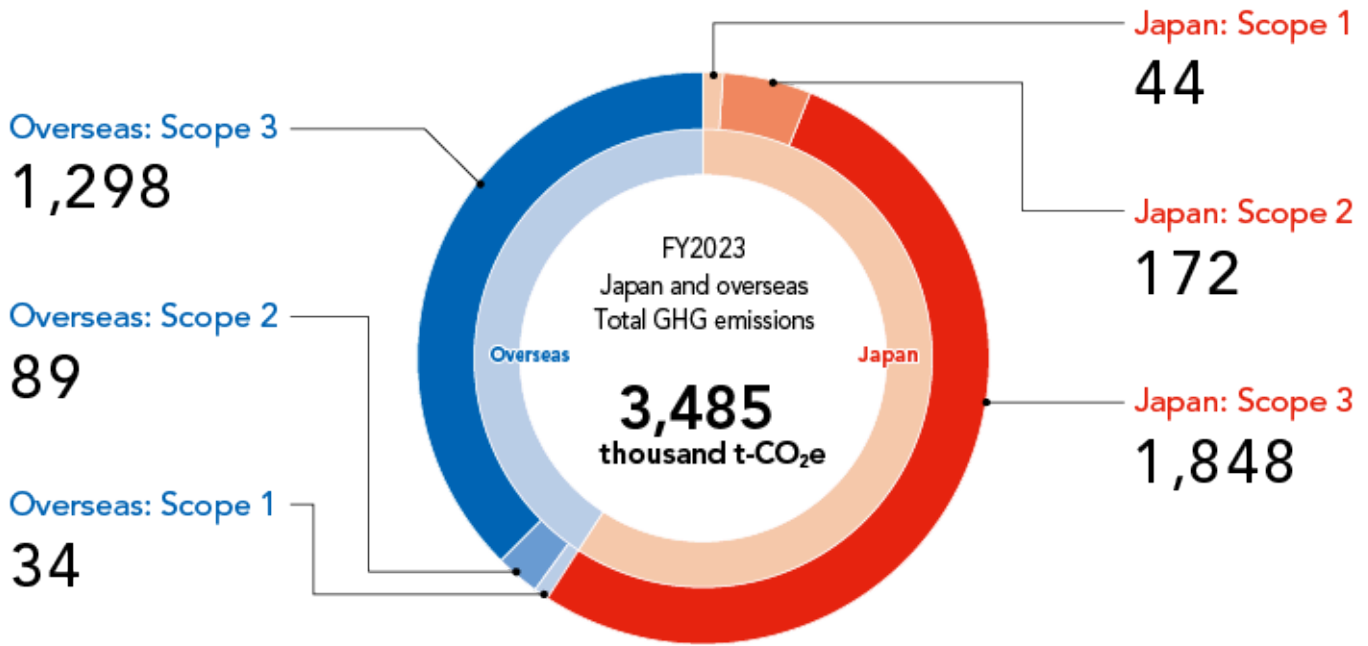
2050 Carbon Neutral Declaration

The Nichirei Group will achieve carbon neutrality by 2050

Committed to achieving carbon neutrality by 2050, the Nichirei Group will reduce Scope 1, 2 and 3 GHG emissions from its entire supply chain to zero to the extent possible, both in Japan and overseas. We will also implement programs to achieve carbon neutrality by absorbing or removing the GHG emissions we cannot reduce.

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

The Nichirei Group's GHG emissions in FY2023 totaled 3,485 thousand tons-CO₂e.



● Nichirei Group Scope 3 Emissions by Category

Scope 3 emissions account for approximately 90% of the Nichirei Group's total GHG emissions, and Category 1 accounts for approximately 89% of total Scope 3 emissions. We have confirmed that the main sources of emissions include procurement of raw materials and OEM products for use in processed foods, marine, meat and poultry products, and third-party logistics (3PL) transportation in the temperature-controlled logistics business.

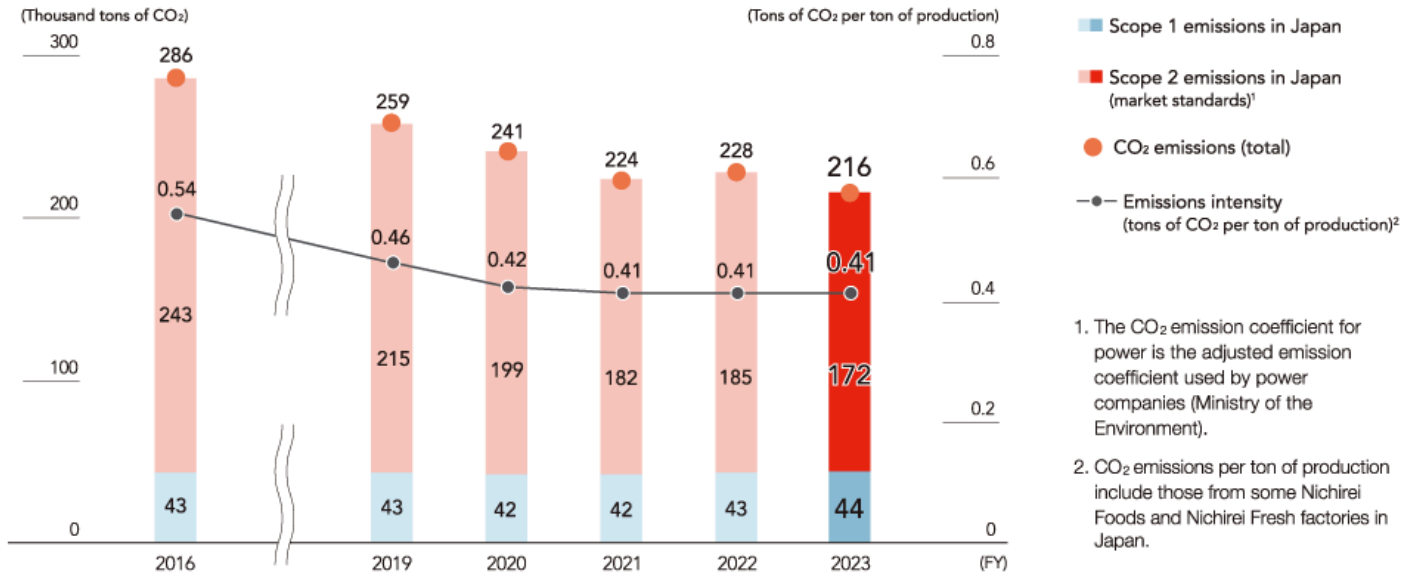
(t-CO₂e)

Scope 3 Category		FY2022*	FY2023
No.	Description		
Category 1	Purchased goods and services	2,724,104	2,802,360
Category 2	Capital goods	113,938	101,503
Category 3	Fuel- and energy-related emissions from activities not included in Scope 1 or Scope 2	62,828	65,438
Category 4	Upstream transportation and distribution	98,016	95,991
Category 5	Waste generated in operations	2,527	2,197
Category 6	Business travel	505	1,563
Category 7	Employee commuting	2,400	2,541
Category 8	Upstream leased assets	0	0
Category 9	Downstream transportation and distribution	3,519	3,696
Category 10	Processing of sold products	33,833	37,563
Category 11	Use of sold products	9,902	11,160
Category 12	End-of-life treatment of sold products	16,431	15,519
Category 13	Downstream leased assets	6,582	6,418
Category 14	Franchises	N/A	N/A
Category 15	Investments	N/A	N/A
Total		3,074,586	3,145,951


* Increase of approximately 61% compared to Scope 3 emissions for FY2022 presented in Integrated Report 2022 . The main reason is that we expanded the scope of emissions included in Category 1.

● Nichirei Group's Scope 1 and 2 CO₂ Emissions in Japan

In FY2023, we reduced our CO₂ emissions by 25% compared with FY2016.



1. The CO₂ emission coefficient for power is the adjusted emission coefficient used by power companies (Ministry of the Environment).
2. CO₂ emissions per ton of production include those from some Nichirei Foods and Nichirei Fresh factories in Japan.

CDP Climate Change 2023 Report (Only Available in Japanese) 

■ Utilizing Electricity Generated from Solar Power

The Nichirei Group is installing solar power generation equipment on the premises of food plants and on the rooftops of refrigerated distribution warehouses. As of FY2023, 11 Nichirei Group facilities in Japan had installed solar power equipment, which generated 3,201 MWh of electricity and reduced CO₂ emissions by 1,429 tons in FY2023. We plan to install similar equipment at three more locations in FY2024.

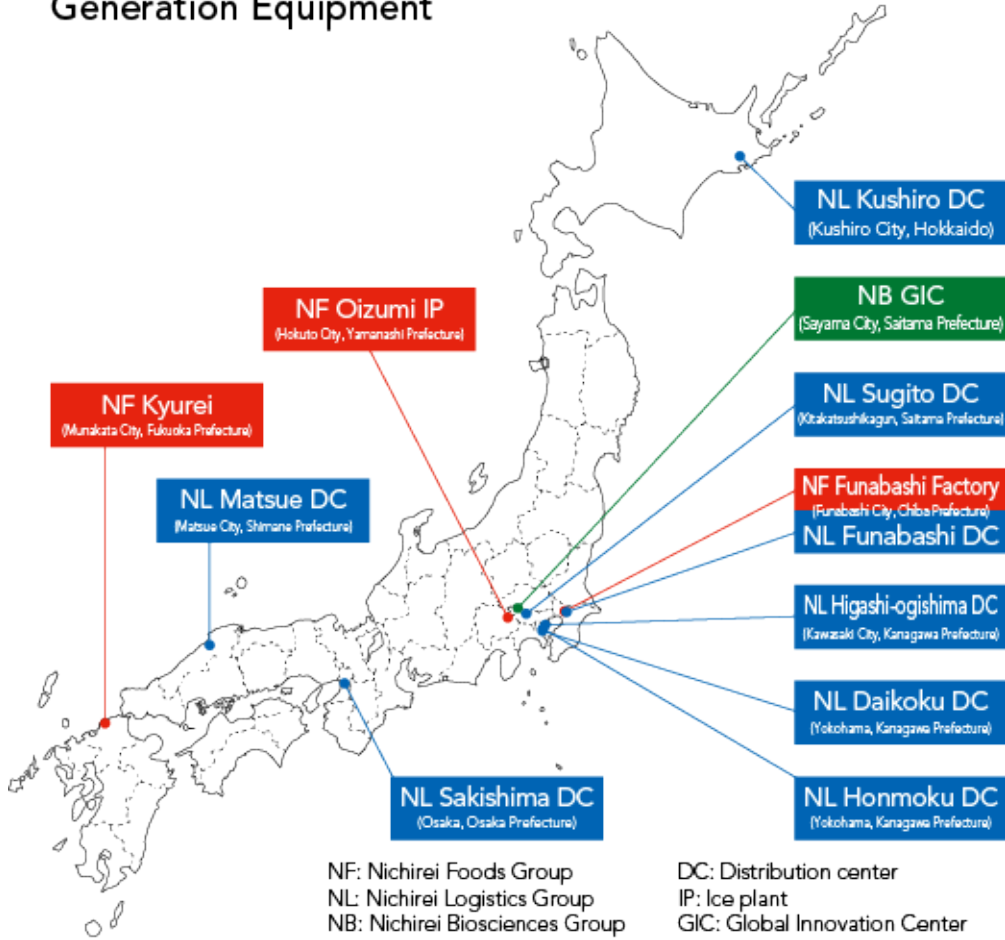
In addition, through our intranet we are also sharing information such as locations that have installed solar panels and daily power generation volume to help increase employee interest in renewable energy and CO₂ emission reduction.



● Solar Power Generation and CO₂ Emission Reduction

Year of installation	FY2020	FY2021	FY2022	FY2023
No. of locations where installed (Cumulative total)	8	9	10	11
Power generated (MWh)	2,068	2,149	2,974	3,201
CO ₂ emission reduction (Tons)	1,003	986	1,408	1,429

Nichirei Group Locations with Solar Power Generation Equipment



Solar Power Generation and CO₂ Reduction

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



Sakishima DC



Matsue DC



Kushiro DC

Initiatives to Use 100% Renewable Energy Sources at Operating Locations – Carbon-Free Electricity

The Nichirei Group is also working to use 100% renewable energy for electricity at its operating locations. In FY2023, two of the Nichirei Logistics Group’s operating locations that have solar power generation equipment achieved 100% carbon-free electricity, including the purchase of feed-in tariff (FIT) non-fossil fuel energy certificates.^{*1} In FY2024, the Group will complement these initiatives in working to use 100% renewable energy electricity. We will install rooftop solar power generation equipment at the Nichirei Group’s main campus in the Hinode area of Funabashi City, Chiba Prefecture. In addition, we will procure renewable energy through methods including Renewable Energy Certificates (RECs) and FIT non-fossil fuel energy certificates.

*1 Certificates that enable trading in the environmental value of non-fossil fuel energy power sources such as renewable energy generated from solar, wind, hydro, geothermal, and biomass. Among these, FIT non-fossil fuel energy certificates represent electricity generated by FIT power sources.

Switching Energy Sources

The Nichirei Group is switching over to energy sources with lower CO₂ emissions. While switching to electricity from renewable energy sources with zero CO₂ emissions, we will also move forward with initiatives to switch to fuels that produce low amounts of CO₂ to generate electricity or heat used for frying and baking on food factory production lines.

<p>Electrification</p>	<p>The Nichirei Logistics Group began using three electric refrigerated trucks in the Kanto region in FY2023. We will put two more into service in the Tokai region in FY2024.</p>
<p>Switching to Renewable Energy Sources for Generating Electricity</p>	<p>The Nichirei Group is carrying out initiatives to procure renewable energy for generating electricity. This enabled us to increase our percentage of electricity generated from renewable energy sources by 4 points in FY2023 compared with FY2022.</p>



Targets for Electricity from Renewable Energy Sources (%)

FY2022 Result	FY2023 Result	FY2025	FY2031
5%	9%	15%	40%

Note: Figures for Japan

Refrigerated and Freezer Electric Trucks

Nichirei Logistics Group began operating electric trucks for refrigerated and frozen cargo in February 2023. Logistics Network Inc. has been using the three vehicles for deliveries in the Tokyo metropolitan area to reduce CO₂ emissions as it builds know-how on the operation of low-temperature electric trucks, which are rare in Japan, to prepare for their full-scale introduction in the future. In July 2023, two more vehicles began operating in the Tokai region. We will continue working to reduce our environmental impact in order to achieve sustainable logistics for supporting our customers’ supply chains.



Refrigerated and freezer electric trucks



Send-off ceremony for the trucks

News release on the launch of refrigerated and freezer electric trucks operation (Only available in Japanese)



■ Purchase of Green Energy*

Since March 2020, Nichirei Foods has been purchasing RECs and has switched to hydroelectric, biomass, and other sources of renewable energy for the electricity used to manufacture certain household-use frozen foods and for the total amount of electricity used at production facilities.

Kyurei Inc.'s new plant, which opened in spring 2023, takes care of all of its electricity needs with its own solar power generation facilities as well as renewable energy power sources including biomass.

In addition, in FY2021, the Head Office building (Nichirei Higashi Ginza Bldg.) shifted to renewable energy (making use of RECs) for all of its power usage. Furthermore, we employed RECs for all of the electricity used for the Nichirei Ladies professional golf tournament we hosted in June 2023.

● Renewable Energy Initiatives at Nichirei Foods Factories

Plant		Funabashi Plant	Yamagata Plant	Kyurei
Renewable energy procurement	Application	All electricity used for producing Honkaku-Itame-Chahan	All electricity used at the plant	All electricity used at the plant
	Initiative	Purchase of RECs	Switch to renewable energy from hydropower generation	Switch to renewable energy generation from biomass and others
	Date initiated	March 2020 (ongoing)	February 2022 (ongoing)	April 2023 (ongoing)
Installation of solar panels		Yes	Yes	Yes

* 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.

■ Eliminating Chlorofluorocarbons (CFCs) -Switching to Natural Refrigerants

The Nichirei Group's initiatives to counter climate change include systematically eliminating the use of fluorocarbons by switching to natural refrigerants for refrigeration equipment.

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.



Refrigeration Equipment Using Natural Refrigerants (ammonia)

Target Natural Refrigerant Conversion Rates

	FY2023 Results	FY2024 Plan	FY2025 Targets	FY2031 Targets
Rate of conversion to natural refrigerants Production equipment (Japan)	56%	69%	80%	100%
Rate of conversion to natural refrigerants Logistics (Global)	58%	60%	62%	75%

Example of Switch to Refrigeration Equipment Using Natural Refrigerants

Fiscal Year	Factory / Logistics Center	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	<p><Nichirei Logistics Group></p> <ul style="list-style-type: none"> • Nichirei Logistics Hokkaido, Inc.: Sapporo Oyachi DC 2nd Building • Nichirei Logistics Tokai, Inc.: Haruhi DC 1st Building • Nichirei Logistics Kansai, Inc.: Osaka Shinnanko DC 2nd Building • Nichirei Logistics Tokai, Inc.: Nagoya Minato Logistics Center <p><Nichirei Foods></p> <ul style="list-style-type: none"> • Nichirei Foods Inc.: Kansai Plant 	Project to Accelerate Introduction of Energy Saving-Type Natural Refrigerant Equipment To Realize Fluorocarbon-Free and Low Carbon Society
FY2021	<p><Nichirei Logistics Group></p> <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 <p><Nichirei Foods></p> <ul style="list-style-type: none"> • Nichirei Foods Inc.: Yamagata Plant • Nichirei Foods Inc.: Kansai Plant 	Project to accelerate the introduction of energy-saving natural refrigerants in equipment for the early realization of a CFC-free, low-carbon society
FY2022	<p><Nichirei Logistics Group></p> <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 <p><Nichirei Foods></p> <ul style="list-style-type: none"> • Nichirei Foods Inc.: Shiroishi Plant 	Project to accelerate the introduction of energy-saving natural refrigerants in equipment for the early realization of a CFC-free, low-carbon society
FY2023	<p><Nichirei Logistics Group></p> <ul style="list-style-type: none"> • Nichirei Logistics Hokkaido, Inc.: Otaru Logistics Center • Nichirei Logistics Tokai, Inc.: Shiratori Logistics Center • Nichirei Logistics Kansai, Inc.: Umemachi Logistics Center • Nichirei Logistics Chushikoku, Inc.: Matsuyama Logistics Center • Kyokurei Inc.: Daikoku 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

■ Increasing Energy Efficiency and Preventing Refrigerant Leaks

The Nichirei Group owns large-scale refrigerated distribution warehouses and food factories, and we are implementing a variety of initiatives to increase energy efficiency. In addition, we conduct rigorous inspections and management on a daily basis to prevent fluorocarbon leakage. We also introduced high-performance fluorocarbon detectors in FY2022, and conduct regular inspections to reduce refrigerant leakage.

Freezer upgrades	Appropriate renovation of compressors and coolers
Optimization of cooling tower settings	Suppression of freezer pressure level and reduction of cooling tower operating time
Prevention of warm air infiltration	Installation of warm air exhaust equipment and installation of appropriate dock shelters
Early detection and elimination of refrigerant leaks	Introduction of high-performance fluorocarbon detectors

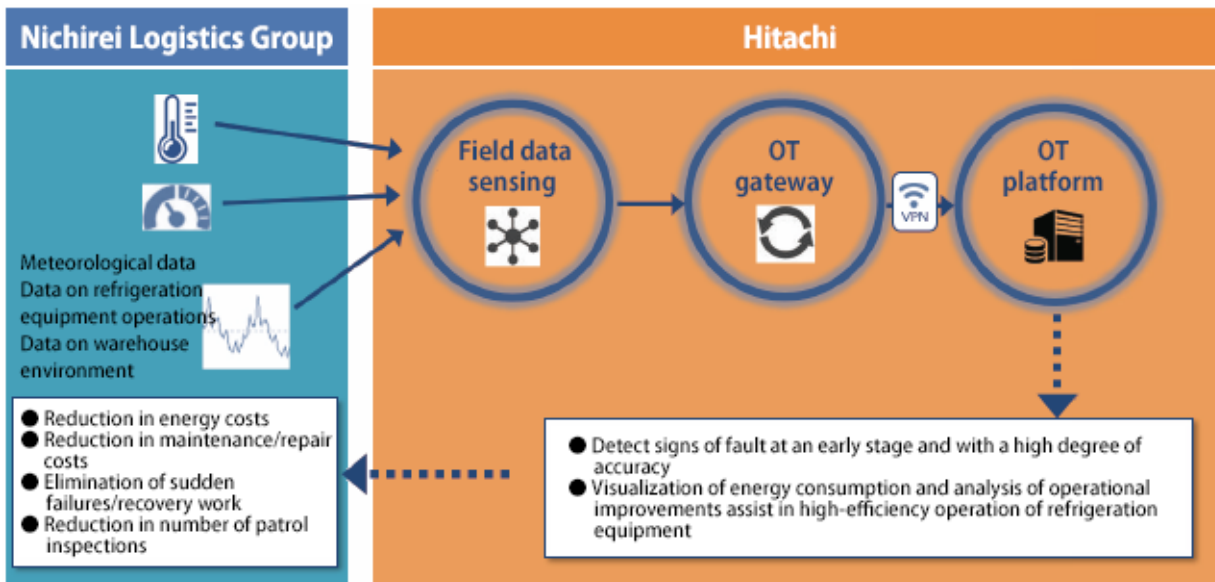
■ Preventing Refrigerant Leaks to Boost Operating Efficiency

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

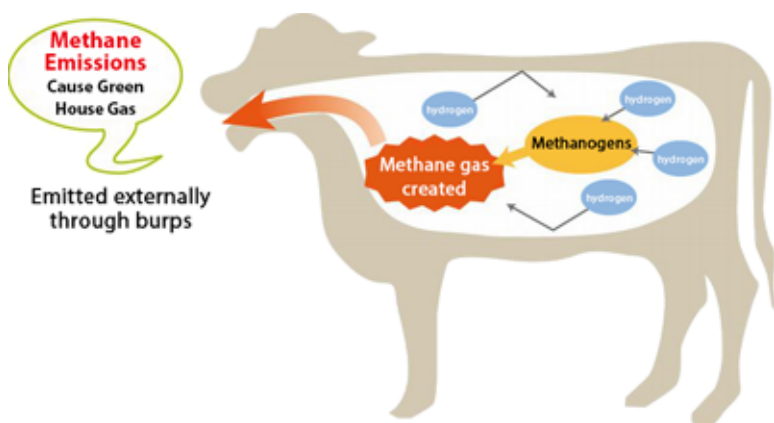
Suppression of Methane Gas Emissions by Cattle (Nichirei Fresh)

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.

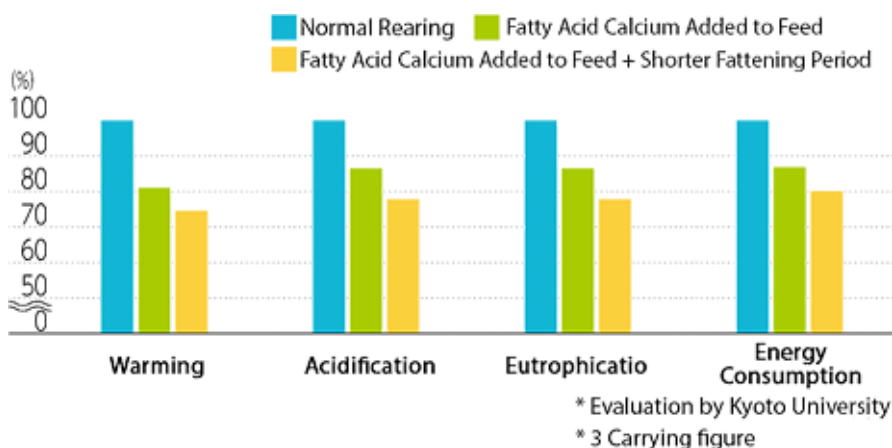
Using Kyoto University's life-cycle assessment (LCA)^{*2} method developed in 2010 to gauge fattening methods, Nichirei has been able to confirm that the environmental impact of these crossbred cattle is 10% less than when conventional fattening methods are used. Further, there is an improved omega balance^{*3}, 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



We suppress the creation of methane gas by providing feed containing flaxseed oil fatty acid calcium.

● 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.

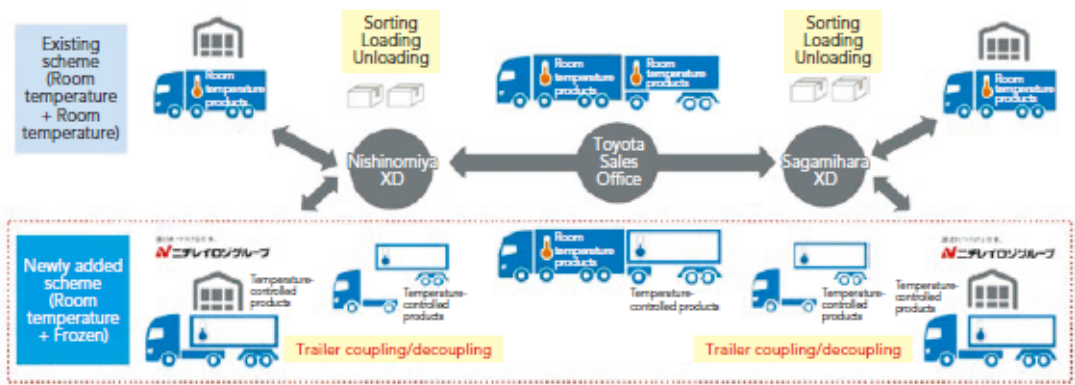
*4 This results from the development of low-cost techniques for cattle production, based on a superior balance of omega-6 and omega-3 fatty acids, and the subsequently reduced environmental impact. Source: Ibaraki Prefecture Hitachiomiya Regional Agricultural Research and Promulgation Conference report, 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.

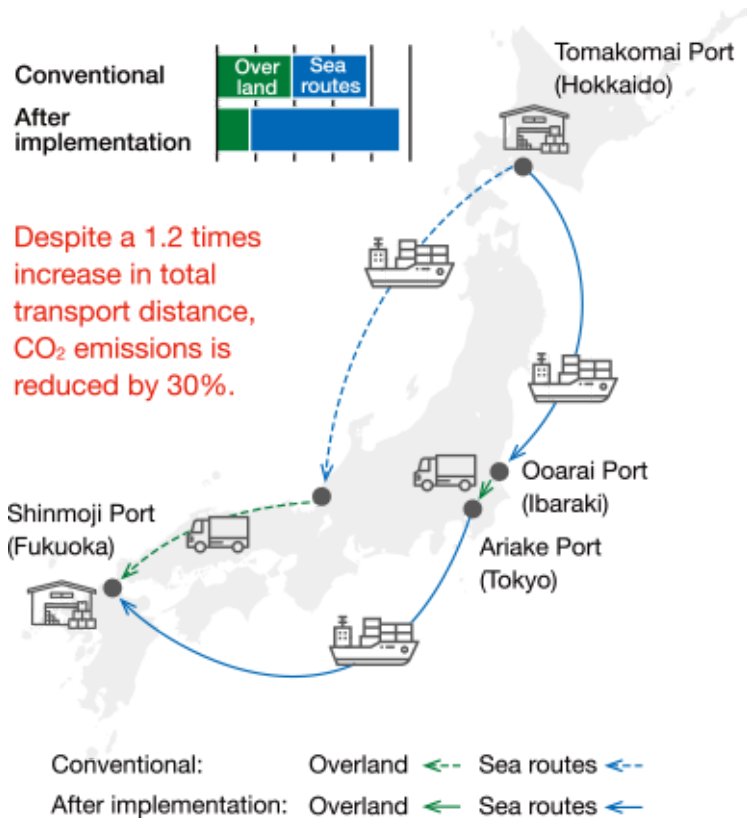
■ Promoting a modal shift*1

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% reduction*2 in CO₂ emissions.

*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.

● 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

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

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\(Only available in Japanese\)](#)



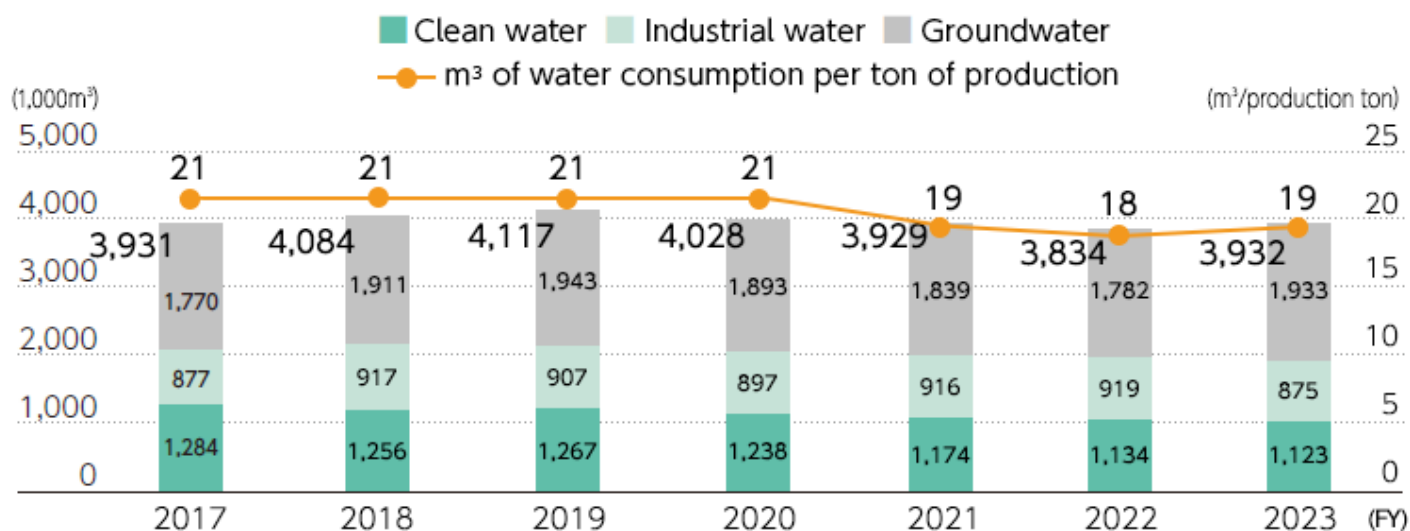
Initiatives

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 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.

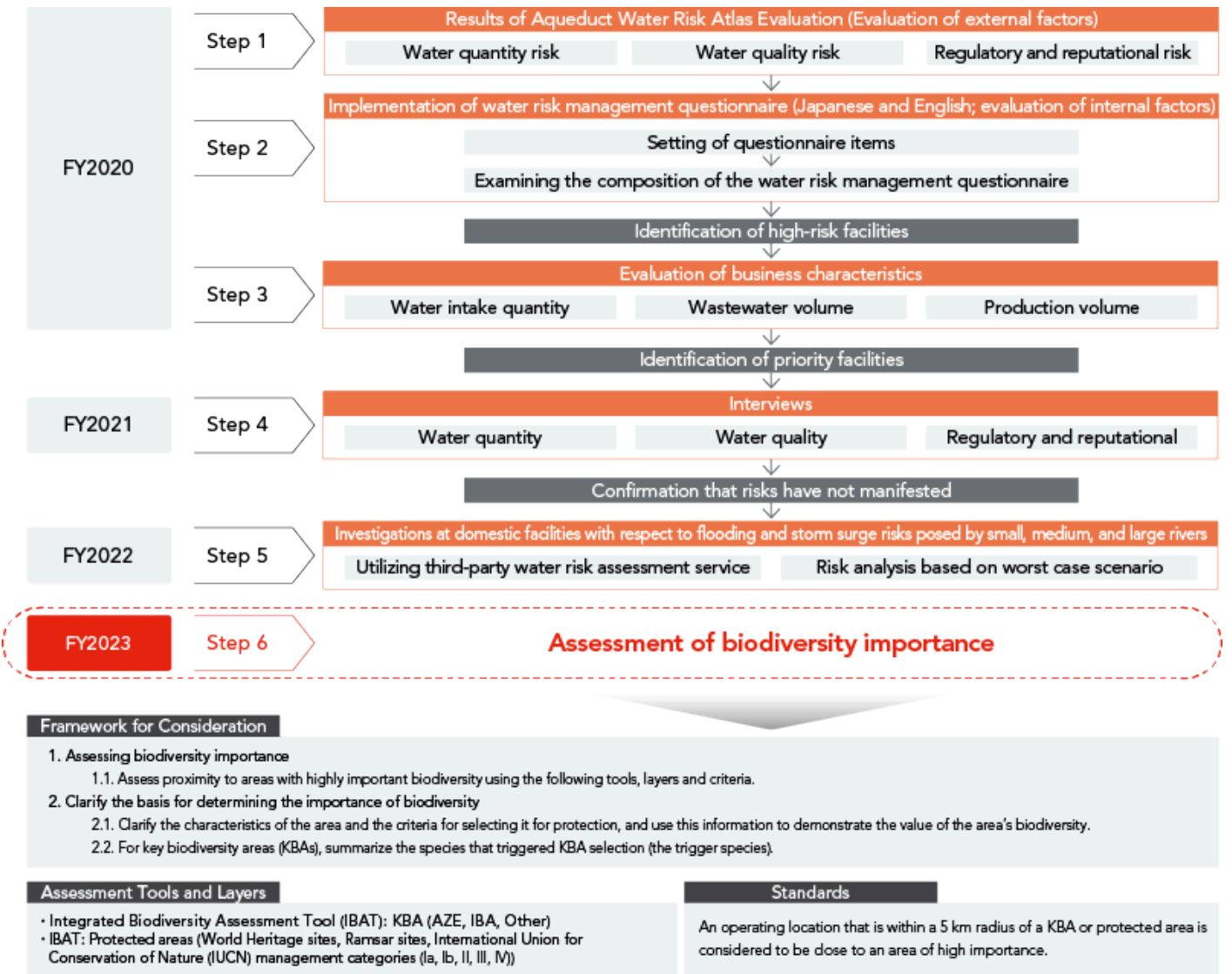
● Water Usage (By water intake source)



■ Assessing the Importance of Water Risk and Biodiversity


From FY2020 through FY2022, 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. In FY2023, we evaluated whether the 133 facilities in Japan that the Nichirei Group directly operates are located close to areas that are of high importance in terms of biodiversity, and concurrently clarified the basis for determining biodiversity importance for considering the direction of future business activities at those facilities.

