

## Scope of Data (as of March 31st, 2023)

Subject			① Company-wide	② Japan	③ Japan (product factories)	④ Overseas	⑤ Overseas (product factories)
Business sites in Japan	Production and Livestock Breeding Facilities and Feedlots	4 production departments of Nippon Clean Farm Ltd./ 4 production departments of Nippon White Farm Co., Ltd./ Nippon White Farm Niigata Co., Ltd./ Miyazaki Environmental Preservation Cooperative/ Junsui Kurobuta Shuton Nojo Y.K.	●	●			
	Meat preparation and processing plants	5 plants of Nippon White Farm Co., Ltd./ 5 plants of Nippon Food Packer, Inc./ Nippon Food Packer Kagoshima, Inc./ Nippon Food Packer Shikoku, Inc./ Nippon Food Packer Tsugaru, Co., Ltd./ Miyazaki Beef Center Co., Ltd./ Nippon White Farm Niigata Co., Ltd.	●	●	●		
	Ham and Sausage Production	5 factories of Nipponham Factory Ltd./ Nipponham Northeast Ltd./ 3 factories of Nipponham Hokkaido Factory Ltd./ Nipponham Southwest Ltd./ Kamakura Ham Tomioka Co., Ltd./ Kyodo Foods Co., Ltd.	●	●	●		
	Processed Food Production	1 plant of NH Foods Ltd./ 3 plants of Nipponham Processed Foods Ltd./ 3 plants of Nipponham Delicatessen Ltd./ 8 plants of Nippon Pure Food, Inc./ 2 plants of Hoko Co., Ltd./ Minami Nippon Fresh Foods Co., Ltd./ 2 plants of Premium Kitchen Co., Ltd.	●	●	●		
	Marine and Dairy Product Production	2 plants of Nippon Luna, Inc./ 3 plants of Hoko Co., Ltd.	●	●	●		
	Sales Offices, Distribution Centers, Headquarters, Branches, Offices and Research Institutes	NH Foods Ltd./ NH Foods Marketing Ltd./ Nippon Route Service, Inc./ Nippon Daily Net Co., Ltd./ Nipponham Frozen Foods Sales Ltd./ Nipponham Customer Communication Co., Ltd./ Nippon Logistics Center, Inc./ Nippon Chilled Logistics, Inc./ Japan Food Corporation/ NH Japan Food Ltd./ Higashi Nippon Food, Inc./ Kanto Nippon Food, Inc./ Naka Nippon Food, Inc./ Nishi Nippon Food, Inc./ Nippon Pure Food, Inc./ Hoko Co., Ltd./ Hokkaido Nippon-Ham Fighters Baseball Club Co., Ltd./ Nippon Luna, Inc./ Minami Nippon Fresh Foods Co., Ltd./ Nipponham Hokkaido Factory Ltd./ Usune Co., Ltd./ Fighters Sports & Entertainment Co., Ltd.	●	●			
Business sites overseas	Production and breeding facilities, farms	3 production departments of Whyalla Beef/ Ege-Tav Ege Tarım Hayvancılık Yatırım Ticaret ve Sanayi Anonim Şirketi	●			●	
	Meat preparation and processing plants	Oakey Beef Exports Pty. Ltd./ Thomas Borthwick & Sons (Australia) Pty. Ltd./ 2 plants of Wingham Beef Exports Pty. Ltd./ Breeders & Packers Uruguay S.A./ Ege-Tav Ege Tarım Hayvancılık Yatırım Ticaret ve Sanayi Anonim Şirketi	●			●	●
	Manufacture and sale of fresh meats and processed foods	Shandong Rilong Foodstuffs Co., Ltd./ Pure Food Asia, Inc./ 2 factories of Thai Nippon Foods Co., Ltd./ 2 factories of NH Foods Vietnam Joint Stock Company/ NHF Manufacturing (Malaysia) Sdn.Bhd./ NH Foods Diamond Indonesia/ Day-Lee Foods, Inc./ Redondo's, LLC	●			●	●
	Food marketing, trading companies	Shandong Rilong Foodstuffs Co., Ltd./ NH Foods Taiwan Ltd./ NH Foods (Thailand) Ltd./ NH Foods Singapore Pte. Ltd./ NH Foods Australia Pty. Ltd./ Beef Producers Australia Pty. Ltd./ NH Foods U.K. Ltd./ NH Foods Chile Y Compania Limitada/ NH Foods Mexicana S.A.DE C.V./ Day-Lee Foods, Inc./ Japan Food Corporation Korea Branch	●			●	

## Calculation Method

■ Greenhouse gas emissions about Scope 1 and Scope 2 are calculated by using factors in "Act on Promotion of Global Warming Countermeasures" in Japan

↳ Location base is calculated by the alternative value which is annual electric power company's emission factors (above the law)

↳ Market base is calculated by each annual electric power company's emission factors (above the law)

Overseas sites: Primarily use laws and regulations or guideliness of the country or region where each company or office is located. If these are unknown, use coefficients of the "Act on Promotion of Global Warming Countermeasures" in Japan.

↳ If the location base is unknown, use the Emissions Factors provided by the IEA.

