

**Nichirei Group**  
**ESG Report 2024**



**NICHIREI CORPORATION**

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# Message from the President

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**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.

Nowadays, global warming due to climate change and geopolitical risks are significantly affecting the food-related supply chain in our business. How can our group, as a part of society's infrastructure, contribute to the realization of a sustainable society and to the response to global environmental changes? We recognize that this question is of great concern to society.

In order to maintain a sustainable food supply chain in the future, our group will continue to conduct our business activities to achieve carbon neutrality while carefully protecting the rich natural environment and food resources. As part of our efforts to procure renewable energy, we have expanded the installation of solar power generation equipment at our own sites. Moreover, in March 2024, we introduced new off-site corporate PPA services at distribution and production sites in the service area of Tohoku Electric Power Company and at distribution sites in the service area of Shikoku Electric Power Company. Based on strong partnership with our business partners, we are also committed to working diligently on human rights issues and labor issues. Since FY2023, we have been conducting human rights due diligence with domestic and overseas livestock and fishery suppliers, and are promoting efforts to deepen understanding of mutual values. Furthermore, as part of our sustainability education, we have launched "One for Future," a group-wide SDGs materiality training program for all employees, started in August 2023. Through this training, we will promote a sustainability mindset and behavioral change among participants and develop human resources who can practice "balancing social value and economic value."

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. We will continue our efforts to realize a well-being society in which employees of the Nichirei Group, all stakeholders of the Nichirei Group, and people around the world can have healthy life with smile.

We appreciate your continued support.

April, 2024

**Kenya Okushi**  
Representative Director,  
President & Chief Executive Officer

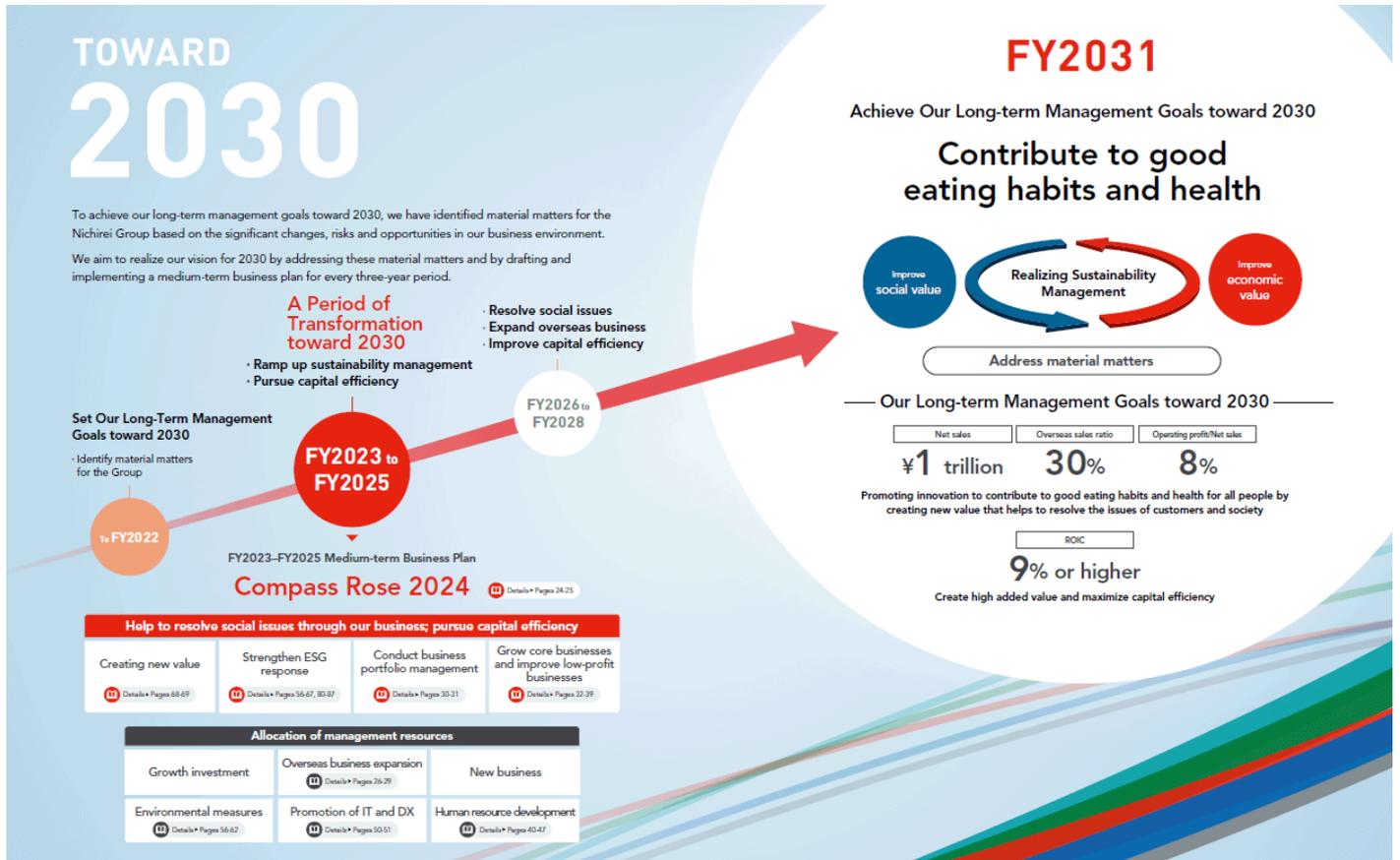
# Nichirei Group Materiality

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# Group Material Matters

## Long-term Management Goals (Vision for 2030)

Working to Realize Our Vision for 2030



## Group Material Matters

In 2020, the Nichirei Group identified five material matters (materiality) and set a vision for each of them in order to achieve the long-term management goals for 2030. We are promoting sustainability management by executing measures that address the material matters while balancing social and economic value.

**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.**

Material Matters (Materiality)		Vision for 2030	Group Measures	Group KPIs for FY2031	Applicable SDGs	
1	<b>Creating new value in food and health</b> <sup>*1</sup>	Create new markets and customer value by taking on challenges outside existing 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"> <li>· Allocate resources to R&amp;D to investigate health, the global environment and diversifying customer value, as well as to marketing</li> <li>· Develop products and services and convey information to address people's mental and physical health and the global environment</li> <li>· Establish mechanisms to create and cultivate value in new fields and conduct innovation activities</li> </ul>	<ul style="list-style-type: none"> <li>· Sales of products and services that create added value for people's mental and physical health and for the global environment: ¥140.0 billion</li> <li>· People provided with information for good eating habits and health (total number of people per year): maintain over 200 million</li> </ul>	

Material Matters (Materiality)		Vision for 2030	Group Measures	Group KPIs for FY2031	Applicable SDGs	
2	<b>Strengthening food processing and production technology capabilities; enhancing logistics services</b>	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"> <li>• EBITDA margin: 12%</li> <li>• EBITDA CAGR: 7% or higher</li> </ul>	
			Overseas business as a new pillar of earnings	Accelerate overseas expansion by securing and training globally capable human resources, cultivating partner companies, conducting M&A and other means	<ul style="list-style-type: none"> <li>• Overseas sales ratio: 30%</li> </ul>	

Material Matters (Materiality)		Vision for 2030	Group Measures	Group KPIs for FY2031	Applicable SDGs	
3	<b>Realizing sustainable food procurement and a circular economy</b>	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"> <li>Rate of procurement from suppliers and OEMs that comply with the Nichirei Group Supplier Code of Conduct and Supplier Guidelines: Procurement Rate 100%</li> <li>Rate of implementation of ESG due diligence for main raw materials and main suppliers: 100%</li> </ul>	 8.7  12.2, 12.6  14.4
			Promoting a circular economy by creating new business models	Work to conduct sustainable resource procurement and help to realize a circular economy	<ul style="list-style-type: none"> <li>Rate of attendance for the SDGs education program aimed at realizing a circular economy: 100% (all employees)</li> <li>Rate of waste recycling at all sites: 99%</li> </ul>	 4.7  12.5

Material Matters (Materiality)		Vision for 2030	Group Measures	Group KPIs for FY2031	Applicable SDGs
3	Realizing sustainable food procurement and a circular economy			<ul style="list-style-type: none"> <li>Procurement ratio of sustainable marine products complying with the Nichirei Group Sustainable Marine Product Procurement Guidelines in marine products business: 100%*2</li> <li>Ratio of marine products in the above from fisheries with MSC, ASC or other global certification: 50%*2</li> </ul>	 14.4
				<ul style="list-style-type: none"> <li>Procurement ratio of sustainable Palm oil (RSPO certified oil) : 100%*2</li> </ul>	 15.2
		Understanding risks to natural capital and improving resilience related to biodiversity and water resources	Conserve biodiversity and water resources through business activities that consider ecosystems	<ul style="list-style-type: none"> <li>Reduce water consumption at high-risk locations and implement water conservation activities*3</li> </ul>	 6.4  12.1
				<ul style="list-style-type: none"> <li>Engage in biodiversity restoration activities, including the preservation of plant and animal species at Group sites*3</li> </ul>	 14.2  15.1/15.5

Material Matters (Materiality)		Vision for 2030	Group Measures	Group KPIs for FY2031	Applicable SDGs	
4	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 <sub>2</sub> emissions both inside and outside the Group toward the goal of becoming carbon neutral by 2050	Reduce CO <sub>2</sub> emissions per unit of production and utilize renewable energy at food factories and logistics centers, and disclose information based on the TCFD recommendations	<ul style="list-style-type: none"> <li>Reduction in CO<sub>2</sub> emissions: -42% (Compared with FY2023; Scope 1 and 2 in Japan and Overseas)*<sup>4</sup></li> <li>Reduction in CO<sub>2</sub> emissions: -25% (Compared with FY2023; Scope 3 in Japan and Overseas)*<sup>4</sup></li> <li>Reduction in CO<sub>2</sub> emissions: -56% (Compared with FY2016; Scope 1 and 2 in Japan)*<sup>5</sup></li> </ul>	 7.2 7.3
			Elimination of CFCs progressing at production and logistics facilities as a global warming countermeasure	<ul style="list-style-type: none"> <li>Replace all refrigerants used in freezing and refrigerating equipment in Japan with natural refrigerants</li> <li>Switch to natural refrigerants overseas as necessary, based on on-site confirmation</li> </ul>	<ul style="list-style-type: none"> <li>Rate of conversion to natural refrigerants Production equipment (Japan): 100%</li> <li>Rate of conversion to natural refrigerants Logistics (Global): 75%</li> </ul>	 13.3

Material Matters (Materiality)		Vision for 2030	Group Measures	Group KPIs for FY2031	Applicable SDGs	
5	Securing and developing a diverse array of human resources	Secure and develop 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"> <li>Conduct a Company-wide employee engagement survey<sup>*7</sup> to monitor the effectiveness of measures</li> <li>Establish a personnel system that enables Group employees to choose work styles according to their career outlook and contributes to productivity improvement</li> <li>Establish and provide support for application of rules</li> </ul>	<ul style="list-style-type: none"> <li>Employee engagement score 80pt<sup>*6</sup></li> <li>Ratio of women directors and women Audit &amp; Supervisory Board members (Holding company): 30% or higher</li> <li>Ratio of women employees in management positions (Holding company): 30%</li> </ul>	 4.3 4.4 5.1 5.5
				<ul style="list-style-type: none"> <li>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</li> </ul>	<ul style="list-style-type: none"> <li>Investment in human resources ¥2.0 billion<sup>*6</sup></li> </ul>	 8.5

\*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.

\*3 For material matter 3, "Sustainable Food Procurement and the Realization of a Recycling-Oriented Society," was partially revised and added the ideal state regarding water resources and biodiversity in 2030, Group targets and KPIs for FY2031 at the Nichirei Board of Directors on April 16, 2024.

\*4 For material matter 4, "Climate Change Initiatives," were reviewed with the FY2025 and FY2031 targets for CO<sub>2</sub> emissions reduction at the Nichirei Board of Directors on November 21, 2023. The FY2025 target was revised upward by 3 percentage points from 30% of the FY2016 level. In addition, the scope of CO<sub>2</sub> emission reductions was expanded and a new Group target for FY2031 was added.

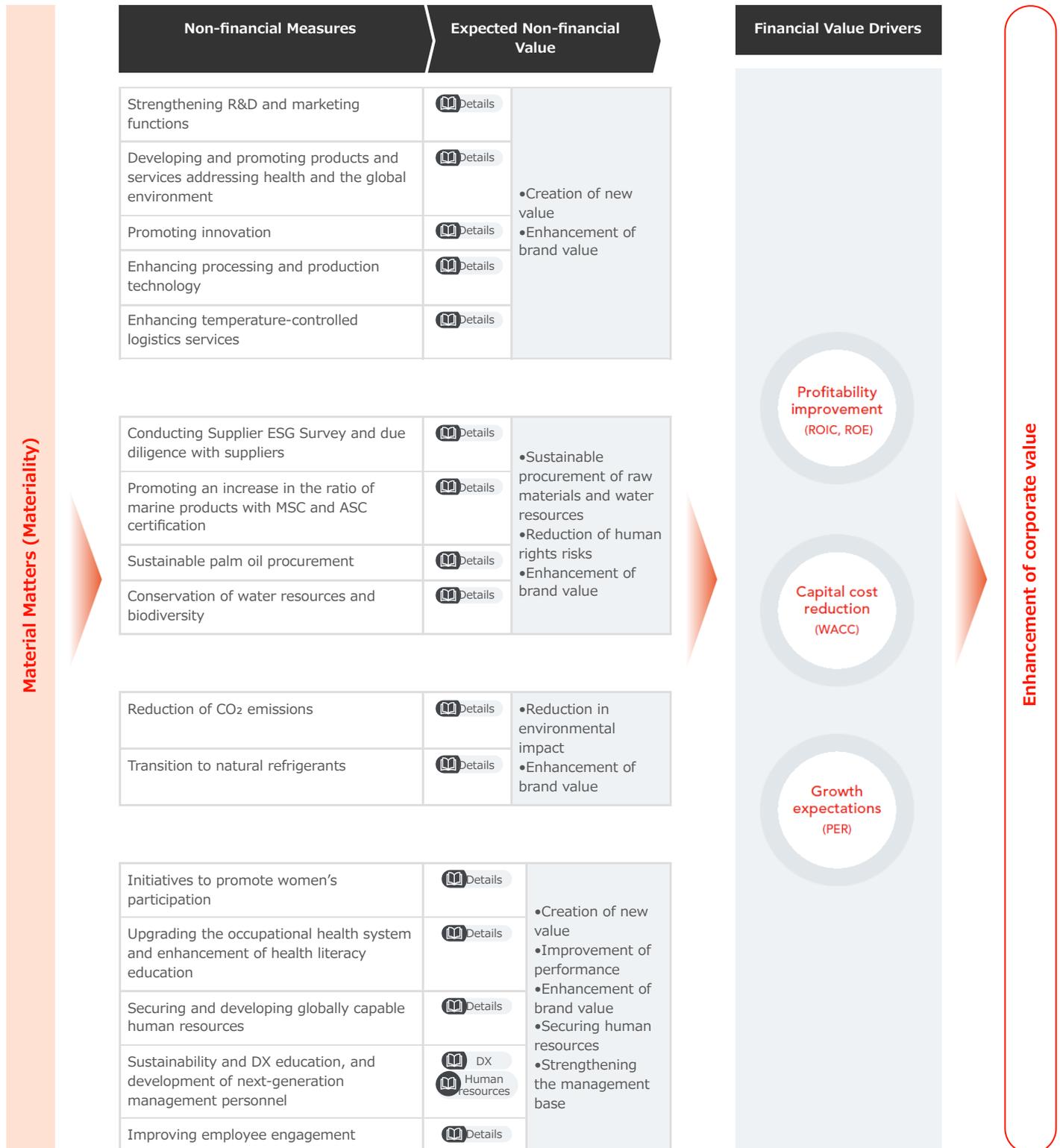
\*5 This is the reduction rate compared with FY2016, where the FY2031 target for Scope 1 and 2 in Japan is set at 42% reduction compared with FY2023.

\*6 For material matter 5, "Securing and developing a diverse array of human resources," was added Group Targets and KPIs related to employee engagement score and revised the FY2025 and FY2031 targets for investment in human resources at the Nichirei Board of Directors on May 21, 2024.

\*7 Engagement survey: A survey that shows degree of understanding of and resonance with the Management Principles and independent involvement in the organization (job satisfaction).

# Connection between Non-financial Measures and Corporate Value Enhancement

Nichirei believes that enhancing corporate value requires initiatives that improve profitability (ROIC, ROE), reduce capital costs (WACC), and promote growth expectations (PER). We view the execution of measures to address our material matters as contributing to the improvement of these three types of economic value, thereby enhancing corporate value. By continuing to promote non-financial measures that address our material matters, we will create both economic and social value, which will ultimately enhance corporate value.



# KPIs for Group Material Matters

In 2021, we set Group targets for 2030, as well as measures and KPIs, to advance initiatives for the Group's material matters.

Medium-term Business Plan Compass Rose 2024, which began in FY2023 (the year ended March 31, 2023), sets Group KPI milestones (targets) for FY2025 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.

Material Matters (Materiality)		Group KPIs	FY2023 Results	FY2024 Results	FY2025 Plan	FY2031 Targets	Main Operating Companies Involved
1	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 for the global environment	¥46.4 billion	¥55.2 billion	¥64.5 billion	¥140.0 billion	<ul style="list-style-type: none"> <li>• Nichirei Foods Inc.</li> <li>• Nichirei Fresh Inc.</li> <li>• Nichirei Corporation (Holding Company)</li> </ul>
		People provided with information for good eating habits and health (total number of people per year)	103 million	225 million	Maintain over 200 million	Maintain over 200 million	
2	Strengthening food processing and production technology capabilities; enhancing logistics services	EBITDA margin	8%	9%	9%	12%	<ul style="list-style-type: none"> <li>• Nichirei Foods Inc.</li> <li>• Nichirei Logistics Group Inc.</li> <li>• Nichirei Fresh Inc.</li> <li>• Nichirei Biosciences Inc.</li> </ul>
		EBITDA CAGR Note: FY2022 is the baseline for FY2023, FY2024 and FY2025 CAGR FY2031 CAGR is the CAGR for 2025-2030	5%	8%	8%	7% or higher	
		Overseas sales ratio	20%	21%	24%	30%	
3	Realizing sustainable food procurement and a circular economy	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 99% (main domestic suppliers and OEMs)	Support rate 100% (main domestic and overseas suppliers and OEMs)	Procurement rate 100%	<ul style="list-style-type: none"> <li>• Nichirei Foods Inc.</li> <li>• Nichirei Logistics Group Inc.</li> <li>• Nichirei Fresh Inc.</li> <li>• Nichirei Biosciences Inc.</li> </ul>

Material Matters (Materiality)	Group KPIs	FY2023 Results	FY2024 Results	FY2025 Plan	FY2031 Targets	Main Operating Companies Involved
3 Realizing sustainable food procurement and a circular economy	Rate of implementation of ESG due diligence for main raw materials and main suppliers	Domestic meat and poultry 25% (main suppliers and OEMs)	Domestic meat and poultry 52% (main suppliers and OEMs)	Domestic meat, poultry, and marine products 100% (main suppliers and OEMs)	100%	<ul style="list-style-type: none"> <li>• Nichirei Foods Inc.</li> <li>• Nichirei Logistics Group Inc.</li> <li>• Nichirei Fresh Inc.</li> <li>• Nichirei Biosciences Inc.</li> </ul>
	Rate of attendance for the SDGs education program aimed at realizing a circular economy	-	51% (managers or above)	100% (managers or above)	100% (all employees)	
	Rate of waste recycling at all sites	99.5%	99.7%	99%	99%	
	Procurement ratio of sustainable marine products complying with the Nichirei Group Sustainable Marine Product Procurement Guidelines in marine products business* <sup>2</sup>	91%	94%	99%	100%	
	Ratio of marine products in the above from fisheries with MSC, ASC or other global certification* <sup>2</sup>	19%	22%	32%	50%	
	Procurement ratio of sustainable palm oil (RSPO certified oil)* <sup>2</sup>	100% (book and claim)	100% (book and claim)	100% (book and claim)	100% (certified oil)	
	* Certified Palm Oil means RSPO certified Palm Oil (Mass Balance and Segregation)					

Material Matters (Materiality)		Group KPIs	FY2023 Results	FY2024 Results	FY2025 Plan	FY2031 Targets	Main Operating Companies Involved
3	Realizing sustainable food procurement and a circular economy	Reduce water consumption at sites with high water stress <sup>*3</sup>	-	-	-	Reduce water consumption at high-risk locations and implement water conservation activities	<ul style="list-style-type: none"> <li>• Nichirei Foods Inc.</li> <li>• Nichirei Logistics Group Inc.</li> </ul>
		Conduct biodiversity conservation activities at Nichirei Group sites and Company-owned land <sup>*3</sup>	-	-	-	Engage in biodiversity restoration activities, including the preservation of plant and animal species at Group sites	<ul style="list-style-type: none"> <li>• Nichirei Fresh Inc.</li> <li>• Nichirei Biosciences Inc.</li> </ul>
4	Climate change initiatives	Reduction in CO <sub>2</sub> emissions <sup>*4</sup> (Compared with FY2023; Scope 1 and 2 in Japan and Overseas)	-	-	-	-42%	<ul style="list-style-type: none"> <li>• Nichirei Foods inc.</li> <li>• Nichirei Logistics Group inc.</li> </ul>
		Reduction in CO <sub>2</sub> emissions <sup>*4</sup> (Compared with FY2023; Scope 3 in Japan and Overseas)	-	-	-	-25%	
		Reduction in CO <sub>2</sub> emissions <sup>*4</sup> (Compared with FY2016; Scope 1 and 2 in Japan)	-25%	-30%	-33%	-56% <sup>*5</sup>	
		Rate of conversion to natural refrigerants Production equipment (Japan)	56%	63%	74%	100%	
		Rate of conversion to natural refrigerants Logistics (Global)	53% <sup>*6</sup>	56% <sup>*6</sup>	61% <sup>*6</sup>	75%	

Material Matters (Materiality)	Group KPIs	FY2023 Results	FY2024 Results	FY2025 Plan	FY2031 Targets	Main Operating Companies Involved
5 Securing and developing a diverse array of human resources	Employee engagement score <sup>*7</sup>	-	68pt	70pt	80pt	<ul style="list-style-type: none"> <li>· Nichirei Foods inc.</li> <li>· Nichirei Logistics Group inc.</li> <li>· Nichirei Fresh inc.</li> <li>· Nichirei Biosciences inc.</li> <li>· Nichirei Corporation (Holding Company)</li> </ul>
	Ratio of women directors and women Audit & Supervisory Board members (Holding company)	13.3%	13.3%	18.7%	30% or higher	
	Ratio of women employees in management positions (Holding company)	15.3%	17.0%	20.0%	30%	
	Investment in human resources <sup>*7</sup>	¥800 million	¥980 million	¥1.2 billion	¥2.0 billion	

\*1 For material matter 1, "Creating new value in food and health," the vision for 2030, Group measures and Group KPIs and targets for FY2031 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 KPIs and targets.

\*3 For material matter 3, "Realizing sustainable food procurement and a circular economy," the vision for 2030, Group measures, Group KPIs and targets for FY2031 were partially revised and additions were made related to water resources and biodiversity by the Board of Directors of Nichirei Corporation on April 16, 2024.

\*4 For material matter 4, "Climate change initiatives," the Group's FY2025 and FY2031 targets for reduction in CO<sub>2</sub> emissions were reviewed by the Board of Directors of Nichirei Corporation on November 21, 2023. The Group's target for FY2025 was revised upward by 3 percentage points from 30% to 33% compared with FY2016. The scope of the Group's targets for reduction in CO<sub>2</sub> emissions was expanded and a new target was added for FY2031.

\*5 The rate of reduction compared with FY2016 assuming the Group's FY2031 target for Scope 1 and 2 emissions reduction in Japan is set at 42% compared with FY2023.

\*6 The scope was reviewed in April 2024, and the results and targets were revised accordingly.

\*7 For materiality matter 5, "Securing and developing a diverse array of human resources," Group KPIs and targets related to the employee engagement score were added and Group human resource investment targets for FY2025 and FY2031 were revised by the Board of Directors of Nichirei Corporation on May 21, 2024.

# Process for Identifying Material Matters

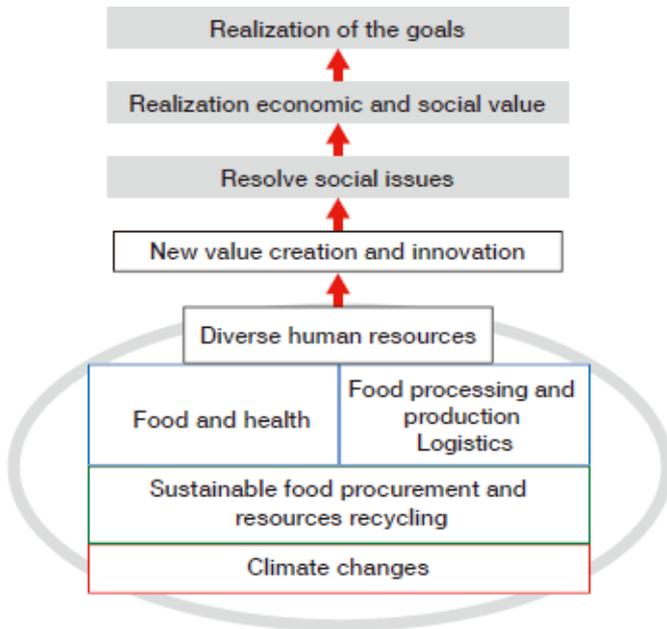
## Project Organization for Identifying Material Matters

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.

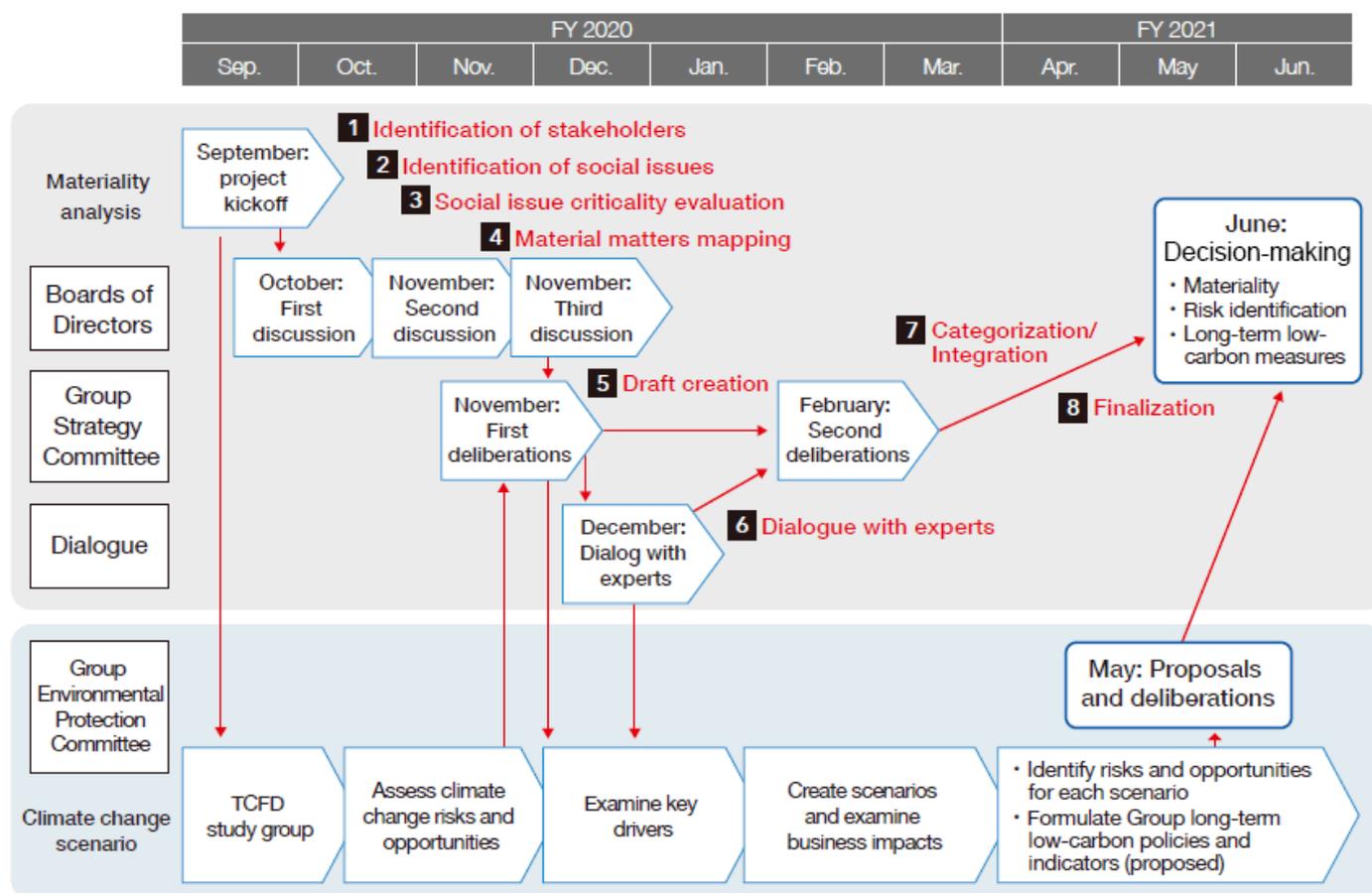
The climate change scenario project was led by the executive officer who is the director, and who serves as the managing director in charge of the environment. This was done according to advice from experts and the framework recommended by the TCFD. The reviews themselves were conducted mainly with Technology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

- Relationship between Materiality and Long-term Management Goals toward 2030



# Project Schedule

## ● Materiality Formulation and Climate Change Scenario Examination Project Grand Schedule



### 1 Identifying stakeholders

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

### 2 Identifying social issues (risks and opportunities)

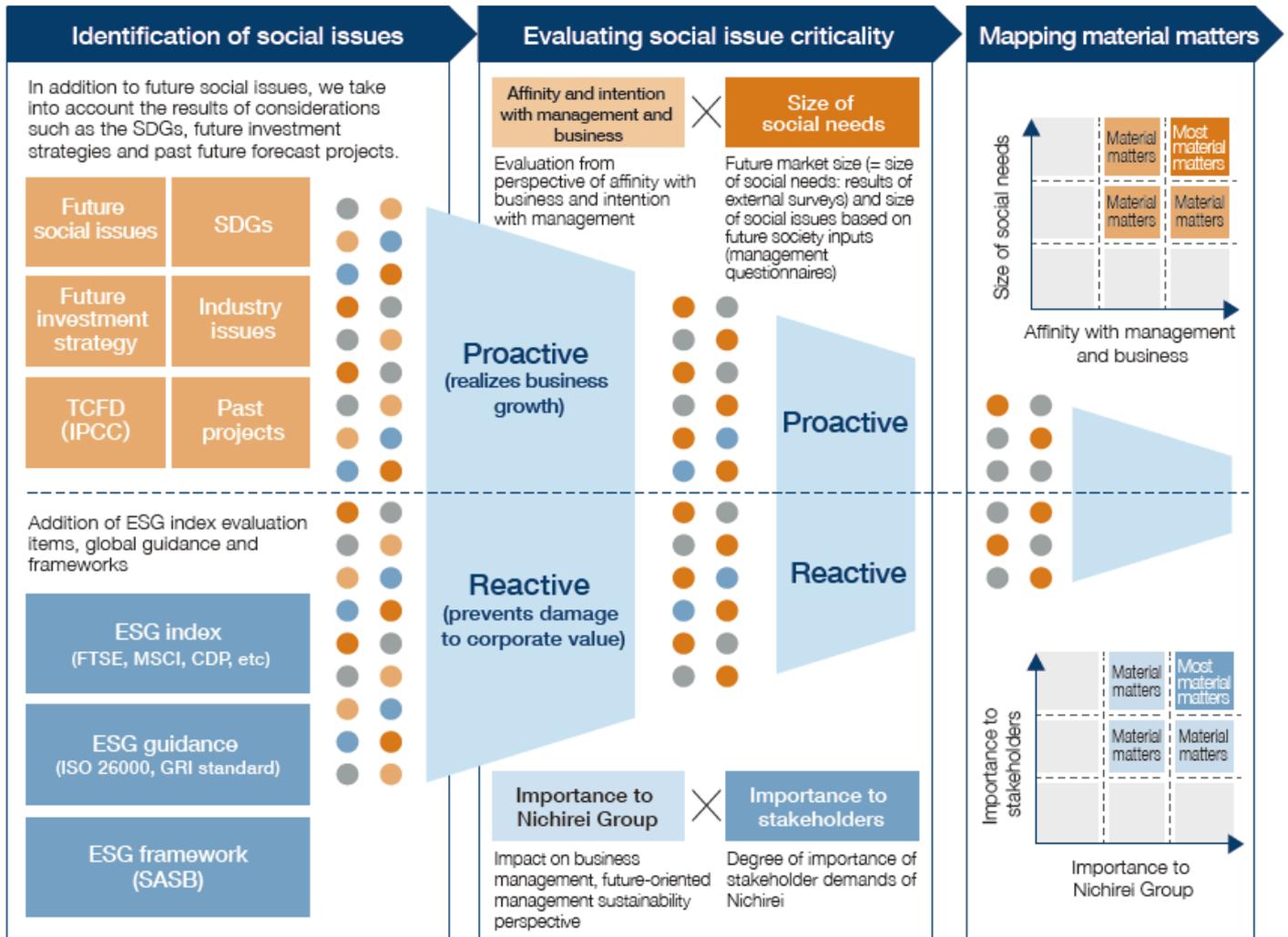
After identifying our stakeholders, we delineated social issues from future and global perspectives.

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

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



## Opinions of outside experts

### Granularity of future measures

- Efforts should be made, for example, to reduce CO<sub>2</sub> 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 (CO<sub>2</sub> 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**

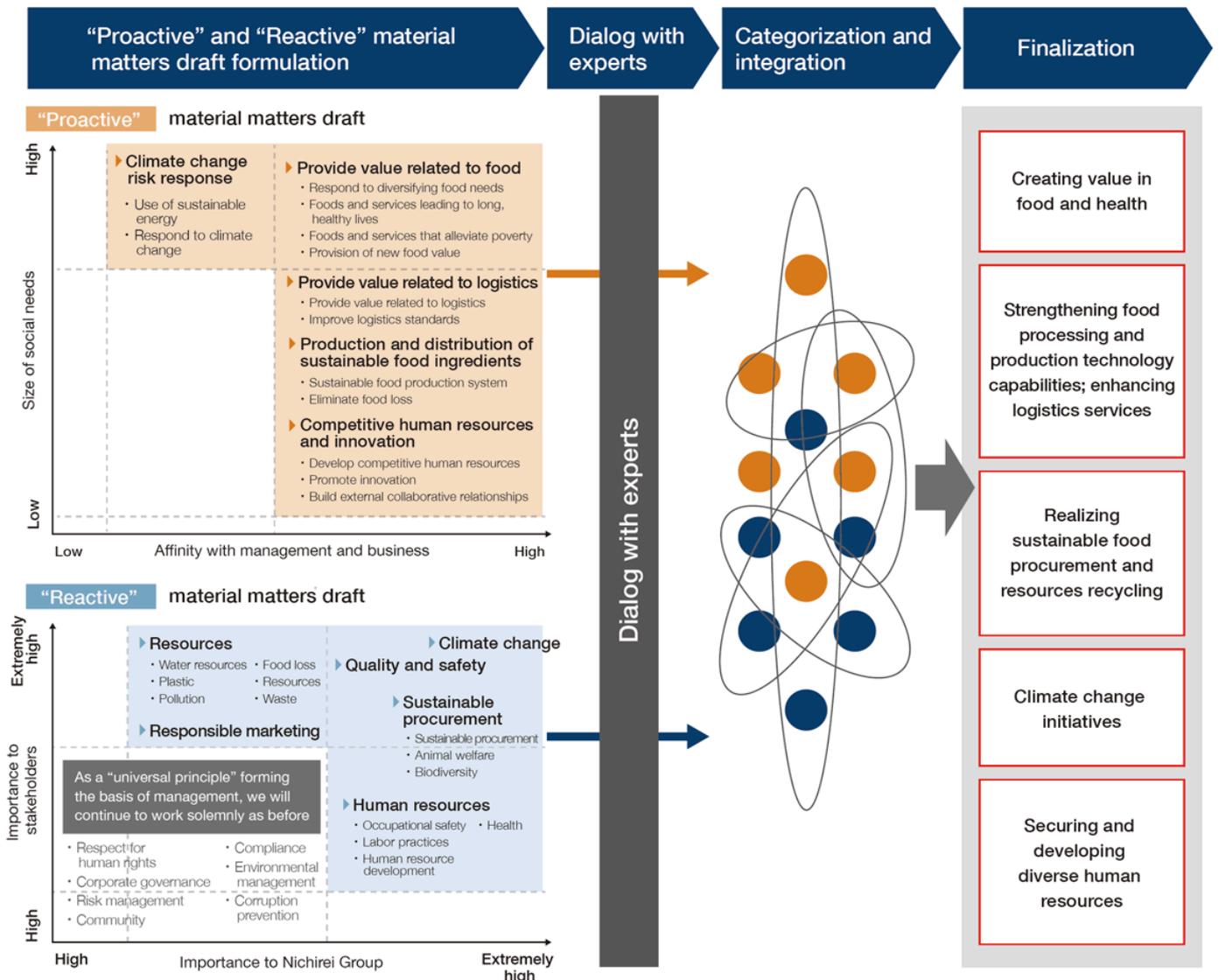
- The Company would benefit were its distinctive features put in a visual format. In addition to its processed foods, these features would include important issues related to temperature-controlled logistics, marine items, as well as meat and poultry products.
- Given that the company is a cold chain 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
<b>Creating value in food and health</b>	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.
<b>Strengthening food processing and production technology capabilities; enhancing logistics services</b>	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.
<b>Realizing sustainable food procurement and resources recycling<sup>*1</sup></b>	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.
<b>Climate change initiatives</b>	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 <sub>2</sub> emissions 30% <sup>*2</sup> by 2030 compared with 2015 levels.
<b>Securing and developing diverse human resources</b>	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.

\*1 In 2021, revised from "Realizing sustainable food procurement and resources recycling" to "Realizing sustainable food procurement and a circular economy".

\*2 In November 2023, the CO<sub>2</sub> emission reduction target for FY2031 was revised to 42% reduction from FY2023 level for Scope 1 and 2 and 25% reduction from FY2023 level for Scope 3. The domestic Scope 1 and 2 are 42% reduction compared to FY2023, and the reduction rate compared to FY2016 is 56%.

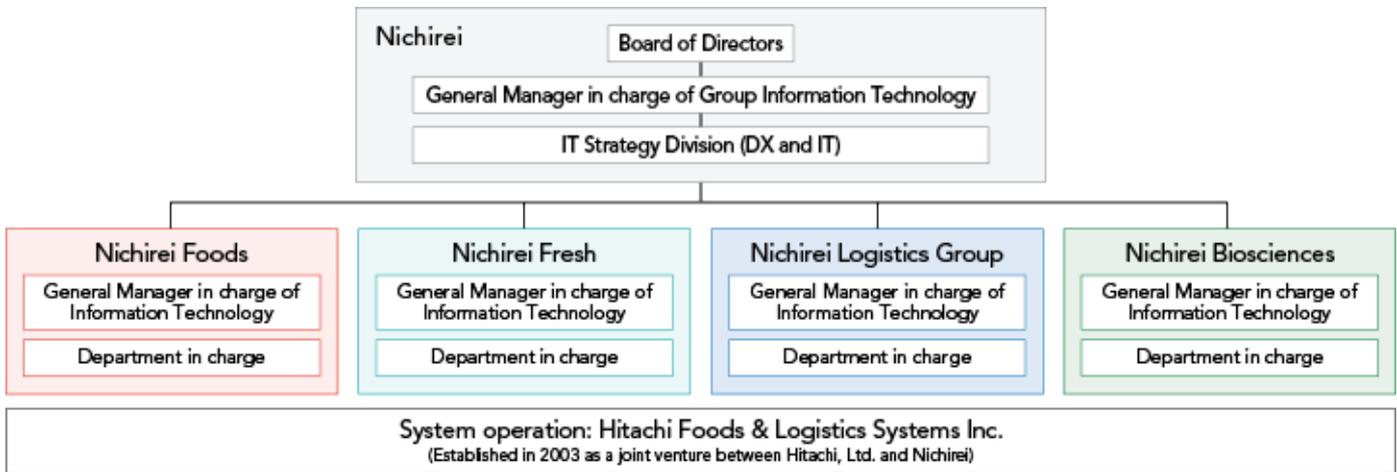
# DX Strategy

The Nichirei Group has positioned various activities for business transformation using data and technology as DX, which stands for “digital transformation.” We have established Value Creation DX, Production/Logistics DX, Sustainability DX, Human Resources DX, and Management Base DX, all linked to the Group’s five material matters (materiality). Through DX activities in each of these areas, we will create new value and realize the Nichirei Group’s vision.

## 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.



### 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)



## Initiatives at Operating Companies

### ■ Initiatives to Achieve Sustainability Management through a Smart Factory



The Nichirei Group aims to create social and economic value as it works to achieve sustainability management. As part of these efforts, Nichirei Foods and the new factory for rice products at Kyurei Inc. are promoting a “smart factory” initiative. The production site, production management and back-office departments are working together to establish smart factory, which we consider to be a factory that meets three conditions: reduction of headcount and waste through the use of AI and robotics, reduction of physical labor and dependence on individual skills through standardization and use of IT systems, and a faster improvement cycle through utilization of data. One specific example is the automation of an extensive amount of inspection work that was previously done manually (removal of burnt sections). By using AI and robots to do these tasks, we have reduced employee workload. Automation has enabled more precise removal of burnt sections, which has led to a reduction in food waste. Moreover, by promoting the visualization of environmental metrics, as well as effective utilization of waste heat, installation of solar panels, and utilization of renewable energy sources, we have been able to reduce CO<sub>2</sub> emissions by 50%.<sup>\*</sup> In addition, we intend to further reduce dependence on personalized knowledge and skills by using AI to prepare production plans, and have introduced a cockpit system for real-time monitoring of the factory’s status from the office, enabling prompt detection of problems and swift instructions to the factory floor for improvement. Going forward, we will continue rolling out these technologies to our other factories, enhancing production efficiency, driving operational reform to establish new ways of working and, in turn, improving job satisfaction.

<sup>\*</sup> Comparison of the former production line in October 2022 with the new production line in October 2023.

## ■ Improving Working Conditions at Nichirei Logistics Group: Results and Outlook for AGV Introduction



To help resolve labor shortages caused by the Logistics Industry's 2024 Problem and reduce the burden on workers, in 2021 Nichirei Logistics Group introduced automated guided vehicles (AGVs) for transporting pallets at Sendai DC, Nichirei Logistics Tohoku Inc. As a result, the shift to on-site tasks that anyone can handle has progressed. Forklift operations that previously required about a year's experience can now be done by new employees after about one month on the job. Productivity and work efficiency have improved in the area where AGVs have been introduced, with the number of pallets transported per hour increasing by about 70%, and forklift operator person-hours decreasing by about 23%.<sup>\*</sup> Further improvements are expected through continuous data collection and variation control. Going forward, we plan to introduce AGVs at other bases. We aim to shift from operating AGVs as standalone units to linking them with existing equipment. We also plan to conduct demonstration tests aimed at reducing headcount in freezer operations. These initiatives are expected to significantly contribute to improving Nichirei Logistics Group's operational efficiency and productivity.

<sup>\*</sup> Comparison of May 29 to June 4, 2023 with June 5 to June 11, 2023. Effectiveness may vary depending on which workflow AGVs are used in.

# A History of Creating Value

## History of the Nichirei Group

### History of the Nichirei Group

Nichirei 75th Anniversary (Only Available in Japanese)

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 Taiyoku Marine Products Control Company
- 1945 Reorganized as Nippon Reizo Inc., a private company
- 1946 Launched Reika fruit juice popsicle
- 1952 Launched frozen prepackaged tempura set
- 1955 Started offshore exporting of marine products
- 1956 Launched meat and poultry products business. Provided frozen food to Antarctic expedition
- 1959 Developed Hayabusai, 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



Starting poultry house at the Kamagaya Laboratory

Terrace Nichirei caters at the Japan World Exposition in Osaka

Green Aet brand

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 rotating poultry house)
- Launched Tender Tuna (broiled canned 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 American shrimp handled
- 1970 Opened a canteen 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 Acacia Drink Can

Reorganization announcement of the change in the company name

Initial Shin-Rang Seikatsu

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
- 1982 Changed company name to Nichirei Corporation
- 1987 Launched Acacia Drink
- 1988 Started European logistics business in the Netherlands
- 1993 Full-scale launch of cross-docking operations (DC)
- 1994 Launched Shin-Rang Seikatsu, 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



Junwaku chickens

Initial Hontoku (frozen rice)

GFPT 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 Hontoku-fume-Chuhan (frozen rice)
- 2004 Started a logistics business in China (Shanghai)
- 2005 Converted to a holding company structure. Established Jochu (Yantai) Food Research and Development Co., Ltd. in China for food analysis, inspection, and research and development
- 2006 Started the Inochi-no-Mori Project in Indonesia (sustainable shrimp procurement using extensive aquaculture and mangrove tree planting)
- 2007 Started Junwaku chicken business
- 2008 Established GFPT 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 Higashi-Asahima DC (Kawasaki City) and added a 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 Funabashi No. 2 Plant
- 2017 CSR Basic Policy revised as The Nichirei Pledge
- 2018 Opened the MISOterrace company day care 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**

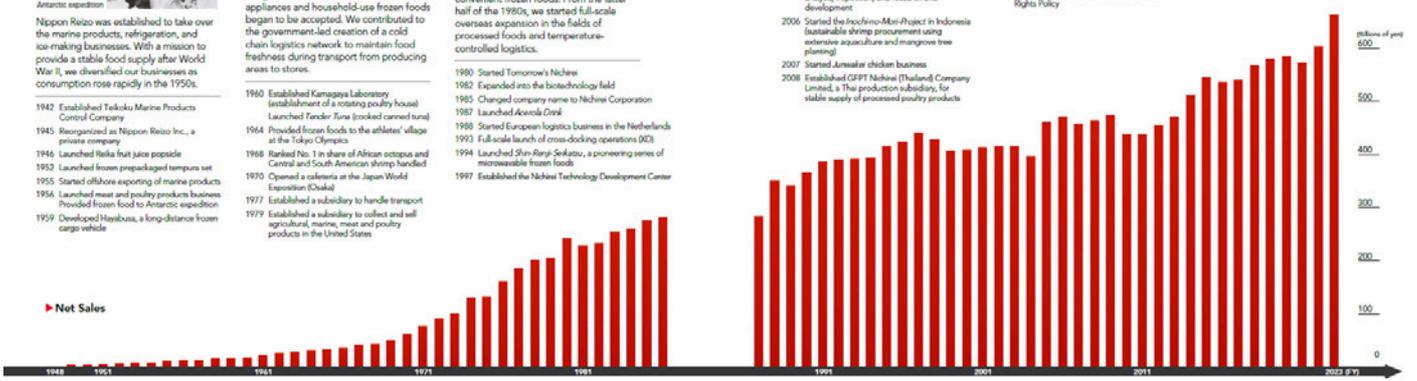
Becoming a company that creates new customer value and helps resolve social issues to achieve a sustainable society



Nagaya Minato 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 Nagaya Minato DC, a model center for business innovation. Junwaku chicken became the first poultry product in Japan to acquire Specific Japanese Agricultural Standards (JAS) certification for sustainability for eggs and chicken meat
- 2021 Joined the United Nations Global Compact. Launched Immunofine SARS-CoV-2 antigen test kit for the SARS coronavirus
- 2022 Established Sustainability Policy: The Nichirei Pledge. Launched Inochi-no-Mori Project to regenerate forests (shrimp) beds
- 2023 Established a new eco-friendly factory for processed rice at Kyurei Inc.

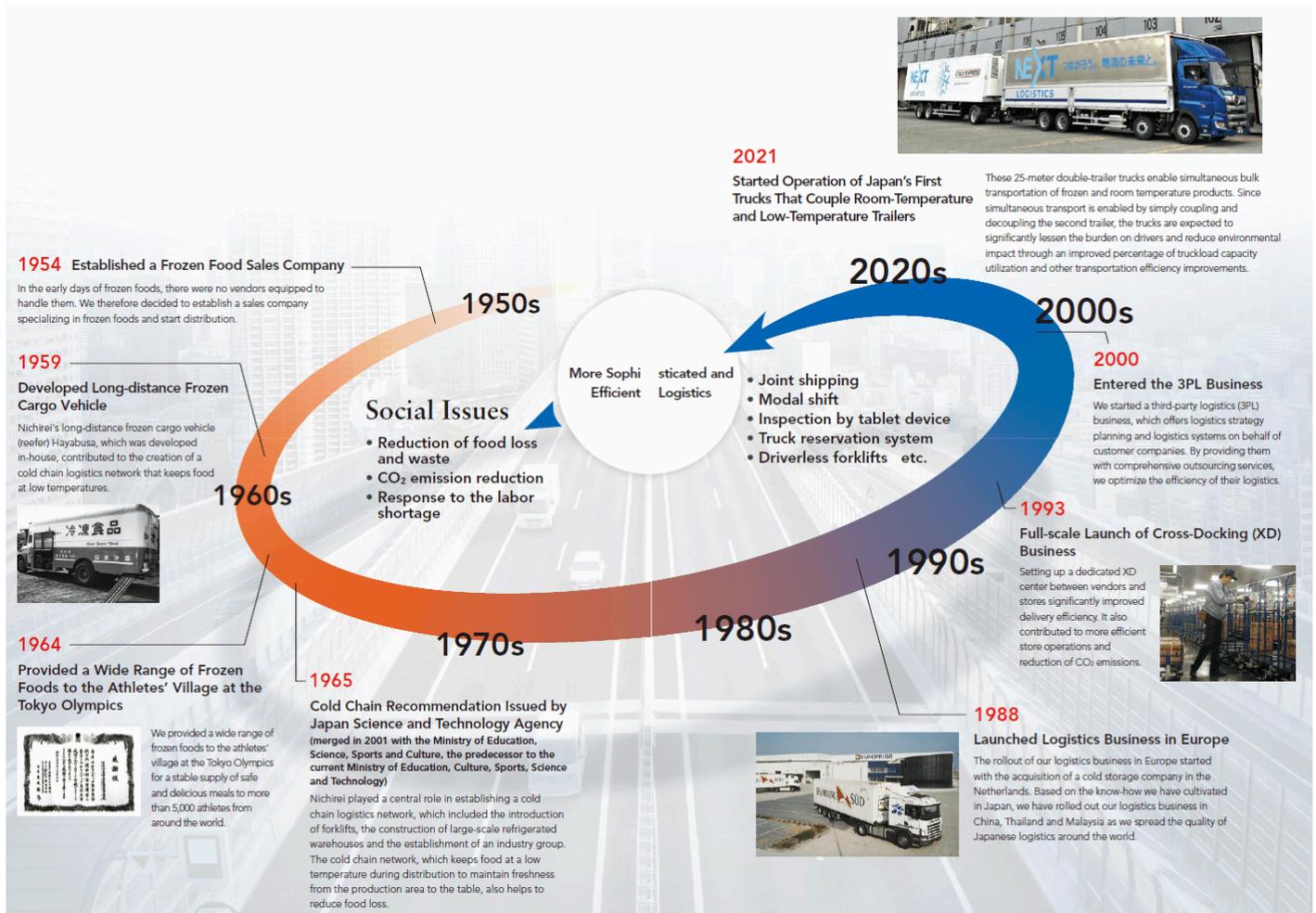


\* Consolidated net sales from FY2005

# Establishing a Temperature-controlled Logistics Network

## 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.



# 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.

Historical Context	1940	1950	1960	1970	1980	1990	2000	2010	2020	
	<p>An era of postwar food shortages, with a need for stable food supply throughout Japan.</p> <p><b>1940 Dawn of frozen foods</b></p>	<p>Spread of lunch service throughout the compulsory education system due to the School Lunch Act. Major supermarkets began selling frozen foods.</p> <p><b>1950 Spread of school lunches</b></p>	<p>Arrival of family-style restaurants and fast food in Japan led to a boom in eating out.</p> <p><b>1960 Growing demand for household-use frozen foods</b></p>	<p>Advancement of women in society. Increase in food diversity and preparation outside the home. Import liberalization. Collapse of the economic bubble.</p> <p><b>1990 Expansion of overseas production facilities</b></p>	<p>Rising health consciousness and interest in food safety.</p> <p><b>2000 Convenience backed by technology</b></p>	<p>United Nations formulates the SDGs. Demands for responses to environmental and social issues.</p> <p><b>2010 Initiatives for sustainability</b></p>	<p>Established in 1945, Nippon Raito (currently the Nichirei Group) supplied foods likely to be in short supply to each region during the postwar food shortages. In response to booming consumption in the 1950s, we diversified our business and pioneered the market for prepared frozen foods.</p> <p><b>Key Points</b></p>	<p>We delivered frozen food to the athletes' village at the 1964 Tokyo Olympics (the 18th Olympic Games). High praise from hotel chefs gave us a foothold in the food service industry. With the spread of electric refrigerators in homes, demand for household-use prepared frozen foods also increased rapidly. The arrival of family-style restaurants and fast food in Japan led to a boom in eating out.</p> <p><b>Historical Context</b></p>	<p>To develop products that took greater advantage of the deliciousness of their ingredients, we established production facilities overseas, where the ingredients were produced, to process them while they were still fresh. As women made advances in society, and diversification and preparation of food outside the home accelerated, we launched a series of innovative products including delicatessen products for supermarkets and microwaveable croquettes that reproduce the texture of freshly fried food. As a measure to address rising concerns about food safety spurred by residual pesticides found in frozen spinach, we introduced a traceability system that could promptly identify the cause in the event a problem occurred.</p> <p><b>Key Points</b></p>	<p>The household-use frozen food market expanded, capitalizing on stay-at-home demand during the COVID-19 pandemic. In addition, as Japan's working population declines, demand for easy-to-prepare commercial-use frozen foods increased to reduce the burden of on-site cooking at sales points. We were also helping to realize a sustainable society through initiatives such as making packaging materials smaller and thinner, and supporting food banks and programs offering free or low-priced meals for children.</p> <p><b>Historical Context</b></p>
	<p>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 Fujuya and Toyko 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 atomic refrigerator was not yet common in ordinary households, so a full-scale rollout required time.</p> <p><b>Nichirei's Products and Technology Solutions</b></p>	<p>At the 1964 Tokyo Olympics, meals had to be provided to a large number of people, including about 7,300 participating athletes and officials from 94 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.</p>	<p>In 1994, we launched Koromo-ga-Sakusaku Gyuniku-croquette as part of our Shin-Franji-Senritsu series. It took three years of research and development to succeed in creating freshly-fried croquettes even when cooked in a microwave oven. In addition, we insisted on using Danshaku potatoes from Hokkaido to recreate the proper croquette flavor. Our technology enabled a significant reduction in cooking time, thus responding to changes in lifestyles such as the increase in double-income households.</p>	<p>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 30,000 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.</p>						
	<p>Chawan-Mushi (savory egg custard), which we launched in 1954 as Japan's first heat-and-eat prepared frozen food, was made by adding chicken, ginkgo nuts and other ingredients to soup stock containing beaten eggs, and then freezing. It had to be thawed, then put in a container and steamed, but it was revolutionary at a time when there were no microwave ovens. As nuclear families increased in number, the difficulty of preparing the multiple ingredients required in small quantities also helped to make the product popular.</p>	<p>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 Belt brand. In 1978, we launched the White Pack series of household-use versions of the commercial-use products in our Restaurant PacoF series. We catered to a variety of dining situations with a lineup that ranged from products for boxed lunches to premium-priced dinner items.</p>	<p>In 2001, we introduced Honkaku-Utama-Chahan (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 Kikuban-Gozan, a meal set of nutritionally controlled frozen dishes for people whose diets tend to be nutritionally unbalanced.</p>	<p>In 2019, we launched the commercial-use Bio-life Salomon series for croquettes and other food foods that can be prepared by boiling. In 2020, we launched the Vegefelice 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.</p>						
	<p>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 on-site helped to make it a major hit in meals at schools, hospitals and Self-Defense Forces mess halls.</p>	<p><b>Initiatives for Eco-friendly Packaging</b></p>	<p><b>Initiatives for Eco-friendly Packaging</b></p>	<p><b>Initiatives for Eco-friendly Packaging</b></p>						
	<p>FY2007 Imagawa-Yaki (Japanese waffles). Elimination of trays  FY2010 Yaki-Onigiri (grilled rice balls) 10-pack. Elimination of trays  FY2012 Honkaku-Utama-Chahan (fried rice). Thinner packaging  FY2015 Yaki-Onigiri (grilled rice balls) 10-pack. Thinner packaging  FY2016 Honkaku-Utama-Chahan (fried rice). Thinner packaging (second reduction)  FY2019 Ebi Pilaf (shrimp pilaf) and Chikwin Rice: Thinner packaging  FY2021 Ebi no Cheese no Dorito (shrimp gratin) and Ebi no Cheese no Dorito (shrimp rice gratin). Thinner trays, reduced tray handle width  FY2022 Yaki-Onigiri (grilled rice balls). Elimination of trays for entire lineup</p>									