● Assessment Process



< Assessment Results >

Approximately 89% of all Group operating facilities in Japan were adjacent to areas of high importance in terms of biodiversity. This is likely due to the nature of our business since we extensively operate in coastal areas. We will analyze the results in detail and conduct a fact-finding survey through on-site visits. Regarding our overseas facilities, we will also consider the Group's impact on biodiversity and relevant countermeasures.

CDP Water Security 2023 Report (Only Available in Japanese) 

External Review 

Initiatives for Biodiversity Conservation

Basic Philosophy

[The Nichirei Group Environmental Policy / The Nichirei Group Biodiversity Policy](#)

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 biodiversity-related initiatives are reported at the Group Environmental Managers Meeting held eight times a year with operating companies and at the Group Sustainability Committee held at least three times a year. Depending on the situation, they develop policies or strategies covering the Group. We carry out biodiversity-related initiatives in accordance with the agreed plans.

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.

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



Integrated Report 2023 Helping to Resolve Social Issues through Our Business



■ 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.



Waste Management and Chemical Substances Control

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

[Environmental Management > Group Sustainability Committee](#)



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.

Resource Recycling Initiatives

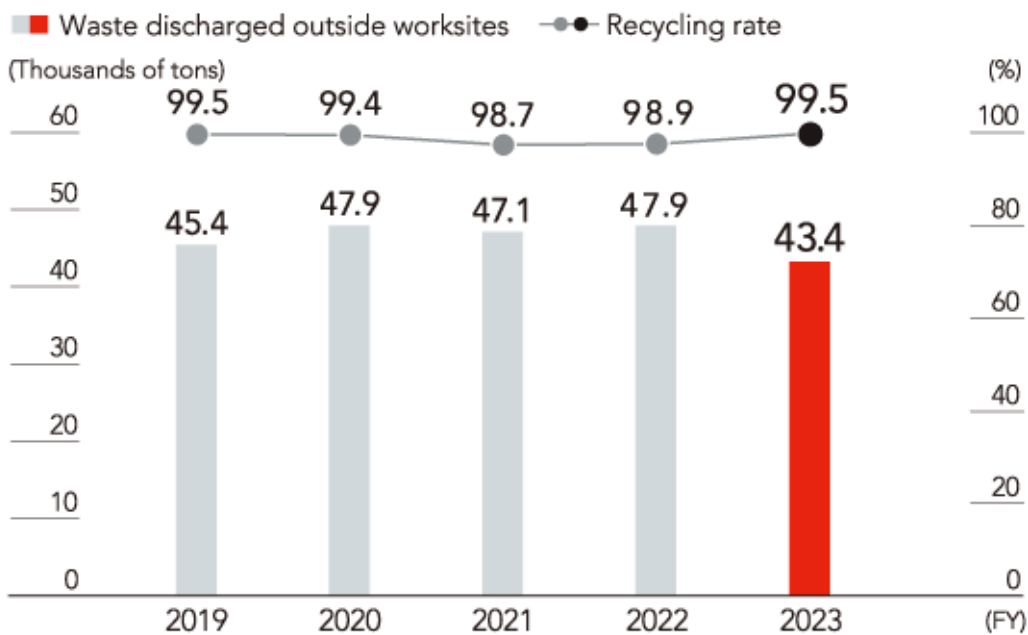
Waste Recycling Initiatives

The Nichirei Group is reducing the amount of industrial and general waste from its business activities. We aim to maintain a waste recycling rate of 99% by incorporating a variety of recycling methods.

Total Waste Recycling Rate for All Facilities

FY2023 Result	FY2024 Plan	FY2025 Target	FY2031 Target
99.5%	99%	99%	99%

Waste Volume and Recycling Rate



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.



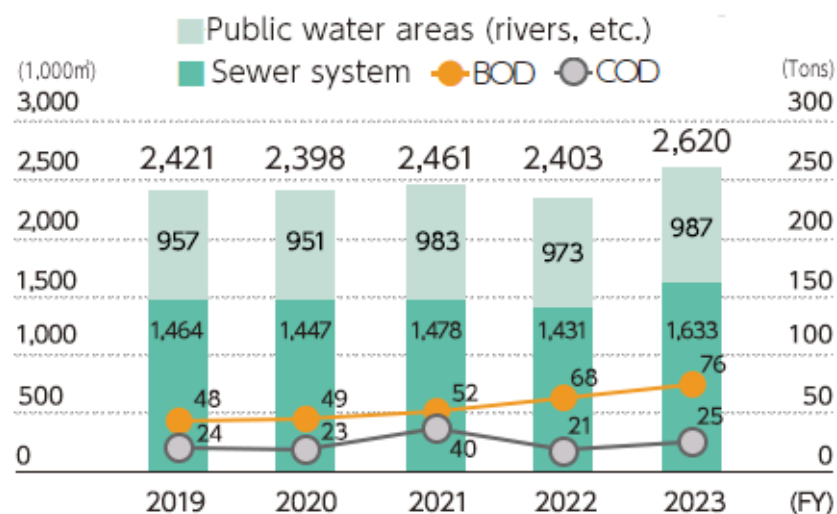
Initiatives at Nichirei Foods’ Factories in Japan

In joining the 10x20x30 Japan Project, Nichirei Foods set a target for FY2031 to reduce animal and plant residues 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.

● Nichirei Group Wastewater and Drainage Load



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

In FY2023, 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.

Substances subject to reporting under the PRTR Law [▶](#)

■ 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. In FY2023, seven 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 FY2023, we performed appropriate treatment in the following matters in accordance with laws and regulations.

- Demolition of Yamashita Logistics Center of Kyokurei Inc. and Shiratori Logistics Center 3rd and 5th Building of Nichirei Logistics Tokai Inc.
- Construction of Kobe Rokko Logistics Center of Kyokurei Inc.
- Sale of Development Center of Nichirei Biosciences Inc.

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

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

Environmental Management > Group Sustainability Committee



Initiatives

Plastic Reduction Initiatives

Reducing Plastic Used in Frozen Food Containers and Packaging

Since FY2007, 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 of plastic for seven items in a product series, 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

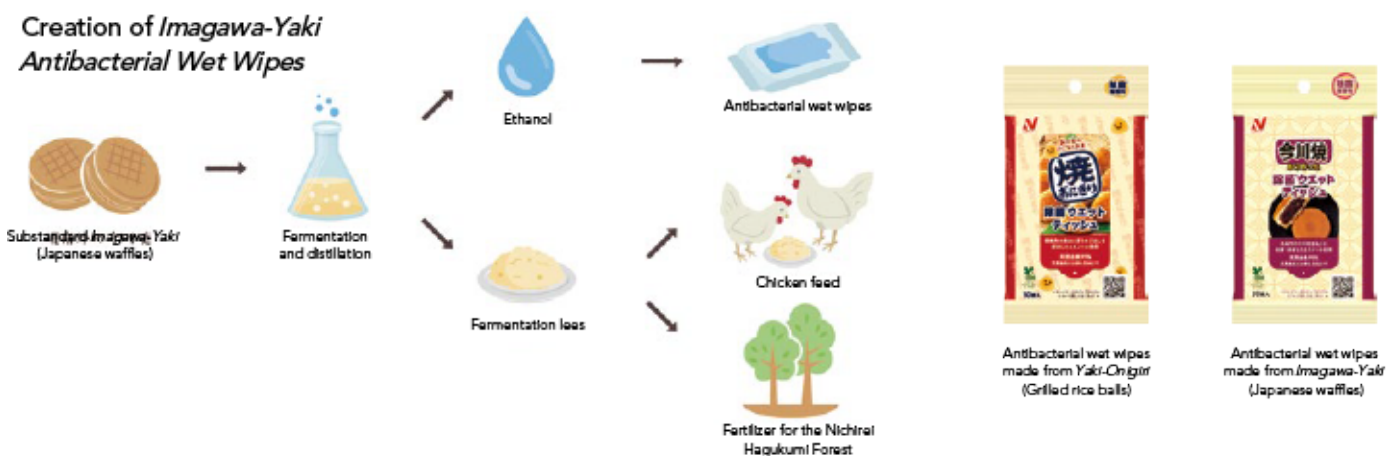
Fiscal year	Products	Measures
FY2007	<i>Imagawa-Yaki</i> (Japanese waffles)	Elimination of trays
FY2010	<i>Yaki-Onigiri</i> (grilled rice balls) 10-pack	Elimination of trays
FY2012	<i>Honkaku-Itame-Chahan</i> (fried rice)	Thinner packaging
FY2015	<i>Yaki-Onigiri</i> (grilled rice balls) 10-pack	Thinner 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 the lineup

Upcycling Initiatives

■ Turning Substandard Frozen Foods into Antibacterial Wet Wipes

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 one of the upcycling initiatives, 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 fermenting a portion of substandard products from our long-selling *Yaki-Onigiri* (grilled rice balls) 10-pack and *Imagawa-Yaki* (Japanese waffles) to make distilled ethanol.



Launched Upcycled Products(Only Available in Japanese)



Social

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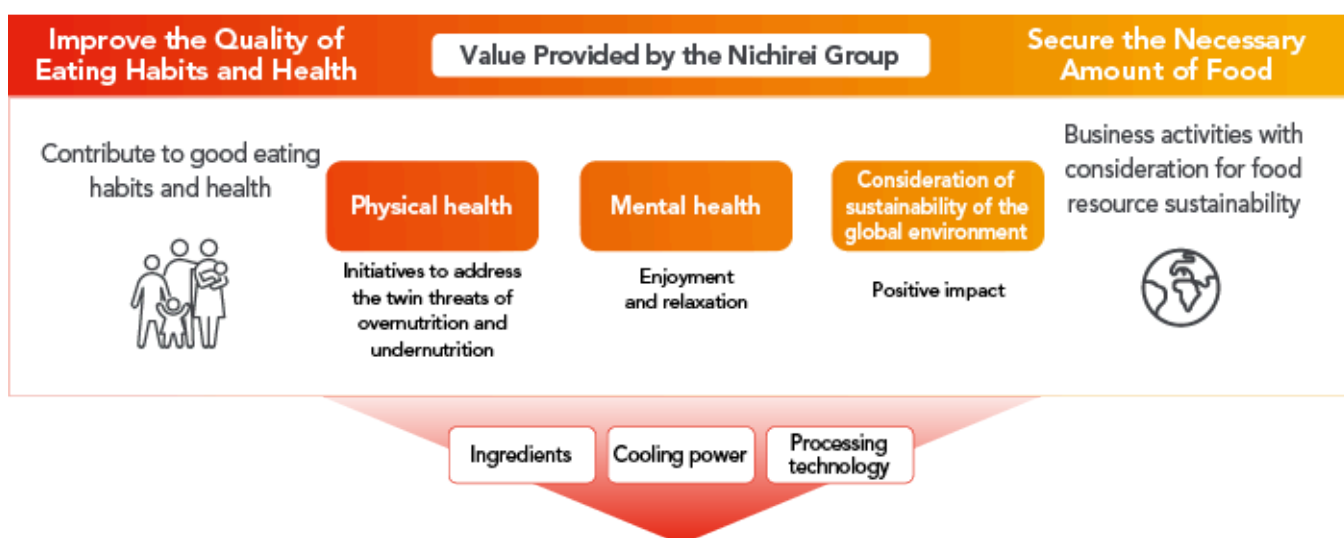
Creating new value in food and health

Basic Philosophy

In July 2023, the Nichirei Group pivoted from its former ideal of creating new value in food and health to the new ideal of discovering the potential of materials and cooling power to contribute to the future of the Earth and people's mental and physical health through food. We then reviewed Group measures and KPIs accordingly.

Committed to health, we will contribute to wellness by enhancing the development of nutritionally responsible products while supporting mental health, which encompasses emotional and social health. We are also working for the future of the global environment by minimizing negative impacts and deploying cutting-edge technology and conserving resources in stepping up initiatives with positive impacts.

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



Vision for 2030

Discovering the potential of materials and cooling power to contribute to the future of the Earth and people's mental and physical health through food.

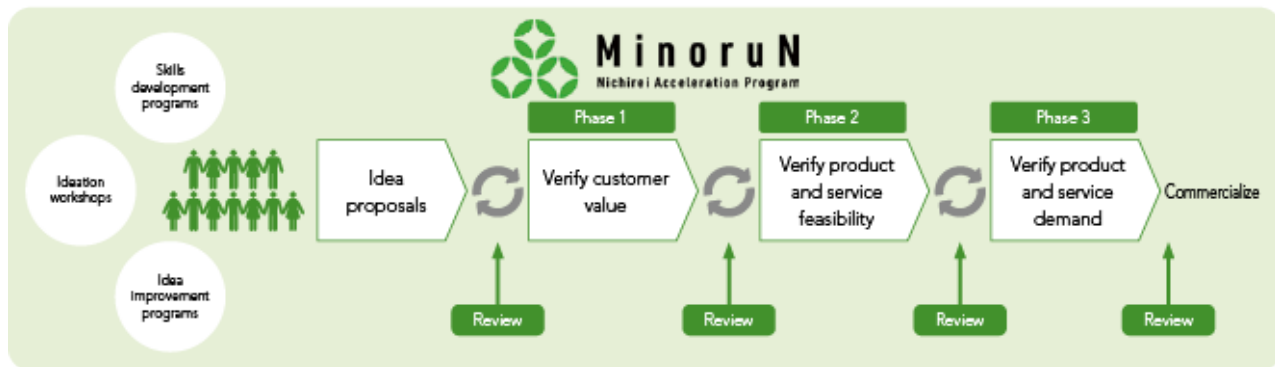
Group Measures

- Allocate resources to R&D and marketing for health, the global environment and the identification of emerging customer value.
- Emphasize compatibility with people's mental and physical health and the global environment in developing products and services and in providing information.
- Establish mechanisms to create and cultivate value in new fields and conduct innovation activities.

Creating a Mechanism for New Value Creation Unique to Nichirei

Nichirei Acceleration Program *MinoruN* is a mechanism launched in 2020 to sustainably create new value and future businesses by inviting employees to take on the challenge of starting a new business. This initiative solicits, selects and commercializes entrepreneurial ideas from all employees. It also includes skills development programs and ideation workshops that provide knowledge and methodologies for identifying customer needs required to structure a business model, which enables employees to propose new business ideas even if they have no prior entrepreneurial experience.

Nichirei Acceleration Program *MinoruN*



We solicit ideas once a year, and those that pass the initial review undergo three stages of verification with the aim of commercialization. In Phase 1, we conduct in-depth interviews with prospective customers to confirm customer value. In Phase 2, we create prototypes, confirm product and service feasibility, and verify the ability of those products and services to resolve customer issues. In Phase 3, we conduct test sales on a small scale to verify demand. Even if verification results are not as projected, participants can cycle back to the preceding phase to redo the verification process. This shortens and accelerates the entrepreneurial cycle, helping to increase the probability of commercialization. The program has not yet commercialized any projects, but it has developed participants' ability to promote new value.

■ New Businesses Created through *MinoruN*

● Development of *Miraikura*

One of the projects selected in 2021 and currently undergoing verification of demand is *Miraikura* ("Future Roe"), a food that resembles fish roe. Recent changes in the global environment are impacting the procurement of natural resources of roe, such as salmon roe and *sujiko*, raising risks to stable, sustainable procurement. The idea for the project was primarily the brainchild of members of the Marine Products Division of Nichirei Fresh Inc. We are developing products with the support of our technical department, which has knowledge of the physical properties of food, and Fresh Maruichi Corporation, which has production technology for processing fish roe.

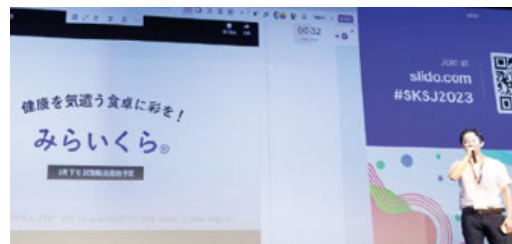
Phase 1 customer value verification indicated that because *Miraikura* is cholesterol- and allergen-free, even people with health concerns and people with fish egg allergies can eat the product on a daily basis. Additionally, it appears to be suitable for vegan diets because it does not contain animal ingredients. We will proceed with verification so that we can deliver this new sustainable, healthy food option to dining tables in Japan, North America and elsewhere around the world in the near future.



Miraikura



In recognition of this entrepreneurial effort in a new field, *Miraikura* received the President's Award in Nichirei Fresh's internal Nichirei Fresh Awards for Linking Sea, Land and People.



We showcased *Miraikura* at Global Foodtech Summit SKS JAPAN 2023, garnering a high level of interest from domestic and international foodtech professionals. Image courtesy of SKS JAPAN

■ A 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)



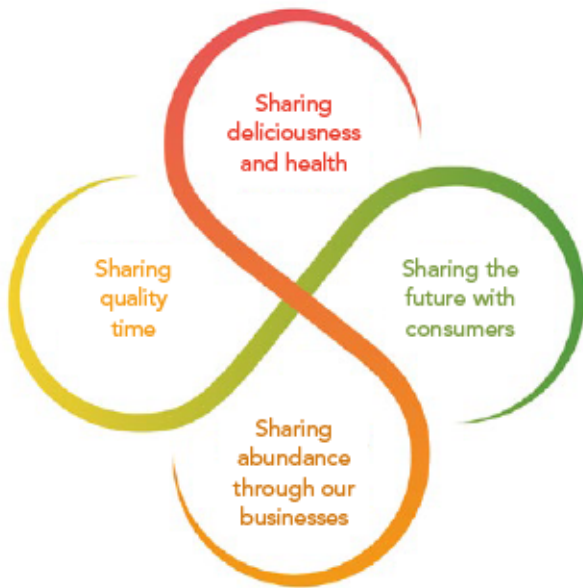
■ New Brand Statement

“Toward a world of sharing deliciousness and health—FoodJoy Equity”

Nichirei Foods has articulated a new brand statement. It incorporates the essence of our aim to achieve a better world of sharing by providing health value with an emphasis on deliciousness and making full use of the benefits of freezing in areas such as shelf life that helps to reduce food loss. “FoodJoy” refers to the delight that frozen foods bring, while “Equity” means fairness for all from offering value tailored to each individual—or in other words, sharing.

Moreover, to make the statement a reality, we are pursuing business activities that increase four kinds of value for sharing. By doing so, we will evolve the business so that not only consumers, but everyone we interact with and society as a whole, can enjoy the convenience of freezing.

Four Kinds of Value for **Sharing** Going Forward



Promoting the Business of Meat Products with Health Value

Nichirei Fresh conducts research and development of meat products with enhanced health value. By giving chickens, pigs and cattle* a formula feed with the ingredient flaxseed, which contains the nutrient α -linolenic acid, the company has developed tender and juicy meat abundant in this nutrient. This meat is sold as the *Amani-no-Megumi* series.

In addition, Nichirei Fresh has begun full-scale sales of *Gomanten*, a new meat product with health value containing sesamin, a functional ingredient derived from sesame that is not normally found in meat. This is the result of adding sesame to pig feed.

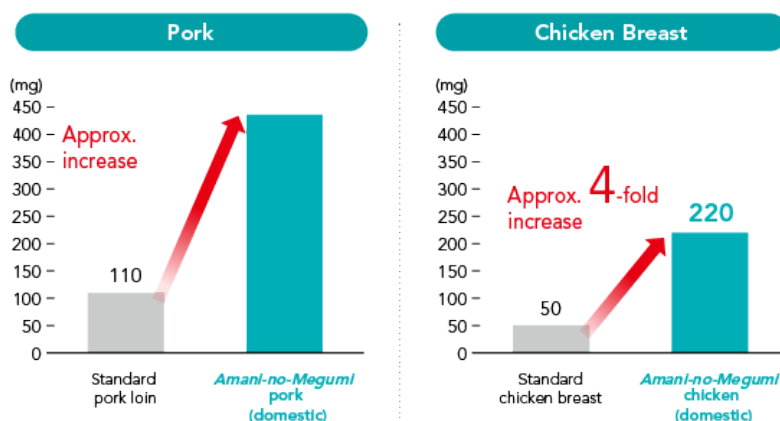
Nichirei Fresh will continue to support health management and balanced diets through meat products for everyday meals.

*There are individual differences among cattle.



あまに
 亜麻仁の恵み® 豚


Comparison of Amount of Omega-3 Fatty Acid (α -linolenic Acid) That the Body Can Absorb from 100 Grams of Meat



Source: Nichirei Fresh study



ごまんてん®

Amani no Megumi (Only Available in Japanese) 

Platform -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)



■ Specialized Diagnostic Agent for a Genetic Testing Device Receives Regulatory Approval as a Companion Diagnostic Agent for Colorectal Cancer

Nichirei Biosciences is promoting the uptake in Japan of a specialized diagnostic agent for a genetic testing device developed by its partner Biocartis Group NV. In 2022 and 2023, we obtained approval to manufacture and sell two in-vitro diagnostics that use this specialized agent as companion diagnostic agents for molecular targeted therapies for colorectal cancer. This groundbreaking technology allows the medical institution where a patient is examined to conduct genetic testing for cancer, which was largely outsourced in the past. By shortening turnaround time on test results, we will provide new value in cancer treatment.

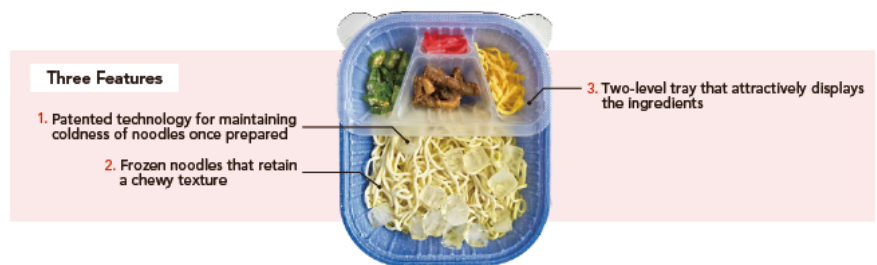


Development of New Technologies

■ 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

Initiatives

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.

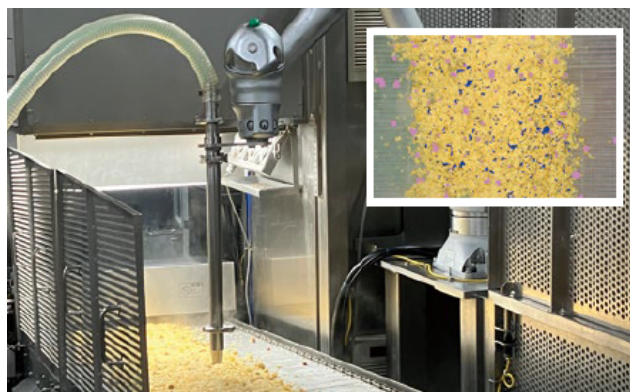
Strengthening food processing and production technology capabilities

Eco-friendly Plant for Rice Products Begins Operation with Capital Investment of Approximately ¥11.5 Billion

The new rice products plant of Kyurei Inc., one of Nichirei Foods Group companies, in Munakata City, Fukuoka Prefecture began operation in April 2023, with a production capacity of approximately 70 tons per day. We have also introduced the latest equipment and ramped up initiatives for eco-friendliness and automation. Environmental measures to reduce CO₂ emissions include using refrigerators that use natural refrigerants instead of CFCs, installing solar panels on the roof and utilizing renewable energy. For automation, the plant has introduced inspection and disposal of burnt items using AI robots and high-performance cameras, in addition to automating unloading of raw materials, product pallet loading and pallet transportation.



Exterior of new plant



Quality control using AI robots and high-performance cameras

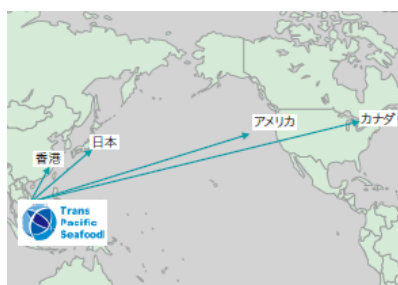
Overseas Sales Expansion from Our Processing Base in Vietnam

Trans Pacific Seafood Co., Ltd., which operates Nichirei Fresh's processing plant in Vietnam, produces a variety of processed marine products to meet customer needs. We will expand the business by increasing the plant's production capacity to produce products that have been processed to different degrees. Expansion of sales of these products will encompass North America and China as well as Japan. As the COVID-19 pandemic subsides, Japanese food service companies are ramping up their overseas expansion. Using our current customers in Japan and the products we sell there as a foothold, we will develop products rooted in local cultures overseas while consistently taking market needs into account in offering new products and expanding sales.

Note: The plant has obtained certification under the BRCGS Global Standard for Food Safety and the Marine Stewardship Council Chain of Custody Standard.



Exterior view of the plant



Expansion of overseas sales



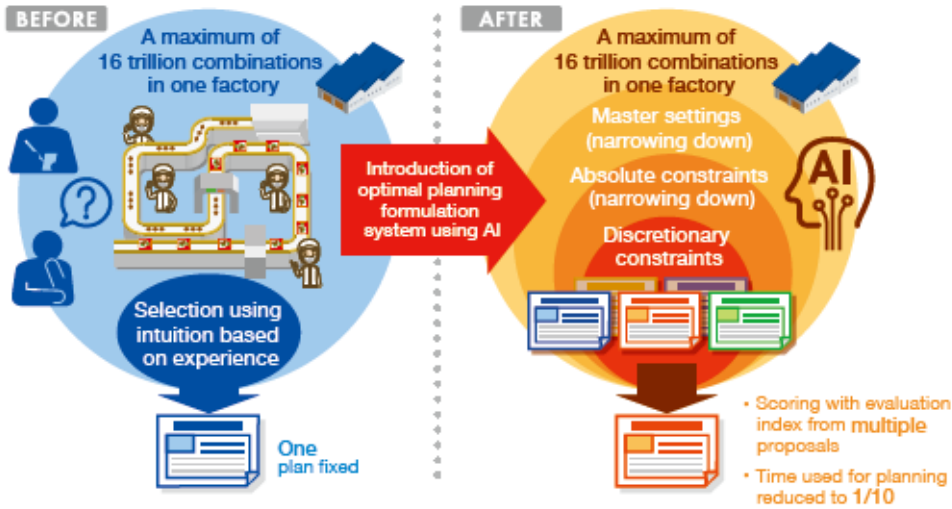
MSC-certified crab products

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)



Enhancing Temperature-controlled Logistics Services

■ Establishment of a Joint Venture to Expand into Vietnam

On January 31, 2023, Nichirei Logistics Group Inc. entered into an agreement to establish a joint venture with Tan Bao An Logistics Joint Stock Company, which operates a temperature-controlled logistics business in Vietnam. Following additional investment in the joint venture company, Nichirei TBA Logistics Vietnam LLC, it was made a consolidated subsidiary on July 21, 2023.

Vietnam will be the third ASEAN country where we do business, following Thailand and Malaysia. Vietnam is a huge market for exports to Japan, mainly agricultural, forestry and fishery products. In addition, domestic demand is rising for imports and retail products due to improvement in the standard of living of the growing middle class. The market for logistics with precise temperature control is therefore expected to expand.

The new company plans to build a new refrigerated warehouse (scheduled to begin operation in the second half of 2024) in Long Hau Industrial Park, Long An Province, which is located approximately 20 km south of Ho Chi Minh City. Going forward, we aim to roll out operations with a view to collaborating with our businesses in Thailand and Malaysia.



Artist's rendering of the new center

Announcement of New business by establishing a joint venture in Vietnam



■ 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

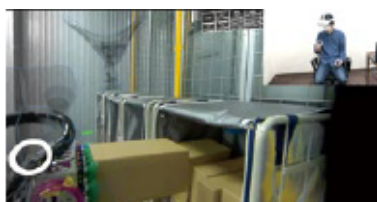
Nichirei Logistics Group Inc. collaborated with Telexistence Inc. to conduct a demonstration test in which Telexistence's remote-controlled robot loaded mixed cargo on basket carts in the refrigerated area of a logistics facility.

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

Promoting Overseas Operations

Further refine the Nichirei Group's core competencies in food processing, production and logistics to resolve social issues and improve profitability through competitive advantages in global markets.

Operations in North America (Processed Foods Business)

The household-use frozen foods market in North America has been growing steadily every year, and its subcategory, the Asian food market, continues to grow due to factors such as an increase in consumers of Asian origin. Looking to expand its North American operations, in 2012 Nichirei Foods acquired InnovAsian Cuisine Enterprises Inc. (ICE), which plans and sells frozen foods in the United States. ICE has grown significantly faster than its markets and has become a growth driver in the processed food business outside Japan.

ICE has three core strengths. The first is marketing power. It has been analyzing trends in the Asian food market for many years and is leveraging this data in product development and sales strategies. Its second strength is product development capabilities. ICE's ability to create products that match local tastes is also the result of many years of experience. The third strength is sales capabilities. ICE has earned the acceptance of major mass retailers for a diverse array of products and promotional offerings.

ICE's main product categories are chicken and processed rice products, and it has established its own processed rice product production capabilities to further expand its business. In July 2022, it acquired all the shares of a joint venture originally formed with another company in 2019 and changed the company's name to Nichirei Sacramento Foods Corporation. The company will strengthen its production and sales in the processed rice product category by incorporating Nichirei Foods' technology and knowledge to improve productivity and enhance product development capabilities. It also plans to expand its chicken and processed rice product lineup and make a full-fledged entry into the appetizer category, which is the largest market.

ICE will continue to expand its business through marketing and product development tailored to local tastes, with the goal of achieving top market share.



Processed rice products



The management of ICE and Nichirei Sacramento Foods Corporation



Nichirei Sacramento Foods Corporation

Operations in Europe (Temperature-controlled Logistics Business)

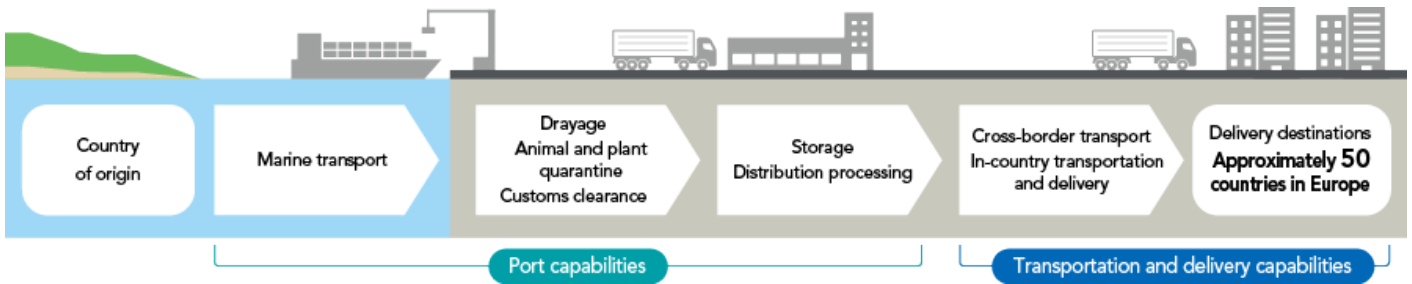
More than 30 years have passed since Nichirei Logistics Group initiated European operations in 1988 with the acquisition of a cold storage company in Rotterdam, Netherlands. We subsequently expanded our operations to Germany, Poland, France, and the United Kingdom through mergers and acquisitions. We have continued to grow by providing high-quality temperature-controlled logistics services to local companies throughout Europe, and currently have the fifth largest refrigerated warehouse capacity in Europe.

● A Business Model for Delivering One-stop Service

The Port of Rotterdam is where we developed our port business model, in which we provide one-stop service that combines cold storage capabilities at the port with marine transport, drayage, customs clearance, distribution processing, and transportation and delivery. We aim to expand this model to major ports in neighboring countries including the United Kingdom, Germany, and France.

Our distribution business model involves temperature-controlled logistics services for retail chains in Germany and Poland. Operations in Poland have grown to a leading position in the core refrigerated logistics business for mass retailers. We are also considering expansion into neighboring countries in Eastern Europe.

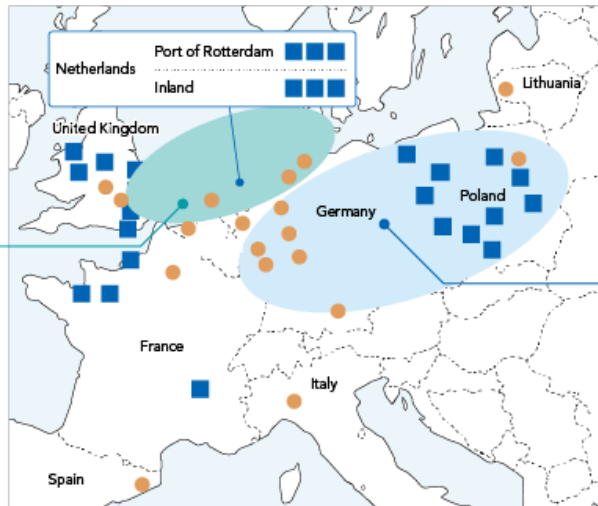
Our basic strategy is to use these two business models to provide comprehensive services. We will maximize synergies between our increased storage capacity and the acquisition of companies in the United Kingdom and Poland while expanding the provision of one-stop cross-border services through collaboration among our locations.



Service Area Expansion and Locations

- Cold storage and cross-docking
- Forwarding office

Port business model (upstream)
 Port and transportation and delivery operations centered on Rotterdam, Netherlands



Distribution business model (downstream)
 Refrigerated logistics for retail chains in Germany and Poland

All of our operating companies are managed locally. Nichirei Holding Holland B.V. (NHH), an intermediate holding company led by Japanese employees posted overseas by Nichirei Logistics Group, plays a supervisory role, monitoring the operations of our European companies, formulating strategies for business expansion, and supporting implementation. Strategic initiatives are a particular focus, and as part of its day-to-day operations NHH communicates with the management of European companies about large-scale investment plans, mergers and acquisitions.







