

# Corporate Governance

The average attendance rate of board of directors was 100%.

## Board of Directors

Position	Name	Meetings Attended/ Meetings Convened	Attendance Rate(%)
President and Representative Director, President and CEO	Yoshihide Hata	18/18	100
Representative Director and Vice President, Executive Vice President	Tetsuhiro Kito	18/18	100
Representative Director and Vice President, Executive Vice President	Nobuhisa Ikawa	18/18	100
Director and Managing Executive Officer	Fumio Maeda	18/18	100
Director and Executive Officer	Masahito Kataoka	13/13	100
Director (Outside)	Yasuko Kono	18/18	100
Director (Outside)	Atsushi Iwasaki	18/18	100
Director (Outside)	Hideo Arase	18/18	100
Audit & Supervisory Board Member	Koichi Nishihara	5/5	100
Audit & Supervisory Board Member	Nobuyuki Tazawa	18/18	100
Audit & Supervisory Board Member	Sadanori Miyagai	18/18	100
Audit & Supervisory Board Member (Outside)	Akihiko Shiba	18/18	100
Audit & Supervisory Board Member (Outside)	Masayuki Kitaguchi	18/18	100
Audit & Supervisory Board Member (Outside)	Tokushi Yamasaki	18/18	100

## FY2021 Status of Optional Committee Attendance

## ■ Compliance Committee

Position	Name	Meetings Attended/ Meetings Convened	Attendance Rate(%)
President and Representative Director, President and CEO	Yoshihide Hata	4/4	100
Representative Director and Vice President, Executive Vice President	Tetsuhiro Kito	4/4	100
Representative Director and Vice President, Executive Vice President	Nobuhisa Ikawa	4/4	100
Director (Outside)	Yasuko Kono	4/4	100
Audit & Supervisory Board Member (Outside)	Masayuki Kitaguchi	4/4	100 ※1
Managing Executive Officer	Hitoshi Yao	4/4	100
Executive Officer	Kohei Akiyama	4/4	100
General Manager of the Compliance Department	Hiroshi Matsuura	4/4	100
Union representative officers	Yuta Yamagishi	4/4	100

※ Additional member is outside expert

※1 Observer

## ■ Sustainability Committee

Position	Name	Meetings Attended/ Meetings Convened	Attendance Rate(%)
President and Representative Director, President and CEO	Yoshihide Hata	4/4	100
Representative Director and Vice President, Executive Vice President	Tetsuhiro Kito	4/4	100
Representative Director and Vice President, Executive Vice President	Nobuhisa Ikawa	4/4	100
Director and Managing Executive Officer	Fumio Maeda	4/4	100
Director and Executive Officer	Masahito Kataoka	4/4	100
Director (Outside)	Yasuko Kono	4/4	100
Director (Outside)	Atsushi Iwasaki	4/4	100
Director (Outside)	Hideo Arase	4/4	100
Managing Executive Officer	Nobuo Oda	4/4	100
Executive Officer	Kohei Akiyama	4/4	100
Audit & Supervisory Board Member (Outside)	Tokushi Yamasaki	4/4	100 ※1

※ Additional member is outside expert

※1 Observer

### ■ Executive Appointments Committee

Position	Name	Meetings Attended/ Meetings Convened	Attendance Rate(%)
Director (Outside)	Yasuko Kono	7/7	100
Director (Outside)	Atsushi Iwasaki	7/7	100
Director (Outside)	Hideo Arase	7/7	100
Audit & Supervisory Board Member (Outside)	Akihiko Shiba	7/7	100

### ■ Board of Independent Outside Officers

Position	Name	Meetings Attended/ Meetings Convened	Attendance Rate(%)
Director (Outside)	Yasuko Kono	2/2	100
Director (Outside)	Atsushi Iwasaki	2/2	100
Director (Outside)	Hideo Arase	2/2	100
Audit & Supervisory Board Member (Outside)	Akihiko Shiba	2/2	100
Audit & Supervisory Board Member (Outside)	Masayuki Kitaguchi	2/2	100
Audit & Supervisory Board Member (Outside)	Tokushi Yamasaki	2/2	100

### ■ Compensation Committee

Position	Name	Meetings Attended/ Meetings Convened	Attendance Rate(%)
President and Representative Director, President and CEO	Yoshihide Hata	3/3	100
Director (Outside)	Yasuko Kono	3/3	100
Director (Outside)	Atsushi Iwasaki	3/3	100
Director (Outside)	Hideo Arase	3/3	100