# 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.



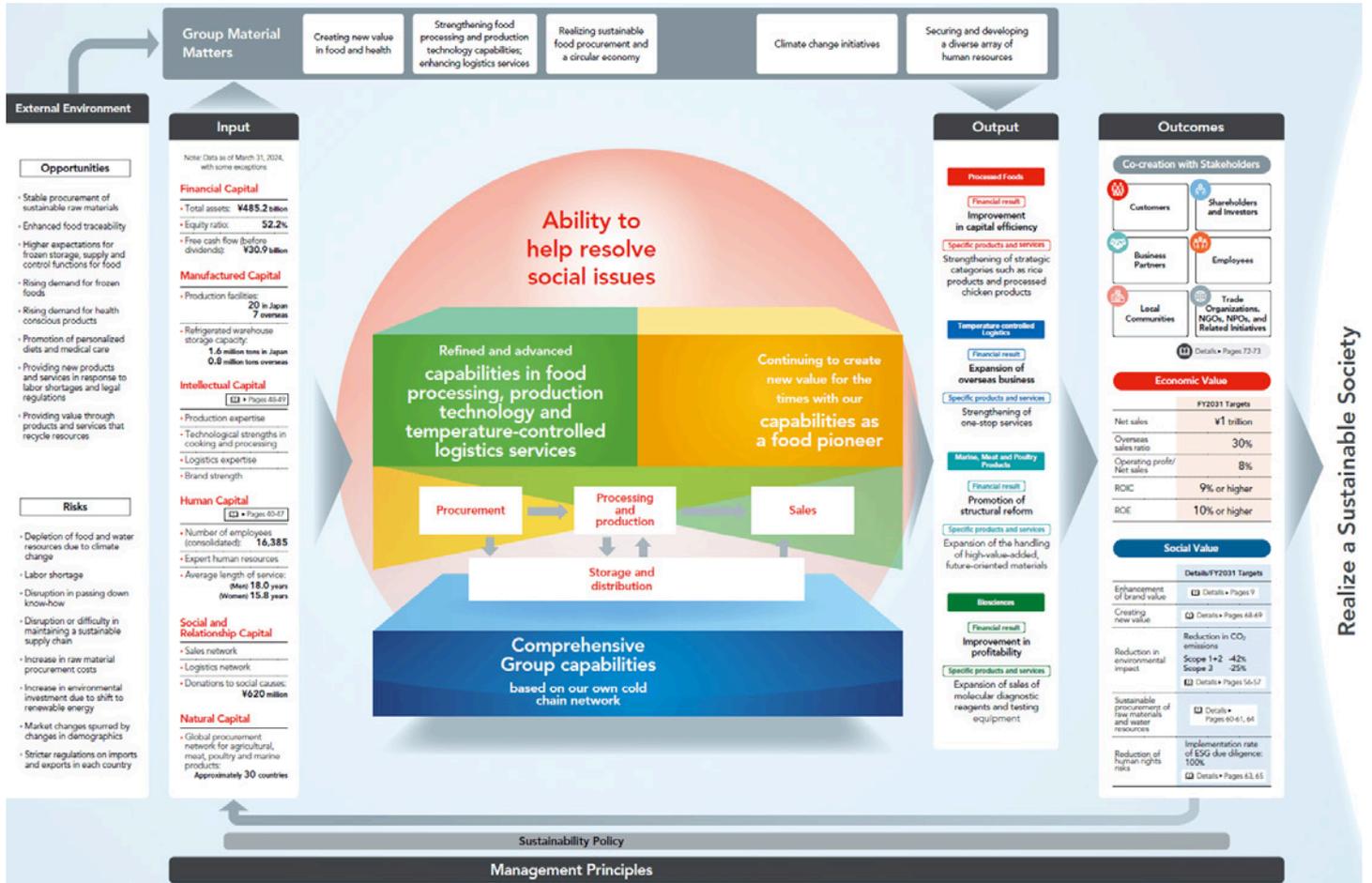
Providing sustainable, eco-friendly marine products

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



## 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 <b>capabilities as a food pioneer</b></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>	<ul style="list-style-type: none"> <li>• A history and heritage of continuing to take on challenges to help resolve social issues</li> </ul>	<ul style="list-style-type: none"> <li>• A history of handling sources of animal protein since our founding</li> <li>• Numerous products that were the first of their kind in Japan               <ul style="list-style-type: none"> <li>• Frozen prepared food product <i>Chawan-Mushi</i> (savory egg custard)</li> <li>• Commercialization of acerola</li> <li>• <i>Jurwakai</i> chicken with Specific JAS Certification*</li> <li>• Specific Japanese Agricultural Standards (JAS) certification for sustainability for eggs and chicken meat</li> </ul> </li> <li>• Development of long-distance frozen cargo vehicle Hayabusa</li> <li>• Expansion into the biotechnology field</li> <li>• Microwaveable croquettes</li> <li>• Cross-docking centers (XD business)</li> </ul>	 Human Capital
Our Uniqueness	<p>Refined and advanced <b>capabilities in food processing, production technology and temperature-controlled logistics services</b></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"> <li>• Unique ingredients procurement network</li> <li>• Japan's leading advanced temperature-controlled logistics</li> <li>• Development and production technology capabilities for reproducing deliciousness</li> <li>• Human resources with high-level expertise and experience</li> </ul>	<ul style="list-style-type: none"> <li>• Processing and production technology</li> <li>• Original development of refrigeration facilities and equipment</li> <li>• Quality assurance capabilities that enhance safety and reliability</li> <li>• Proposal and response capabilities</li> <li>• Comprehensive logistics services</li> <li>• Proprietary material development capabilities</li> <li>• Providing products that have been optimally processed</li> <li>• Long-standing relationships of trust with suppliers</li> <li>• Ability to develop, produce and evaluate the quality of diagnostic agents</li> </ul>	 Intellectual Capital   Human Capital   Social and Relationship Capital   Natural Capital
Our Fields	<p><b>Comprehensive Group capabilities based on our own cold chain network</b></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>	<ul style="list-style-type: none"> <li>• Comprehensive Group capabilities in food procurement, processing, distribution, and sales functions in its cold chain network</li> </ul>	<ul style="list-style-type: none"> <li>• No. 1 in sales of frozen foods in Japan</li> <li>• In-house manufacturing facilities: 21 in Japan, 7 overseas</li> <li>• No. 1 in Japan in refrigerated facility capacity</li> <li>• No. 5 globally in refrigerated facility capacity</li> <li>• About 8,000 vehicles in operation worldwide every day</li> <li>• Nationwide transportation and delivery network</li> <li>• Procurement capabilities from about 30 countries</li> </ul> <p style="text-align: right; font-size: small;">Details ▶ Page 29</p>	 Manufactured Capital   Social and Relationship Capital

# 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

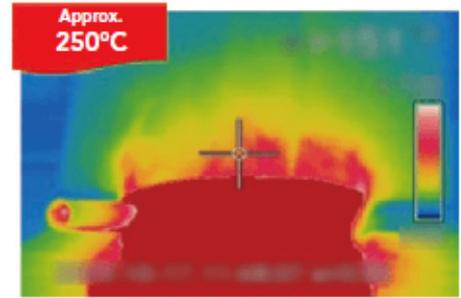
- In-house Development of a Cooking Line That Reproduces the Processes of Professional Chefs

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**

Integrated Report 2021 Helping to Resolve Social Issues through Our Business



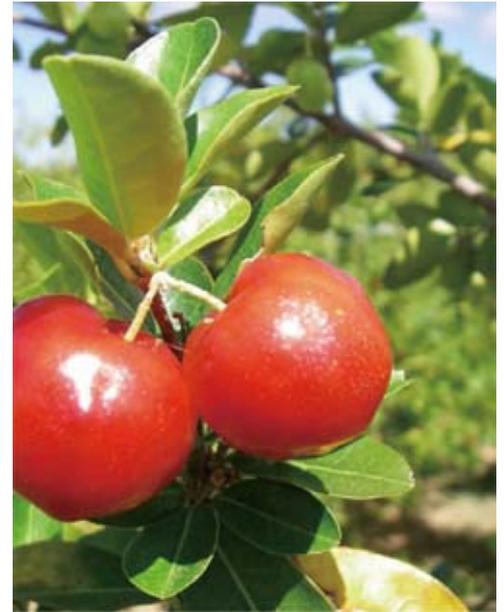
# Contribute to the development of local communities and grow by meeting “clean label” demand

## Social Issues

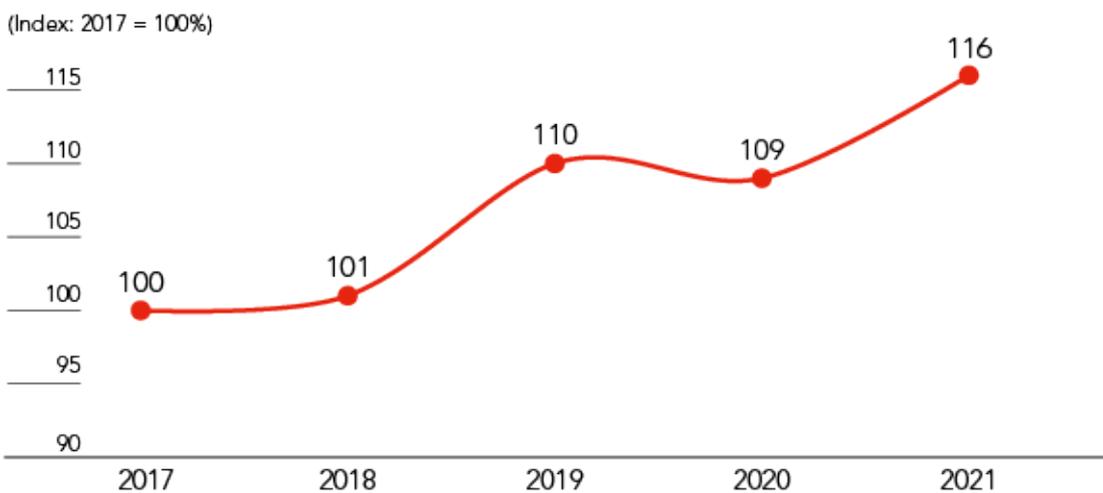
- Poverty
- Educational issues
- Agriculture that takes the local environment into consideration
- Nutrition and health of local residents
- Supplying Clean Label Raw Materials and Ingredients

The number of clean label\*<sup>1</sup> 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

<b>EcoVadis Sustainability</b>	2016–2020	2021, 2022	2023
<b>Assessment Ratings</b>	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**

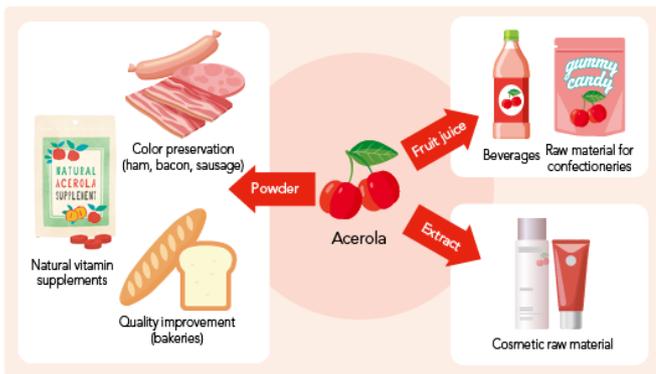
**Why the Nichirei Foods Group is Uniquely Capable**

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

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

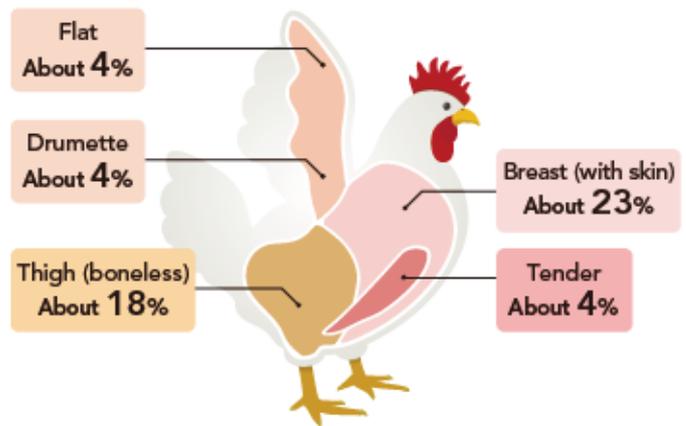
## Social Issues

### 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.



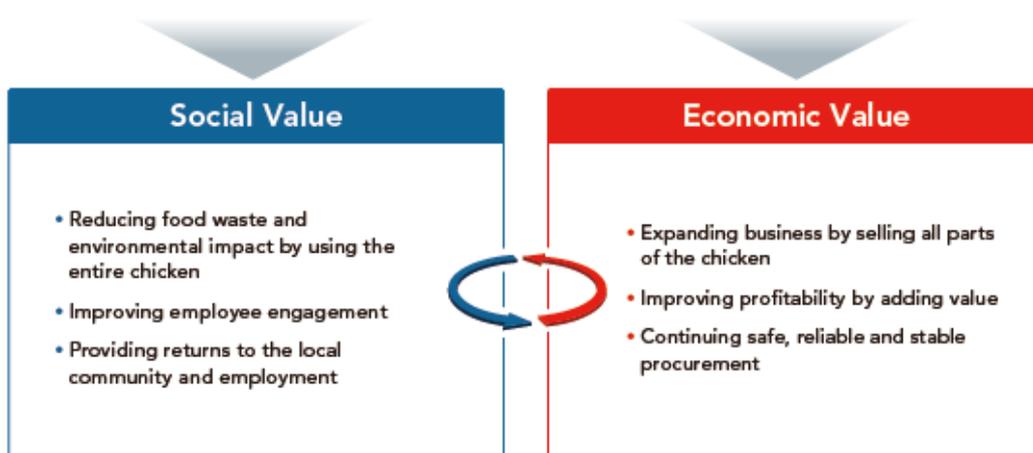
## Systematic, Effective Use of the Entire Chicken

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.



# Creating New Value through Frozen Foods (Personal Use and Health)

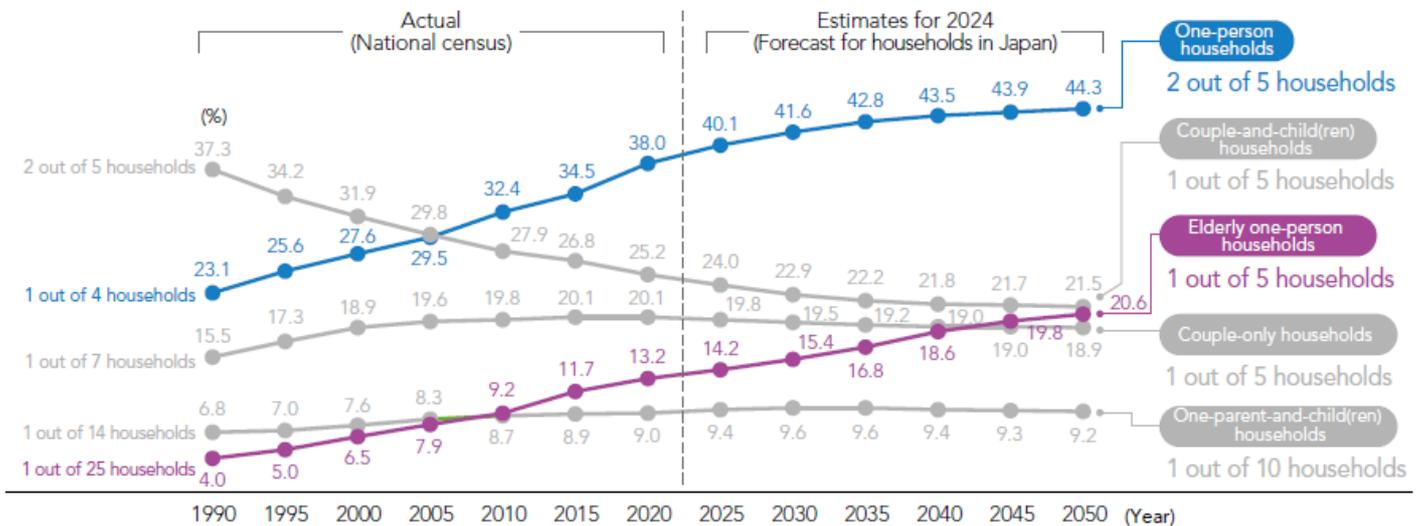
## Social Issues

**Increase in one-person households and decrease in household size** Growing attention to health (such as protein deficiency)

In Japan, the increase in the number of one-person households and the decrease in household size are accelerating rapidly. Furthermore, diversifying values and lifestyles are resulting in fewer occasions when even members of the same household share meals or mealtimes. These trends back a growing need for personal-use meals available in single-serving sizes. Attention to health is also growing due to factors such as concern about infectious diseases and increased life expectancy. While there are many aspects to “health,” protein deficiency and excessive salt intake are particularly important issues in Japan.

### ● Trends and Outlook for Household Composition

Both one-person households and elderly one-person households are expected to continue to increase in the future. The proportion of one-person households is forecast to reach 44.3% by 2050 (based on a total of approximately 55.7 million households in 2020).



Source : Statistics Bureau of the Ministry of Internal Affairs and Communications, Population Census of Japan; National Institute of Population and Social Security Research, Household Projections by Prefecture in Japan (Estimates for 2024)

## Initiatives to Help Resolve the Issues

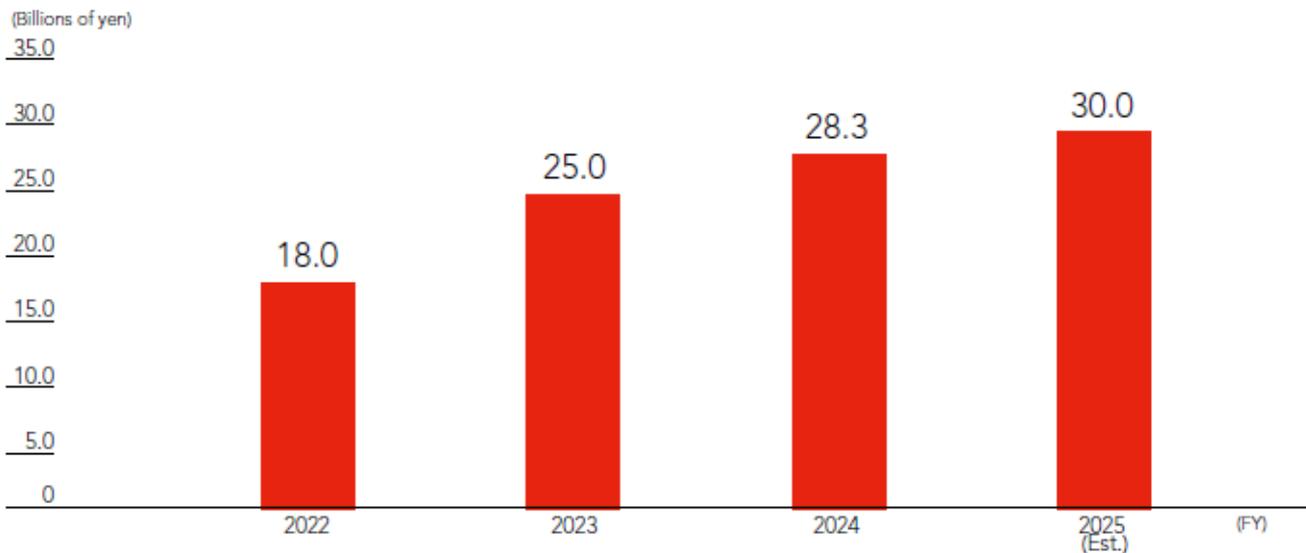
### Frozen Foods Hold Great Potential for Helping Resolve Future Social Issues

Frozen foods are known for their value in terms of preservation and convenience, helping to overcome a variety of social issues such as labor shortages and food loss & food waste. Nichirei Foods is focusing on developing products that enhance value for personal use and health, while maintaining our capabilities for “reproducing deliciousness.” By combining these values, Nichirei Foods is able to create unique products with distinctive value that can help overcome social issues.

We added a new production line for single-serving frozen meals at the Yamagata Plant in February 2022, and are ramping up development of noodle dishes and side dishes. Sales of personal-use products, including those produced at the Yamagata Plant, increased to ¥28.3 billion in FY2024, establishing this category as a growth driver for the frozen food market going forward.

The Nichirei Group leverages the knowledge and technology for nutritional component control that it has acquired over more than 30 years to provide health value, mainly through Kikubari-Gozen and other product lineups marketed on the Group’s e-commerce site. Building on this strength, we launched a new brand in FY2025 that enhances health value through increased protein content. In addition, Nichirei Foods is developing health-related technologies such as salt reduction technology, and will continue to develop products that embody the company’s distinctive approach to enhancing health value.

#### ● Personal-use Sales



### Nichirei Foods' Unique Competencies

Development and processing/production technology capabilities for reproducing the deliciousness of homemade meals or meals prepared by chefs

Ability to make proposals tailored to diverse business types and consumer needs

Quality assurance and traceability that support safety and reliability

Development and processing/production technology capabilities for reproducing the deliciousness of homemade meals or meals prepared by chefs



Quality assurance and traceability that support safety and reliability



## ■ A diverse lineup of personal-use products

### ● New Product Development Utilizing the Single-serving Meal Production Line at the Yamagata Plant

We have launched noodle products produced on the Yamagata Plant's production line for single-serving frozen meals. These include the microwaveable *Hiyashi-Chuka* and *Kobashi-Men-no-Gomoku-Ankake-Yakisoba*, which have received an enthusiastic market reception. We have been able to replicate delicious flavor that rivals homemade meals by optimizing the flour blend for each product, placing particular emphasis on ingredient color and texture, and ensuring authentic aroma.

The production line is also flexible, and enables production of meal sets that combine a main dish and a side dish. We are aggressively developing the Mitsuboshi Plate series of meal sets, which is steadily establishing a position in the market. We will continue to expand our markets by developing a broad array of meals.



## ■ Launch of a new health brand

### ● Delicious and Easy Way to Get Additional Protein in the Diet

Protein is a key nutrient taking center stage as health consciousness grows. In Japan, people of all ages are not getting their recommended protein intake, and in recent years daily protein intake per person in Japan has decreased to the same level as in the 1950s.\* Given these circumstances, we launched a new brand called *everyONE meal* in FY2025 that offers a delicious way for people to add protein to their diet. This brand name combines "Everyone," representing individual customers, with "Meal," representing daily meals, and emphasizes the addition (adding on) of protein with "ON" in upper case letters, thus expressing our desire to deliver meals that provide essential nutrients. We are marketing this product via our own e-commerce site, and have also launched sales in certain retail stores.



Source : Ministry of Health, Labour and Welfare, *Changes in Nutrition and Health in Japan 1947-1993, 1994-2002 National Nutrition Survey, National Health and Nutrition Survey from 2003*([http://www.mhlw.go.jp/bunya/kenkou/kenkou\\_eiyou\\_chousa.html](http://www.mhlw.go.jp/bunya/kenkou/kenkou_eiyou_chousa.html))

- Meeting the demand for single-serving sizes from one-person households and others
- Helping to maintain and improve health
- Helping to ease labor shortages and reduce food loss



- Acquiring new customer segments
- Developing new growth categories



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

## Social Issues

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

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



## Initiatives

### ■ Born and Raised in Japan

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

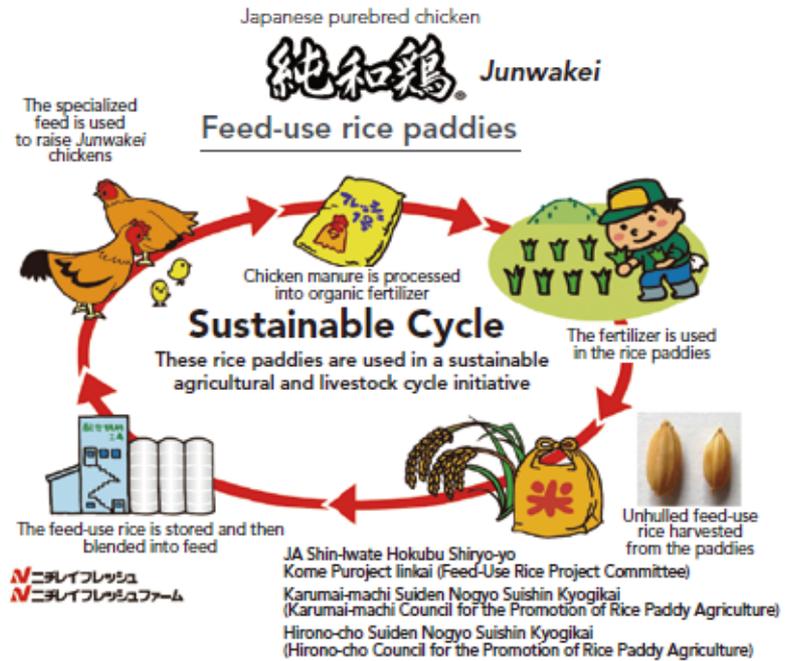


## ■ A Method of Raising Chickens That Minimizes Their Stress

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

## ■ Sustainable Production Cycle Project

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



Sustainable Regional Agricultural and Livestock Cycle through *Junwakei* Chicken



## ■ Traceability for Safety and Reliability

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

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



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

[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](#)



## 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.



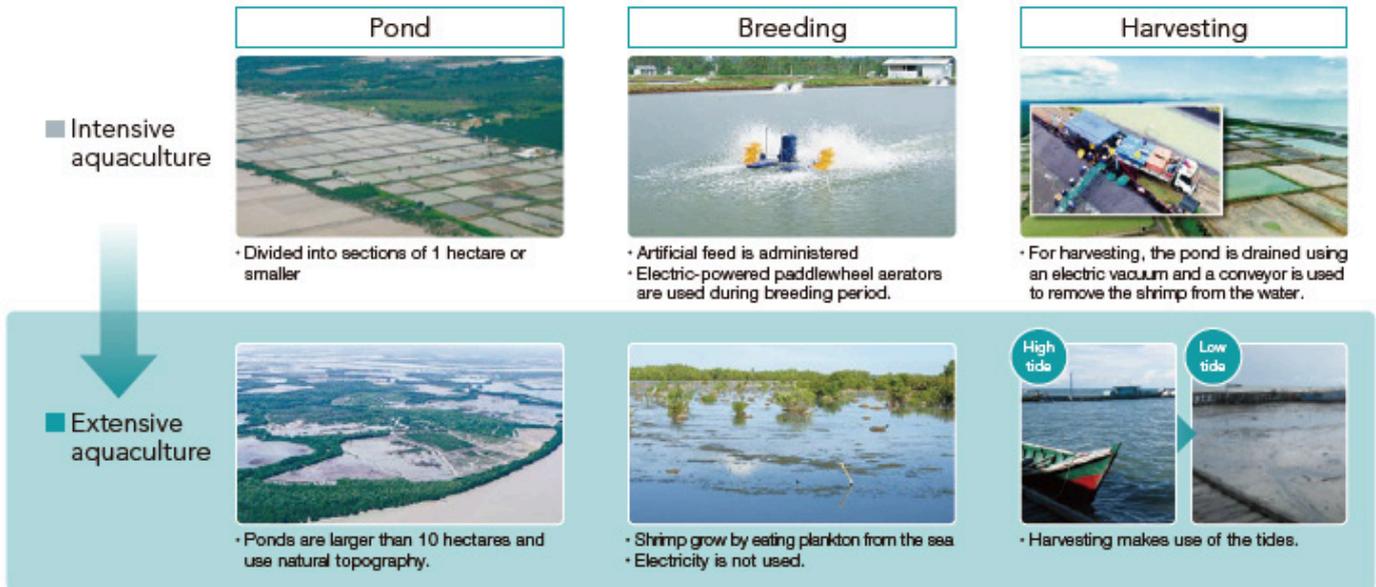
Sign commemorating the project's 10th anniversary



Mangrove planting in coastal areas

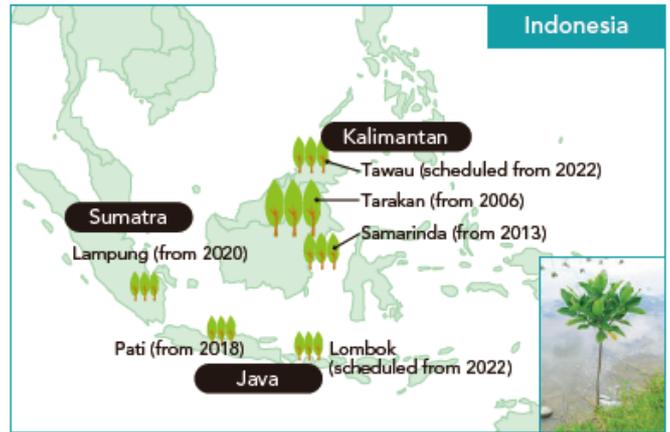
## ■ Extensive Shrimp Aquaculture

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)

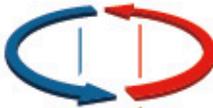
### Social Value

- Contributing to the restoration of local natural ecosystems
- Reducing energy usage
- Increasing CO<sub>2</sub> 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

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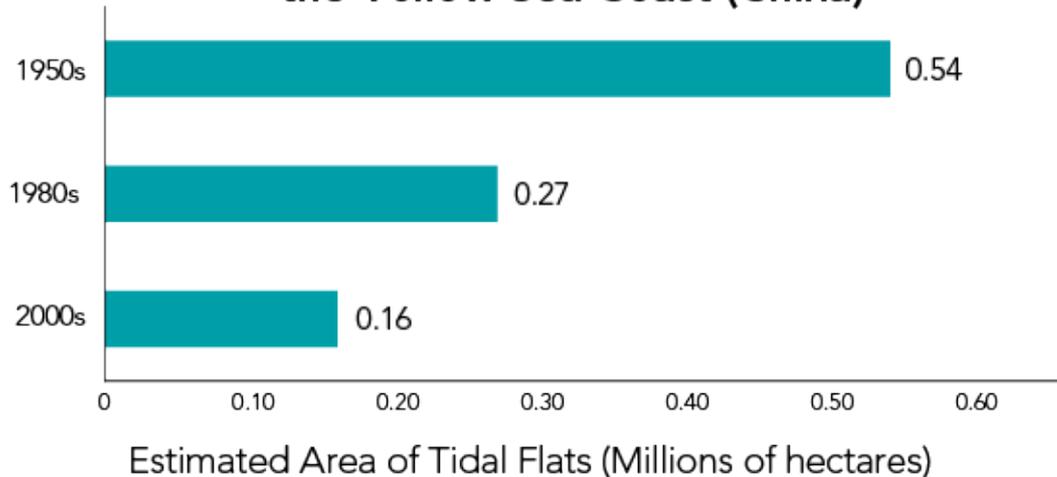
# Conserving Biodiversity on the Yellow Sea Coast through a Clam Fishery Improvement Project

## 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,<sup>\*1</sup> 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,<sup>\*2</sup> 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<sup>\*3</sup>) 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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# Helping to Reduce Traffic Congestion and CO<sub>2</sub> 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 CO<sub>2</sub> 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.

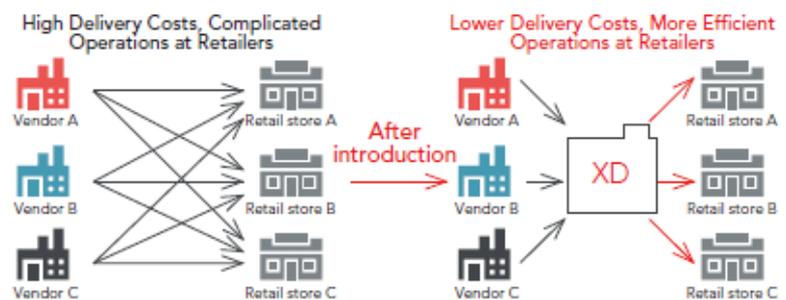
In addition, spurred by the first environmental summit held in France in 1989, noise, CO<sub>2</sub> emissions and traffic congestion due to trucks came to be recognized as major issues, with strong calls to the logistics industry for greater efficiency.



## 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 CO<sub>2</sub> 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 CO<sub>2</sub> 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 CO<sub>2</sub> emissions through total services that include sorting, delivery and distribution processing**



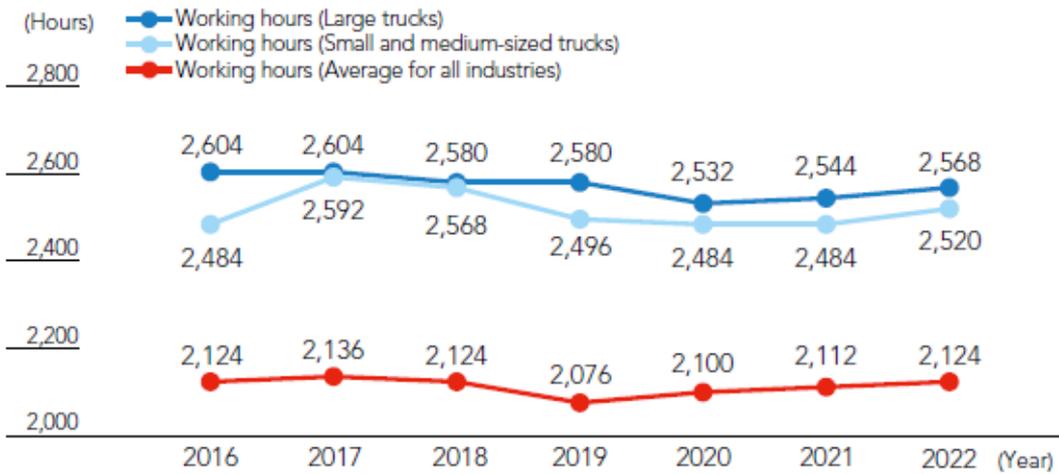
# SULS : Next-generation Transportation and Delivery System

## 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 due to business practices that require them to both drive long distances and help with incidental tasks such as loading and unloading at logistics facilities . The “2024 Problem” is a general term for the various issues that the shipping and logistics industries must now address as a result of the Work Style Reform Act of April 1, 2024, with the aim of improving working conditions by limiting driver overtime to 960 hours per year.

#### Annual Working Hours for Truck Drivers

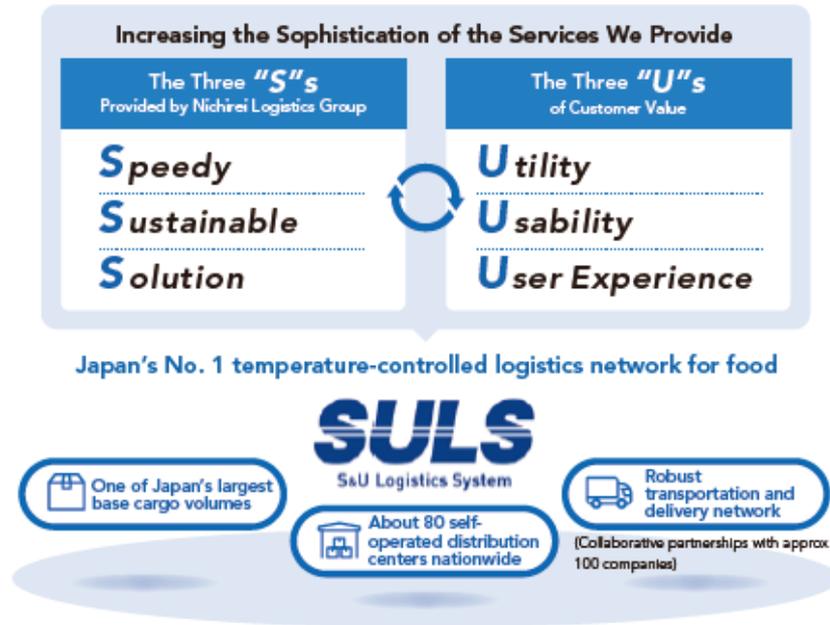


Source : Ministry of Health, Labour and Welfare, Basic Survey on Wage Structure

## Initiatives to resolve social issues

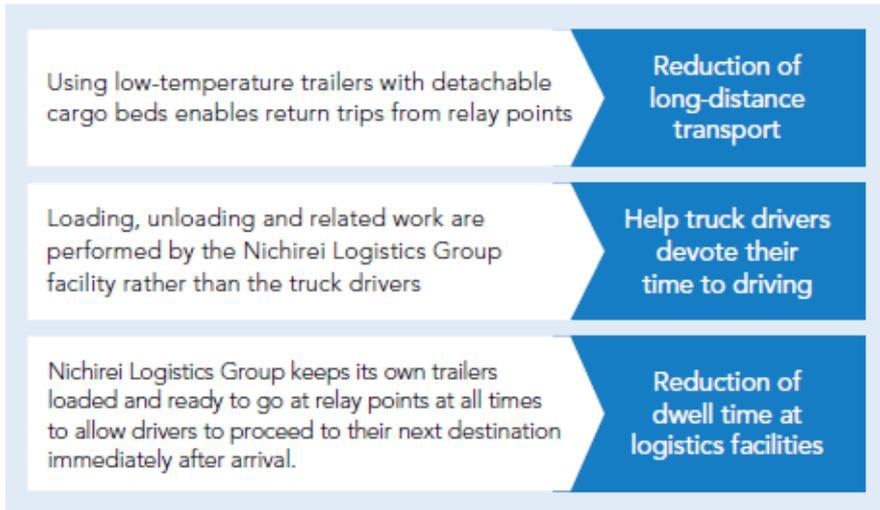
### SULS : Next-generation Transportation and Delivery System

SULS is an acronym for S&U Logistics System. The “S” stands for speedy, sustainable, and solutions, and the “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.

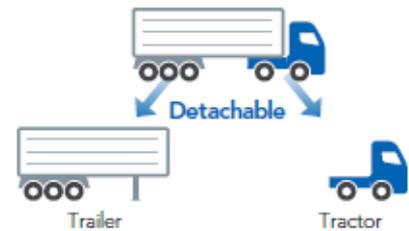


■ Using *SULS* to Build a New Transportation and Delivery Platform for Temperature-controlled Logistics

*SULS* is an acronym for S&U Logistics System. The “S” stands for speedy, sustainable, and solutions, and the “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.



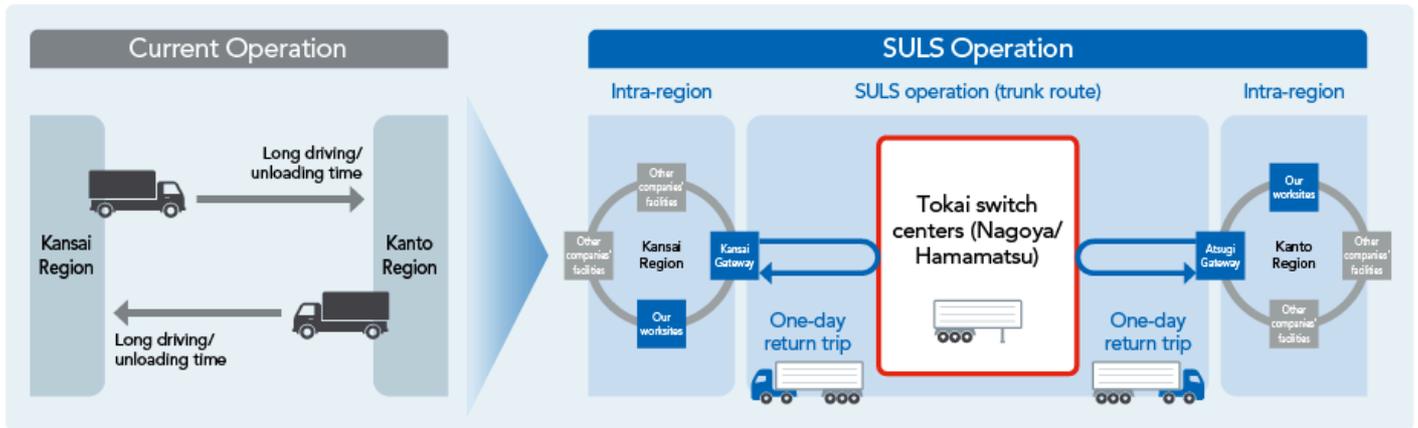
Using trailers with the largest capacity in Japan, capable of hauling 24-pallet loads (1.5 times the capacity of a 10-ton truck loaded with 16 pallets)



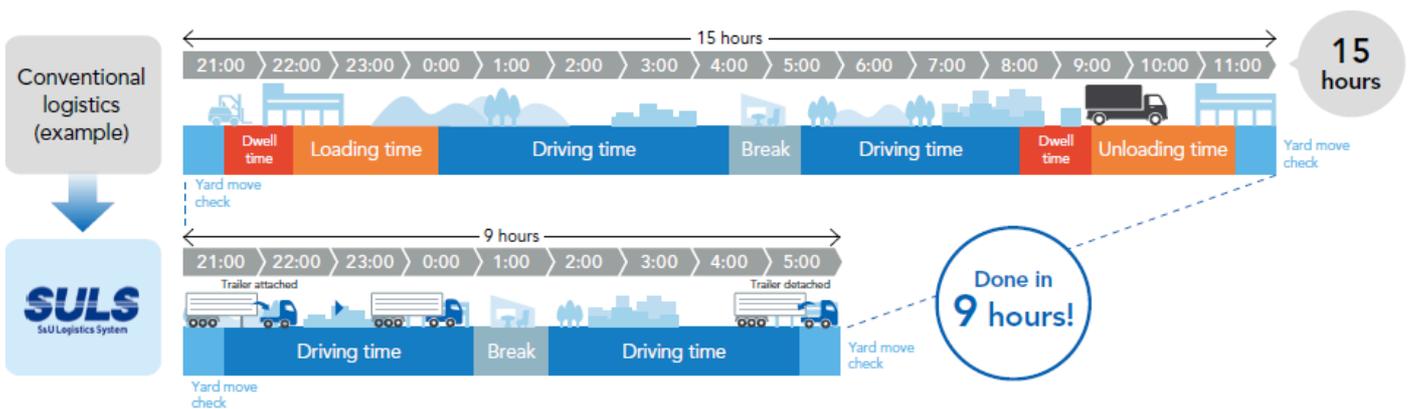
Why Nichirei Logistics Group Is Uniquely Capable		
Nichirei Logistics Group-owned logistics facilities in approximately <b>80 locations</b> throughout Japan	Dominant lead in volume of storage consignors' products handled as base cargo	Collaborative partnerships spanning <b>more than 30 years</b> with about <b>100 companies</b> 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 *SULS* switch centers and gateways, it is now possible to transport cargo between the Kanto and Kansai regions using one-day return trips.

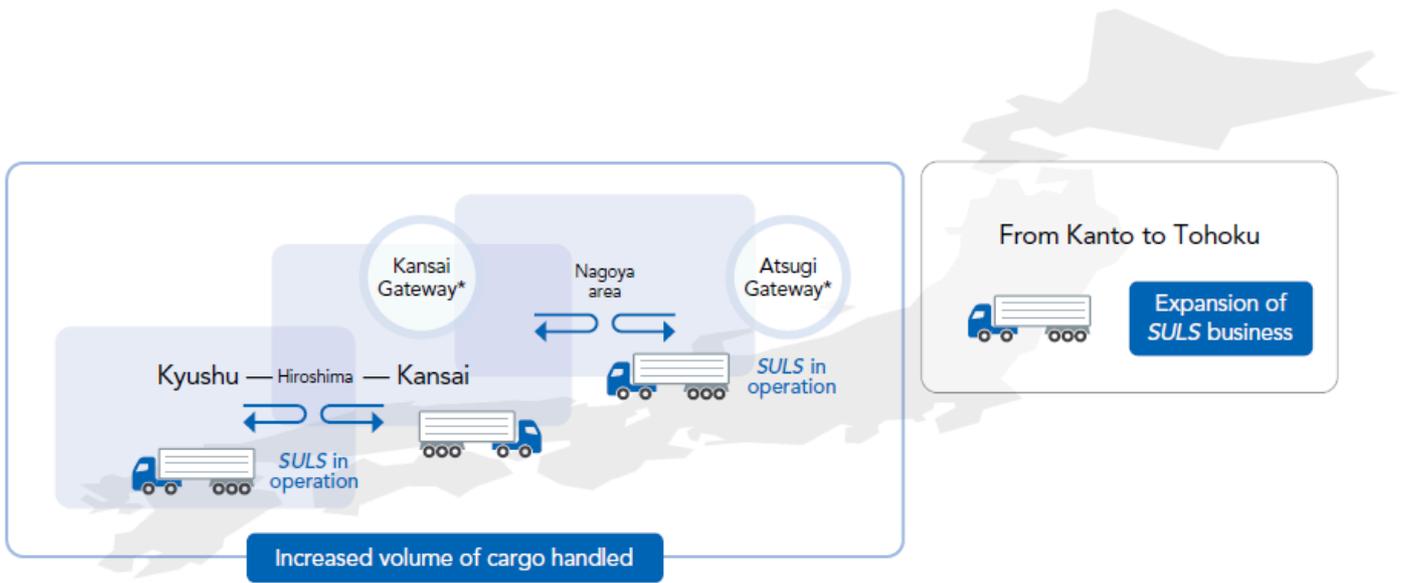


*SULS* dramatically reduces driver operation time including dwell time, loading time, and unloading time, making transportation more efficient than with conventional logistics.



## ■ Current *SULS* Operations

In June 2023, the Kansai Gateway began operating and the *SULS* link between Kyushu and Kansai was opened through the use of the Hiroshima Switch Center, a relay hub. As a result, *SULS* now connects the Kanto region to Kyushu.



\* A facility with storage capabilities that connects trunk-line transportation and local delivery, enabling more frequent trunk-line transportation.

## ■ Initiatives in FY2025

- By the end of FY2025, we will increase the total number of trailers to 50, and expand operations in the Tokyo, Nagoya and Osaka regions, utilizing the trailers for deliveries within each region.
- With the opening of routes to Tohoku and Kyushu, the expansion of *SULS* will facilitate growth in the volume of cargo handled by trunk-line transportation from central distribution centers and the production facilities of manufacturers throughout Japan.
- Expanding collection of northbound cargo from western Japan

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



- Significantly reducing total driving time
- Building efficient and seamless transportation infrastructure
- Significantly expanding transportation capacity

Integrated Report 2024 Helping to Resolve Social Issues through Our Business



# Truck Loading Dock Reservation System

## Social Issues

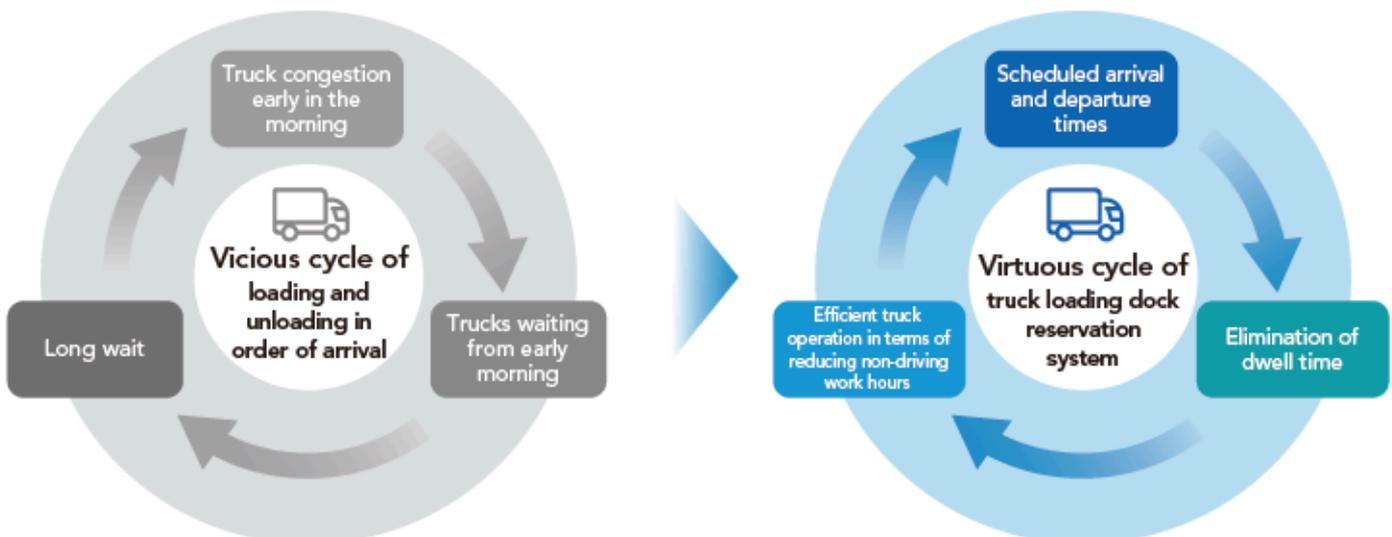
### Truck Dwell Time at Distribution Centers

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

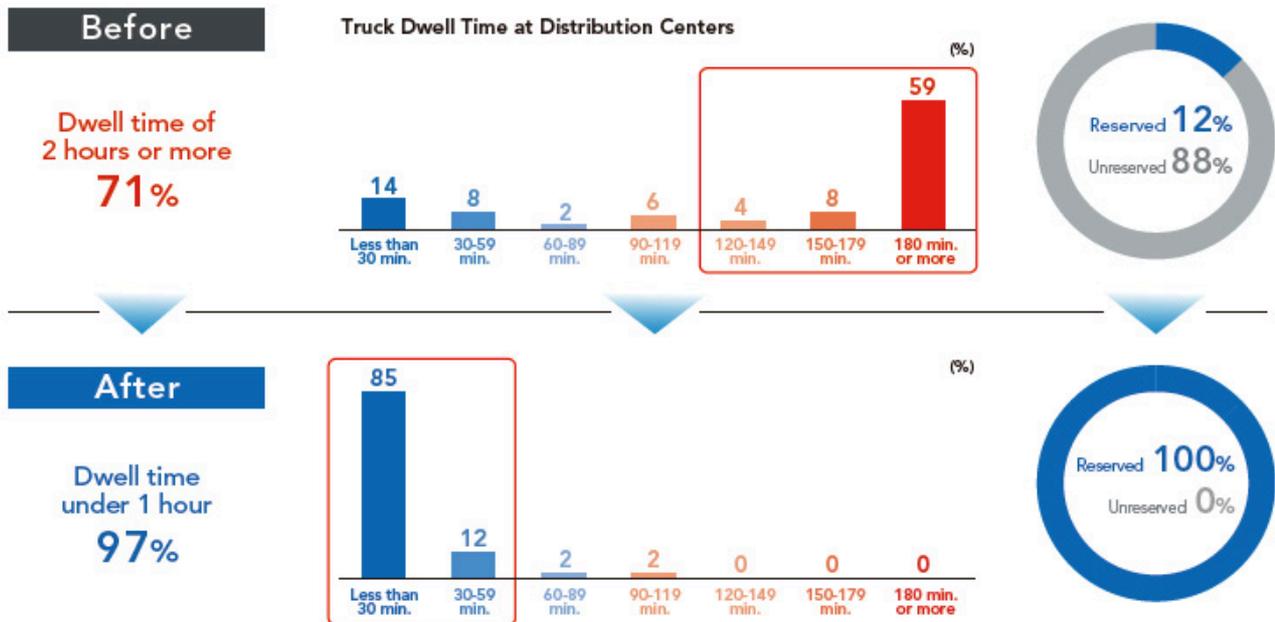
In October 2017, Nichirei Logistics Group began operating a truck loading dock reservation system to alleviate dwell time or eliminate it entirely. The system allows truck operators (the shipper or shipping company) to reserve a desired time for loading or unloading trucks, in line with the loading and 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 (CO<sub>2</sub> 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



## Development of Companion Diagnostics

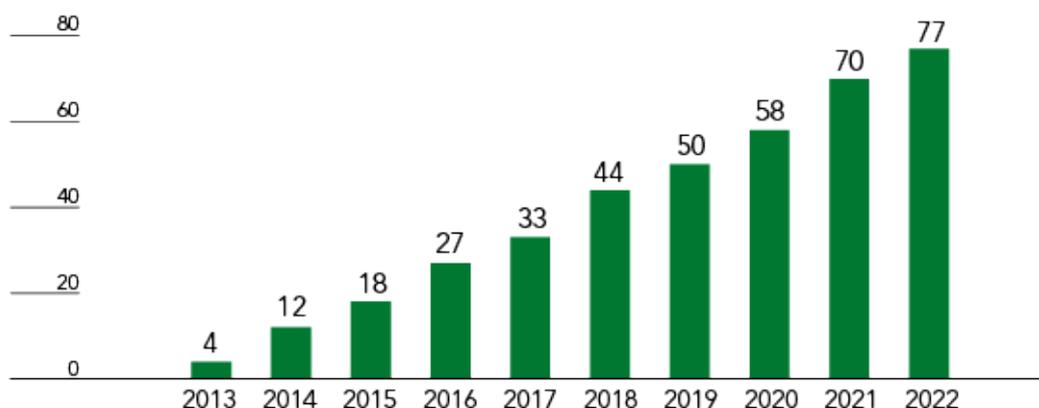
### Social Issues

#### 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

(Cumulative number approved)



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

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

Unauthorized reproduction prohibited

## Initiatives to help resolve social issues

### Development, Manufacture and Supply of Companion Diagnostics\*

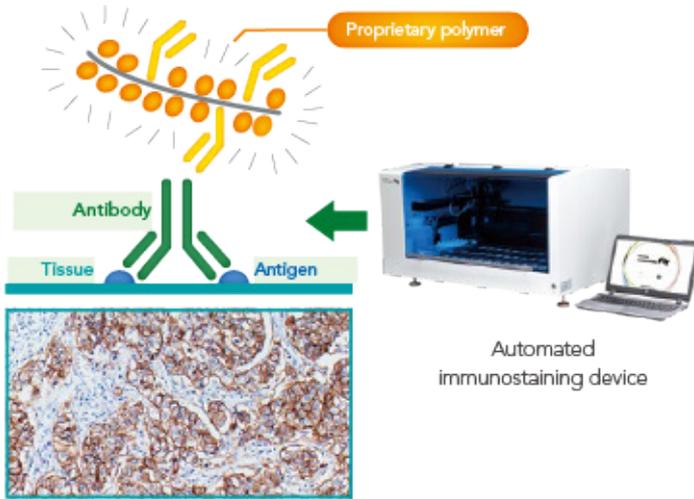
In cancer treatment, pathological diagnosis is performed on tumor tissue collected from the patient. A thin specimen, sliced from the tumor tissue, is examined by a pathologist to obtain critical information about the cancer. This information is then used to determine a treatment plan. An important testing 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

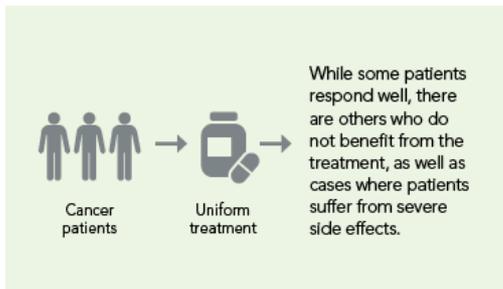
Experience and know-how in commercialization of companion diagnostics

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

**Expected Effect**

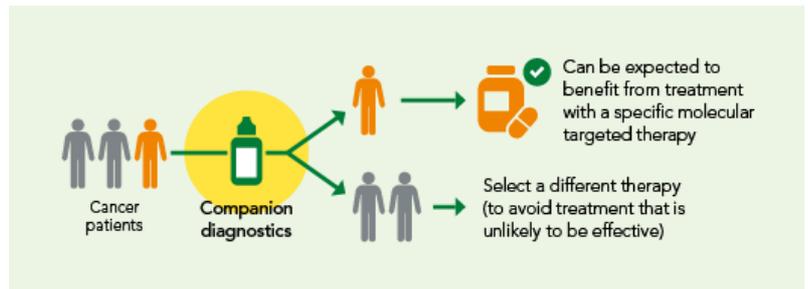
**Conventional Diagnosis and Treatment**

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.



# 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, has established the Group Environmental Managers' Meeting, which is held approximately eight times a year. This meeting aims to plan and promote effective environmental measures according to the business characteristics of each company. The initiatives of each company are reported at the Group Sustainability Committee, which meets more than three 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 chairperson of the Sustainability Committee is the representative director and president, and the committee includes the presidents of the operating companies and relevant executives as members.