The management of NHH, our intermediate holding company overseeing operations in Europe

Supply Chain Management to Achieve Sustainable Procurement

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 Guidelines Supplier	Explanation of items in the Nichirei Group Supplier Code of Conduct Supplier Guidelines 

Management System

For the Nichirei Group, which is involved in the entire supply chain from procurement of materials to production, sales, distribution, processing and logistics, realizing sustainable procurement is one of crucial topics for management. It is set as one of our Materiality, and progress is reported and discussed at the Group Sustainability Committee, an advisory body to the Board of Directors. We are working toward KPIs we set for each of the five Group material matters. The Group Sustainability Committee monitors overall measures, while specific measures are incorporated into the action plans of each division, operating company, and committee. Connecting Group targets with those of each operating company directly links the achievement of each company's business plan to improvement of the Nichirei Group's social and economic value.

● Sustainability Promotion Structure



Structure for Promoting Sustainability



Initiatives

The Nichirei Group is promoting sustainability initiatives in its supply chain, which is the foundation of its business. With reference to the OECD Due Diligence Guidance for Responsible Business Conduct, we recognize that our business activities could potentially have a negative impact on workers, human rights, the environment, bribery, consumers and corporate governance. We therefore take action to avoid and address potential negative impacts associated with our business, our supply chain and other business relationships.

Sustainable Palm Oil Procurement

■ Establishment of Sustainable Palm Oil Procurement Guidelines

The Nichirei Group supports the No Deforestation, No Peat and No Exploitation (NDPE) commitments and partners with its suppliers to procure palm oil in a responsible manner. To do so, in April 2023 we established the Nichirei Group Sustainable Palm Oil Procurement Guidelines and formulated new Group material matter targets and associated KPIs.

■ Initiatives for Sustainable Palm Oil

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 advancing efforts to ensure that the palm oil used to make our products is from sustainable sources. Since 2018, Nichirei Foods' factories (at consolidated subsidiaries in Japan and overseas) that use palm oil have been purchasing RSPO certified sustainable palm oil credits (via the book and claim method) corresponding to 100% of the palm oil they use.

We are making progress toward achieving a procurement rate for RSPO certified sustainable palm oil of 100% by 2030.



4-1055-18-100-00

Membership profile page

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

Nichirei Group Sustainable Palm Oil Procurement Guidelines



Sustainable Marine Product Procurement

■ Establishment of Sustainable Marine Product Procurement Guidelines

Marine products are fundamental resources in the Nichirei Group's business. Problems identified in recent years include climate change, the impact on ecosystems from overfishing and bycatch, habitat destruction including deforestation for aquaculture, and fishery worker human rights violations. In April 2023, we established the Nichirei Group Sustainable Marine Product Procurement Guidelines to resolve issues related to sustainable marine products in the supply chain, with the aim of realizing a sustainable society in cooperation with suppliers and stakeholders. Concurrently, we established new KPIs for Group materiality goals.

■ Initiatives for MSC/ASC 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 2023, we are handling 24 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
MSC Certification Number MSC-C-52165	Arctic surf clam, Capelin, Flatfish (Flathead sole, Kamchatka flounder, Arrow-tooth flounder, Northern rock sole, Yellowfin sole, Greenland halibut), Salmon (Chinook salmon, Chum salmon, Coho-silver salmon, Pink salmon, Sockeye-red salmon), Herring, Longfin squid, Pacific cod, Pacific cupped oyster, Red king crab, Snow crab, Walleye pollock, Yesso scallop, Atka mackerel, Japanese carpet shell, and Pacific ocean perch
ASC Certification Number ASC-C-01632	Giant tiger prawn, Whiteleg shrimp, Pacific cupped oyster, Atlantic salmon, Coho-silver salmon, and Rainbow trout

(As of June 2023)



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





■ Activities Initiated at Group Cafeterias to Encourage Sustainable Seafood Consumption

We have launched activities at Group company cafeterias, venues where employees regularly gather to eat, to raise awareness of the importance of making sure that sustainable sources of food are available to the next generation. Nichirei Fresh has obtained CoC certification* and the company cafeteria menu at its head office offered the ASC-certified shrimp and MSC-certified Japanese carpet shell it procures and sells.





In FY2024, we have implemented this initiative at employee cafeterias in the Kanto region, including the Company's Head Office cafeteria in Tokyo. We also intend to extend this initiative, putting the MSC-certified products and ASC-certified products on the menus, to other our cafeterias.

* Chain of custody: A mechanism for managing processing and distribution to ensure certified marine products are separated from non-certified products



	Date	Venue	Product Name	Menu	Image Photo
1st	July 3, 2023	Nichirei Higashi-Ginza Building (Head Office: Tokyo)	 Vannamei Shrimp	ASC-certified shrimp and garlic curry	
2nd	September 11, 2023	Nichirei Higashi-Ginza Building (Head Office: Tokyo)	 Vannamei Shrimp	ASC-certified shrimp stir fry	

	Date	Venue	Product Name	Menu	Image Photo
3rd	September 27, 2023	Nichirei Tenma-bashi Building (Osaka)	 Vannamei Shrimp	<ul style="list-style-type: none"> • ASC-certified shrimp curry • Shrimp and avocado salad 	
4th	October 13, 2023	Global Innovation Center (Saitama), Nichirei Biosciences Inc.	 Vannamei Shrimp	ASC-certified whole fried shrimp and hamburg steak	
5th	October 19, 2023	Nichirei Training Center (Tokyo)	 Vannamei Shrimp	Chili sauce with ASC-certified shrimp and egg	
6th	November 2, 2023	Nichirei Group Technology Development Center (Chiba)	 Vannamei Shrimp	Chili sauce with ASC-certified shrimp and egg	
7th	December 1, 2023 (Anniversary of the founding)	1) Nichirei Higashi-Ginza Building 2) Global Innovation Center 3) Nichirei Tenma-bashi Building 4) Nichirei Group Technology Development Center	 Short Necked Clam	<ul style="list-style-type: none"> • MSC-certified Japanese carpet shell and yakuzen curry¹ • MSC-certified Japanese carpet shell curry² • MSC-certified Japanese carpet shell and vegetable curry^{3,4} 	  

	Date	Venue	Product Name	Menu	Image Photo
8th	December 8, 2023	Nichirei Training Center (Tokyo)	 Short Necked Clam	MSC-certified Japanese carpet shell and vegetable curry	
9th	January 10-12, 2024	Funabashi Plant, Nichirei Foods Inc. Funabashi No.3 Plant, Nichirei Foods Inc. Funabashi DC, Logistics Network Inc.	 Vannamei Shrimp	ASC-certified whole fried shrimp and hamburg steak	

■ 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 \(Only available in Japanese\)](#)



Resolving Social Issues through Our Business Nichirei Fresh *Inochi-no-Mori-Project*



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

Integrated Report 2023 Helping to Resolve Social Issues through Our Business



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.



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#K32003

Sustainable Regional Agricultural and Livestock Cycle through Junwakei Chicken

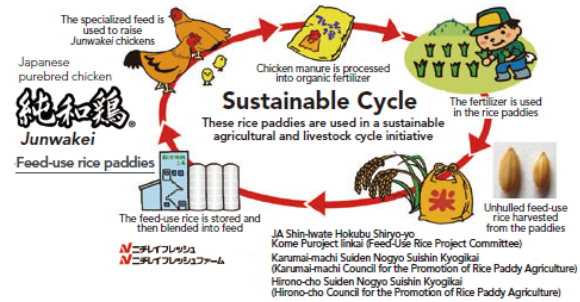
In 2009, Nichirei Fresh launched a feed rice project in collaboration with the Japan Agricultural Cooperative in Iwate Prefecture and farmers from Karumai and Hirono in 2009, and in the 13 years since then the project has been implementing a sustainable regional agricultural and livestock cycle through 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



Resolving Social Issues through Our Business Nichirei Fresh *Junwakei* Chicken

Nichirei Fresh *Junwakei* Chicken (Only Available in Japanese)

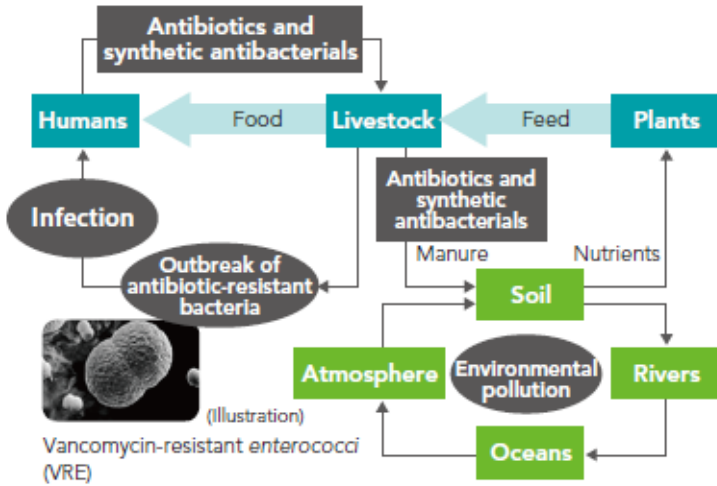
Antibiotic-free Chicken

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

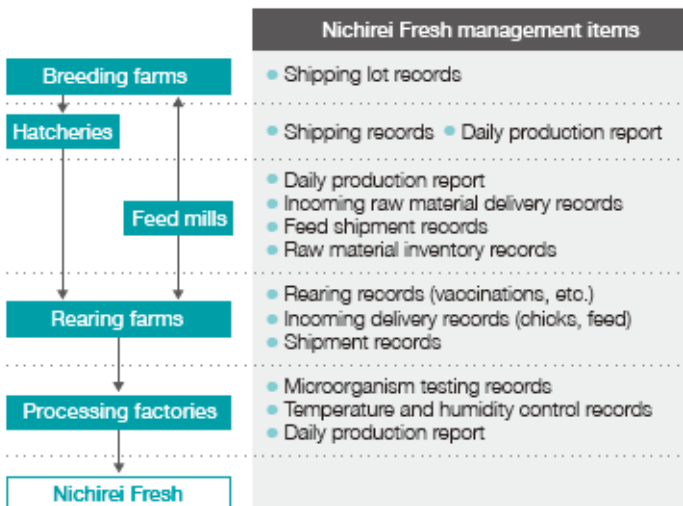



* Drug-resistant bacteria: Protecting people from drug-resistant bacteria (not affected by antibacterial agents) is becoming an issue worldwide. Those with weakened immunocompetence who are exposed to such bacteria may not respond to treatment with antibiotics. Drug-resistant bacteria have been found 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) 

Working with Suppliers

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.

	FY2020	FY2021	FY2022	FY2023
Nichirei Foods	<ul style="list-style-type: none"> Join Sedex 	Received SMETA audit at 2 our own plants in Japan	Received SMETA audit at remaining 13 our own plants in Japan	Ten Sedex member companies in the food and beverage industry form working team and promote their suppliers to join Sedex
	<ul style="list-style-type: none"> Started creating Supplier CSR Guidelines 	Conducted a questionnaire based on CSR guidelines to domestic suppliers	Ongoing collection of questionnaires	<ul style="list-style-type: none"> Conducted our Supplier ESG Survey 89% of suppliers in Japan support the Nichirei Group Supplier Code of Conduct and Supplier Guidelines
Nichirei Fresh	Continuation of analysis of questionnaire contents	A new list of domestic and international suppliers is being compiled	A CSR questionnaire is being prepared	
Nichirei Logistics Group	-	-	-	
Nichirei Biosciences	-	-	-	

Supplier ESG Survey

In April 2022, we established the Nichirei Group Supplier Code of Conduct and Supplier Guidelines. In fiscal 2023, we asked suppliers in Japan to support the Supplier Code of Conduct and Supplier Guidelines. We also conducted our Supplier ESG Survey, asking for responses to a self-assessment questionnaire.

We received responses to the survey from 89% of our suppliers, and all suppliers who responded agreed to comply with the Supplier Code of Conduct and Supplier Guidelines. We are following up with the remaining 11% to obtain their responses to the survey. Based on the results of the survey, we communicated with several suppliers that gave us cause for concern about possible negative ESG impacts and confirmed that those concerns were not an issue.

We will expand the scope of future surveys to include overseas suppliers while deepening communication with suppliers in ways such as holding briefings to enhance their understanding of our sustainable procurement initiatives and Supplier Code of Conduct and Supplier Guidelines.

● FY2023 Supplier ESG Survey

Scope	Domestic suppliers of Nichirei Foods, Nichirei Fresh, Nichirei Logistics Group, and Nichirei Biosciences. We select companies for the survey based on transaction importance, encompassing factors including transaction volume. The survey covers companies that account for about approximately 50% of transactions on a monetary basis.
Content	The survey requests compliance with the Supplier Code of Conduct and Supplier Guidelines and is evaluated based on responses to a self-assessment questionnaire.
Question Design	Questions are designed to confirm the status of each supplier’s initiatives to align with the Supplier Code of Conduct and Supplier Guidelines, and cover legal compliance and ethical behavior, human rights and labor, safety and health, environment, management, and corporate governance related to sustainability. We created the survey with reference to CSR/Sustainable Procurement Self-assessment Tool Set (1st Edition) created by Global Compact Network Japan.
Response Rate	89% (Support rate was also 89%)

■ Sedex subscription and SMETA audits

Nichirei Foods joined Sedex, who provides a platform which is designed to manage and share corporate ethical information including social, human rights, and environmental topics with the aim of realizing responsible business practices in supply chains, 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 received SMETA audit* at 15 our own plants in Japan. In addition to our own plants, two major OEM suppliers also received SMETA audit.

Note:

* 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.



■ Human Rights Due Diligence for Meat, Poultry and Marine Product Suppliers

We have launched human rights due diligence initiatives for meat, poultry and marine product suppliers, which account for the largest proportion of procurement volume in the Group’s business activities. We determine priorities based on importance of transactions and human rights risk by country and industry.

● Human Rights Due Diligence Result and Plan for FY2023–2025

	FY2023 Result	FY2024 Plan	FY2025 Plan
Scope	Meat and poultry suppliers (Domestic chicken)	Meat and poultry suppliers (Domestic) Marine products suppliers (Overseas)	Meat and poultry suppliers (Domestic) Marine product suppliers (Overseas and domestic)

Information sharing and awareness raising with suppliers

We recognize the importance of sharing information and raising awareness with our suppliers in order to build constructive relationships with them and improve corporate value for both parties. For this reason, Nichirei Foods and Nichirei Fresh have been holding "Nichirei Foods Procurement Policy Briefings" and "Nichirei Fresh Supplier Briefings" for major suppliers since FY2023 to share our environmental and social policies and to raise awareness of environmental issues and so on.

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.

Resolving Social Issues through Our Business Nichirei Foods Acerola Business

Nichirei Foods > Acerola Powder

Nichirei do Brasil Agricola Ltda (NIAGRO) received its first "Platinum" rating in the EcoVadis Sustainability Survey in 2023, equivalent to the top 1% level

Education for Sustainable Procurement

Study Sessions on Sustainability for Management

We are inviting experts to participate in study sessions on sustainability for management.

● Online study session

The screenshot shows a Zoom meeting interface. On the left, a presentation slide titled "国連 ビジネスと人権に関する指導原則" (UN Guiding Principles on Business and Human Rights) is displayed. The slide content includes:

- 2011年 国連人権理事会で満場一致で採択
- 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

On the right side of the Zoom window, a vertical list of participant icons is visible, including labels for 'N', 'NF', and 'NL'.

●FY2023

	Date	Theme	Lecturers	Number of participants (number of directors in parentheses)	Percentage of directors attending
1st	April 26, 2022	Sustainability Challenges Faced by Corporations	Kenji Fuma, CEO, Neural Inc.	124 participants (6)	60%
2nd	May 24, 2022	The Future of Food and Transportation	Kenji Fuma, CEO, Neural Inc.	127 participants (7)	70%
3rd	June 28, 2022	Sustainable Procurement and Human Rights Issues	Hidemi Tomita, President, LRQA Sustainability Co.	139 participants (8)	80%
4th	August 23, 2022	The Importance of SDGs and the Significance of Corporate Initiatives	Kazuo Tase, CEO, SDG Partners, Inc.	131 participants (9)	90%
5th	September 27, 2022	Business Transformation to Circular Economy	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 -	Hiroshi Ishida, Executive Director, Caux Round Table Japan	154 participants (10)	100%

●FY2024

	Date	Theme	Lecturers	Number of participants (number of directors in parentheses)	Percentage of directors attending
1st	April 25, 2023	The Truth about Global Warming	Seita Emori, Professor Institute for Future Initiatives, The University of Tokyo Senior Principal Researcher, Earth System Division, NIES	165 participants (9)	90%
2nd	May 30, 2023	Biodiversity and Resource Depletion	Naoki Adachi, CEO Response Ability, Inc.	175 participants (10)	100%
3rd	July 4, 2023	DE&I from LGBTQ perspectives - Changing the workplace and a society by LGBTQ perspectives -	Maki Muraki, Director NPO Nijihiro Diversity	173 participants (10)	100%

* Target participants are Directors, Audit & Supervisory Board Members, Executive Officers (Outside directors, outside Audit & Supervisory Board members, operating company management members, and general managers may participate voluntarily.)

■ Training for persons in charge for raw material procurement

●FY2024

As part of our supply chain management to achieve sustainable procurement, we conducted training courses on sustainable procurement for procurement staff.

The training began with a lecture on the Nichirei Group Sustainable Procurement Policy and other procurement-related policies.

To deepen the knowledge of those in charge of procurement so that they can make use of it in their daily work, we invited knowledgeable persons to give lectures, and conducted workshops specializing in each field.

	Date	Category	Common theme	Lecturer	Category Theme	Lecturers	Participants
1	Nov. 28, 2023	Marine products	Why we are requested sustainable procurements	Hidemi Tomita, President, LRQA Sustainability Co.	Sustainable procurement on marine products	Seafood Legacy Co., Ltd., CEO, Wakao Hanaoka	34
2	Nov. 29, 2023	Meat and Poultry products			Current situation and future about animal welfare	Tokyo University of Agriculture and Technology, Professor, Tsuyoshi Shimmura	34



Lecture



Active discussions during the workshop

■ Offering e-learning sessions for employees

●FY2023

	Implementation 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%

● FY2024

	Implementation period	Theme	Implementation rate
1	Jun 7-27, 2023	Environment (CO ₂ Emissions Reduction)	93.8%
2	Jul 5-26, 2023	Environment (Global Warming)	93.1%
3	Sep 4-25, 2023	SDGs Overview	93.2%
4	Dec 4-22, 2023	Business and Human Rights	94.2%

Sustainability Education



Human Rights

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

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 2019-2023 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.
2023	6	Nichirei Sustainability Management Dept., Nichirei Foods Sustainability Management Dept., Nichirei Fresh 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



2023 Human Rights Due Diligence Workshop



We also participated annually from 2019 to 2023 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



Human Rights Initiatives

At the Nichirei Group, we understand that our business activities, from research and development to procurement and provision of products and services, have potential or actual impacts on human rights. In line with the United Nations Guiding Principles on Business and Human Rights, we carry out due diligence to identify, prevent and mitigate adverse impacts on the human rights of people involved in the Nichirei Group's business activities.

Human Rights Due Diligence for Foreign Technical Interns and Specified Skilled Workers

Over a period of two months from October to November 2022, with support from the NPO Caux Round Table Japan, we carried out a fact-finding survey of foreign technical interns and foreign specified skilled workers employed by the Nichirei Group. The survey was conducted in accordance with the Dhaka Principles* to assess their physical and mental health and whether they felt a sense of fulfillment day to day.

* Principles for the responsible recruitment and employment of migrant workers

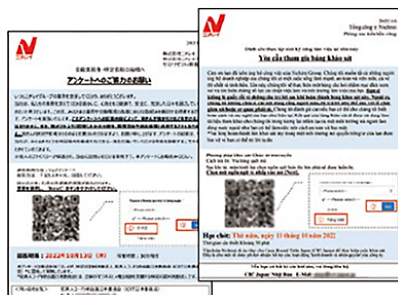
Target group	Foreign technical interns and specified skilled workers employed by the Nichirei Group
Survey period	October to November 2022
Survey method	<p>(1) Online questionnaire</p> <ul style="list-style-type: none"> • Scope: All food factories where target group members were based • Responses were accepted in languages other than Japanese (Vietnamese, Chinese, Indonesian) <p>(2) Interviews</p> <ul style="list-style-type: none"> • Scope: Certain food factories • Interviewer: Hiroshi Ishida from Caux Round Table Japan

Survey Results and Issues



Hiroshi Ishida
Executive Director
Caux Round Table
Japan

As a human rights due diligence initiative, Caux Round Table Japan conducted a questionnaire survey and interviews with foreign workers in accordance with the Dhaka Principles from the standpoint of a third-party organization. Among the survey results, there were many comments expressing a desire to continue working as a member of Nichirei, and no signs of serious human rights violations. However, regarding Principle 1 of the Dhaka Principles, "No fees are charged to migrant workers," the survey revealed that, although there were some variations between individuals, such fees had reached considerably large amounts. I expect the Nichirei Group to take specific measures to establish a foundation of trust with foreign workers. Such measures should involve management, and should verify the actual fees charged to foreign workers at the time they were hired.



Documents seeking cooperation in answering online questionnaire (Japanese/Vietnamese)



Interview at a food factory

Ten Sedex Member Companies in the Food and Beverage Industry Form Working Team to Promote Human Rights Due Diligence in the Supply Chain

Ten companies in the food and beverage industry, including Nichirei Foods, which joined the Supplier Ethical Data Exchange (“Sedex”), have formed the Sedex Working Team of Buyers in the Food and Beverage Industry. Promoting the common use and standardization of Sedex within the food and beverage industry, the team has also been promoting membership of Sedex through initiatives including briefing sessions for suppliers in January and February 2023 and for companies that have trading company functions as of July 2023.

* Nichirei Foods has been a member of Sedex, a non-profit organization dedicated to the realization of ethical and responsible business practices in the global supply chain, since July 2019. All factories owned by Nichirei Foods in Japan underwent Sedex Members Ethical Trade Audits (SMETA) in FY2022.

News release on forming a Sedex working team (Only available in Japanese)



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 a 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 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 Nichirei Hotline 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 secretariat if he or she so requests.

In line with the acceleration of overseas business expansion, the need for internal whistleblower hotlines and consultation services at facilities outside of Japan has also increased. We are working on appropriate designs for these systems, based on laws and regulations regarding personal information in each country.

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 (Internal Reporting)

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

報告・相談先
窓口：ダイヤル・サービス株式会社(ニチレイ委託先)

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

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

③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ありません。

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 invited experts to participate in study sessions on sustainability for management. We held six 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

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

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

Providing Safe Products and Services

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. In addition, to assess whether these initiatives are being implemented reliably, we use internal audits and quality audits at our factories based on our quality management system and food safety management system. We strive to upgrade our systems by following a PDCA cycle to facilitate improvements should any deficiencies arise.



Fundamental Policies on Quality Assurance

- (1) Compliance with legal requirements regulating food products.
- (2) Compliance with norms and standards indicated by industry groups.
- (3) Recognition of customer and partner needs regarding food safety and security, as well as making efforts to maintain Group quality management and assurance capabilities.
- (4) Incorporation of food safety measures, food crisis management, steps to ensure food defense, and food fraud prevention initiatives to protect consumer health.

Fundamental Policies on Quality Assurance

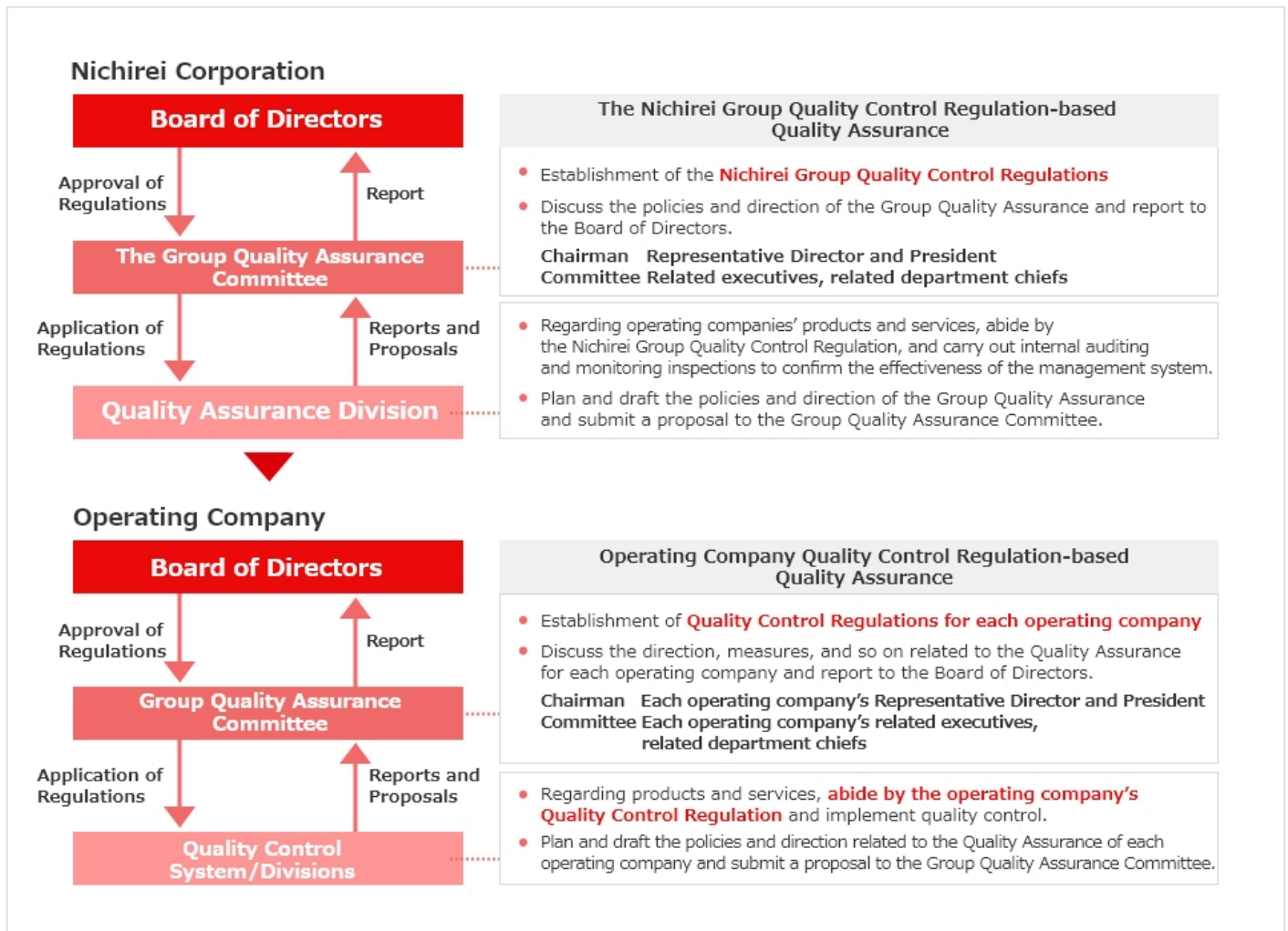


Management System

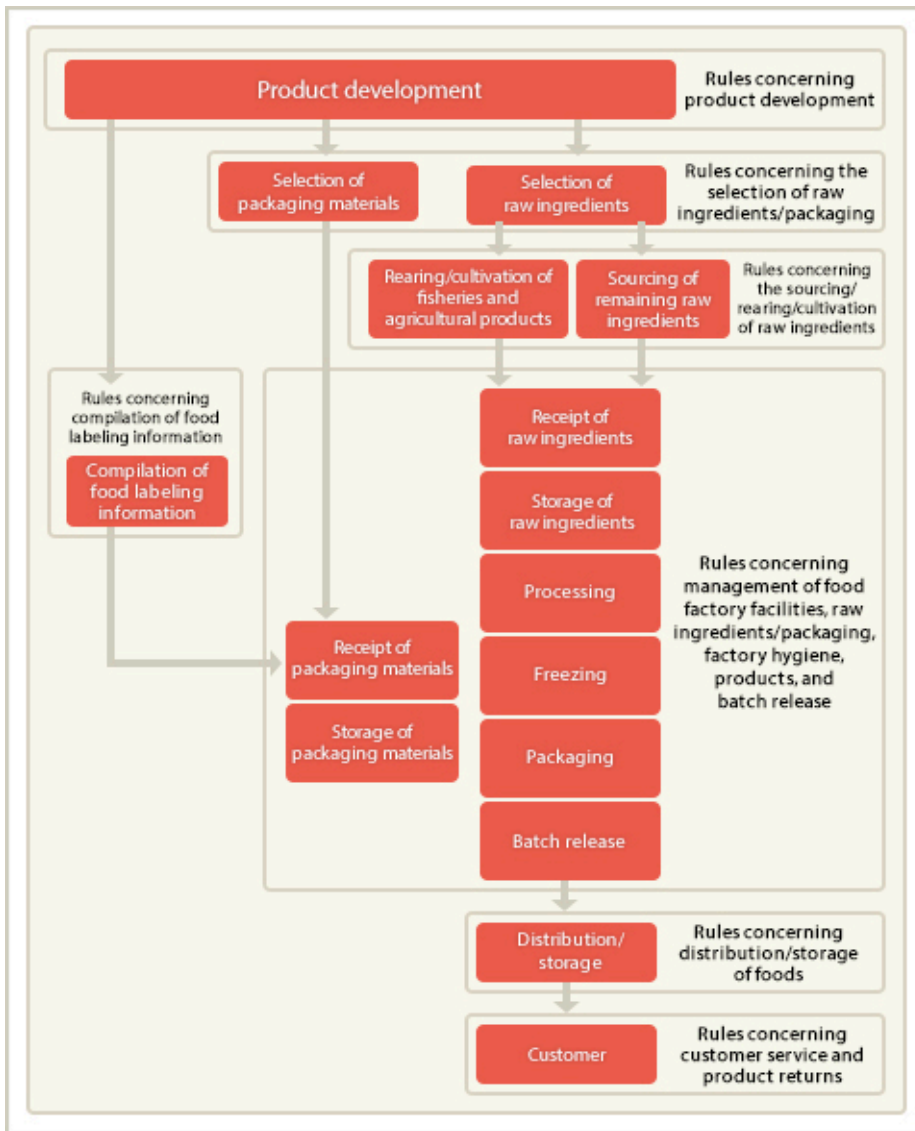
Nichirei Corporation's Quality Assurance Division has established rules and standards for quality control and quality assurance and performs internal audits and monitoring inspections based on quality management standards to ensure that the Group's quality management system is functioning effectively.

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



● Product Quality Assurance



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

■ Conducting Factory Audits by Group Companies

For factory audits, each operating company rationally and objectively evaluates the magnitude of risks based on various factors such as characteristics of products it handles, whether or not certification of international standards has been obtained and the quantity of products handled. Based on this evaluation, the operating company creates an annual plan according to which it carries out factory audits. Any concerns pointed out by the audits are reflected in factory improvement activities and Company-wide rule reviews. 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 are working to ensure safety by expanding and reviewing our use of remote audits.

■ Regular Audits (FY2019–FY2023)

Quality Assurance Audit	FY2019		FY2020		FY2021		FY2022		FY2023	
	Domestic	Overseas	Domestic	Overseas	Domestic	Overseas	Domestic	Overseas	Domestic	Overseas
Number of factory/Site audits	67	38	52	20	40	10	46	16	64	23
Group Implementation Rate (Compared with plan)	99%	100%	87%	80%	58%	28%	66%	48%	90%	72%

■ Conducting Voluntary Monitoring Tests

The Food Safety Center works to confirm the safety and legality of the products handled by the Group. It determines annual plans for items to be inspected and frequency of inspection according to the characteristics of the products handled and the magnitude of possible risks, and carries out various inspections, some involving other inspection organizations. Even when the standards are met, if there are any unusual signs or patterns in inspection results, the factory is alerted and the results are used for reference in improvement activities.

■ Voluntary Monitoring Tests (FY2019–FY2023)

	FY2019	FY2020	FY2021	FY2022	FY2023
Microorganisms	679	584	625	637	616
Pesticide residues and veterinary drugs	609	486	485	492	534
Others (radiation, odor, overseas sales, etc.)	202	193	151	144	140

■ Proactive Adoption of International Standards for Quality Control

The Nichirei Group offers products and services with a variety of distinguishing characteristics. In addition to applying internal rules aligned to these characteristics, Group companies are actively working to acquire international standard certification for management systems in areas such as quality control and food safety, while strengthening their quality control systems to ensure the safety of the products and services they provide.

■ Certification Status (FY2019–FY2023)

Certification	Operating Company	Rate of Certification ^{*4}				
		FY2019	FY2020	FY2021	FY2022	FY2023
ISO9001(Quality management system)	Nichirei Foods	20.0% (3/15)	20.0% (3/15) ^{*5}	20.0% (3/15) ^{*5}	20.0% (3/15)	0% (0/15)
	Nichirei Fresh	87.5% (7/8)	62.5% (5/8)	62.5% (5/8)	62.5% (5/8)	62.5% (5/8)
	Nichirei Logistics Group	89.7% (104/116)	70.4% (81/115)	70.9% (83/117)	73.5% (86/117)	71.4% (85/119)
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% (15/15)	100% (15/15)
	Nichirei Fresh	75.0% (6/8)	100% (7/7)	100% (7/7)	100% (7/7)	100% (7/7)
	Nichirei Logistics Group	1.7% (2/116)	1.7% (2/115)	1.7% (2/117)	1.7% (2/117)	1.7% (2/119)
ISO14001(Environmental management system)	Nichirei Foods	73.3% (11/15)	73.3% (11/15)	73.3% (11/15)	66.7% (10/15)	46.7% (7/15)
ISO13485(Medical devices and in vitro diagnostics)	Nichirei Biosciences	100% (2/2)	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 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.