### ■ Board of Independent Officers and Representative Directors

Position	Name	Meetings Attended/ Meetings Convened	Attendance Rate(%)
President and Representative Director, President and CEO	Yoshihide Hata	2/2	100
Representative Director and Vice President, Executive Vice President	Tetsuhiro Kito	2/2	100
Representative Director and Vice President, Executive Vice President	Nobuhisa Ikawa	2/2	100
Director (Outside)	Yasuko Kono	2/2	100
Director (Outside)	Atsushi Iwasaki	2/2	100
Director (Outside)	Hideo Arase	2/2	100
Audit & Supervisory Board Member (Outside)	Akihiko Shiba	2/2	100
Audit & Supervisory Board Member (Outside)	Masayuki Kitaguchi	2/2	100
Audit & Supervisory Board Member (Outside)	Tokushi Yamasaki	2/2	100

## Promoting Compliance

NH Foods Group engages in awareness-raising activities to deepen employees' understanding of compliance and reaffirm its importance.

### Compliance Training (NH Foods Group in Japan)

We reaffirm the importance of compliance at all levels of the organization by acquiring knowledge about harassment and communication, engaging in group discussions based on case studies, and through other initiatives.

Items	FY2017	FY2018	FY2019	FY2020	FY2021
Number of attendees	1,101	1,070	1,026	1,370	1,272
Number of attendees ranked manager and higher	820	732	795	1,102	971

※ Total number of attendees for training designed for different levels of the organization, such as new employee training, manager training and Group company president training

※ Applicable employees: Officers and General managers in 2018 and 2021, section chiefs in 2017, 2019 and 2020

### Compliance Competition (NH Foods Group in Japan)

Knowledge on harassment and communication, as well as the results of initiatives underway at different workplaces and business sites are shared.

Items	FY2017	FY2018	FY2019	FY2020	FY2021
Number of attendees	18,689	19,400	17,460	20,545	20,288

### NH Foods Group Consultation Desk (NH Foods Group in Japan)

In addition to an internal consultation desk, an independent outside consultation desk has also been set up so that Group employees can freely report and consult on actual workplace conditions.

Items	FY2017	FY2018	FY2019	FY2020	FY2021
Number of consultations received	192	201	179	199	249

### Compliance Visits to Business Sites (NH Foods Group in Japan)

With the aim of avoiding, mitigating and preventing risks, the Compliance Department visits business sites to listen to employee sentiments regarding the onsite atmosphere, business-related issues, interpersonal issues, and other items.

Items	FY2017	FY2018	FY2019	FY2020	FY2021
Number of group companies visited	17	9	10	7	18
Number of business sites visited	36	96	43	15	24
Applicable number of employees	Approx. 1,000	Approx. 1,300	Approx. 1,000	Approx. 700	Approx. 900

※ Due to COVID-19, compliance activities were primarily conducted remotely in fiscal 2020.

# Third-Party Verification

NH Foods Group has been subjected to third-party verification about the appropriateness of disclosed data.

## ■ Subjects

- Stakeholder management process
- Greenhouse gas (GHG) emissions (Scope 1, 2<sup>\*1</sup>, and 3)
- Energy consumption
- Water consumption
- The management systems supporting the reporting

<sup>\*1</sup> Greenhouse gases covered carbon dioxide, methane, and nitrous oxide

## ■ Period covered

April 1, 2021 to March 31, 2022

The Scope of each assurance covers the domestic subsidiaries plants, sales offices, logistics hubs, headquarters, branches, and laboratories.

<sup>\*</sup> The information on this page is disclosed on NH Foods Group website.

**SGS ASSURANCE STATEMENT**

**SGS Japan's Report on Sustainability Activities in the NH Foods Group website.**

**NATURE AND SCOPE OF THE ASSURANCE**

SGS Japan Inc. was commissioned by the NH Foods Group (hereinafter referred to as "the Organization") to conduct an independent assurance of its Sustainability Activities in the website (hereinafter referred to as "the Report"). The scope of the assurance, based on the SGS Sustainability Report Assurance methodology, included the stakeholder management process, data on greenhouse gas (GHG) emissions (Scope 1, 2, and 3), energy consumption, water consumption, and the management systems supporting the reporting process. The Scope of each assurance is limited to the domestic subsidiaries plants, sales offices, logistics hubs, headquarters, branches and laboratories.

The information contained in the Report is the responsibility of the directors or governing body and the management of the Organization. SGS Japan Inc. has not been involved in the preparation of any of the material included in the Report.

Our responsibility is to express an opinion on the text, data, graphs and statements within the scope of assurance with the intention to inform all the Organization's stakeholders. The organization is responsible for the preparation and fair presentation of the scope of the assurance.