## ■ Group Sustainability Committee Activities in FY2024

<b>Number of meetings</b>	Four (4) times
<b>Main agenda items</b>	<ul style="list-style-type: none"> <li>• Upward revision of CO<sub>2</sub> emission reduction targets to achieve the Carbon Neutrality in 2050</li> <li>• Renewable Energy Procurement Portfolio</li> <li>• Introduction of ICP</li> <li>• TCFD disclosures in the Integrated Report for FY2024</li> <li>• TNFD scenario analysis and new establishment of group targets for biodiversity, including water resources</li> <li>• Supply chain management to achieve the sustainable procurement (Conduct supplier ESG surveys, human rights due diligence, etc.)</li> <li>• Compliance with CSRD in Europe</li> <li>• Progress on KPIs for the material matters and FY2025 targets</li> </ul>

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%
Reduction in CO <sub>2</sub> emissions (compared with FY2016; Scope 1 and 2 in Japan)	-33%
Rate of conversion to natural refrigerants Production equipment in Japan	74%
Rate of conversion to natural refrigerants Logistics (Global)	61%

Nichirei Group Medium-term Environmental Plan Targets



The reduction of CO<sub>2</sub> 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.

**Nichirei Foods**

Nichirei-Foods, Nichirei Ice, Churei, Kyurei, Nichirei Well Dinning

**Nichirei Fresh**

Fresh Maruichi, Nichirei Fresh Process, Nichirei Fresh Farm, Fresh Chicken Karumai, Fresh Meat Sakudaira

**Nichirei Logistics Group**

Logistics Network, NK Trans, Nichirei Logistics Hokkaido, Nichirei Logistics Tohoku, Nichirei Logistics Tokai, Nichirei Logistics Kansai, Nichirei Logistics Chushikoku, Nichirei Logistics Kyushu , Kyokurei

**Nichirei Biosciences**

Global Innovation Center

**Other**

Nichirei Corporation, Nichirei Aura, New Housing

**Notes:**

1. CO<sub>2</sub> Emission Factor for Electricity (Domestic): Emissions factor after adjustment of the emissions factor by electric utility(Ministry of the Environment).
2. CO<sub>2</sub> Emission Factor for Electricity (Overseas): Emission factors for each country provided by the International Energy Agency (IEA).
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.

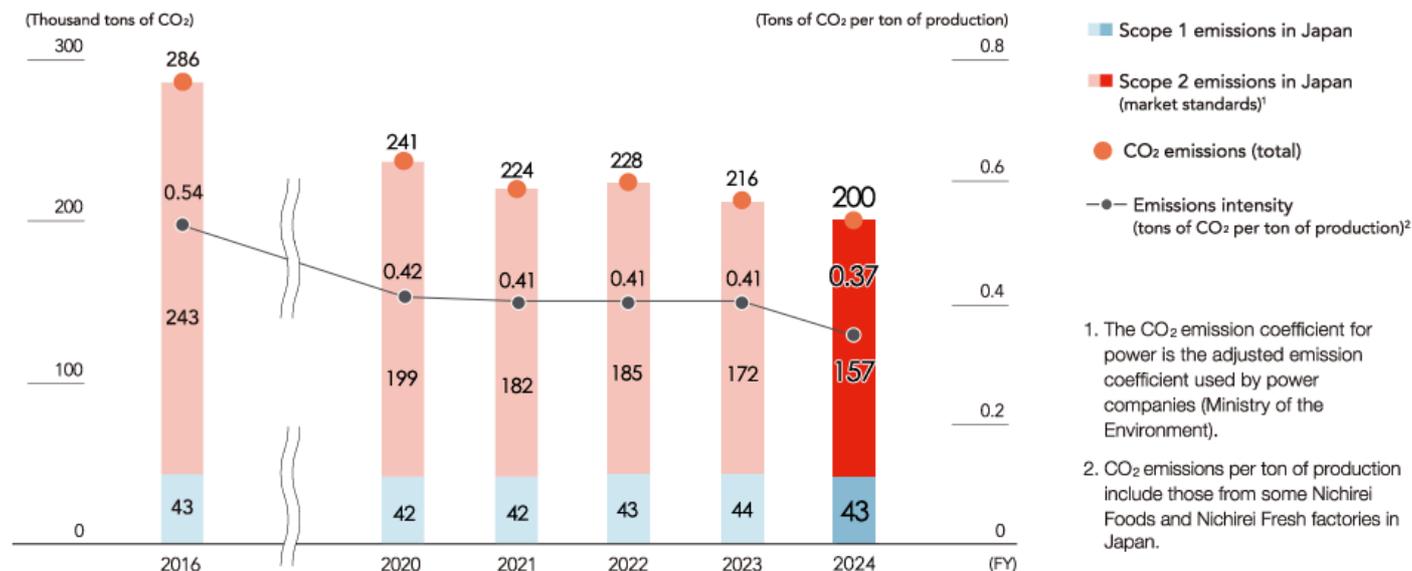
Press Release: Establishment of Long-Term Environmental Goals and Endorsement of TCFD Recommendations (Only Available in Japanese)



KPIs for Material Matters



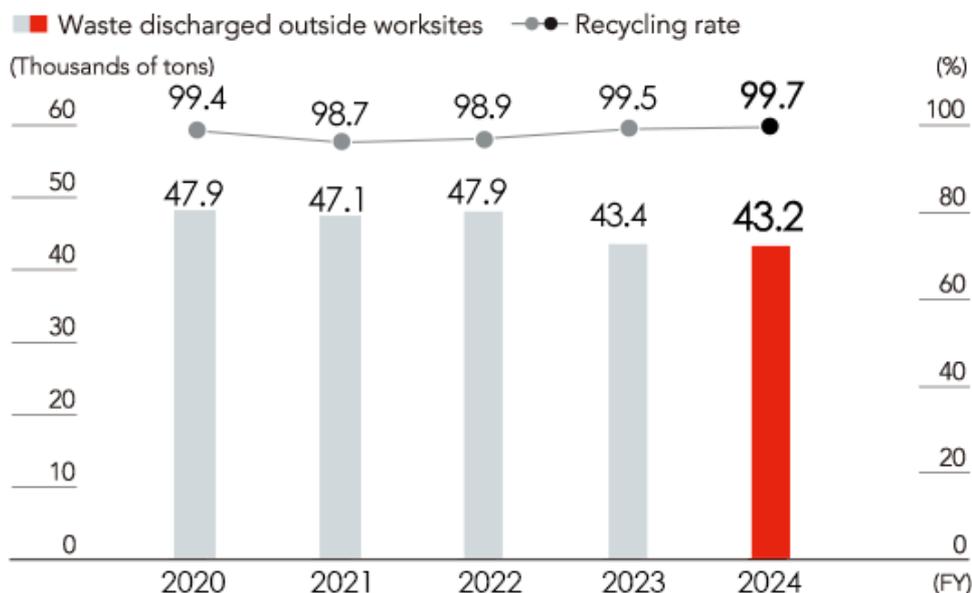
● Nichirei Group CO<sub>2</sub> Emission Trends



— 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

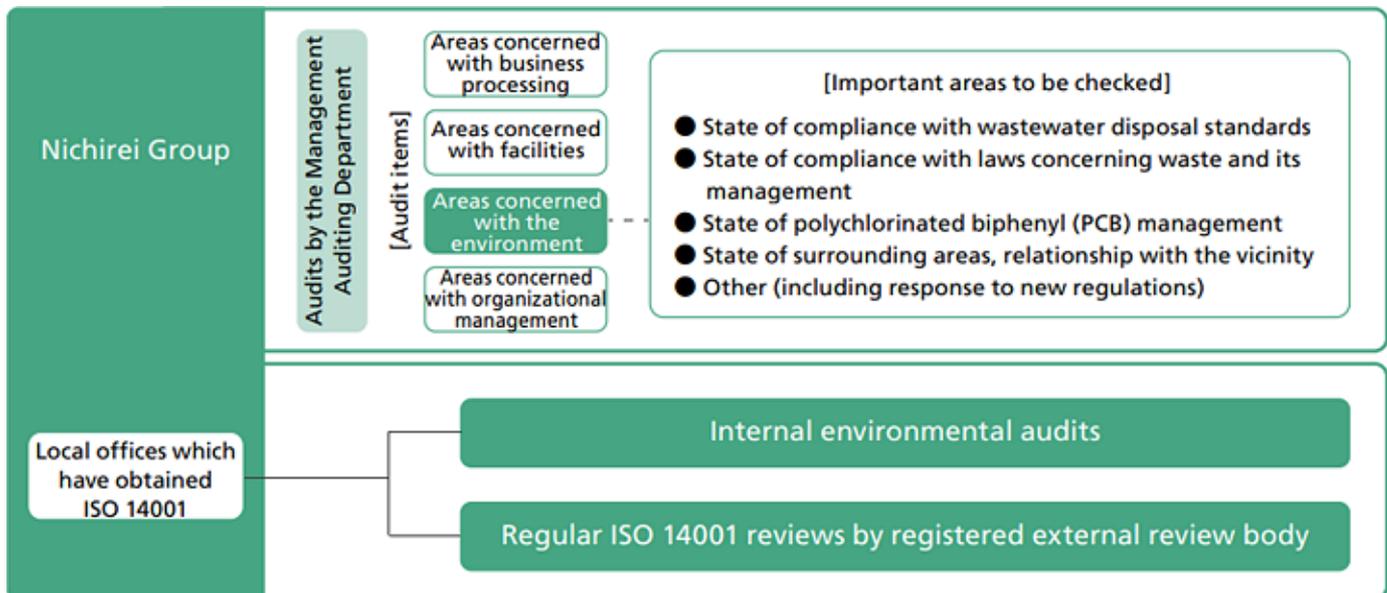
OUTPUT

## 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
<b>Sustainability Education</b>	<p>Aiming to ramping up sustainability management by implementing position-based study sessions and education &amp; training programs for all levels of employees since FY2023.</p> <p><a href="#">Sustainability Education</a></p>
<b>Environmental e-learning</b>	<p>Held since FY2010 for all employees. Focuses on such pressing issues as prevention of global warming, resource recycling, and biodiversity.</p> <p><a href="#">e-learning</a></p>
<b>Training for new employees</b>	<p>They are taught about the company's environmental policies and goals, and the connections between business and the environment.</p>
<b>Hands-on training on company land in Urabandai</b>	<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>
<b>Hands-on training to support the <i>Cypripedium macranthos</i> an endangered orchid, in the town of Fujimi, Nagano Prefecture</b>	<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>
<b>Hands-on training (Biodiverse forests)</b>	<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 FY2024, 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 contents of the scenario analysis being conducted from 2019 are also disclosed after deliberation by the Group Sustainability Committee mentioned above.

[Environmental Management > Group Sustainability Committee](#)



[KPIs for Material Matters](#)



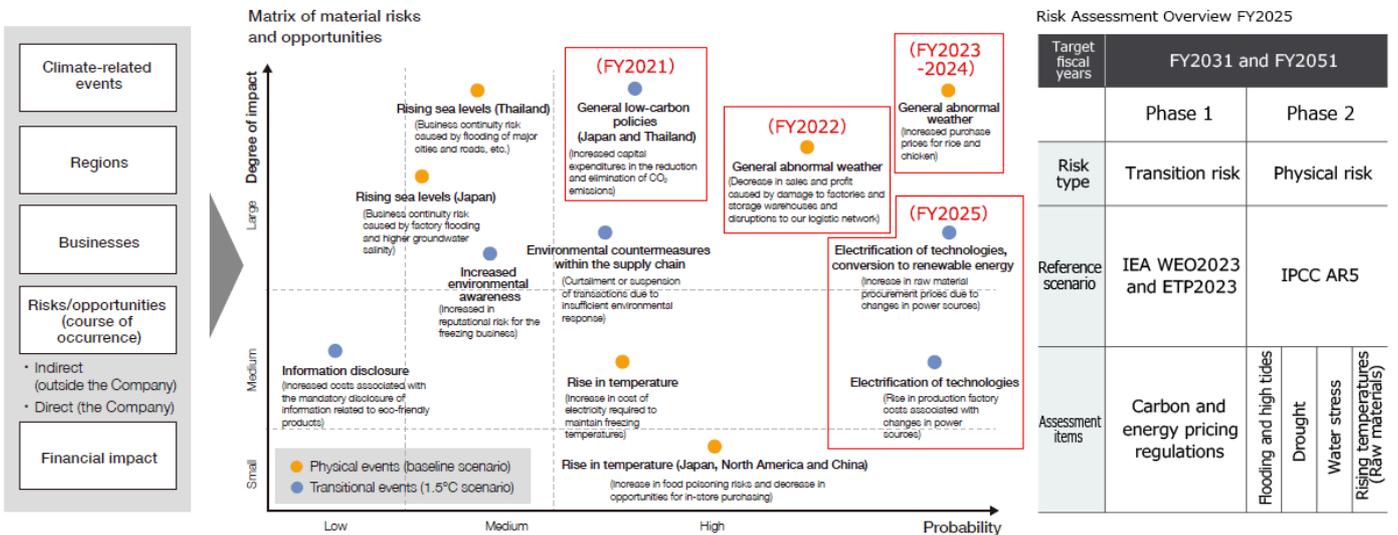
## Strategy

### 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 (CO<sub>2</sub> emission reduction) as the most significant area of Group-wide risks and opportunities. We established long-term CO<sub>2</sub> reduction goals and launched initiatives.



Identification of high risks and opportunities along with climate change scenario

### FY2022

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

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

### FY2023

### Climate Change Scenarios for Rice and Chicken Procurement

Climate Change Scenarios for Rice and Chicken Procurement



In the first phase (during FY2025), we reevaluated our scenario analyses and financial impact assessments for transition risks associated with carbon and energy price regulations, referring to FY2021 scenario analyses that identified risks and opportunities by degree of importance. During the second phase, we will also reevaluate physical risks and disclose the results as they become available.

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	
	1.5°C scenario		· 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.

#### ● Financial Impact Calculation Results

Risk type	Business risk	Financial impact
Transition risk	Impact of the introduction of carbon pricing and fluctuations in prices of energy procured	Negative impact of ¥5.0 billion (FY2031 Scope 1 and 2) Positive impact of ¥700 million (FY2051 Scope 1 and 2)

[Calculation Parameters] Electricity and fuel prices : IEA WEO2022

Agency for Natural Resources and Energy, "Simplified Calculation Table for Energy Consumption (Crude Oil Equivalent)" and "Standard Calorific Value and Carbon Emission Coefficients"

Carbon pricing : World Bank, *State and Trends of Carbon Pricing 2023*

GX League Secretariat, *Rules for the First Phase of GX-ETS*

[Reference Scenario ] IEA WEO2023 · ETP2023

We did not identify any new opportunities in reevaluating our scenario analyses. However, we did estimate the financial impact from the transition risk associated with the introduction of carbon pricing and fluctuations in prices of energy procured to be negative ¥5.0 billion for FY2031 and positive ¥700 million for FY2051.

Based on these results, we will reduce CO<sub>2</sub> emissions by shifting to renewable energy in ways such as using solar power generation and expanding the use of corporate PPAs.

## Risk Management

The Nichirei Group ensures that appropriate divisions employ optimum methods to comprehensively manage the impact of a variety of risks (including climate change-related risks) on business management. 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 the Group's 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 discuss in the Group Sustainability Committee 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 for the Group. The most important themes are then deliberated by the committee. Specifically, risks associated with climate change scenarios are positioned as critical risks for the Group, and the committee deliberates and manages responses to business risks and opportunities identified through scenario analyses.

## Indicators and Targets

Nichirei Group Material Matters (Materiality)

### Realizing sustainable food procurement and a circular economy

Group KPIs	Reduction in CO <sub>2</sub> emissions (Compared with FY2023; Scope 1 and 2 in Japan and overseas)	-42% (FY2031 Target)
	Reduction in CO <sub>2</sub> emissions (Compared with FY2023; Scope 3 in Japan and overseas)	-25% (FY2031 Target)

# 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.

## Initiatives

### Long-term Environmental Goals

We have positioned efforts to address climate change as one of the material matters for realizing our long-term management goals toward 2030, and will actively work to achieve the Group's long-term CO<sub>2</sub> emissions reduction target.

● 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.

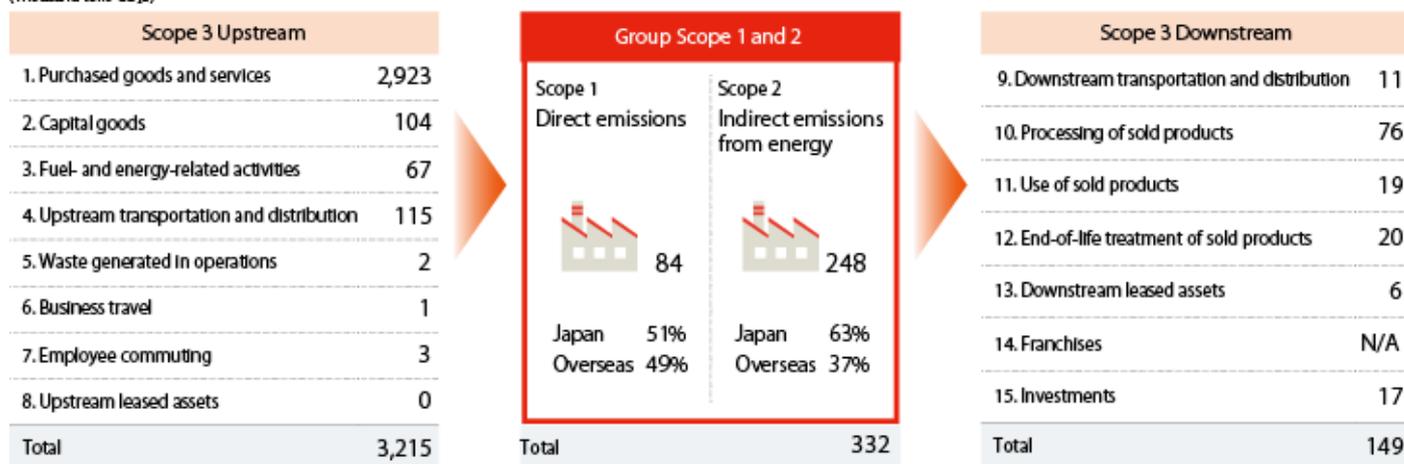
● CO<sub>2</sub> Emission Reduction Targets

	FY2024 Results	FY2025 Plan	FY2031 Targets
Scope 1 and 2 in Japan and Overseas (Compared with FY2023)	—	—	-42%
Scope 3 in Japan and Overseas (Compared with FY2023)	—	—	-25%
Scope 1 and 2 in Japan (Compared with FY2016)	-30%	-33%	-56%*

\* This is the reduction rate compared with FY2016, where the FY2031 target for Scope 1 and 2 in Japan is set at 42% reduction compared with FY2023.

● FY2024 GHG Emissions: 3,696 thousand tons-CO<sub>2</sub>e in Japan and Overseas

(Thousand tons-CO<sub>2</sub>e)



● Nichirei Group Scope 3 Emissions by Category

Scope 3 emissions account for approximately 91% of the Nichirei Group's total GHG emissions, and Category 1 accounts for approximately 87% 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.

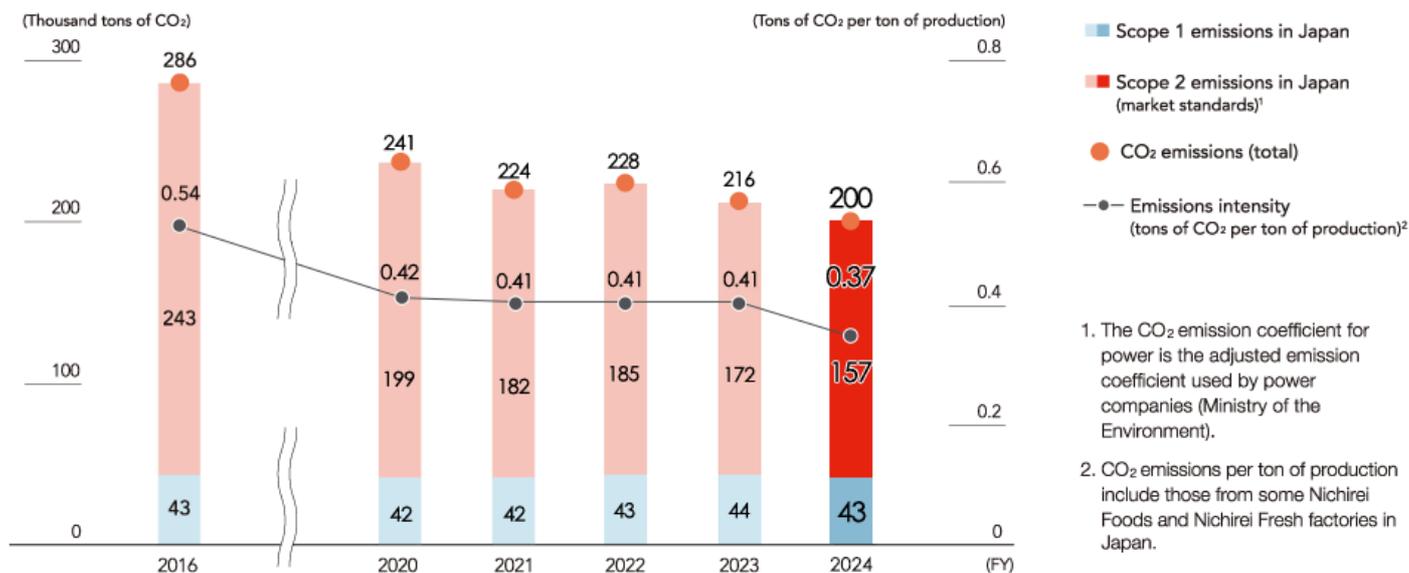
(t-CO<sub>2</sub>e)

Scope 3 Category		FY2022	FY2023	FY2024*
No.	Description			
Category 1	Purchased goods and services	2,724,104	2,802,360	2,922,918
Category 2	Capital goods	113,938	101,503	103,634
Category 3	Fuel- and energy-related emissions from activities not included in Scope 1 or Scope 2	62,828	65,438	66,566
Category 4	Upstream transportation and distribution	98,016	95,991	115,389
Category 5	Waste generated in operations	2,527	2,197	2,107
Category 6	Business travel	505	1,563	1,235
Category 7	Employee commuting	2,400	2,541	2,626
Category 8	Upstream leased assets	0	0	0
Category 9	Downstream transportation and distribution	3,519	3,696	10,524
Category 10	Processing of sold products	33,833	37,563	76,262
Category 11	Use of sold products	9,902	11,160	18,512
Category 12	End-of-life treatment of sold products	16,431	15,519	20,263
Category 13	Downstream leased assets	6,582	6,418	6,225
Category 14	Franchises	N/A	N/A	N/A
Category 15	Investments	N/A	N/A	16,931
Total		3,074,586	3,145,951	3,363,193

\* Scope 3 emissions in FY2024 resulted in approximately 7% increase compared to that of FY2023 mainly due to extension of overseas subsidiaries for the scope of calculation.

● Nichirei Group's Scope 1 and 2 CO<sub>2</sub> Emissions in Japan

In FY2024, we reduced our CO<sub>2</sub> emissions by 30% compared with FY2016.



CDP Climate Change 2023 Report (Only Available in Japanese) 

## Switching Energy Sources

The Nichirei Group is switching over to energy sources with lower CO<sub>2</sub> emissions. While switching to electricity from renewable energy sources with zero CO<sub>2</sub> emissions, we are also moving forward with initiatives to switch to fuels that produce low amounts of CO<sub>2</sub> when generating electricity or heat used for frying and baking on food factory production lines.

<b>Switching to Renewable Energy Sources for Generating Electricity</b>	In FY2024, we achieved a 13 percentage-point increase compared with FY2023. This increase resulted mainly from increased use of renewable energy in the Funabashi Hinode area, where the Funabashi Plant of Nichirei Foods and Funabashi DC of Logistics Network Inc. are located.
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● Electricity from Renewable Energy Sources (%)

FY2022	FY2023	FY2024
5	9	22

Note : Figures for Japan

## ■ Utilizing Electricity Generated from Solar Power

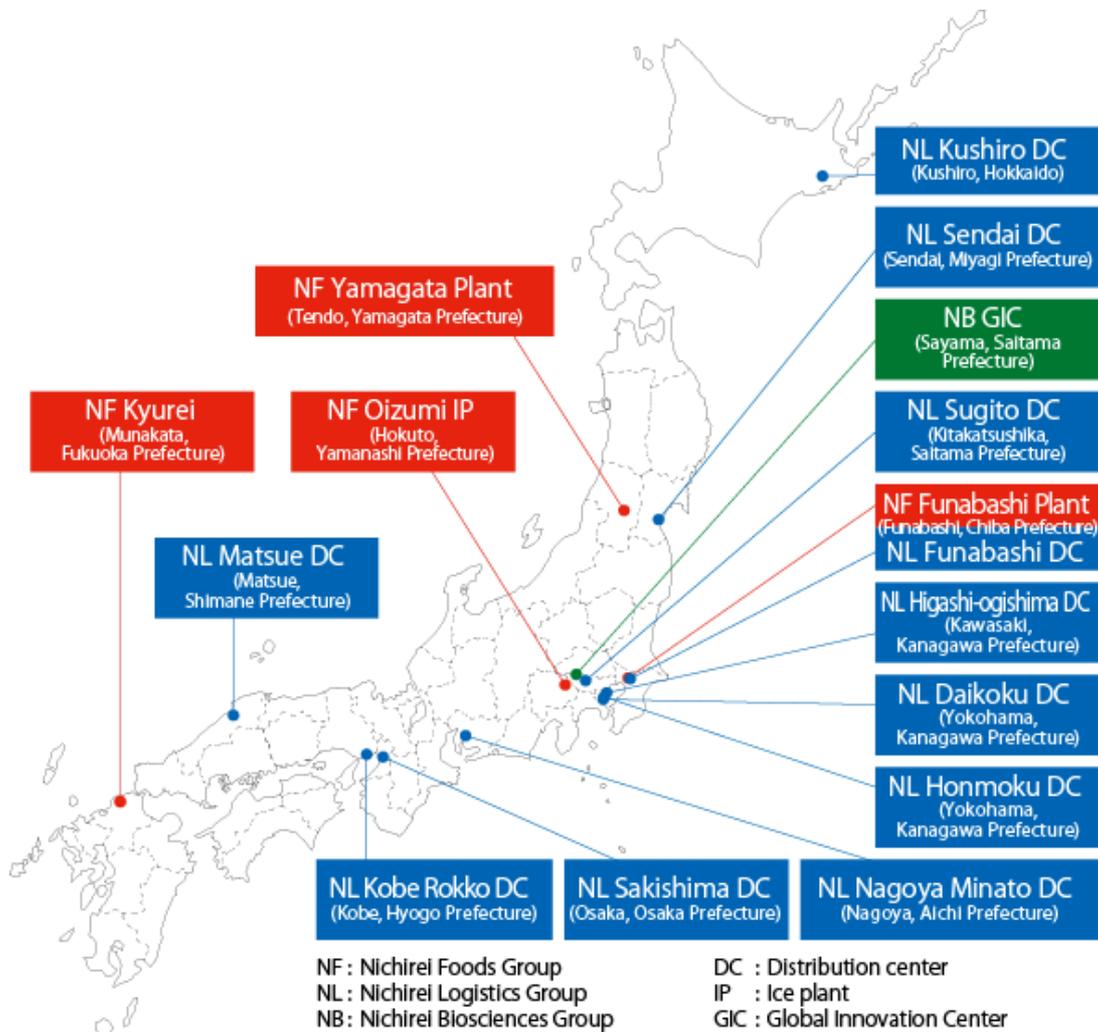
The Nichirei Group is installing solar power generation equipment on the premises of food factories and on the rooftops of refrigerated distribution warehouses. As of March 31, 2024, fifteen Nichirei Group facilities in Japan had installed solar power equipment that generated 4,268 MWh of electricity and reduced CO<sub>2</sub> emissions by 1,842 tons. 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 CO<sub>2</sub> emissions reduction.



### ● Solar Power Generation and CO<sub>2</sub> Emission Reduction

Year of installation	FY2020	FY2021	FY2022	FY2023	FY2024
No. of locations where installed (Cumulative total)	8	9	10	11	15
Power generated (MWh)	2,068	2,149	2,974	3,201	4,268
CO <sub>2</sub> emission reduction (Tons)	1,003	986	1,408	1,429	1,842

● Nichirei Group Locations with Solar Power Generation Equipment



Solar Power Generation and CO<sub>2</sub> Reduction

<p><b>Nichirei Foods</b></p>	<ul style="list-style-type: none"> <li>• Funabashi Plant</li> <li>• Yamagata Plant</li> <li>• Nichirei Ice Inc. Oizumi Ice Plant</li> <li>• Kyurei</li> </ul>
<p><b>Nichirei Logistics Group</b></p>	<ul style="list-style-type: none"> <li>• Sugito DC</li> <li>• Matsue DC</li> <li>• Kushiuro DC</li> <li>• Sakishima DC</li> <li>• Higashi-Ogishima DC</li> <li>• Nagoya minato DC</li> <li>• Sendai DC</li> <li>• Funabshi DC</li> <li>• Kyokurei Inc. Daikoku DC</li> <li>• Kyokurei Inc. Honmoku DC</li> <li>• Kyokurei Inc. Kobe Rokko DC</li> </ul>
<p><b>Nichirei Biosciences</b></p>	<ul style="list-style-type: none"> <li>• Global Innovation Center</li> </ul>



Sakishima DC



Matsue DC

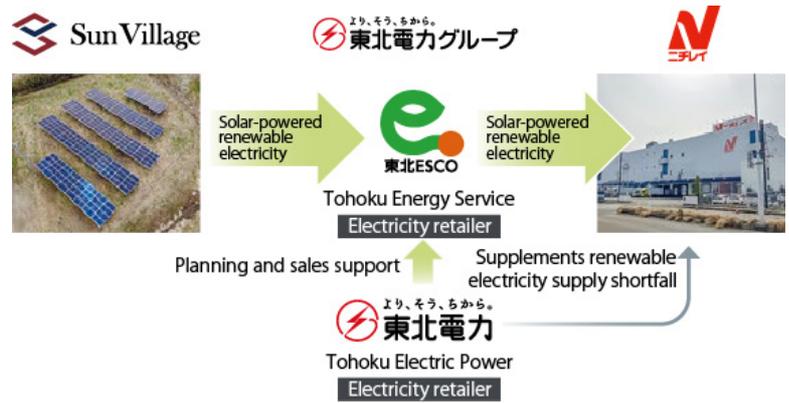


Kushiuro DC

## ■ Use of Off-site Corporate PPA Services Initiated

The Nichirei Group has begun using off-site corporate PPA services that employ low-voltage solar power generation. We expect this initiative to reduce CO<sub>2</sub> emissions by approximately 2,000 tons annually. The Group will also increase procurement of renewable energy by expanding the use of these services to other areas, centered on the Kanto and Kansai regions.

## ● Supply of Power from Off-site Corporate PPA Services



Use of Off-site Corporate PPA Services Initiated (Only available in Japanese)

## ■ 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.<sup>\*1</sup> 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.

## ■ Purchase of Green Energy\*

Since March 2020, Nichirei Foods has been purchasing RECs (Renewable Energy Certificate) 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.

\* Green Energy : Power generated from renewable energy sources, such as biomass, solar and wind. The CO<sub>2</sub> emission reductions achieved through the use of power generated from renewable energy are traded in the form of RECs.

● 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

■ 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 CO<sub>2</sub> 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)



## 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 for Natural Refrigerants Conversion Rate

	FY2023 results	FY2024 results	FY2025 plans	FY2031 targets
Rate of conversion to natural refrigerants Production equipment (Japan)	56%	63%	74%	100%
Rate of conversion to natural refrigerants Logistics (Global)	53%	56%	61%	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"> <li>Nichirei Logistics Kansai Sakishima DC</li> <li>SCG Nichirei Logistics Co., Ltd. (Thailand)</li> </ul>	—
FY2016	<ul style="list-style-type: none"> <li>Logistics Network Funabashi DC 8th Expansion Building</li> <li>Nichirei Logistics Tokai Shiratori DC 8th Expansion Building</li> </ul>	Program for applying advanced technologies to promote wider application of equipment using energy-saving natural refrigerant
FY2017	<ul style="list-style-type: none"> <li>Nichirei Logistics Chushikoku Takamatsu-Nishi DC 2nd Building</li> <li>Nichirei Logistics Tokai Haruhi DC 2nd Building</li> <li>Logistics Network Funabashi DC 4th and 9th Building</li> </ul>	Program for applying advanced technologies to promote wider application of equipment using energy-saving natural refrigerant

Fiscal Year	Factory / Logistics Center	Subsidy projects utilized
FY2018	<ul style="list-style-type: none"> <li>• Nichirei Logistics Tohoku Sendai DC 1st Building</li> <li>• Nichirei Logistics Tohoku Morioka DC 2nd Building</li> <li>• Nichirei Logistics Kanto Mito DC 1st Building</li> </ul>	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"> <li>• Nichirei Logistics Kyushu Kagoshima Futo DC 1st Building</li> <li>• Nichirei Logistics Kyushu, Inc.: Naha Shinko Logistics Center</li> </ul>	Project to Accelerate Introduction of Energy Saving-Type Natural Refrigerant Equipment To Realize Fluorocarbon-Free and Low Carbon Society
FY2020	<p>&lt;Nichirei Logistics Group&gt;</p> <ul style="list-style-type: none"> <li>• Nichirei Logistics Hokkaido, Inc.: Sapporo Oyachi DC 2nd Building</li> <li>• Nichirei Logistics Tokai, Inc.: Haruhi DC 1st Building</li> <li>• Nichirei Logistics Kansai, Inc.: Osaka Shinnanko DC 2nd Building</li> <li>• Nichirei Logistics Tokai, Inc.: Nagoya Minato Logistics Center</li> </ul> <p>&lt;Nichirei Foods&gt;</p> <ul style="list-style-type: none"> <li>• Nichirei Foods Inc.: Kansai Plant</li> </ul>	Project to Accelerate Introduction of Energy Saving-Type Natural Refrigerant Equipment To Realize Fluorocarbon-Free and Low Carbon Society
FY2021	<p>&lt;Nichirei Logistics Group&gt;</p> <ul style="list-style-type: none"> <li>• Nichirei Logistics Kansai, Inc.: Umemachi Logistics Center</li> <li>• Nichirei Logistics Chushikoku, Inc.: Ujina Logistics Center</li> <li>• Nichirei Logistics Chushikoku, Inc.: Matsuyama Logistics Center</li> <li>• Nichirei Logistics Kyushu, Inc.: Kokura Logistics Center</li> <li>• Kyokurei Inc.: Honmoku Logistics Center</li> </ul> <p>&lt;Nichirei Foods&gt;</p> <ul style="list-style-type: none"> <li>• Nichirei Foods Inc.: Yamagata Plant</li> <li>• Nichirei Foods Inc.: Kansai Plant</li> </ul>	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>&lt;Nichirei Logistics Group&gt;</p> <ul style="list-style-type: none"> <li>• Nichirei Logistics Tohoku, Inc.: Sendai Logistics Center</li> <li>• Nichirei Logistics Tokai, Inc.: Komaki Logistics Center</li> <li>• Nichirei Logistics Tokai, Inc.: Mie Logistics Center</li> <li>• Nichirei Logistics Chushikoku, Inc.: Ujina Logistics Center</li> <li>• Nichirei Logistics Chushikoku, Inc.: Takamatsu Higashi Logistics Center</li> <li>• Nichirei Logistics Kyushu, Inc.: Hakozaki Wharf Logistics Center</li> </ul> <p>&lt;Nichirei Foods&gt;</p> <ul style="list-style-type: none"> <li>• Nichirei Foods Inc.: Shiroishi Plant</li> </ul>	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>&lt;Nichirei Logistics Group&gt;</p> <ul style="list-style-type: none"> <li>• Nichirei Logistics Hokkaido, Inc.: Otaru Logistics Center</li> <li>• Nichirei Logistics Tokai, Inc.: Shiratori Logistics Center</li> <li>• Nichirei Logistics Kansai, Inc.: Umemachi Logistics Center</li> <li>• Nichirei Logistics Chushikoku, Inc.: Matsuyama Logistics Center</li> <li>• Kyokurei Inc.: Daikoku Logistics Center</li> </ul>	Project to accelerate the introduction of energy-saving natural refrigerants in equipment for the early realization of a CFC-free, low-carbon society

Fiscal Year	Factory / Logistics Center	Subsidy projects utilized
FY2024	<p>&lt;Nichirei Logistics Group&gt;</p> <ul style="list-style-type: none"> <li>• Nichirei Logistics Hokkaido, Inc.: Kushiro Logistics Center</li> <li>• Nichirei Logistics Tohoku, Inc.: Morioka Logistics Center</li> <li>• Nichirei Logistics Kansai, Inc.: Takatsuki Logistics Center</li> <li>• Nichirei Logistics Chushikoku, Inc.: Naruto Logistics Center</li> <li>• Logistics Network, Inc. : Sugito Logistics Center</li> <li>• Logistics Network, Inc. : Mito Logistics Center</li> <li>• Kyokurei Inc.: Kobe Rokko Logistics Center</li> </ul> <p>&lt;Nichirei Foods&gt;</p> <ul style="list-style-type: none"> <li>• Nichirei Foods Inc.: Funabashi Plant</li> <li>• CHUREI Co., Ltd.</li> </ul>	<p>&lt;Nichirei Logistics Group&gt;</p> <p>Project to promote a CFC-free and decarbonisation of refrigeration and freezing equipment that supports the cold chain</p> <p>&lt;Nichirei Foods&gt;</p> <p>Project to accelerate the introduction of energy-saving natural refrigerants in equipment for the early realization of a CFC-free, low-carbon society</p>

## Increasing Energy Efficiency and Preventing Refrigerant Leaks

The Nichirei Group owns large-scale refrigerated distribution warehouses and food factories, and is implementing various 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.

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

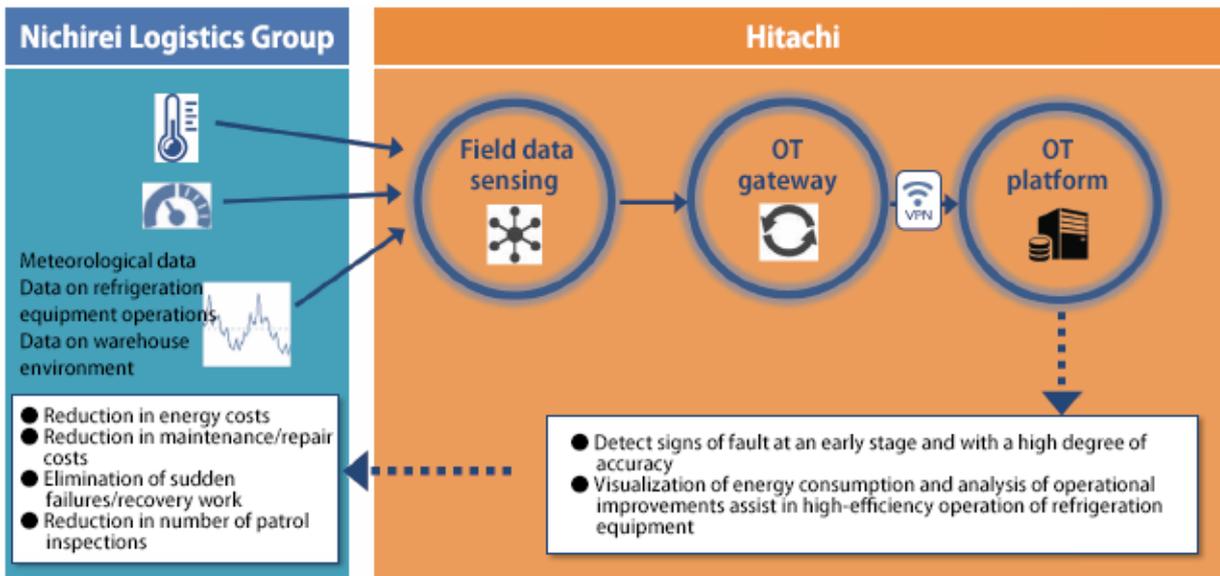
## Preventing Refrigerant Leaks to Boost Operating Efficiency

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 CO<sub>2</sub> 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 CO<sub>2</sub> emissions.



### Conceptual Diagram of Joint Demonstration



## Other initiatives

### ■ Nichirei Logistics Group received "Special Award" at the 25th Logistics Environment Awards

On June 28, 2024, the Nichirei Logistics Group received the "Special Award" at the 25th Logistics Environment Awards, hosted by Japan Association for Logistics and Transport.

#### ● Special Award: Jointly Awarded to Uoroku Co., Ltd., Logistics Network Co., Ltd., and Synops Co., Ltd. for "CO<sub>2</sub> Reduction by Extended Lead Time Using Order Forecasting System"

As part of their logistics improvement efforts, the three companies collaborated to utilize an order forecasting system. They analyzed and minimized the impact of extended lead times, resulting in improved loading efficiency and work productivity. This initiative also reduced delivery vehicles and waiting times, and reduced CO<sub>2</sub> emissions.

#### ● Special Award: Logistics Network Co., Ltd. and Nichirei Logistics Group Regional Companies for "CO<sub>2</sub> Reduction Using the Next-Generation Transportation System "SULS\*"

Since FY2023, Nichirei Logistics Group has implemented the next-generation transportation system "SULS" at its self-operated bases nationwide. This system utilizes their proprietary refrigerated trailers, capable of carrying 24 pallets and featuring detachable loading platforms. By conducting pre-loading operations, they reduced driver loading times and vehicle waiting times. Additionally, improving efficiency by increasing the load capacity from 16 to 24 pallets, contributing to CO<sub>2</sub> reduction.

\* *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.

"Special Award" at the 25th Logistics Environment Awards (Only available in Japanese)



### ■ Initiatives in Production Regions

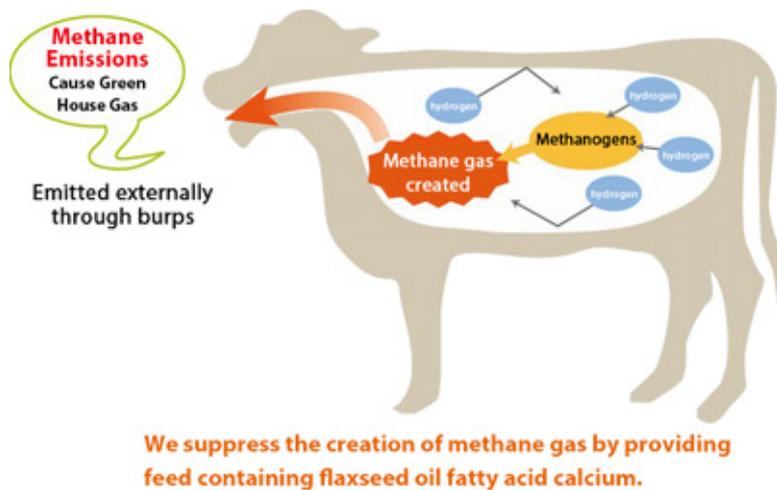
#### Suppression of Methane Gas Emissions by Cattle (Nichirei Fresh)

Ruminants, such as cattle and sheep, are known for their production of methane gas, which has 21 times the greenhouse effects of CO<sub>2</sub>. 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.

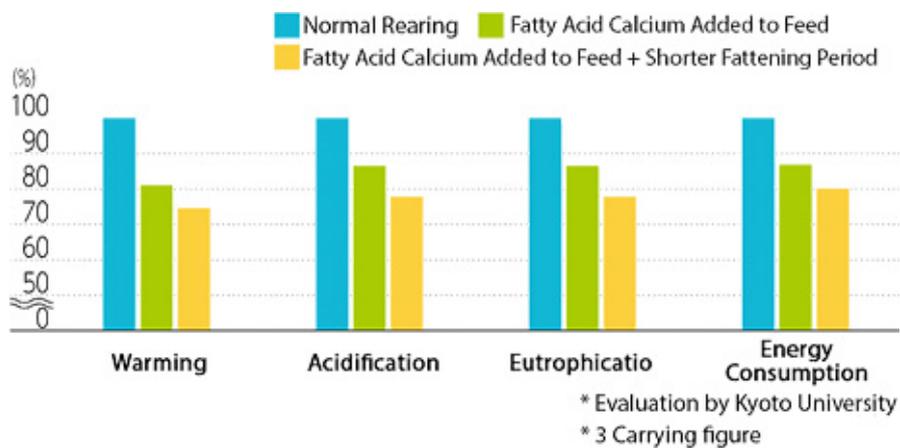
The hydrogen generated by the activity of microbes in the rumen (the first stomach) during the digestive process is turned into methane gas by methanogen, and released externally through burps. If cattle are given flaxseed oil fatty acid calcium<sup>\*1</sup>, the hydrogen in their rumen combines with 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)<sup>\*2</sup> 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<sup>\*3</sup>, while feed costs are lower due to the shorter fattening period resulting from improved growth<sup>\*4</sup>. Nichirei is now moving toward the sale of beef produced through a nationwide rearing program using flaxseed oil fatty acid calcium. In addition to cross-breeding, Nichirei is also expanding this production method to crossbred Wagyu and Holstein cattle (bulls).

● Methane Gas Production



● Evaluation of Impact on Global Environment



\*1 Flaxseed oil fatty acid calcium: A fusion of calcium with the oil extracted from flax seeds rich in alpha-linolenic acid (omega-3 fatty acid).

\*2 Life cycle assessment (LCA) is the technique of comprehensively analyzing and assessing a product's environmental impact throughout its entire life cycle, from the raw materials, manufacture and distribution, through to disposal.

\*3 Omega balance: The balance between omega-6 and omega-3 fatty acids, which are particularly important essential fatty acids for the human body.

\*4 This results from the development of low-cost techniques for cattle production, based on a superior balance of omega-6 and omega-3 fatty acids, and the subsequently reduced environmental impact. Source: Ibaraki Prefecture Hitachiomiya Regional Agricultural Research and Promulgation Conference report, 2011.

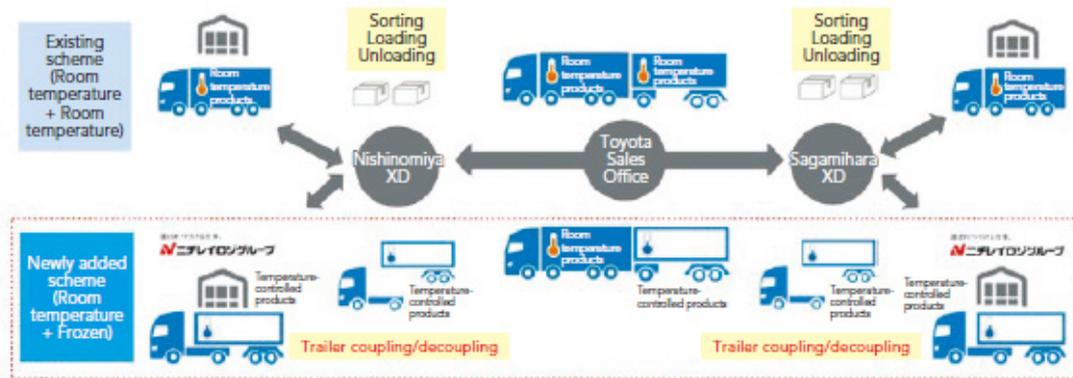
Suppression of Methane Gas Emissions by Cattle (Nichirei Fresh) (Only available in Japanese)



## ■ Simultaneous Bulk Transport of Frozen and Room Temperature Products

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

### ● Operating Scheme



Double-trailer truck



Logistics Network Inc. container

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

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

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

**Promotion of 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. In 2009, the ferry transportation route from Hokkaido to Kyushu was extended, resulting in a 30% reduction\*2 in CO<sub>2</sub> emissions.

In recognition of its achievements in expanding modal shift in frozen food shipping, the Nichirei Logistics Group's Logistics Network received the Modal Shift Best Operator Award (Grand Prize) at the 14th Award for Excellent Business Entities Working on Modal Shift in 2016, and received the Green Logistics Partnership Meeting Outstanding Business Award\*3 in 2017. Logistics Network is a third-party logistics (3PL) company that improves and manages all logistics operations for its shipper clients, from procurement and stock control to distribution. It has been promoting modal shift for more than 10 years. Rather than just simply using railways and ferries, it implements a variety of advanced solutions, such as having several shippers share a trunk line for transporting goods and making shipments more efficient and standardized by utilizing a demand forecasting system. In 2017, the company received the award along with Nichirei Foods (the owner of the cargo) and its partner companies, Ocean Trans Co., Ltd. and Nippon Express Co., Ltd. Going forward, we will continue to promote sustainable business management that reduces environmental impact and addresses labor shortages.

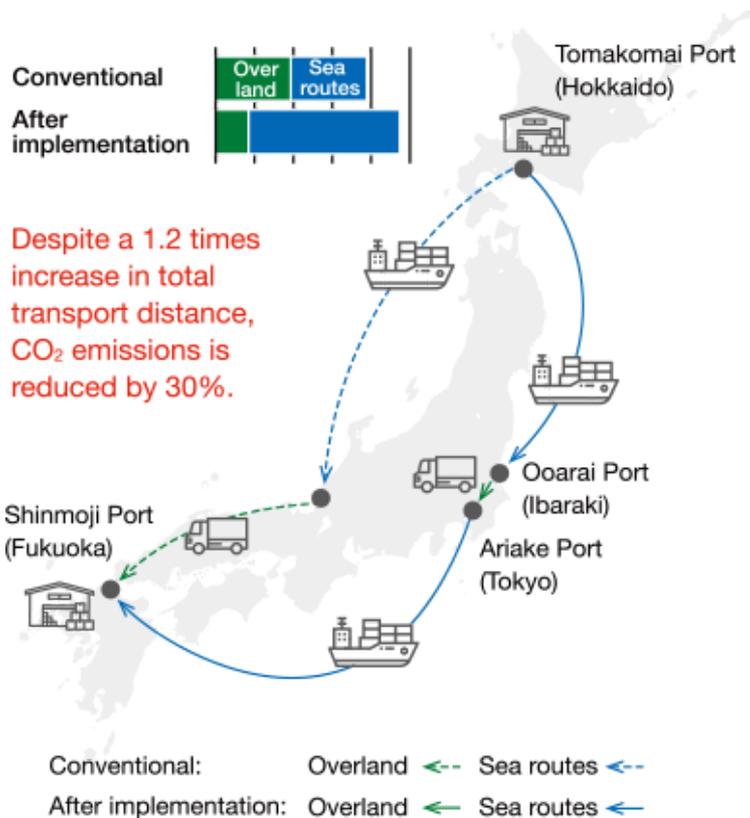
**Notes:**

\*1 The conversion of road and air transportation by that by rail and sea.

\*2 The 30% reduction in CO<sub>2</sub> emissions due to modal shifts in Japan is based on per-route calculations.

\*3 An institution administered by the Ministry of Land, Infrastructure, Transport and Tourism and other bodies that awards excellent initiatives that promote CO<sub>2</sub> reduction in the logistics field.

● 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 CO<sub>2</sub>.

Holland's Hiwa Rotterdam Port Cold Stores B.V. uses river barges to reduce its CO<sub>2</sub> 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 CO<sub>2</sub> 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 CO<sub>2</sub> reduction initiatives include developing CO<sub>2</sub> 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 Biodiversity Conservation (TNFD)

## Basic Philosophy

### Addressing Biodiversity Conservation (TNFD)

The Nichirei Group is engaged in a wide variety of businesses globally, centered on food, and our business is dependent on the blessings of the Earth generated from biodiversity, including agricultural, livestock, and fishery resources. Recognizing various impact to this planet by our business activities, while we rely heavily on natural capital and ecosystem services, which are the blessings of the Earth, we are committed to the conservation of biodiversity and sustainable use of natural capital in our supply chain based on the “Nichirei Group Biodiversity Policy”.

In March 2024, Nichirei Corporation endorsed the philosophy of the Taskforce on Nature-related Financial Disclosures (TNFD) and joined the TNFD Forum to support its activities. Based on the TNFD's disclosure framework, we will continue to organize the relationship between our business and natural capital, as well as risks and opportunities, and promote appropriate measures in our business activities, as well as appropriate disclosure of information on natural capital.



[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. Biodiversity initiatives based on the TNFD's information disclosure framework, which has been in place since 2023, are also disclosed after deliberation by the Group Sustainability Committee mentioned above.

[Environmental Management > Group Sustainability Committee](#)



[KPIs for Material Matters](#)



## Strategy

### Identification of Material Risks and Opportunities

The Nichirei Group is engaged in a wide range of businesses globally, mainly in the food industry, and is dependent on the natural capital generated by biodiversity. In light of the dependence and impact of our business activities on natural capital, we conducted an assessment using the framework proposed by the TNFD. We will strive to become a sustainable company by quantitatively understanding the risks and opportunities we have identified and reflecting our responses to them in our management strategies.

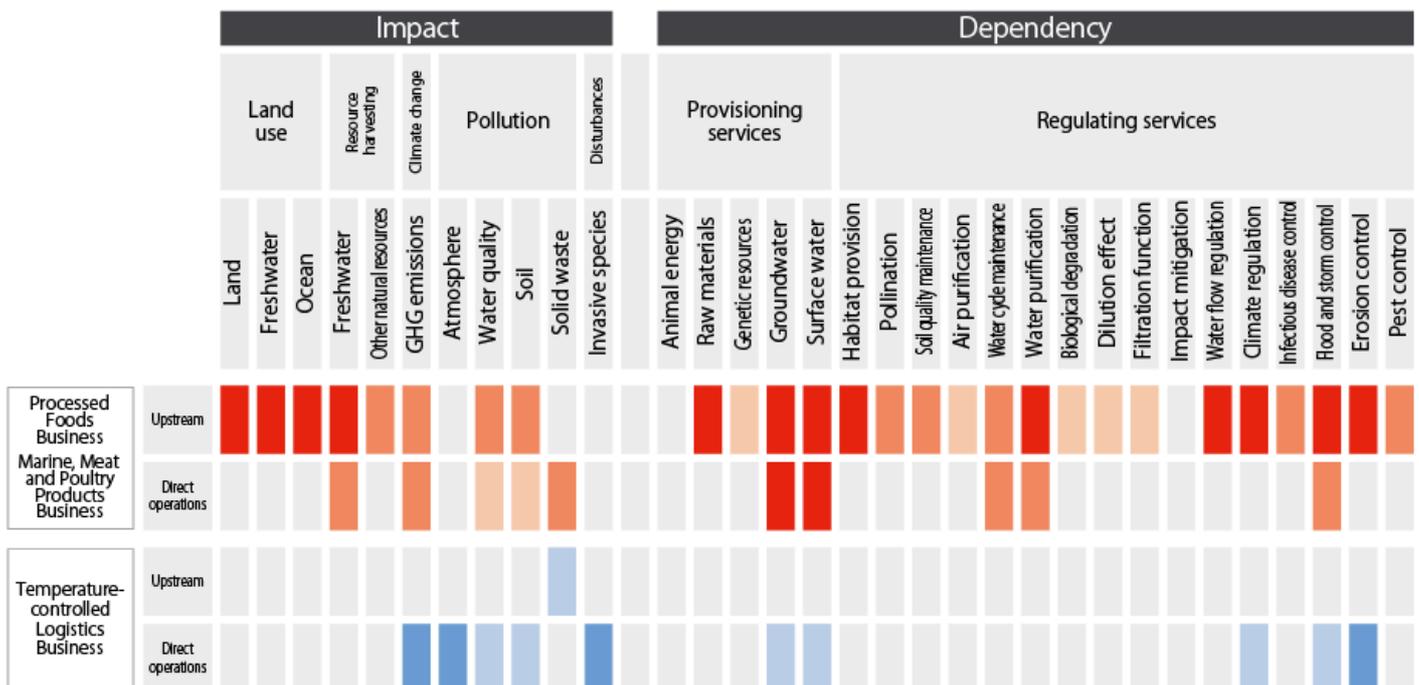
**FY2024**

In order to understand the risks and opportunities to the overall Nichirei Group business, we conducted an assessment using the LEAP approach advocated by TNFD. This analysis covers our upstream value chain encompassing regions where we procure raw materials, as well as the direct operations of all 202 Nichirei Group business sites. Based on the assessment results, we identified “water resources” as the most important risk common to the Group, and started specific initiatives for sites with high water stress ahead of others. We will continue our efforts to conserve and restore biodiversity, including from the perspectives of “water resources” and “agricultural, livestock, and fishery resources”.