Based on this approach, we have established food safeguard systems tailored to each product type at each operating company. In addition to confirming safety through factory self-checks and factory audits, we are actively working to improve the workplace environment based on employee interviews.

● Nichirei Foods' Four Principles of Food Defense

Principle 1

Build relationships of trust

Create an organizational climate of fairness and justice.

Principle 2

Avoid suspicious persons

Prevent intrusion by outsiders or suspicious persons.

Principle 3

Prevent attacks

Discourage suspicious behavior.

Principle 4

Enable verification

Monitor employee activities.

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

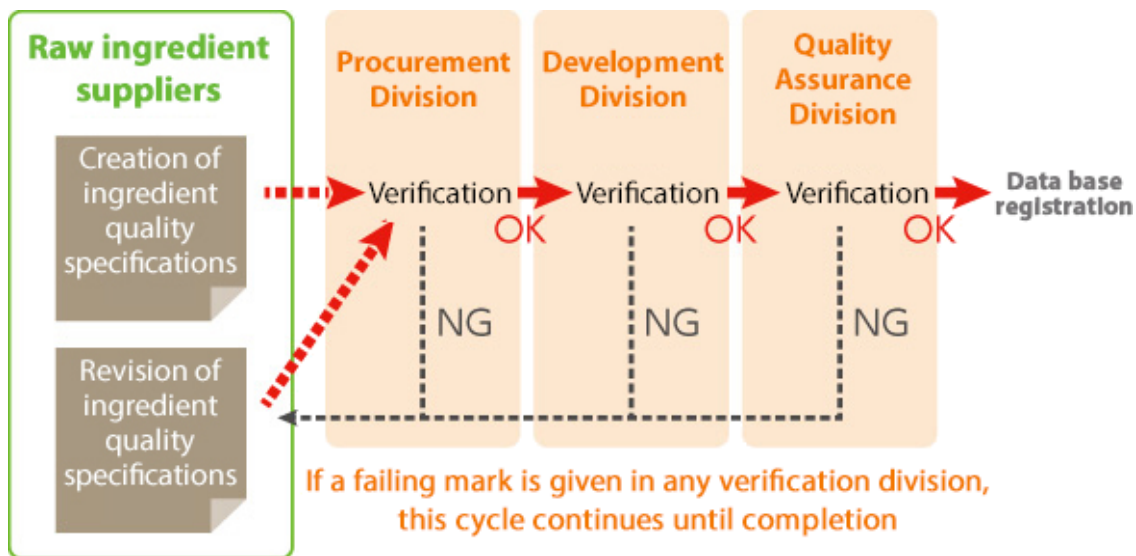


Scene from the competition

■ 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



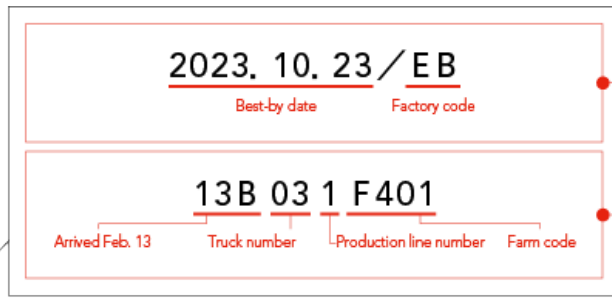
■ Building a Traceability System

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. For example, in the event that an issue should arise in frozen vegetables, the cause can be investigated by using the product code symbol to trace the product back through the management records stored by the factory. In this way, it is possible to prevent the issue from spreading or recurring. 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.

Transporting raw materials	The farm manager (field person) checks the quantity of raw materials, status of pollution prevention measures, truck departure time, etc. and prepares an invoice.
Receipt of shipment at the factory	The person in charge of receiving the raw materials checks them against the invoice, and then labels the raw materials with the truck number.
Processing	Trace code labels are established for each process in the production line. Raw materials are processed in the order they arrive at the factory (raw materials are separated by production area).

● Traceability of Frozen Green Soybeans (Illustration)



The information displayed in this row can be used to trace the following:

- The farm at which the product was harvested
- The truck used to transport the harvested product
- When the product arrived at the processing factory
- Production line number

The information displayed in this row can be used to trace the following:

- Date when the product was packaged
- The factory at which it was packaged

Information Contained in the Trace Code

The trace code allows a product to be traced back to its place of origin (cultivation). Trace codes printed on Nichirei Foods' frozen green soybeans record cultivation and production management data. Simply by checking the trace code, the entire history of a product can be tracked, from cultivation management conditions in the field to production conditions at the factory. Nichirei Foods is using trace codes to conduct ongoing improvements based on its discussions with local producers, in order to better respond to customers' needs.

[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 us 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.

Icon **Displayed with intuitive illustrations** **The Japan Frozen Food Association accreditation mark** **Back Side**

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 たんぱく質 2.6g 脂質 2.4g 炭水化物 2.5g ナトリウム 118mg
 (含有相当量 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。

認定証

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(土日祭日除く)
 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.

〈冷凍食品〉	
名称	ハンバーグ
原材料名	食肉(牛肉、豚肉)、たまねぎ、粒状植物性たん白、つなぎ(パン粉、鶏卵、粉末卵白)、糖類(ぶどう糖、砂糖)、豚脂、ソテーオニオン、植物油、しょうゆ、食塩、トマトケチャップ、たん白加水分解物、ビーフエキス、香味油、酵母エキス、発酵調味料、香辛料、卵殻粉、しょうゆ加工品、加工でん粉、(原材料の一部に乳成分を含む)
内容量	132グラム 賞味期限 枠外右に記載してあります
保存方法	-18℃以下で保存してください
凍結前加熱の有無	加熱してあります
加熱調理の必要性	加熱して召しあがってください
製造者	株式会社ニチレイフーズ NRKA3 東京都中央区築地6-19-20

(株)ニチレイフーズ
 船橋第二工場
 (千葉県 船橋市)
 でつくっています。

4 9021301 389283

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.

Verification before the N Mark Is Added to Packaging

栄養成分表示 1個当たり(22g)				
エネルギー	たんぱく質	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.



アレルギー物質 (27品目中)					
					
小麦	卵	乳成分	牛肉	大豆	豚肉

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 FY2023, three violations of laws and regulations related to products and services occurred.

Number of Violations of Laws and Regulations



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. In addition, Nichirei participates in the activities of the following organisations and others.

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)



Japan Fisheries Association (Only Available in Japanese)



Japan Food & Agriculture Cooperative Organization



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.

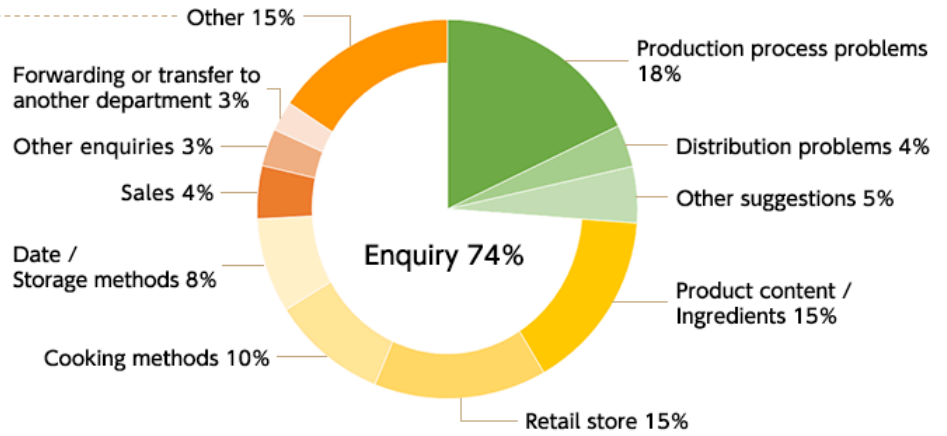
When customers make a suggestion about a product, Nichirei sends them a report form and a survey postcard, both of which it has them return.

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.

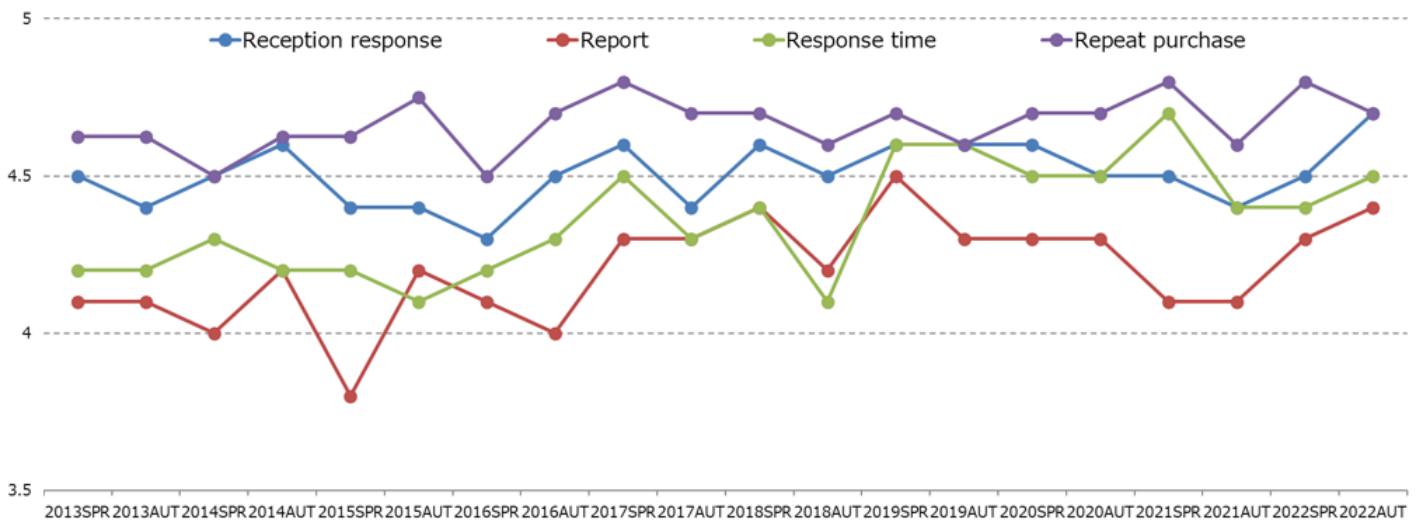
● Breakdown of Customer Interactions in 2022

Breakdown of "Other" topics

Product packaging	2%
Product orders	2%
Comments and opinions	2%
Nutritional information	2%
Misunderstandings originating with customers	1%
Wrong number or hung up	1%
Request for informational materials	1%
Eating methods	1%
Sales price	1%
Commercials, advertisements, and sponsored TV programs	1%
Product proposal	0.3%
Campaigns	0.3%
Prank or jeering	0.3%
Renewal	0.2%
Vending machine inquiries	0.1%



● Evaluation of Customer Satisfaction Reception Response



Product Recall Information

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

Date	The number of recall cases
FY2019	None
FY2020	None
FY2021	None
FY2022	None
FY2023	3cases

Staff Training for Quality Improvement

	Training	Description	FY2019		FY2020		FY2021		FY2022		FY2023	
			Number of People	Hours	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	924	92	1,008	97	727	107	1,058	110	825
	Leader candidate training	Management demonstration on educating young employees and accomplishing tasks	41	1,309	41	1,320	45	1,041	42	1,029	46	1,188
	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	72	264	84	20	140	91	547	62	497

	Training	Description	FY2019		FY2020		FY2021		FY2022		FY2023	
			Number of People	Hours	Number of People	Hours	Number of People	Hours	Number of People	Hours	Number of People	Hours
Nichirei Fresh	First- to second-year employee training session	Basic knowledge of quality assurance, factory check, label, response to requests, etc.	17	42	18	44	18	44	19	46	15	32
	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	6	7	26	2	12	18	48	14	50
	Plant Quality Manager Training	Improvement activities, insect and rodent control, laws and regulations, and presentations.	-	-	-	-	-	-	30	180	31	146
	Information session for revision of laws and regulations	Food labeling standards, addition of food allergies, etc.	25	25	30	30	300	300	-	-	-	-

Occupational Health and Safety

Basic Philosophy

Based on the idea that work satisfaction depends on physical and mental health, the Nichirei Group continuously works to strengthen its safety management systems at each worksite. All officers and employees work together to create a satisfying workplace. We also ask our suppliers to carry out various measures and regularly carry out initiatives related to occupational health and safety in accordance with this policy.

[Occupational Health and Safety Policy](#)



Management System

The Nichirei Group established health and safety committees to fulfill the requirements of Japan's Industrial Safety and Health Act, and is working to promote health and safety management aimed at preventing occupational accidents and managing the health of employees. At our Head Office, as well as at each branch office, we strive to eliminate long working hours and manage working hours, while at food factories and refrigerated warehouses, the main issue is the prevention of accidents. Other workplace environment improvement efforts are conducted according to the conditions of each workplace. 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.

● Management Framework

The proceedings of the Group Human Resources Committee, including occupational health and safety initiatives, are regularly reported to the Board of Directors.



Initiatives

■ Promotion of acquisition of the Occupational Health and Safety Management System

The Group aims to enhance its workplace and create a workplace that focuses on employees and offers a high level of satisfaction.

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

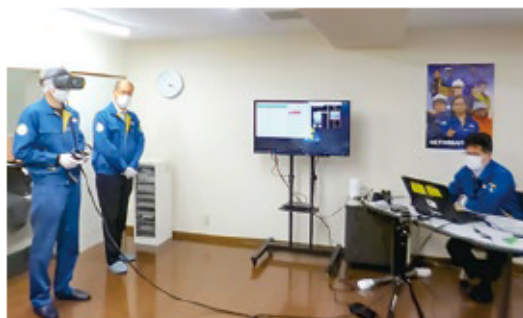
^{*} OHSAS18001 (Occupational Health and Safety Assessment Series)

■ Safety and Quality Training Centers Aimed at Achieving Zero Accidents

The top priority issues at Nichirei Logistics Group's Safety and Quality Training Centers are safety, quality and the environment. The centers work to eliminate accidents involving personal injury at worksites and achieve zero accidents involving products. We work to promote safe behavior at worksites through interactive education that involves active trainee participation. To further improve safety and quality at worksites, we completed renovation of the Tokyo training center in 2021 and the Nagoya training center in 2022. We conduct classroom training as well as practical training that utilizes digital technologies such as virtual reality (VR) tailored to the features of each worksite.



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).



■ Safety at Food Factories

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 worksite 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 nearmisses. 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

The Nichirei Group provides occupational health and safety training and other training for foreign technical interns before they start on-the-job training at the Group's food factories in Japan. This helps to prevent occupational accidents and facilitates health management for the interns, who are 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



Labor-Management Council with the Labor Union

The Nichirei Group has established the Central Council, a labor-management council involving the Company in Japan. It convenes annually based on a collective agreement. Consisting of 13 members from management and 13 members from the labor union, the council engages in frank discussions on issues such as the Group’s business development, improvements to business operations, and the welfare of union members. (In FY2023, the scale of the event was reduced to prevent the spread of COVID-19.)



Nichirei Labor Union Newspaper 99

Dialogue between Employees and Management

Every year since 2011, Nichirei Foods and Nichirei Fresh have held dialogue sessions between management and employees. The aim of these sessions is to promote the Nichirei Group’s Mission and Vision, create an open, communicative workplace and listen to the valuable opinions of employees working on the factory floor. Each session provides an opportunity for management to directly convey their thoughts, and for employees to talk with management about issues that interest them and to share their ideas.



Nichirei Foods “Agura” dialogue between employees and management



Nichirei Fresh “OPEN DOOR” dialogue between employees and management

Nichirei Logistics Group “The First Choice of Clients” Awards

In FY2008, Nichirei Logistics Group introduced “The First Choice of Clients” awards based on a desire to always be the first choice of customers in the food logistics industry. These awards recognize regular employees, temporary employees, part-time workers and employees of outsourced service providers for their contributions to improving the value of customer experiences and creating a satisfying workplace. At the 17th (FY2023) awards ceremony in May 2023, a total of 28 individuals and teams from Japan and overseas received awards.



Engineering team from SCG Nichirei Logistics Co., Ltd.



Logi Kansai Logicity, Nichirei Logistics Kansai, Inc.

“The First Choice of Clients” Awards ceremony (FY2023) (Only available in Japanese)



Cultivating Human Resources and Improving Work Satisfaction

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

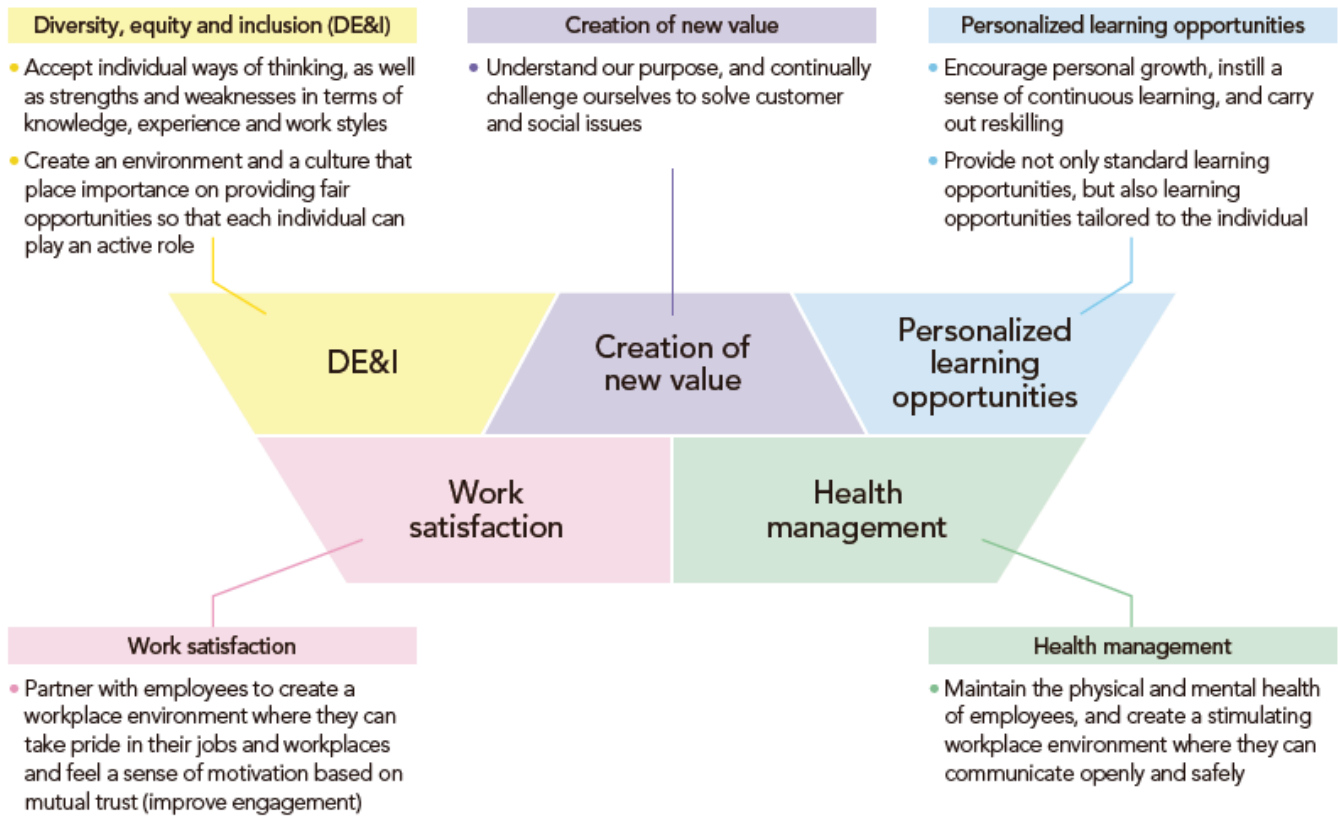
(The Kind of Human Resources We Need and the Organization That We Aim to Be)

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)



Eight Themes Based on Our Human Resource Strategy

● Health management ● Work satisfaction ● DE & I ● Creation of new value ● Personalized learning opportunities ● Labor

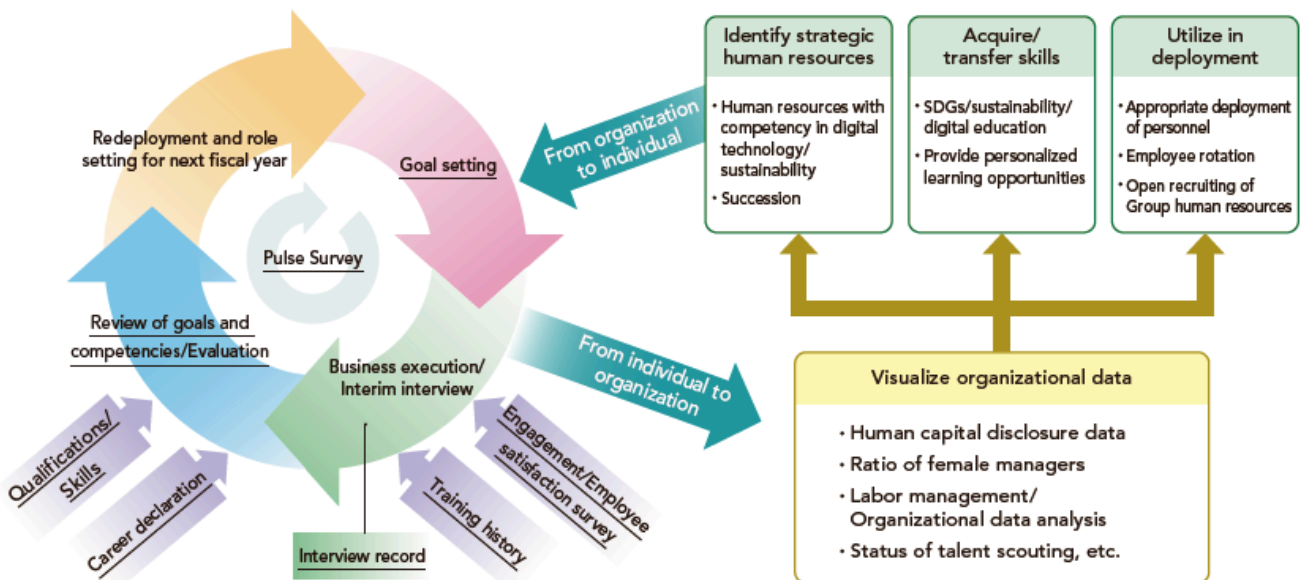
Perspective							Theme	Objective
1	●						Improve employee performance through health maintenance and promotion	We will promote measures to reduce presenteeism and absenteeism, with the aim of ensuring that all Group employees, regardless of age or gender, are both physically and mentally healthy at all times and are working with enthusiasm.
2		●					Strengthen the relationship of mutual trust between the Company and its employees	Because mutual trust between a company and its employees (engagement) correlates with business performance, we aim to improve engagement by measuring and analyzing engagement levels and implementing a PDCA cycle to address issues.
3		●	●				Provide opportunities to women employees and realize their active engagement	As the percentage of motivated women employees in management positions increases and both employee attributes and values regarding work diversify, we will reassess the male-dominated workplace and deploy measures to fully leverage the abilities of all motivated employees.
4			●	●			Develop human resources to support overseas business promotion	Since the growth of overseas business is essential to achieving management goals, we will increase the number of human resources able to play an active role internationally. Measures will include providing opportunities to acquire the skills necessary to promote and support overseas business, offering career paths that include overseas business experience, and encouraging employees to take on challenges overseas.

Perspective						Theme	Objective
5				●	●	Educational practices related to digital and sustainability	We will raise the overall level of employee digital skills by providing educational opportunities related to digital and sustainability as basic skills that will be required in the coming era and society, in addition to offering further learning opportunities to motivated individuals.
6				●	●	Provide independent learning opportunities and practice	By identifying the staff size and the types of skills necessary to implement management measures and by clarifying employee skills, we will create a system that enables employees to understand their own strengths and deficiencies and to independently learn the skills and acquire the knowledge they need. To underpin this initiative, we will also foster a corporate culture of self-directed study.
7	●	●		●	●	Obtain new perspectives from inside and outside the Group	To both resolve social issues and grow our business, we will create mechanisms and provide opportunities to encourage the revitalization of the organization and the acquisition of new knowledge through the exchange of human resources and knowledge both inside and outside the Group.
8					●	Compliance with laws and regulations and maintenance of a safe and secure working environment	Labor and management will work together to maintain and improve workplace environments and systems that allow employees to work safely and with peace of mind.

Note: KPIs have been set for themes 1, 3 and 6.

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.

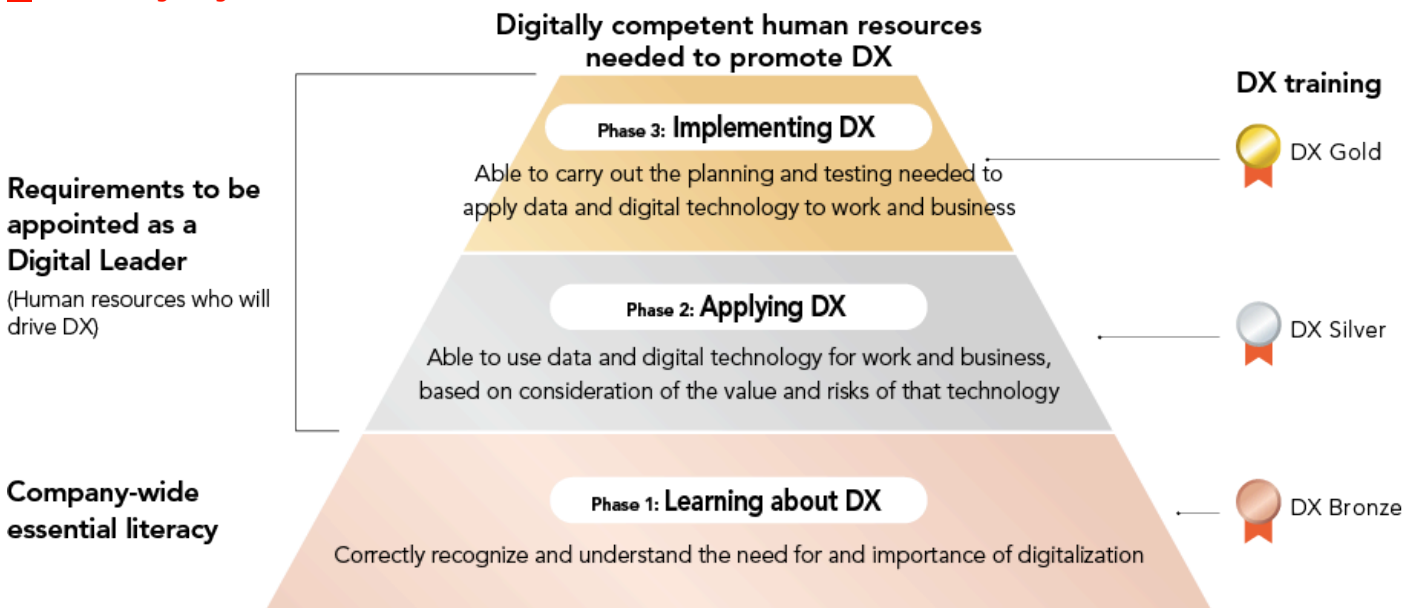


Implementation of Digital Transformation (DX) Training

Medium-term Business Plan Compass Rose 2024, which began in FY2023, promotes the use of data and technology in the Nichirei Group as a high-priority human resource development measure, and we have been expanding learning opportunities tailored to individuals.

In the final year of Compass Rose 2024, we aim to appoint a Digital Leader in each department of our main operating companies in Japan to promote the use of data and technology. The program will be implemented in tiers, from DX Bronze—the introductory program providing the essential points of digital literacy—to DX Silver and DX Gold. DX Bronze targets all employees (approximately 3,500 people) at our main domestic operating companies, who are scheduled to complete this program by the end of FY2024. DX Silver and DX Gold will then provide learning programs tailored to individual competency levels.

DX Training Program



Hours of Study for DX Training Program (Three-Year Plan)

Training Level	Content	FY2023 Results	FY2024 Forecast	FY2025 Plan	Three-year Total
DX Gold	<ul style="list-style-type: none"> Workshops Individual training 	—	10 people (200 hours)	140 people (2,800 hours)	150 people (3,000 hours)
DX Silver	<ul style="list-style-type: none"> E-learning Workshops 	About 50 people (800 hours)	450 people (7,500 hours)	450 people (7,500 hours)	950 people (15,800 hours)
DX Bronze	<ul style="list-style-type: none"> E-learning 	About 1,200 people (11,000 hours)	2,600 people (24,700 hours)		30,800 people (35,700 hours)

DX Silver

DX Bronze training is input-based, consisting only of e-learning, but DX Silver incorporates workshops in addition to knowledge acquisition through e-learning.

Transform work through digitalization!

Develop perspectives for digitalizing business operations

Transform work by leveraging data!

Learn that you can utilize the data around you

Think about where to start and create opportunities to begin DX activities

Implementation of Sustainability Education

The Nichirei Group has been ramping up sustainability management by implementing position-based study sessions and education and training programs for all levels of employees since FY2023.

FY2023–FY2025 Plan for Position-Based Sustainability Training

	FY2023	FY2024	FY2025
Officers Directors, Audit & Supervisory Board Members, Executive Officers Officers of operating companies	Study sessions on sustainability (6 times)	Study sessions on sustainability (3 times)	Study sessions on sustainability (As needed)
Managers or above General managers Group leaders and managers Newly appointed managers or above		SDGs and Materiality Training "One for Future"	
New employees	Training in approaches for SDGs and social issue resolution		
All employees	Sustainability e-learning (3 times)	Sustainability e-learning (4 times planned)	Sustainability e-learning
Raw material procurement managers (Nichirei Foods and Nichirei Fresh)		Sustainable procurement (Planned)	

Study Sessions on Sustainability (For Management)

Objective	Learn the latest sustainability information and trends, measure their impact on management, and deploy that information in management strategies in both financial and non-financial contexts.
Target participants	Directors, Audit & Supervisory Board Members, Executive Officers (Outside directors, outside Audit & Supervisory Board members, operating company management members and general managers may participate voluntarily.)

We deepen learning by inviting experts to conduct lectures on topics such as sustainability management, sustainable procurement, business and human rights, climate change, a circular economy, biodiversity, and diversity of human resources.

● Study Sessions on Sustainability in FY2023

Date		Theme	Lecturer	Number of participants (number of directors in parentheses)	Percentage of Company directors attending
Session 1	April 26, 2022	Sustainability Challenges Faced by Corporations	Kenji Fuma, CEO, Neural Inc.	124 (6)	60%
Session 2	May 24, 2022	The Future of Food and Transportation	Kenji Fuma, CEO, Neural Inc.	127 (7)	70%
Session 3	June 28, 2022	Sustainable Procurement and Human Rights Issues	Hidemi Tomita, President, LRQA Sustainability Co., Ltd.	139 (8)	80%
Session 4	August 23, 2022	The Importance of SDGs and the Significance of Corporate Initiatives	Kazuo Tase, CEO, SDG Partners, Inc.	131 (9)	90%
Session 5	September 27, 2022	Business Transformation to a Circular Economy	Shinichi Tabei, Amita Holdings Co., Ltd.	140 (10)	100%
Session 6	January 24, 2023	“Human Rights” Tackled in the Supply Chain – What is the Human Rights Due Diligence Expected of Companies Nowadays?	Hiroshi Ishida, Executive Director, Caux Round Table Japan	154 (10)	100%

Study Sessions on Sustainability



■ SDGs and Materiality Training “One for Future” (For Managers or Above)

Objective	Encourage a sustainability mindset and behavioral change by providing participants with an understanding of Nichirei’s sustainability management goals and a simulated experience of achieving both social and economic value through the resolution of social issues.
Target participants	All managers or above (Approx. 1,300)

We initiated training for all Nichirei Group managers or above, approximately 1,300 individuals, in August 2023. The training employs a unique online business card game called “One for Future”, which incorporates information on the Group’s assets and material matters to deepen thinking about how to achieve both social and economic value. Participants assemble in teams (as members of different operating companies from the ones they belong to) to think about the social issues they can resolve using the Group’s strengths and capabilities.

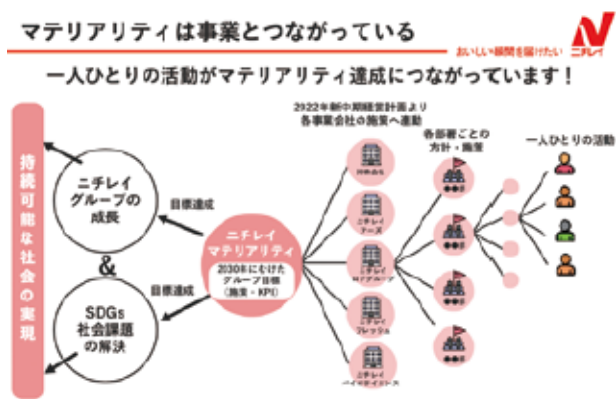


The Nichirei business card game “One for Future”

■ How to Think about SDGs and Social Issue Resolution (For New Employees and Newly Appointed Managers)

Objective	Inculcate understanding of Nichirei’s sustainability management vectors and how they relate to its material matters. Encourage participants to think about social issues the Group can help resolve, their relevance to each participant’s own work, and the mindset for resolving those issues.
Target participants	New employees and newly appointed managers

Teams think about business models through which the Group’s capabilities and strengths can be deployed to achieve both social and economic value while resolving social issues.



Training materials (excerpt)

■ Sustainability E-learning (For All Employees)

Objective	Acquire basic knowledge about the SDGs and ESG related to our business activities.
Target participants	All employees

We conduct activities related to SDGs and ESG relevant to our material matters, which encompass the environment, society, human rights, and sustainable food, in conjunction with global events. We also use videos to help participants easily understand and learn technical terms.