The SGS protocols are based upon internationally recognized guidance, including the Principles contained within the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines for accuracy and reliability and the guidance on levels of assurance contained within the AA1000 series of standards and guidance for Assurance Providers.

This report has been assured at a moderate level of scrutiny using our protocols for:

- Evaluation of content veracity;
- AA1000 Assurance Standard (V3) Type 2 evaluation of the report content and supporting management systems against the AA1000 Accountability Principles (2018);
- Evaluation against the ISO14064-3(2019).

The assurance comprised a combination of pre-assurance research, interviews with the management and the person in charge of producing the Report, onsite visits (NH Foods Ltd. Tokyo Branch and Nippon Luna Inc. Takasaki Plant), remote verification from organization's branch (Nipponham Delicatessen Ltd. Hokkaido Plant) and confirmation of vouchers, review of related materials and records, and analytical procedures.

Financial data drawn directly from independently audited financial accounts has not been checked back to source as part of this assurance process.

**STATEMENT OF INDEPENDENCE AND COMPETENCE**

The SGS Group of companies is the world leader in inspection, testing and verification, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing and training; and environmental, social and sustainability report assurance. SGS Japan Inc. affirms our independence from the Organization, being free from bias and conflicts of interest with the Organization, its subsidiaries and stakeholders.

The assurance team was assembled based on the knowledge, experience and qualifications of the each of the team members for this assignment, and comprised auditors registered with lead auditors of ISO9001, ISO14001, ISO45001 and lead verifiers of greenhouse gas emissions.

**ASSURANCE OPINION**

Within the scope of the assurance activities employing the methodologies described above, nothing has come to our attention that caused us to believe that the information and data contained within the Report does not provide a fair and balanced description of the Organization's sustainability activities from 1 April, 2021 to 31 March, 2022.

The assurance team is of the opinion that the Report can be used by the Reporting Organization's Stakeholders. We believe that the Organization has chosen an appropriate level of assurance for this stage in their reporting.

**AA1000 ACCOUNTABILITY PRINCIPLES (2018) CONCLUSIONS, FINDINGS AND RECOMMENDATIONS**

**Inclusivity**

The organization identifies its stakeholders as consumers, business partners, shareholders, investors, employees, government, international community, local community, and local environment, and establishes communication opportunities for each of them. The needs and expectations of the stakeholders are input to the organization through these activities, and their responses are considered. This process is continuous and effective because it is integrated into the business. Consequently, SGS Japan Inc. confirmed through the verification that the Organization supports the principle of Inclusivity.

**Materiality**

As a milestone in pursuing the realization of our corporate philosophy, the organization has formulated "Vision 2030" and identified as "Five Materialities (key issues)" that should be prioritized to be solved the social issues toward its realization.

These "Five Materialities (key issues)" have referred to the initiatives of SDGs, SASB, ISO 26000, GRI, and various social issue, and extract initial evaluation items. In addition, taken the opinions of various positions stakeholders and extracted and identified important issues.

The identified issues are evaluated and finalized by specialized stakeholders and management.

These "Five Materialities (key issues)" are reflected in the medium-term management plan, ensuring that they are addressed as business activities. These processes are published in the Report. As described above, it was confirmed in this verification that important issues have been identified.

**Responsiveness**

The organization is engaged in various activities, taking into account the allocation of resources to the Five Materialities identified. Their activities have been reported to stakeholders by disclosing them in the Report. The organization implements initiatives to raise awareness among employees and communicates with external stakeholders through various means, including dialogue. Consequently, SGS Japan Inc. confirmed through the verification that the Organization addresses these issues.

**Impact**

The results of activities for the identified issues are reported in the Report, including detailed case examples. This report also includes reports on the impacts on the ecosystem.

Consequently, SGS Japan Inc. confirmed through the verification that the Organization supports the principle of impact.