### 1. Assessment of Dependence on and Impact on Nature through Business Activities

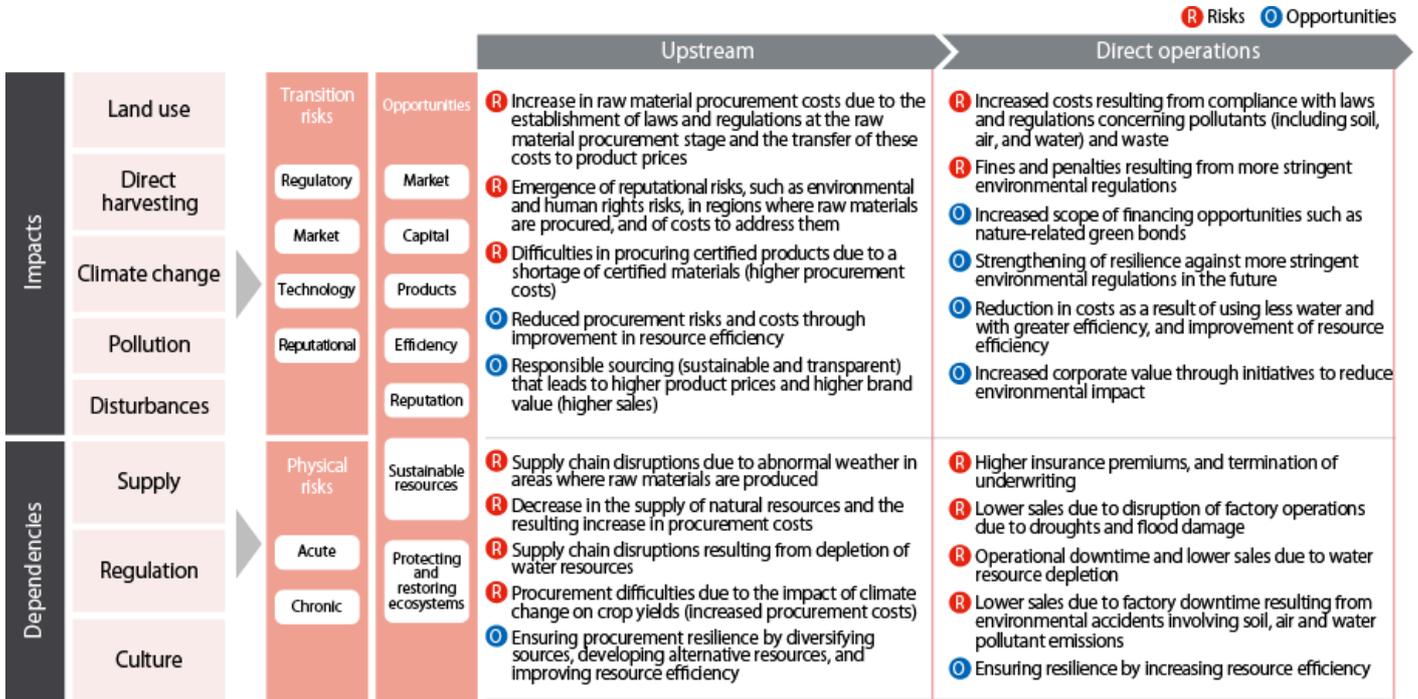
Our businesses are highly dependent on natural capital and ecosystem services. We clarified the relationship between our businesses and nature by identifying significant dependencies and impacts on nature in our upstream value chain and direct operations, and by assessing the degree of those dependencies and impacts.

■ Very High  
 ■ High  
 ■ Middle  
 ■ Low, Very Low



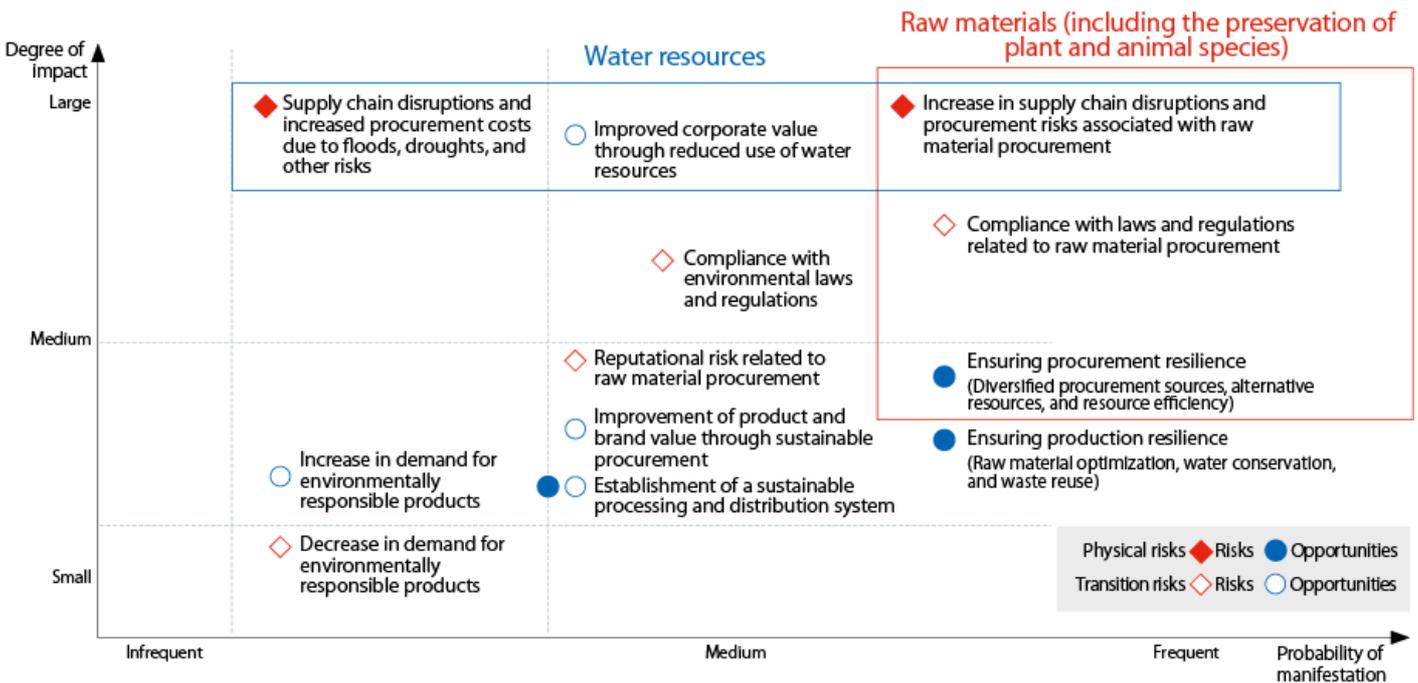
## 2. Identify Risks and Opportunities in the Value Chain

To delineate the relationships among Group businesses and nature-related dependencies and impacts, we used the four quadrants of upstream, direct operations, impacts and dependencies and then identified risks and opportunities in our businesses.



## 3. Identify High-priority Risks and Opportunities

We assessed the importance of identified risks and opportunities, with due consideration of the probability of manifestation and the impact on Group businesses, and identified items that may have a large financial impact on our businesses as risks and opportunities for the Nichirei Group.



## Risk Management

Impact with the variety of risks (including nature-related risks) are considered from comprehensive perspective by the responsible divisions in the rational and optimal methods and 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. Due to the need to respond more quickly and accurately to various ESG-related issues, we discuss in the 'Group Sustainability Committee' that deliberates specifically on addressing ESG risks and opportunities, including biodiversity.

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 environmental risks associated with climate change and biodiversity are positioned as a major risk for the Group. The committee deliberates and manages business risks and opportunities arising from scenario analyses, etc.

## Indicators and Targets

Nichirei Group Material Matters (Materiality)

### Realizing sustainable food procurement and a circular economy

Group Targets (KPIs)	Reduce water consumption at sites with high water stress	Reduce water consumption at high-risk locations and implement water conservation activities (FY2031 target)
	Conduct biodiversity conservation activities at Nichirei Group sites and Company-owned land	Engage in biodiversity restoration activities, including the preservation of plant and animal species at Group sites (FY2031 target)

## Initiatives for Biodiversity Conservation

### 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.\*1

In 2021, the shellfish fishery of the Yalu Estuary received Marine Stewardship Council (MSC) certification\*2 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.

\*1 This fishery improvement project ended in April 2019.

\*2 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.



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



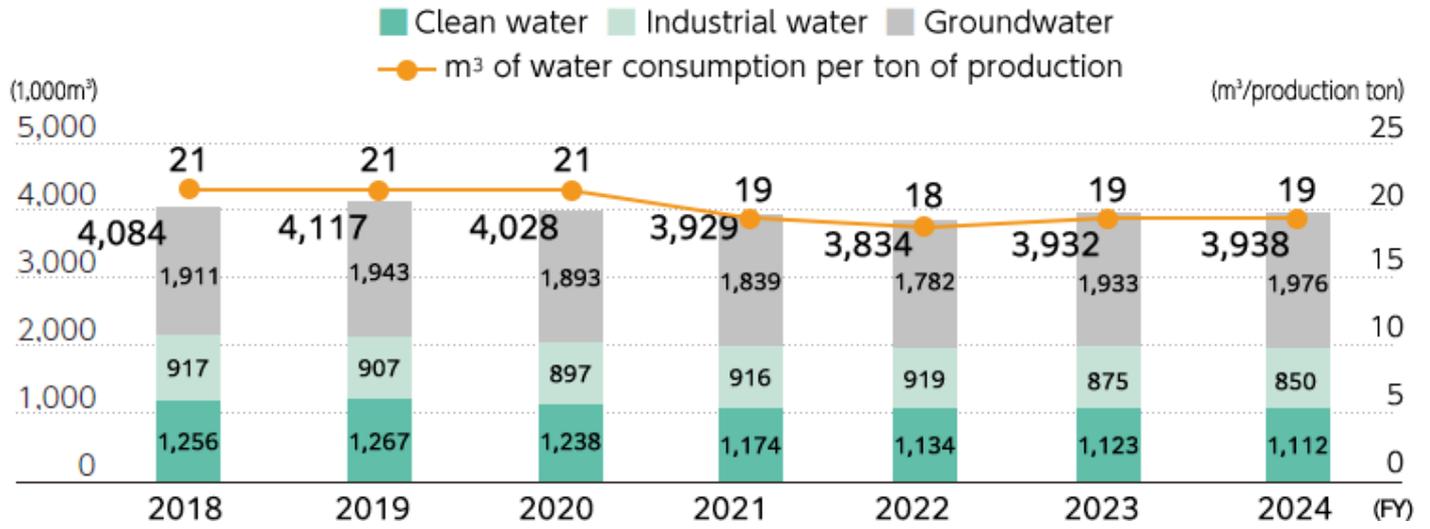
## Initiatives

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.

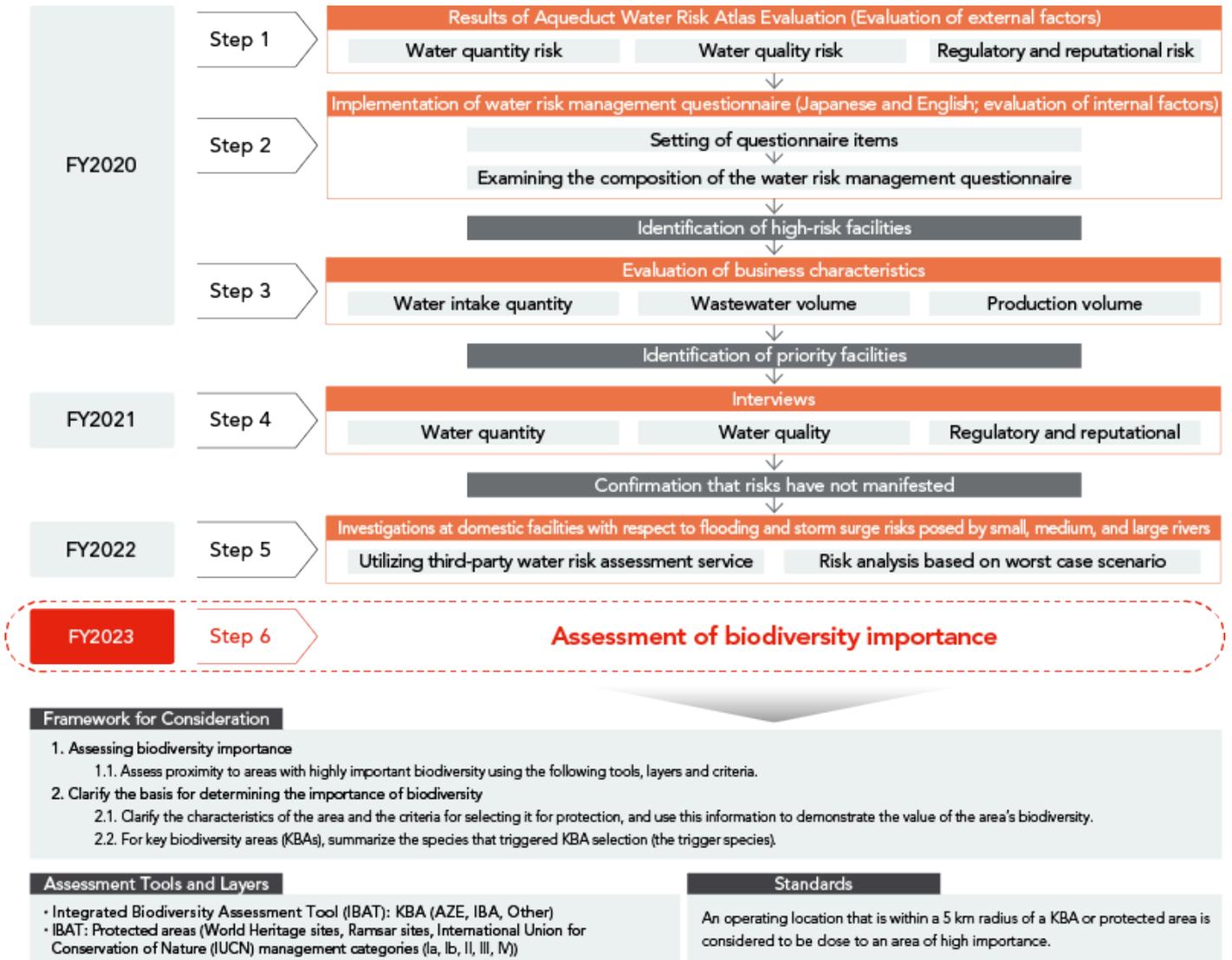
### ● Water Usage (By water intake source)



## ■ 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.



# 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

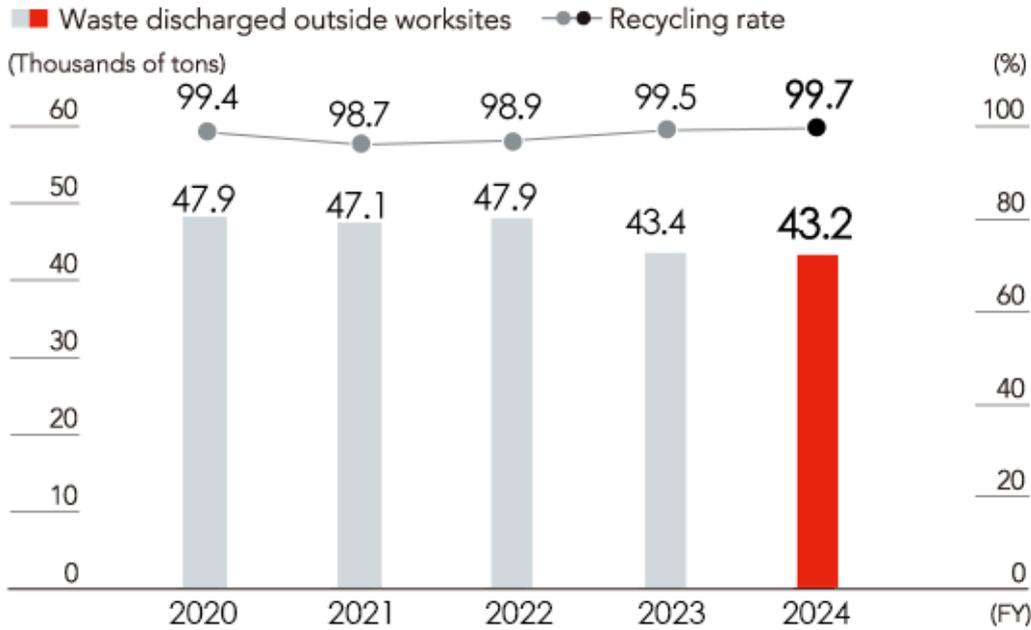
#### Waste Recycling Initiatives

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 Result	FY2025 Plan	FY2031 Target
99.5%	99.7%	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

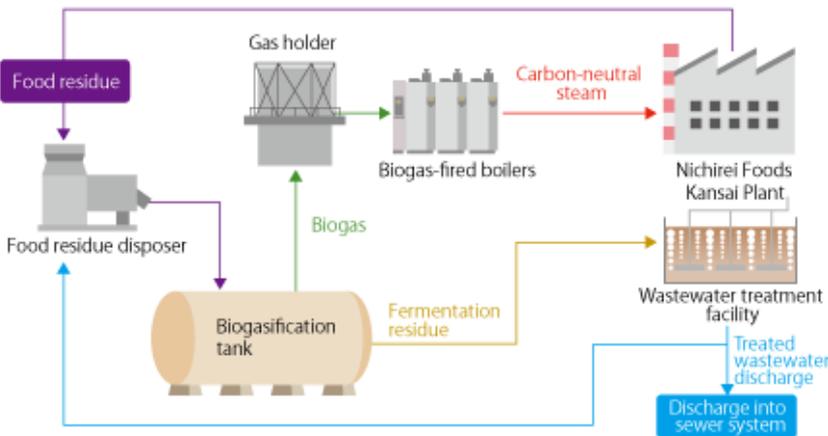
In joining the 10x20x30 Japan Project, Nichirei Foods set a target for FY2031 to reduce animal and plant residues at domestic food factories by 50% compared with FY2020. We also aim to maintain a recycling rate of at least 99% for waste (including non-food items) at all business sites in Japan. To achieve 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.

■ Kansai Plant to Install New Daigas Energy D-Bio Methane System for On-site Conversion of Food Residue into Energy

Nichirei Foods Kansai Plant will use a D-Bio Methane system that ferments food residue to produce methane gas. The methane gas is used as fuel to operate biogas boilers, generating carbon-neutral steam, which is circulated within the factory premises and reused in the manufacturing process.

Converting food residue into methane fuel enables the Kansai Plant to reduce the volume of animal- and plantbased waste it generates by approximately 20%. Furthermore, the recycling of carbon-neutral steam is expected to reduce annual CO<sub>2</sub> emissions by approximately 40 tons.

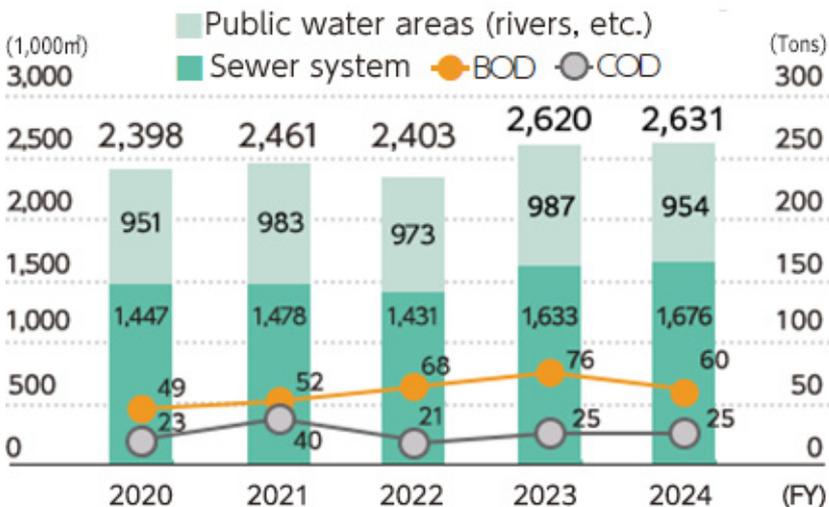
● Overview of the New On-site Biogas System



■ 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 FY2024, 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, we properly store equipment confirmed to contain PCBs in compliance with the 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. As the number of our units containing PCBs has decreased over the years, 0 units were processed in FY2024, but we will continue to process the units that we have.

## ■ 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 FY2024, we performed appropriate treatment in the following matters in accordance with laws and regulations.

- Demolition of Narashino Logistics Center and Shikoku Center of Logistics Network, Inc.
- Construction of Kobe Rokko Logistics Center of Kyokurei Inc.
- Sale of Higashimurayama Logistics Center (partly exterior) of Logistics Network, Inc.
- Under demolition of Onahama Plant of Fresh Maruichi Corporation.

## 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 CO<sub>2</sub> 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 reducing the amount of plastic used for household-use frozen food product containers and packaging. Recently we reduced plastic use by over 215 tons for 10 items in a product series, compared with usage prior to these initiatives. While continuing to reduce plastic use by reviewing product containers and packaging, we will also work toward reducing our CO<sub>2</sub> emissions.



## ■ Initiatives for Thinner Packaging

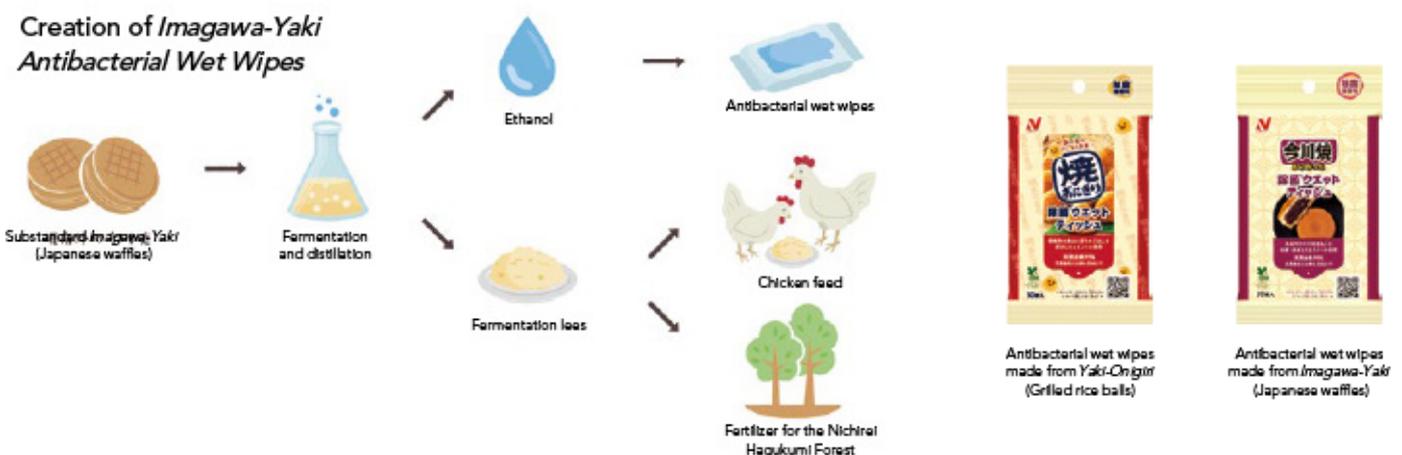
Fiscal year	Products	Measures
FY2007	<i>Imagawa-Yaki</i> (Japanese waffles)	Elimination of trays
FY2010	<i>Yaki-Onigiri</i> (grilled rice balls) 10-pack	Elimination of trays
FY2012	<i>Honkaku-Itame-Chahan</i> (fried rice)	Thinner packaging
FY2015	<i>Yaki-Onigiri</i> (grilled rice balls) 10-pack	Thinner packaging
FY2016	<i>Honkaku-Itame-Chahan</i> (fried rice)	Thinner packaging (second reduction)
FY2019	<i>Ebi-Pilaf</i> (shrimp pilaf) and <i>Chicken Rice</i>	Thinner packaging
FY2021	<i>Ebi-to-Cheese-no-Gratin</i> (shrimp gratin) and <i>Ebi-to-Cheese-no-Doria</i> (shrimp rice gratin)	Thinner trays, reduced tray handle width
FY2022	<i>Yaki-Onigiri</i> (grilled rice balls)	Elimination of trays for entire lineup
FY2024	<i>Cho-Menchi-Katsu</i> (minced meat cutlet) <i>Kikubari-Gozen</i> (dietary-conscious meals) (selected items)	Reduced plastic use by switching tray material to STONE-SHEET <sup>®</sup> , which incorporates calcium carbonate

## 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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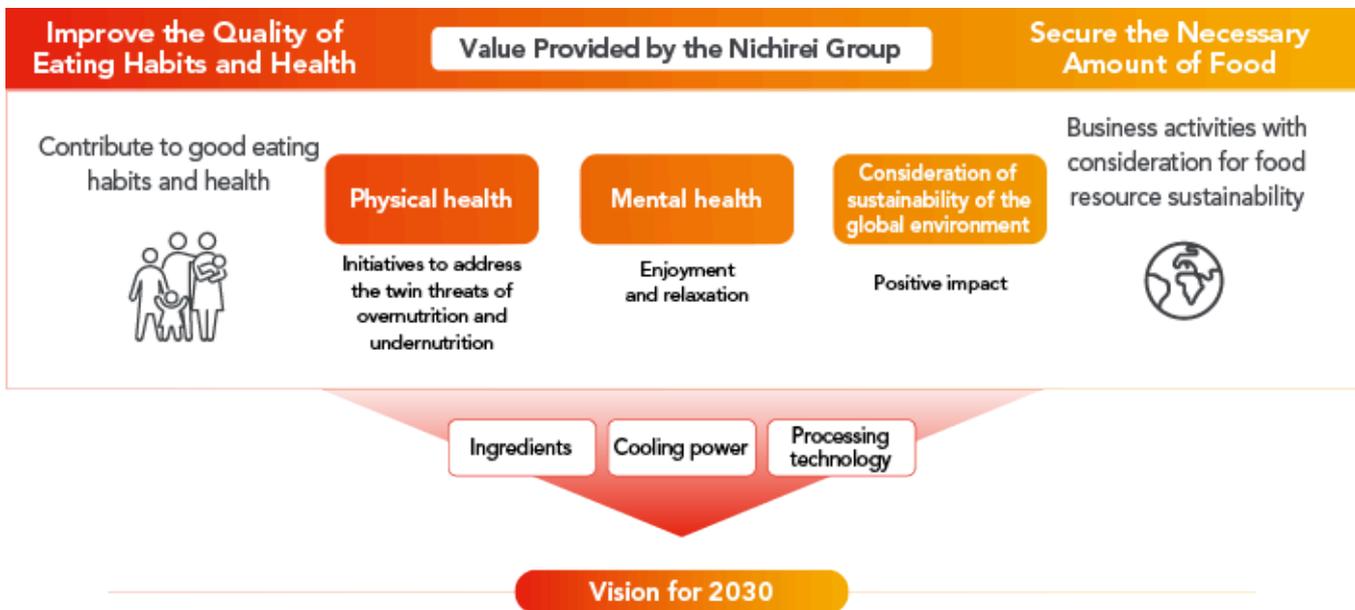
# Creating new value in food and health

## 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



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.

## New Business Models for Health and Sustainable Foods

### 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 Automatic Menu Generator App (Only Available in Japanese)



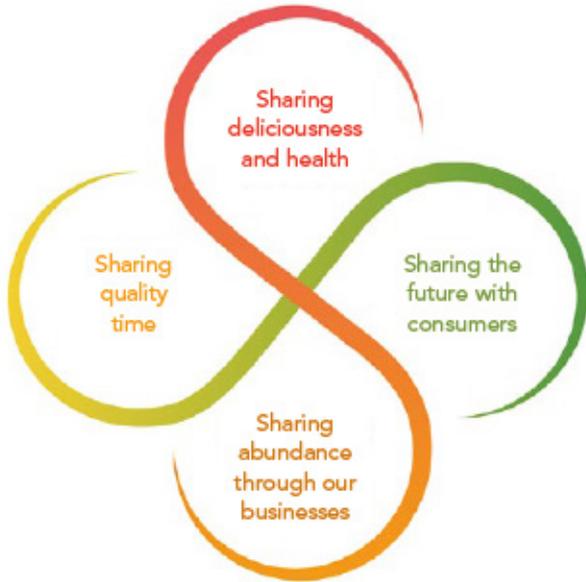
## ■ New Brand Statement

*“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  $\alpha$ -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.

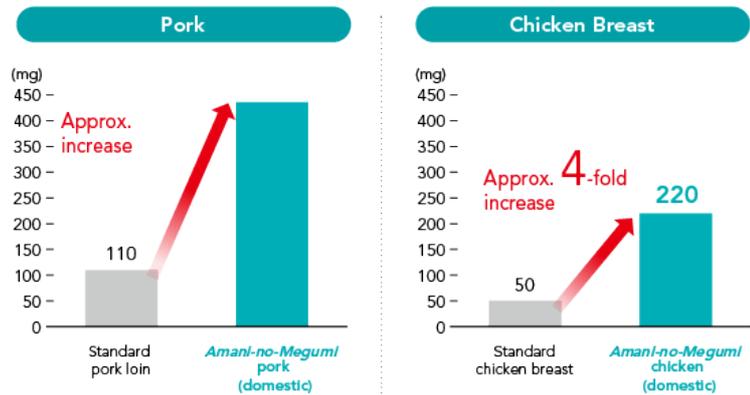
\*There are individual differences among cattle.



あまに  
亜麻仁の恵み® 豚



Comparison of Amount of Omega-3 Fatty Acid ( $\alpha$ -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<sup>®</sup> Kit*

Resolving Social Issues through Our Business : Development of Companion Diagnostics



## ■ 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.



## Technology, Know-how, and Intellectual Property Management

To carry out its Mission to “Focus on Lifestyles, and Provide True Satisfaction,” the Nichirei Group leverages its strengths—its capabilities as a food pioneer, its capabilities in food processing, production technology and temperature-controlled logistics services, and its comprehensive Group capabilities—in businesses that take advantage of these characteristics. We view intellectual property as an asset for growth that adds value to these business activities and helps to increase our corporate value. In addition to developing technologies that give us a competitive advantage, we conduct intellectual property management that includes the acquisition, utilization and protection of patents, trademarks and other rights that are linked to our business activities.

### Technology Development

Nichirei Foods Inc. delivers delicious products to the world through mutual collaboration and repeated trial and error in research and development, product development, and equipment development.



 <b>R&amp;D</b>	<p>The research department conducts research from a medium- to long-term perspective, exploring technologies not yet available in the market and applying cutting-edge technologies to food products. Through these and other efforts, the department creates unique technologies that will form the core of Nichirei Foods as it moves forward. We actively collaborate in-house, and with external research institutes, among others.</p>
 <b>Analysis</b>	<p>We bring to light the unique qualities of our products and those under development by using sensory evaluation, which evaluates food quality and palatability through human perception, as well as physical and chemical analysis, which identifies ingredients and physical properties using analytical instruments. The direction of development is then set to achieve the targeted quality.</p>
 <b>Product Development</b>	<p>Deploying the power of the technologies we have accumulated through research, analysis, and equipment development, we turn concepts from the our planning departments into products. Our organization for developing innovative technologies is structured around the Nichirei Group Technology Development Center, together with highly responsive development departments at each production facility. The ability to maintain consistently good flavor—to reproduce deliciousness—is our greatest strength in developing products that also meet market needs for ease of preparation, long-term storage, and health functions. Our process scales up from handmade prototypes to medium-sized test lines and finally to production lines, enabling us to consistently reproduce the targeted quality in our factories.</p>
 <b>Equipment Development</b>	<p>To achieve the deliciousness it aims for, Nichirei Foods develops its own equipment for use in its production lines. Specifically, based on original new manufacturing methods from our product development departments, we create concepts and conduct repeated experimental verification to turn them into production models, then design and introduce the equipment. Safety is also a key consideration, including inspection and prevention of foreign matter contamination, and we incorporate cutting-edge technologies such as AI in our development process.</p>

## Intellectual Property Management

The Nichirei Group acquires, utilizes and protects patents, trademarks and other rights linked to its business activities. Specifically, we strive to ensure customer safety and security and protect our brand value through measures including acquiring patents to protect our proprietary technologies and build market entry barriers, as well as by obtaining trademark rights for product names and package designs in Japan and overseas and taking rigorous actions against imitations and unauthorized use of our brands. In addition, to instill an understanding of the importance of intellectual property, we also provide intellectual property education within the Company, including e-learning for all employees and information sharing via our portal site.

### Case Study

### Development of Frozen *Hiyashi-Chuka*

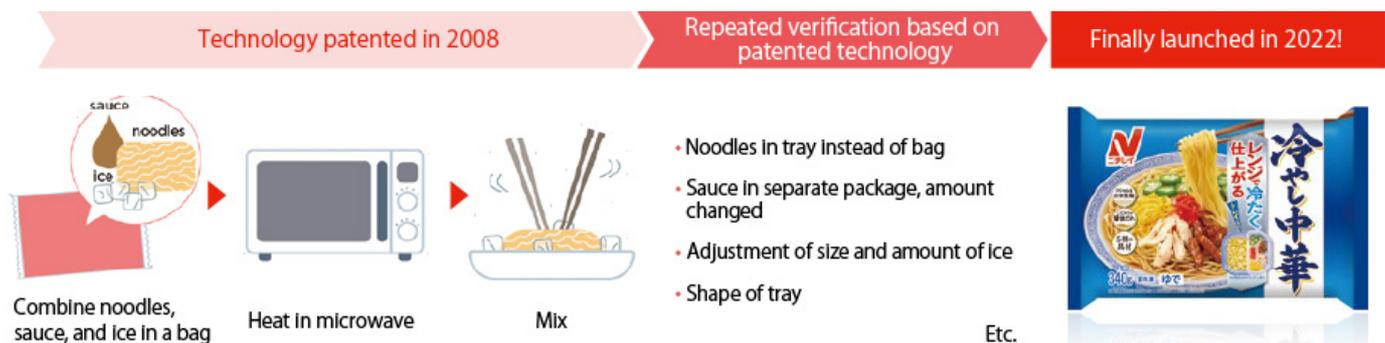
#### ● Leveraging Technological and Product Development Capabilities Built Over Many Years



Hisashi Okumura  
Group Leader, Product Development Management Group, Product Development Department, Food Research Institute, Nichirei Foods Inc.

Before we developed this product, *hiyashi-chuka* (chilled Chinese noodles) was available in the refrigerated food section of stores but not in the frozen food section. We thought we could provide new value if *hiyashi-chuka* could be kept in the freezer and prepared simply by microwaving. However, there was no such thing as frozen *hiyashi-chuka*—no other company had yet launched such a product. The appeal of frozen foods is their ease of preparation in a microwave. If the time and trouble of chilling the noodles in water had to be added to the preparation process, there would be no point in selling the product as frozen food. The clue to balancing convenience with chilling was in a technology we patented about 15 years ago.

In 2008, Nichirei Foods obtained a patent for a technology in which noodles, sauce and ice are combined in a bag, heated in a microwave, and then mixed together. Ice is resistant to microwaves, so it does not melt easily when heated in a microwave oven. Therefore, when noodles and ice are microwaved together, only the noodles heat up, and the remaining ice cools them down afterward. However, the noodles would end up soaking in the sauce for an extended period in the bag, compromising both appearance and texture by the time the product reached the customer, so the product was not commercialized at that time. This time, development centered on two points: putting the noodles on a tray instead of in a bag, and putting the sauce in its own package to keep it separate. The initial trial did not result in improved appearance or texture, and we worried that we would never be able to commercialize the product. We repeatedly revised and tested every element, such as the size and amount of ice, the shape of the tray and the amount of sauce, and gradually worked our way toward a delicious product. For example, we intentionally adjusted the size of the ice so that some would remain frozen after microwaving, and then melt during the process of mixing the sauce with the noodles. For the sauce, we developed a formulation that resisted freezing just enough to make it easy to pour directly from the package. In this way, Nichirei Foods was able to perfect a new method for preparing chilled food in a microwave oven, a first in the market, leveraging the technological and product development know-how it has accumulated over many years. We will continue to deploy our technological capabilities and the development know-how we have cultivated to create products that contribute to good eating habits.



\* The package shown in photo was launched in 2024.

# 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.

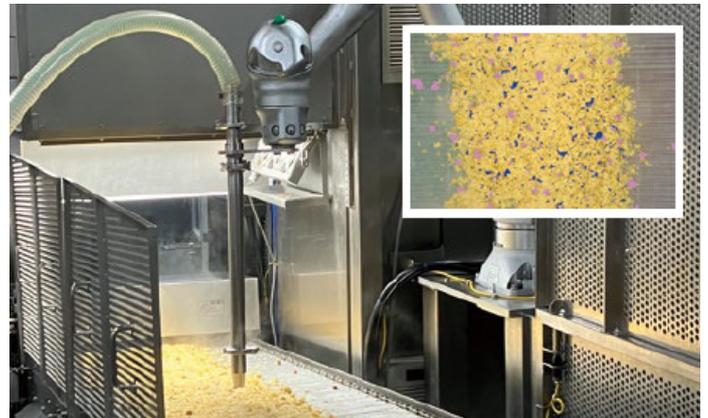
## Strengthening food processing and production technology capabilities

### 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 CO<sub>2</sub> 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

Smart Factory

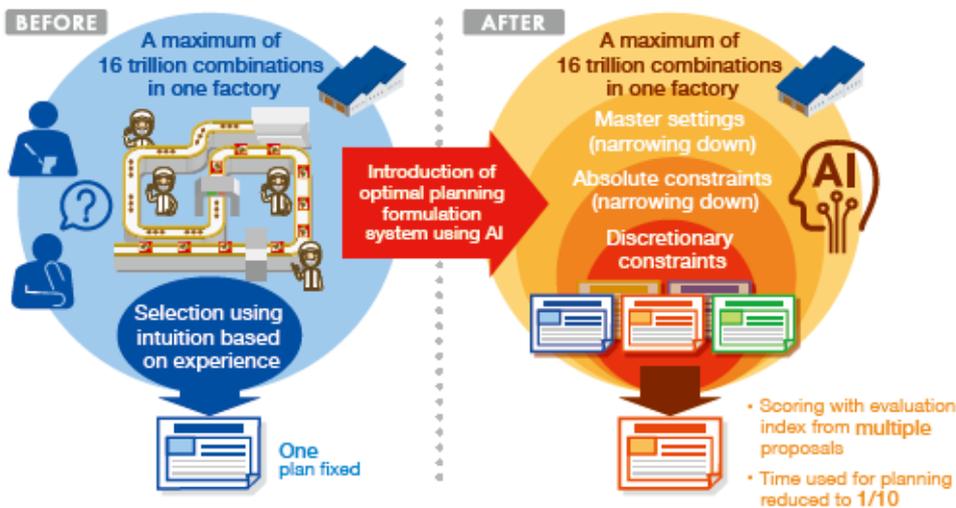


## ■ Harnessing AI to Automate and Optimize Production and Personnel Planning

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



### ● Production Planning Formulation Image



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

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



### ■ Expiration Date Reader AI Solution for Tablet Inspections\*

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

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



### ■ Autonomous Driving Forklifts

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



An autonomous driving forklift

## ■ Automated Guided Vehicles (AGVs)

### Results and Outlook for AVG Introduction



AGV for transporting roll pallets



AGV for transporting 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

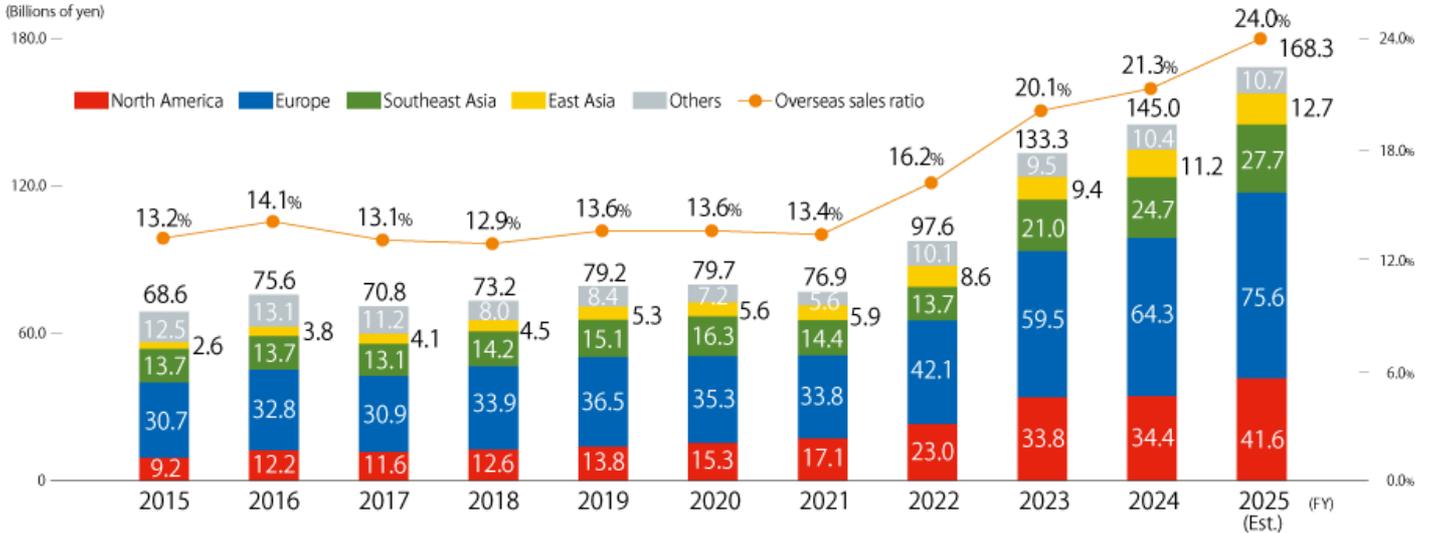


Robot operator using goggles to check the cockpit view for remote control operation

## 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.

### ● Net Sales by Region (Overseas sales for all segments totaled by region)



Figures have been restated to reflect the change in classification of regions from the first quarter of FY2025.

## North America

### ■ Processed Foods

#### ● Integrating Production and Sales to Further Strengthen the Marketing-driven U.S. Business

Asian foods are becoming part of daily life in the United States due to the increasing Asian population, and the market continues to expand. With marketing capabilities that can anticipate local tastes and trends, InnovAsian Cuisine Enterprises Inc. (InnovAsian) has been outpacing market growth and building its presence as a driver of Nichirei Foods' overseas business.

InnovAsian's main categories are chicken, processed rice products, and appetizers, and easy access to Nichirei Foods' technologies and insights is a major advantage. The Latino population of the United States is projected to exceed 30% of the country's total population by 2050. Against this background, InnovAsian launched a Latin-inspired brand in the same three categories as its Asian foods. Sales began in spring 2024, and the company is working to create new demand. Meanwhile, in 2022 we established our own plant for processed rice products in California. Utilizing Nichirei Foods' strengths in processing and cooking technologies, the facility has built a production system that recreates the delicious flavors that meet local consumer needs.

We aim to capitalize on the continuing brisk food market in the United States and further expand business in terms of both production and sales.



Members of Nichirei Sacramento Foods Corporation, our plant in California



Nichirei Sacramento Foods Corporation



Asian-inspired brand *InnovAsian*



Latin-inspired brand *DEL CORAZÓN*

Asian-inspired brand *InnovAsian*



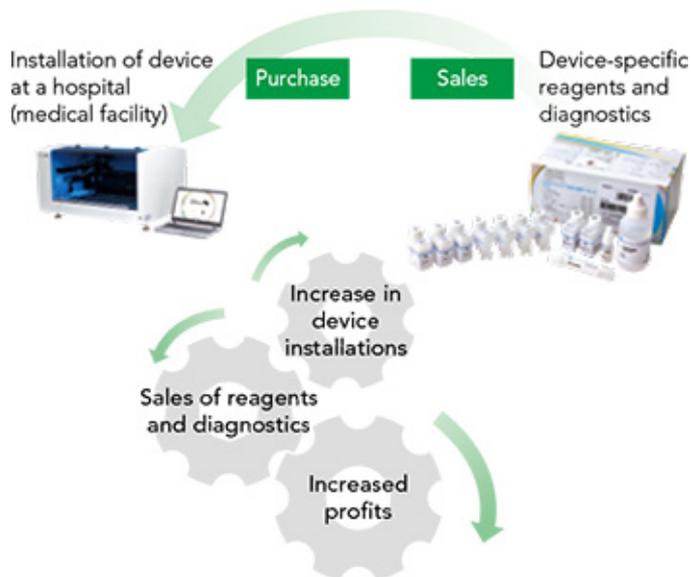
Latin-inspired brand *DEL CORAZÓN*



## ■ Bioscience

- Contributing to Optimal Patient Treatment through Cancer Diagnosis

In 2019, we acquired Pathcom Systems Corporation (Pathcom), a U.S.-based medical device company that mainly sells products for cancer diagnosis in the United States and Europe. The number of cancer patients is increasing worldwide in tandem with the global increase in the elderly population. This in turn is expanding the market for immunohistochemical staining used in diagnosing cancer. Going forward, we will use Pathcom's fully automated staining devices as a platform for the overseas rollout of a device-specific reagent sales model that integrates the development, production and sales of medical devices and diagnostic agents.



## Temperature-controlled logistics

Nichirei Logistics Group's European business began in 1988 with the acquisition of a cold storage company in Rotterdam, the Netherlands. From there, it expanded to Germany, Poland, France and the United Kingdom through mergers and acquisitions. Each European company is managed locally, and overseen by Nichirei Holding Holland B.V. (NHH), an intermediate holding company where Japanese employees from Nichirei Logistics Group have been stationed. While local management teams maintain their companies' pre-M&A customers, brands and hiring practices, NHH's responsibilities include monitoring the operations of European companies, formulating strategies, supporting their implementation, and strengthening governance. Through its years of experience, NHH has also developed the know-how and systems for M&A, including due diligence.

- Ramping Up Expansion of Our Competitive One-stop Services and Strengthening Our Business Base in Poland

Our basic strategy for the temperature-controlled logistics business in Europe is to further expand our one-stop crossborder services that combine refrigerated storage functions at ports with services ranging from marine transport, drayage, customs clearance, and distribution processing to transportation and delivery. In January 2024, we reorganized our operations in the Netherlands and the United Kingdom. Objectives of the reorganization included ramping up the provision of one-stop services and sharing know-how across companies through an integration of the transportation and storage businesses, which had previously been run by separate companies. In May 2024, we also acquired a forwarding company in the United Kingdom.

In Poland, we have grown to a dominant position in the refrigerated logistics business for mass retailers. We expanded our warehouse in Znin in July 2024, and are scheduled to commence operations at a new warehouse in Warsaw in the fourth quarter of 2024.

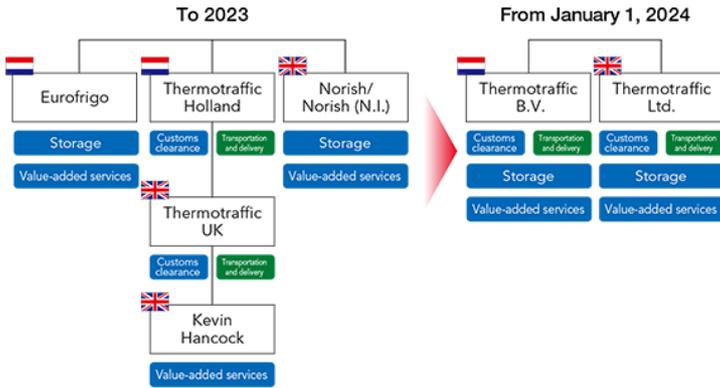
We will leverage this enhanced coordination between functions in our ongoing efforts to expand our one-stop services and strengthen our business base in Poland.



- Leveraging Group Synergies to Increase Profits

### Reorganization of Operations in the Netherlands and United Kingdom

- Further strengthen our foundation in the port business, which is central to our European operations
- Generate synergies that improve management efficiency and streamline operations
- Unify the company name as Thermotrafic to demonstrate our comprehensive capabilities at major European ports



### Business Rollout in Western Europe

Aiming to further increase profits in the port business by generating synergies at major European ports



### ■ Processed foods

- Adding More Value to Every Chicken Part and Further Expanding Global Sales Channels

GFPT Nichirei (Thailand) Co., Ltd. in Thailand has established a fully integrated system that takes in live chickens from joint venture poultry farms, slaughters and cuts them up into parts, then handles all steps from processing and cooking to freezing and packaging at directly connected processing plants. The company is able to stably procure and process safe and reliable raw materials, and makes various use of every part of the chicken.

Because preferences for chicken parts vary by country and region, we consider effective uses and sales channels to add value before sale. Sales channels extend worldwide. For example, thigh and breast meat are sent to Japan and Europe, where demand for these parts is high, wings are processed as feed for farmed fish, and feet are popular in China.

Currently, the company processes by-products such as organ meat and blood into poultry meal, and is stepping up sales to pet food manufacturers in Thailand. Because organ meat and other by-products are easily affected by market prices, increasing the level of processing helps to stabilize profits.



GFPT Nichirei (Thailand) Co., Ltd.

Resolving Social Issues through Our Business : A Chicken Processing Factory That Uses the Entire Chicken (Thailand)

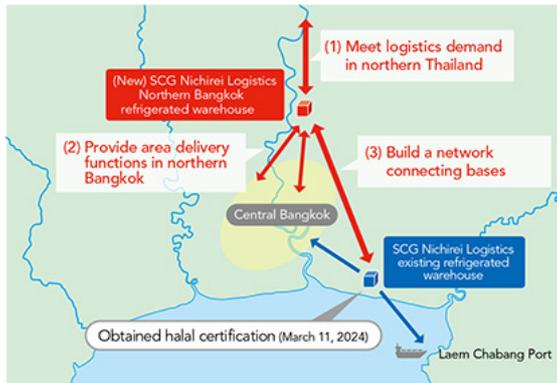


## ■ Temperature-controlled logistics

### ● A Focus on Establishing a Base and Expanding Sales in Each Country

We are focused on establishing a base and expanding sales in each country in the ASEAN region. In 2023, we made our affiliates in Thailand and Malaysia into consolidated subsidiaries, expanding both the area and scale of the businesses. In Vietnam, a new facility began operation near Ho Chi Minh City in July 2024. Located in a rapidly growing industrial park, it is aimed at steadily capturing robust demand for storage of raw materials and products for factories.

In Thailand, a new refrigerated warehouse is scheduled to start operation in spring 2025. It will target the brisk demand for temperature-controlled logistics in northern Bangkok, where food-related companies are concentrated. Our intention is to expand the business base in Thailand by increasing warehouse capacity and establishing a transportation and distribution network in the metropolitan area. Ultimately, we aim to develop operations linking Thailand, Malaysia and Vietnam.



Aiming to capture more storage and transportation demand by increasing warehouse capacity and establishing a transportation and distribution network in the metropolitan area



Aiming for stable operation of our new refrigerated warehouse by capturing growing demand for temperature-controlled logistics driven by Vietnam's economic development

Announcement of New business by establishing a joint venture in Vietnam



New Open of Distribution Center / Nichirei TBA Logistics Vietnam LLC



■ Marine, Meat and Poultry Products

● Meeting Customer Needs with Advanced Processing Technology

Global per capita consumption of seafood has doubled in the past 50 years, and is expected to continue increasing. In addition, market needs for seafood are diversifying, and we believe that precisely meeting those needs is our role, one that will ultimately lead to business growth.

Established in Phan Thiet, Vietnam in July 2017, Trans Pacific Seafood Co., Ltd. (TPS) has continued to grow by processing raw materials procured using the capabilities we have been cultivating over the years into products that customers want. TPS currently has six production lines on a 20,000 m<sup>2</sup> site, processing 2,000 tons of seafood annually with over 500 employees. In June 2024, a new freezer with a 2,000-ton storage capacity was completed to further stabilize quality and supply.

We will expand sales from TPS, the production base of our marine products business, not just to Japan but worldwide.

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



A processing line at the TPS plant

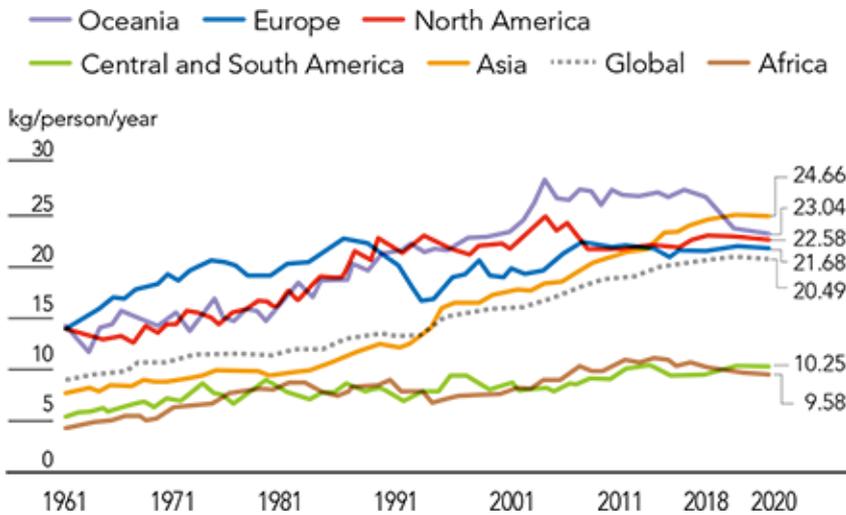


Expansion of overseas sales



MSC-certified crab products

Global Annual per Capita Consumption of Seafood



Source: Fisheries Agency of Japan website

# Central and South America

## Processed foods

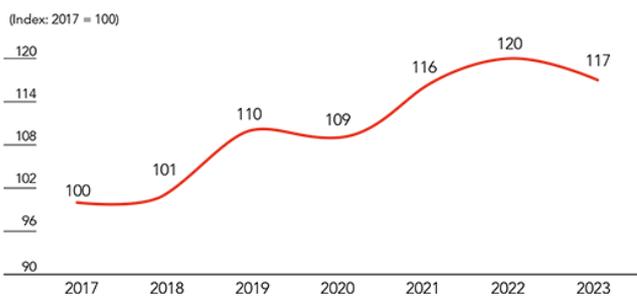
- A “Clean Label” Business Using Acerola, a Natural Source of Vitamin C

Acerola is rich in natural vitamin C and has a strong antioxidant effect. Nichirei was among the first to notice the potential of this ingredient, launching Acerola Drink in 1987. In 1991, we established Nichirei do Brasil Agricola Ltda. (Niagro) in Brazil, and successfully standardized the natural vitamin C content through independent research. As a result, products that contain Nichirei’s acerola ingredients can display labels with claims such as “One cup contains the recommended daily amount of vitamin C.”

To further expand this business, Niagro began producing Acerola powder in 2023. The “clean label” market, which calls for food prepared using simple raw materials and ingredients with easy-to-understand labeling, is growing worldwide due to environmental concerns and increasing food safety awareness and health consciousness. Acerola is attracting attention in the clean label market as an ingredient that is effective in preventing oxidation and browning. Acerola powder can also be used in bakery products and processed meats, allowing us to propose its use in a variety of business categories. Niagro is working to expand its business by assigning new sales representatives to the high-demand areas of Europe and North America to drive growth centered on Acerola powder. We aim to further develop the acerola business by harvesting raw materials in cooperation with contract growers, building a stable production system and conducting sales activities globally.

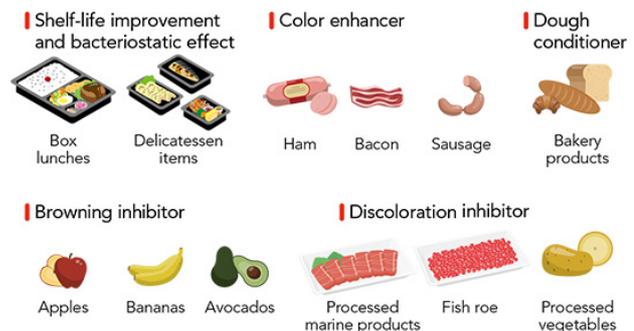


### Increase in Clean Label Products Launched in the Global Market



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

### Example Applications of *Acerola Powder*



# 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
<b>Nichirei Group Human Rights Policy</b>	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. <a href="#">Human Rights Policy</a>
<b>Nichirei Group Sustainable Procurement Policy</b>	Respect for human rights throughout the supply chain, reduction of environmental impact, consideration for animal welfare and biodiversity, etc. <a href="#">Sustainable Procurement Policy</a>
<b>Nichirei Group Supplier Code of Conduct</b>	Clarification of requirements for suppliers based on the Nichirei Group Sustainable Procurement Policy <a href="#">Supplier Code of Conduct</a>
<b>Nichirei Group Supplier Guidelines</b>	Explanation of items in the Nichirei Group Supplier Code of Conduct <a href="#">Supplier Guidelines</a>

## 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.

Furthermore, to facilitate more detailed information sharing and discussions on various issues related to building a sustainable supply chain among group companies, we have established the "Group Supply Chain Managers' Meeting" starting in fiscal year 2025. This initiative aims to promote highly effective activities across the entire Nichirei Group.