E-learning (theme)		Global event	Attendance rate		
FY2023	May	Circular Economy	May 22	International Day for Biological Diversity	97.1%
	November	SDGs Overview	November 20	World Children's Day	93.8%
	December	Business and Human Rights	December 10	Human Rights Day	93.9%
FY2024	June	Environment (CO ₂ Emissions Reduction)	June 5	World Environment Day	93.8%
	July	Environment (Global Warming)	July 7	Cool Earth Day	93.1%
	September	SDGs Overview	1 week including September 25th	SDGs Week	93.2%
	December	Business and Human Rights	December 10	Human Rights Day	94.2%

■ Sustainability Portal Site (For All Employees)

Objective	An intranet information platform available to all employees. In addition to disclosing the progress of the Group's sustainability activities and material matters, it also provides content on sustainability and ESG-related subjects for individuals who want to deepen their understanding.
Target users	All employees



Sustainability Portal Site

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 

Diversity, Equity & Inclusion: The Advancement of Women Employees

To achieve sustainable growth, the Nichirei Group will secure and develop diverse human resources while fostering an inclusive corporate culture in which everyone can make the most of their strengths.

■ Nichirei Foods Initiatives

Nichirei Foods launched its Diversity Promotion Department in 2022, and is carrying out a variety of activities with the goal of creating an environment where diverse people can do work that is satisfying and allows them to demonstrate their unique skills. In this context, we have positioned the advancement of women employees as an important issue for promoting diversity and inclusion. We are therefore implementing measures to help employees advance their careers while taking into account their individual life stages and values. These measures include providing opportunities for women to proactively think about their careers, creating networks among women employees, and enhancing welfare programs to support work-life balance.



Diversity Promotion Department, Nichirei Foods Inc.
Kumiko Kubo (left), and Yurika Tsurutani (right)

● Career Advancement Seminar for Women: Research & Development and Product Development Department

In March 2023, the Research & Development and Product Development Department held a seminar for their women employees in management positions, with the aim of nurturing women in management and resolving career concerns specific to their job types. The first half of the seminar featured a lecture by a woman director from outside the Group with a career in product development, and in the second half participants broke off into working groups to exchange opinions. Many participants indicated they were able to envision taking on challenges to advance their careers. They also indicated that they found the seminar's suggestions for solving problems and thinking positively from a woman's perspective very helpful for dispelling concerns about career building and embracing a growth mindset.



●Initiatives in the N-win Project for Women Employees

The N-win Project launched in 2021 aims to improve the job satisfaction of Nichirei Foods’ women employees. It involves conducting employee surveys and other initiatives that address feedback from the workplace obtained from the surveys. In FY2023, the project included a total of four roundtable discussions in which 69 women employees in their 20s participated.



Roundtable discussions	Total of four (Monthly from November 2022 to February 2023)
Participants	69 women employees in their 20s and their supervisors (Total of 77 people)
Panelists	16 people (Four people x four times); mainly people in their 30s from various occupations and areas



Executive Comments

Emi Kataoka
 Managing Executive Officer
 General Manager, Diversity
 Promotion Department
 Nichirei Foods Inc.

Nichirei Foods is responsible for the Group’s processed food business, and it must respond quickly and flexibly to the ever-changing needs of society and customers. We must therefore leverage the unique perspectives and experiences of women to incorporate new ideas when developing and marketing products and services. The Diversity Promotion Department will provide diverse role models, career support, work-life balance support, and leadership development as it continues striving to foster a workplace culture in which women are healthy, lively and satisfied with their jobs.

Nichirei Logistics Group Initiatives

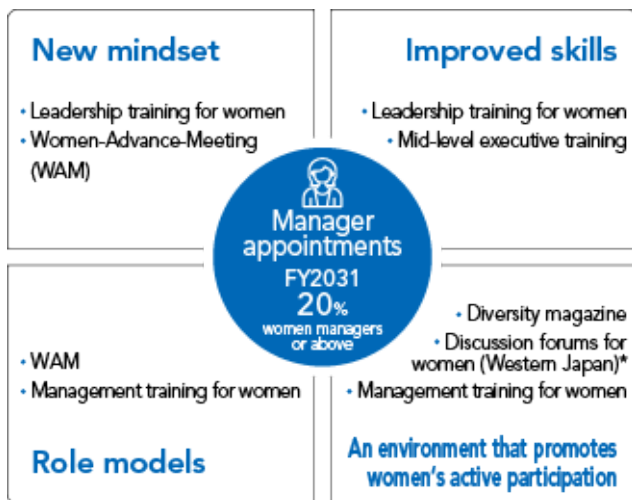
The Nichirei Logistics Group places the highest priority on diversity, equity and inclusion (DE&I) in order to innovate. Unconscious bias has a major impact on how DE&I is promoted, and many women themselves believe that their role is in the home and that the genders have differing abilities to perform work. While men currently dominate the logistics industry, the Diversity Promotion Department leads the implementation of measures for the advancement of women employees in the workplace, an issue that we will continue to address in promoting diversity.



Members of Nichirei Logistics Group's Diversity Promotion Department

● Training for Women Who Are Managers or Above (from FY2022)

The results of a survey conducted by the Nichirei Logistics Group revealed that while men rarely have concerns after being promoted to a position, the majority of women harbor a degree of hesitation or concern. Less than one in four women surveyed viewed the increase in discretion as a result of being promoted to a higher position positively. Therefore, we have initiated training for women who have been promoted to provide them with insights about the mindset and work styles of managers. A key feature of this training is that the curriculum inculcates a mindset that enables supervisors to broaden the scope of their responsibilities. Because they take part in the program alongside trainees, supervisors are cultivated as division managers able to support the development of women managers.



* Planned for Eastern Japan; held voluntarily as a result of each operating company's diversity activities.

● Women-Advance-Meeting (WAM; from FY2023)

Many people in the Nichirei Logistics Group have never seen women working in management positions at distribution centers and cannot imagine a woman having a management career. Therefore, we started conducting WAMs in FY2023 to provide an opportunity for our people to learn about women working as managers, and as an opportunity to build personal networks beyond the worksite. We hold five-person WAMs—comprising two managers and three regular employees—four times a year for 60 minutes each. They are a meaningful, pleasant forum for people to interact and think about their careers.

WAM
(Women-Advance-Meeting)

Purpose

- ① Recognize and expand values
- ② Improve the image of field of activity
- ③ Deepen women's networks

Work Satisfaction

The Nichirei Group aims to further improve productivity and create a vibrant workplace by welcoming diverse human resources, values, and ideas to energize the organization. In FY2018, we established the Nichirei Group Workplace Reform Policy. Each operating company set goals based on the policy and promoted various initiatives over the five years through FY2022. The Group Diversity Promotion Council and the Group Health Promotion Council were organized under the Group Human Resources Committee as organizations to enhance work satisfaction. These organizations discussed human resource strategies that would contribute to the realization of the sustainable growth of the entire Group, exchanged opinions on measures, shared information, and confirmed progress.

■ Work Style Reform: Main Measures and Activity Progress (FY2019–FY2022)

Policy	Enable diverse working styles		Prevent excessive working hours	Ensure equal opportunity			
Ideal State	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.	Establish systems to prevent circumstances including childbirth, childcare, nursing care, poor health, relocation of a spouse, or disease from disrupting or ending employees' careers.	Reform workstyles through labor-management collaboration to achieve appropriate working hours that allow employees to be healthy, have job satisfaction, and fully demonstrate their abilities.	Help make employees a valuable asset for the Nichirei Group by providing equal opportunities and education.		Embrace the philosophy of an inclusive society that does not discriminate on the basis of physical limitations to create workplaces and employment opportunities that enable people with physical challenges to earn a living through stimulating work.	Address longer healthy life expectancy by leveraging the unique experience of older employees and creating opportunities for them to succeed in line with their particular values and work styles.
Priority Measures	Increase working condition options	Create systems for employee career continuity	Promote paid leave	Promote the advancement of women employees	Diversity and inclusion	Provide stimulating employment opportunities for people with disabilities	Create employment opportunities for seniors

■ Initiatives to Encourage Childcare Leave

In line with the October 2022 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 Nichirei Group has revised its childcare leave system. Although the Nichirei Group's system exceeded statutory requirements prior to the act's revision, the Group addressed the revised regulations by enhancing its system in ways such as establishing childcare leave at the time of childbirth and childcare leave that can be divided into installments until the child is one year old, with both leave systems aimed at men. We also provided more options for taking childcare leave.

Taking this revision as an opportunity, Nichirei Group management met with the labor union to discuss and set a target of 100%* of male employees taking three or more days of absence or leave for childcare. By setting these targets, encouraging men to participate in childrearing and expanding opportunities for women to play an active role in the workplace, we aim to achieve work-life balance for both men and women during their child-rearing years.

* We set this target for male employees because when women employees give birth, 100% of them take childcare leave.

Employees Using Time Off for Childrearing



Percentage of Male Employees Taking Childcare Leave





Questions for a Father Who Took Childcare Leave

Q1: Please tell us about your work.

A I work in product development in collaboration with Head Office production units and business divisions. My responsibilities range from promoting the development of new lines and products made with new manufacturing methods, to domestic production bases, manufacturing methods, formulations, and capital investment.

Q2: Why did you decide to take childcare leave?

A My wife was giving birth to our third child. My eldest son is in elementary school and my eldest daughter is in daycare, so my wife was unable to take the children with her to her parents' place when it was time to give birth, as she had in the past. I needed to provide support as a father after the birth.

Q3: How much leave did you take?

A One month, from March to April 2022.

Q4: How did your supervisor and colleagues react?

A My supervisor is a mother of two children and many of my colleagues are balancing work and childcare, so everyone was supportive. The people I asked to cover for me while I was gone handled their new positions responsibly, which helped them grow as individuals.

Q5: What were the positive aspects of taking childcare leave?

A I thought life focused on a newborn baby would be challenging, but it was actually really fun because my wife and children and I did it together. Also, my eldest son happened to be on spring break, so the extra time spent together as a family was great.

Toshiyuki Kasai

Product Development Department
Nichirei Foods Inc.



Questions for the Supervisor

Q1: What did you think when Mr. Kasai approached you with the request for childcare leave?

A Mr. Kasai is a father who takes part in housework and childcare on a daily basis, so my first thought was that childcare leave would be very meaningful for him. I also wanted to create a good example that would help young men in my department follow in his footsteps.

Q2: What did you do about his work during his absence?

A It was only one month, so preparing for his absence was easy enough. We arranged meetings to discuss and make necessary decisions before Mr. Kasai went on childcare leave, which helped younger employees follow through with the execution of those decisions during his absence.

Q3: What is the most positive aspect of this experience?

A Naturally, the younger people who usually had the benefit of Mr. Kasai's support and instructions to back up their work were a bit anxious and concerned, but they thought things through and took on Mr. Kasai's leadership role to report at meetings and handle other matters. I think it was a great experience for them.

Q4: What advice do you have for other supervisors?

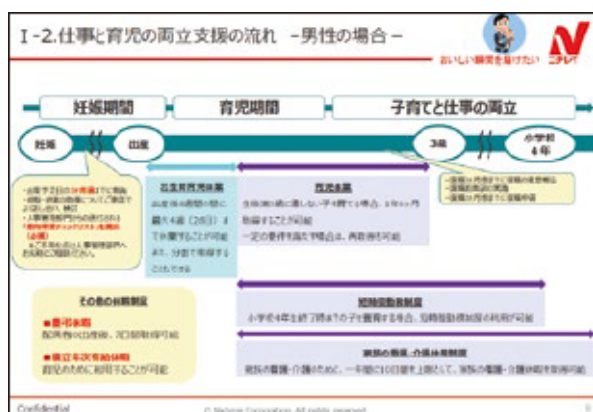
A An effective approach is to have careful advance discussions with the employee taking leave about the allocation of work before and after the childcare leave period and the division of roles during the childcare leave period, as well as to have group members share in and understand these discussions. Another key is having a system in place to deal with unforeseen circumstances.

Makiko Shiraishi

Product Development Department
Nichirei Foods Inc.

Next Generation Development Guidebook

This guidebook focuses on the Nichirei Group’s absence and leave systems for childbirth and childcare, with the aim of helping both men and women achieve work-life balance during childrearing years. The guidebook has sections for women and men that provide information on support for balancing work and childcare, prenatal preparations, and necessary procedures at each stage from childbirth to the return to work.



The Next Generation Development Guidebook

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.

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.

Pay Gap between Male and Female Employees [▶](#)

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 [▶](#)

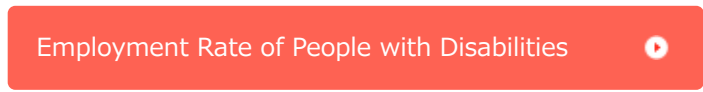
Number of employees (by type of employment, by level, and by gender) [▶](#)

Number of employees hired (new graduates and career) [▶](#)

Percentage of non-company Employees [▶](#)

■ **Creating Stimulating Employment Opportunities for People with Disabilities**

The Nichirei Group actively promotes the employment of people with disabilities, 33 of whom work at Nichirei Aura Inc., a special Group subsidiary. They are engaged in a wide range of operations, including cleaning of office interiors and maintenance of green spaces at the Head Office, the food factories of Group companies, and distribution centers. The Group will continue to create comfortable workplace environments for people with disabilities.



■ **Supporting Non-Japanese Trainees' Careers**

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.

■ Providing Employment Opportunities 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 staff members, whose experience and knowledge contribute to Group development.



Lecture on frozen foods during a virtual factory tour



Senior staff member teaching elementary school students about food

— 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–FY2022)

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-flexible working 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

Policy	Ideal State	Priority Measure	Main Activity			
			FY2019	FY2020	FY2021	FY2022
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.	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 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"> • Introduced new expense settlement system • Introduced planned five-day annual leave system • Implemented e-learning: 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"> • Set quantitative target (average annual paid leave use of at least 10 days across the Group), and encouraged employees to take annual leave • Ongoing implementation of measures against overwork through labor-management collaboration • Implementation of human resource management education via e-learning 	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
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 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) 	<ul style="list-style-type: none"> Nichirei Foods: Diversity Forum Deepen understanding 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) 	<ul style="list-style-type: none"> Nichirei Foods: Diversity Forum <ul style="list-style-type: none"> Lecture held (February 25, 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 <ul style="list-style-type: none"> Meeting of general managers of planning departments from 6 food manufacturing companies <ul style="list-style-type: none"> 2 executive officers, 5 general managers, 14 employees from secretariat (21 people from 6 companies) Nichirei Foods: 10th year of J-win <ul style="list-style-type: none"> Female leaders training program organized by non-profit organization J-win (one-year program) 	<ul style="list-style-type: none"> Foods: Implementation of the diversity forum "SPIRAL UP" 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 <p>* Total number of executives and positions: 450 / Total number of general employees: 1,340</p> <ul style="list-style-type: none"> Logistics Group: Unconscious Bias Organization Analysis (12 domestic companies)

Policy	Ideal State	Priority Measure	Main Activity			
			FY2019	FY2020	FY2021	FY2022
	Job positions and employment opportunities for people with disabilities shall be created to enable them to earn a living through stimulating work, with a vision to ultimately eliminate the distinction between people with or without disabilities in society.	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)
	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	<ul style="list-style-type: none"> 59 employees rehired after retirement (64 retirees) 	<ul style="list-style-type: none"> 57 employees rehired after retirement (65 retirees) 	<ul style="list-style-type: none"> 51 employees rehired after retirement (59 retirees) 	<ul style="list-style-type: none"> Number of employees rehired after retirement: 27 (Number of employees who retired after retirement: 33)

Health Management

Basic Philosophy

Since FY2016, 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 ~ Established in April 2016 ~

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.

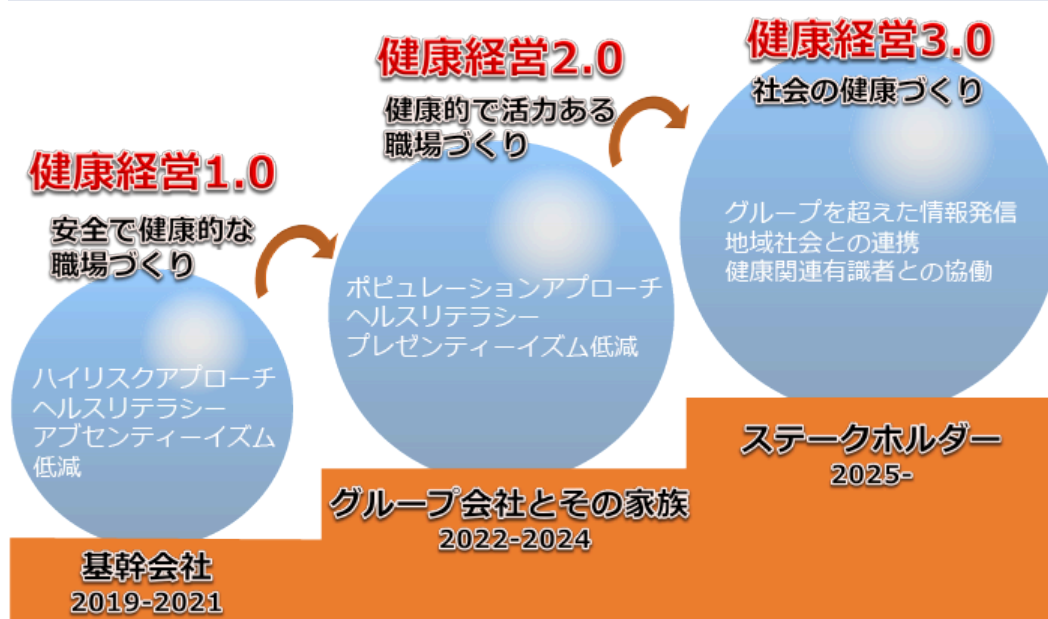
<Basic Policy>

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."

■ Purpose for the Nichirei Group Health Management

【健康保持・増進による従業員パフォーマンス向上】

グループ全従業員が、年齢・性別に関わらず常に心身共に健康でいきいきと働いている状態を目指して、プレゼンティーズム・アブセンティーズムを低減させる施策を推進する。
また、グループ従業員のみならず、その家族、サプライヤー、地域社会の健康課題解決も視野に入れる。



Management System

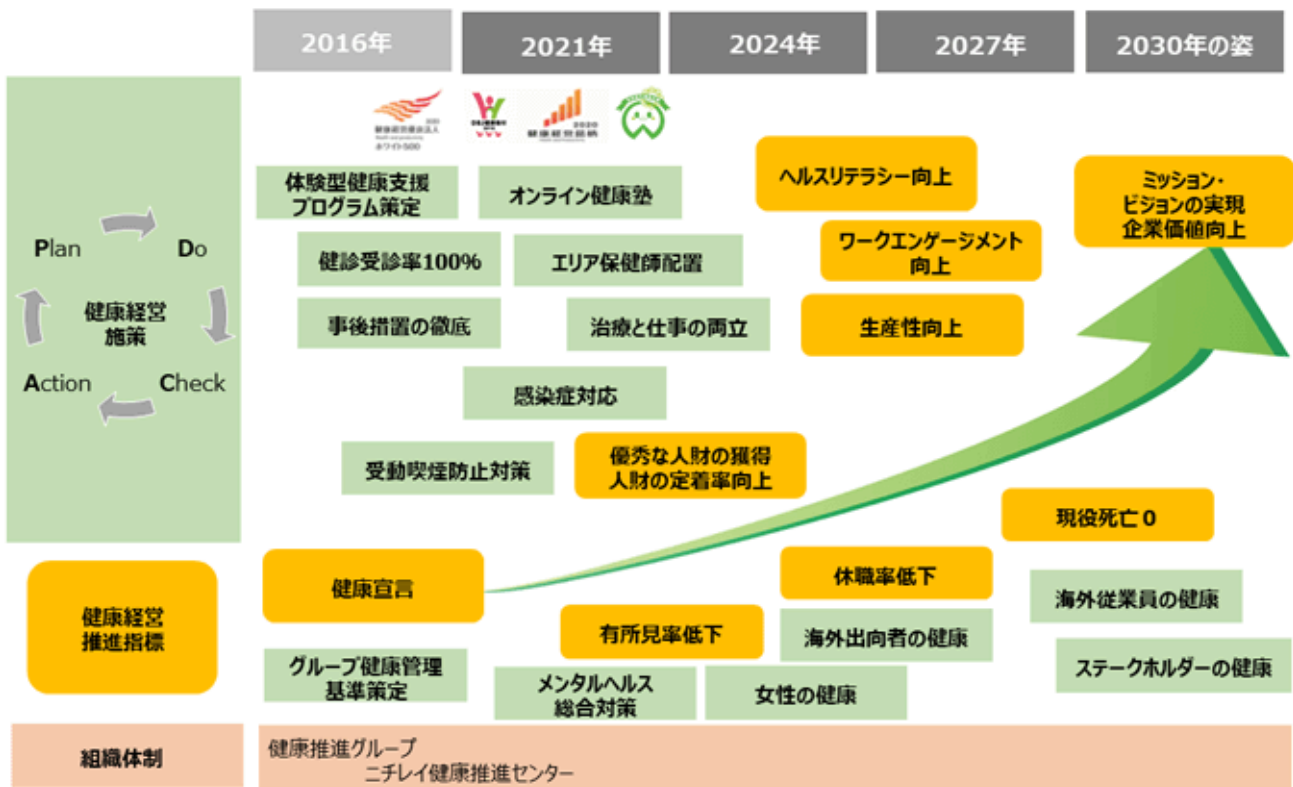
In FY2016, the Health Promotion Group was established in Human Resources Strategy & General Affairs as the section dedicated to health management. In FY2017, the Group formulated the Nichirei Group Health Declaration and Group Health Management Standards. In addition to publicizing this declaration both 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.



Nichirei Health Promotion Center employees

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.

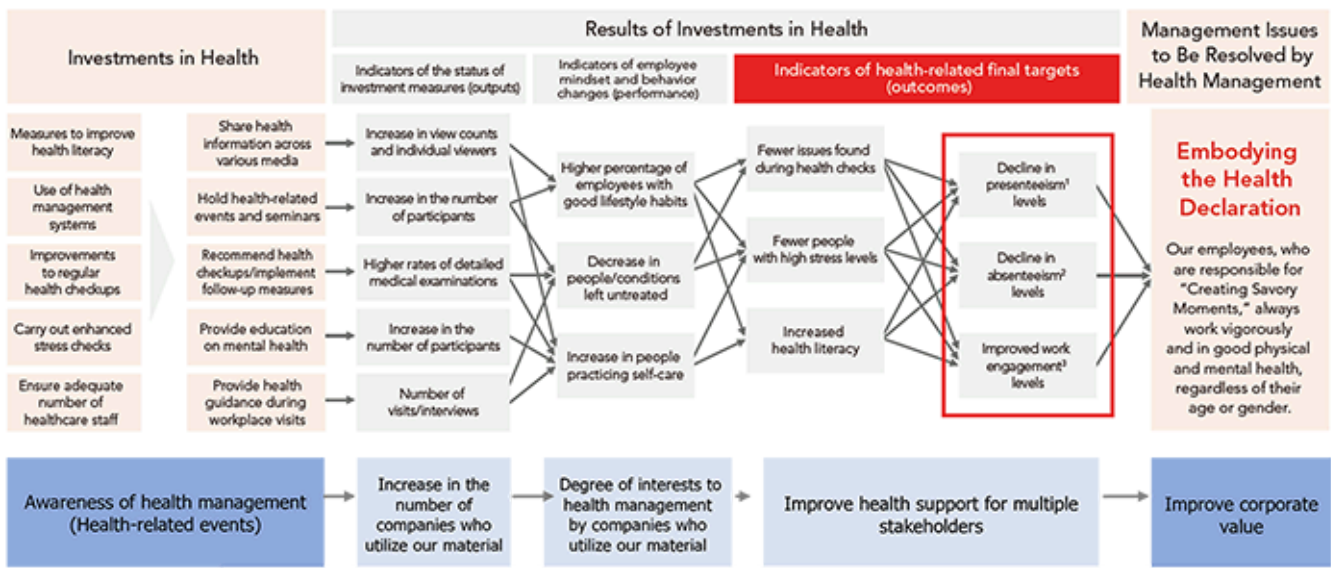


Nichirei Group Health Management Strategy Map

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.

~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.



1. Presenteeism: Continuing to work despite health issues
2. Absenteeism: Taking time off work
3. Work engagement: A concept indicating the mental health of employees, a state of mind in which three criteria (dedication, absorption and vigor) are met

Health Management Initiatives

Improving Employee Performance by Maintaining and Improving Health

As for regular health checkups, x-ray examinations for early detection of tuberculosis and various cancer screenings are conducted, and thorough follow-up measures are taken by occupational healthcare staff. In addition, we conduct health awareness activities and stress checks, and implement various health promotion measures such as a hands-on health support program for employees that utilizes Nichirei Foods' frozen health management meal Kikubari-Gozen™. We support good eating habits and health. As such, we promote measures that enable our employees to always work vigorously and in good physical and mental health, regardless of their age or gender. To reduce absenteeism and presenteeism we make enhancements to our occupational health systems, conduct health literacy education, and provide support for balancing medical treatment and work. In recognition of these efforts, we were chosen for inclusion in the 2023 Health and Productivity Stock Selection. This is our third selection, following FY2021 and FY2022 selections. Moreover, we have also been recognized under the Certified Health and Productivity Management Organization Recognition Program in the large enterprise category for seven consecutive years.

	FY2023 Results	FY2025 Targets	FY2031 Targets
Absenteeism ※1	3.6 days	2.6 days	1.0 days
Presenteeism ※2	79%	85%	90%

※1 Lost workdays due to poor physical or mental health/Average absenteeism in Japan: 2.6 days (referred by Ministry of Economy, Trade and Industry)

※2 Actual performance level, compared with normal performance level (set at 100%)/Average presenteeism in Japan: 85% (referred by Single-Item Presenteeism Question)

List of Certifications

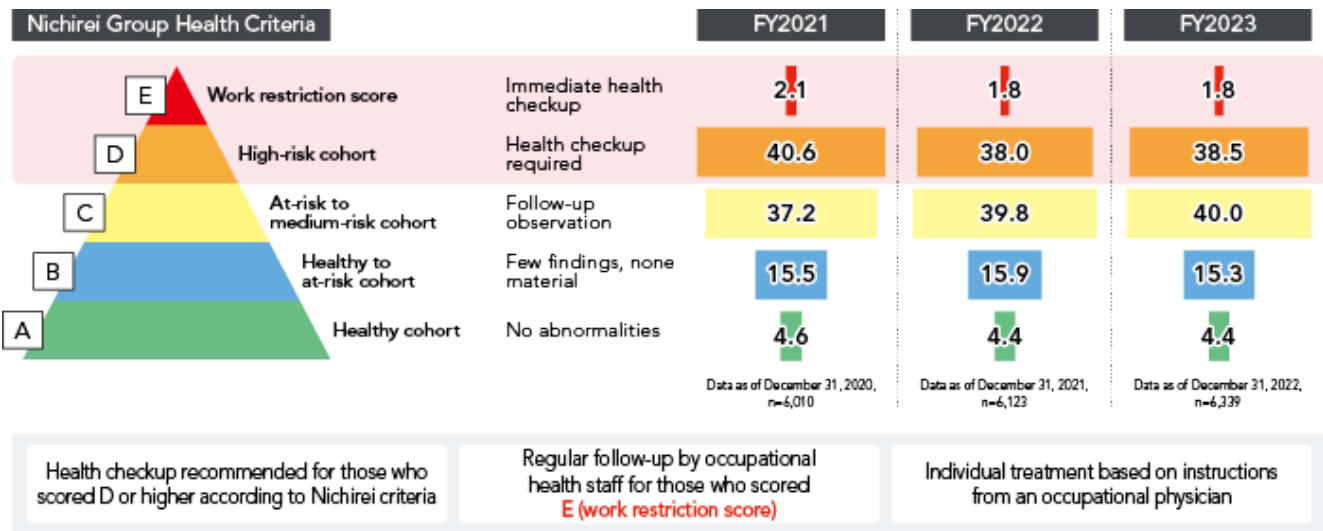


Physical Examinations and Follow-Up Measures

Since FY2019, we have achieved a 100% annual health checkup rate for our employees in Japan. In addition, with the aim of achieving zero deaths in service (while employed by the Company) we provide follow-up measures that include interviews and guidance from public health nurses via e-mail or other online tools, based on the judgment of an occupational physician.

In particular, we are enhancing support for people with work restriction scores by requiring periodic treatment confirmation based on the revised employment regulations.

● Regular Health Checkups by Overall Score (%) (Including Non-statutory Items)



■ Health Management for Japanese Employees Working Overseas

We are enhancing initiatives to ensure that employees working overseas receive the same health management support as employees working in Japan.

● Interviews with Public Health Nurses for Japanese Employees Posted Overseas

We are conducting online public health nurse interviews using Teams to maintain and improve the health of employees working overseas. In addition to interviews before departure and upon return to Japan, in FY2023 we also initiated annual interviews during overseas assignments to detect employees with health issues early on, provide support, and understand the health issues unique to working overseas. In FY2023, we conducted interviews with public health nurses for approximately 100 people, including those who requested health consultations themselves and those for whom supervisors made the request.



An online interview with a public health nurse

■ Mental Health

Having started with stress checks, we implement an integrated mental health strategy. In addition to helping employees with mental health concerns, we promote good mental health through including revitalizing workplace communication.



Rapid change in the workplace environment in recent years has increased the chance that managers will be faced with employees' mental health issues. Responding to this situation, the Nichirei Group renewed its mental health education program in FY2024.

Theme: Improvement of mental health-related skills for managers

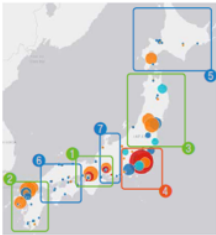
- Changed from voluntary to mandatory training. (All managers are expected to complete the training within four years.)
- Care is also provided for managers, who are burdened by their responsibilities.
- Expanded from online-only training to include in-person training as well.
- Introducing a system for certifying those who complete the training. (To make it easier for such individuals to actively promote mental health in their respective workplaces, and to establish a network linking them across the organization so they can share information.)

Enhancing our occupational health system

Aiming that employees to have access to the same level of health promotion services anywhere in the country, we assigned public health nurses in Tohoku, Kansai, and Kyusyu areas by FY2022.

In FY2023, public health nurses at Health Promotion Center began visiting 13 large workplaces in the Tokyo metropolitan area. The activities include individual support, such as interviews with those who have received a "D" rating after health checkups to prevent serious illness, and mental follow-up for high-stress individuals and those who have returned to work. In addition, we provide health guidance on lifestyle improvement and stop-smoking.

For large organizations, holding health classes in accordance with the health issues at workplaces and conducting workplace inspections.



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・中部・中四国エリア
 保健師配置予定 ⑤ ⑥ ⑦



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. 5,725 employees participated in total by the end of FY2023.

In FY2023, the results of health checkups showed that the percentage of patients with poorly controlled diabetes decreased from 1.8% to 1.3% and the percentage of patients with well controlled hypertension improved from 40.6% to 47.6%. 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.



Health-related event, called Nichirei kenko Juku



—Support for Balancing Medical Treatment and Work—

We aim to create a workplace environment in which Nichirei Group employees who develop a disease or condition that requires long-term medical treatment can stay in their jobs and balance treatment and work with peace of mind. The three fundamentals of our measures are treatment-work balance consultation, education and awareness, and cooperation among Group companies.

Treatment-work balance consultation involves annual interviews with affected individuals who interact with public health nurses, so that we can find out more about their opinions and requests regarding appropriate measures.

In May 2023, we also began operating an online survey called Everyone’s Tweet Room to gather employee feedback.

We held three seminars for education and awareness in FY2023.

July 2022	Kenichi Ishii, Hulic Insurance Service Co., Ltd.	Cancer, Money and Work	20 participants
October 2022	Takashi Sekikawa, Supervising occupational physician	Current Status of Cancer Treatment	24 participants
February 2023	Chiaki Hara, Yotsubanokai	Caring for My Body	46 participants

We provide opportunities for employees to view cancer and other illnesses as personally relevant, obtain accurate information, and think about creating a better work environment.

There are four seminars planned during FY2024.

In addition, we strive to disseminate accurate and reliable information through channels including in-house bulletin boards.

両立支援策取り組みの目的と意義

おいしい職場を届けたい ニチレイ

■ 取り組みの目的
長期治療が必要な疾病に罹患した従業員が、治療をしながら仕事を継続できる環境を整えること。

■ 取り組み意義（メリット）

企業のメリット

- ・継続的な人材確保
- ・人材の定着、生産性の向上
- ・会社に対するロイヤリティの高まり
- ・多様な人材の活用
- ・組織としての社会的責任の実現

従業員のメリット

- ・安定収入
- ・仕事が続けられる安心感
- ・生きがい・モチベーション
- ・孤独感や不安の軽減

■ 対象疾病
回復・継続して治療が必要となる、がん（放射線治療など）、脳卒中、心疾患、糖尿病（透析治療など）、肝炎、その他、難病など

Everyone’s Tweet Room—
Support for Balancing Medical
Treatment and Work

Everyone’s Tweet Room is a forum for employees to voice their thoughts about balancing medical treatment and work.

—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.