**For and on behalf of SGS Japan Inc.**

Senior Executive & Director  
Certification and Business Enhancement Yuji Takeuchi  
21 June, 2022  
Signed:

**AA1000 Licensed Report**  
000-8/V3-1OCLG

The details of the scope of verification

The scope	The boundary	The assertion
1 Scope 1 and 2: energy-related CO <sub>2</sub> emissions, energy consumption, CO <sub>2</sub> from incineration of wastes, CH <sub>4</sub> and N <sub>2</sub> O derived from livestock fermentation in the digestive tract and excreta disposal	Domestic Group	Scope1: 347,560 t-CO <sub>2</sub> Scope2 (Location-based): 287,140 t-CO <sub>2</sub> Scope2 (Market-based): 280,260 t-CO <sub>2</sub>
2 Scope 3: category 1-12 *Category1: Purchased raw materials *Category6: Use of Sapporo Dome *Category10: Delivery from customer to store *Category10: Cooking with heat of professional products *Category11: Cooking with heat of consumer products *Category12: Leftover food and disposal of wrapping film *Category 15-16 are not applicable to the Organization	The activities of Domestic Group	category1: 6,792,754 t-CO <sub>2</sub> category2: 156,771 t-CO <sub>2</sub> category3: 82,981 t-CO <sub>2</sub> category4: 704,084 t-CO <sub>2</sub> category5: 43,887 t-CO <sub>2</sub> category6: 2,969 t-CO <sub>2</sub> category7: 50,018 t-CO <sub>2</sub> category8: 4,110 t-CO <sub>2</sub> category10: 245,342 t-CO <sub>2</sub> category11: 146,378 t-CO <sub>2</sub> category12: 125,839 t-CO <sub>2</sub>
3 Water consumption	Domestic Group	14,721,039m <sup>3</sup>

## Third-Party Verification

### ■ Subjects

- Scope1

About cattle, Methane and nitrous oxide emissions during enteric fermentation and manure management.

### ■ Period covered

April 1, 2021 to March 31, 2022

**Verification Opinion**

**SGS**  
22 September 2022  
Opinion No : SGS22/068

Mr. Yoshihide Hata  
President and Representative Director  
NH Foods Ltd.  
BREEZE TOWER, 4-9, Umeda 2-chome, Kita-ku,  
Osaka, Japan

**Objective**  
SGS Japan Inc. (hereinafter referred to as "SGS") was commissioned by NH Foods Ltd. (hereinafter referred to as "the Organization") to conduct independent verification based on Criteria of Verification (ISO14064-3: 2019 and the SGS verification protocol) regarding the data prepared by the Organization on the scope of verification (hereinafter referred to as "the statement"). The objective of this verification is to confirm that the statement in the Organization's applicable scope has been correctly calculated and reported in the statement in conformance with the criteria, and to express our views as a third party. The Organization is responsible for the preparation and fair presentation of the statement.

**Scope**  
The scope of verification is Scope1: Methane and nitrous oxide emissions during enteric fermentation and manure management. The period subject to report is from 1 April 2021 to 31 March 2022.  
Refer to the following table for the detailed scope of verification.

The details of the scope of verification		
The scope	The boundary	The statement
1 Scope1: CH <sub>4</sub> and N <sub>2</sub> O emissions during enteric fermentation and manure management	The cattle raised on Whyalla Beef Pty. Ltd.'s own farm	CH <sub>4</sub> : 87,594t-CO <sub>2</sub> eq N <sub>2</sub> O : 3,589t-CO <sub>2</sub> eq

**Procedure of Verification**  
The statement was verified in accordance with Criteria of Verification, and the following processes were implemented at a limited level of assurance:


- Verification of the calculation system: Interviews on the measurement, tabulation, calculation and reporting methods employed by the Organization as well as review of related documents and records
- Verification of the statement: Interviews and review of vouchers for the scope of verification carried out at the Tokyo branch office

The criteria for this review are based on Australia, 2022 National Inventory Report (NIR), May 2022 and 2006 IPCC Guidelines for National Greenhouse Gas Inventories.

**Conclusion**  
Within the scope of the verification activities employing the methodologies mentioned above, nothing has come to our attention that caused us to believe that the Organization's statement was not calculated and reported in conformance with the criteria. SGS Japan Inc. affirms our independence from the Organization, being free from bias and conflicts of interest with the Organization.

For and on behalf of SGS Japan Inc  
Yokohama business Park North Square I  
134, Good-cho, Hodogaya-ku, Yokohama  
Senior Executive & Director  
Knowledge

Yuji Takeuchi



This document is issued by the Company under its General Conditions of Service available at [www.sgs.com/terms\\_and\\_conditions.htm](http://www.sgs.com/terms_and_conditions.htm). Attention is drawn to the liability, indemnification and jurisdiction clause set forth therein. Any user of this document is advised that information contained herein reflects the Company's findings as of the time the document is signed and subject to their interpretation. The Company shall not be liable for any errors or omissions in the information contained herein. The Company shall not be liable for any errors or omissions in the information contained herein. Any unauthorized alteration, copying or distribution of this document is prohibited. Any such alteration, copying or distribution may be prosecuted in the United States of America.

1 / 1