### ● 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's *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



### ■ 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"<sup>\*1</sup>, 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<sup>\*2</sup> in 2018. 280,000 mangrove trees have been planted since 2020. We are also gradually increasing our handling of Marine Stewardship Council (MSC) certification<sup>\*3</sup> marine products, and As of June 2024, we are handling 26 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	Chinook salmon, Chum salmon, Coho-silver salmon, Pink salmon, Sockeye-red salmon, Pacific cod, Northern rock sole, Yellowfin sole, Flathead sole, Walleye pollock, Arrowtooth flounder, Kamchatka flounder, Yesso scallop, Capelin, Snow crab, Herring, Arctic surf clam, Red king crab, Longfin squid, Pacific cupped oyster, Japanese carpet shell, Pacific ocean perch, Atka mackerel, Greenland halibut, Albacore tuna, and Skipjack tuna
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 2024)



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



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

Product Name		Date	Venue	Menu	Image Photo
 Vannamei Shrimp	3rd	September 27, 2023	Nichirei Tenma-bashi Building (Osaka)	<ul style="list-style-type: none"> <li>• ASC-certified shrimp curry</li> <li>• Shrimp and avocado salad</li> </ul>	
	5th	October 19, 2023	Nichirei Training Center (Tokyo)	Chili sauce with ASC-certified shrimp and egg	
	6th	November 2, 2023	Nichirei Group Technology Development Center (Chiba)		
	11th	April 9, 2024	Nichirei Training Center	Cream pasta with ASC-certified shrimp and asparagus	
	14th	April 18, 2024	Nichirei Group Technology Development Center	Udon/Soba noodles with mixed ASC-certified shrimp tempura	
	15th	May 13, 2024	Nichirei Tenma-bashi Building Kansai Plant, Nichirei Foods Inc. Nichirei Logistics Kansai Inc.	ASC-certified shrimp champon	
	16th	May 21, 2024	Kyurei (Fukuoka)	ASC-certified shrimp doria	
	17th	May 24, 2024 May 30, 2024	Daikoku DC, Kyokurei Inc. Honmoku DC, Kyokurei Inc.	Rice bowl with ASC-certified shrimp and vegetable tempura	
	20th	June 19, 2024 June 20, 2024 June 21, 2024	Sendai DC, Nichirei Logistics Tohoku Inc. Sendai XD, Logistics Network Inc. Shiroishi Plant, Nichirei Foods Inc.	Tomato cream pasta with ASC-certified shrimp and spinach	
	21th	June 25, 2024 June 26, 2024 June 28, 2024	Churei (Yamaguchi) Mori Plant, Nichirei Foods Inc. Funabashi No.2 Plant, Nichirei Foods Inc.	Fried ASC-certified shrimp and fava bean with mayonnaise sauce	

Product Name		Date	Venue	Menu	Image Photo
 Vannamei Shrimp	4th	October 13, 2023	Global Innovation Center (Saitama), Nichirei Biosciences Inc.	ASC-certified whole fried shrimp and hamburger steak	
	9th	January 10-12, 2024	Funabashi Plant, Nichirei Foods Inc. Funabashi No.3 Plant, Nichirei Foods Inc. Funabashi DC, Logistics Network Inc.		
	12th	April 11, 2024	Global Innovation Center	Rice bowl with ASC-certified whole shrimp tempura	
	13th	April 17-19, 2024	Funabashi Plant, Nichirei Foods Inc. Funabashi No.3 Plant, Nichirei Foods Inc. Funabashi DC, Logistics Network Inc.		
	18th	May 28, 2024	Nichirei Higashi-Ginza Building		
	19th	June 12, 2024	Funabashi Plant, Nichirei Foods Inc. Funabashi No.3 Plant, Nichirei Foods Inc. Funabashi DC, Logistics Network Inc. Global Innovation Center	ASC-certified soft shrimp burger	
				Salt ramen noodles with ASC-certified whole grilled shrimp	
 Short Necked Clam	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	<ul style="list-style-type: none"> <li>• MSC-certified Japanese carpet shell and yakuzen curry<sup>1</sup></li> <li>• MSC-certified Japanese carpet shell soup curry<sup>2,6</sup></li> <li>• MSC-certified Japanese carpet shell and vegetable curry<sup>3,4,5</sup></li> </ul>	  
	8th	December 8, 2023	5) Nichirei Training Center (Tokyo)		
	10th	March 25-27, 2024	6) Funabashi Plant, Nichirei Foods Inc. Funabashi No.3 Plant, Nichirei Foods Inc. Funabashi DC, Logistics Network Inc.		

■ Collaboration with WWF Indonesia and WWF Japan Promoting Biodiversity Conservation in North Kalimantan through the More Than Decade-long *Inochi-no-Mori-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 *Inochi-no-Mori-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 until June 2019, Nichirei Fresh also had promoted aquaculture improvement and forest conservation activities 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 \*Inochi-no-Mori-Project\* \(Only available in Japanese\)](#)



[Resolving Social Issues through Our Business : \*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

■ Supporting Sustainable Development in Ecuador through Product Sales

Nichirei Foods has begun making ongoing donations through Provefruit S.A. for local community support activities carried out by local NPOs. Headquartered in Ecuador, Provefruit packs locally produced frozen broccoli. As a new approach to supporting Provefruit and the local community, we donate ¥1 to a local NPO via Provefruit for every bag of ready-to-cook, highland-grown broccoli sold. Through this initiative, we are contributing to local communities by sustainably procuring frozen broccoli from Ecuador.



 For every bag of this product sold, ¥1 will be donated to a local NPO for sustainable development in Ecuador.

Supporting Sustainable Development in Ecuador through Product Sales (Only in Japanese)



## ■ Sustainable Regional Agricultural and Livestock Cycle through *Junwakei* Chicken

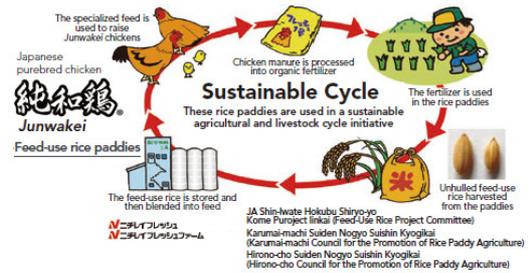
In 2009, Nichirei Fresh launched a feed rice project in collaboration with the Japan Agricultural Cooperative in Iwate Prefecture and farmers from Karumai and Hirono in 2009, and in the 13 years since then the project has been implementing a sustainable regional agricultural and livestock cycle through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



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



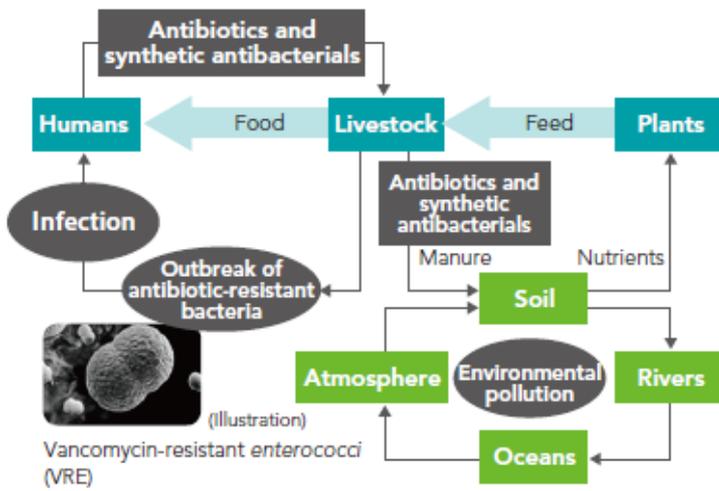
## ■ Antibiotic-free Chicken

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



● Antibiotic-resistant Bacteria That Threaten Ecosystem Cycles

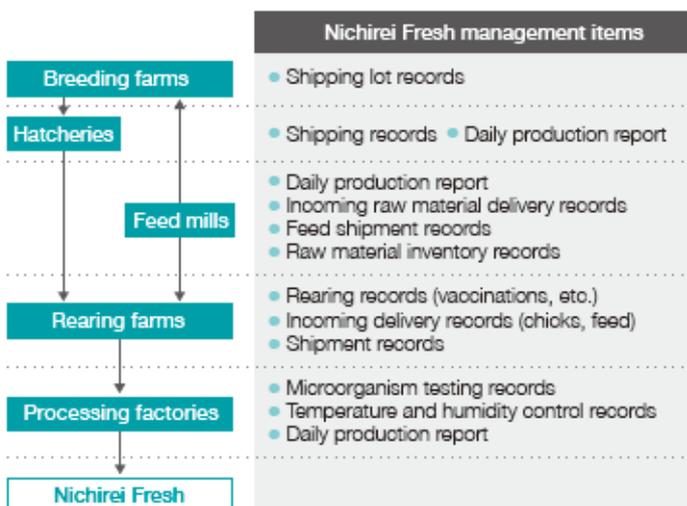
\* Drug-resistant bacteria: Protecting people from drug-resistant bacteria (not affected by antibacterial agents) is becoming an issue worldwide. Those with weakened immunocompetence who are exposed to such bacteria may not respond to treatment with antibiotics. Drug-resistant bacteria have been found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



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

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

● Quality Control: Antibiotic-free Chicken



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



### Questionnaire Survey and Progress with Major Suppliers

	FY2020	FY2021	FY2022	FY2023	FY2024
	Initiatives utilizing Sedex *See the next section.				
<b>Nichirei Foods</b>	Started creating Supplier CSR Guidelines	Conducted a questionnaire based on CSR guidelines to domestic suppliers	Collected the questionnaire	<ul style="list-style-type: none"> <li>Establishment of the Nichirei Group Supplier Code of Conduct and Supplier Guidelines</li> <li>Conducted our Supplier ESG Survey</li> <li>89% of most important domestic suppliers support the Nichirei Group Supplier Code of Conduct and Supplier Guidelines</li> </ul>	<ul style="list-style-type: none"> <li>99% of most important domestic suppliers support the Nichirei Group Supplier Code of Conduct and Supplier Guidelines</li> </ul>
<b>Nichirei Fresh</b>	Analysis of a collected questionnaire	Developed a new list of suppliers in Japan and overseas	Developed a CSR questionnaire		
<b>Nichirei Logistics Group</b>	-	-	-		
<b>Nichirei Biosciences</b>	-	-	-		

### Supplier ESG Survey

In April 2022, we established the Nichirei Group Supplier Code of Conduct and Supplier Guidelines. In FY2023, 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, all suppliers who responded supported 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

<b>Scope</b>	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.
<b>Content</b>	The survey requests compliance with the Supplier Code of Conduct and Supplier Guidelines and is evaluated based on responses to a self-assessment questionnaire.
<b>Question Design</b>	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.
<b>Response Rate</b>	89% (Support rate was also 89%)

## ■ Initiatives to Expand Use of Sedex

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. We are continuously working with the sustainability platform Sedex.

\* 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.



<b>July 2019</b>	Nichirei Foods joins the Supplier Ethical Data Exchange (Sedex) as a Buyer/Supplier (AB) member
<b>May 2021–February 2022</b>	We conducted a SMETA audit for all 15 of the factories we own and operate in Japan (using the four pillars of Labor Standards, Health and Safety, Environment, and Business Ethics)
<b>December 2022</b>	Ten food and beverage companies, including Nichirei Foods, have formed the Buyer Members Sedex Working Team for the Japanese Food & Beverage Industry to promote shared use and standardization of Sedex within the food and beverage industry. <a href="https://www.nichireifoods.co.jp/news/2022/info_id14398">https://www.nichireifoods.co.jp/news/2022/info_id14398</a> (Japanese only) January–February 2023: Conducted Sedex joint online briefing for supplier companies July 2023: Conducted an online briefing for companies involved in trading
<b>February–March 2023</b>	Nichirei Foods held four online briefing sessions to promote the use of Sedex among suppliers
<b>October 2023–February 2024</b>	Nichirei Food's Procurement Department held procurement policy briefings for suppliers at four locations in Japan to explain joint decarbonization and human rights initiatives, and promote the use of Sedex

## ■ Human Rights Due Diligence Initiatives with Suppliers

In FY2023, we launched human rights due diligence initiatives with agricultural, meat, poultry and marine product suppliers, which account for the largest proportion of procurement volume in the Nichirei Group's business activities. We determine priorities based on importance of transactions and human rights risk by country and industry. When conducting human rights impact assessments and human rights audits, we confirm with our suppliers that the goal is to address issues related to human rights, labor, and health and safety, while building long-term, mutually positive relationships.

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

	<b>FY2023 Result</b>	<b>FY2024 Result</b>	<b>FY2025 Plan</b>
<b>Scope</b>	Meat and poultry suppliers (Domestic chicken)	Meat and poultry suppliers (Domestic) Marine products suppliers (Overseas)	Meat and poultry suppliers (Domestic) Marine products suppliers (Domestic) Agricultural Products suppliers (Overseas)

● Nichirei Group identifies Human Rights Violation Risks

We use the human rights risk database of Verisk Maplecroft to identify human rights violation risks that the Group should be aware of, and prioritize our responses.

		Main human rights violation risks	Main countries of production and raw material procurement
Japan	Factories (Raw material in general)	<ul style="list-style-type: none"> <li>Appropriate working hours</li> <li>Issues concerning foreign technical interns</li> </ul>	—
	Logistics industry	<ul style="list-style-type: none"> <li>Appropriate working hours</li> </ul>	—
Overseas	Agricultural products	<ul style="list-style-type: none"> <li>Appropriate working hours</li> <li>Fair wages</li> </ul>	China, United States, Thailand, Brazil, Ecuador, and Vietnam
	Meat and poultry products	<ul style="list-style-type: none"> <li>Discrimination in the workplace</li> <li>Migrant labor and forced labor</li> </ul>	Thailand, Mexico, Brazil, Spain, China, Australia, United States, and Canada
	Marine products	<ul style="list-style-type: none"> <li>Freedom of association and collective bargaining</li> </ul>	Indonesia, United States, China, Russia, Mauritania, Morocco, Vietnam, Thailand, Canada, and Norway

■ Human Rights Due Diligence Initiatives with Shrimp Suppliers

In September and October 2023, a third party conducted human rights impact assessments at three of Nichirei Fresh’s shrimp suppliers (two in Indonesia and one in Vietnam), accompanied by Nichirei Group employees. While no serious human rights violations, such as forced labor or child labor, were identified, some macro-level risks were identified. We held follow-up dialogues with the two Indonesian suppliers in April 2024 to address the issues related to human rights, labor, and health and safety. Through these dialogues, we confirmed that some of the issues had already been resolved. For more challenging, longer-term issues, the parties discussed possible countermeasures while acknowledging the risks involved.

● Human Rights Impact Assessment Activities in Indonesia



Management interview at a shrimp farm



Pond for extensive shrimp farming



Closing meeting

■ 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 : Acerola Business



Nichirei Foods > Acerola Raw Materials



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

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

13

	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%

●FY2025

	Date	Theme	Lecturers	Number of participants (number of directors in parentheses)	Percentage of directors attending
1st	July 2, 2024	Current Trends in Corporate Sustainability Management	Yukari Takamura, Professor Institute for Future Initiatives, The University of Tokyo	194 participants (11)	100%
2nd	September 10, 2024	Financial and Non-financial Connectivity and Social Impact	Ken Shibusawa, President Shibusawa and Company, Inc.	210 participants (10)	92%

\* 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
1st	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
2nd	Nov. 29, 2023	Meat and Poultry products			Current situation and future about animal welfare	Tokyo University of Agriculture and Technology, Professor, Tsuyoshi Shimmura	34
3rd	Apr. 18, 2024	Agricultural products			What is sustainable procurement with agricultural products?	WWF Japan, Akiko Minami Akihiko Haga Takashi Namiki Mei Haneo	26



Lecture



Active discussions during the workshop



Workshop Presentations

■ 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 <sub>2</sub> 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%

● FY2025

	Implementation period	Theme	Implementation rate
1	Jun 3-21, 2024	Environment (Circular Economy)	95.7%
2	Sep 2-24, 2024	SDGs Overview	94.8%
3	Dec 2-20, 2024	Business and Human Rights	93.5%

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

<b>Respect for Human Rights</b>
<b>Human Rights Due Diligence</b>
<b>Human Rights Issues Relating to Our Business Activities Discrimination</b> 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
<b>Grievance Mechanisms</b>
<b>Education and Training</b>
<b>Monitoring and Reporting</b>

[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 Div.
2020	2	Nichirei Group Communication Div.
2021	4	Nichirei Group Communication Div., Nichirei Foods Sustainability Management Dept.
2022	5	Nichirei Sustainability Management Div., Nichirei Foods Sustainability Management Dept.
2023	6	Nichirei Sustainability Management Div., Nichirei Foods Sustainability Management Dept., Nichirei Fresh Sustainability Management Dept.
2024	6	Nichirei Sustainability Strategy Div., Nichirei Foods Sustainability Management Dept., Manufacturing Div., Nichirei Logistics Group 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



2024 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.



## 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

The Nichirei Group accepts foreign technical interns at its food factories in Japan. As a responsible host company, we provide various forms of support to ensure that interns can live safe, healthy and fulfilling lives, both mentally and physically. We arrange their living environment, offer safety training and provide language support, including multilingual signage in factories. We also work closely and exchange information with supervising organizations that introduce interns to us.

In October and November 2022, we conducted a survey\* on the actual conditions of foreign technical interns and specified skilled workers with the support of NPO Caux Round Table Japan (Executive Director: Ishida Hiroshi). Based on the issues identified in the survey, we have taken appropriate steps to improve conditions, such as installing personal lockers in intern residences and reimbursing the expenses interns paid in their home countries during their recruitment. We are also implementing a PDCA cycle for human rights due diligence.

Amid ongoing revision of our system for technical interns and specified skilled workers, in August 2023 we held a study session with an external lecturer, Shoichiro Ikebe of Worlding Inc. A total of 51 people from the human resource and sustainability departments of the Head Office and factories participated in the study session, deepening their understanding of the proper functioning of the system as a host company, ways to improve communication with non-Japanese workers, and examples of unforeseen human rights violations.

\* survey conducted October–November 2022

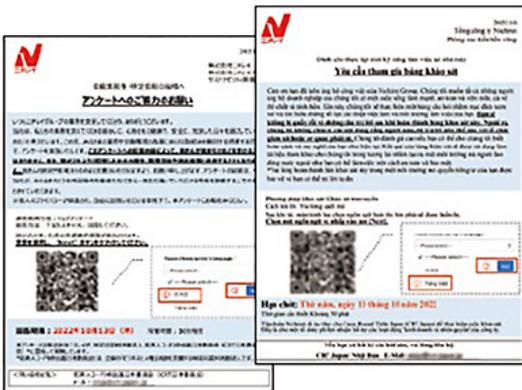
<b>Target group</b>	Foreign technical interns and specified skilled workers employed by the Nichirei Group
<b>Survey period</b>	October to November 2022
<b>Survey method</b>	<p>(1) Online questionnaire</p> <ul style="list-style-type: none"> <li>• Scope: All food factories where target group members were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

## 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

### ■ Discussing the Introduction of a Grievance Mechanism

The Nichirei Group has been operating an internal whistleblower hotline and consultation service (Nichirei Hotline) since October 2003 to allow employees to report and seek advice on actions that violate laws, regulations, the Articles of Incorporation, or internal rules, including human rights violations, as well as actions that raise social or ethical concerns. We also recognize the need to set up a system and contact points that function as a grievance mechanism enabling employees of the Nichirei Group’s business partners and suppliers to report human rights violations, either personally or through a representative, and are currently discussing this issue.

### ■ 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.

Note: 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"\*<sup>1</sup> and the "UN Guiding Principles on Business and Human Rights"\*<sup>2</sup>, 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.

Theme		Related global events	Number of participants	Participation rate
December 2022	Business and Human Rights	December 10/Human Rights Day	5,385	93.9%
December 2023	Business and Human Rights	December 10/Human Rights Day	5,391	94.2%

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

Nichirei Hotline



## ■ Number of whistleblower reports and consultations regarding human rights issues

Number of Whistleblowing Cases, by Type



Compliance



## ■ Study Sessions on Sustainability for Management

Since FY2023, we have invited experts to participate in study sessions for management (6 sessions in total in FY2023 and 3 sessions in total in FY2024).

By hosting study sessions, the awareness of human rights issues and DE&I (Diversity, Equity, and Inclusion) among the supply chain are raised.

### ● Study Sessions for Management

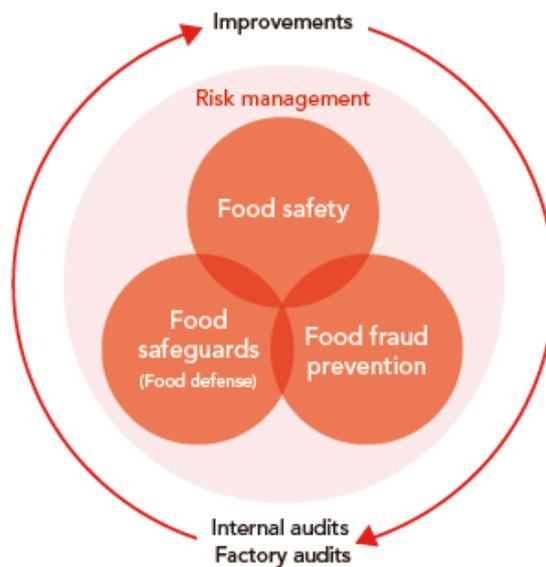
Date	Theme	Lecturer	Number of participants (Number of directors in parentheses)	Percentage of Company directors attending
June 28, 2022	Sustainable Procurement and Human Rights Issues	Hidemi Tomita, President LRQA Sustainability Co., Ltd.	139 (8)	80%
January 24, 2023	“Human Rights” Tackled in the Supply Chain— What is the Human Rights Due Diligence Expected of Companies Nowadays?	Hiroshi Ishida Executive Director Caux Round Table Japan	154 (10)	100%
July 4, 2023	Considering DE&I from an LGBTQ perspective— How LGBTQ perspectives can transform the workplace and society	Maki Muraki Director NPO Nijiirō Diversity	173 (10)	100%

# Providing Safe Products and Services

## Basic Philosophy

The Nichirei Group's fundamental policies on quality assurance aim to ensure the quality and safety of the food products and services it provides, to prevent consumer health hazards, as well as to maintain and improve Company-wide quality management and assurance standards, and ensure 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.

### ● Quality Assurance Approach and Improvement Cycle



### 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



Nichirei Group Responsible Marketing Policy



# Management System

The Nichirei Group has established systems to properly manage and maintain the quality of the products and services it delivers at designated levels. We have established rules and standards for quality control and quality assurance, and perform internal audits and monitoring inspections based on our 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.

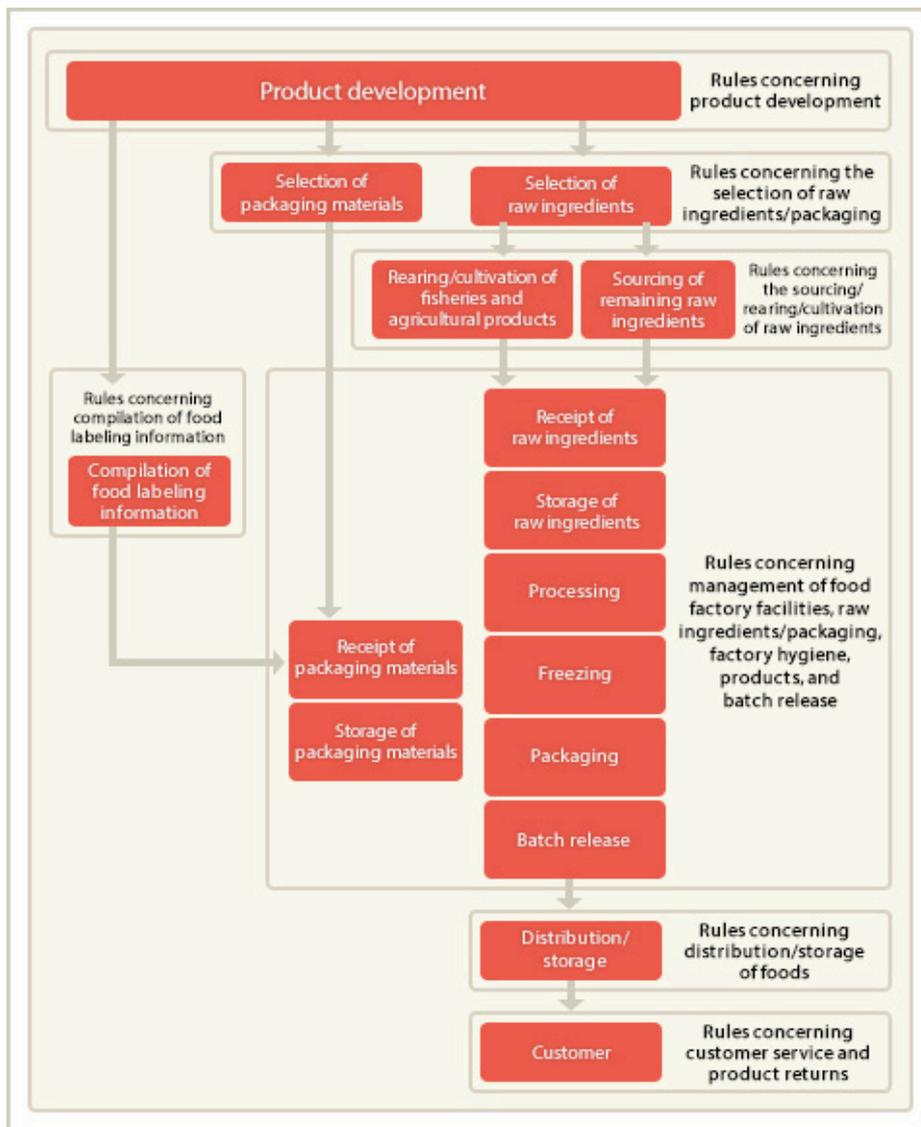
## ● The Nichirei Group Quality Assurance System Diagram

### Holding Company



### Operating Companies





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 (FY2020-FY2024)

Quality Assurance Audit	FY2020		FY2021		FY2022		FY2023		FY2024	
	Domestic	Overseas								
Number of factory/Site audits	52	20	40	10	46	16	63	23	47	31
Group Implementation Rate (Compared with plan)	87%	80%	58%	28%	66%	48%	89%	72%	100%	89%

### ■ Proactive Adoption of International Standards for Quality Control

The Nichirei Group offers products and services with a variety of distinguishing characteristics. To evaluate and verify that management is being conducted in accordance with our fundamental policies on quality, we are actively promoting the introduction of the internationally recognized Food Safety Management System (FSMS) and working to strengthen our quality assurance system while providing safe products and services.

### ■ Certification Status (FY2020-FY2024)

Certification	Operating Company	Rate of Certification <sup>*4</sup>				
		FY2020	FY2021	FY2022	FY2023	FY2024
ISO9001(Quality management system)	Nichirei Foods	20.0% (3/15) <sup>*5</sup>	20.0% (3/15) <sup>*5</sup>	20.0% (3/15)	0% (0/15)	0% (0/15)
	Nichirei Fresh	62.5% (5/8)	62.5% (5/8)	62.5% (5/8)	62.5% (5/8)	33.3% (2/6)
	Nichirei Logistics Group	70.4% (81/115)	70.9% (83/117)	73.5% (86/117)	71.4% (85/119)	73.1% (87/119)

Certification	Operating Company	Rate of Certification*4				
		FY2020	FY2021	FY2022	FY2023	FY2024
<b>FSSC22000*1、 ISO22000*2、SQF*3(Food safety management system)</b>	Nichirei Foods	93.3% (14/15)	93.3% (14/15)	100% (15/15)	100% (15/15)	100% (15/15)
	Nichirei Fresh	100% (7/7)	100% (7/7)	100% (7/7)	100% (7/7)	100% (6/6)
	Nichirei Logistics Group	1.7% (2/115)	1.7% (2/117)	1.7% (2/117)	1.7% (2/119)	1.7% (2/119)
<b>ISO14001(Environmental management system)</b>	Nichirei Foods	73.3% (11/15)	73.3% (11/15)	66.7% (10/15)	46.7% (7/15)	46.7% (7/15)
<b>ISO13485(Medical devices and in vitro diagnostics)</b>	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.

<p><b>Principle 1</b></p> <p><b>Build relationships of trust</b></p> <p>Create an organizational climate of fairness and justice.</p>	<p><b>Principle 2</b></p> <p><b>Avoid suspicious persons</b></p> <p>Prevent intrusion by outsiders or suspicious persons.</p>
<p><b>Principle 3</b></p> <p><b>Prevent attacks</b></p> <p>Discourage suspicious behavior.</p>	<p><b>Principle 4</b></p> <p><b>Enable verification</b></p> <p>Monitor employee activities.</p>



■ 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.

The logistics network of Nichirei Logistics Group and its partner companies in the Loginet Cooperative Association hold a driver contest to improve the safety skills of truck drivers. Drivers from six branches nationwide who advance through the preliminary rounds compete in their safety inspection skills and academic knowledge developed in their daily work. At the Eighth National Competition in FY2024, a woman driver won first place in the individual category for the first time. We remain committed to ensuring safe vehicle operation.



Loginet Cooperative Association Driver Contest National Competition (once a year: 8th year)



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



Judging of inspection skills

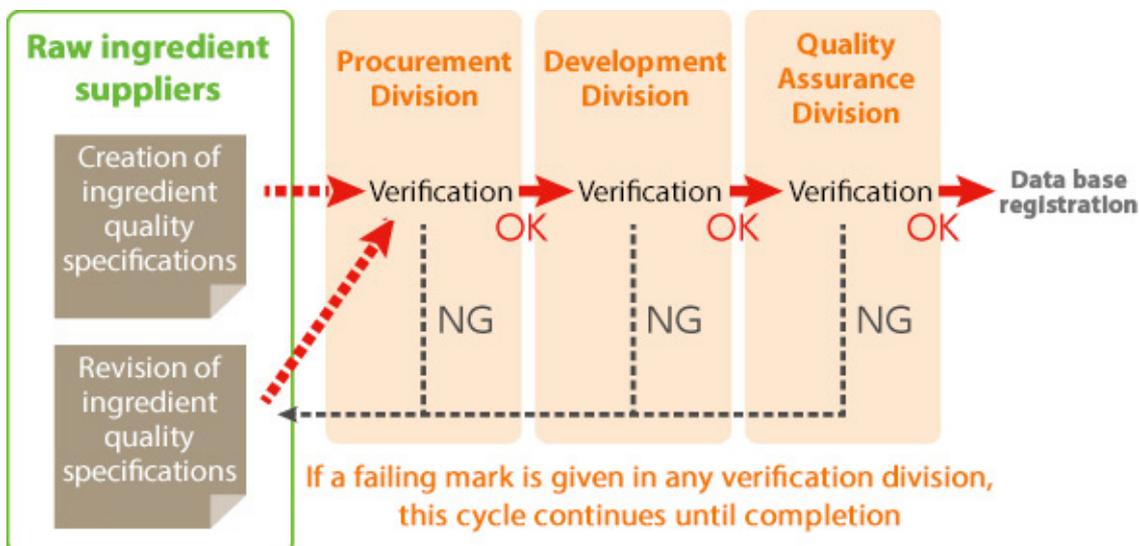


Scene from the competition

### 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.

<b>Transporting raw materials</b>	The farm manager (field person) checks the quantity of raw materials, status of pollution prevention measures, truck departure time, etc. and prepares an invoice.
<b>Receipt of shipment at the factory</b>	The person in charge of receiving the raw materials checks them against the invoice, and then labels the raw materials with the truck number.
<b>Processing</b>	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).

### ● Case Study of Frozen vegetable quality control

Nichirei Foods implements the following initiatives to ensure the quality and improve the safety of its frozen vegetables. These initiatives have helped Nichirei Foods to maintain zero violations due to the detection of pesticide residues during import customs clearance for 14 consecutive years.

#### 【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.

#### Management of Designated Farms

Nichirei Foods limits cultivation to its own farms or contracted farms, and its personnel visit food factories to confirm the accuracy of cultivation records and monitor growth conditions.



#### Cultivation Management (Pesticide Management System)

We select pesticides and stipulate usage methods based on Nichirei Foods guidelines, and field supervisors verify the use of pesticides to ensure compliance with Japan's positive list system.

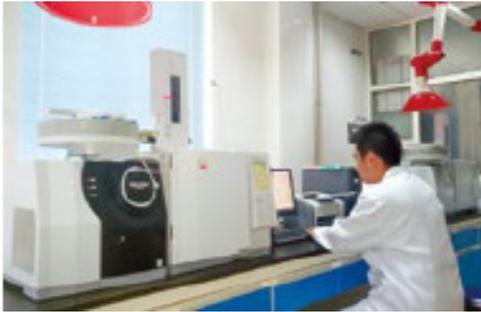


## [Production Management]

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.

## Pesticide Residue Inspection System

We conduct tests for pesticide residues and are also enhancing the skills of our inspection personnel at factories outside Japan.



## Traceability Management

We print lot codes on products and have a traceability system to track cultivation history, helping us to identify causes and implement countermeasures in the event of problems.



**2024. 10. 23 / E B**  
Expiration date      Factory code

**13 B 03 1 F 401**  
Arrived Feb. 13      Truck number      Production line number      Farm code

The information displayed in this row can be used to track the following.

- The farm where the crops were harvested
- The truck used to transport the harvested crops
- The arrival date at the processing factory
- Production line number

The information displayed in this row can be used to track the following.

- Date when the final product was packaged
- The factory at which the final product 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.

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**

**Cooking methods**      **Nutritional information**      **Information identifying packaging materials**      **Back Side**

The Japan Frozen Food Association accreditation mark

**保存上の注意**  
いったん解けたものを再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 たん白質 脂質 炭水化物 ナトリウム  
42kcal 2.6g 2.4g 2.5g 118mg  
(食塩相当量 0.3g)

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

**注意事項**  
オート自動  
オート自動不可  
やけど注意

**電子レンジ**  
①凍ったままトレイを切りはなします。  
②ラップをかけず温めてください。  
中央に置かないでください。  
ターンテーブル以外のレンジの場合は中央に置いてください。  
ラップをかけない  
●袋ごと調理できません。  
●トレイをハサミで切る時は破片にご注意ください。

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(土日祭日を除く)  
原料産地情報 商品情報はこちらから  
<http://www.nichireifoods.co.jp>

**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**  
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.

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

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

### 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	たん白質	脂 質	炭水化物	ナトリウム
42kcal	2.6g	2.4g	2.5g	118mg
(食塩相当量 0.3g)				

#### Creation

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



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.

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## Food Allergy

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Currently, in Japan, 28 types of foods cause food allergies, 8 of which (shrimp, crab, walnut, 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



Nichirei Foods Customer Support Center (Only Available in Japanese)



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## Reporting on Products and Services

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In FY2024, two violations of laws and regulations related to products and services occurred.

Number of Violations of Laws and Regulations



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## Health and Nutrition Initiatives

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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 (Only Available in Japanese)



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



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## Collaboration with Industry Organizations, etc.

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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



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## The Initiatives of the Nichirei Foods Customer Support Center

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### 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

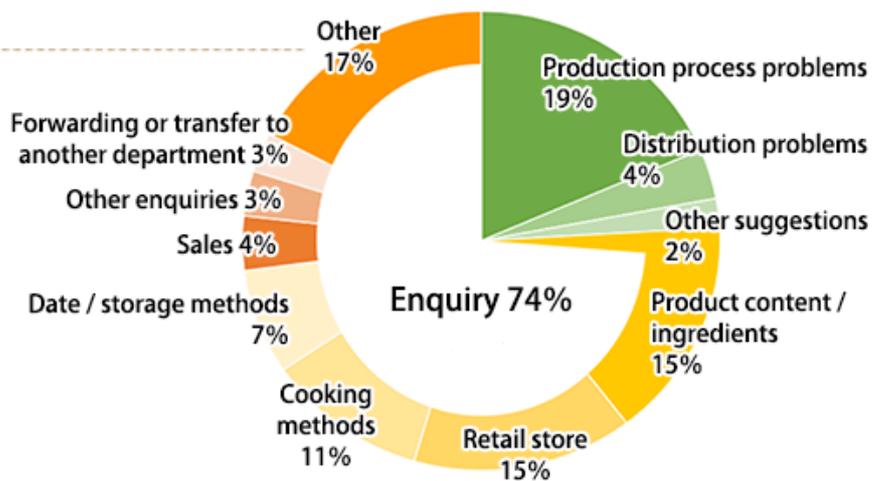
In order to improve customer service, the Customer Support Center runs customer satisfaction (CS) surveys.

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.

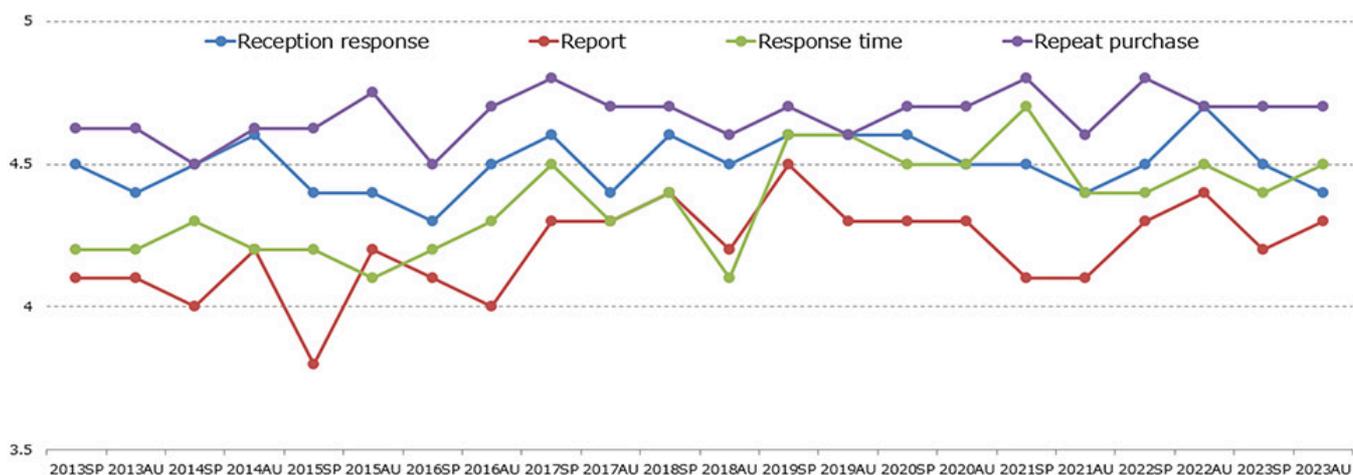
The survey uses a five-point scale to evaluate four areas: initial impression contacted by telephone (reception response); items noted by the respondent (on the report form); time taken to submit report (response time); and future purchasing intentions (repeat purchase). Space is also provided for customers 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 2023

Breakdown of "Other" topics	
Product orders	4%
Comments and opinions	3%
Product packaging	3%
Wrong number or hung up	1%
Nutritional information	1%
Request for informational materials	1%
Sales price	1%
Misunderstandings originating with customers	1%
Renewal	1%
Commercials, advertisements, and sponsored TV programs	1%
Campaigns	0.4%
Product proposal	0.4%
Prank or jeering	0.3%
Eating methods	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
FY2020	None
FY2021	None
FY2022	None
FY2023	3 cases
FY2024	2 cases

## Staff Training for Quality Improvement

The Nichirei Group conducts training for quality assurance personnel at each operating company with the goal of enhancing their skills. In addition, the holding company conducts annual training on specific topics primarily for quality assurance personnel to enhance their food quality assurance awareness and capabilities.

	Training	Description	FY2020		FY2021		FY2022		FY2023		FY2024	
			Number of People	Hours								
Nichirei Foods	First- to third-year employee technical training session	Smooth communication, problem-solving technique, control of production line sanitation	92	1,008	97	727	107	1,058	110	825	98	735
	Leader candidate training	Management demonstration on educating young employees and accomplishing tasks	41	1,320	45	1,041	42	1,029	46	1,188	50	1225
	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	264	84	20	140	91	547	62	497	131	712

	Training	Description	FY2020		FY2021		FY2022		FY2023		FY2024	
			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.	18	44	18	44	19	46	15	32	10	27
	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.	7	26	2	12	18	48	14	50	17	46
	Plant Quality Manager Training	Improvement activities, insect and rodent control, laws and regulations, and presentations.	-	-	-	-	30	180	31	146	21	252
	Information session for revision of laws and regulations	Food labeling standards, addition of food allergies, etc.	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.

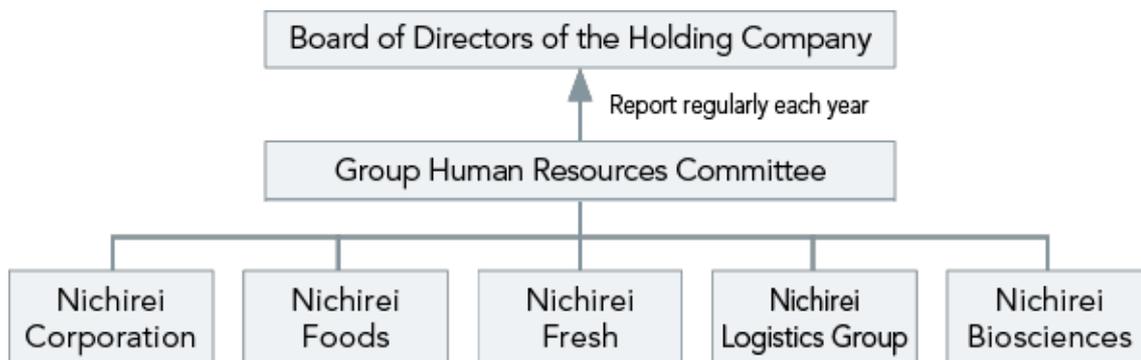
At the Central Council (held once a year), management and labor unions discuss reforms in work styles, job satisfaction among union members, the workplace environment, and other issues.

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<sup>\*</sup>, 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%.

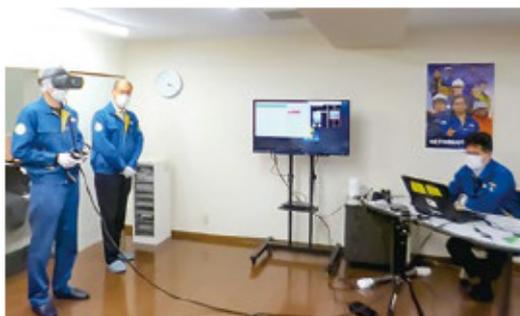
<sup>\*</sup> OHSAS18001 (Occupational Health and Safety Assessment Series)

### ■ 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.



Bilinguall 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. Many individuals and teams from Japan and overseas have been honored at the annual awards ceremony.



Engineering team from SCG Nichirei Logistics Co., Ltd.



Logi Kansai Logicity, Nichirei Logistics Kansai, Inc.

“The First Choice of Clients” Awards ceremony (FY2024) (Only available in Japanese)



# Cultivating Human Resources and Improving Work Satisfaction

## Basic Philosophy

Because it is people who will carry out our management strategy, we believe that our human resources are the source of our growth as a company. We have established a Group Human Resources Policy that covers our aims and organization for the human resources issues we must address to achieve the Nichirei Group's long-term management goals toward 2030 and our targets for material matters (materiality). To address these issues, we have defined a five-perspective human resources strategy and set eight themes to steadily advance this strategy. We will continue working to ensure that each of our personnel measures is designed and implemented to increase corporate value.

### 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)

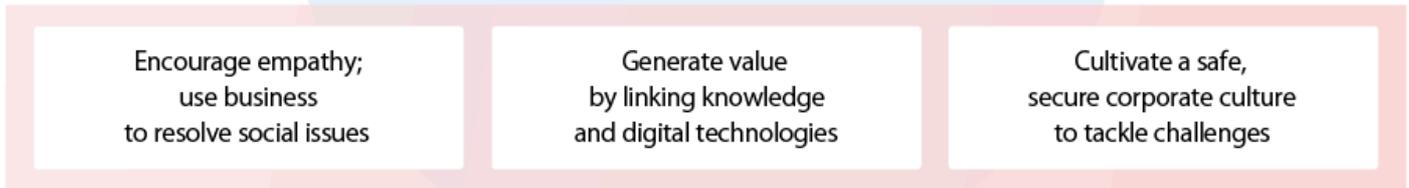
<b>Encourage empathy; use business to resolve social issues</b>	Develop proactive human resources by aligning employee aspirations with the Group's targeted social impact, based on the idea that food connects people
<b>Generate value by linking knowledge, digital technologies</b>	Create an organization 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
<b>Cultivate a safe, secure corporate culture to tackle challenges</b>	Communicate work-related ideas, develop mutual trust, and cultivate a corporate culture that can tackle challenges without fear of failure

Group Human Resources Policy

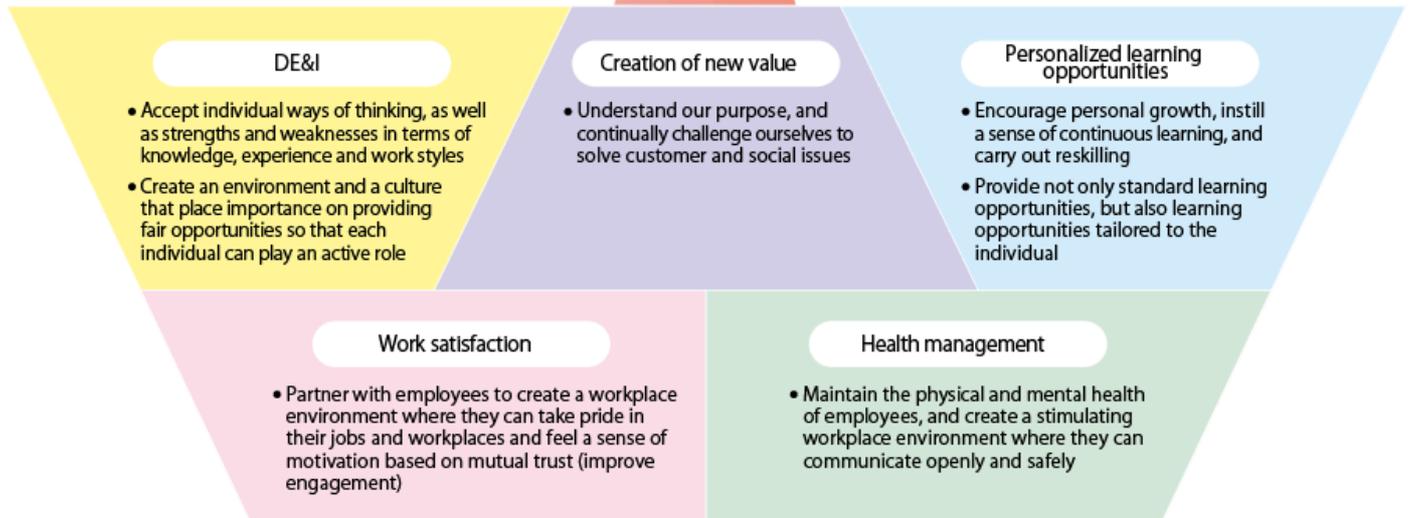


## Achieving Our Long-term Management Goals toward 2030

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



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



### Eight Themes



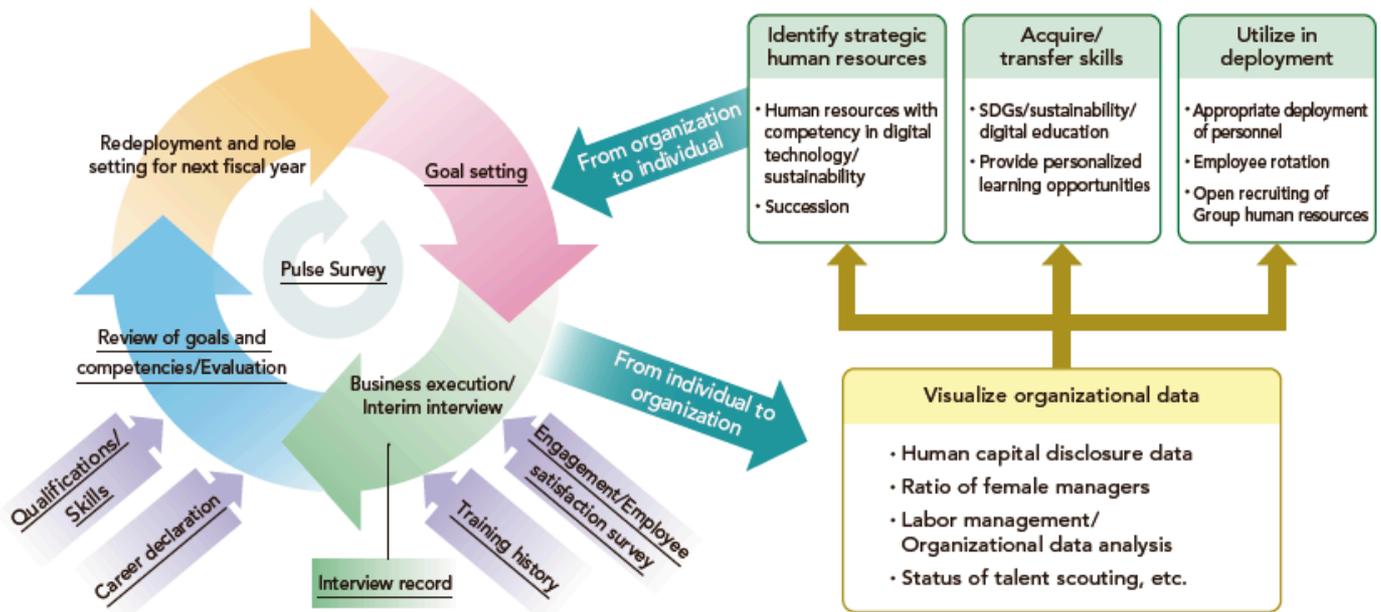
## Eight Themes Based on Our Human Resources Strategy

● 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.
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.

# Management System

Each Group company promotes efforts adapted for its individual businesses, however, the Group has also established the Group-wide Group Human Resources 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.



## Securing and Developing Management Personnel

In order to ramp up sustainability management and achieve ongoing growth in corporate value, it is essential for the Nichirei Group to develop management personnel who can set its management targets and make decisions to promptly address changes in the operating environment. The entire Group is therefore working over the long term to systematically augment the ranks and develop its next generation of management candidates. We identified the prerequisites for the required talent pool in FY2024, and based on these prerequisites, we are conducting a variety of initiatives, such as promoting acquisition of the knowledge necessary for management through training and independent learning, developing the mindset of a manager through interviews with superiors, and transferring employees to other businesses or overseas to gain work experience that will complement experience in a single business over many years.



## Securing and Developing Human Resources for Our Overseas Operations

An issue for accelerating business growth overseas is securing and developing the human resources who can promote and manage those businesses. We therefore began by identifying the traits required of human resources who can actively contribute overseas, such as English conversation ability, interest in and understanding of different cultures, and a spirit of challenge and initiative capable of overcoming adversity. We are systematically transferring and dispatching employees to positions overseas and elsewhere, based on their individual career goals as they align with the required traits. Meanwhile, we are also conducting training to develop human resources, mainly at Nichirei Corporation, with a rollout to some Group operating companies. Specifically, we offer language training tailored to different proficiency levels (by selection or open application) to improve basic English conversation, on-site training to give first-hand experience with overseas business, and dispatch to overseas universities to take MBA courses. From FY2025, we also began training in cross-cultural understanding to equip employees with the skills necessary for intercultural collaboration. Nichirei Corporation is also recruiting foreign students studying in Japan who will graduate from university in FY2026. The Company is holding various events with the aim of hiring three new employees capable of working overseas in the future.

Selection	MBA (dispatch to overseas universities)	Deepen understanding of management essentials, using English as needed, to acquire practical skills for working in a global business environment.
	Overseas on-site training	Gain firsthand experience with overseas operations for a deep understanding and real sense of the skills required through direct interaction with international business and employees dispatched from Japan.
	Cross-cultural mindset	Cultivate a mindset for cross-cultural understanding that enables appropriate action in an environment of diversity, and acquire collaborative skills through practical activities in an intercultural setting.
	Language training	Build necessary English proficiency for advancing our overseas operations, progressing to a business level at a pace suitable to each individual.
Open Application	Language learning support	Raise the overall Group level of English proficiency by providing online English conversation lessons and other learning opportunities, partly at the Company's expense, for employees who want to improve their English.



Company information event for international students studying in Japan

## Employee Interview

Differences in values and wide-ranging work experiences broaden the world.



Risako Yoshida  
Nichirei Sacramento Foods Corporation

When I was working at a food production plant in Japan, I learned about differences in values by communicating with foreign co-workers, and I wanted to broaden my way of thinking through contact with various cultures, so I applied to work overseas. Now, I am at Nichirei Sacramento Foods, a food production plant in the United States, mainly in production planning, but also involved in accounting, quality assurance and other areas.

The respective characteristics of the two countries that I have noticed since coming here are how precise the production management system is in Japan, compared with the positive approach and motivation once people get started here in Sacramento. I feel that my role is to lead the plant in a positive direction by combining the best of both locations. What I find rewarding now is my sense that despite the differences in approach, making improvements little by little has improved productivity and reduced problems. In addition, my ability to get involved in a wide range of areas soon after joining the company was only possible because I was stationed at a rapidly growing overseas base, and I think that will be an asset in my life in the future.

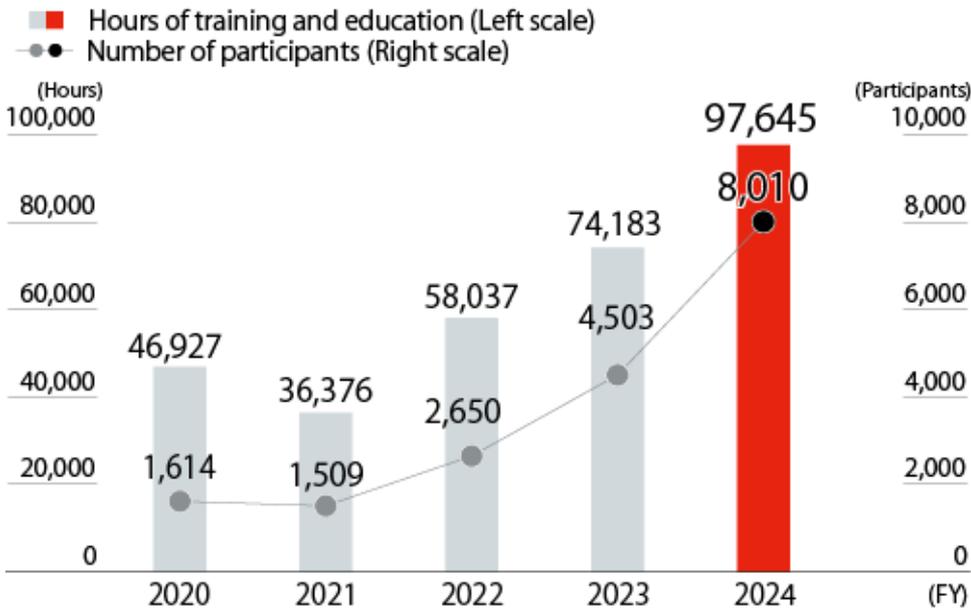
In picturing my career going forward, I would like to go back to Japan to spend some time gaining specialized knowledge and then be posted overseas again to put it to good use.

## Providing Opportunities for Learning and Practice

We provide a variety of opportunities for learning so that employees can acquire the skills necessary to respond to the coming era and implement our management strategies. In addition, training attendance records and data on each individual's qualifications and foreign language abilities are collected in a talent management system. In this way, we have established a framework for implementing personnel measures according to the circumstances of our employees, such as conducting language training in tandem with the expansion of overseas business. We develop specific training plans for the Group and for each operating company according to the characteristics of its business. For Company-wide training, we set a Group education and training policy every year and provide e-learning on a wide range of content such as governance, including compliance and protection of personal information, as well as on legal affairs and quality assurance. We are also implementing more in-depth training, such as DX training and position-based sustainability training, which we launched in FY2023.

At our operating companies, we provide annual training and separate programs for newly appointed managers, as well as offerings tailored to each company's area of specialization, such as overseas on-site sessions for production staff.

● Hours of Training and Education, and Number of Participants

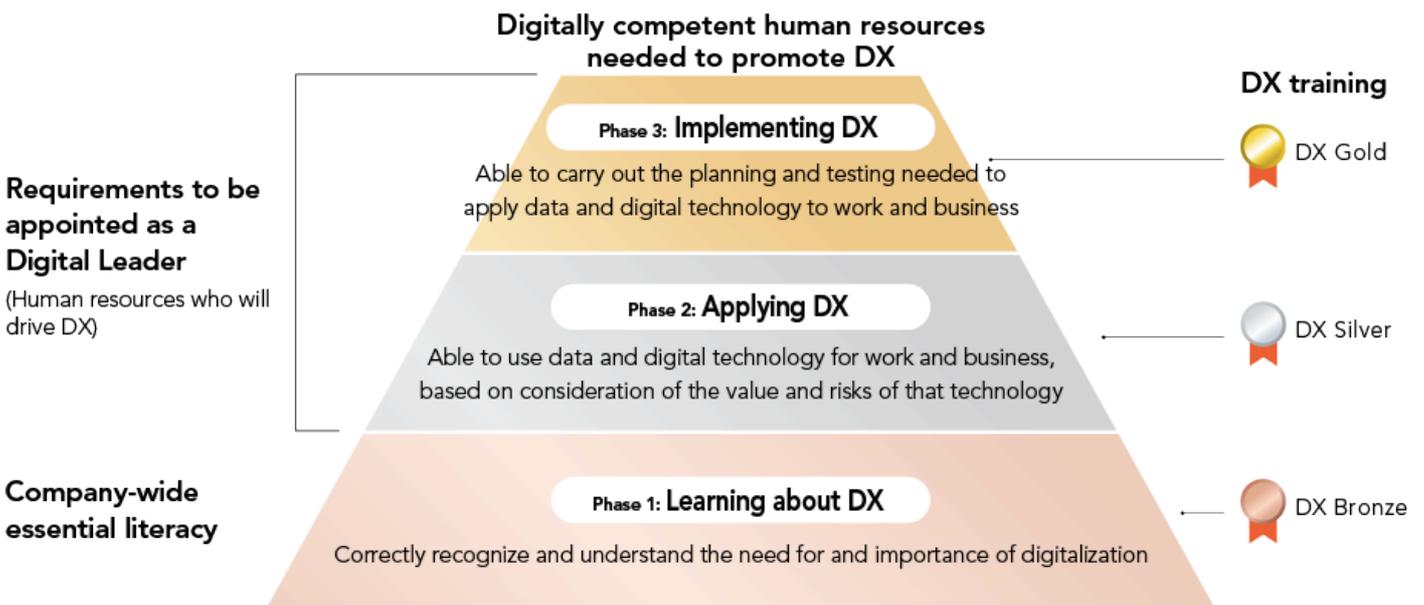


Implementation of Digital Transformation (DX) Training

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 4,000 people) at our main domestic operating companies, who are scheduled to complete this program by the end of FY2025. 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 Result	FY2024 Result	FY2025 Plan	Three-year Total
<b>DX Gold</b>	<ul style="list-style-type: none"> <li>Workshops</li> <li>Individual training</li> </ul>	—	—	100 people (2,000 hours)	100 people (2,000 hours)
<b>DX Silver</b>	<ul style="list-style-type: none"> <li>E-learning</li> <li>Workshops</li> </ul>	About 50 people (800 hours)	About 550 people (9,300 hours)	350 people (5,800 hours)	950 people (15,900 hours)
<b>DX Bronze</b>	<ul style="list-style-type: none"> <li>E-learning</li> </ul>	About 1,200 people (11,000 hours)	About 2,600 people (25,000 hours)	200 people (1,900 hours)	4,000 people (37,900 hours)

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**

- \* For the Gold level, we revised the implementation schedule to provide training in line with the selection of human resources who will lead DX (Digital Leaders).
- \* For the Silver level, some employees proactively completed training ahead of schedule in FY2024.
- \* For the Bronze level, all employees targeted in FY2024 completed training, bringing the number of employees who have completed the Bronze level to more than 3,800.