● Structure: Women's Health Promotion Policy

女性の健康づくり方針

「女性の健康づくり」に取り組むことで、女性活躍を支援するとともに健康経営をより一層進め、ニチレイグループで働く多様なすべての従業員の働きやすさや生産性向上に寄与し、ニチレイグループの持続的な成長へつなげていきます。


女性の健康づくり
2024年度末の
ありたい姿

- 体調に左右されずに仕事の成果を出せている
- 自ら相談できる、対処できる人が増えている
- 社内制度を活用しやすい職場環境の構築(自ら発信しやすい環境づくり)

体制整備

教育・啓発

支援



● Education・Awareness: Conduct seminars regularly

<Online Seminars>

On menstruation: July 20, 2022, 30 participants

On menopause : July 26, 2022, 62 participants

Seminar by Dr. son : March 8, 2023 84 participants

ルナルナ オフィス 月経プログラム

～女性も男性も、みんなに知ってほしい～

女性のカラダ基礎知識セミナー

こんな方におすすめです！

- 生理に伴う不調を少しでもお持ちの方
- パートナーをサポートするために基礎知識を身につけたい方
- 今は生理に伴う不調はないが知識を深めたい方
- 風通しの良い職場づくりを進めたい役員の方

セミナー詳細

女性のライフスタイルの変化や生活にまつわるカラダの仕組み、心身への影響、それに対する対処方法など女性のカラダについての最新知識を深める内容です。

実施日時 2023年10月24日(火) 15:00～16:00 Teams開催

※当日の参加費は、セミナー実施直前に申込者へお送りいたします。

対象者 全従業員

所属	参加費	備考
全従業員	6,000円	※4日研修受講生(1回目)は参加費が無料となります。
役員	7,920円	
役員(役員)	6,000円	
役員(役員)	1,920円	※10月研修受講生(1回目)は参加費が無料となります。
役員(役員)	1,920円	※10月研修受講生(1回目)は参加費が無料となります。

講師

千葉大学大学院医学研究科産科生体医学 教授
甲賀かをり先生

プログラム概要

生理に伴う不調に対して気軽に婦人科にかかることができる職場づくりと通院にかかる負担を軽減するため、「ルナルナ オフィス 月経プログラム」を実施します！

啓発

全従業員

啓発

全従業員

啓発

全従業員

お問い合わせ先：ニチレイ健康推進センター N1000035@nichirei.co.jp/03-3248-2377

ルナルナ オフィス 更年期プログラム

～女性も男性も、みんなに知って欲しい～

更年期の基礎知識セミナー

こんな方におすすめです！

- 更年期に伴う不調を少しでもお持ちの方
- 今は更年期に伴う不調はないが有難いために知識を深めたい方
- パートナーをサポートするために基礎知識を身につけたい方
- 風通しの良い職場づくりを進めたい役員の方

セミナー詳細

女性の経年～閉経にかけての不調、更年期に伴う不調とその原因、その対処法など女性のカラダについての最新知識を深める内容です。

実施日時 2023年10月25日(水) 15:00～16:00 Teams開催

※当日の参加費は、セミナー実施直前に申込者へお送りいたします。

対象者 全従業員

所属	参加費	備考
全従業員	6,000円	※4日研修受講生(1回目)は参加費が無料となります。
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役員(役員)	1,920円	※10月研修受講生(1回目)は参加費が無料となります。

講師

イータ総合医療院 産婦人科専門医、女性ヘルスケア専門家・医学博士
高尾 美穂 先生

プログラム概要

セミナー後、希望者へのオンライン診療を通じた薬剤の処方によるQOL・健康状態を改善する「ルナルナ オフィス 更年期プログラム」を実施します！

Step 1.啓発

Step 2.啓発

Step 3.啓発

Step 4.啓発

お問い合わせ先：ニチレイ健康推進センター N1000035@nichirei.co.jp/03-3248-2377

2022年度 女性の健康施策

女性の健康づくりeラーニング受講案内

ニチレイグループは、多様な人材がいきいきと働ける職場環境や組織風土づくりの一環として、「女性の健康づくり」を推進してまいります。
本eラーニングは性別問わず、すべての従業員に女性の体のしくみや健康課題への理解を深めていただき、働きやすさや生産性向上に繋がることを目的として実施します。是非、ご受講ください。
このほか、7月以降「ニチレイ健康助2022特別セミナー-女性の健康づくり」も別途開催いたします。

体制整備

教育・啓発

支援

【eラーニング実施案内】

項目	対象者	実施時期	受講回数	目的
女性の健康	ニチレイグループ全従業員	6月23日～2023年2月末	1回/年	ニチレイグループが目指す多様な人材がいきいきと働ける職場環境や組織風土づくりの一環として、「女性の健康づくり」を推進してまいります

【個人情報の取扱いについて】

①個人情報の利用目的
個人情報は、当eラーニング実施状況の把握の目的のみ利用いたします。
②個人情報の第三者への提供について
法令に基づき必要および関係会社へ提供する場合を除き、ご本人の同意なく第三者へ個人情報を提供いたしません。
～ニチレイグループ健康推進～

「おいしい職場を届けたい、その思いを大切に、ニチレイグループで働く人ひとりの健康づくりの取り組みです」

本件問合せ先 (eラーニングの内訳・解説・印刷) :
ニチレイ健康推進センター-N1000035@nichirei.co.jp

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ルナルナ オフィス 月経プログラムとは

生理周期を安定させたい
生理に從う不調を軽減したい
生理痛を軽くしたい
経血量を減らしたい
低用量ピル処方に從う通院の手間が気になる
低用量ピルについて医師の意見を聞きたい

上記のようなお悩みをお持ちの方向けに、

オンラインでの婦人科受診 低用量ピルの処方・自宅への配達

を法人負担で提供する新しい福利厚生制度です。

ルナルナ オフィス 更年期プログラムとは

更年期に從い、以下のような不調をお持ちの方が対象となるプログラムです。

イライラしやすく感情の起伏が激しい
不眠・睡眠のトラブルが気になる
漢方やサプリメントに興味があり、自己負担なしで試してみたい
漢方やサプリメントを飲みべきか医師の意見を聞きたい

オンラインでの婦人科受診 漢方やサプリメントの処方・自宅への配達

を法人負担で提供する新しい福利厚生制度です。

The maximum allowed for each session: 30 persons
The persons apply to these sessions: all women employees at Nichirei Group
Period: 1 year (4 sessions are planned in FY2024)

—Prevent secondhand smoke—

Smoking has been prohibited during working hours since April 2022, and indoor smoking rooms were abolished at the end of March 2023.

We are working to educate all employees by providing e-learning programs on passive smoking countermeasures.

In addition, the Nichirei Health Insurance Association offers a stop-smoking program to those who wish to stop smoking.

そもそも、受動喫煙って？

副流煙 呼出煙 主流煙

受動喫煙 = 副流煙・呼出煙

主流煙 < 副流煙
副流煙のほうが有害物質が多く含まれている！

ニチレイグループ 受動喫煙対策

【目的】望まない受動喫煙を防止し、従業員一人ひとりが働きやすい環境をつくる

環境整備
・就業時間内禁煙の周知
・各事業所へのヒアリング

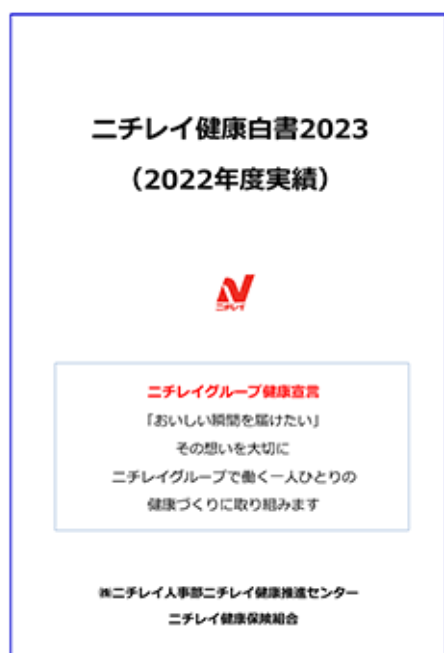
教育・啓発
・eラーニング
・保健師面談時に禁煙情報の提供


卒煙支援
・卒煙プログラムの提供


喫煙者VS非喫煙者にしない！ 吸う人も吸わない人も一緒に取り組む！

—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 \(Only available in Japanese\)](#) 

Governance

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Corporate Governance

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 that includes processed foods, marine products, meat and poultry products, temperature-controlled 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 adheres to 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 continue to strengthen governance by promoting appropriate resource allocation, speeding up decision-making and ensuring thorough compliance.

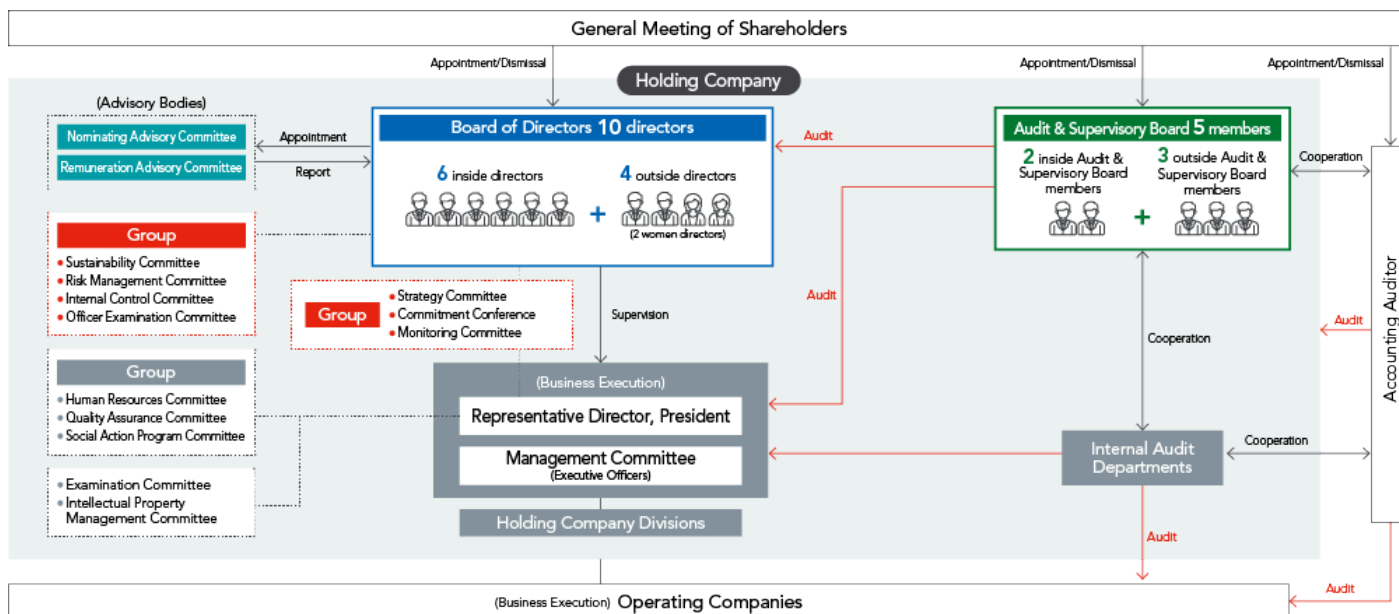
In addition, we have established ourselves as a company with an Audit & Supervisory Board system, an institutional design specified within the Companies Act of Japan.

Basic Policy on Corporate Governance



Management System

Corporate Governance Structure



Corporate Governance, Integrated Report 2023



Corporate Governance Framework



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

	FY2002	FY2006	FY2007	FY2013	FY2016	FY2017	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
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		
(Of which, Women Outside Directors)		One First woman 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					Establishment of Basic Policy on Corporate Governance	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 FY2023	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.

■ Specific Discussions at Board of Directors' Meetings

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 specific matters discussed during FY2023 were as follows.

Management Strategies	Establishment of KPIs for the Nichirei Group's material matters (materiality) and the issues to be addressed in order to achieve them
Medium-term Business Plan	Progress of Medium-term Business Plan Compass Rose 2024 and issues to be addressed
Sustainability	Formulation and promotion of the Group Human Resources Policy and the Nichirei Group's Sustainable Marine Product Procurement Guidelines and Sustainable Palm Oil Procurement Guidelines, and issues to be addressed
Governance	The ideal state of a monitoring model-oriented Board of Directors, as well as revisions of the Board's official rules, regulations and the standards for agenda items in order to achieve said ideal state
Business Strategies	Management strategy issues related to important domestic and overseas investments

■ Overview of Audit & Supervisory Board

Composition	5 Audit & Supervisory Board members (3 outside Audit & Supervisory Board members)
Number of meetings in FY2023	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	Number of Meetings in FY2023
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	8
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	5

■ 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.

Notice of the 105th Annual General Shareholders Meeting



■ 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 both internal and external members with sufficient knowledge and experience 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.







■ Skills Required for Decision-making in Management (Contributing to Medium- to Long-term Corporate Value)








Corporate Management	Demonstrated leadership in corporate management as a top executive; management experience at a listed company with diverse stakeholders
ESG/Sustainability	Experience and expertise in promoting ESG initiatives; knowledge of and experience in making value judgments about ESG and social significance and sustainability for companies; knowledge and experience in promoting corporate sustainability; experience and expertise in human resource development related to continuously developing diverse human resources
Global	Cross-cultural communication skills and a high level of ability to get things done in overseas business as well as knowledge and expertise about markets, economies and business in specific countries and regions gained through experience including the management of local subsidiaries
Innovation/Marketing	Knowledge and expertise that contribute to promoting innovation; experience and expertise in sales and marketing

■ Skills Required for Supervision in Management (Contributing to Ensuring Continuity of Management)

Corporate Management	Demonstrated leadership in corporate management as a top executive; management experience at a listed company with diverse stakeholders
Financial Accounting/Finance	Expertise in financial accounting related to financial reporting and auditing; experience and expertise in corporate financing and management
Legal Affairs/Compliance	Experience and expertise in legal compliance, regulatory compliance, internal controls, and promotion of norms and corporate behavior required by society; experience in the legal profession; expertise and network related to quality assurance

■ Experience and Skills

		Corporate Management	ESG/ Sustainability	Global	Innovation/ Marketing	Financial Accounting/ Finance	Legal Affairs/ Compliance
Directors	 Kenya Okushi	●	●	●	●		
	 Kazuhiko Umezawa	● (Logistics)		●	●		
	 Masahiko Takenaga	● (Processed foods)		●	●		
	 Wataru Tanabe	● (Marine, meat and poultry products)		●	●		
	 Kenji Suzuki ²		●	●		●	
	<small>Non-Appointed</small>  Yulchi Takaku		●	●	●		
	<small>Designated as Independent Officer</small>  Kuniko Shoji		●			●	●
	<small>Designated as Independent Officer</small>  Mana Nabeshima		●	●		●	

	 <small>Designated as Independent Officer</small> Itsuo Hama ²	●	●	●		
	 <small>Designated as Independent Officer</small> Kenji Hamashima ²	●	●	●		
Audit & Supervisory Board Members	 Tatsushi Kato		●			●
	 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				●	●

[Officer Career Summaries \(As of June 27, 2023\)](#)



[Board of Directors Composition](#)



[Number of Meetings of Various Committees, etc., and Number of Board Members in Attendance](#)



■ Succession Plan

The Company positions the succession plan for the representative director, president as one of its most important issues, and implements this initiative from a medium- to long-term perspective based on the Group's Management Principles. Specifically, the Nominating Advisory Committee, which is chaired by an outside director, carries out training, monitoring, and selection of successor candidates according to the selection process, and reports its findings to the Board of Directors based on thorough discussions.

Based on the Nominating Advisory Committee's report, the Board of Directors approves the proposed new Group officer structure and decides on the representative director, president.

■ 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, an 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

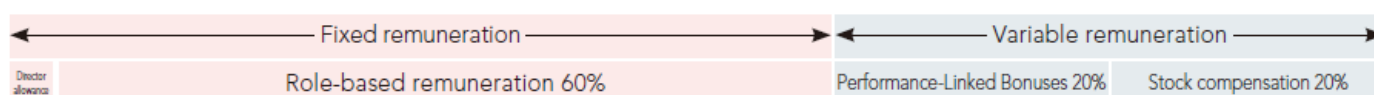
Directors (Excluding Outside Directors)	<ul style="list-style-type: none"> • Remuneration shall strongly encourage directors to perform their duties in accordance with the Group's Management Principles, Sustainability Policy, The Nichirei Pledge and management strategies. • In order to achieve long-term 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%				

④ Procedures 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 details of officer remuneration for FY2023 are presented in the 105th Annual Securities Report.

Annual Securities Report > Procedures for Determining Remuneration



■ The total amount of officer remuneration in FY2023

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)	110 (210)	30 (63)	62 (62)	203 (336)	7 (7)
Outside directors	46	—	—	46	6
Audit & Supervisory Board (excluding outside Audit & Supervisory Board members)	48	—	—	48	3
Outside Audit & Supervisory Board members	32	—	—	32	3
Total	237 (337)	30 (63)	62 (62)	330 (463)	19 (19)

*1 The above includes one director and one Audit & Supervisory Board Member who retired at the conclusion of the 104th Annual General Shareholders Meeting held on June 24, 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 FY2023 (all monetary remuneration).

*4 The above "performance-linked bonuses" amount is the amount expected to be paid in June 2023 based on the results of business performance, etc. in FY2023 (all monetary compensation).

*5 The amount of "Restricted Shares Compensation" above is the total amount expensed in FY2023. In FY2023, the Company granted monetary compensation claims to six directors (excluding outside directors) and had all such claims contributed in kind to the Company, resulting in the delivery of 26,016 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 FY2023, 8,788 shares of the Company's common stock were issued to three 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 2023 > Total Amount of Officer Remuneration in FY2023](#)



[Amount of Remuneration, etc. for Directors and Audit & Supervisory Board Members Notice of the 105th Annual General Shareholders Meeting](#)



■ Evaluations of Effectiveness of the Board of Directors

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 2023 Method: Self-assessment involving questionnaires conducted by third-party experts
Evaluation Results for FY2023	Overall, the largely positive comments affirmed that the Board is maintaining a satisfactory level of effectiveness. Comments included appreciation of the ability to conduct free and open-minded exchanges of opinion in an atmosphere that encourages people to speak up, and of the fact that agenda items are subject to annual scheduling and reviews as part of efforts to ensure more productive discussions at Board meetings.

■ Issues to Be Addressed

Issues Identified	Evaluation and Opinion	Future Approach
<p>1. Materials and Standards for Agenda Items</p>	<p>While there were positive evaluations of the substantial discussions held at Board of Directors' meetings, there were also comments pointing out that deliberations often exceeded the pre-allotted time and that Board meetings were held too often, as well as comments suggesting room for further improvement in the quality of discussions.</p>	<p>Proposals on highly important matters, such as investments or capital contributions, tend to involve substantial explanations and a large amount of supporting materials. As well as encouraging departments making proposals to remain conscious of the need for presentation materials to be easy to understand, the Board of Directors' Secretariat is more closely involved in proposals, with the aim of providing support from the meeting material preparation stage. In this way, the information necessary for decision-making and supervision by the Board will be organized more effectively, improving the content and quality of the materials—for example, by omitting additional information that should be handled by the executive side. In addition, presentations held on the day of Board meetings will have shorter explanation sections, focused on the key points from the relevant materials, to ensure adequate time for deliberations. On April 1, 2023, we made monitoring model-oriented revisions to the standards for Board of Directors' meeting agenda items. Going forward, we will continuously analyze and review the effectiveness of these revisions.</p>
<p>2. Institutional Design</p>	<p>There does not appear to be any problem with the current institutional design of a company with an Audit & Supervisory Board system. However, many respondents expressed opinions indicating that they would prefer discussions on the design and system to continue.</p>	<p>Although we do not consider a change in the institutional design to be necessary at this time, it was decided that discussions on an appropriate institutional design should be held on an ongoing basis, in light of management strategies, changes in the business environment going forward, and Corporate Governance Code requirements. In addition, from the perspective that the Board of Directors should focus even more strongly on strategic discussions, our current institutional design of a company with an Audit & Supervisory Board system is bound by constraints under the Companies Act of Japan, in relation to individual and specific business execution decisions being entrusted to the executive side (revisions to standards for agenda items, as part of point 1 on the previous page). Based on those constraints, we will continue to discuss the extent to which the monitoring model should be implemented, including a comparative analysis between the company with Audit & Supervisory Board system and other institutional designs. The progress of these discussions will be reported to and deliberated at Board of Directors' meetings as necessary.</p>

Issues Identified	Evaluation and Opinion	Future Approach
3.Sharing Details of Deliberations by the Nominating Advisory Committee and the Remuneration Advisory Committee	Several respondents, mainly officers who are not committee members, pointed out that while each committee reports to the Board of Directors, details of discussions at each committee meeting are not always shared.	While it may be preferable to share the details of advisory committee discussions at Board of Directors' meetings, we recognize that doing so may adversely affect the free and open-minded atmosphere at both voluntary committees. Thus, it was decided that the extent to which details of discussions at the Nominating Advisory Committee and the Remuneration Advisory Committee will be shared at Board of Directors' meetings should be subject to ongoing consideration by both committees.

Nichirei Integrated Report 2022> Evaluations of Effectiveness



Nichirei Integrated Report 2021> Evaluations of Effectiveness



Nichirei Integrated Report 2020> Evaluations of Effectiveness



■ Support System for Outside Directors (Outside Audit & Supervisory Board Members)/ Policy for Training Directors and Audit & Supervisory Board Members

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 improving 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 proposals 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 careful 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. 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



Compliance



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 a 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 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 Nichirei Hotline 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 secretariat if he or she so requests.

In line with the acceleration of overseas business expansion, the need for internal whistleblower hotlines and consultation services at facilities outside of Japan has also increased. We are working on appropriate designs for these systems, based on laws and regulations regarding personal information in each country.

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.

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]

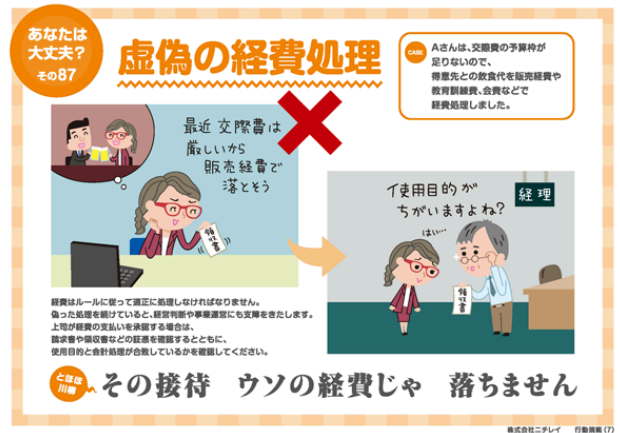
通報者のプライバシーや秘密は、規定により保護されます。通報・相談したことを理由に不利益な扱いを受けることは一切ありません。

Number of Whistleblowing Cases, by Type

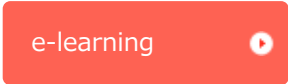


Educating Employees to Ensure Thorough Compliance

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. 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. In order to foster a sense of ethics in each and every officer and employee, we have issued a series of presentation materials designed to help employees understand case studies related to the code of conduct, offered e-learning sessions, and continued providing compliance education and training. The Nichirei Group has also developed frameworks, including a compliance audit and an internal whistleblower hotline and consultation service.



Presentation materials related to the Code of Conduct



■ 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 that joined the Nichirei Group through M&As have their own corporate climates built up over time. These rules therefore incorporate the most important concepts for the Nichirei Group, while respecting the autonomy of each company. The rules are available in six languages (Japanese, English, Chinese, Vietnamese, Portuguese, and Thai), and we are working to disseminate and implement them. Through these efforts, we will strengthen the governance of overseas subsidiaries in order to achieve an overseas sales ratio of 30%, one of the targets of our vision for 2030.



■ Initiatives to Prevent Corruption and Bribery

The Nichirei Group has established the Corruption and Bribery Prevention Policy, as a public declaration that the entire Group is working on initiatives to prevent corruption and bribery. The Group has also established the Bribery Prevention Standards and the *Bribery Prevention Manual*. They clarify the basic matters that all officers and employees must follow to prevent bribery of public officials or other parties. 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 in each country and the Group's bribery and corruption prevention standards among employees.



■ Bribery or Other Acts of Corruption

During FY2023, 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 FY2023, there were four issues related to the leaking of personal information, etc.

Personal Information Protection Leaks, etc.



Risk Management

Basic Philosophy

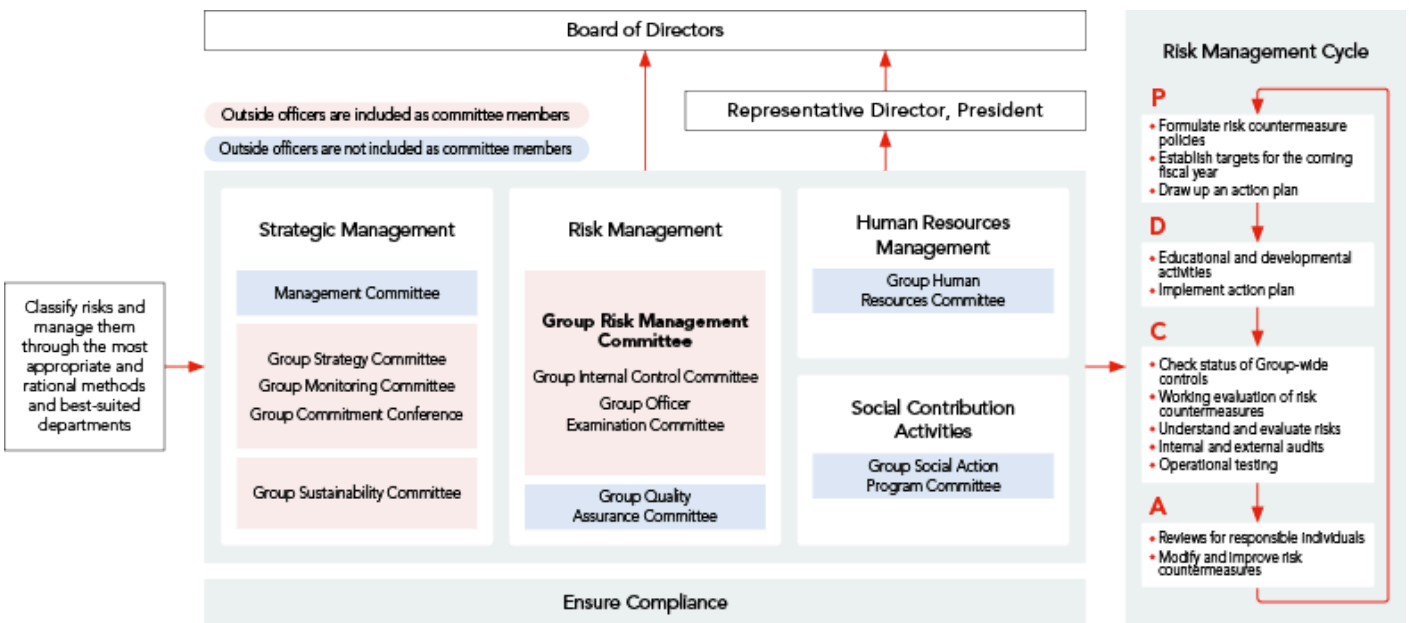
The Nichirei Group has established the Group Risk Management Committee, chaired by the representative director, president, to manage the various risks associated with its business activities in the most appropriate and rational way from a comprehensive standpoint, and to maximize the Group's corporate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

Risk Management

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, through 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.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, and training and proper allocation of personnel 	<ul style="list-style-type: none"> • Group Quality Assurance Committee
3.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
4.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
5.Price fluctuations of commodities and raw materials	<ul style="list-style-type: none"> • Significant fluctuations in raw material prices (including marine, meat and poultry products) due to market conditions, yields and hauls 	<ul style="list-style-type: none"> • Cost reduction through productivity improvements • Development of new value-added products and expansion of distinctive products • Procurement and sales balanced with supply and demand 	<ul style="list-style-type: none"> • Strategic management
6.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

Risk Category	Risks	Countermeasures and Initiatives	Management System
7.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
8.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
9.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 Supplier Guidelines, and implementation of Supplier ESG Survey 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
10.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, introduction of renewable energy sources through installation of solar power generation equipment and the use 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
11.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

Risk Category	Risks	Countermeasures and Initiatives	Management System
12. International situation	<ul style="list-style-type: none"> • Rising energy and raw material prices • Impact on financial markets • Impact on supply chains 	<ul style="list-style-type: none"> • Close monitoring of situations and minimization of their impact on business activities 	<ul style="list-style-type: none"> • Strategic management
13. 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
14. 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
15. Crossshareholdings	<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 style="background-color: #f44336; color: white; padding: 5px; text-align: center;"> Approach to Cross-Shareholdings </div>	<ul style="list-style-type: none"> • Yearly report to the Board of Directors

Initiatives

Business Continuity Plan Initiatives

Employee Safety

Confirming Safety in Emergency Situations

We have introduced a Company-wide safety confirmation system. 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 a dedicated website. The website allows for the rapid collection and sharing of information.

Overseas Crisis Management

In order to ensure the safety of business travelers, employees posted overseas and their families against various risks overseas, such as incidents, accidents, and natural disasters, the Nichirei Group manages and implements an Overseas Crisis Response Manual, which provides background knowledge and stipulates procedures and frameworks for responding to crises.

■ BCP for Information Systems

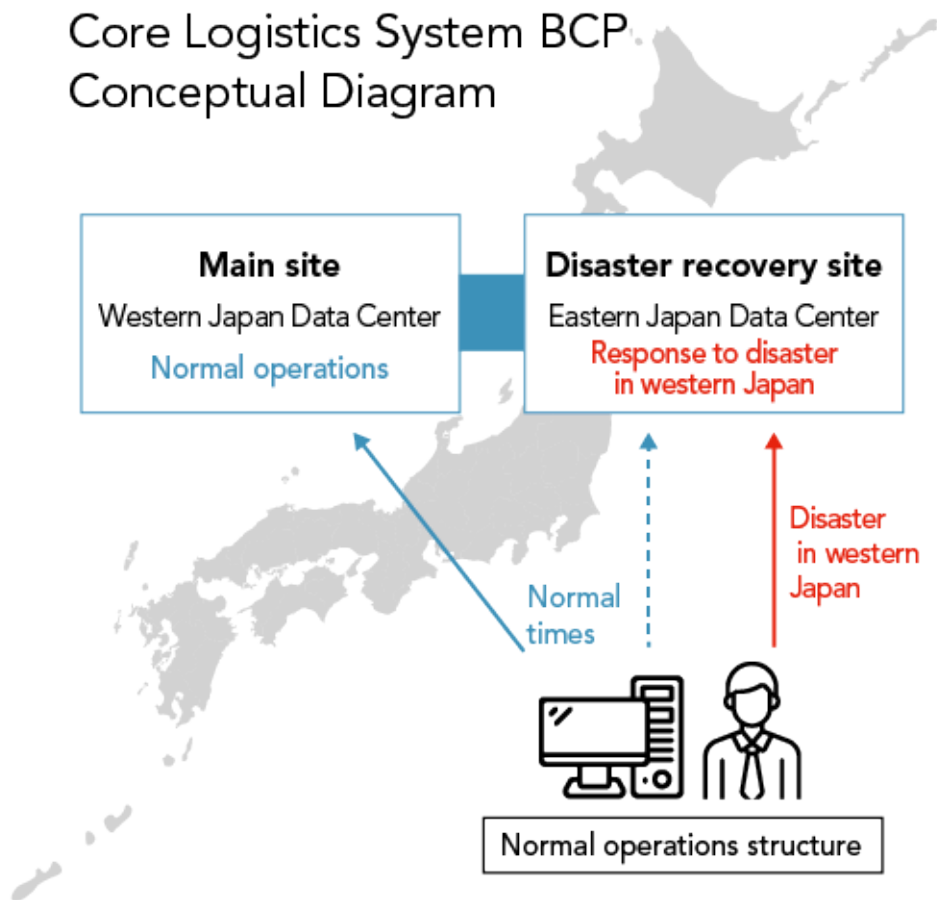
The Group's main core system is redundant for the purpose of business continuity, and includes a disaster recovery (DR) system. Specific examples are as follows.

Enhancing the BCP for Our Core Logistics System

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 its 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 sites, each of which can switch from the system at the company's 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 by any events. Nichirei Logistics Group plans to implement advanced initiatives to provide a food logistics lifeline that will contribute to the business continuity of its business partners.

Core Logistics System BCP Conceptual Diagram



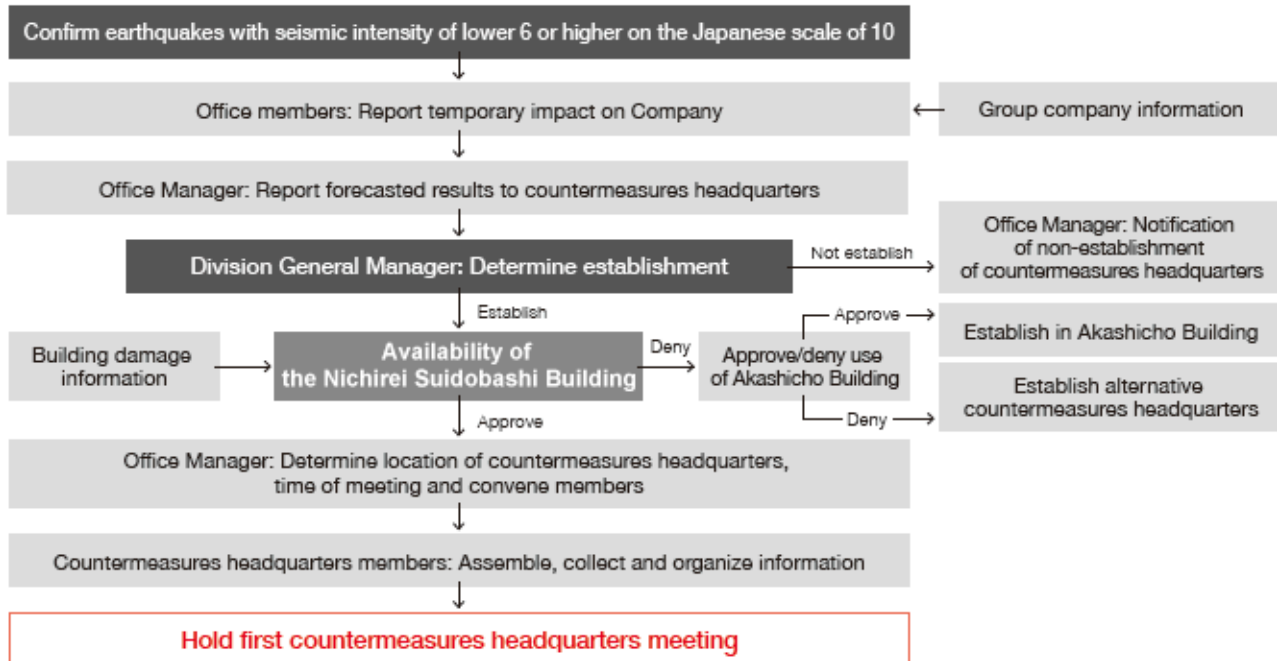
■ Case Study Nichirei Logistics Group BCP Initiatives

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.



