



















# Nichirei Group Materiality

Material Matters		Vision for 2030
<b>Creating value in food and health</b>	Create new markets and customer value by taking on challenges outside existing business areas in both food and health	Continuing to create new products and services and to attract new customers in existing businesses, while developing and rolling out new businesses in new areas related to food and health
<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
		Overseas business has become a new pillar of earnings
<b>Realizing sustainable food procurement and resources recycling</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 recycling-based society	All raw materials and ingredients are procured from suppliers and partner companies that comply with the Group CSR Procurement Guidelines.
		Promoting a circular economy by creating new business models
		Improved resilience of water resources through an understanding of water-related risks
<b>Climate change initiatives</b>	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
		Elimination of CFCs progressing at production and logistics facilities as a global warming countermeasure
<b>Securing and developing a diverse array of human resources</b>	Secure and develop a diverse human resources and foster an inclusive corporate culture to achieve sustainable growth	Diverse human resources with various characteristics and skills, maximizing their potential to improve their job satisfaction and support the sustainable growth of the Group

Group Measures	Group KPIs	Applicable SDGs
<p>Create new high-value-added products and services by prioritizing allocation of resources to marketing (consumer understanding), digital transformation (DX) and R&amp;D</p> <p>Create businesses in new areas by promoting Group-wide innovation through the innovation management system (IMS) and other means</p>	<ul style="list-style-type: none"> <li>Set targets and scope for creating new products and services in each business</li> <li>Set quantitative targets for creation of and milestones for the progress of new businesses</li> </ul>	  
Promote capacity expansion, work process innovation, reduction of environmental impact and development of business foundations through proactive capital expenditures in the processed foods and logistics businesses	<ul style="list-style-type: none"> <li>EBITDA margin: 12%</li> <li>EBITDA CAGR: 7%</li> </ul>	 
Accelerate overseas expansion by securing and training global human resources, cultivating partner companies, conducting M&A and other means	<ul style="list-style-type: none"> <li>Overseas sales ratio: 30%</li> </ul>	
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 Group CSR Procurement Guidelines: 100%</li> <li>Rate of implementation of ESG due diligence for main raw materials and major suppliers: 100%</li> </ul>	   
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 educational program aimed at realizing a circular economy: 100%</li> <li>Rate of waste recycling at all sites: 99%</li> </ul>	 
Identify water-related risks through risk assessments at all sites and conserve water	<ul style="list-style-type: none"> <li>Conduct regular water-related risk assessments at all sites, as well as in conservation activities and BCP</li> </ul>	 
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: 50% (Compared with FY2016; Scope 1 and 2 in Japan)</li> </ul>	
<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% Logistics (Global): 75%</li> </ul>	
<ul style="list-style-type: none"> <li>Introduce a Group-wide engagement survey* to monitor the effects 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> <p>* Engagement survey: A survey that shows degree of understanding of and resonance with the management philosophy and independent involvement in the organization (job satisfaction)</p>	<ul style="list-style-type: none"> <li>Ratio of female directors and female Audit &amp; Supervisory Board members (HD*): 30%</li> <li>Ratio of female line managers (HD*): 30%</li> </ul> <p>* HD: Nichirei Corporation (Holding Company)</p>	 
Promote communication activities and impartially provide learning opportunities in order to create a work environment and corporate culture in which employees are healthy, lively and satisfied with their jobs	<ul style="list-style-type: none"> <li>Double investment in human resources by 2030</li> </ul>	