Identifying an Issue through DX Training and Initiating Operational Improvements

DX Silver training led me to focus on the Nichirei Group’s unique data analysis-based human resources development program, addressing the practical issue of visualizing the time, number of cases, lead time and other factors required for all the stages from ordering to inspection work at each center. In streamlining duties to deal with the labor shortage and improve profitability, I deemed it imperative to start by visualizing the work to determine where the issues lie and what the best course of action is.

Feeling a sense of accomplishment from the results of the training program and recognizing the need to put what I had learned into practice, I proceeded with system development of a dashboard.\* Launched in April 2024, this dashboard is now available to approximately 2,000 people with core system accounts, enabling them to use it for data analysis. This analysis has revealed bottlenecks at one center, such as the frequency of manual entries and same-day input tasks in registering incoming and outgoing goods. The Integrated Operations Management Division will continue to promote the use of the dashboard for analysis as it works to establish and support environments that enable logistics facilities to identify bottlenecks and make precise operational improvements.



Yasuaki Mizuno  
 Manager,  
 Future Logistics ∞ IT Team,  
 Integrated Operations  
 Management Division  
 Nichirei Logistics Group Inc.

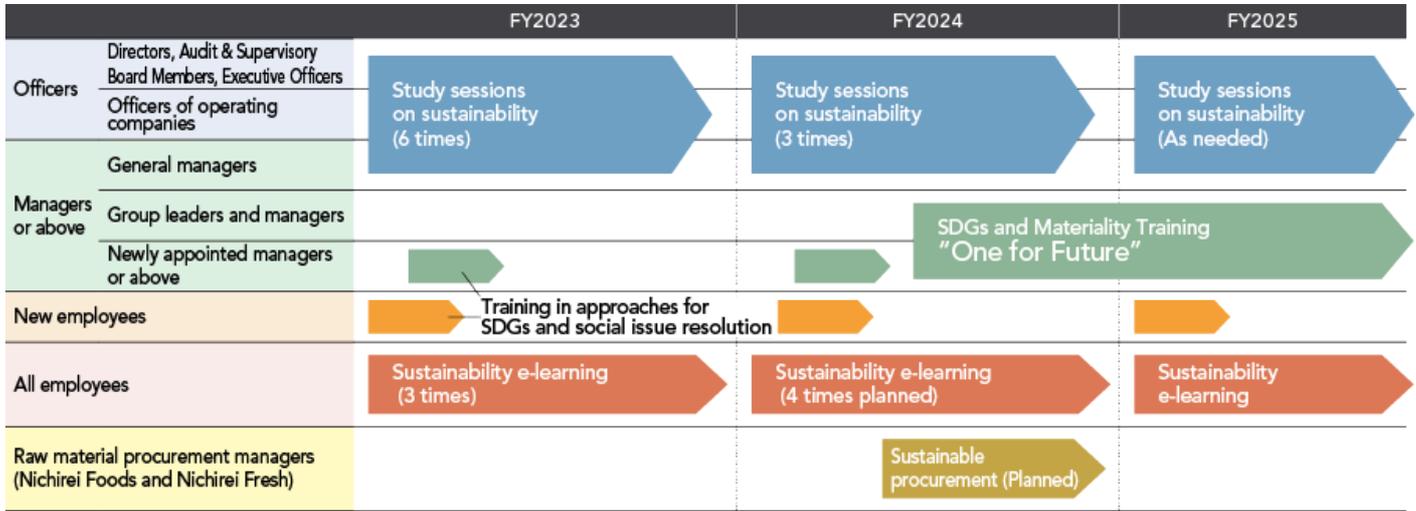


\* Dashboard: A screen created using a business intelligence tool that visually displays the results of data analysis in graphs and other easily understood formats.

## 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



### Study Sessions on Sustainability (For Management)

<b>Objective</b>	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.
<b>Target participants</b>	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



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

<b>Objective</b>	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.
<b>Target participants</b>	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.

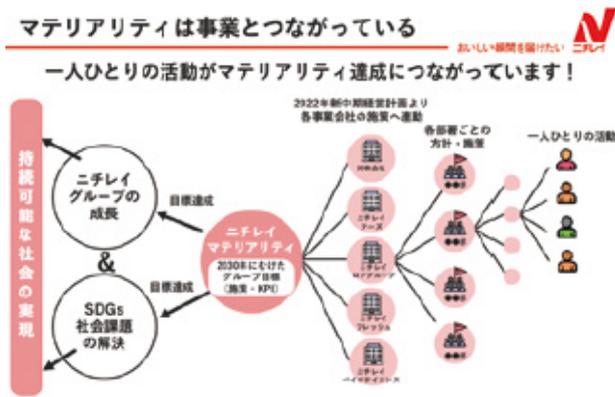


The Nichirei business card game “One for Future”

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

<b>Objective</b>	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.
<b>Target participants</b>	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)

<b>Objective</b>	Acquire basic knowledge about the SDGs and ESG related to our business activities.
<b>Target participants</b>	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	
<b>FY2023</b>	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%
<b>FY2024</b>	June	Environment (CO <sub>2</sub> 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%
<b>FY2025</b>	June	Environment (Circular Economy)	June 5	World Environment Day	95.7%
	September	SDGs Overview	1 week including September 25th	SDGs Week	94.8%
	December	Business and Human Rights	December 10	Human Rights Day	93.5%

■ Sustainability Portal Site (For All Employees)

<b>Objective</b>	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.
<b>Target users</b>	All employees



Sustainability Portal Site

— Level-based training plan (Holding company) —

Training plan	Objective	Target
<b>Executive Coaching</b>	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
<b>Next-generation Management Team Development Program</b>	To foster management capabilities, world-standard leadership, and decision-making criteria by cultivating ideas based on broad perspectives.	General managers, department managers
<b>Leader Training</b>	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
<b>Evaluator Training</b>	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)
<b>Facilitation Training</b>	To understand such concepts as meeting preparation, meeting management, and follow-up, in order to conduct efficient meetings.	All employees
<b>Training for Newly Appointed Managers</b>	To elucidate the role of managers expected to lead the organization, and the viewpoints, perspectives and key behaviors required.	Newly appointed managers
<b>First Career Training</b>	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

Training plan	Objective	Target
New Employee Training	<ul style="list-style-type: none"> <li>To reorient the mindset from that of a student to that of an employee (teaches proactive behavior, disciplined behavior, and expected business etiquette)</li> <li>To promote understanding of the Nichirei Group and a sense of belonging</li> </ul>	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 

## DE&I (Diversity, Equity & Inclusion)

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.

### Initiatives to Promote DE&I

Advancement of Women Employees	<ul style="list-style-type: none"> <li>Group project to promote the advancement of women employees, led by members active at the front lines of each operating company</li> <li>Initiatives to resolve issues at each operating company (training and networking meetings, etc. for women managers)</li> </ul>
LGBTQ	<ul style="list-style-type: none"> <li>Establishment of a consultation center staffed by experts to ensure psychological safety for LGBTQ people</li> <li>Training for executives and basic training for personnel staff to prepare for in-house consultations</li> </ul>
Active Participation by Seniors	<ul style="list-style-type: none"> <li>Assigning responsibilities after reemployment according to individual skills and experience, utilizing know-how cultivated in each workplace</li> </ul>
Employment of People with Disabilities	<ul style="list-style-type: none"> <li>At special Group subsidiary Nichirei Aura Inc., 35 staff members with disabilities are engaged in a wide range of duties including office cleaning at the Head Office, and at the food factories and distribution centers of operating companies.</li> </ul>

### FY2031 Targets

(Nichirei Corporation)

Ratio of women directors/  
Audit & Supervisory  
Board Members

**30%** or higher

Ratio of women in  
management positions

**30%**

## ■ 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.



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

■ Nichirei Logistics Group Initiatives

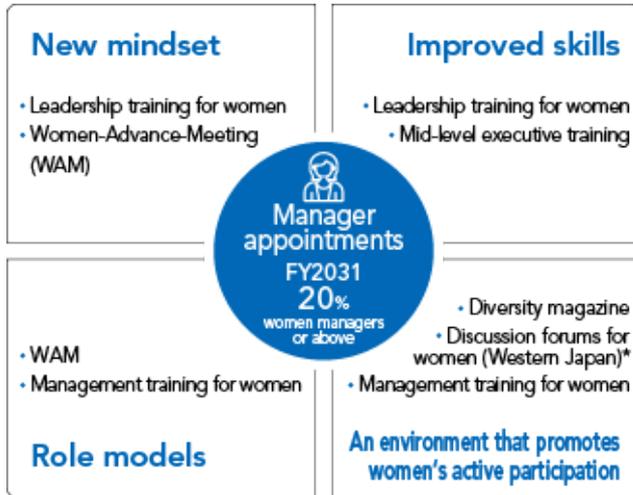
The Nichirei Logistics Group places the highest priority on diversity, equity and inclusion (DE&I) in order to innovate. Unconscious bias has a major impact on how DE&I is promoted, and many women themselves believe that their role is in the home and that the genders have differing abilities to perform 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)

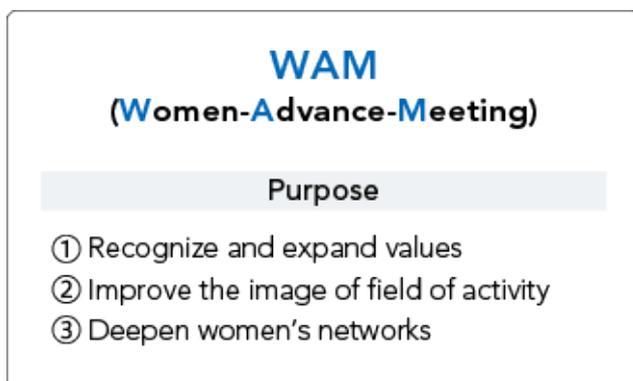
The results of a survey conducted by the Nichirei Logistics Group revealed that while men rarely have concerns after being promoted to a position, the majority of women harbor a degree of hesitation or concern. Less than one in four women surveyed viewed the increase in discretion as a result of being 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.



## Employee Interview

Support from others helped me get where I am, so I hope to encourage the next generation.



Yasuyo Shiga  
Manager, Komaki DC  
Nichirei Logistics Tokai, Inc.

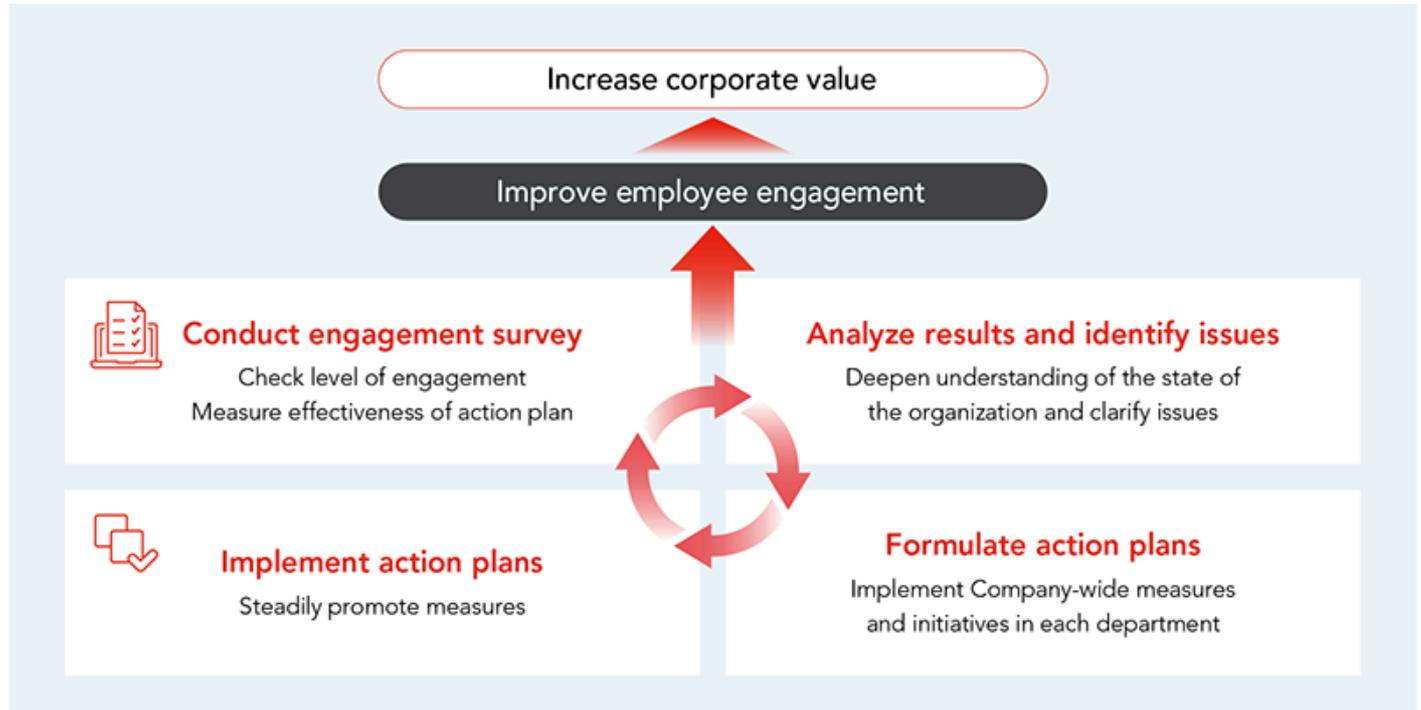
I am not exactly the type to put myself forward, but after being asked several times whether I would like to give it a try, I am now serving as a manager of my second base. My current workplace is a storage-type distribution center, which is different from the management department where I spent 15 years, so in my new position of leadership, I must navigate the daily challenges of many first-time experiences. Through it all, I feel the support of others. There are many people here who are well-versed in logistics in general, and they have been my mentors, kindly teaching me what they know about our work as well as more casual topics.

Through all this, I feel that one part of my role as a manager is to pass along the opinions of employees on the front lines. The front lines at a distribution center consist not just of administrative staff, but also people working in the warehouse and others involved in various tasks. During on-site discussions, new and innovative ideas have arisen from various perspectives. Thanks to the people around me who ordinarily speak up, we can have a lively exchange of opinions in discussions, and I feel that speaking up has made for a better workplace. Since I have received so much support from my colleagues, I would like to encourage others, including women who want to become managers.

## Initiatives Centered on Employee Engagement

For the Nichirei Group to achieve sustainable growth, it is essential to foster mutual trust between each operating company and its employees, so that the company's mission and vision resonate with its diverse talent, who in turn will be motivated to contribute to their company and their jobs. As a result, the Company can continue to maximize its performance as an organization. The Company has therefore positioned improving employee engagement<sup>\*1</sup> as a key management issue for helping to increase corporate value, and is focusing on maintaining a consistent, survey-based cycle.

### ■ Cycle for Improving Employee Engagement



The overall employee engagement score for FY2024 was 68 points. The survey results confirmed support for sustainability management and a high level of awareness of compliance and honest corporate activities. However, they also revealed issues with establishing a smooth operational support system and in communication between management and employees. In addition, gender differences were observed in talent management<sup>\*2</sup> and performance management,<sup>\*3</sup> and we will work to correct them.

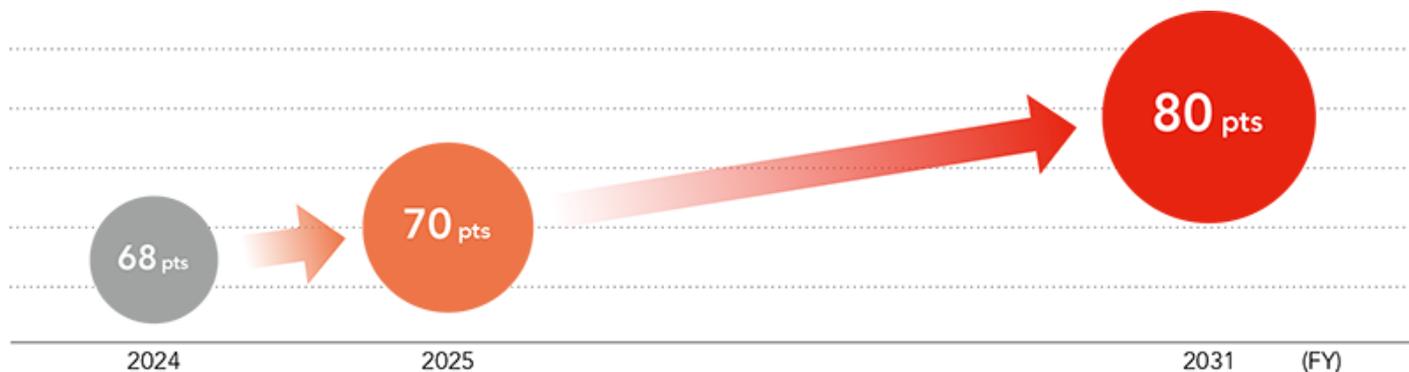
Improving employee engagement requires not only commitment and leadership from management, but also the active involvement of each employee, seeing it as personally relevant. Group companies and their employees are therefore working to address these issues together.

\*1 Employee engagement: A measure of an employee's commitment to their organization, characterized by high motivation, a willingness to contribute to organizational goals, and a strong sense of belonging or loyalty, sustained by a supportive work environment that fosters productivity, motivation, and overall well-being, creating a positive impact on both personal and organizational success. (Based on a definition by Willis Towers Watson Public Company (WTW))

\*2 Talent management: A series of activities, including recruitment, development and dispatch, through which a company secures and cultivates the human resources necessary for its business

\*3 Performance management: A series of activities focused on maximizing individual work performance while supporting career development

## Employee Engagement Score Targets



## 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.

## Flexible System Design

We design flexible personnel systems to create an environment where each individual can demonstrate their abilities and thrive. Creating a comfortable workplace and further improving the skills of diverse individuals will increase our corporate value.

For example, our childcare leave system was already in place before 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, and exceeded its statutory requirements. After the revision, we enhanced our system to provide more options, including the ability to divide childcare leave into installments until the child is one year old.

In FY2024, we introduced a new Company-wide in-house side job system. Our aim is to generate new value through the exchange of knowledge and human resources within the Company, and to help employees improve their skills and develop their careers.

## Employee Interview



Yuto Nagi  
Accounting Services for Processed Foods Business,  
Accounting & Tax,  
Nichirei Corporation Joined the Company in 2021

### ● Company-wide In-house Side Job System

I have always been interested in HR work, so when there was an opening on new university graduate recruiting for a side job, I gave it a try. Now that my time in the job has ended, in retrospect I think I was generally able to improve two skills. The first was communication skills. In my main job, accounting, most of my interactions are within the Company, but recruiting required me to communicate with students, and it gave me time to think about how to get my point across to people whose underlying knowledge and thoughts are different. The second was planning. In balancing my main job and side job, I became able to make clear in advance what I had to do and by when, and came up with ways to get started on tasks that could be brought forward. In my career going forward, I would like to use the skills I have strengthened and the wider network of contacts I have gained through my side job to broaden the scope of my work.

### ■ 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



## Employee Interview

Childcare has given me a new perspective that enriches both my work and private life.



Kazuki Matsubara  
Manager, Meat and Poultry Products Division,  
Procurement and Production Headquarters  
Nichirei Fresh

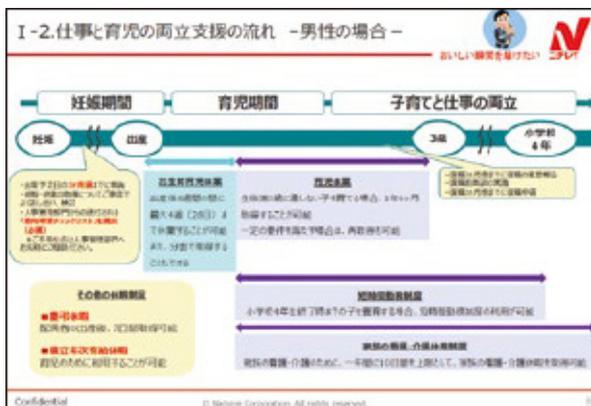
I took childcare leave in two installments for my first child and one for my second. Many of my acquaintances have taken childcare leave, so it was a natural choice when we found out we were having a baby. Honestly, now that I have actually been through it, it was much harder than I had imagined, but childcare is a major long-term undertaking for a family, and I feel that I gained a lot by taking personal responsibility and becoming able to discuss the joys and worries with my wife from the same perspective.

Meanwhile, to deal with my absence from work, because of the nature of my job as a researcher I do much of the work on my own. For that reason, I made an effort to consult with my colleagues at an early stage, share information on projects widely, and complete as much as possible before taking leave. I feel that being the first man to take childcare leave has contributed in no small way to the increase in the number of men in the company who do the same, and I am grateful to everyone who supported me.

Now that I have two children, the places I go on weekends have changed, and my circle of acquaintances at the daycare center and elsewhere has grown. Raising children has given me a different perspective, and by overcoming the daily challenges of childcare, which does not always go as planned, I think I have become more adaptable both at home and at work. I want to continue broadening my horizons and apply them to both my work and private life, so that it leads to my personal growth.

### 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, 35 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.

Employment Rate of 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.

## ■ 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

## Employee Interview

I will establish links to the next generation while continuing my work.



Hirohisa Matsushita  
General Manager, Quality Assurance  
Nichirei Biosciences

I joined the company as a research and development employee, and later when the research institute was divided into foods and medical products, I was assigned to the medical products department. There I developed and commercialized an antigen test kit for new strains of influenza from scratch. Next, I was transferred to the Head Office and assigned to Quality Assurance, where I am today. For the past 10 years, I have been participating in diagnostic industry organizations, the first in the company to do so, and I have been a leader in some of their activities. For example, to help resolve issues with companion diagnostics, I participate in discussions on how the diagnostics should be used so there is no confusion in a medical setting. Through these discussions, I became involved in issuing notifications. Regarding regulation of clinical trials, I conduct discussions with government agencies, pharmaceutical associations, medical institutions and others, with the aim of achieving sound development of the industry and a better medical environment for patients.

I became eligible for retirement two years ago, but my role has not changed. During that time, I have become more aware of training my successor. I feel that my ability to establish a foundation for Nichirei Biosciences' activities in industry organizations will be a link to the next generation. I would like junior employees to broaden their network in the industry to get a sense of its current direction, and use this as an opportunity to think about what the company should be, as well as a chance for self-improvement.

### 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 Resources Committee

The Human Resources 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 Resources 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 Resources 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"> <li>• New in-house childcare facility Opened in the Tokyo head office building in April 2018</li> </ul>	<ul style="list-style-type: none"> <li>• Full-scale introduction of telework All worksites except food factories and logistics offices</li> </ul>	<ul style="list-style-type: none"> <li>• Introduction of Super-flexible working system, core time eliminated except at some work sites such as factories and distribution centers</li> </ul>	<ul style="list-style-type: none"> <li>Expansion of Satellite Offices in the Logistics Group                             <ul style="list-style-type: none"> <li>• SateCo Osaka Umeda (opened in February 2022)</li> <li>• SateCo Yokohama (opened in March 2022)</li> </ul> </li> </ul>
	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"> <li>• Implementation of career development programs for women Women's success event "Next Step for 2021" Target: 163 people</li> <li>• Nursing care seminar Conducted four times, 115 participants</li> </ul>	<ul style="list-style-type: none"> <li>• Introduction of comeback system Purpose: Ongoing career support for life events and growth</li> <li>• Leave system due to spouse transfer Purpose: Examination and introduction of multi-career formation in collaboration with other companies</li> <li>• Nursing care seminars and nursing care handbook creation Conducted four times, 103 participants</li> </ul>	<ul style="list-style-type: none"> <li>• Expansion of childcare and nursing care leave                             <ul style="list-style-type: none"> <li>• Leave can be taken in hourly units</li> <li>• Half days and whole days can be converted and taken as accumulated annual paid leave</li> </ul> </li> <li>• 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</li> </ul>	<ul style="list-style-type: none"> <li>Care-giving Seminar (held online)                             <ul style="list-style-type: none"> <li>• 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</li> </ul> </li> </ul>

Policy	Ideal State	Priority Measure	Main Activity			
			FY2019	FY2020	FY2021	FY2022
<b>Prevent Excessive Working Hours</b>	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"> <li>• 100% introduction of new working hours management system</li> <li>• Guidance on long working hours through introduction of a working time management system</li> <li>• Implementation of measures against overwork through labor-management collaboration</li> <li>• Nichirei Group working hours guidelines formulated through labor-management collaboration</li> </ul>	<ul style="list-style-type: none"> <li>• Introduced new expense settlement system</li> <li>• Introduced planned five-day annual leave system</li> <li>• Implemented e-learning: Revised labor laws, working-hour awareness Target: Employees; 5,101 participants</li> <li>• Implementation of measures against overwork through labor-management collaboration</li> </ul>	<ul style="list-style-type: none"> <li>• Set quantitative target (average annual paid leave use of at least 10 days across the Group), and encouraged employees to take annual leave</li> <li>• Ongoing implementation of measures against overwork through labor-management collaboration</li> <li>• Implementation of human resource management education via e-learning</li> </ul>	Continued implementation of overwork measures through labor-management cooperation Average paid leave rate: 68.3%
<b>Ensure Equal Opportunity</b>	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"> <li>• 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</li> <li>• 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</li> </ul>	<ul style="list-style-type: none"> <li>• Logistics Group: 7th and 8th "Sakaseru Roji-Jo Forum" Target: Female employees; 118 participants (522 participants in total)</li> <li>• 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</li> </ul>	<ul style="list-style-type: none"> <li>• 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</li> </ul>	<ul style="list-style-type: none"> <li>• Foods: Implementation of a joint program by six "LADY GO UP" food manufacturers</li> <li>• Foods: Implementation of a program to promote the advancement of female employees (Networking Agura (round-table meeting))</li> <li>• Logistics Group: Implementation of training for female line managers accompanied by supervisors. (Expected effects) <ul style="list-style-type: none"> <li>• Expansion of job areas</li> <li>• Setting the ideal image and stepping forward</li> <li>• Networking</li> </ul> </li> </ul>

Policy	Ideal State	Priority Measure	Main Activity			
			FY2019	FY2020	FY2021	FY2022
Ensure Equal Opportunity		Diversity and inclusion	<ul style="list-style-type: none"> <li>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)</li> </ul>	<ul style="list-style-type: none"> <li>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)</li> </ul>	<ul style="list-style-type: none"> <li>Nichirei Foods: Diversity Forum <ul style="list-style-type: none"> <li>Lecture held (February 25, 2021)</li> <li>Target: Officers (8 participants) and employees (approx. 140 participants)</li> </ul> </li> <li>Nichirei Foods: Meeting of general managers from 6 food manufacturing companies <ul style="list-style-type: none"> <li>Meeting of general managers of planning departments from 6 food manufacturing companies</li> <li>2 executive officers, 5 general managers, 14 employees from secretariat (21 people from 6 companies)</li> </ul> </li> <li>Nichirei Foods: 10th year of J-win <ul style="list-style-type: none"> <li>Female leaders training program organized by non-profit organization J-win (one-year program)</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Foods: Implementation of the diversity forum "SPIRAL UP"</li> <li>Logistics Group: Appointed diversity officers at each regional company</li> <li>Logistics Group: Disseminated and shared information on diversity and inclusion activities through the intranet (MIRU mind)</li> <li>Logistics Group: Implemented Unconscious Bias e-Learning <ul style="list-style-type: none"> <li>* Total number of executives and positions: 450 / Total number of general employees: 1,340</li> </ul> </li> <li>Logistics Group: Unconscious Bias Organization Analysis (12 domestic companies)</li> </ul>

Policy	Ideal State	Priority Measure	Main Activity			
			FY2019	FY2020	FY2021	FY2022
Ensure Equal Opportunity	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"> <li>Disabled employment rate: 2.56% (104 people with disabilities employed)</li> </ul>	<ul style="list-style-type: none"> <li>Disabled employment rate: 2.75% (101 people with disabilities employed)</li> </ul>	<ul style="list-style-type: none"> <li>Disabled employment rate: 2.80% (101 people with disabilities employed)</li> </ul>	<ul style="list-style-type: none"> <li>Ratio of employees with disabilities: 2.80% (Number of employees with disabilities: 101)</li> </ul>
	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"> <li>59 employees rehired after retirement (64 retirees)</li> </ul>	<ul style="list-style-type: none"> <li>57 employees rehired after retirement (65 retirees)</li> </ul>	<ul style="list-style-type: none"> <li>51 employees rehired after retirement (59 retirees)</li> </ul>	<ul style="list-style-type: none"> <li>Number of employees rehired after retirement: 27 (Number of employees who retired after retirement: 33)</li> </ul>

# Health Management

## Basic Philosophy

Since FY2016, the Nichirei Group has set the maintenance and improvement of employee health as a management issue, and has been promoting initiatives based on the concept that the health and well-being of employees is fundamental to increasing their work satisfaction. In April 2024, a department specializing in this area was reorganized as the Well-being Management Promotion Office, and it is working to improve employee well-being by conducting measures for comfortable, satisfying work. in addition to occupational health and safety and health management.

### The Nichirei Group Health Declaration

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



A public health nurse lectures at a health related event (held at a small workplace with full attendance)

## Purpose for the Nichirei Group Health Management

Purpose of Health Management of Nichirei Group : Promoting Well-being Management

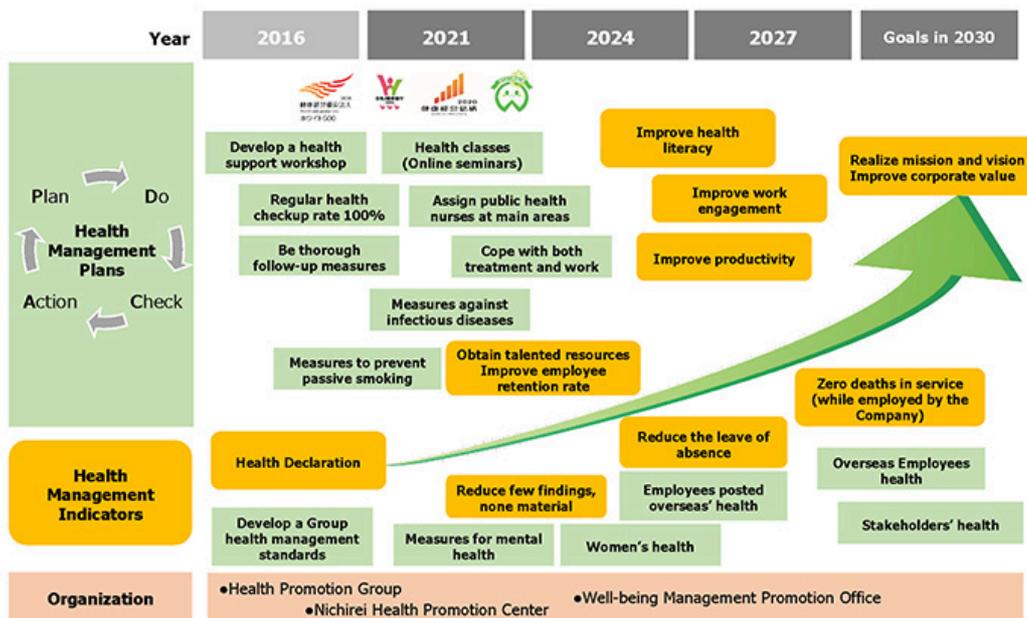


# Management System

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 2024, a department specializing in this area was reorganized as the Well-being Management Promotion Office, and it is working to improve employee well-being by conducting measures for comfortable, satisfying work in addition to occupational health and safety and health management.

## 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.

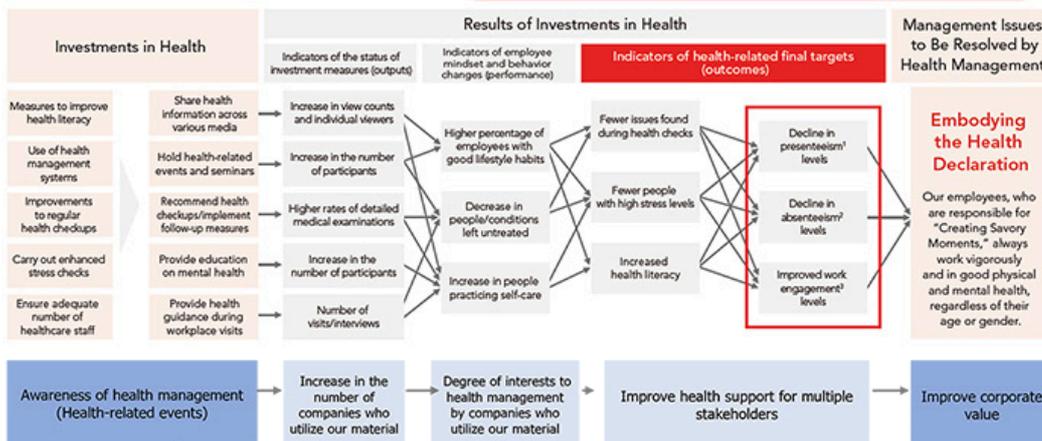


## Nichirei Group Health Management Strategy Map

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 a company that supports good eating habits and health, we want our employees to always work with enthusiasm and in good physical and mental health, regardless of their age or gender. Our initiatives to reduce absenteeism and presenteeism include thorough followup after health checkups, including cancer screenings, as well as mental health education and measures to improve health literacy. In recognition of these efforts, Nichirei was chosen for inclusion in the Health and Productivity Stock Selection hosted by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange in FY2021, FY2022 and FY2024. We have also been recognized under the Certified Health and Productivity Management Organization Recognition Program in the large enterprise category for each of the eight years since the program was established.

	FY2024 Results	FY2025 Targets	FY2031 Targets
<b>Absenteeism</b> <sup>*1</sup>	3.4 days	2.6 days	1.0 days
<b>Presenteeism</b> <sup>*2</sup>	79%	85%	90%

\*1 Lost workdays due to poor physical or mental health (average for Japanese companies announced by the Ministry of Economy, Trade and Industry is 2.6 days)

\*2 Actual performance level, compared with normal performance level set at 100% (average for the University of Tokyo Working Group's Single-Item Presenteeism Question (SPQ) is 85%)

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 focus on ensuring corrective action for the employee with medical examination findings and 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)

Nichirei Group Health Criteria			FY2021	FY2022	FY2023	FY2024
<b>E</b>	Work restriction score	Immediate health checkup	2.1	1.8	1.8	1.7
<b>D</b>	High-risk cohort	Health checkup required	40.6	38.0	38.5	39.4
<b>C</b>	At-risk to medium-risk cohort	Follow-up observation	37.2	39.8	40.0	40.3
<b>B</b>	Healthy to at-risk cohort	Few findings, none material	15.5	15.9	15.3	14.2
<b>A</b>	Healthy cohort	No abnormalities	4.6	4.4	4.4	4.4
			Data as of December 31, 2020, n=6,010	Data as of December 31, 2021, n=6,123	Data as of December 31, 2022, n=6,339	Data as of March 31, 2024, n=7872

Health checkup recommended for those who scored D or higher according to Nichirei criteria

Regular follow-up by occupational health staff for those who scored **E (work restriction score)**

Individual treatment based on instructions from an occupational physician

### Regarding Internal Criteria for Work Alert

In FY 2022, we revised the "Standards for Employment Measures for Those Meeting Internal Criteria for Work Alert." We are proceeding with actions in accordance with these standards.

#### Work Restriction

Based on the opinion of the occupational physician, the employer imposes restrictions on the provision of labor by workers in accordance with their duty of care for safety.

#### Internal Criteria for Work Alert

Nichirei Group's unified standards for considering work restrictions. Occupational physicians and health nurses will continue to monitor the treatment status of affected individuals until the end of the fiscal year.

## 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. Including requests for health consultations from employees and their supervisors, we have conducted health nurse consultations for approximately 200 persons since FY2023. For this FY2024, we started overseas visiting of medical professionals to our offices in Europe, and we plan to gradually expand the scope of these visiting.



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.



Since FY2024, the Nichirei Group has upgraded its mental health education from seminars to training programs to strengthen measures. The rate of high stress in the Nichirei Group remains high, and as the workplace environment changes, cases managers face group member with mental health concerns are growing. Therefore, in order to improve the mental health skills for managers, who are key to the workplace, and to ensure they also take care of their own mental health, we have established the "COCO Sapo\* Development Program" as mandatory training for managers starting in FY2024. By the end of the year, 370 managers had completed the COCO Sapo training. Furthermore, we have made a "reflection time" to review their practice after the course, aiming not only to improve their skills but also to strengthen connections between them.

\* COCO Sapo means "support team of the mind(kokoro)." COCO Sapo provides mental health care by immediate supervisor for offices and departments and teams up with other COCO Sapo members to create horizontal linkages and information sharing opportunities.

**Theme: Improvement of mental health-related skills for managers**

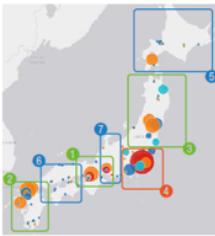
- Changed from voluntary to mandatory training.  
(All managers are expected to complete the training within four years.)
- Care is also provided for managers, who are burdened by their responsibilities.
- Expanded from online-only training to include in-person training as well.
- Introducing a system 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.

Since FY2023, occupational health nurses from the Well-being Management Promotion Office have begun visiting 13 large workplaces in the Tokyo metropolitan area, and we are gradually expanding the number of target workplaces. 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.

We are holding health classes in accordance with the health issues at workplaces and conducting workplace inspections as part of health education from organization supporting.



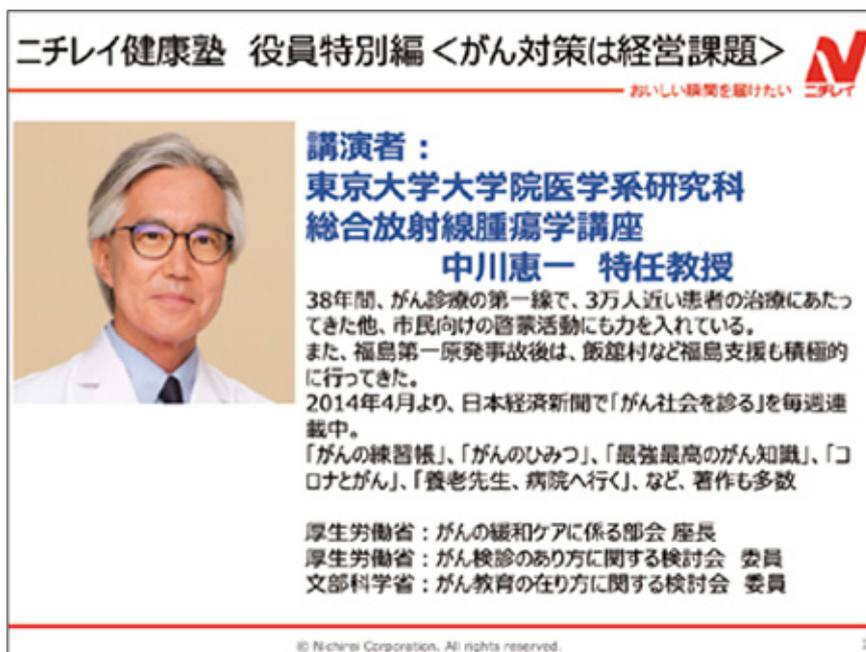
- October, FY2021:** Assigned public health nurses at Kansai area ①
- FY2022:** Assigned them at Kyushu(July) ② and at Hokuriku(January) ③
- July, FY2023:** Public health nurses at head office visited offices/factories at Kanto area ④
- FY2026 onwards:** Plan to assign public health nurses at Hokkaido, Chubu and Chugoku/Shikoku area ⑤ ⑥ ⑦



## ■ Improve health literacy

### —Health-related Events to Create a Workplace and Organizational Culture Where Diverse Human Resources Can Work with Enthusiasm —

To energize the organization by improving employees' physical and mental health and productivity through greater health literacy, we hold health-related events and seminars on topics that address the health issues employees face, such as preventing lifestyle-related diseases, women's health, sleep, muscle weakness and meals for late-night work. 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%. We also believe that management must take the initiative in creating a workplace and organizational culture where diverse human resources can work with enthusiasm. In February 2024, we invited Dr. Keiichi Nakagawa, an oncologist and project professor at the University of Tokyo, to give a lecture for our management entitled "Dealing with Cancer Is a Management Issue." Approximately 130 people, including the president, management staff and employees, attended. To support good eating habits and health, communication is important with suppliers, local communities and other stakeholders as well as Group employees. As part of our health support for suppliers, we held a seminar on health management for six of our business partners in FY2024, raising interest among participating companies. Through these initiatives, we aim to contribute to the overall health of society, help to realize a sustainable society and increase our corporate value.



**ニチレイ健康塾 役員特別編 <がん対策は経営課題>** 

— おいしい健康を届けたい ニチレイ —

**講演者：**  
**東京大学大学院医学系研究科**  
**総合放射線腫瘍学講座**  
**中川恵一 特任教授**

38年間、がん診療の第一線で、3万人近い患者の治療にあたってきた他、市民向けの啓蒙活動にも力を入れている。  
また、福島第一原発事故後は、飯館村など福島支援も積極的に行ってきた。  
2014年4月より、日本経済新聞で「がん社会を診る」を毎週連載中。  
「がんの練習帳」、「がんのひみつ」、「最強最高のがん知識」、「コロナとがん」、「養老先生、病院へ行く」、など、著作も多数

厚生労働省：がんの緩和ケアに係る部会 座長  
厚生労働省：がん検診のあり方に関する検討会 委員  
文部科学省：がん教育の在り方に関する検討会 委員

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Introduction slide of the presentation by Dr. Nakagawa

—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 four seminars for education and awareness in FY2024.

<b>May 2023</b>	Project Professor Keiichi Nakagawa Comprehensive Radiation Oncology, Graduate School of Medicine, The University of Tokyo	Cancer learning for protecting you and your loved one	76 participants
<b>August 2023</b>	Yuri Yoshida Representative director of Ganto Hataraku Ouendan (GHO)	Know and Prepare: Cancer Seminar for the Working Generation	59 participants
<b>November 2023</b>	Shinsuke Kasai Freelance announcer	The Will to Live: Surviving "Stage 4" Cancer	71 participants
<b>February 2024</b>	Kumiko Hashimoto Nurse, AYA Survivorship Center, St. Luke’s International Hospital	Supporting the Balance Between Hospital Treatment and Work: What to Know Before Illness Strikes	43 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.

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

## Coping with Both Treatment and Work N おいしい瞬間を届けたい ニチレイ

**■ Purpose**  
To create an environment in which employees suffering from illnesses that require long-term treatment can continue to work.

**■ Upsides**

**For the company**

- Ensure human resource sustainably
- Retain human resources and increase productivity
- Increase loyalty to the company
- Utilize diverse human resources
- Realize social responsibility as an organization

**For Employees**

- Stable income
- Peace of mind to continue working
- Keep motivation
- Mitigate loneliness and anxiety

**■ Coverage**  
Diseases which require repetitive or continuous treatments; Cancer (e.g., radiation therapy), stroke, heart disease, diabetes, hepatitis, other diseases, and incurable disease.





### 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. Furthermore, we have introduced an online consultation program for employees who would like to have a child since March 2023. In FY2025, we are promoting a workplace environment that supports better health by raising awareness about menstrual leave and establishing unique leave policies.

● 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

### ヘルスケア休暇

その不調や悩み、きちんと整えてみませんか？

**ヘルスケア休暇の目指す姿**  
月経(生理)や自律神経失調症(PMS)、更年期による不調を抱えながら業務をこなしている従業員の体調改善を支援します。体調に左右されず、仕事もプライベートもいそげと過ごせる日が増えることを目指します。

	ヘルスケア休暇	生理休暇
根拠	ニチレイグループ独自(社員就業規程第27条(その他の休暇5-②))	法定(労働基準法68条)
対象者	全従業員 下記を理由に健康が著しく悪化する ・月経不順(閉経前) ・月経症状 ・更年期症状(更年期)	女性従業員のみ 下記を理由に健康が著しく悪化する ・月経不調 ・月経症状 ※生理休暇とヘルスケア休暇の併用は可能です。
保健師からの連絡	あり →取得者へは保健師から、取得理由の確認と案内(オンライン診療プログラム、や保健師相談)があります。	なし

～ヘルスケア休暇取得を体調改善支援に繋げる機会にします。～

**【問い合わせ】**  
詳しい申請方法や使用方法については各社人事管理部門  
健康に関する相談：ニチレイ保健部(N1000X017@nichirei.co.jp/03-3248-2125)

<Health Care Leave>

From April 2024, those who have significant difficulty working due to PMS, menstrual or menopausal symptoms may take leave.

<Questionnaire on Women's Health Issues and Work Environment>

Conducted once a year 2,879 respondents (2023)

● Education・Awareness: Conduct seminars regularly

<Online Seminars>

Menstrual Health Sessions: Held 4 times a year, with a total of 94 participants (2023).

Menopause Sessions : Held 4 times a year, with a total of 181 participants (2023).

Ninkatsu Session\* : 34 participants (2023).

Seminar by Dr. Miho Takao, Obstetrician and Gynecologist: 67 participants (2023).

\* Program for employees who would like to have a child

### 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！

- 生理に不調を少しもお持ちの方
- 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
- 今迄生理に関する悩みが解消されない方
- 最高の良い関係を築きたいあなたの方

**セミナー詳細**  
女性のライフスタイルの急変や生活によるカラダの仕組み、心身への影響、それに対する対処法など女性のカラダについて知識を得る機会です。

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

**対象者** 全従業員

**講師** 甲賀かおり先生  
千葉県立中央医療センター産科助産学 教授

**プログラム概要**  
生理に関する不調に対して早期に個人相談ができる環境づくりと、産科に不安を感じない環境づくりを、【セルフケア】(セルフケア)を大切に！

### 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将来の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
- 最高の良い関係を築きたいあなたの方

**セミナー詳細**  
女性の年齢・環境に合わせた不調、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理解を深められる内容です。

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

**対象者** 全従業員

**講師** イーナ教授 産科助産学 准教授  
高尾 美穂 先生  
産科ヘルスケア専門家、産学博士

**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盛り込んだ個別の活用によるQOL・健康状態を改善する「セルフケア」(セルフケア)を構築します！

### 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問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げることを目的としています。是非、ご参加ください。  
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。

**女性の健康づくり 方針**  
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問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げることを目的としています。是非、ご参加ください。

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8日	1回	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】**  
個人情報は、個人学習の目的にのみ利用いたします。  
本人の同意なく、第三者へ提供することはありません。  
ご本人がご本人の所属する法人に提供することはありません。ご本人の同意なく第三者へ個人情報を提供することはありません。

～ニチレイグループ健康助～  
お問い合わせ先：各社人事管理部門(各社) 健康に関する相談：ニチレイ保健部(N1000X017@nichirei.co.jp/03-3248-2125)

### 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  
生理に従う不調を軽減したい  
生理痛を軽減したい  
経血量を減らしたい  
低用量ピル処方に従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・自宅への配送

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 /

更年期に従い、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・自宅への配送

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—

Since April 2022, we have implemented a smoke-free policy during working hours and discontinued indoor smoking rooms by the end of March 2023. We have conducted e-learning sessions on measures against secondhand smoke for all employees, focusing on education and awareness. Additionally, we offer a quit smoking program through the Nichirei Health Insurance Society for those interested, providing support for quitting smoking. By the end of fiscal year 2023, 127 employees participated in the quit smoking program, as a result, eventually 44 people has succeeded in quitting smoking.

What is Passive Smoke?

**Secondhand smoke**

**Mainstream smoke**

**Passive smoke**  
= Secondhand smoke and Smoke exhaled from a smoker's nose or mouth

**Mainstream smoke < Secondhand smoke**  
Passive smoke contains more harmful substances!

**Thirdhand Smoke:**  
Harmful substances are known to adhere to and remain on clothing, floors, and wallpaper.

Nichirei Group Prevention of Passive Smoke

**[Purpose]** Prevent unwanted passive smoke and create a comfortable working environment

**Work Environment**

- Make sure a no-smoking policy during working hours
- Establish a system for a future no-smoking policy on the premises
- Establishment of "Mokumoku Opinion Box" regarding cigarettes

**Education・Awareness**

- E-learning
- Provide information about giving up smoking
- Organizing events for World No Tobacco Day

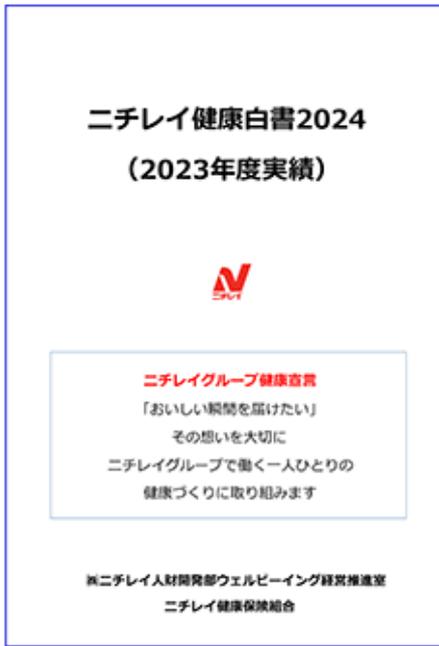
**Give Up Smoking**

- Provide programs for giving up smoking
- Health consultations

Let's solve this issue with smokers' and non-smokers' effort

—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

Under the holding company structure, Nichirei Group's operating companies engage in a wide range of businesses, including processed foods, marine, 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.

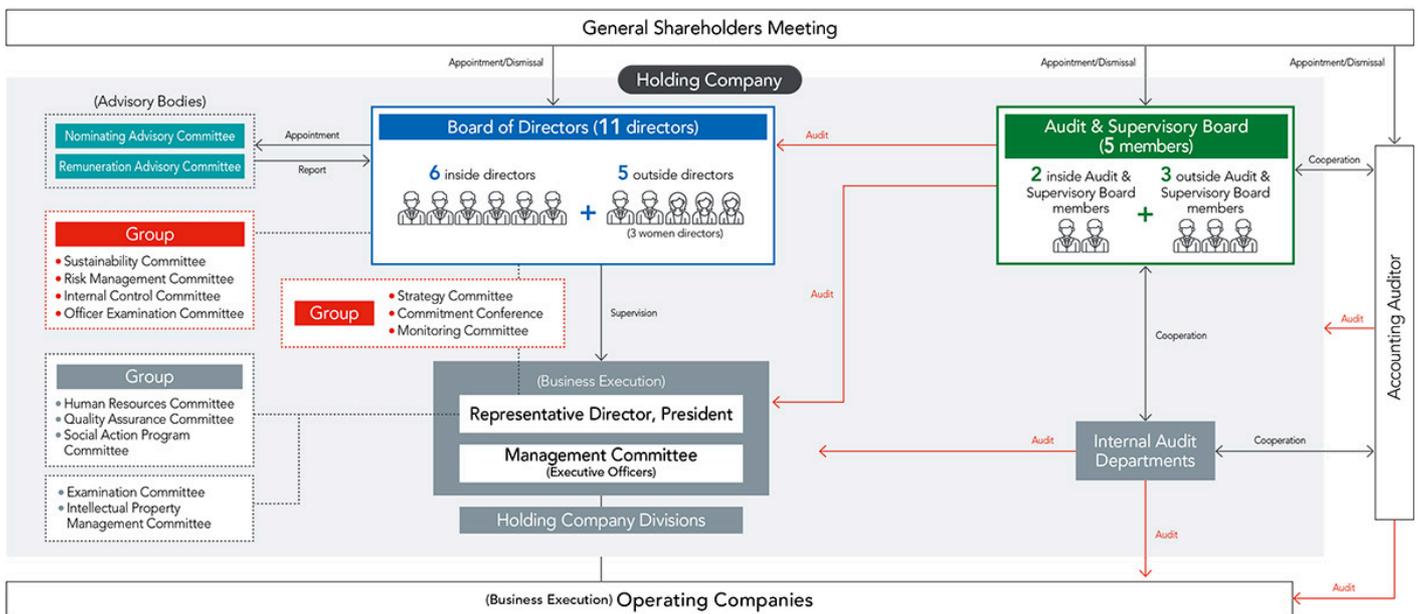
In addition, we have established ourselves as a company with an Audit & Supervisory Board system, an institutional design specified in the Companies Act of Japan.

Basic Policy on Corporate Governance



## Management System

### Corporate Governance Structure (As of June 25, 2024)



Corporate Governance, Integrated Report 2024



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	FY2025	
Group Structure		Shift to holding company system												
Separation of Management Supervision and Execution	Implementation of executive officer system													
Women Executive Officers													One First woman executive officer appointed	
Outside Directors		Shift to three independent outside directors								Four				Five (Out of 11 Directors)
(Of which, Women Outside Directors)		One First woman outside director appointed				Two			Three		Two			Three (Out of 11 Directors)
Outside Audit & Supervisory Board Members				Three										(Out of 5 Audit & Supervisory Board Members)
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	Revision of skill matrix	

## ■ Overview of Board of Directors

<b>Composition</b>	11 directors (5 outside directors)
<b>Number of meetings in FY2024</b>	19
<b>Description of operations</b>	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 enhancement of corporate value over the medium to long term, the Company's Board of Directors formulates the Group's strategies and supervises the execution of business at operating companies. Specific matters discussed during FY2024 were as follows. Additionally, the details of discussions on underlined items is included.

<b>Management Strategies</b>	Revision of the Nichirei Group's material matters (materiality), review of target values/KPIs, and issues to be addressed in order to achieve them
<b>Financial Strategy</b>	<u>Measures for shareholder returns</u>
<b>Medium-term Business Plan</b>	Progress of Medium-term Business Plan Compass Rose 2024 and issues to be addressed
<b>Sustainability</b>	The Nichirei Group's 2050 Carbon Neutral Declaration and revision/expansion of CO <sub>2</sub> emission reduction targets, Group human resources strategy, <u>development of globally capable human resources</u> , ESG Index evaluation and challenges
<b>Governance</b>	Activities of the Nominating Advisory Committee and Remuneration Advisory Committee, and <u>review of the Nichirei Group Global Governance Basic Rules</u>
<b>Business Strategies</b>	Management strategy issues in significant domestic and overseas investment projects, the status of resource allocation by overseas region, and related issues

<b>Agenda Items</b>	<b>Details of Discussions</b>
<b>Shareholder Return Measures</b>	Finance explained the status of review of shareholder return measures (including past performance trends, comparison with other companies, and dividend simulations). Measures for increasing shareholder value, as well as dividend levels and shareholder composition were also discussed.
<b>Development of Globally Capable Human Resources</b>	Human Resources explained the status of review of the development of Nichirei Group human resources for overseas (including the required number of personnel by 2030, talent requirements, development initiatives, and development schedules). Discussions were also held regarding plans and methods for recruiting overseas human resources (including locally), methods for selecting development candidates, the number of candidates to be developed, and effective development methods, as well as the living arrangements during overseas assignments and career development after returning from overseas assignments.
<b>Review of the Nichirei Group Global Governance Basic Rules</b>	Legal explained the status of the review of Group policies, Group regulations, and the Nichirei Group Global Governance Basic Rules. Discussions were also held on the optimal structure for implementing the Global Governance Basic Rules in overseas group companies, the measures for disseminating and monitoring Group policies and the Global Governance Basic Rules after the structure review, and the education system for employees dispatched from Japan.