Countermeasures Headquarters Establishment Flow







Stakeholder Engagement

Basic Philosophy

The Nichirei Group engages in global business activities, and as such recognizes the importance of maintaining dialogue with its diverse stakeholders. We work to promote understanding of our business through various methods of communication with stakeholders and by disclosing information. The Group works to build corporate value by reflecting the expectations and concerns of stakeholders in its business activities to establish long-term relationships of trust.

	Relationship	Expectations and Interests	Communication Channels	Outcomes	Related Capital	Related Material Matters
 Customers	<p>Customers who use the Nichirei Group's products and services. By responding to the needs of diverse customers while providing new value, we will contribute to good eating habits and health.</p>	<ul style="list-style-type: none"> ▪ Creation of new value ▪ Provision of safe, high-quality products and services Details ▪ Realization of good eating habits and health ▪ Provision of appropriate information ▪ Sustainability initiatives 	<ul style="list-style-type: none"> ▪ Day-to-day sales and business activities ▪ Customer Service Center ▪ Customer satisfaction surveys ▪ Websites ▪ Social media 	<p>Resolution of issues for customers through the promotion of innovation</p>	<p>Social and relationship capital</p>	<ol style="list-style-type: none"> 1. Creating new value in food and health 2. Strengthening food processing and production technology capabilities; enhancing logistics services
 Shareholders and Investors	<p>The providers of financial capital for the Nichirei Group. Through dialogue and information disclosure, we gain their support for our sustainable growth.</p>	<ul style="list-style-type: none"> ▪ Maintaining and improving corporate value ▪ Appropriate distribution of profits ▪ Timely and appropriate disclosure of information ▪ ESG initiatives 	<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 	<p>Improvement of long-term corporate value</p>	<p>Financial capital</p>	<ol style="list-style-type: none"> 1. Creating new value in food and health 2. Strengthening food processing and production technology capabilities; enhancing logistics services 3. Realizing sustainable food procurement and a circular economy 4. Climate change initiatives 5. Securing and developing a diverse array of human resources

	Relationship	Expectations and Interests	Communication Channels	Outcomes	Related Capital	Related Material Matters
 Business Partners	<p>The suppliers who do business with the Nichirei Group, including suppliers of raw materials and commercial products, OEMs to which it outsources manufacturing, and third parties to which it outsources logistics services such as transportation and cargo handling. They are important partners for co-creating value, and we build long-term relationships of trust with them for mutual growth.</p>	<ul style="list-style-type: none"> ▪ Impartial, fair, and honest transactions ▪ Initiatives to improve quality ▪ Formation of long-term, constructive relationships and mutual development premised on coexistence and co-prosperity ▪ Realization of sustainable procurement throughout the supply chain <p>Details</p>	<ul style="list-style-type: none"> ▪ Day-to-day procurement and business activities ▪ Meetings and seminars for business partners ▪ Implementation of Supplier Code of Conduct, Supplier Guidelines, and Supplier ESG Survey ▪ Initiatives for improving quality through communication 	<p>Mutual growth with partners Sustainable food procurement Realization of a circular economy Climate change initiatives</p>	<p>Financial capital Natural capital</p>	<ol style="list-style-type: none"> 1. Creating new value in food and health 2. Strengthening food processing and production technology capabilities; enhancing logistics services 3. Realizing sustainable food procurement and a circular economy 4. Climate change initiatives
 Employees	<p>Nichirei Group employees are indispensable for creating value and producing safe, high-quality products and services. We respect the diversity of our employees, and strive to ensure occupational health and safety and to provide fair treatment and opportunities for personal development. We also strive to increase engagement by continuously improving the workplace to enable every employee to thrive.</p>	<ul style="list-style-type: none"> ▪ Occupational health and safety ▪ Health management ▪ Improvement of work satisfaction ▪ Opportunities for employees to develop and fully demonstrate their skills ▪ Diversity, equity and inclusion (DE&I) ▪ Respect for diversity <p>Details</p>	<ul style="list-style-type: none"> ▪ Internal whistleblower hotlines ▪ Employee assistance and mental health consultation center ▪ Labor-management council ▪ Health and safety committees ▪ Symposiums involving management and employees ▪ PR brochures ▪ Intranet ▪ Employee award system ▪ Employee satisfaction survey ▪ Employee stress checks 	<p>Advancement of diverse human resources</p>	<p>Intellectual capital Human capital</p>	<ol style="list-style-type: none"> 5. Securing and developing a diverse array of human resources

	Relationship	Expectations and Interests	Communication Channels	Outcomes	Related Capital	Related Material Matters
 <p>Local Communities</p>	<p>As a member of society, the Nichirei Group contributes to the development of local communities and helps resolve social issues through dialogue and by thinking and acting together with a broad range of stakeholders. In addition to creating local employment through our businesses, we consider local communities and their environment and promote coexistence.</p>	<ul style="list-style-type: none"> ▪ Harmonious coexistence with local communities LD Details ▪ Preservation of local environments ▪ Educational activities in local communities ▪ Contribution to job creation and local community development ▪ Consideration for the environment and sound levels, and safe operations 	<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 ▪ Website 	<p>Harmonious coexistence with local communities Sustainable food procurement Realization of a circular economy Climate change initiatives</p>	<p>Social and relationship capital Natural capital</p>	<ul style="list-style-type: none"> 3. Realizing sustainable food procurement and a circular economy 4. Climate change initiatives 5. Securing and developing a diverse array of human resources
 <p>Trade Organizations, NGOs, NPOs and Related Initiatives</p>	<p>By actively participating in trade organization conferences and other events, the Nichirei Group collaborates with other companies to help resolve issues. We also work to solve such issues by collaborating and cooperating with various NGOs and NPOs in Japan and abroad.</p>	<ul style="list-style-type: none"> ▪ Human rights LD Details ▪ Climate change ▪ Preservation of the global environment ▪ Food loss and food waste ▪ Sustainable food procurement ▪ Resolution of industry issues through collaboration 	<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 	<p>Resolution of social issues through collaboration</p>	<p>Social and relationship capital</p>	<ul style="list-style-type: none"> 3. Realizing sustainable food procurement and a circular economy 4. Climate change initiatives

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 and Food Waste

“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 NPO Second Harvest Japan. We donate a total of 20,000 cases of frozen foods annually to various welfare facilities, including foster homes, mother and child support centers, and facilities that support people with disabilities.

In addition to supplying these products, we also provide logistical support for frozen foods to ensure that the items can be consumed with peace of mind.



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.

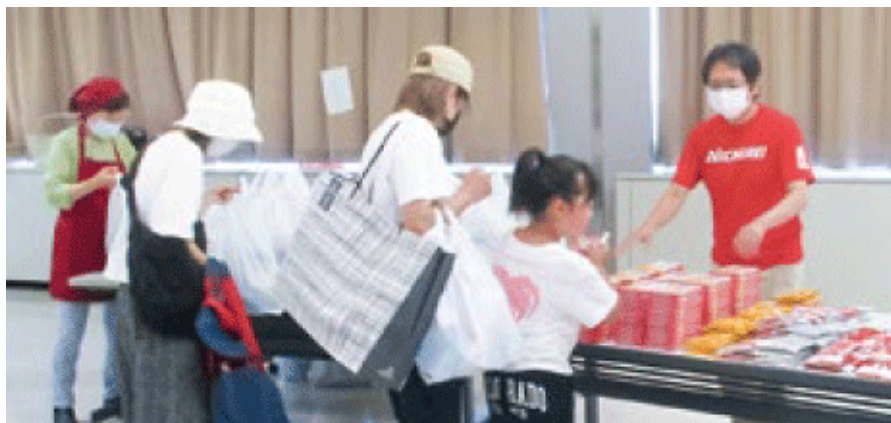


Initiative website (Only available in Japanese)



Kodomo Shokudo

Nichirei Foods began supporting kodomo shokudo in 2021 with the cooperation of NPO Musubie, which supports these government-sponsored drop-in centers that provide free or reduced-price meals for children and families in need across 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 original 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)



Participation in a Tree-Planting Initiative Aimed at Increasing Fish Stocks

Since 2013, Nichirei Fresh has participated in a tree-planting initiative led by the National Federation of Fisheries in Oumu, Hokkaido, aimed at increasing fish stocks.

Held annually, this initiative was launched to improve the return rate of salmon and trout by enriching the surrounding environment of the Horonai River, which flows by a salmon and trout hatchery in Horonai, Hokkaido. Another objective is to increase other fish species by restoring the overall marine environment.

In 2023, the 28th year of the initiative, approximately 100 people participated, including Nichirei Fresh employees and members of the local community. The participants planted 700 trees, mainly Japanese oak, bringing the total number of trees planted so far to 25,200.



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.

Establishment of the Nichirei MIRAIterrace Foundation

In August 2022, we established the Nichirei MIRAIterrace Foundation with the aim of tackling 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 provides grants and other support to social welfare organizations, including Kodomo Shokudo (“children’s cafeterias”). We will help support good eating habits and health so that we can provide true satisfaction to as many people as possible.

Nichirei MIRAIterrace Foundation (Only available in Japanese)



Report Archives

Integrated Report

Integrated Report 2023	PDF (Japanese)
	PDF (English)
Integrated Report 2022	PDF (Japanese)
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Integrated Report 2021	PDF (Japanese)
	PDF (English)
Integrated Report 2020	PDF (Japanese)
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Integrated Report 2019	PDF (Japanese)
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Integrated Report 2018	PDF (Japanese)
	PDF (English)

CSR Report

CSR Report 2023	PDF (Japanese)
CSR Report 2022	PDF (Japanese)
	PDF (English)
CSR Report 2021	PDF (Japanese)
	PDF (English)
CSR Report 2020	PDF (Japanese)
	PDF (English)
CSR Report 2019	PDF (Japanese)
	PDF (English)
CSR Report 2018 *Refer to the contents of GRI standards (2016)	PDF (Japanese)
	PDF (English)

CSR Report 2017	<u>PDF (Communication Version)</u>
CSR Report 2016	<u>PDF (Communication Version)</u>
CSR Report 2015	<u>PDF (Digest Version)</u>
CSR Report 2014	<u>PDF (Digest Version)</u>
CSR Report 2013	<u>PDF (Digest Version)</u>
CSR Report 2012	<u>PDF (Digest Version)</u>
CSR Report 2011	<u>PDF (Digest Version)</u>
CSR Report 2010	<u>PDF (Digest Version)</u>
CSR Report 2009	<u>PDF (Digest Version)</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>
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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	<u>●</u>
	Sustainability Policy: The Nichirei Pledge	<u>●</u>
	Sustainability Promotion System	<u>●</u>

		Commitment	Management Structure	Targets and Performances	Initiatives
Environment	Climate Change	<u>●</u>	<u>●</u>	<u>●</u>	<u>●</u>
	Water Resources	<u>●</u>	<u>●</u>		<u>●</u>
	Waste Management and Resource Utilization	<u>●</u>	<u>●</u>		<u>●</u>
	Chemical Substances Control	<u>●</u>	<u>●</u>		<u>●</u>
	Initiatives for Biodiversity Conservation	<u>●</u>	<u>●</u>		<u>●</u>
	Supply Chain (Environment)	<u>●</u>	<u>●</u>		<u>●</u>
Social	Supply Chain (Social)	<u>●</u>	<u>●</u>		<u>●</u>
	Human Rights	<u>●</u>	<u>●</u>		<u>●</u>
	Stakeholder Engagement	<u>●</u>			<u>●</u>
	Providing Safe Products and Services	<u>●</u>	<u>●</u>		<u>●</u>
	Occupational Health and Safety	<u>●</u>	<u>●</u>		<u>●</u>
	Human Resources Development · Work Satisfaction	<u>●</u>	<u>●</u>		<u>●</u>
	Health Management	<u>●</u>	<u>●</u>		<u>●</u>

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

ESG-related Policies

ESG-related Policies

■ The Nichirei Group ESG-related Policies

Topics	Policies
Corporate Basic Policies	Sustainability Policy: The Nichirei Pledge Human Rights Policy
Environment-related Policies	Environmental Policy Biodiversity Policy
Social-related Policies	Human Resources-Related Policies Nichirei Group Occupational Health and Safety Policy Social Contribution Activities Quality-related Policies Sustainable Procurement Policy Sustainable Marine Product Procurement Guidelines Sustainable Palm Oil Procurement Guidelines Supplier Code of Conduct Supplier Guidelines
Governance-related Policies	Code of Conduct Corruption and Bribery Prevention Policy Basic Policy on Corporate Governance Internal Control

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	Nichirei Group Amount of ▼ Discharged Waste and Recycling Rates
▼ Energy Consumption	▼ Nichirei Group Material Balance INPUT	▼ Nichirei Group Material Balance OUTPUT	Nichirei Group specially ▼ Controlled Industrial Waste
Status of Environment- ▼ related Incidents, Legal Violations	▼ Solar Power Generation and CO ₂ Reduction	Management of Pollutant Release and Transfer ▼ Register (PRTR) Substances	▼ SO _x 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 FY2024
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)	62%

Engaged in collecting environmental data at overseas work

Group Environmental Goals for FY2020-2022	
Reduction of CO₂ Emissions	"Maintain" total CO ₂ emissions in FY2022 at the FY 2014 level. * Electricity coefficient: Fixed at the FY 2014 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	FY2019	FY2020	FY2021	FY2022	FY2023
Domestic	SCOPE 1 emissions	Thousand tons of CO ₂	43	43	42	42	43	44
	SCOPE 2 emissions (Market standard) ^{*1}		243	215	199	182	185	172
	SCOPE 1 and 2 emissions (Total) ^{*2}		286	259	241	224	228	216
Overseas	SCOPE 1 emissions	Thousand tons of CO ₂	—	—	—	—	—	34
	SCOPE 2 emissions (Market standard) ^{*1}		—	—	—	—	—	89
	SCOPE 1 and 2 emissions (Total) ^{*2}		—	—	—	—	—	123

Independent Assurance Statement on Environmental Data



■ CO₂ Emissions Intensity

	Unit	FY2016	FY2019	FY2020	FY2021	FY2022	FY2023
SCOPE 1 and 2 emissions intensity (per ton of production) ^{*3}	tons CO ₂	0.54	0.46	0.42	0.41	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).

*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

	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Amount of discharged waste	1,000 tons	45.4	47.9	47.1	47.9	43.4
Recycling Rates	%	99.5	99.4	98.7	98.9	99.5

■ Energy Consumption

	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Energy Consumption	MWh	—	—	—	—	675,147

■ Nichirei Group Material Balance INPUT

Item		Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Energy	Total*1	1,000 GJ	5,107	5,079	5,024	4,925	5,117
	Purchased power	1,000 kWh	447,277	444,335	439,135	471,952	444,004
	Heavy oil	kl	2,609	1,926	1,850	1,935	1,859
	Kerosene	kl	173	192	195	194	182
	City gas	1,000m ³	7,142	9,036	9,328	9,708	9,823
	LGP	tons	4,814	3,614	3,425	3,522	3,687
	Gasoline (Company-owned vehicles)	kl	402	322	273	285	286
	Light oil (Company-owned vehicles)	kl	1,556	1,452	1,522	1,388	1,504
	Solar power generation	1,000 kWh	1,444	2,068	2,149	2,974	3,247
Breakdown of energy (1,000 GJ) used at each business company	Nichirei Foods	1,000 GJ	1,761	1,759	1,793	1,859	1,921
	Nichirei Fresh	1,000 GJ	173	172	174	174	166
	Nichirei Logistics Group	1,000 GJ	3,089	3,046	2,966	2,812	2,952
	Nichirei Biosciences	1,000 GJ	12	33	30	22	19
	Others	1,000 GJ	72	69	61	58	58
Water	Total	1,000m ³	4,117	4,028	3,929	3,834	3,932
	Clean water	1,000m ³	1,267	1,238	1,174	1,134	1,123
	Industrial water	1,000m ³	907	897	916	919	875
	Groundwater (well water)	1,000m ³	1,943	1,893	1,839	1,782	1,933
Breakdown of water (1,000 m ³) used at each business company	Nichirei Foods	1,000m ³	2,812	2,739	2,679	2,676	2,767
	Nichirei Fresh	1,000m ³	322	318	338	330	312
	Nichirei Logistics Group	1,000m ³	963	952	899	816	839
	Nichirei Biosciences	1,000m ³	6	8	7	6	5
	Others	1,000m ³	13	11	6	7	10

* Total figures may differ due to rounding.

*1 Calculated by primary energy conversion factor at Act on the Rational Use of Energy

■ Nichirei Group Material Balance OUTPUT

Item		Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Waste	Amount of Discharged Waste	1,000 tons	45.4	47.9	47.1	47.9	43.4
	Recycle volume	1,000 tons	45.2	47.6	46.5	47.4	43.1
	Volume of waste for final disposal ^{*1}	1,000 tons	0.2	0.3	0.6	0.5	0.2
Breakdown of discharged waste (tons) at each business company	Nichirei Foods	tons	18,155	21,561	21,145	21,280	20,784
	Nichirei Fresh	tons	13,973	13,609	13,887	14,188	11,257
	Nichirei Logistics Group	tons	13,236	12,666	11,962	12,246	11,196
	Nichirei Biosciences	tons	44	72	103	170	119
	Others	tons	—	—	—	—	—
Atmospheric system	CO ₂ ^{*2}	1,000 tons	259	241	224	228	216
	SO _x ^{*3}	tons	3	3	2	3	2
Breakdown of CO ₂ emissions (tons) at each business company	Nichirei Foods	tons	90,413	84,427	79,060	82,322	81,765
	Nichirei Fresh	tons	9,430	9,458	9,433	9,009	8,525
	Nichirei Logistics Group	tons	154,971	142,561	132,931	134,380	123,411
	Nichirei Biosciences	tons	553	1,526	1,380	1,011	896
	Others	tons	3,417	3,201	1,501	1,343	1,319
Water system	Drainage	1,000m ³	2,421	2,398	2,461	2,403	2,620
	Sewer system	1,000m ³	1,464	1,447	1,478	1,431	1,633
	Public water area (river etc.)	1,000m ³	957	951	983	973	987
	Drainage load BOD ^{*4}	tons	48	49	52	68	76
	COD ^{*4}	tons	24	23	40	21	25
Breakdown of drainage (1,000 m ³) at each business company	Nichirei Foods	1,000m ³	1,751	1,752	1,798	1,783	1,957
	Nichirei Fresh	1,000m ³	308	309	325	316	294
	Nichirei Logistics Group	1,000m ³	343	317	308	291	355
	Nichirei Biosciences	1,000m ³	6	8	6	6	5
	Others	1,000m ³	14	12	24	8	9

* 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

	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Specially Controlled Industrial Waste specified in the "Waste Disposal and Public Cleansing Law"	t	9.3	7.4	4.3	7.0	2.9

■ Status of Environment-related Incidents, Legal Violations

	FY2019	FY2020	FY2021	FY2022	FY2023
Domestic	0	0	0	0	0
Overseas	0	0	0	0	0

■ Solar Power Generation and CO₂ Reduction

	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Power generation	Mwh	1,444	2,068	2,149	2,974	3,201
CO ₂ reduction	t	765	1,003	986	1,408	1,429

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

	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
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.

■ SOx Emissions

	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
SOx Emissions	tons	3	3	2	3	2

* 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.

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 Dining

Nichirei Fresh

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

Nichirei Logistics Group

Logistics Network (40), 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 (3)

Nichirei Biosciences

Global Innovation Center

Other

New Housing

▼ Number of Employees	▼ Percentage of Non-company Employees	▼ Female Managers Ratio	Percentage of Female Employees in Management Positions
▼ 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	▼ Pay Gap between Male and Female Employees	▼ 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	Percentage of Male Employees Taking Childcare Leave
▼ 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	FY2019	FY2020	FY2021	FY2022	FY2023
Nichirei Group total	Executives and employees total		Number of people	6,002	5,943	5,994	5,926	5,983
	Breakdown	Male		3,748	3,729	3,753	3,722	3,760
		Female		2,254	2,214	2,241	2,204	2,223
	Number of executives			62	62	61	60	62
	Breakdown	Male		60	60	58	56	59
		Female		2	2	3	4	3
	Number of company employees			3,782	3,841	3,903	3,937	3,946
	Breakdown	Male		2,789	2,779	2,787	2,776	2,766
		Female		993	1,062	1,116	1,161	1,180
	【Number of employees in management positions】			1,309	1,335	1,362	1,378	1,382
	Breakdown	Male		1,216	1,215	1,222	1,218	1,211
		Female		93	120	140	160	171
	【Number of general employees】			2,473	2,506	2,541	2,559	2,564
	Breakdown	Male		1,573	1,564	1,565	1,558	1,555
		Female		900	942	976	1,001	1,009
	Number of staff other than employees			2,158	2,040	2,030	1,929	1,975
	Breakdown	Male		899	890	908	890	935
		Female		1,259	1,150	1,122	1,039	1,040

Coverage	Item		Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Nichirei holding company	Executives and employees total		Number of people	252	252	254	268	292
	Breakdown	Male		148	153	151	151	161
		Female		104	99	103	117	131
	Number of executives			19	19	19	19	19
	Breakdown	Male		17	17	17	16	17
		Female		2	2	2	3	2
	Number of company employees			187	214	218	226	245
	Breakdown	Male		122	123	124	124	130
		Female		65	91	94	102	115
	【Number of employees in management positions】			112	116	112	116	129
	Breakdown	Male		85	87	85	87	94
		Female		27	29	27	29	35
	【Number of general employees】			75	98	106	110	116
	Breakdown	Male		37	36	39	37	36
		Female		38	62	67	73	80
	Number of staff other than employees			46	19	17	23	28
	Breakdown	Male		9	13	10	11	14
		Female		37	6	7	12	14

Coverage	Item		Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Nichirei Foods	Executives and employees total		Number of people	3,054	3,010	3,023	3,039	3,097
	Breakdown	Male		1,821	1,816	1,834	1,826	1,885
		Female		1,233	1,194	1,189	1,213	1,212
	Number of executives			12	11	10	9	12
	Breakdown	Male		12	11	9	8	11
		Female		0	0	1	1	1
	Number of company employees			1,524	1,505	1,528	1,541	1,559
	Breakdown	Male		1,134	1,114	1,118	1,114	1,129
		Female		390	391	410	427	430
	【Number of employees in management positions】			532	525	536	555	562
	Breakdown	Male		497	487	494	499	502
		Female		35	38	42	56	60
	【Number of general employees】			992	980	992	986	997
	Breakdown	Male		637	627	624	615	627
		Female		355	353	368	371	370
	Number of staff other than employees			1,518	1,494	1,485	1,489	1,526
	Breakdown	Male		675	691	707	704	745
		Female		843	803	778	785	781

Coverage	Item		Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Nichirei Fresh	Executives and employees total		Number of people	315	315	319	318	299
	Breakdown	Male		228	225	223	222	206
		Female		87	90	96	96	93
	Number of executives			9	10	10	10	11
	Breakdown	Male		9	10	10	10	11
		Female		0	0	0	0	0
	Number of company employees			256	267	271	272	261
	Breakdown	Male		197	200	198	197	181
		Female		59	67	73	75	80
	【Number of employees in management positions】			149	155	158	149	140
	Breakdown	Male		142	143	143	138	129
		Female		7	12	15	11	11
	【Number of general employees】			107	112	113	123	121
	Breakdown	Male		55	57	55	59	52
		Female		52	55	58	64	69
	Number of staff other than employees			50	38	38	36	27
	Breakdown	Male		22	15	15	15	14
		Female		28	23	23	21	13

Coverage	Item		Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Nichirei Logistics Group	Executives and employees total		Number of people	2,252	2,226	2,253	2,168	2,169
	Breakdown	Male		1,488	1,466	1,475	1,460	1,447
		Female		764	760	778	708	722
	Number of executives			16	16	16	18	16
	Breakdown	Male		16	16	16	18	16
		Female		0	0	0	0	0
	Number of company employees			1,738	1,769	1,798	1,821	1,815
	Breakdown	Male		1,287	1,289	1,294	1,294	1,282
		Female		451	480	504	527	533
	【Number of employees in management positions】			479	499	513	515	511
	Breakdown	Male		464	469	470	464	456
		Female		15	30	43	51	55
	【Number of general employees】			1,259	1,270	1,285	1,306	1,304
	Breakdown	Male		823	820	824	830	826
		Female		436	450	461	476	478
	Number of staff other than employees			498	441	439	329	338
	Breakdown	Male		185	161	165	148	149
		Female		313	280	274	181	189

Coverage	Item		Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Nichirei Biosciences	Executives and employees total		Number of people	129	140	145	133	126
	Breakdown	Male		63	69	70	63	61
		Female		66	71	75	70	65
	Number of executives			6	6	6	4	4
	Breakdown	Male		6	6	6	4	4
		Female		0	0	0	0	0
	Number of company employees			77	86	88	77	66
	Breakdown	Male		49	53	53	47	44
		Female		28	33	35	30	22
	【Number of employees in management positions】			37	40	43	43	40
	Breakdown	Male		28	29	30	30	30
		Female		9	11	13	13	10
	【Number of general employees】			40	46	45	34	26
	Breakdown	Male		21	24	23	17	14
		Female		19	22	22	17	12
	Number of staff other than employees			46	48	51	52	56
	Breakdown	Male		8	10	11	12	13
		Female		38	38	40	40	43

* 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 (FY2023)

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

	FY2019	FY2020	FY2021	FY2022	FY2023
Number of company employees	3,782	3,841	3,903	3,937	3,946
Number of non-company employees	2,158	2,040	2,030	1,929	1,975
Percentage of non-company employees (%)	36.3	34.7	34.2	32.9	33.4

* 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	FY2019	FY2020	FY2021	FY2022	FY2023
Nichirei Group total	%	7.1	9.0	10.3	11.6	12.4
Nichirei holding company		24.1	25.0	24.1	25.0	27.1
Nichirei Foods		6.6	7.2	7.8	10.1	10.7
Nichirei Fresh		4.7	7.7	9.5	7.4	7.9
Nichirei Logistics Group		3.1	6.0	8.4	9.9	10.8
Nichirei Biosciences		24.3	27.5	30.2	30.2	25.0

* Applicability: Employees

■ Percentage of Female Employees in Management Positions

Coverage	Unit	FY2023
Nichirei holding company	%	15.0
Nichirei Foods Inc.		5.3
Nichirei Fresh Inc.		4.5
Nichirei Logistics Group Inc.		5.9
Nichirei Biosciences Inc.		30.0

* Calculated in accordance with regulations of Act on the Promotion of Women's Active Engagement in Professional Life (Act No. 64, 2015)

■ Average Age

Coverage	Item		Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Nichirei Group total	Breakdown	Male	Age	42.1	42.3	42.5	42.7	42.9
		Female		39.8	39.9	40.0	40.1	40.5
Nichirei holding company		Male		44.1	44.2	44.1	44.5	44.7
		Female		43.1	44.5	44.6	44.0	43.3
Nichirei Foods		Male		42.5	42.8	43.1	43.6	43.7
		Female		41.5	41.5	41.5	41.6	41.9
Nichirei Fresh		Male		42.6	42.7	42.9	42.8	43.1
		Female		41.2	41.5	41.4	42.2	42.9
Nichirei Logistics Group		Male		41.6	41.6	41.8	42.0	43.0
		Female		37.9	37.8	37.9	38.1	38.6
Nichirei Biosciences	Male	40.7	40.9	40.7	40.7	40.2		
	Female	36.7	36.2	36.6	37.7	39.8		

* 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	FY2019	FY2020	FY2021	FY2022	FY2023
Nichirei Group total	Breakdown	Male	Year	16.7	17.0	17.3	17.5	17.7
		Female		15.7	15.3	15.4	15.4	15.7
Nichirei holding company		Male		19.1	19.0	19.0	19.4	18.9
		Female		18.5	15.8	16.8	16.0	17.1
Nichirei Foods		Male		17.7	18.0	18.4	18.8	19.0
		Female		16.7	16.8	16.8	16.8	17.7
Nichirei Fresh		Male		18.4	18.4	18.7	18.6	19.0
		Female		18.6	18.0	17.4	17.7	17.7
Nichirei Logistics Group		Male		15.9	15.9	16.1	16.3	16.6
		Female		14.3	13.9	14.0	14.1	14.4
Nichirei Biosciences	Male	15.3	15.2	15.0	14.7	13.5		
	Female	12.1	11.7	12.3	13.1	15.3		

* 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	FY2019	FY2020	FY2021	FY2022	FY2023
Nichirei Group total	New graduates		Number of people	88	104	117	117	127
	Breakdown	Male		46	49	63	65	70
		Female		42	55	54	52	57
	Mid-career			80	113	61	51	56
	Breakdown	Male		60	52	36	22	36
		Female		20	61	25	29	20
Nichirei holding company	New graduates			0	4	4	5	8
	Breakdown	Male		0	4	3	3	3
		Female		0	0	1	2	5
	Mid-career			2	37	5	9	5
	Breakdown	Male		2	5	2	3	2
		Female		0	32	3	6	3
Nichirei Foods	New graduates		31	33	37	36	41	
	Breakdown	Male	20	14	19	19	21	
		Female	11	19	18	17	20	
	Mid-career		13	16	28	21	29	
	Breakdown	Male	6	11	16	11	24	
		Female	7	5	12	10	5	
Nichirei Fresh	New graduates		10	9	11	8	6	
	Breakdown	Male	6	6	6	5	3	
		Female	4	3	5	3	3	
	Mid-career		5	11	3	4	5	
	Breakdown	Male	1	2	0	0	0	
		Female	4	9	3	4	5	
Nichirei Logistics Group	New graduates		42	50	58	66	72	
	Breakdown	Male	19	22	32	36	43	
		Female	23	28	26	30	29	
	Mid-career		60	46	25	17	15	
	Breakdown	Male	51	31	18	8	8	
		Female	9	15	7	9	7	

Coverage	Item		Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Nichirei Biosciences	New graduates		Number of people	5	8	7	2	0
	Breakdown	Male		1	3	3	2	0
		Female		4	5	4	0	0
	Mid-career			0	3	0	0	2
	Breakdown	Male		0	3	0	0	2
		Female		0	0	0	0	0

* Applicability: Employees

■ Number of Resignations/Resignation Rate/Reasons for Resignation

Coverage	Item		Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Nichirei Group total	Number of Resignations		Number of people	146	159	141	121	156
	Breakdown by reason	Retirement		64	65	59	45	49
		Personal circumstances		74	84	63	72	98
		Company circumstances		0	0	0	0	1
		Others		8	10	19	4	8
	Resignation rate			2.1%	2.4%	2.1%	1.9%	2.6%
	Employee turnover rate (for personal reasons)			—	2.1%	1.6%	1.8%	2.4%
Nichirei holding company	Number of Resignations		Number of people	12	10	12	7	7
	Breakdown by reason	Retirement		6	3	5	2	4
		Personal circumstances		5	6	5	4	3
		Company circumstances		0	0	0	0	0
		Others		1	1	2	1	0
	Resignation rate			3.0%	3.1%	3.1%	2.2%	1.3%
	Employee turnover rate (for personal reasons)			—	2.7%	2.2%	1.7%	1.3%

Coverage	Item		Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Nichirei Foods	Number of Resignations		Number of people	57	59	50	50	47
	Breakdown by reason	Retirement		30	29	21	20	17
		Personal circumstances		26	26	24	29	29
		Company circumstances		0	0	0	0	0
		Others		1	4	5	1	1
	Resignation rate			1.7%	1.9%	1.9%	1.9%	1.9%
	Employee turnover rate (for personal reasons)			—	1.7%	1.5%	1.9%	1.8%
Nichirei Fresh	Number of Resignations		Number of people	14	9	13	6	14
	Breakdown by reason	Retirement		7	4	3	3	3
		Personal circumstances		4	5	5	2	9
		Company circumstances		0	0	0	0	0
		Others		3	0	5	1	2
	Resignation rate			2.7%	1.8%	3.6%	1.1%	4.1%
	Employee turnover rate (for personal reasons)			—	1.8%	1.8%	0.7%	3.4%
Nichirei Logistics Group	Number of Resignations		Number of people	60	74	63	49	82
	Breakdown by reason	Retirement		21	29	29	17	23
		Personal circumstances		36	41	27	31	53
		Company circumstances		0	0	0	0	1
		Others		3	4	7	1	5
	Resignation rate			2.3%	2.5%	1.9%	1.8%	3.1%
	Employee turnover rate (for personal reasons)			—	2.3%	1.5%	1.7%	2.8%

Coverage	Item		Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Nichirei Biosciences	Number of Resignations		Number of people	3	7	3	9	6
	Breakdown by reason	Retirement		0	0	1	3	2
		Personal circumstances		3	6	2	6	4
		Company circumstances		0	0	0	0	0
		Others		0	1	0	0	0
	Resignation rate			3.6%	8.1%	2.2%	6.7%	5.8%
	Employee turnover rate (for personal reasons)			—	7.0%	2.2%	6.7%	5.8%

* 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	FY2019	FY2020	FY2021	FY2022	FY2023
Nichirei Group total	Number of people	59	57	51	36	42
Nichirei holding company		5	3	5	2	5
Nichirei Foods		28	25	16	17	14
Nichirei Fresh		7	3	3	1	2
Nichirei Logistics Group		19	26	26	14	21
Nichirei Biosciences		0	0	1	2	0
Ref. Number of employees who retired group total		64	65	59	45	49

* 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	FY2019	FY2020	FY2021	FY2022	FY2023
Nichirei Group total	%	2.56	2.75	2.80	2.80	2.73

* Legal employment rate of 2.3%.

* Applicable scope: Nichirei Aura (special subsidiary) Group applied company

* Group applied companies (FY2023): Nichirei, Nichirei Foods, Nichirei Fresh, Nichirei Logistics Group, Nichirei Biosciences, Logistics Network, Nichirei Logistics Kanto, Nichirei Logistics Engineering, Tokyo Nichirei Services, Nichirei Aura

■ Pay Gap between Male and Female Employees

Coverage	Unit	FY2023		
		All employees	Regular employees	Non-regular employees
Nichirei holding company	%	69.3	72.1	43.6
Nichirei Foods Inc.		60.5	73.4	76.5
Nichirei Fresh Inc.		74.0	75.4	101.0
Nichirei Logistics Group Inc.		79.7	80.2	—
Nichirei Biosciences Inc.		63.5	86.2	63.4

* Calculated in accordance with regulations of Act on the Promotion of Women's Active Engagement in Professional Life (Act No. 64, 2015)

Annual Securities Report > Supplementary explanation of pay gap between men and women workers



■ Annual Total of Actual Hours Worked

Coverage	Item	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Nichirei Group total	Total	hours	1,997	1,977	1,975	1,993	1,989
	Official working hours-Hours of vacation time		1,780	1,758	1,767	1,759	1,738
	Hours worked outside official working hours		217	219	208	234	251
Nichirei holding company	Total		1,905	1,899	1,949	2,004	2,001
	Official working hours-Hours of vacation time		1,718	1,724	1,754	1,762	1,743
	Hours worked outside official working hours		187	175	196	242	258
Nichirei Foods	Total		1,998	2,005	2,011	2,018	2,004
	Official working hours-Hours of vacation time		1,772	1,758	1,768	1,757	1,735
	Hours worked outside official working hours		226	247	243	261	269
Nichirei Fresh	Total		1,948	1,948	1,929	1,994	2,009
	Official working hours-Hours of vacation time		1,770	1,754	1,759	1,765	1,751
	Hours worked outside official working hours		178	194	170	229	258
Nichirei Logistics Group	Total		2,014	1,970	1,958	1,972	1,975
	Official working hours-Hours of vacation time		1,796	1,763	1,771	1,760	1,739
	Hours worked outside official working hours		218	207	187	212	236
Nichirei Biosciences	Total	1,954	1,882	1,901	1,971	1,961	
	Official working hours-Hours of vacation time	1,736	1,716	1,754	1,768	1,731	
	Hours worked outside official working hours	218	166	148	203	230	

* Average number of hours worked per employee annually

* Applicability: Employees

■ Annual Paid Vacation: Average Number of Days and Acquisition Rate

Coverage	Item	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Nichirei Group total	Average days acquired	Days	8.0	10.2	11.0	12.5	13.8
	Acquisition rate	%	41.8	53.4	59.7	65.6	72.2
Nichirei holding company	Average days acquired	Days	15.1	14.8	13.2	13.1	14.0
	Acquisition rate	%	78.0	77.1	71.7	68.6	73.6
Nichirei Foods	Average days acquired	Days	8.3	10.2	10.8	13.3	14.4
	Acquisition rate	%	42.7	52.4	57.2	69.1	75.0
Nichirei Fresh	Average days acquired	Days	9.9	11.6	12.6	13.0	13.7
	Acquisition rate	%	51.9	60.9	69.2	68.5	71.3
Nichirei Logistics Group	Average days acquired	Days	6.5	9.3	10.6	11.7	13.1
	Acquisition rate	%	34.6	49.3	58.7	61.8	68.9
Nichirei Biosciences	Average days acquired	Days	12.5	14.2	11.7	12.1	14.6
	Acquisition rate	%	69.0	79.4	69.3	65.7	77.2

* Applicability: Employees

* Acquisition rate = Days acquired ÷ Number of days granted (excluding carry over days)

* Other special holidays (summer vacation) averaged 2.5 days per employee (FY2023).

■ Number of Employees Taking Time Off in Order to Volunteer

Coverage	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Nichirei Group total	Number of people	0	0	1	1	0

■ Employees Using Time Off for Childrearing

Coverage	Item	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Nichirei Group total	Male	Number of people	1	2	2	9	59
	Female		42	48	31	36	38
Nichirei holding company	Male		0	1	0	1	1
	Female		2	6	3	4	2
Nichirei Foods	Male		1	1	1	1	24
	Female		14	17	14	12	12
Nichirei Fresh	Male		0	0	1	2	6
	Female		2	1	2	3	5
Nichirei Logistics Group	Male		0	0	0	5	25
	Female		20	22	11	16	17
Nichirei Biosciences	Male		0	0	0	0	3
	Female		4	2	1	1	2

* Applicability: Employees (includes full-time employees)

* Includes employees taking maternity leave

* From FY2023, includes employees taking childcare-related leave

■ Percentage of Male Employees Taking Childcare Leave

Coverage	Unit	FY2023
Nichirei holding company	%	100
Nichirei Foods Inc.		64.9
Nichirei Fresh Inc.		100
Nichirei Logistics Group Inc.		—
Nichirei Biosciences Inc.		75.0

* In accordance with regulations of Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members (Act No.76, 1991), calculated the percentage of childcare leave, etc. and leave for childcare purposes taken In Article 71-4, Item 2 of Ordinance for Enforcement of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members (Ordinance of the Ministry of Labor No. 25, 1991).

■ Employees Using Time Off for Caregiving

Coverage	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Nichirei Group total	Number of people	3	2	2	3	2
Nichirei holding company		0	0	0	0	0
Nichirei Foods		3	2	1	2	1
Nichirei Fresh		0	0	0	0	0
Nichirei Logistics Group		0	0	1	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	FY2019	FY2020	FY2021	FY2022	FY2023
Food Plants	Number of lost time injuries ^{*1}	Case	34	29	20	21	26
	Number of days of inactivity		11	16	19	19	33
	Lost time injury frequency rate ^{*2}		—	—	—	5	6.2
	Lost time injury intensity rate ^{*3}		—	—	—	0.09	0.11

* 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	FY2019	FY2020	FY2021	FY2022	FY2023
Nichirei Group total	Regular employees	Case	1	0	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	FY2019	FY2020	FY2021	FY2022	FY2023
Nichirei Group total	%	100	100	100	100	100
Nichirei holding company		100	100	100	100	100
Nichirei Foods		100	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.		100	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.		100	100	100	100	100
NK Trans Inc.		100	100	100	100	100
Logistics Network Inc.		100	100	100	100	100
Nichirei Logistics Engineering Inc.		100	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	FY2019	FY2020	FY2021	FY2022	FY2023
Nichirei Group total	%	90.1	89.6	90.8	90.1	90.1

■ New Graduate Hire Turnover Status

Coverage	Item		Turnover (number of people)	Turnover rate (%)	Number of hires
Nichirei Group total	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%	118
		End of second year	8	6.8%	
		End of third year	17	14.4%	
	Joined Company in FY2022	End of first year	2	1.7%	117
		End of second year	7	6.0%	
		End of third year	—	—	
	Joined Company in FY2023	End of first year	4	3.1%	127
		End of second year	—	—	
		End of third year	—	—	
Nichirei holding company	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
		End of second year	0	0.0%	
		End of third year	0	0.0%	
	Joined Company in FY2022	End of first year	0	0.0%	5
		End of second year	0	0.0%	
		End of third year	—	—	
	Joined Company in FY2023	End of first year	0	0.0%	8
		End of second year	—	—	
		End of third year	—	—	

Coverage	Item		Turnover (number of people)	Turnover rate (%)	Number of hires
Nichirei Foods	Joined Company in FY2019	End of first year	1	3.2%	31
		End of second year	2	6.5%	
		End of third year	5	16.1%	
	Joined Company in FY2020	End of first year	0	0.0%	33
		End of second year	2	6.1%	
		End of third year	4	12.1%	
	Joined Company in FY2021	End of first year	2	5.4%	37
		End of second year	4	10.8%	
		End of third year	5	13.5%	
	Joined Company in FY2022	End of first year	1	2.8%	36
		End of second year	1	2.8%	
		End of third year	—	—	
Joined Company in FY2023	End of first year	2	4.9%	41	
	End of second year	—	—		
	End of third year	—	—		
Nichirei Fresh	Joined Company in FY2019	End of first year	0	0.0%	10
		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%	
		End of third year	2	22.2%	
	Joined Company in FY2021	End of first year	0	0.0%	11
		End of second year	0	0.0%	
		End of third year	3	27.3%	
	Joined Company in FY2022	End of first year	0	0.0%	8
		End of second year	0	0.0%	
		End of third year	—	—	
Joined Company in FY2023	End of first year	0	0.0%	6	
	End of second year	—	—		
	End of third year	—	—		

Coverage	Item		Turnover (number of people)	Turnover rate (%)	Number of hires
Nichirei Logistics Group	Joined Company in FY2019	End of first year	1	2.4%	42
		End of second year	2	4.8%	
		End of third year	4	9.5%	
	Joined Company in FY2020	End of first year	1	2.0%	50
		End of second year	1	2.0%	
		End of third year	3	6.0%	
	Joined Company in FY2021	End of first year	1	1.7%	59
		End of second year	3	5.1%	
		End of third year	8	13.6%	
	Joined Company in FY2022	End of first year	1	1.5%	66
		End of second year	6	9.1%	
		End of third year	—	—	
	Joined Company in FY2023	End of first year	2	2.8%	72
		End of second year	—	—	
		End of third year	—	—	
Nichirei Biosciences	Joined Company in FY2019	End of first year	0	0.0%	5
		End of second year	1	20.0%	
		End of third year	2	40.0%	
	Joined Company in FY2020	End of first year	0	0.0%	8
		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%	7
		End of second year	1	14.3%	
		End of third year	1	14.3%	
	Joined Company in FY2022	End of first year	0	0.0%	2
		End of second year	0	0.0%	
		End of third year	—	—	
	Joined Company in FY2023	End of first year	0	0.0%	0
		End of second year	—	—	
		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 -Director training -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)
FY2019	49,610	1,711
FY2020	46,927	1,614
FY2021	36,376	1,509
FY2022	58,037	2,650
FY2023	74,183	4,503
Total	265,133	11,987

		FY2019			FY2020			FY2021			FY2022			FY2023		
		Number of Subjects	Number of People	Implement-entation Rate	Number of Subjects	Number of People	Implement-entation Rate	Number of Subjects	Number of People	Implement-entation Rate	Number of Subjects	Number of People	Implement-entation Rate	Number of Subjects	Number of People	Implement-entation Rate
E	Environment	5,234	5,016	95.8%	5,396	5,035	93.3%	—	—	—	—	—	—	5,835	5,667	97.1%
S	SDGs	—	—	—	—	—	—	5,659	5,304	93.7%	5,780	5,066	87.6%	5,753	5,398	93.8%
	Business and Human Rights	—	—	—	—	—	—	—	—	—	—	—	—	5,738	5,385	93.9%
	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 Assurance	5,308	5,178	97.6%	5,403	5,032	93.1%	—	—	—	—	—	—	—	—	—
	Intellectual 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%	5,739	5,088	88.7%
	Personal Information Protection 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%
	Information 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%	5,788	5,243	90.6%
	Harassment	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 Information	—	—	—	—	—	—	5,649	5,371	95.1%	—	—	—	—	—	—
	G	Compliance	—	—	—	—	—	—	—	—	—	5,771	5,252	91.0%	5,792	5,395
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%	5,779	5,248	90.8%
Whistleblower and Consultation System		5,256	4,901	93.2%	5,471	4,862	88.9%	5,618	5,282	94.0%	—	—	—	—	—	—
Competition Law Compliance 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%
Retirement 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	FY2019		FY2020		FY2021		FY2022		FY2023		
		Domestic	Overseas	Domestic	Overseas	Domestic	Overseas	Domestic	Overseas	Domestic	Overseas	
Quality Assurance Audits	Number of Factory/Site Audits	Quality Assurance Department	67	38	52	20	40	10	46	16	64	23
	Nichirei Foods	Nichirei Foods Quality Assurance Department	26	20	6	5	16	6	5	5	13	7
	Nichirei Logistics Group	Nichirei Logistics Group Quality and Safety Management Department	24	0	34	—	19	—	26	0	29	—
	Nichirei Fresh	Nichirei Fresh Quality Assurance Department	10	17	9	15	5	4	15	11	18	16
	Nichirei Bioscience	Nichirei Bioscience Quality Assurance Department	7	1	3	0	0	0	0	0	3	0
	Group Implementation Rate (vs. plan) (Office coverage)	Quality Assurance Department	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	90% (=64/71) of the plan	72% (=23/32) of the plan
	Group Implementation Rate (Actual number) (Office coverage)	Quality Assurance Department	18% (67/370)	20% (38/189)	17% (52/307)	11% (20/180)	13% (40/305)	6% (10/172)	15% (46/299)	9% (16/176)	25% (64/258)	17% (23/134)
	Nichirei Foods Implementation Rate	Nichirei Foods Quality Assurance Department	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	(13/13) /15	(7/7) /12
	Nichirei Logistics Group Implementation Rate	Nichirei Logistics Group Quality and Safety Management Department	100% (24/24) /110	—	87% (34/39) /115	—	(19/19) /117	—	(26/26) /117	—	(29/35) /119	—
	Nichirei Fresh Implementation Rate	Nichirei Fresh Quality Assurance Department	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	(18/20) /120	(16/25) /119
Nichirei Bioscience Implementation Rate	Nichirei Bioscience Quality Assurance Department	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	(3/3)/4	(0/0)/3	

Quality Assurance Related Data Number of certifications as of the end of March of each fiscal year			Number of Offices Acquired/Number of Offices of Consolidated Subsidiaries in Japan									
HACCP (Food Hygiene Management System)	Nichirei Foods		14/15	—	14/15	—	15/15	—	—	—	—	—
	Nichirei Fresh		7/7	—	7/7	—	7/7	—	—	—	—	—
Number of ISO9001 Certifications	Number of Group Certifications	Quality Assurance Department	114/139	3/5	89/138	3/5	91/140	2/5	94/140	2/5	90/142	2/6
	Nichirei Foods	Nichirei Foods Quality Assurance Department	3/15	3/5	3/15	3/5	3/15	2/5	3/15	2/5	0/15	2/6
	Nichirei Logistics Group	Nichirei Logistics Group Quality and Safety Management Department	104/116	—	81/115	—	83/117	—	86/117	—	85/119	—
	Nichirei Fresh	Nichirei Fresh Quality Assurance Department	7/8	—	5/8	—	5/8	—	5/8	—	5/8	—
	Nichirei Bioscience	Nichirei Bioscience Quality Assurance Department	—	—	—	—	—	—	—	—	—	—
ISO14001 and ISO13485 Certifications	Number of Group Certifications	Quality Assurance Department	12	3	13	2	13	3	12/17 (71%)	6/6 (100%)	9/17 (53%)	3/7 (43%)
	Nichirei Foods	Nichirei Foods Quality Assurance Department	11/15 (73%)	2/5 (40%)	11/15 (73%)	2/5 (40%)	11/15 (73%)	2/5 (40%)	10/15 (67%)	5/5 (100%)	7/15 (47%)	2/6 (33%)
	Nichirei Logistics Group	Nichirei Logistics Group Quality and Safety Management Department	—	—	—	—	—	—	—	—	—	—
	Nichirei Fresh	Nichirei Fresh Quality Assurance Department	—	—	—	—	—	—	—	—	—	—
	Nichirei Bioscience	Nichirei Bioscience Quality Assurance Department	1 (100%)	1 (100%)	14000: 0/1 (0%) 13485: 2/2 (100%)	—	2/2 (100%)	1/1 (100%)	2/2 (100%)	1/1 (100%)	2/2 (100%)	1/1 (100%)

FSSC22000 ISO22000 Number of SQF Certifications	Number of Group Certifications	Quality Assurance Department	22/139	4/5	23/137	4/5	23/139	6/6	24/139	6/6	24/141	7/7
	Nichirei Foods	Nichirei Foods Quality Assurance Department	14/15	4/5	14/15	4/5	14/15	5/5	15/15	5/5	15/15	6/6
	Nichirei Logistics Group	Nichirei Logistics Group Quality and Safety Management Department	2/116	—	2/115	—	2/117	—	2/117	—	2/119	—
	Nichirei Fresh	Nichirei Fresh Quality Assurance Department	6/8	—	7/7	—	7/7	1/1	7/7	1/1	7/7	1/1
	Nichirei Bioscience	Nichirei Bioscience Quality Assurance Department	—	—	—	—	—	—	—	—	—	—
Quality Assurance – Number of Critical Cases	Group Annual Number	Quality Assurance Department	—	—	—	—	—	—	0	0	2	1
	Nichirei Foods	Nichirei Foods Quality Assurance Department	—	—	—	—	—	—	0	0	0	1
	Nichirei Logistics Group	Nichirei Logistics Group Quality and Safety Management Department	—	—	—	—	—	—	0	0	0	0
	Nichirei Fresh	Nichirei Fresh Quality Assurance Department	—	—	—	—	—	—	0	0	1	0
	Nichirei Bioscience	Nichirei Bioscience Quality Assurance Department	—	—	—	—	—	—	0	0	1	0
Quality Assurance Training Hours	Group Annual Hours	Quality Assurance Department	210	19	221.5	10	455.5	21	790	25	635	32
	Nichirei Foods	Nichirei Foods Quality Assurance Department	42.5	19	42.5	10	24	21	24	25	18	32
	Nichirei Logistics Group	Nichirei Logistics Group Quality and Safety Management Department	77	0	77	0	334	—	678	—	555.8	0
	Nichirei Fresh	Nichirei Fresh Quality Assurance Department	26.5	0	38	0	40	0	30	0	28	0
	Nichirei Bioscience	Nichirei Bioscience Quality Assurance Department	64	0	64	0	57.5	0	58	0	33	0

Number of Major Meetings and Committee Meetings as well as Attendance Rates												
Group Quality Assurance Committee	Quality Assurance Department	Quality Assurance Department	(1st meeting)	—	(1st meeting)	—	(1st meeting)	—	(1st meeting)	—	(1st meeting)	—
			91% (10/11)	100% (11/11)	100% (11/11)	92% (12/13)	100% (10/10)	100% (10/11)				
			(2nd meeting)	—	(2nd meeting)	—	(2nd meeting)	—	(2nd meeting)	—	(2nd meeting)	—
			91% (10/11)	82% (9/11)	91% (10/11)	100% (12/12)	83% (10/12)					

* From FY2022, the number of quality assurance critical cases is based on the number of open recalls.

■ Percentage of Receiving a Full Medical Examination after Periodic Health Checkups

Coverage	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Nichirei Group total	%	12.3	17.5	66.1	70.1	65.0

■ Donations to Non-profit Organizations

Donations to Non-profit Organizations (Millions of yen)	FY2019		FY2020		FY2021		FY2022		FY2023	
	Dome- stic	Over- seas	Dome- stic	Over- seas	Dome- stic	Over- seas	Dome- stic	Over- seas	Dome- stic	Over- seas
Social welfare and disaster support (Social welfare, social inclusion)	19	—	19	—	20	—	18	—	41	0
Social welfare and disaster support (Support for disaster-stricken areas)	14	0	16	0	2	0	4	0	1	20
Education (Academia & research)	15	—	10	—	8	—	6	—	5	0
Education (Education and social education)	82	—	77	—	67	—	57	—	74	0
Health, sports and the arts (Health, medicine, sports)	133	—	138	—	134	—	134	—	142	0
Health, sports and the arts (Culture and arts)	0	—	0	—	0	—	0	—	0	0
Environmental conservation (Environment)	17	—	50	—	57	—	59	—	83	0
Community contribution (Community activities, preservation of historic sites and traditional culture)	24	—	19	—	48	—	67	—	61	0
Political contributions (Lobbying activities)	0	—	0	—	0	—	0	—	0	0
Other	3	—	2	—	2	—	2	—	2	0
Nichirei Group total	306	0	330	0	338	0	347	—	409	20

■ Health Manager

Coverage	Item	Unit	FY2021	FY2022	FY2023
Nichirei Group total	First-Class Health Manager	Number of people	89	78	122
	Second-Class Health Manager	Number of people	11	11	15
	Total	Number of people	100	89	137

■ Personal Information Protection Leaks, etc.

	FY2019	FY2020	FY2021	FY2022	FY2023
Nichirei Group total	0	0	0	1	4

■ Number of Violations of Laws and Regulations in Advertisements/Publicity and Labeling

	FY2019	FY2020	FY2021	FY2022	FY2023
Nichirei Group total	0	0	0	0	3

■ 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 105th Annual General Shareholders Meeting



■ Board of Directors Composition

Category	Gender	Number of people				
		FY2019	FY2020	FY2021	FY2022	FY2023
Inside directors	Male	7	7	7	7	6
	Female	0	0	0	0	0
	Total	7	7	7	7	6
Outside directors	Male	1	1	1	1	2
	Female	2	2	2	3	2
	Total	3	3	3	4	4
Total	Male	8	8	8	8	8
	Female	2	2	2	3	2
	Total	10	10	10	11	10

■ Board of Directors Meeting Attendance Rate

Category	FY2019 (%)	FY2020 (%)	FY2021 (%)	FY2022 (%)	FY2023 (%)
Inside directors	97.4	100	100	97.6	100
Outside directors	98.2	94.4	100	100	98.7











■ Number of Meetings of Various Committees, etc.






		Number of Meetings Held				
		FY2019	FY2020	FY2021	FY2022	FY2023
Board of Directors	Meets regularly on the third Tuesday of each month	19	18	18	19	19
Management Committee	Meets regularly on Tuesdays except for the third Tuesday of each month	23	20	17	23	25
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	2	2	2	—
Group Supply Chain Committee	Convened once a year, and as needed, convened by the chairperson	—	—	—	1	—
Group Sustainability Committee	Convened three times a year, and as needed, convened by the chairperson	—	—	—	—	4
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	Chairperson convenes as needed	—	1	1	1	0
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	2	2	5	6	8
Remuneration Advisory Committee ^{*2}	Convened twice a year and at other times as needed by the chairperson of the committee	6	3	5	6 ^{*1}	5
Examination Committee	Chairperson convenes as needed	—	1	2	0	0
Intellectual Property Management Committee	Chairperson convenes as needed	—	—	—	0	0

*1 Includes 6th meeting in writing.

*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	8/8	5/5	
	 Kazuhiko Umezawa	19/19			
	 Masahiko Taketaga	19/19			
	 Wataru Tanabe	19/19			
	 Kenji Suzuki ²	15/15 ^{*1}			
	 Yuichi Takaku	*2			
	 Kuniko Shoji	19/19	8/8	5/5	
	 Mana Nabeshima	19/19	8/8	5/5	
	 Itsuo Hama ²	14/15 ^{*1}	6/6 ^{*1}	3/3 ^{*1}	
	 Kenji Hamashima ²	15/15 ^{*1}	6/6 ^{*1}	3/3 ^{*1}	

Classification	Name	Board of Directors Meeting Attendance	Nominating Advisory Committee Meeting Attendance	Remuneration Advisory Committee Meeting Attendance	Audit & Supervisory Board Meeting Attendance
Audit & Supervisory Board Members	 Tatsushi Kato	19/19			16/16
	 Tetsuro Katabuchi ^{*1}	15/15 ^{*1}			11/11 ^{*1}
	 Yuhiko Saito	19/19			16/16
	 Kiyoshi Asahina	19/19			16/16
	 Muneaki Kiyota	19/19			16/16

*1 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 reflects each meeting held after that date.

*2 As Mr. Takaku was newly appointed at the 105th General Meeting of Shareholders held on June 27, 2023, their attendance for FY2023 is not presented.

■ Facilities Audits of Compliance Audits and Internal Controls

		Department in charge	FY2019		FY2020		FY2021		FY2022		FY2023		Remarks
			Dome-stic	Over-seas	Dome-stic	Over-seas	Dome-stic	Over-seas	Dome-stic	Over-seas	Dome-stic	Over-seas	
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	2	1	
Participation ratio (% of all employees covered)		Corporate Audit Department	96.8%		93.6%		94.0%		91.8%	100%	90.8%	100%	Overseas includes only those stationed abroad
Governance Management													
Internal audit	Number of Group audits per year (Domestic/Overseas)	Corporate Audit Department	301	16	285	8	222	0	272	0	310	7	Compliance and facilities combined
	Group annual implementation rate (office coverage rate domestic/overseas)	Corporate Audit Department	82%	36%	73%	19%	58%	0%	69%	0%	78%	15%	Compliance and facilities combined
Compliance audits	Number of Group audits per year (Domestic/Overseas)	Corporate Audit Department	181	8	162	4	152	0	162	0	188	3	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	74%	31%	66%	17%	61%	0%	62%	0%	72%	12%	
	Nichirei Foods (Domestic/Overseas)	Corporate Audit Department	74%	8%	88%	40%	75%	0%	68%	0%	91%	10%	
	Nichirei Logistics Group (Domestic/Overseas)	Corporate Audit Department	68%	70%	59%	0%	49%	0%	51%	0%	55%	0%	
	Nichirei Fresh (Domestic/Overseas)	Corporate Audit Department	100%	0	100%	0	88%	0%	76%	0%	97%	25%	
	Nichirei Bioscience (Domestic/Overseas)	Corporate Audit Department	100%	0	0	0	100%	0%	100%	0%	100%	100%	

		Department in charge	FY2019		FY2020		FY2021		FY2022		FY2023		Remarks
			Dome -stic	Over -seas	Dome -stic	Over -seas	Dome -stic	Over -seas	Dome -stic	Over -seas	Dome -stic	Over -seas	
Facilities audit	Number of Group audits per year (Domestic/ Overseas)	Corporate Audit Department	120	8	123	4	70	0	110	0	122	4	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%	42%	87%	22%	51%	0%	82%	0%	90%	19%	
	Nichirei Foods (Domestic/ Overseas)	Corporate Audit Department	100%	17%	94%	33%	82%	0%	94%	0%	100%	50%	
	Nichirei Logistics Group (Domestic/ Overseas)	Corporate Audit Department	85%	58%	87%	14%	43%	0%	79%	0%	88%	0%	
	Nichirei Fresh (Domestic/ Overseas)	Corporate Audit Department	100%	0	100%	0	89%	0%	89%	0%	100%	100%	
	Nichirei Bioscience (Domestic/ Overseas)	Corporate Audit Department	0%	—	100%	0	100%	0%	100%	—	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	90%	—	100%	—	100%	—	100%	—	100%	—	

■ Number of Whistleblowing Cases, by Type

	FY2019	FY2020	FY2021	FY2022	FY2023
Mistreatment	6	2	2	0	1
Workplace Disputes	2	5	8	2	8
Harassment	1	12	10	3	11
Compliance-related Breaches	1	1	5	11	4
Human rights issues	0	0	0	0	0
Other Consultations	2	1	2	4	2
Total	12	21	27	20	26

■ Anti-corruption and Bribery

	FY2020	FY2021	FY2022	FY2023
Punished employees	None	None	None	None
Payment of fines	None	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 February 6, 2024)

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

2023	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

2023	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

2023	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).



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2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
AA	AA	AA	AA	A	A	A							

MSCI Japan ESG Select Leaders Index

2023 CONSTITUENT 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.

2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
✓	✓	✓	✓	✓	✓	✓							

MSCI Japan Empowering Women Index (WIN)

2023 CONSTITUENT 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.

2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
✓	✓	✓	✓	✓	✓	✓							

Morningstar Japan ex-REIT Gender Diversity Tilt Index



2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
✓													

DISCLAIMER

Morningstar, Inc., and/or one of its affiliated companies (individually and collaboratively, "Morningstar") has authorized Nichirei Corporation to use of the Morningstar Japan ex-REIT Gender Diversity Tilt Logo ("Logo") to reflect the fact that, for the designated ranking year, Nichirei Corporation ranks in the top quintile of companies comprising the Morningstar® Japan ex-REIT Gender Diversity Tilt IndexSM ("Index") on the issue of gender diversity in the workplace. Morningstar is making the Logo available for use by Nichirei Corporation solely for informational purposes. Nichirei Corporation use of the Logo should not be construed as an endorsement by Morningstar of Nichirei Corporation or as a recommendation, offer or solicitation to purchase, sell or underwrite any security associated with Nichirei Corporation. The Index is designed to reflect gender diversity in the workplace in Japan, but Morningstar does not guarantee the accuracy, completeness or timeliness of the Index or any data included in it. Morningstar makes no express or implied warranties regarding the Index or the Logo, and expressly disclaim all warranties of merchantability or fitness for a particular purpose or use with respect to the Index, any data included in it or the Logo. Without limiting any of the foregoing, in no event shall Morningstar or any of its third party content providers have any liability for any damages (whether direct or indirect), arising from any party's use or reliance on the Index or the Logo, even if Morningstar is notified of the possibility of such damages. The Morningstar name, Index name and the Logo are the trademarks of services marks of Morningstar, Inc. Past performance is no guarantee of future results.

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).



Sompo Sustainability Index

2023	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.



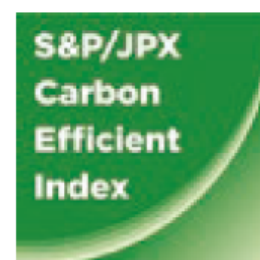
Climate Change

2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
A-	B	A-	B	B	B	C	A-	C	C	C	31	—	—

Water Security

2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
A-	A-	A-	B	B	B-	B-	—	—	—	—	—	—	—

S&P/JPX Carbon Efficient Index



2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
✓	✓	✓	✓	✓	—	—	—	—	—	—	—	—	—

JPX-NIKKEI 400






2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	—	—	—

■ List of Certifications

Acquisition Year	Name		
From July 2021 to June 2024	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	Topics	Outline
FY2024	Nichirei Corporation was selected for "Best Continual IR Efforts Premium"	<p>Sponsored by Japan Investor Relations Association Nichirei Corporation was selected for the "Best Continual IR Efforts Premium," a special award established to commemorate the 30th anniversary of the Association's establishment and given to companies that have conducted IR activities above a certain level over the medium to long term, in the IR Award.</p>  <p>Best Continual IR Efforts Premium (2023) https://www.jira.or.jp/activity/bluechip.html (Japanese only)</p>
FY2024	<i>Amani-no-Megumi</i> series won the "Japan Child Care Advocate Grand Prize"	<p>Sponsored by Japan Association for Child Rearing Support <i>Amani-no-Megumi</i> series won the "Japan Child Care Advocate Grand Prize" at the 4th Japan Child Care Advocate Grand Prize 2023. https://www.nichireifresh.co.jp/news/detail/?id=1743 (Japanese only)</p>
FY2024	Nichirei do Brasil Agricola Ltda (NIAGRO) received its first "Platinum" rating in the EcoVadis Sustainability Survey in 2023, equivalent to the top 1% level	<p>Sponsored by EcoVadis Nichirei do Brasil Agricola Ltda (NIAGRO), a subsidiary of Nichirei Foods Inc. (President: Masahiko Takenaga), received its first "Platinum" rating in the EcoVadis Sustainability Survey in 2023, equivalent to the top 1% level. https://www.nichireifoods.co.jp/en/corporate/pdf/release_ecovadis_230710.pdf</p> 
FY2024	Nichirei Logistics Group received "Japan Logistics Press Association Award" and "Special Award" at 24th Logistics Environment Award	<p>Sponsored by Japan Association for Logistics and Transport KIRISHIMA SHUZO Co., Ltd. and Nichirei Logistics Kyushu, Inc. received "Japan Logistics Press Association Award". Also, Logistics Network Inc. received "Special Award". https://www.nichirei-logi.co.jp/news/2023/20230706.html (Japanese only)</p>
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.	<p>Sponsored 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</p> 
FY2023	Awarded "Champion" in the collaboration award at the 4th Japan Sustainable Seafood Awards	<p>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</p>
FY2023	Received the "SDGs Carbon Offset Award"	<p>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/</p>

Awards Year	Topics	Outline
FY2023	<p>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</p>	<p>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/en/corporate/pdf/release_ecovadis_220809.pdf</p> 
FY2023	<p>Received the "Advanced Technology Award" and "Special Award" at the 23rd Logistics Environment Awards</p>	<p>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</p>
FY2022	<p>Sustainability Awards 2021 Strategy for Sustainable Food Systems(MeaDRI) Promotion award</p>	<p>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)".</p> 
FY2022	<p>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</p>	<p>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.</p> 
FY2022	<p>Commendation from WICI Japan, a general incorporated association</p>	<p>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".</p>
FY2021	<p>City of Yokosuka Commendation</p>	<p>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.</p>
FY2021	<p>The Yokohama Global Warming Countermeasures Award</p>	<p>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.</p> <p>Nichirei Logistics Kanto received the Yokohama Climate Change Countermeasures Award, part of the Yokohama City Action Plan for Global Warming Countermeasures.</p>

Awards Year	Topics	Outline
FY2019	1st Award for Good Practices of Consumer-oriented Received the Consumer Affairs Agency Director's Commendation	<p>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.</p> 
FY2018	Tokyo Stock Exchange, Inc. 6th Corporate Value Improvement Award Excellent Award	<p>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.</p>
FY2018	Green Logistics Partnership Conference Award from the MLIT Minister's Secretariat Deputy Vice-Minister of Logistics	<p>Sponsored by Green Logistics Partnership Conference A system implemented by the Ministry of Land, Infrastructure, Transport and Tourism to recognize outstanding efforts to promote CO₂ 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.</p>
FY2017	Modal Shift Excellent company announcement / commendation system "The award for Excellent Business Entities Working on Modal Shift"	<p>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.</p>
FY2017	Nano Tech 2017 Life Nanotechnology Award	<p>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.</p>

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.



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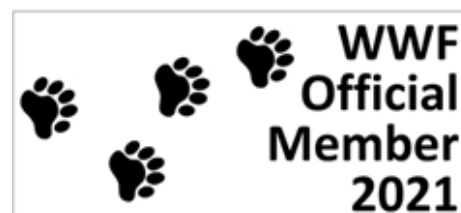
Membership profile page

<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 (tcf-d-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

<https://riss.aist.go.jp/en-lca-consortium/>

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.