## ■ Overview of Audit & Supervisory Board

<b>Composition</b>	5 Audit & Supervisory Board members (3 outside Audit & Supervisory Board members)
<b>Number of meetings in FY2024</b>	17
<b>Description of operations</b>	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 Voluntary Committees and Their Chairpersons

Committee	Role	Chairperson	Number of Meetings in FY2024
<b>Nominating Advisory Committee</b>	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.	<b>Itsuo Hama</b> Outside Director	9
<b>Remuneration Advisory Committee</b>	Discusses the remuneration system, remuneration levels, the appropriateness of remuneration amounts, and other related matters, and reports to the Board of Directors.	<b>Kenji Hamashima</b> Outside Director	4

## ■ 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, five of the current 11 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.

Criteria for Independence



## ■ 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 inside and outside 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)

<b>Corporate Management</b>	Demonstrated leadership in corporate management as a top executive; management experience at a listed company with diverse stakeholders
<b>ESG/Sustainability</b>	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
<b>Global</b>	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
<b>Research and Development</b>	Experience and expertise in research and development to establish a medium- to long-term competitive advantage
<b>Marketing</b>	Experience and expertise in sales and marketing
<b>Human Resources Strategy</b>	Experience and expertise in human resource development and strategy to continuously secure and develop diverse talent
<b>DX</b>	Experience, including management experience, and expertise in DX and IT-related fields

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

<b>Corporate Management</b>	Demonstrated leadership in corporate management as a top executive; management experience at a listed company with diverse stakeholders
<b>Financial Accounting/Finance</b>	Expertise in financial accounting related to financial reporting and auditing; experience and expertise in corporate financing and management
<b>Legal Affairs/Compliance</b>	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	Research & Development	Marketing	Human Resources Strategy	DX	Financial Accounting/ Finance	Legal Affairs/ Compliance
Directors	 Kenya Okushi	●	●	●	●		●			●
	 Masahiko Takenaga	● (Processed foods)		●	●	●				
	 Wataru Tanabe	● (Marine, meat and poultry products)			●		●			
	 Kenji Suzuki		●	●			●		●	●
	 Yulchi Takaku		●	●			●	●		
	 Kazunori Shimamoto	● (Logistics)			●		●	●		
	 Mana Nabeshima		●	●					●	
	 Itsuo Hama	●	●		●	●	●			

		Corporate Management	ESG/ Sustainability	Global	Research & Development	Marketing	Human Resources Strategy	DX	Financial Accounting/ Finance	Legal Affairs/ Compliance
Directors	 <small>Designation as Independent Officer</small> Kenji Hamashima	●	●	●					●	
	 <small>New Appointment</small> <small>Designation as Independent Officer</small> Yukiko Yoshimaru		●	●			●			
	 <small>New Appointment</small> <small>Designation as Independent Officer</small> Yumi Yamaguchi		●	●				●		
Audit & Supervisory Board Members	 Tatsushi Kato		●		●					●
	 Tetsuro Katabuchi		●							●
	 <small>Designation as Independent Officer</small> Yuhiko Saito		●							●
	 <small>New Appointment</small> <small>Designation as Independent Officer</small> Takaaki Kato			●					●	
	 <small>New Appointment</small> <small>Designation as Independent Officer</small> Hiromichi Matsushima		●	●						

\* The above list does not represent all the knowledge, experience, and abilities possessed by each director and auditor.

Officer Career Summaries (As of June 25, 2024)



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 Group's senior management, including the president, as one of its most important issues and pursues it from a medium- to long-term perspective based on the corporate management philosophy. 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 and adopts the proposed new structure for the Group's senior management.

### ● Image of the Succession Plan



\* In steps ③ to ⑤, 360-degree surveys, human resource assessments by outside organizations, and interviews by outside directors are used to decide on the final candidates.

## ■ 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.

## ②Changes in Policies for Determining Officer Remuneration

Following the deliberations of the Remuneration Advisory Committee during the current fiscal year, the Board of Directors has determined that the current remuneration system for directors (and other officers) is generally appropriate. On the other hand, expectations for role of outside directors have increased in recent years, and we need to acquire capable outside human resources with diverse backgrounds. In response to the need, we have changed the remuneration market survey data we refer to when determining the remuneration levels of outside directors from “remuneration levels of companies similar in business type and size to ours” to “remuneration levels of companies similar in size to ours (all industries).” In addition, “Chairperson’s allowance” is added when an outside director assumes the position of the chairperson of the Nomination Advisory Committee or the Remuneration Advisory Committee. There are no other significant changes to the policy for determining directors (and other officers) remuneration for FY2025.

### Operation of the Remuneration Advisory Committee



## ■ Policies for Determining Officer Remuneration

### ①Basic Policies

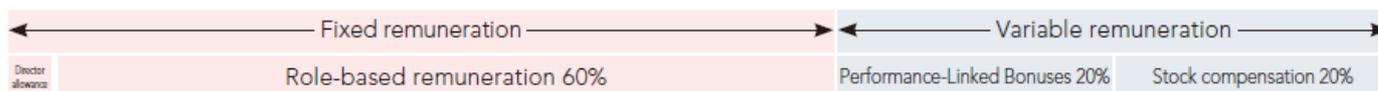
<b>Directors (Excluding Outside Directors)</b>	<ul style="list-style-type: none"><li>• Remuneration shall strongly encourage directors to perform their duties in accordance with the Group’s Management Principles, Sustainability Policy: The Nichirei Pledge and management strategies.</li><li>• In order to achieve long-term management goals, remuneration is set to strongly motivate directors to achieve specific management goals as stated in the Group’s material matters (materiality) and medium-term business plans.</li><li>• 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.</li><li>• Directors 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 logistics industries, and changes in the business environment.</li></ul>
<b>Outside Directors</b>	<ul style="list-style-type: none"><li>• 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.</li></ul>

### ②Remuneration 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	Base remuneration for 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 to motivate directors to achieve annual financial and strategic goals The amount paid when achieving goals ("standard amount") is set as a percentage of rolebased compensation Paid within a range of 0-200% of the standard amount according to degree of achievement
Stock Compensation (Restricted Shares)	Remuneration to encourage 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 rolebased 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**

Outside directors shall be paid only a base remuneration (fixed remuneration). Base remuneration consists of "Basic remuneration," which is paid in a uniform amount to all outside directors as a members of the Board of Directors, and "Chairperson's allowance," which is additionally paid to the chairperson of the Nominating Advisory Committee or the Compensation Advisory Committee. The level of remuneration shall be set at an appropriate amount, taking into consideration the time and effort spent by each outside director to fulfill their expected roles and functions, as well as objective remuneration market survey data (remuneration levels of companies similar in size to ours (all industries).

### ③Performance-Linked Bonuses

The amount 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%)

The performance evaluation coefficient is a weighted average of the evaluation coefficients of each key performance indicator (KPI).

Performance Indicators (KPI)	Reasons for selection	Evaluation Weight		
		Representative director	Director (In charge of Function)	Director (In charge of Business)
<b>Company-wide performance evaluation</b>		<b>100%</b>	<b>70%</b>	<b>60%</b>
Net sales	Expansion of size of Company	10%	5%	10%
EBITDA	Improvement of ability to generate cash and profitability of core businesses	40%	30%	20%
Profit	Improvement of shareholder returns	10%	5%	10%
ROIC	Optimization of business portfolio and improvement of capital efficiency	20%	15%	10%
ESG third-party evaluation*	Strengthen response to sustainability related issues	20%	15%	10%
<b>Business performance evaluation</b>		<b>–</b>	<b>–</b>	<b>30%</b>
Net sales	Expansion of size of Company	–	–	5%
EBITDA	Improvement of ability to generate cash and profitability of core businesses	–	–	15%
ROIC	Optimization of business portfolio and improvement of capital efficiency	–	–	10%
<b>Individual performance evaluation</b>		<b>–</b>	<b>30%</b>	<b>10%</b>
Responding to medium- and long-term strategic issues and initiatives, including ESG		–	30%	10%
<b>Total</b>		<b>100%</b>	<b>100%</b>	<b>100%</b>

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

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

#### ④Procedures for Determining Remuneration

In order to ensure the appropriateness and objectivity of the matters related to remuneration for individual directors, the Board of Directors shall make decisions on such matters after deliberations and reports by the Remuneration Advisory Committee, which is comprised mainly of independent outside directors. In its deliberations, the Remuneration Advisory Committee shall take into account changes in the management environment and the opinions of shareholders and investors, and shall properly obtain information necessary for its deliberations from an objective and professional standpoint.

In the process of determining the performance-linked bonuses to be paid to each individual, the individual performance targets and evaluations shall be drafted by the representative director and president, who is delegated by the Board of Directors, after interviewing each director, and shall be decided by the representative director and president after deliberation by the Remuneration Advisory Committee. The determined individual performance targets and evaluation results shall be reported to the Board of Directors in a timely and appropriate manner to ensure the objectivity and fairness of the evaluation. The final bonuses to be paid to each individual shall be drafted by the representative director and president, and decided by the Board of Directors after deliberation by the Remuneration Advisory Committee. The details of officer remuneration for FY2024 are presented in the 106th Annual Securities Report.

Procedures for Determining Remuneration



#### ⑤Other important matters

In the event of a deterioration in the Company's business performance, or in the event of quality problems, serious accidents, or scandals that damage the Company's corporate value or brand value, the Company may reduce or deny the remuneration, etc., to directors.

With respect to the performance-linked bonuses, when factors that should be taken into account as temporary special factors that were not assumed when the targets were set at the beginning of the fiscal year arise, performance may be evaluated after eliminating the effects of such factors, and the bonuses paid to each individual director may be calculated. With respect to the performance-linked bonuses, in the event that a director violates the law or his/her duty of care or fidelity as a director before the bonus is paid, or in the event that such a violation is discovered within 2 years after the bonus was paid, or in the event of other similar events, the director's right to receive the bonus, who related to such violation, shall be extinguished, and the Company may request to return the bonus actually paid.

Remuneration for executive officers who do not concurrently serve as directors shall be determined in accordance with the Company's policy for determining such remuneration for directors.

■ The total amount of officer remuneration in FY2024

Classification	Total amount of remuneration by type (Millions of Yen)			Total amount of remuneration (Millions of yen)	Number of executives (persons)
	Base remuneration	Performance-linked bonuses	Restricted stock compensation		
Directors (excluding outside directors)	118 (218)	36 (69)	69 (69)	224 (358)	7 (7)
Outside directors	48	—	—	48	4
Audit & Supervisory Board members (excluding outside Audit & Supervisory Board members)	48	—	—	48	2
Outside Audit & Supervisory Board members	32	—	—	32	3
<b>Total</b>	246 (346)	36 (69)	69 (69)	353 (486)	16 (16)

**Notes :**

1. The above table includes 1 director who retired at the close of the 105th Ordinary General Shareholders Meeting held on June 27, 2023.
2. The total amount of remuneration, etc. above is stated as the total amount of remuneration, etc. borne by the Company (Total amount of remuneration paid or to be paid, or expenses, etc. borne by the Company). The amounts in parentheses for Directors (excluding outside directors) and Total are the total amount of consolidated remuneration, etc. to be borne by the Company and its subsidiaries.
3. The above "Base remuneration" amount is the total amount of remuneration, etc. paid in FY2024 (all monetary remuneration).
4. The above "Performance-linked bonuses" amount is estimated bonus payments for FY2024 (amount based on the results of FY2024 performance and other factors, and expected to be paid in June 2024 or later) add the difference between estimated bonus payments for FY2023 at the time of filing of the annual securities report for the previous fiscal year and the amount actually paid after June 2023 (all monetary remuneration).
5. The amount of "Restricted stock compensation" above is the total amount expensed in FY2024. In FY2024, the Company granted monetary compensation claims to 6 directors (excluding outside directors) and had all such claims contributed in kind to the Company, resulting in the delivery of 23,439 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 the shares until they retire from the positions as directors of the Company.  
\* The Company has introduced a restricted stock compensation plan similar to that for directors for executive officers who do not concurrently serve as directors, and 9,614 shares of the Company's common stock were delivered to 4 executive officers in FY2024.
6. The maximum amounts of remuneration, etc. for directors and Audit & Supervisory Board members approved at the General Shareholders Meeting are as follows.

Classification	Date of resolution at the General Shareholders Meeting	Base remuneration	Performance-linked bonuses	Restricted stock		Number of executives (persons)
Director	June 25, 2024 (The 106th Ordinary General Shareholders Meeting)	Up to ¥270 million (including Outside directors: up to ¥100 million)	Up to ¥130 million	Up to ¥100 million	Up to 70,000 shares	11 (including Outside directors: 4)
Audit & Supervisory Board members	June 26, 2012 (The 94th Ordinary General Shareholders Meeting)	Up to ¥120 million	–	–	–	5 (including Outside Audit & Supervisory Board members: 3)

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

Total Amount of Officer Remuneration in FY2024



### 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.

<b>Evaluation Procedure</b>	Subjects: Directors and Audit & Supervisory Board members (15 individuals in total) Period: January–February 2024 Methods: A self-assessment involving third-party engagement, where questionnaires and individual interviews are conducted by external experts. In addition to the annual questionnaire, individual interviews are conducted on a three-year cycle.
<b>Summary of the Evaluation Results for FY2024</b>	Summarizing the results of the questionnaire and opinions of the directors interviewed, in addition to the free and open exchange of frank opinions in an atmosphere conducive to discussion, there have been improvements in Board of Directors meeting materials, and discussions in the Nominating Advisory Committee and Remuneration Advisory Committee are being shared to some extent with the Board of Directors. As a result of the continuous implementation of such efforts to enhance discussions at Board of Directors meetings, in line with previous evaluations of the Board's effectiveness, many respondents expressed the positive opinion that the effectiveness of the Company's Board of Directors has been secured to a considerable degree. Furthermore, directors and Audit & Supervisory Board members pointed out multiple potential areas for improvement in order to further enhance the Board's effectiveness. These matters are expected to be reviewed in future deliberations of the Board of Directors. Taking the evaluation by the third-party experts to heart, the Board of Directors discussed the points raised or suggested, and has decided to reflect them in its operations as follows.

■ [Issue Identified] 1. Securing Time for Discussions Related to Long-term Strategies

<p><b>Evaluation and Opinion</b></p>	<p>Numerous respondents felt that there is currently not enough time for discussions of the Group’s long-term strategies and that more time should be allocated for this purpose. In response to questions about the Group’s risk tolerance and preparedness, there were opinions pointing out that concrete measures to deal with these matters are an issue to be addressed going forward, as well as numerous negative evaluations on the five-point scale of the questionnaire, suggesting that many directors and Audit &amp; Supervisory Board members feel that discussions on risk management have been insufficient.</p>
<p><b>Future Approach</b></p>	<p>The Board of Directors has decided to take the following measures to secure more opportunities and time at its meetings to discuss long-term strategies and risks.</p> <p><b>1) Cooperation with other advisory bodies and committees of the Board of Directors</b></p> <p>In order to formulate medium- to long-term management strategies for the entire Group, the Board has decided to deepen cooperation with the Group Strategy Committee, which discusses medium- to long-term strategies, and with the Group Risk Management Committee, which deliberates on risks that could impair corporate value.</p> <p><b>2) More efficient operation of Board of Directors meetings</b></p> <p>i. Further reduction of time spent explaining proposals and other matters The Board has decided to have its members evaluate and review the quality of proposal presentations and the allocation of time to deliberations on a specific proposal basis, and, depending on the proposal, to simplify or omit explanations on the day of the meeting to secure sufficient time for strategic discussions.</p> <p>ii. Further review of Board of Directors meeting materials In addition to specified proposals such as investments, the Board has decided to improve the content and quality of proposal materials that tend to be large in volume by having the Board of Directors’ Secretariat work more closely with the proposing department to help prepare those materials.</p> <p>iii. Review of matters submitted for discussion at Board of Directors meetings The Board has determined that the revision of the standards for submitting matters to the Board of Directors (effective April 1, 2023), which oriented the standards toward a monitoring model, has had some effect from the perspective of more broadly delegating specific individual business execution decisions to the executive side, within the scope permitted by the current institutional design of a company with an Audit &amp; Supervisory Board. The Board will continue analyzing the effectiveness of the revision. The Board has also decided to continue comparing and considering a potential shift to a company with an Audit &amp; Supervisory Committee or a company with a Nominating Committee, etc., which would enable greater transfer of the authority of the Board of Directors to the executive side.</p>

■ [Issue Identified] 2. Composition of the Board of Directors

<p><b>Evaluation and Opinion</b></p>	<p>In light of Corporate Governance Code Principle 4.8 and social trends such as the increasing number of institutional investors who demand that outside directors constitute a majority of the Board, many respondents felt that the appropriate ratio of outside directors will continue to be an issue for ongoing study, and that the number of outside directors should be increased. On the other hand, there were also respondents who felt that the opinions of inside directors, who possess a deep understanding of the Company's business, are crucial. Therefore, even if the proportion of outside directors is increased, it is important to maintain a balance with the proportion of inside directors. In addition, numerous respondents felt that although the Company has made relatively good progress in appointing women directors and Audit &amp; Supervisory Board members and that there is no need for urgent measures, women have never been appointed as inside directors or Audit &amp; Supervisory Board members, and therefore it is necessary to expedite the training and promotion of women candidates for these positions.</p>
<p><b>Future Approach</b></p>	<p>At the Annual General Shareholders Meeting held on June 25, 2024, the Company proposed an increase in the number of outside directors by one, and 11 directors, including five outside directors (including three women), were elected. In addition, the Company has set a ratio of 30% for women employees in management positions at the holding company as a KPI for "securing and developing a diverse array of human resources," which is a material matter it has identified for achieving the Nichirei Group's long-term management goals toward 2030. With the aim of appointing women inside directors and securing diversity, the Company is steadily promoting women to management positions as a pool of candidates (the ratio of women employees in management positions in FY2024 was 17%). On April 1, 2024, the Company also established a Diversity Promotion Division, which is advancing initiatives under the leadership of the Company's first woman executive officer, appointed on the same day.</p>

[Nichirei Integrated Report 2023 > Evaluations of Effectiveness](#)



[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

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## Basic Philosophy

### Approach to Internal Control

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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 and other matters.

[Internal Controls Basic Policy](#)



[Latest Internal Control Report \(Only available in Japanese\)](#)



### Basic Philosophy

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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 corrective measures are taken if necessary, 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. In FY2024, we established whistleblower hotlines and consultation services at overseas affiliates in Thailand and Malaysia, leading the way in Southeast Asia.

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.



The image shows a promotional poster for the Nichirei Hotline. At the top left is the Nichirei logo. The main title is 'ニチレイ・ホットライン' (Nichirei Hotline). Below it, there is a paragraph of Japanese text explaining the service. In the center, there are two cartoon characters, a man and a woman, looking concerned. Below the characters, there is a section for phone reception hours: '電話受付' (Phone Reception), '月～金 12:00～21:00 土日祝 9:00～17:00 ※年末年始を除く' (Monday-Friday 12:00-21:00, Saturday/Sunday/Holiday 9:00-17:00, excluding New Year's and Golden Week), and a phone number '0120-1111-1111'. Below this is a section for the website: 'ウェブ' (Web), 'https://www.dial-soudan.jp/et/nichirei/'. There are also fields for 'ユーザーID' (User ID) and 'パスワード' (Password), and a QR code. At the bottom, there is a section for reporting procedures: '次の様な通報・相談を受け付けます。' (We accept reports/consultations of the following type.), followed by two numbered items: '①内部公益通報' (Internal public interest reporting) and '②法令・規程等に違反する行為' (Acts that violate laws/regulations). There are also some smaller text notes and a '通報先' (Reporting destination) field.

Nichirei Hotline reminder card

Number of Whistleblowing Cases, by Type

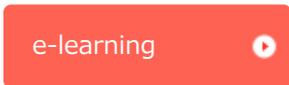


## Educating Employees to Ensure Thorough Compliance

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 FY2024, 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 FY2024, there was one issue related to the leaking of personal information, etc.

Personal Information Protection Leaks, etc.

# Risk Management

## Basic Philosophy

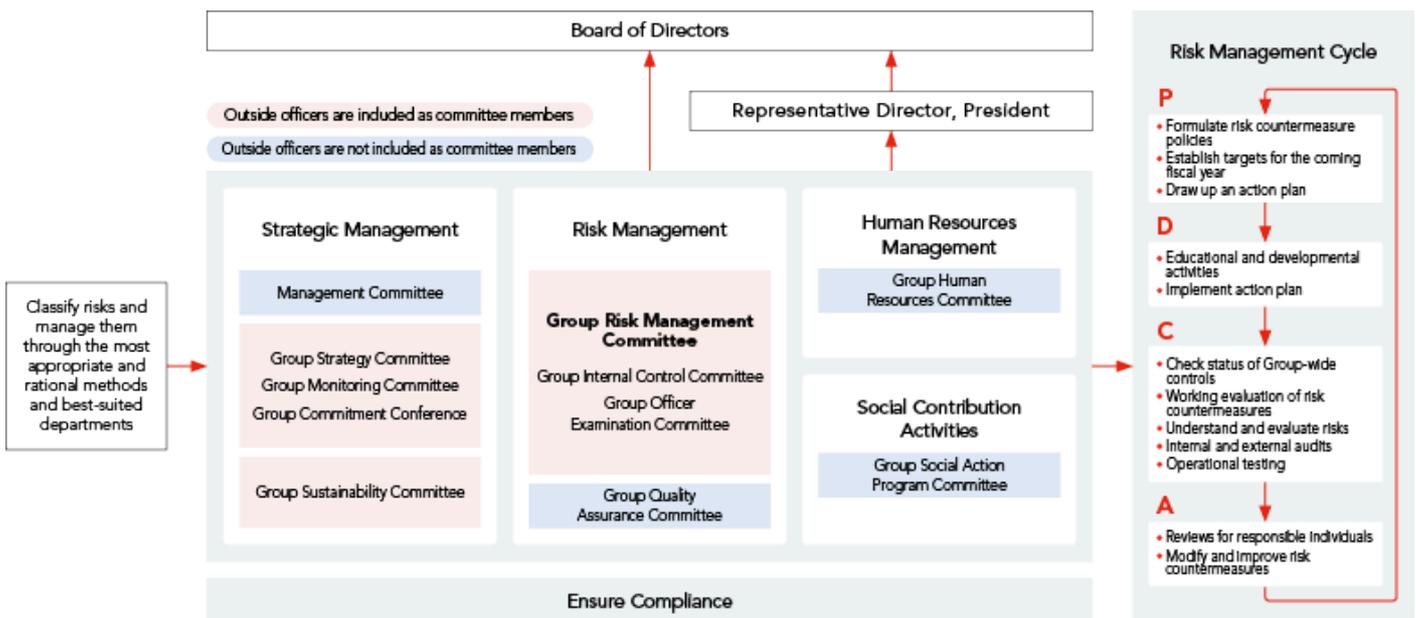
The Nichirei Group has established the Group Risk Management Committee, chaired by the representative director, president, to manage the various risks associated with its business activities in the most appropriate and rational way from a comprehensive standpoint, and to maximize the Group's corporate 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
<b>1.Economic conditions and business environment</b>	<ul style="list-style-type: none"> <li>· Market in Japan: Long-term contraction of total demand due to declining population/new demand due to changes in household composition and lifestyles</li> <li>· Overseas markets: Rise of different needs in each region underpinned by factors including economic growth</li> <li>· Growing expectations and demands for the achievement of a sustainable society</li> </ul>	<ul style="list-style-type: none"> <li>· Promotion of innovation and creation of new value to solve social issues</li> </ul>	<ul style="list-style-type: none"> <li>· Strategic management</li> </ul>
<b>2.Food quality issues</b>	<ul style="list-style-type: none"> <li>· Food quality problems, such as not meeting sanitation and pesticide and animal drug residue standards, contamination with foreign materials, and specified livestock infectious diseases</li> <li>· Occurrence of large-scale product recalls</li> </ul>	<ul style="list-style-type: none"> <li>· Introduction of a food safety management system</li> <li>· Appropriate quality and production control of raw materials and products, traceability system, food defense, and training and proper allocation of personnel</li> </ul>	<ul style="list-style-type: none"> <li>· Group Quality Assurance Committee</li> </ul>
<b>3.Securing and developing diverse human resources</b>	<ul style="list-style-type: none"> <li>· Securing and developing the necessary human resources</li> <li>· Responding to labor shortages due to Japan's declining birthrate and aging population</li> </ul>	<ul style="list-style-type: none"> <li>· Improving Employee Engagement</li> <li>· Promotion of health management</li> <li>· Investment in human capital</li> </ul>	<ul style="list-style-type: none"> <li>· Group Human Resources Committee</li> </ul>
<b>4.Information security</b>	<ul style="list-style-type: none"> <li>· System outages, leakage or falsification of important information due to operational problems or cyberattacks in systems used for business purposes</li> </ul>	<ul style="list-style-type: none"> <li>· Establishment of firewalls and intrusion detection and authentication systems</li> <li>· Establishment of internal rules and regulations, e-learning and other training for employees, and an information management structure</li> </ul>	<ul style="list-style-type: none"> <li>· Group Risk Management Committee</li> </ul>
<b>5.Price fluctuations of commodities and raw materials</b>	<ul style="list-style-type: none"> <li>· Significant fluctuations in raw material prices (including marine, meat and poultry products) due to market conditions, yields and hauls</li> </ul>	<ul style="list-style-type: none"> <li>· Cost reduction through productivity improvements</li> <li>· Development of new value-added products and expansion of distinctive products</li> <li>· Procurement and sales balanced with supply and demand</li> </ul>	<ul style="list-style-type: none"> <li>· Strategic management</li> </ul>

Risk Category	Risks	Countermeasures and Initiatives	Management System
<b>6.Fluctuations in crude oil prices, etc.</b>	<ul style="list-style-type: none"> <li>· 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</li> </ul>	<ul style="list-style-type: none"> <li>· Cost reductions through the introduction of new technologies and improvement of operations</li> </ul>	<ul style="list-style-type: none"> <li>· Strategic management</li> </ul>
<b>7.Impact of exchange rate fluctuations</b>	<ul style="list-style-type: none"> <li>· 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</li> </ul>	<ul style="list-style-type: none"> <li>· Use of forward exchange contracts, etc.</li> </ul>	<ul style="list-style-type: none"> <li>· Strategic management</li> </ul>
<b>8.Changes in laws and regulations, etc.</b>	<ul style="list-style-type: none"> <li>· Changes in laws, regulations and soft laws in Japan and overseas</li> </ul>	<ul style="list-style-type: none"> <li>· Monitoring of trends in laws and regulations in each country and region, and thorough compliance with such laws and regulations</li> </ul>	<ul style="list-style-type: none"> <li>· Strategic management</li> </ul>
<b>9.Sustainable food procurement</b>	<ul style="list-style-type: none"> <li>· 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</li> <li>· Difficulty in ensuring stable procurement of raw materials and other resources or damage to social credibility due to inadequate efforts or those deemed insufficient</li> </ul>	<ul style="list-style-type: none"> <li>· Development of a Sustainable Procurement Policy, Supplier Code of Conduct and Supplier Guidelines, and implementation of Supplier ESG Survey</li> <li>· Handling of MSC/ASC-certified marine products</li> <li>· Implementation of initiatives related to the procurement of sustainable palm oil and conducting of a sustainable cycle poultry business</li> </ul>	<ul style="list-style-type: none"> <li>· Group Sustainability Committee</li> </ul>
<b>10.Climate change</b>	<ul style="list-style-type: none"> <li>· 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)</li> <li>· Impact of rising temperatures and extreme weather associated with global warming on supply chains, including raw material procurement, production, and logistics</li> </ul>	<ul style="list-style-type: none"> <li>· 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</li> <li>· Ongoing climate change impact assessment and information disclosure in accordance with TCFD recommendations</li> </ul>	<ul style="list-style-type: none"> <li>· Group Sustainability Committee</li> </ul>

Risk Category	Risks	Countermeasures and Initiatives	Management System
<b>11.Large-scale natural disasters</b>	<ul style="list-style-type: none"> <li>· 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</li> </ul>	<ul style="list-style-type: none"> <li>· 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</li> </ul>	<ul style="list-style-type: none"> <li>· Group Risk Management Committee</li> </ul>
<b>12.International situation</b>	<ul style="list-style-type: none"> <li>· Rising energy and raw material prices</li> <li>· Impact on financial markets</li> <li>· Impact on supply chains</li> </ul>	<ul style="list-style-type: none"> <li>· Close monitoring of situations and minimization of their impact on business activities</li> </ul>	<ul style="list-style-type: none"> <li>· Strategic management</li> </ul>
<b>13.Technological innovation</b>	<ul style="list-style-type: none"> <li>· 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</li> </ul>	<ul style="list-style-type: none"> <li>· Reform of business processes and promotion of innovation through the use of digital technologies and data</li> <li>· Implementation of an innovation management system based on ISO 56002</li> </ul>	<ul style="list-style-type: none"> <li>· Strategic management</li> </ul>
<b>14.Holding of fixed assets</b>	<ul style="list-style-type: none"> <li>· Impairment loss due to deterioration of conditions at logistics centers caused by relocation of shipping companies and changes in road transportation networks</li> <li>· Impairment loss due to aging and obsolescence of equipment at production plants or poor sales</li> <li>· Impairment and write-down of goodwill and investment securities due to deviation from the business plan at the time of investment</li> </ul>	<ul style="list-style-type: none"> <li>· Clarification of items for consideration when preparing investment plans, and the rules for post-investment verification</li> </ul>	<ul style="list-style-type: none"> <li>· Strategic management</li> </ul>
<b>15.Crossshareholdings</b>	<ul style="list-style-type: none"> <li>· Significant changes in the market value of cross-shareholdings or in the financial position of the issuing company</li> </ul>	<div data-bbox="831 1576 1254 1686" style="background-color: #f44336; color: white; padding: 5px; border-radius: 5px; display: flex; align-items: center; justify-content: center;"> <span style="font-size: 1.2em; font-weight: bold;">Approach to Cross-Shareholdings</span> </div>	<ul style="list-style-type: none"> <li>· Yearly report to the Board of Directors</li> </ul>

## 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. To ensure that all individuals, including newly hired employees, receive email notifications and can report promptly, the Nichirei Group conducts safety confirmation drills twice a year across the entire Group in Japan.

In addition, Crisis management drills are conducted approximately once a year with the participation of representatives from the holding company and key subsidiaries. For example, drills are conducted to confirm whether actions can be taken in accordance with the BCP manual, such as establishing a crisis management headquarters at an alternate location in the event of a major earthquake in Tokyo that halts the functions of the headquarters.

#### 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.

## Information Systems

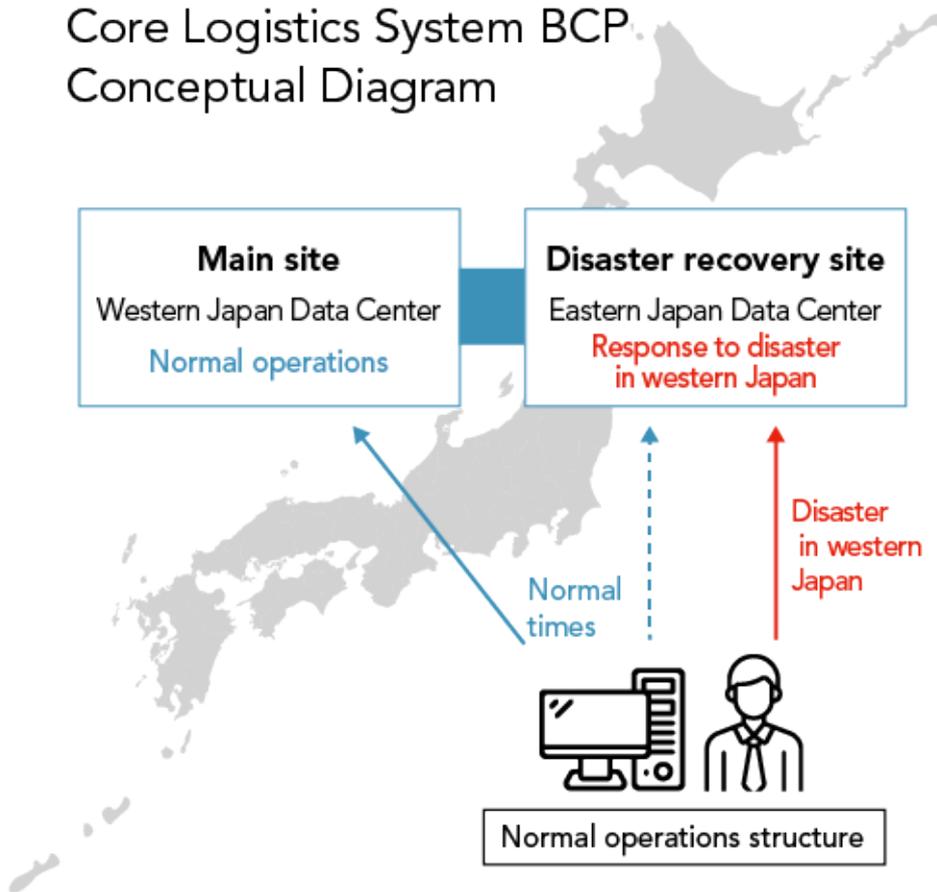
The Group's main core system is redundant for the purpose of business continuity, and includes a disaster recovery (DR) system. Specific examples are as follows.

### 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



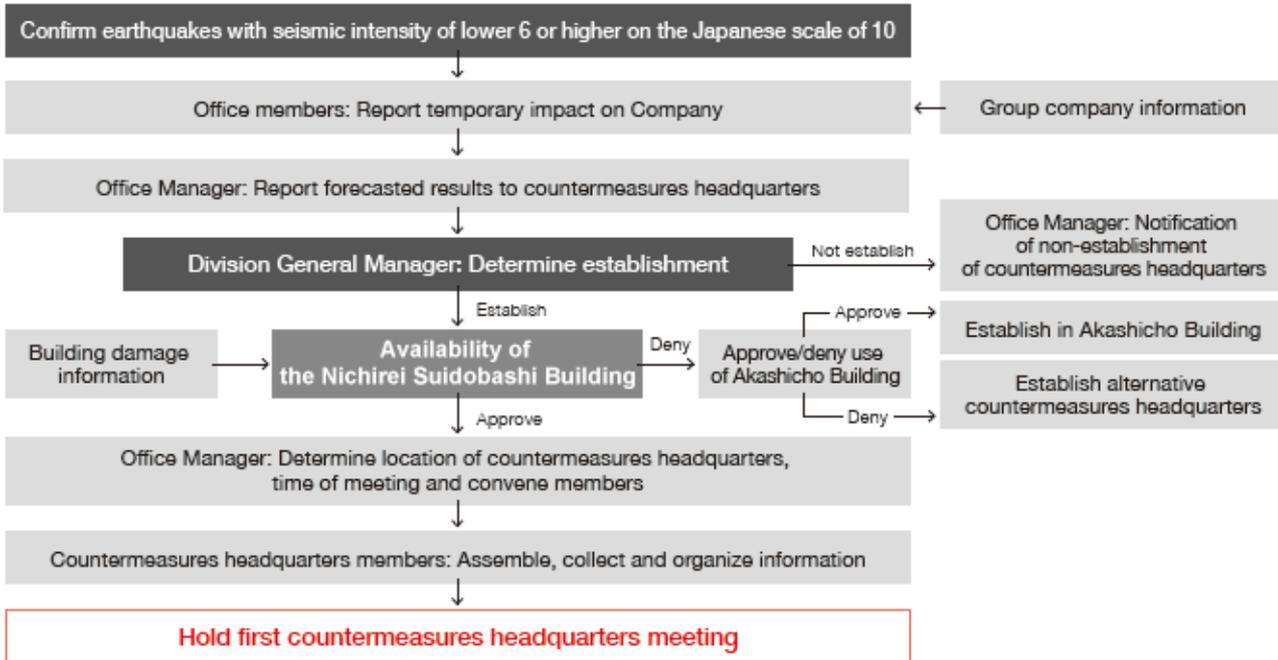
■ Case Study Nichirei Logistics Group BCP Initiatives

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
 <b>Customers</b>	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.	<ul style="list-style-type: none"> <li>• Creation of new value</li> <li>• Provision of safe, high-quality products and services</li> <li>• Realization of good eating habits and health</li> <li>• Provision of appropriate information</li> <li>• Sustainability initiatives</li> </ul>	<ul style="list-style-type: none"> <li>• Day-to-day sales and business activities</li> <li>• Customer Service Center</li> <li>• Customer satisfaction surveys</li> <li>• Websites</li> <li>• Social media</li> </ul>	Resolution of issues for customers through the promotion of innovation	Social and relationship capital	<ol style="list-style-type: none"> <li>1. Creating new value in food and health</li> <li>2. Strengthening food processing and production technology capabilities; enhancing logistics services</li> </ol>
 <b>Shareholders and Investors</b>	The providers of financial capital for the Nichirei Group. Through dialogue and information disclosure, we gain their support for our sustainable growth.	<ul style="list-style-type: none"> <li>• Maintaining and improving corporate value</li> <li>• Appropriate distribution of profits</li> <li>• Timely and appropriate disclosure of information</li> <li>• ESG initiatives</li> </ul>	<ul style="list-style-type: none"> <li>• General Meetings of Shareholders</li> <li>• Financial results briefings</li> <li>• Business information sessions, facility tours</li> <li>• Detailed interviews with individual investors in Japan and overseas</li> <li>• IR website, ESG website</li> <li>• Integrated Report</li> </ul>	Improvement of long-term corporate value	Financial capital	<ol style="list-style-type: none"> <li>1. Creating new value in food and health</li> <li>2. Strengthening food processing and production technology capabilities; enhancing logistics services</li> <li>3. Realizing sustainable food procurement and a circular economy</li> <li>4. Climate change initiatives</li> <li>5. Securing and developing a diverse array of human resources</li> </ol>

	Relationship	Expectations and Interests	Communication Channels	Outcomes	Related Capital	Related Material Matters
 <b>Business Partners</b>	<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"> <li>• Impartial, fair, and honest transactions</li> <li>• Initiatives to improve quality</li> <li>• Formation of long-term, constructive relationships and mutual development premised on coexistence and co-prosperity</li> <li>• Realization of sustainable procurement throughout the supply chain</li> </ul>	<ul style="list-style-type: none"> <li>• Day-to-day procurement and business activities</li> <li>• Meetings and seminars for business partners</li> <li>• Implementation of Supplier Code of Conduct, Supplier Guidelines, and Supplier ESG Survey</li> <li>• Initiatives for improving quality through communication</li> </ul>	<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"> <li>1. Creating new value in food and health</li> <li>2. Strengthening food processing and production technology capabilities; enhancing logistics services</li> <li>3. Realizing sustainable food procurement and a circular economy</li> <li>4. Climate change initiatives</li> </ol>
 <b>Employees</b>	<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"> <li>• Occupational health and safety</li> <li>• Health management</li> <li>• Improvement of work satisfaction</li> <li>• Opportunities for employees to develop and fully demonstrate their skills</li> <li>• Diversity, equity and inclusion (DE&amp;I)</li> <li>• Respect for diversity</li> </ul>	<ul style="list-style-type: none"> <li>• Internal whistleblower hotlines</li> <li>• Employee assistance and mental health consultation center</li> <li>• Labor-management council</li> <li>• Health and safety committees</li> <li>• Symposiums involving management and employees</li> <li>• Employee award system</li> <li>• Intranet</li> <li>• Employee engagement survey</li> <li>• Employee stress checks</li> </ul>	<p>Success of diverse human resources</p>	<p>Intellectual capital Human capital</p>	<ol style="list-style-type: none"> <li>5. Securing and developing a diverse array of human resources</li> </ol>

	Relationship	Expectations and Interests	Communication Channels	Outcomes	Related Capital	Related Material Matters
 <p><b>Local Communities</b></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"> <li>• Coexistence with local communities</li> <li>• Preservation of local environments</li> <li>• Educational activities in local communities</li> <li>• Contribution to job creation and local community development</li> <li>• Consideration for the environment and noise levels, and safe operations</li> </ul>	<ul style="list-style-type: none"> <li>• Social contribution activities</li> <li>• Participation in local events</li> <li>• Volunteer activities</li> <li>• Dietary education activities (ethical consumption)</li> <li>• Food factory and distribution warehouse tours</li> <li>• Sponsorship of sporting events</li> <li>• Website</li> </ul>	<p>Coexistence with local communities Sustainable food procurement Realization of a circular economy Climate change initiatives</p>	<p>Social and relationship capital Natural capital</p>	<p>3.Realizing sustainable food procurement and a circular economy 4.Climate change initiatives 5.Securing and developing a diverse array of human resources</p>
 <p><b>Trade Organizations, NGOs, NPOs and Related Initiatives</b></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"> <li>• Human rights</li> <li>• Climate change</li> <li>• Preservation of the global environment</li> <li>• Food loss and food waste</li> <li>• Sustainable procurement</li> <li>• Resolution of industry issues through collaboration</li> </ul>	<ul style="list-style-type: none"> <li>• TCFD Consortium</li> <li>• TNFD Forum</li> <li>• Japan Frozen Food Association</li> <li>• Japan Association of Refrigerated Warehouses</li> <li>• Japan Fisheries Association</li> <li>• World Wide Fund for Nature</li> <li>• Roundtable on Sustainable Palm Oil</li> <li>• Caux Round Table Japan</li> <li>• The Consumer Goods Forum</li> <li>• The UN Global Compact</li> </ul>	<p>Solutions to social issues through collaboration</p>	<p>Social and relationship capital</p>	<p>3.Realizing sustainable food procurement and a circular economy 4.Climate change initiatives</p>

### 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 continues to develop attractive business opportunities.

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



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## 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 2024" Special Sponsorship (Only available in Japanese)



## Nichirei Group Social Contribution Activities

Nichirei Group Social Contribution Activities (five Years)

Donations to Non-profit Organizations



### Establishment of the Nichirei MIRAIterrace Foundation

We established the Nichirei MIRAIterrace Foundation to conduct initiatives to resolve social issues related to food and health from a long-term perspective. The foundation supports social welfare organizations such as children's cafeterias.

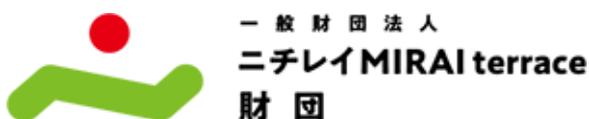
Based on our strong desire to deliver fresh foods in a stable supply to people suffering from postwar food shortages, we have been working to solve various social issues since our establishment as a company that supports the Japanese diet through food production and cold storage logistics business.

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.

Activities in FY2024 included supporting the Meals on Wheels Logistics System project, a system that ensures that everyone, from children to the elderly, who gather at community spaces such as children's cafeterias across the country have access to meals. Support included the provision of grants. In addition, the foundation launched a new public grant application program through which it provided support to 30 organizations for the cost of food purchases and a portion of their operating expenses. We will continue to contribute to good eating habits and health through initiatives such as these.



Nichirei MIRAIterrace Foundation (Only available in Japanese)



### 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.

### 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 CO<sub>2</sub> would be released per 400 caps, so recycling the caps also helps reduce CO<sub>2</sub> 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.

# Report Archives

## Integrated Report

Integrated Report 2024	<a href="#">PDF (Japanese)</a>
	<a href="#">PDF (English)</a>
Integrated Report 2023	<a href="#">PDF (Japanese)</a>
	<a href="#">PDF (English)</a>
Integrated Report 2022	<a href="#">PDF (Japanese)</a>
	<a href="#">PDF (English)</a>
Integrated Report 2021	<a href="#">PDF (Japanese)</a>
	<a href="#">PDF (English)</a>
Integrated Report 2020	<a href="#">PDF (Japanese)</a>
	<a href="#">PDF (English)</a>
Integrated Report 2019	<a href="#">PDF (Japanese)</a>
	<a href="#">PDF (English)</a>
Integrated Report 2018	<a href="#">PDF (Japanese)</a>
	<a href="#">PDF (English)</a>

## ESG Report

ESG Report 2024	<a href="#">PDF (Japanese)</a>
CSR Report 2023	<a href="#">PDF (Japanese)</a>
	<a href="#">PDF (English)</a>
CSR Report 2022	<a href="#">PDF (Japanese)</a>
	<a href="#">PDF (English)</a>
CSR Report 2021	<a href="#">PDF (Japanese)</a>
	<a href="#">PDF (English)</a>
CSR Report 2020	<a href="#">PDF (Japanese)</a>
	<a href="#">PDF (English)</a>

CSR Report 2019	<a href="#">PDF (Japanese)</a>
	<a href="#">PDF (English)</a>
CSR Report 2018 *Refer to the contents of GRI standards (2016)	<a href="#">PDF (Japanese)</a>
	<a href="#">PDF (English)</a>
CSR Report 2017	<a href="#">PDF (Communication Version)</a>
CSR Report 2016	<a href="#">PDF (Communication Version)</a>
CSR Report 2015	<a href="#">PDF (Digest Version)</a>
CSR Report 2014	<a href="#">PDF (Digest Version)</a>
CSR Report 2013	<a href="#">PDF (Digest Version)</a>
CSR Report 2012	<a href="#">PDF (Digest Version)</a>
CSR Report 2011	<a href="#">PDF (Digest Version)</a>
CSR Report 2010	<a href="#">PDF (Digest Version)</a>
CSR Report 2009	<a href="#">PDF (Digest Version)</a>
Social and Environmental Report 2008	<a href="#">PDF</a>
Social and Environmental Report 2007	<a href="#">PDF</a>
Social and Environmental Report 2006	<a href="#">PDF</a>
Social and Environmental Report 2005	<a href="#">PDF</a>
Environmental Report 2004	<a href="#">PDF</a>
Environmental Report 2003	<a href="#">PDF</a>
Environmental Report 2002	<a href="#">PDF</a>
Environmental Report 2001	<a href="#">PDF</a>
Environmental Report 2000	<a href="#">PDF</a>

# ESG Navigation

		Link to each location
Promoting Sustainability Management in the Nichirei Group	Message from the President	<a href="#"><u>●</u></a>
	Sustainability Policy: The Nichirei Pledge	<a href="#"><u>●</u></a>
	Sustainability Promotion System	<a href="#"><u>●</u></a>

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

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

# ESG-related Policies

## ■ The Nichirei Group ESG-related Policies

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

# ESG Data

▼ Environmental Data

▼ Social Data

▼ Corporate Governance Data

## Environmental Data

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

Group Medium-term ▼ Environmental Plan Targets	Nichirei Group CO <sub>2</sub> Emissions	▼ CO <sub>2</sub> 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 emissions
Status of Environment- ▼ related Incidents, Legal Violations	▼ Solar Power Generation and CO <sub>2</sub> Reduction	Management of Pollutant Release and Transfer ▼ Register (PRTR) Substances	▼ SO <sub>x</sub> Emissions

### ■ Group Medium-term Environmental Plan Targets

Group Environmental Goals for FY2023-2025	
Rate of waste recycling at all sites	99%
Reduction in CO <sub>2</sub> emissions(compared with FY2016; Scope 1 and 2 in Japan)	-33%
Rate of conversion to natural refrigerants Production equipment in Japan	74%
Rate of conversion to natural refrigerants Logistics (Global)	61%

Engaged in collecting environmental data at overseas work

Group Environmental Goals for FY2020-2022	
<b>Reduction of CO<sub>2</sub> Emissions</b>	"Maintain" total CO <sub>2</sub> emissions in FY2022 at the FY 2014 level. * Electricity coefficient: Fixed at the FY 2014 coefficient
<b>Maintaining Waste Recycling Rate and Controlling Waste Discharging</b>	· 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)
<b>Water Resource Conservation</b>	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 CO<sub>2</sub> Emissions

		Unit	FY2016 base year	FY2020	FY2021	FY2022	FY2023	FY2024
Domestic	SCOPE 1 emissions	Thousand tons of CO <sub>2</sub>	43	42	42	43	44	43
	SCOPE 2 emissions (Market standard) <sup>*1</sup>		243	199	182	185	172	157
	SCOPE 1 and 2 emissions (Total) <sup>*2</sup>		286	241	224	228	216	200
Overseas	SCOPE 1 emissions	Thousand tons of CO <sub>2</sub>	—	—	—	—	34	42
	SCOPE 2 emissions (Market standard) <sup>*3</sup>		—	—	—	—	89	91
	SCOPE 1 and 2 emissions (Total) <sup>*2</sup>		—	—	—	—	123	133

Independent Assurance Statement on Environmental Data



## ■ CO<sub>2</sub> Emissions Intensity

	Unit	FY2016	FY2020	FY2021	FY2022	FY2023	FY2024
SCOPE 1 and 2 emissions intensity (per ton of production) <sup>*4</sup>	tons CO <sub>2</sub>	0.54	0.42	0.41	0.41	0.41	0.37

\*1 CO<sub>2</sub> emissions factors for electricity (Domestic): 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 CO<sub>2</sub> emissions factors for electricity (Overseas): Emission factors for each country provided by the International Energy Agency (IEA).

\*4 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	FY2020	FY2021	FY2022	FY2023	FY2024
Amount of discharged waste	1,000 tons	47.9	47.1	47.9	43.4	43.2
Recycling Rates	%	99.4	98.7	98.9	99.5	99.7

## ■ Energy Consumption

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

■ Nichirei Group Material Balance INPUT

Item		Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Energy	Total* <sup>1</sup>	1,000 GJ	5,079	5,024	4,925	5,117	4,873
	Purchased power	1,000 kWh	444,335	439,135	471,952	444,004	443,484
	Heavy oil	kl	1,926	1,850	1,935	1,859	1,764
	Kerosene	kl	192	195	194	182	172
	City gas	1,000m <sup>3</sup>	9,036	9,328	9,708	9,823	9,170
	LGP	tons	3,614	3,425	3,522	3,687	3,634
	Gasoline (Company-owned vehicles)	kl	322	273	285	286	307
	Light oil (Company-owned vehicles)	kl	1,452	1,522	1,388	1,504	1,655
	Solar power generation	1,000 kWh	2,068	2,149	2,974	3,201	4,268
Breakdown of energy (1,000 GJ) used at each business company	Nichirei Foods	1,000 GJ	1,759	1,793	1,859	1,921	1,775
	Nichirei Fresh	1,000 GJ	172	174	174	166	137
	Nichirei Logistics Group	1,000 GJ	3,046	2,966	2,812	2,952	2,891
	Nichirei Biosciences	1,000 GJ	33	30	22	19	16
	Others	1,000 GJ	69	61	58	58	53
Water	Total	1,000m <sup>3</sup>	4,028	3,929	3,834	3,932	3,938
	Clean water	1,000m <sup>3</sup>	1,238	1,174	1,134	1,123	1,112
	Industrial water	1,000m <sup>3</sup>	897	916	919	875	850
	Groundwater (well water)	1,000m <sup>3</sup>	1,893	1,839	1,782	1,933	1,976
Breakdown of water (1,000 m <sup>3</sup> ) used at each business company	Nichirei Foods	1,000m <sup>3</sup>	2,739	2,679	2,676	2,767	2,820
	Nichirei Fresh	1,000m <sup>3</sup>	318	338	330	312	287
	Nichirei Logistics Group	1,000m <sup>3</sup>	952	899	816	839	816
	Nichirei Biosciences	1,000m <sup>3</sup>	8	7	6	5	5
	Others	1,000m <sup>3</sup>	11	6	7	10	9

\* 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	FY2020	FY2021	FY2022	FY2023	FY2024
Waste	Amount of Discharged Waste	1,000 tons	47.9	47.1	47.9	43.4	43.2
	Recycle volume	1,000 tons	47.6	46.5	47.4	43.1	43.1
	Volume of waste for final disposal <sup>*1</sup>	1,000 tons	0.3	0.6	0.5	0.2	0.1
Breakdown of discharged waste (tons) at each business company	Nichirei Foods	tons	21,561	21,145	21,280	20,784	21,873
	Nichirei Fresh	tons	13,609	13,887	14,188	11,257	10,569
	Nichirei Logistics Group	tons	12,666	11,962	12,246	11,196	10,674
	Nichirei Biosciences	tons	72	103	170	119	105
	Others	tons	—	—	—	—	—
Atmospheric system	CO <sub>2</sub> <sup>*2</sup>	1,000 tons	241	224	228	216	200
	SO <sub>x</sub> <sup>*3</sup>	tons	3	2	3	2	1
Breakdown of CO <sub>2</sub> emissions (tons) at each business company	Nichirei Foods	tons	84,427	79,060	82,322	81,765	67,077
	Nichirei Fresh	tons	9,458	9,433	9,009	8,525	7,619
	Nichirei Logistics Group	tons	142,561	132,931	134,380	123,411	123,607
	Nichirei Biosciences	tons	1,526	1,380	1,011	896	749
	Others	tons	3,201	1,501	1,343	1,319	1,072
Water system	Drainage	1,000m <sup>3</sup>	2,398	2,461	2,403	2,620	2,631
	Sewer system	1,000m <sup>3</sup>	1,447	1,478	1,431	1,633	1,676
	Public water area (river etc.)	1,000m <sup>3</sup>	951	983	973	987	954
	Drainage load BOD <sup>*4</sup>	tons	49	52	68	76	60
	COD <sup>*4</sup>	tons	23	40	21	25	25

Item		Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Breakdown of drainage (1,000 m <sup>3</sup> ) at each business company	Nichirei Foods	1,000m <sup>3</sup>	1,752	1,798	1,783	1,957	2,027
	Nichirei Fresh	1,000m <sup>3</sup>	309	325	316	294	271
	Nichirei Logistics Group	1,000m <sup>3</sup>	317	308	291	355	319
	Nichirei Biosciences	1,000m <sup>3</sup>	8	6	6	5	5
	Others	1,000m <sup>3</sup>	12	24	8	9	8

\* Total figures may differ due to rounding.

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

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

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

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

### ■ Nichirei Group specially Controlled Industrial Waste emissions

	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Specially Controlled Industrial Waste specified in the "Waste Disposal and Public Cleansing Law"	tons	7.4	4.3	7.0	2.9	1.8

### ■ Status of Environment-related Incidents, Legal Violations

	FY2020	FY2021	FY2022	FY2023	FY2024
Domestic	0	0	0	0	0
Overseas	0	0	0	0	0

### ■ Solar Power Generation and CO<sub>2</sub> Reduction

	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Power generation	Mwh	2,068	2,149	2,974	3,201	4,268
CO <sub>2</sub> reduction	tons	1,003	986	1,408	1,429	1,842

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

	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
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	FY2020	FY2021	FY2022	FY2023	FY2024
SOx Emissions	tons	3	2	3	2	1

\* 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.

#### **Nichirei Foods**

Nichirei-Foods, Nichirei Ice, Churei, Kyurei, Nichirei Well Dining

#### **Nichirei Fresh**

Fresh Maruichi, Nichirei Fresh Process, Nichirei Fresh Farm, Fresh Chicken Karumai, Fresh Meat Sakudaira

#### **Nichirei Logistics Group**

Logistics Network, NK Trans, Nichirei Logistics Hokkaido, Nichirei Logistics Tohoku, Nichirei Logistics Tokai, Nichirei Logistics Kansai, Nichirei Logistics Chushikoku, Nichirei Logistics Kyushu, Kyokurei

#### **Nichirei Biosciences**

Global Innovation Center

#### **Other**

Nichirei Corporation, Nichirei Aura, New Housing

## Social Data

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

▼ 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
▼ New Graduate Hire Turnover Status	▼ 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	▼ Number of Work-Related Accidents at Food Plants
▼ Number of Occupational Deaths	▼ General Regular Health Checkup Rate	▼ Percentage of Receiving a Full Medical Examination after Periodic Health Checkups	▼ Stress Check Participation Rate
▼ Percentage of Employees with High Stress	▼ 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)	▼ 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	FY2020	FY2021	FY2022	FY2023	FY2024
Nichirei Group total	Executives and employees total		Number of people	5,943	5,994	5,926	5,983	5,928
	Breakdown	Male		3,729	3,753	3,722	3,760	3,705
		Female		2,214	2,241	2,204	2,223	2,223
	Number of executives			62	61	60	62	56
	Breakdown	Male		60	58	56	59	53
		Female		2	3	4	3	3
	Number of company employees			3,841	3,903	3,937	3,946	3,915
	Breakdown	Male		2,779	2,787	2,776	2,766	2,713
		Female		1,062	1,116	1,161	1,180	1,202
	【Number of employees in management positions】			1,335	1,362	1,378	1,382	1,369
	Breakdown	Male		1,215	1,222	1,218	1,211	1,185
		Female		120	140	160	171	184
	【Number of general employees】			2,506	2,541	2,559	2,564	2,546
	Breakdown	Male		1,564	1,565	1,558	1,555	1,528
		Female		942	976	1,001	1,009	1,018
	Number of staff other than employees			2,040	2,030	1,929	1,975	1,957
Breakdown	Male	890	908	890	935	939		
	Female	1,150	1,122	1,039	1,040	1,018		
Nichirei holding company	Executives and employees total		252	254	268	292	292	
	Breakdown	Male	153	151	151	161	160	
		Female	99	103	117	131	132	
	Number of executives		19	19	19	19	20	
	Breakdown	Male	17	17	16	17	18	
		Female	2	2	3	2	2	
	Number of company employees		214	218	226	245	241	
	Breakdown	Male	123	124	124	130	125	
Female		91	94	102	115	116		

Coverage	Item		Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Nichirei holding company	【Number of employees in management positions】		Number of people	116	112	116	129	122
	Breakdown	Male		87	85	87	94	87
		Female		29	27	29	35	35
	【Number of general employees】			98	106	110	116	119
	Breakdown	Male		36	39	37	36	38
		Female		62	67	73	80	81
	Number of staff other than employees			19	17	23	28	31
	Breakdown	Male		13	10	11	14	17
		Female		6	7	12	14	14
	Nichirei Foods	Executives and employees total		3,010	3,023	3,039	3,097	3,066
Breakdown		Male	1,816	1,834	1,826	1,885	1,855	
		Female	1,194	1,189	1,213	1,212	1,211	
Number of executives		11	10	9	12	14		
Breakdown		Male	11	9	8	11	13	
		Female	0	1	1	1	1	
Number of company employees		1,505	1,528	1,541	1,559	1,544		
Breakdown		Male	1,114	1,118	1,114	1,129	1,110	
		Female	391	410	427	430	434	
【Number of employees in management positions】		525	536	555	562	555		
Breakdown		Male	487	494	499	502	490	
		Female	38	42	56	60	65	
【Number of general employees】		980	992	986	997	989		
Breakdown		Male	627	624	615	627	620	
		Female	353	368	371	370	369	
Number of staff other than employees		1,494	1,485	1,489	1,526	1,508		
Breakdown		Male	691	707	704	745	732	
		Female	803	778	785	781	776	

Coverage	Item		Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Nichirei Fresh	Executives and employees total		Number of people	315	319	318	299	294
	Breakdown	Male		225	223	222	206	205
		Female		90	96	96	93	89
	Number of executives			10	10	10	11	11
	Breakdown	Male		10	10	10	11	11
		Female		0	0	0	0	0
	Number of company employees			267	271	272	261	257
	Breakdown	Male		200	198	197	181	176
		Female		67	73	75	80	81
	【Number of employees in management positions】			155	158	149	140	140
	Breakdown	Male		143	143	138	129	128
		Female		12	15	11	11	12
	【Number of general employees】			112	113	123	121	117
	Breakdown	Male		57	55	59	52	48
		Female		55	58	64	69	69
	Number of staff other than employees			38	38	36	27	26
Breakdown	Male	15	15	15	14	18		
	Female	23	23	21	13	8		
Nichirei Logistics Group	Executives and employees total		2,226	2,253	2,168	2,169	2,154	
	Breakdown	Male	1,466	1,475	1,460	1,447	1,426	
		Female	760	778	708	722	728	
	Number of executives		16	16	18	16	7	
	Breakdown	Male	16	16	18	16	7	
		Female	0	0	0	0	0	
	Number of company employees		1,769	1,798	1,821	1,815	1,809	
	Breakdown	Male	1,289	1,294	1,294	1,282	1,260	
		Female	480	504	527	533	549	

Coverage	Item		Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Nichirei Logistics Group	【Number of employees in management positions】		Number of people	499	513	515	511	515
	Breakdown	Male		469	470	464	456	452
		Female		30	43	51	55	63
	【Number of general employees】			1,270	1,285	1,306	1,304	1,294
	Breakdown	Male		820	824	830	826	808
		Female		450	461	476	478	486
	Number of staff other than employees			441	439	329	338	338
	Breakdown	Male		161	165	148	149	159
		Female		280	274	181	189	179
	Nichirei Biosciences	Executives and employees total		140	145	133	126	122
Breakdown		Male	69	70	63	61	59	
		Female	71	75	70	65	63	
Number of executives		6	6	4	4	4		
Breakdown		Male	6	6	4	4	4	
		Female	0	0	0	0	0	
Number of company employees		86	88	77	66	64		
Breakdown		Male	53	53	47	44	42	
		Female	33	35	30	22	22	
【Number of employees in management positions】		40	43	43	40	37		
Breakdown		Male	29	30	30	30	28	
		Female	11	13	13	10	9	
【Number of general employees】		46	45	34	26	27		
Breakdown		Male	24	23	17	14	14	
		Female	22	22	17	12	13	
Number of staff other than employees		48	51	52	56	54		
Breakdown	Male	10	11	12	13	13		
	Female	38	40	40	43	41		

\* 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 14 companies (FY2024)

## ■ Percentage of Non-company Employees

	FY2020	FY2021	FY2022	FY2023	FY2024
Number of company employees	3,841	3,903	3,937	3,946	3,915
Number of non-company employees	2,040	2,030	1,929	1,975	1,957
Percentage of non-company employees (%)	34.7	34.2	32.9	33.4	33.3

\* 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	FY2020	FY2021	FY2022	FY2023	FY2024
Nichirei Group total	%	9.0	10.3	11.6	12.4	13.4
Nichirei holding company		25.0	24.1	25.0	27.1	28.7
Nichirei Foods		7.2	7.8	10.1	10.7	11.7
Nichirei Fresh		7.7	9.5	7.4	7.9	8.6
Nichirei Logistics Group		6.0	8.4	9.9	10.8	12.2
Nichirei Biosciences		27.5	30.2	30.2	25.0	24.3

\* Applicability: Employees

## ■ Percentage of Female Employees in Management Positions

Coverage	Unit	FY2023	FY2024
Nichirei holding company	%	15.0	17.0
Nichirei Foods Inc.		5.3	5.5
Nichirei Fresh Inc.		4.5	4.2
Nichirei Logistics Group Inc.		5.9	3.7
Nichirei Biosciences Inc.		30.0	21.1

\* 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	FY2020	FY2021	FY2022	FY2023	FY2024
Nichirei Group total	Breakdown	Male	Age	42.3	42.5	42.7	42.9	43.3
		Female		39.9	40.0	40.1	40.5	40.5
Nichirei holding company		Male		44.2	44.1	44.5	44.7	43.9
		Female		44.5	44.6	44.0	43.3	43.4
Nichirei Foods		Male		42.8	43.1	43.6	43.7	43.9
		Female		41.5	41.5	41.6	41.9	41.9
Nichirei Fresh		Male		42.7	42.9	42.8	43.1	43.3
		Female		41.5	41.4	42.2	42.9	43.2
Nichirei Logistics Group		Male		41.6	41.8	42.0	43.0	42.7
		Female		37.8	37.9	38.1	38.6	38.6
Nichirei Biosciences	Male	40.9	40.7	40.7	40.2	40.7		
	Female	36.2	36.6	37.7	39.8	38.6		

\* Applicability: Employees

## ■ Average Number of Years Employed

Coverage	Item		Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Nichirei Group total	Breakdown	Male	Year	17.0	17.3	17.5	17.7	18.0
		Female		15.3	15.4	15.4	15.7	15.8
Nichirei holding company		Male		19.0	19.0	19.4	18.9	18.8
		Female		15.8	16.8	16.0	17.1	15.9
Nichirei Foods		Male		18.0	18.4	18.8	19.0	19.1
		Female		16.8	16.8	16.8	17.7	17.2
Nichirei Fresh		Male		18.4	18.7	18.6	19.0	19.0
		Female		18.0	17.4	17.7	17.7	18.1
Nichirei Logistics Group		Male		15.9	16.1	16.3	16.6	17.0
		Female		13.9	14.0	14.1	14.4	14.5
Nichirei Biosciences	Male	15.2	15.0	14.7	13.5	13.7		
	Female	11.7	12.3	13.1	15.3	13.8		

\* 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.

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

Coverage	Item		Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Nichirei Group total	New graduates		Number of people	104	117	117	127	111
	Breakdown	Male		49	63	65	70	53
		Female		55	54	52	57	58
	Mid-career			113	61	51	56	40
	Breakdown	Male		52	36	22	36	28
		Female		61	25	29	20	12
Nichirei holding company	New graduates			4	4	5	8	6
	Breakdown	Male		4	3	3	3	3
		Female		0	1	2	5	3
	Mid-career			37	5	9	5	4
	Breakdown	Male		5	2	3	2	2
		Female		32	3	6	3	2
Nichirei Foods	New graduates			33	37	36	41	36
	Breakdown	Male		14	19	19	21	19
		Female		19	18	17	20	17
	Mid-career			16	28	21	29	19
	Breakdown	Male		11	16	11	24	13
		Female		5	12	10	5	6
Nichirei Fresh	New graduates		9	11	8	6	5	
	Breakdown	Male	6	6	5	3	2	
		Female	3	5	3	3	3	
	Mid-career		11	3	4	5	1	
	Breakdown	Male	2	0	0	0	1	
		Female	9	3	4	5	0	
Nichirei Logistics Group	New graduates		50	58	66	72	64	
	Breakdown	Male	22	32	36	43	29	
		Female	28	26	30	29	35	
	Mid-career		46	25	17	15	15	
	Breakdown	Male	31	18	8	8	11	
		Female	15	7	9	7	4	

Coverage	Item		Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Nichirei Biosciences	New graduates		Number of people	8	7	2	0	0
	Breakdown	Male		3	3	2	0	0
		Female		5	4	0	0	0
	Mid-career			3	0	0	2	1
	Breakdown	Male		3	0	0	2	1
		Female		0	0	0	0	0

\* Applicability: Employees

## ■ Number of Resignations/Resignation Rate/Reasons for Resignation

Coverage	Item		Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Nichirei Group total	Number of Resignations		Number of people	159	141	121	156	174
	Breakdown by reason	Retirement		65	59	45	49	44
		Personal circumstances		84	63	72	98	123
		Company circumstances		0	0	0	1	0
		Others		10	19	4	8	7
	Resignation rate			2.4%	2.1%	1.9%	2.6%	3.2%
	Employee turnover rate (for personal reasons)			2.1%	1.6%	1.8%	2.4%	3.0%
Nichirei holding company	Number of Resignations		Number of people	10	12	7	7	9
	Breakdown by reason	Retirement		3	5	2	4	4
		Personal circumstances		6	5	4	3	5
		Company circumstances		0	0	0	0	0
		Others		1	2	1	0	0
	Resignation rate			3.1%	3.1%	2.2%	1.3%	2.0%
	Employee turnover rate (for personal reasons)			2.7%	2.2%	1.7%	1.3%	2.0%
Nichirei Foods	Number of Resignations		Number of people	59	50	50	47	66
	Breakdown by reason	Retirement		29	21	20	17	15
		Personal circumstances		26	24	29	29	50
		Company circumstances		0	0	0	0	0
		Others		4	5	1	1	1

Coverage	Item	Unit	FY2020	FY2021	FY2022	FY2023	FY2024	
Nichirei Foods	Resignation rate	Number of people	1.9%	1.9%	1.9%	1.9%	3.2%	
	Employee turnover rate (for personal reasons)		1.7%	1.5%	1.9%	1.8%	3.1%	
Nichirei Fresh	Number of Resignations		9	13	6	14	15	
	Breakdown by reason		Retirement	4	3	3	3	2
			Personal circumstances	5	5	2	9	13
			Company circumstances	0	0	0	0	0
			Others	0	5	1	2	0
	Resignation rate		1.8%	3.6%	1.1%	4.1%	4.8%	
Employee turnover rate (for personal reasons)	1.8%		1.8%	0.7%	3.4%	4.8%		
Nichirei Logistics Group	Number of Resignations		74	63	49	82	81	
	Breakdown by reason		Retirement	29	29	17	23	20
			Personal circumstances	41	27	31	53	55
			Company circumstances	0	0	0	1	0
		Others	4	7	1	5	6	
	Resignation rate	2.5%	1.9%	1.8%	3.1%	3.2%		
Employee turnover rate (for personal reasons)	2.3%	1.5%	1.7%	2.8%	2.9%			
Nichirei Biosciences	Number of Resignations	7	3	9	6	3		
	Breakdown by reason	Retirement	0	1	3	2	3	
		Personal circumstances	6	2	6	4	0	
		Company circumstances	0	0	0	0	0	
		Others	1	0	0	0	0	
	Resignation rate	8.1%	2.2%	6.7%	5.8%	0.0%		
	Employee turnover rate (for personal reasons)	7.0%	2.2%	6.7%	5.8%	0.0%		

\* Applicability: Employees

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

\* "Others" includes appointed executives who resigned

■ New Graduate Hire Turnover Status

Coverage	Item	Turnover (number of people)	Turnover rate (%)	Number of hires	
Nichirei Group total	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	4	3.4%	
	Joined Company in FY2023	End of first year	4	3.1%	127
		End of second year	6	4.7%	
		End of third year	—	—	
	Joined Company in FY2024	End of first year	0	0.0%	111
		End of second year	—	—	
		End of third year	—	—	
Nichirei holding company	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%	

Coverage	Item		Turnover (number of people)	Turnover rate (%)	Number of hires
Nichirei holding company	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	0	0.0%	
	Joined Company in FY2023	End of first year	0	0.0%	8
		End of second year	0	0.0%	
		End of third year	—	—	
	Joined Company in FY2024	End of first year	0	0.0%	6
		End of second year	—	—	
		End of third year	—	—	
Nichirei Foods	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	0	0%	

Coverage	Item		Turnover (number of people)	Turnover rate (%)	Number of hires
Nichirei Foods	Joined Company in FY2023	End of first year	2	4.9%	41
		End of second year	2	4.9%	
		End of third year	—	—	
	Joined Company in FY2024	End of first year	0	0.0%	36
		End of second year	—	—	
		End of third year	—	—	
Nichirei Fresh	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	1	12.5%	
	Joined Company in FY2023	End of first year	0	0.0%	6
		End of second year	1	16.7%	
		End of third year	—	—	
	Joined Company in FY2024	End of first year	0	0.0%	5
		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 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	3	4.5%	
	Joined Company in FY2023	End of first year	2	2.8%	72
		End of second year	3	4.2%	
		End of third year	—	—	
Joined Company in FY2024	End of first year	0	0.0%	64	
	End of second year	—	—		
	End of third year	—	—		
Nichirei Biosciences	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%	

Coverage	Item		Turnover (number of people)	Turnover rate (%)	Number of hires
Nichirei Biosciences	Joined Company in FY2022	End of first year	0	0.0%	2
		End of second year	0	0.0%	
		End of third year	0	0.0%	
	Joined Company in FY2023	End of first year	0	0.0%	0
		End of second year	0	0.0%	
		End of third year	—	—	
	Joined Company in FY2024	End of first year	0	0.0%	0
		End of second year	—	—	
		End of third year	—	—	

\* Applicability: Employees

#### ■ Number of Employees Rehired After Retirement

Coverage	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Nichirei Group total	Number of people	57	51	36	42	44
Nichirei holding company		3	5	2	5	4
Nichirei Foods		25	16	17	14	15
Nichirei Fresh		3	3	1	2	2
Nichirei Logistics Group		26	26	14	21	20
Nichirei Biosciences		0	1	2	0	3
Ref. Number of employees who retired group total		65	59	45	49	44

\* 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	FY2020	FY2021	FY2022	FY2023	FY2024
Nichirei Group total	%	2.75	2.80	2.80	2.73	2.61

\* Legal employment rate of 2.3%.

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

\* Group applied companies (FY2024): Nichirei, Nichirei Foods, Nichirei Fresh, Nichirei Logistics Group, Nichirei Biosciences, Logistics Network, Nichirei Logistics Engineering, Tokyo Nichirei Services, Nichirei Aura

## ■ Pay Gap between Male and Female Employees

Coverage	Unit	FY2023			FY2024		
		All employees	Regular employees	Non-regular employees	All employees	Regular employees	Non-regular employees
Nichirei holding company	%	69.3	72.1	43.6	71.6	75.2	40.0
Nichirei Foods Inc.		60.5	73.4	76.5	62.4	78.1	74.6
Nichirei Fresh Inc.		74.0	75.4	101.0	71.6	72.3	72.9
Nichirei Logistics Group Inc.		79.7	80.2	—	77.8	77.2	—
Nichirei Biosciences Inc.		63.5	86.2	63.4	62.5	86.4	54.9

\* 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	FY2020	FY2021	FY2022	FY2023	FY2024
Nichirei Group total	Total	hours	1,977	1,975	1,993	1,989	1,975
	Official working hours-Hours of vacation time		1,758	1,767	1,759	1,738	1,732
	Hours worked outside official working hours		219	208	234	251	243
Nichirei holding company	Total		1,899	1,949	2,004	2,001	1,989
	Official working hours-Hours of vacation time		1,724	1,754	1,762	1,743	1,726
	Hours worked outside official working hours		175	196	242	258	263
Nichirei Foods	Total		2,005	2,011	2,018	2,004	1,994
	Official working hours-Hours of vacation time		1,758	1,768	1,757	1,735	1,731
	Hours worked outside official working hours		247	243	261	269	263
Nichirei Fresh	Total	1,948	1,929	1,994	2,009	1,956	
	Official working hours-Hours of vacation time	1,754	1,759	1,765	1,751	1,741	
	Hours worked outside official working hours	194	170	229	258	215	

Coverage	Item	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Nichirei Logistics Group	Total	hours	1,970	1,958	1,972	1,975	1,961
	Official working hours-Hours of vacation time		1,763	1,771	1,760	1,739	1,733
	Hours worked outside official working hours		207	187	212	236	228
Nichirei Biosciences	Total		1,882	1,901	1,971	1,961	1,972
	Official working hours-Hours of vacation time		1,716	1,754	1,768	1,731	1,729
	Hours worked outside official working hours		166	148	203	230	243

\* Average number of hours worked per employee annually

\* Applicability: Employees

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

Coverage	Item	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Nichirei Group total	Average days acquired	Days	10.2	11.0	12.5	13.8	13.9
	Acquisition rate	%	53.4	59.7	65.6	72.2	72.7
Nichirei holding company	Average days acquired	Days	14.8	13.2	13.1	14.0	15.0
	Acquisition rate	%	77.1	71.7	68.6	73.6	78.5
Nichirei Foods	Average days acquired	Days	10.2	10.8	13.3	14.4	14.2
	Acquisition rate	%	52.4	57.2	69.1	75.0	73.5
Nichirei Fresh	Average days acquired	Days	11.6	12.6	13.0	13.7	13.4
	Acquisition rate	%	60.9	69.2	68.5	71.3	69.0
Nichirei Logistics Group	Average days acquired	Days	9.3	10.6	11.7	13.1	13.5
	Acquisition rate	%	49.3	58.7	61.8	68.9	71.0
Nichirei Biosciences	Average days acquired	Days	14.2	11.7	12.1	14.6	14.2
	Acquisition rate	%	79.4	69.3	65.7	77.2	75.1

\* Applicability: Employees

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

\* Other special holidays (summer vacation) averaged 2.6 days per employee (FY2024).

### ■ Number of Employees Taking Time Off in Order to Volunteer

Coverage	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Nichirei Group total	Number of people	0	1	1	0	0

## ■ Employees Using Time Off for Childrearing

Coverage	Item	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Nichirei Group total	Male	Number of people	2	2	9	59	58
	Female		48	31	36	38	27
Nichirei holding company	Male		1	0	1	1	4
	Female		6	3	4	2	2
Nichirei Foods	Male		1	1	1	24	18
	Female		17	14	12	12	9
Nichirei Fresh	Male		0	1	2	6	6
	Female		1	2	3	5	0
Nichirei Logistics Group	Male		0	0	5	25	29
	Female		22	11	16	17	14
Nichirei Biosciences	Male		0	0	0	3	1
	Female		2	1	1	2	2

\* Applicability: Employees

\* Includes employees taking maternity leave

\* From FY2023, includes employees taking childcare-related leave

## ■ Percentage of Male Employees Taking Childcare Leave

Coverage	Unit	FY2023	FY2024
Nichirei holding company	%	100	100
Nichirei Foods Inc.		64.9	78.3
Nichirei Fresh Inc.		100	75.0
Nichirei Logistics Group Inc.		—	—
Nichirei Biosciences Inc.		75.0	100.0

\* 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	FY2020	FY2021	FY2022	FY2023	FY2024
Nichirei Group total	Number of people	2	2	3	2	2
Nichirei holding company		0	0	0	0	0
Nichirei Foods		2	1	2	1	2
Nichirei Fresh		0	0	0	0	0
Nichirei Logistics Group		0	1	1	1	0
Nichirei Biosciences		0	0	0	0	0

\* Applicability: Employees

## ■ Number of Work-Related Accidents

Item	Coverage	Unit	FY2023	FY2024
Number of lost time injuries* <sup>1</sup> (excluding commuting accidents)	Nichirei Group total	Case	35	40
	Nichirei holding company		0	0
	Nichirei Foods		18	19
	Nichirei Fresh		4	3
	Nichirei Logistics Group		13	18
	Nichirei Biosciences		0	0
Lost time injury frequency rate* <sup>2</sup>	Nichirei Group total	—	2.17	2.58
	Nichirei holding company		0.00	0.00
	Nichirei Foods		2.53	2.67
	Nichirei Fresh		2.57	2.20
	Nichirei Logistics Group		1.98	2.90
	Nichirei Biosciences		0.00	0.00
Lost time injury intensity rate* <sup>3</sup>	Nichirei Group total	—	0.04	0.05
	Nichirei holding company		0.00	0.00
	Nichirei Foods		0.03	0.03
	Nichirei Fresh		0.04	0.02
	Nichirei Logistics Group		0.04	0.08
	Nichirei Biosciences		0.00	0.00

\* Scope of applicability: All employees including group companies in Japan.

\*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 Work-Related Accidents at Food Plants

Coverage	Item	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Food Plants	Number of lost time injuries <sup>*1</sup>	Case	29	20	21	26	16
	Lost time injury frequency rate <sup>*2</sup>	—	—	—	5	6.2	3.7
	Lost time injury intensity rate <sup>*3</sup>	—	—	—	0.09	0.11	0.13

\* 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	FY2020	FY2021	FY2022	FY2023	FY2024
Nichirei Group total	Regular employees	Case	0	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	FY2020	FY2021	FY2022	FY2023	FY2024
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
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).

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

Coverage	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Nichirei Group total	%	17.5	66.1	70.1	65.0	82.9

#### ■ Stress Check Participation Rate

Coverage	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Nichirei Group total	%	89.6	90.8	90.1	90.1	88.9

#### ■ Percentage of Employees with High Stress

Coverage	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Nichirei Group total	%	16.0	13.4	14.7	15.6	15.0

#### ■ Nichirei Group Main Education and Training

	General employees	Managers	Officers
<b>Training by rank</b>	-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	-New officers seminar -Media training -Director training -Executive officers training -Management training -Coaching training
<b>Training by purpose</b>	-Facilitation training -Career seminar for female employees -Female leaders development program -Coaching training -Foreign Languages training -Evaluators training -Critical thinking -Marketing -Accounting		

#### ■ Nichirei Group Education Time and Number of Participants

Training by rank and purpose	Education time (cumulative total)	Number of participants (cumulative total)
<b>FY2020</b>	46,927	1,614
<b>FY2021</b>	36,376	1,509
<b>FY2022</b>	58,037	2,650
<b>FY2023</b>	74,183	4,503
<b>FY2024</b>	97,645	8,010

		FY2020			FY2021			FY2022			FY2023			FY2024		
		Number of Subjects	Number of People	Implementation Rate	Number of Subjects	Number of People	Implementation Rate	Number of Subjects	Number of People	Implementation Rate	Number of Subjects	Number of People	Implementation Rate	Number of Subjects	Number of People	Implementation Rate
<b>E</b>	<b>Environment</b>	5,396	5,035	93.3%	—	—	—	—	—	—	5,835	5,667	97.1%	5,833	5,450	93.4%
<b>S</b>	<b>SDGs</b>	—	—	—	5,659	5,304	93.7%	5,780	5,066	87.6%	5,753	5,398	93.8%	5,752	5,359	93.2%
	<b>Business and Human Rights</b>	—	—	—	—	—	—	—	—	—	5,738	5,385	93.9%	5,725	5,391	94.2%
	<b>Ensuring Food Quality Hygiene and Safety</b>	—	—	—	5,619	5,302	94.4%	5,771	5,230	90.6%	5,792	5,373	92.8%	5,740	5,351	93.2%
	<b>Quality Assurance</b>	5,403	5,032	93.1%	—	—	—	—	—	—	—	—	—	—	—	—
	<b>Intellectual Property</b>	5,357	5,050	94.3%	5,659	5,324	94.1%	5,786	5,318	91.9%	5,739	5,088	88.7%	5,713	5,460	95.6%
	<b>Personal Information Protection Law</b>	5,381	5,121	95.2%	5,645	5,347	94.7%	5,763	5,293	91.8%	5,806	5,448	93.8%	5,765	5,483	95.1%
	<b>Information Security</b>	5,362	4,993	93.1%	5,595	5,352	95.7%	5,725	5,477	95.7%	5,788	5,243	90.6%	5,777	5,457	94.5%
	<b>Harassment</b>	5,367	5,008	93.3%	5,680	5,421	95.4%	5,765	5,350	92.8%	5,835	5,656	96.9%	5,888	5,497	93.4%
	<b>Working Hours</b>	5,381	5,101	94.8%	5,645	5,363	95.0%	5,763	5,371	93.2%	5,835	5,572	95.5%	5,713	5,490	96.1%
	<b>Health Literacy</b>	5,403	5,047	93.4%	5,681	5,409	95.2%	5,778	5,310	91.9%	5,835	5,557	95.2%	5,717	5,496	96.1%
	<b>Stress Check</b>	5,358	4,948	93.1%	—	—	—	—	—	—	—	—	—	—	—	—
	<b>Health Information</b>	—	—	—	5,649	5,371	95.1%	—	—	—	—	—	—	—	—	—
	<b>Measures to prevent passive smoking</b>	—	—	—	—	—	—	—	—	—	—	—	—	5,888	5,476	93.0%
	<b>Women's health</b>	—	—	—	—	—	—	—	—	—	—	—	—	5,867	5,481	93.4%
<b>G</b>	<b>Compliance</b>	—	—	—	—	—	—	5,771	5,252	91.0%	5,792	5,395	93.1%	5,740	5,388	93.9%
	<b>Internal Control</b>	5,435	5,088	93.6%	5,643	5,247	93.0%	5,750	5,281	91.8%	5,779	5,248	90.8%	5,717	5,483	95.9%
	<b>Whistleblower and Consultation System</b>	5,471	4,862	88.9%	5,618	5,282	94.0%	—	—	—	—	—	—	—	—	
	<b>Competition Law Compliance and Anti-bribery</b>	5,357	5,057	94.4%	5,655	5,228	92.4%	5,786	5,276	91.2%	5,820	5,275	90.6%	5,752	5,369	93.3%
	<b>Insider</b>	5,358	4,904	91.5%	5,649	5,361	94.9%	5,757	5,216	90.6%	5,806	5,487	94.5%	5,765	5,466	94.8%
	<b>Retirement benefit plans</b>	—	—	—	—	—	—	3,873	3,569	92.2%	3,963	3,768	95.1%	3,958	3,665	92.6%

■ Quality Assurance (number of audits, certifications, and training hours)

	Department in Charge	FY2020		FY2021		FY2022		FY2023		FY2024		
		Domestic	Overseas	Domestic	Overseas	Domestic	Overseas	Domestic	Overseas	Domestic	Overseas	
Quality Assurance Audits	Number of Factory/Site Audits	Quality Assurance Department	52	20	40	10	46	16	63	23	47	31
	Nichirei Foods	Nichirei Foods Quality Assurance Department	6	5	16	6	5	5	13	7	17	10
	Nichirei Logistics Group	Nichirei Logistics Group Quality and Safety Management Department	34	—	19	—	26	0	29	—	19	—
	Nichirei Fresh	Nichirei Fresh Quality Assurance Department	9	15	5	4	15	11	18	16	9	19
	Nichirei Bioscience	Nichirei Bioscience Quality Assurance Department	3	0	0	0	0	0	3	0	2	2
	Group Implementation Rate (vs. plan) (Office coverage)	Quality Assurance Department	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	89% (=63/71) of the plan	72% (=23/32) of the plan	100% (=47/47) of the plan	89% (=31/35) of the plan
	Group Implementation Rate (Actual number) (Office coverage)	Quality Assurance Department	17% (52/307)	11% (20/180)	13% (40/305)	6% (10/172)	15% (46/299)	9% (16/176)	25% (63/258)	17% (23/134)	16% (47/294)	20% (31/157)
	Nichirei Foods Implementation Rate (Office coverage)	Nichirei Foods Quality Assurance Department	11% (6/53)	12% (5/43)	31% (16/52)	14% (6/43)	9% (5/55)	12% (5/42)	87% (13/15)	58% (7/12)	33% (17/52)	24% (10/41)
	Nichirei Logistics Group Implementation Rate (Office coverage)	Nichirei Logistics Group Quality and Safety Management Department	30% (34/115)	—	16% (19/117)	—	22% (26/117)	—	24% (29/119)	—	16% (19/119)	—
	Nichirei Fresh Implementation Rate (Office coverage)	Nichirei Fresh Quality Assurance Department	7% (9/129)	11% (15/135)	4% (5/127)	3% (4/126)	12% (15/123)	8% (11/131)	15% (18/120)	13% (16/119)	8% (9/119)	17% (19/112)
Nichirei Bioscience Implementation Rate (Office coverage)	Nichirei Bioscience Quality Assurance Department	30% (3/10)	0% (0/2)	0% (0/9)	0% (0/3)	0% (0/4)	0% (0/3)	75% (3/4)	0% (0/3)	50% (2/4)	50% (2/4)	

	Department in Charge	FY2020		FY2021		FY2022		FY2023		FY2024		
		Domestic	Overseas	Domestic	Overseas	Domestic	Overseas	Domestic	Overseas	Domestic	Overseas	
<b>Quality Assurance Related Data</b>		<b>Number of Offices Acquired/Number of Offices of Consolidated Subsidiaries in Japan</b>										
<b>Number of certifications as of the end of March of each fiscal year</b>												
<b>HACCP</b> (Food Hygiene Management System)	Nichirei Foods	14/15	—	15/15	—	—	—	—	—	—	—	—
	Nichirei Fresh	7/7	—	7/7	—	—	—	—	—	—	—	—
<b>Number of ISO9001 Certifications</b>	Number of Group Certifications	Quality Assurance Department	89/138	3/5	91/140	2/5	94/140	2/5	90/142	2/6	89/140	2/6
	Nichirei Foods	Nichirei Foods Quality Assurance Department	3/15	3/5	3/15	2/5	3/15	2/5	0/15	2/6	0/15	2/6
	Nichirei Logistics Group	Nichirei Logistics Group Quality and Safety Management Department	81/115	—	83/117	—	86/117	—	85/119	—	87/119	—
	Nichirei Fresh	Nichirei Fresh Quality Assurance Department	5/8	—	5/8	—	5/8	—	5/8	—	2/6	—
	Nichirei Bioscience	Nichirei Bioscience Quality Assurance Department	—	—	—	—	—	—	—	—	—	—
<b>ISO14001 Certifications</b>	Number of Group Certifications	Quality Assurance Department	11/15 (73%)	2/5 (40%)	11/15 (73%)	2/5 (40%)	10/15 (67%)	5/5 (100%)	7/15(47%)	2/6(33%)	2/15 (13%)	2/6 (33%)
	Nichirei Foods	Nichirei Foods Quality Assurance Department	11/15 (73%)	2/5 (40%)	11/15 (73%)	2/5 (40%)	10/15 (67%)	5/5 (100%)	7/15 (47%)	2/6 (33%)	2/15 (13%)	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	—	—	—	—	—	—	—	—	—	—

		Department in Charge	FY2020		FY2021		FY2022		FY2023		FY2024	
			Domestic	Overseas	Domestic	Overseas	Domestic	Overseas	Domestic	Overseas	Domestic	Overseas
ISO13485 Certifications	Number of Group Certifications	Quality Assurance Department	2/2 (100%)	—	2/2 (100%)	1/1 (100%)	2/2 (100%)	1/1 (100%)	2/2 (100%)	1/1 (100%)	2/2 (100%)	1/1 (100%)
	Nichirei Bioscience	Nichirei Bioscience Quality Assurance Department	2/2 (100%)	—	2/2 (100%)	1/1 (100%)	2/2 (100%)	1/1 (100%)	2/2 (100%)	1/1 (100%)	2/2 (100%)	1/1 (100%)
FSSC22000 ISO22000 Number of SQE Certifications	Number of Group Certifications	Quality Assurance Department	23/137	4/5	23/139	6/6	24/139	6/6	24/141	7/7	23/140	6/7
	Nichirei Foods	Nichirei Foods Quality Assurance Department	14/15	4/5	14/15	5/5	15/15	5/5	15/15	6/6	15/15	6/6
	Nichirei Logistics Group	Nichirei Logistics Group Quality and Safety Management Department	2/115	—	2/117	—	2/117	—	2/119	—	2/119	—
	Nichirei Fresh	Nichirei Fresh Quality Assurance Department	7/7	—	7/7	1/1	7/7	1/1	7/7	1/1	6/6	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	3	0
	Nichirei Foods	Nichirei Foods Quality Assurance Department	—	—	—	—	0	0	0	1	1	0
	Nichirei Logistics Group	Nichirei Logistics Group Quality and Safety Management Department	—	—	—	—	0	0	0	0	1	0
	Nichirei Fresh	Nichirei Fresh Quality Assurance Department	—	—	—	—	0	0	1	0	1	0
	Nichirei Bioscience	Nichirei Bioscience Quality Assurance Department	—	—	—	—	0	0	1	0	0	0

	Department in Charge	FY2020		FY2021		FY2022		FY2023		FY2024	
		Domestic	Overseas								
Quality Assurance Training Hours	Group Annual Hours	221.5	10	455.5	21	790	25	635	32	187	27
	Nichirei Foods	42.5	10	24	21	24	25	18	32	29	27
	Nichirei Logistics Group	77	0	334	—	678	—	555.8	0	108.5	0
	Nichirei Fresh	38	0	40	0	30	0	28	0	21	0
	Nichirei Bioscience	64	0	57.5	0	58	0	33	0	28	0

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

#### ■ Donations to Non-profit Organizations

Donations to Non-profit Organizations (Millions of yen)	FY2020		FY2021		FY2022		FY2023		FY2024	
	Domestic	Overseas	Domestic	Overseas	Domestic	Overseas	Domestic	Overseas	Domestic	Overseas
Social welfare and disaster support (Social welfare, social inclusion)	19	—	20	—	18	—	41	0	20	0
Social welfare and disaster support (Support for disaster-stricken areas)	16	0	2	0	4	0	1	20	17	10
Education (Academia & research)	10	—	8	—	6	—	5	0	5	0
Education (Education and social education)	77	—	67	—	57	—	74	0	87	0
Health, sports and the arts (Health, medicine, sports)	138	—	134	—	134	—	142	0	316	0
Health, sports and the arts (Culture and arts)	0	—	0	—	0	—	0	0	0	0
Environmental conservation (Environment)	50	—	57	—	59	—	83	0	111	0
Community contribution (Community activities, preservation of historic sites and traditional culture)	19	—	48	—	67	—	61	0	55	0
Political contributions (Lobbying activities)	0	—	0	—	0	—	0	0	0	0
Other	2	—	2	—	2	—	2	0	2	0
<b>Nichirei Group total</b>	<b>330</b>	<b>0</b>	<b>338</b>	<b>0</b>	<b>347</b>	<b>—</b>	<b>409</b>	<b>20</b>	<b>613</b>	<b>10</b>

■ Health Manager

Coverage	Item	Unit	FY2021	FY2022	FY2023	FY2024
Nichirei Group total	First-Class Health Manager	Number of people	89	78	122	146
	Second-Class Health Manager	Number of people	11	11	15	19
	Total	Number of people	100	89	137	165

■ Personal Information Protection Leaks, etc.

	FY2020	FY2021	FY2022	FY2023	FY2024
Nichirei Group total	0	0	1	4	1

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

	FY2020	FY2021	FY2022	FY2023	FY2024
Nichirei Group total	0	0	0	3	2

## Corporate Governance Data

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

▼ Board of Directors Composition	▼ 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				
		FY2020	FY2021	FY2022	FY2023	FY2024
Inside directors	Male	7	7	7	6	6
	Female	0	0	0	0	0
	Total	7	7	7	6	6
Outside directors	Male	1	1	1	2	2
	Female	2	2	3	2	2
	Total	3	3	4	4	4
Total	Male	8	8	8	8	8
	Female	2	2	3	2	2
	Total	10	10	11	10	10

### Number of Meetings of Various Committees, etc.

		Number of Meetings Held				
		FY2020	FY2021	FY2022	FY2023	FY2024
<b>Board of Directors</b>	Meets regularly on the third Tuesday of each month	18	18	19	19	19
<b>Management Committee</b>	Meets regularly on Tuesdays except for the third Tuesday of each month	20	17	23	25	28

		Number of Meetings Held				
		FY2020	FY2021	FY2022	FY2023	FY2024
<b>Group Human Resources Committee</b>	Convened twice a year and at other times as needed by the chairperson of the committee	2	2	2	2	2
<b>Group Risk Management Committee</b>	Convened twice a year and at other times as needed by the chairperson of the committee	2	2	2	2	2
<b>Group Environmental Protection Committee</b>	Convened twice a year and at other times as needed by the chairperson of the committee	2	2	2	—	—
<b>Group Supply Chain Committee</b>	Convened once a year, and as needed, convened by the chairperson	—	—	1	—	—
<b>Group Sustainability Committee</b>	Convened three times a year, and as needed, convened by the chairperson	—	—	—	4	4
<b>Group Quality Assurance Committee</b>	Convened twice a year and at other times as needed by the chairperson of the committee	2	2	2	2	2
<b>Group Internal Control Committee</b>	Convened once a year, and as needed, convened by the chairperson	1	1	1	1	1
<b>Group Officer Examination Committee</b>	Chairperson convenes as needed	1	1	1	0	2
<b>Social Action Program Committee</b>	Convened once a year, and as needed, convened by the chairperson	1	1	1	1	1
<b>Nominating Advisory Committee</b>	Convened twice a year and at other times as needed by the chairperson of the committee	2	5	6	8	9
<b>Remuneration Advisory Committee</b>	Convened twice a year and at other times as needed by the chairperson of the committee	3	5	6 <sup>*1</sup>	5	4
<b>Examination Committee</b>	Chairperson convenes as needed	1	2	0	0	1
<b>Intellectual Property Management Committee</b>	Chairperson convenes as needed	—	—	0	0	0

\*1 Includes 6th meeting in writing.

■ 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	9/9	4/4	
	 Masahiko Takenaga	18/19			
	 Wataru Tanabe	19/19			
	 Kenji Suzuki	19/19			
	 Yulichi Takaku	15/15* <sup>1</sup>			
	 Kazunori Shimamoto	*2			
	 Mana Nabeshima	19/19	9/9	4/4	
	 Itsuo Hama	19/19	9/9	4/4	
	 Kenji Hamashima	19/19	9/9	4/4	
	 Yuliko Yoshimaru	*2	*2	*2	
	 Yumi Yamaguchi	*2	*2	*2	

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			17/17
	 Tetsuro Katabuchi	19/19			17/17
	 Yuhiko Saito	19/19			17/17
	 Takaaki Kato	*2			*2
	 Hiromichi Matsushima	*2			*2

\*1 Mr. Takaku was newly appointed at the 105th General Meeting of Shareholders held on June 27, 2023. Their attendance reflects meetings of the Board of Directors, Nominating Advisory Committee, Remuneration Advisory Committee or Audit & Supervisory Board held after that date.

\*2 As Mr. Shimamoto, Ms. Yoshimaru, Ms. Yamaguchi, Mr. Kato and Mr. Matsushima were newly appointed at the 106th General Meeting of Shareholders held on June 25, 2024, their attendance for FY2024 is not presented.

#### ■ Facilities Audits of Compliance Audits and Internal Controls

	Department in charge	FY2020		FY2021		FY2022		FY2023		FY2024		Remarks	
		Dome stic	Overs eas	Dome stic	Overs eas	Dome stic	Overs eas	Dome stic	Overs eas	Dome stic	Overs eas		
<b>Communication with all employees on governance and internal controls</b>													
Number of training/seminars conducted (including e-learning)	Corporate Audit Department	1		1		1	1	2	1	2	1		
Participation ratio (% of all employees covered)	Corporate Audit Department	93.6%		94.0%		91.8%	100%	90.8%	100%	95.9%	100%	Overseas includes only those stationed abroad	
<b>Governance Management</b>													
Internal audit	Number of Group audits per year	Corporate Audit Department	285	8	222	0	272	0	310	7	313	7	Compliance and facilities combined
	Group annual implementation rate (office coverage rate)	Corporate Audit Department	73%	19%	58%	0%	69%	0%	78%	15%	81%	12%	Compliance and facilities combined

		Department in charge	FY2020		FY2021		FY2022		FY2023		FY2024		Remarks
			Dome stic	Overs eas									
Compliance audits	Number of Group audits per year	Corporate Audit Department	162	4	152	0	162	0	188	3	205	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)	Corporate Audit Department	66%	17%	61%	0%	62%	0%	72%	12%	79%	12%	
	Nichirei Foods	Corporate Audit Department	88%	40%	75%	0%	68%	0%	91%	10%	85%	20%	
	Nichirei Logistics Group	Corporate Audit Department	59%	0%	49%	0%	51%	0%	55%	0%	71%	10%	
	Nichirei Fresh	Corporate Audit Department	100%	0	88%	0%	76%	0%	97%	25%	93%	0%	
	Nichirei Bioscience	Corporate Audit Department	0	0	100%	0%	100%	0%	100%	100%	100%	0%	
Facilities audit	Number of Group audits per year	Corporate Audit Department	123	4	70	0	110	0	122	4	108	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)	Corporate Audit Department	87%	22%	51%	0%	82%	0%	90%	19%	86%	12%	
	Nichirei Foods	Corporate Audit Department	94%	33%	82%	0%	94%	0%	100%	50%	100%	14%	
	Nichirei Logistics Group	Corporate Audit Department	87%	14%	43%	0%	79%	0%	88%	0%	78%	12%	
	Nichirei Fresh	Corporate Audit Department	100%	0	89%	0%	89%	0%	100%	100%	100%	0%	
	Nichirei Bioscience	Corporate Audit Department	100%	0	100%	0%	100%	—	100%	—	0%	—	
<b>Number of major meetings and committees held and the attendance rate</b>													
Percentage of directors attending each committee meeting (10 individuals)	Group Internal Control Committee	Corporate Audit Department	100%	—	100%	—	100%	—	100%	—	100%	—	

■ Number of Whistleblowing Cases, by Type

	FY2020	FY2021	FY2022	FY2023	FY2024
<b>Mistreatment</b>	2	2	0	1	4
<b>Workplace Disputes</b>	5	8	2	8	3
<b>Harassment</b>	12	10	3	11	8
<b>Compliance-related Breaches</b>	1	5	11	4	4
<b>Human rights issues</b>	0	0	0	0	0
<b>Other Consultations</b>	1	2	4	2	7
<b>Total</b>	21	27	20	26	26

■ Anti-corruption and Bribery

	FY2020	FY2021	FY2022	FY2023	FY2024
<b>Punished employees</b>	None	None	None	None	None
<b>Payment of fines</b>	None	None	None	None	None

# 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 December 10, 2024)

### Incorporation of ESG Indexes

#### FTSE4Good Index Series

Created by the global index provider FTSE Russell, the FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices. The FTSE4Good indices are used by a wide variety of market participants to create and assess responsible investment funds and other products.



2024	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

The FTSE Blossom Japan Index is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices. The FTSE Blossom Japan Index is used by a wide variety of market participants to create and assess responsible investment funds and other products.



2024	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. The FTSE Blossom Japan Sector Relative Index is used by a wide variety of market participants to create and assess responsible investment funds and other products.



**FTSE Blossom  
Japan Sector  
Relative Index**

2024	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).



Disclaimer:  
The inclusion of Nichirei in any MSCI Index, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement or promotion of Nichirei by MSCI or any of its affiliates.  
The MSCI Indexes are the exclusive property of MSCI. MSCI and the MSCI Index names and logos are trademarks or service marks of MSCI or its affiliates.

2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
A	AA	AA	AA	AA	A	A	A							

### ■ MSCI Nihonkabu ESG Select Leaders Index (Japanese)

The index composed by MSCI, Inc. by selecting companies with excellent ESG ratings from among the constituents of the MSCI Japan Equity IMI Index, with a target of 50% of stocks in each industry category.

**2024 CONSTITUENT MSCI NIHONKABU  
ESG SELECT LEADERS INDEX**

2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
✓	✓	✓	✓	✓	✓	✓	✓							

\* From 2017 to 2023, Nichirei Corporation is a constituent of the MSCI Japan ESG Select Leaders Index.

### ■ MSCI Japan Empowering Women Index (WIN) (Japanese)

The index composed by MSCI, Inc. by selecting companies with excellent gender diversity within their industries from among the constituents of the MSCI Japan IMI Top 700 Index.

**2024 CONSTITUENT MSCI JAPAN  
EMPOWERING WOMEN INDEX (WIN)**

2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
✓	✓	✓	✓	✓	✓	✓	✓							

■ Morningstar Japan ex-REIT Gender Diversity Tilt Index

2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
✓	✓													

■ 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).



2024	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.



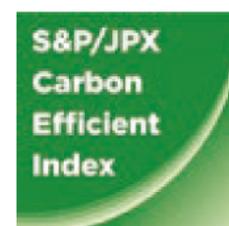
■ Climate Change

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



2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
✓	✓	✓	✓	✓	✓	✓	—	—	—	—	—	—	—	—

2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	—	—	—

## List of Certifications

Acquisition Year	Name		
One year from November 2024	PRIDE Index 2024		Received "Bronze" recognition in the PRIDE Index which evaluates initiatives in the workplace related to LGBTQ+ and other sexual minorities.
FY2025	DX Stocks 2024		<a href="https://www.nichirei.co.jp/news/2024/457.html">https://www.nichirei.co.jp/news/2024/457.html</a> (Only Available in Japanese)
From July 2021 to June 2024	an Excellent Occupational Safety and Health Enterprise		<a href="https://www.nichirei.co.jp/news/2021/391.html">https://www.nichirei.co.jp/news/2021/391.html</a> (Only Available in Japanese)
FY2023	Health & Productivity Stock Selection		<a href="https://www.nichirei.co.jp/news/2023/436.html">https://www.nichirei.co.jp/news/2023/436.html</a> (Only Available in Japanese)

Acquisition Year	Name		
From FY2019	DBJ Employees' Health Management Rated Loan Program	 <p><b>DBJ健康格付 2024</b></p> <p>In July 2024, received an Employees' Health Management Rated Loan from the Development Bank of Japan Inc. in recognition of Nichirei's efforts, evaluating them as "particularly excellent in terms of initiatives to care for employee health."</p>	<a href="https://www.nichirei.co.jp/news/2024/463.html">https://www.nichirei.co.jp/news/2024/463.html</a> (Only Available in Japanese)
From FY2017	The Certified Health and Productivity Management Organization Recognition Program under the large enterprise category	 <p><b>2024 健康経営優良法人 Health and productivity ホワイト500</b></p>	Recognized as a "Excellent Health Management Corporation (White 500)" for eight consecutive years.
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")	 <p><b>女性が活躍しています！</b></p>	<a href="https://www.nichirei.co.jp/news/2017/293.html">https://www.nichirei.co.jp/news/2017/293.html</a> (Only Available in Japanese)
From FY2010	"The Act on Advancement of Measures to Support Raising Next-Generation Children" certification mark (nickname: Kurumin)	 <p><b>子育てサポートしています</b> 2007年認定事業者</p>	<a href="https://www.nichireifoods.co.jp/corporate/sustainability/human_resources.html">https://www.nichireifoods.co.jp/corporate/sustainability/human_resources.html</a> (Only Available in Japanese)

## Awards

Awards Year	Topics	Outline
FY2025	Nichirei Logistics Group received "Special Award" at 25th Logistics Environment Award	<p><b>Sponsored by Japan Association for Logistics and Transport</b>            UOROKU Co., Ltd., Logistics Network Inc. and sinops Inc. received "Special Award". Also, Logistics Network Inc. and Nichirei Logistics Group received "Special Award".  <a href="https://www.nichirei-logi.co.jp/news/2024/20240703.html">https://www.nichirei-logi.co.jp/news/2024/20240703.html</a> (Japanese Only)</p>
FY2025	Nichirei do Brasil Agricola Ltda (NIAGRO) received a "Gold" rating in the EcoVadis Sustainability Survey in 2024.	<p><b>Sponsored by EcoVadis</b>            Nichirei do Brasil Agricola Ltda (NIAGRO), a subsidiary of Nichirei Foods Inc. (President: Masahiko Takenaga), received a "Gold" rating in the EcoVadis Sustainability Survey in 2024. In the 2024 Survey, equivalent to the top 5% of all companies were evaluated as "Gold" rating.</p> 
FY2024	Nichirei Bioscience received a "Silver" rating in the EcoVadis Sustainability Survey (2023) for the third consecutive year.	<p><b>Sponsored by EcoVadis</b>            Nichirei Biosciences Inc. (President: Hideo Yokoi) has received a "Silver" rating in the 2023 EcoVadis Sustainability Survey for the third year in a row. In the 2023 Survey, equivalent to the top 15% of all companies were evaluated as "Silver" rating.  <a href="https://nichireibiosciences.co.jp/wp-content/uploads/2024/04/NB_HP_Ecovadis%E3%83%95%E3%82%9A%E3%83%AC%E3%82%B9%E3%83%AA%E3%83%AA%E3%83%BC%E3%82%B920240417.pdf">https://nichireibiosciences.co.jp/wp-content/uploads/2024/04/NB_HP_Ecovadis%E3%83%95%E3%82%9A%E3%83%AC%E3%82%B9%E3%83%AA%E3%83%AA%E3%83%BC%E3%82%B920240417.pdf</a> (Japanese Only)</p> 
FY2024	Won Semi-Grand Prize in NIKKEI Integrated Report Award 2023	<p><b>Sponsored by Nikkei Inc.</b>            Nichirei Corporation won Semi-Grand Prize in NIKKEI Integrated Report Award 2023  <a href="https://www.nichirei.co.jp/news/2023/453.html">https://www.nichirei.co.jp/news/2023/453.html</a> (Only available in Japanese)</p>
FY2024	Nichirei Corporation was selected for "Best Continual IR Efforts Premium"	<p><b>Sponsored by Japan Investor Relations Association</b>            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)  <a href="https://www.jira.or.jp/activity/bluechip.html">https://www.jira.or.jp/activity/bluechip.html</a> (Only available in Japanese)</p> 
FY2024	<i>Amani-no-Megumi</i> series won the "Japan Child Care Advocate Grand Prize"	<p><b>Sponsored by Japan Association for Child Rearing Support</b>  <i>Amani-no-Megumi</i> series won the "Japan Child Care Advocate Grand Prize" at the 4th Japan Child Care Advocate Grand Prize 2023.  <a href="https://www.nichireifresh.co.jp/news/detail/?id=1743">https://www.nichireifresh.co.jp/news/detail/?id=1743</a> (Only available in Japanese)</p>

Awards Year	Topics	Outline
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><b>Sponsored by EcoVadis</b>            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.  <a href="https://www.nichireifoods.co.jp/en/corporate/pdf/release_ecovadis_230710.pdf">https://www.nichireifoods.co.jp/en/corporate/pdf/release_ecovadis_230710.pdf</a></p> 
FY2024	Nichirei Logistics Group received "Japan Logistics Press Association Award" and "Special Award" at 24th Logistics Environment Award	<p><b>Sponsored by Japan Association for Logistics and Transport</b>            KIRISHIMA SHUZO Co., Ltd. and Nichirei Logistics Kyushu, Inc. received "Japan Logistics Press Association Award". Also, Logistics Network Inc. received "Special Award".  <a href="https://www.nichirei-logi.co.jp/news/2023/20230706.html">https://www.nichirei-logi.co.jp/news/2023/20230706.html</a> (Only available in Japanese)</p>
FY2023	Won Excellence in NIKKEI Integrated Report Award 2022	<p><b>Sponsored by Nikkei Inc.</b>            Nichirei Corporation won Excellence in NIKKEI Integrated Report Award 2022  <a href="https://www.nichirei.co.jp/news/2023/435.html">https://www.nichirei.co.jp/news/2023/435.html</a> (Only available in Japanese)</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><b>Sponsored by EcoVadis</b>            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.  <a href="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">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</a> (Japanese Only)</p> 
FY2023	Awarded "Champion" in the collaboration award at the 4th Japan Sustainable Seafood Awards	<p><b>Sponsored by Japan Sustainable Seafood Award Committee (Aquaculture Stewardship Council Japan, Marine Stewardship Council Japan Office, Sailors for the Sea Japan, WWF Japan, Seafood Legacy)</b>            We won the "Champion" award in the collaboration award at the 4th Japan Sustainable Seafood Awards, sponsored by Seafood Legacy, Inc. and Nikkei ESG.  <a href="https://www.nichireifresh.co.jp/news/detail/?id=1659">https://www.nichireifresh.co.jp/news/detail/?id=1659</a> (Japanese Only)</p>
FY2023	Received the "SDGs Carbon Offset Award"	<p><b>Sponsored by J-Credit Tohoku Region Promotion Council (Secretariat: Tohoku Bureau of Economy, Trade and Industry)</b>            The "Obento-ni-Good! Good for the Earth! Program" received the "SDGs Carbon Offset Award."  <a href="https://www.nichireifoods.co.jp/news/2022/info_id13768/">https://www.nichireifoods.co.jp/news/2022/info_id13768/</a> (Japanese Only)</p>

Awards Year	Topics	Outline
FY2023	Nichirei do Brasil Agricola Ltda (NIAGRO) received a "Gold" rating in the EcoVadis Sustainability Survey in 2022, equivalent to the top 5% level, for the second year in a row	<p><b>Sponsored by EcoVadis</b>            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.  <a href="https://www.nichireifoods.co.jp/en/corporate/pdf/release_ecovadis_220809.pdf">https://www.nichireifoods.co.jp/en/corporate/pdf/release_ecovadis_220809.pdf</a></p> 
FY2023	Received the "Advanced Technology Award" and "Special Award" at the 23rd Logistics Environment Awards	<p><b>Sponsored by the Japan Federation of Freight Industries</b>            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.  <a href="https://nichirei-logi.co.jp/news/2022/20220708.html">https://nichirei-logi.co.jp/news/2022/20220708.html</a> (Japanese Only)</p>
FY2022	Sustainability Awards 2021 Strategy for Sustainable Food Systems(MeaDRI) Promotion award	<p><b>Sponsored by Ministry of Agriculture, Forestry and Fisheries</b>            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	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><b>Organized by MHLW and Japan sports agency</b>            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	Commendation from WICI Japan, a general incorporated association	<p><b>Awarded in WICI Japan "Integrated Report Award 2021"</b>            Received the Gold Award for Excellence, the highest award, in the WICI Japan "Integrated Report Award 2021".</p>
FY2021	City of Yokosuka Commendation	<p><b>City of Yokosuka Commendation</b>            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>

Awards Year	Topics	Outline
FY2021	The Yokohama Global Warming Countermeasures Award	<p><b>Sponsored by City of Yokosuka</b> 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>
FY2019	1st Award for Good Practices of Consumer-oriented Received the Consumer Affairs Agency Director's Commendation	<p><b>Sponsored by Consumer Affairs Agency</b> 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><b>Sponsored by Tokyo Stock Exchange, Inc.</b> 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><b>Sponsored by Green Logistics Partnership Conference</b> A system implemented by the Ministry of Land, Infrastructure, Transport and Tourism to recognize outstanding efforts to promote CO<sub>2</sub> 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><b>Sponsored by Japan Association for Logistics and Transport</b> 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><b>Sponsored by International Nanotechnology Exhibiton &amp; Conference</b> 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. As the Nichirei Group, Nichirei Foods firstly joined as a member company in 2009. Since 2024, Nichirei corporation has been a forum member.



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## Roundtable on Sustainable Palm Oil (RSPO)

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<https://www.rspo.org/>

In response to growing global concern regarding the impact of the rapidly expanding palm oil plantations, in Malaysia and Indonesia, on the environment and human rights, the RSPO was set up in 2004 by stakeholders from the seven sectors of the palm oil industry, including the World Wildlife Fund (WWF).

The RSPO aims to promote the sustainable production and use of palm oil through the formulation of international certification standards and stakeholder participation. The Nichirei Group became a member of the RSPO in August 2018.



4-1055-18-100-00

Membership profile page

<https://rspo.org/members/4-1055-18-000-00/>

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## The TNFD Forum

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The TNFD Forum – TNFD

TNFD (the Task Force on Nature-related Financial Disclosures) is a task force to properly assess risks and opportunities related to natural capital and biodiversity. TNFD promotes the development of a disclosure framework for nature-related risks with the aim of shifting the flow of funds to Nature Positive (a global goal of "halting biodiversity decline and putting biodiversity on a recovery path") by encouraging financial institutions and companies to disclose information. The Nichirei Group endorses this initiative and joined the TNFD Forum in March 2024.



### 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.

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## Life Cycle Assessment Promotion Consortium

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<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.



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## Japan Clean Ocean Material Alliance (CLOMA)

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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.



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## United Nations World Food Programme

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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.