There are not applicable of Perfluorocarbons, Sulphur hexafluoride and Nitrogen trifluoride. Also, Hydrofluorocarbons aren't calculation in scope

■ Scope 3 is calculated which is based on our scenario by category, which referred to "Basic Guidelines On Accounting for Greenhouse Gas Emissions throughout the Supply Chain (in Japan)". The emission unit of calculation is used or referred to below

- "Act on Promotion of Global Warming Countermeasures" in Japan about each year

- "Database of Emissions Unit Values on the Same Accounting for Greenhouse Gas Emissions throughout the Supply Chain" in Japan

■ Energy consumption about Scope 1 and Scope 2 is calculated as follows:

Japan: Use coefficients, etc., defined by the "Act of Promotion of Global Warming Countermeasures" and the "Act on the Rational Use of Energy" in Japan

Overseas: Primarily use laws and regulations or guideliness of the country or region where each company or office is located. If these are unknown, use coefficients of the "Act on the Rational Use of Energy" in Japan

■ The waste recycling rate and recycling rate were calculated as follows.

Waste recycling rate:  $(\text{Valuable materials sold} + \text{Recycled waste}) / \text{Waste generation} \times 100$  (Unit: %)

Recycling rate:  $(\text{Waste recycled in-house} + \text{Valuable materials sold} + \text{Recycled waste}) / (\text{Waste generation} - \text{in-house reductions}) \times 100$  (Unit: %)

## Third-Party Verification

Items with a ☒ mark are subject to third-party verification under the AA1000 standard by SGS Japan Inc.

Scope of verification

GHG emissions in Japan: Scope 1, Scope 2, Scope 3    Overseas GHG emissions: Scope 1, Scope 2

Energy use in Japan: Scope 1, Scope 2    Overseas energy use: Scope 1, Scope 2

Water use in Japan: Water withdrawal and Water consumption

Overseas water use: Water withdrawal and Water consumption

# Environmental Targets

As part of its three-year medium-term management plans, the NH Foods Group has formulated environmental targets aimed at reducing the environmental impact of its business activities. In April 2021, the Group formulated Vision2030 and identified, while also setting medium- to long-term environmental targets for 2030.

We are helping to realize a sustainable society through our efforts to reduce environmental loads, and through our continuing commitment to effective resource utilization.

In fiscal 2022, we set environmental targets for 2030 based on our medium- to long-term environmental targets for Japan.

Going forward, we will work to promote efforts to achieve a sustainable society from a more global perspective.

## Results of Medium- to Long-Term Environmental Targets in Japan

Targets	Unit	Baseline	2030 target	FY2022 results	Progress
<b>Reduce fossil fuel-derived CO<sub>2</sub> emissions</b> (Reduce by more than 46% compared with FY2013 levels)	t-CO <sub>2</sub>	550,518	297,279	447,690	Reduction (change from the baseline) : ▲102,828 Reduction (compared with the baseline) : ▲18.7%
<b>Waste discharge (per production unit)</b> (Reduce by 5% compared with FY2019 level)	kg/t	134.6	127.9	124.9	Reduction (change from the baseline) : ▲9.7 Reduction (compared with the baseline) : ▲7.2%
<b>Waste recycling rate</b> (At least 92% by 2030)	%	84.1	92.0	91.9	—
<b>Waste consumption (per production unit)</b> (Reduce by 5% compared with FY2019 level)	m <sup>3</sup> /t	15.2	14.4	15.4	Reduction (change from the baseline) : 0.2 Reduction (compared with the baseline) : 1.3%

\* Coverage of the Plan: Reduction of fossil fuel-derived CO<sub>2</sub> emissions, Waste recycling rate . . . ②, Waste discharges and water consumption . . . ③

\* CO<sub>2</sub> emissions and thermal energy were calculated using the factors stipulated each year under the "Act on Promotion of Global Warming"

\* Intensity units are based on production quantities by manufacturing factory

\* The baseline for the waste recycling rate is 84.1% (FY2019 result). The formula is shown in the "Calculation method" section on p.16

## Medium- to Long-Term Environmental Targets Overseas

Targets	Unit	Baseline	2030 target	FY2022 results	Progress
<b>Reduce fossil fuel-derived CO<sub>2</sub> emissions</b> (Reduce by more than 24% compared with FY2021 levels)	t-CO <sub>2</sub>	143,340	108,938	140,531	Reduction (change from the baseline) : ▲2,809 Reduction (compared with the baseline) : ▲2.0%
<b>Waste consumption (per production unit)</b> (Reduce by 5% compared with FY2021 level)	m <sup>3</sup> /t	14.7	14.1	15.2	Reduction (change from the baseline) : 0.5 Reduction (compared with the baseline) : 3.4%

\* Target base year: For overseas operations, based on FY2021 results, with reduction targets set as equal to yearly reduction targets in Japan

Coverage of the Plan: Reduction of fossil fuel-derived CO<sub>2</sub> emissions . . . ④, Water consumption . . . ⑤

\* CO<sub>2</sub> emissions are mainly calculated using methods defined by the country or region where a company is located.

If this is unknown, the IEA Emissions Factors and the coefficients of the "Act on Promotion of Global Warming Countermeasures" in Japan are used.

\* Intensity units are based on production quantities by manufacturing factory

## Results of Medium-Term Management Plan 2020

The Medium-Term Management Plan 2020, which launched on April 1, 2018, sets environmental targets based on average values for the period from fiscal 2012 to fiscal 2016. The plan achieved the following results.

Initiatives		Baseline (average FY2012-2016)	Targets (average FY2018-2020)	Results (average FY2018-2020) (compared to baseline)
Mitigation of climate change	CO <sub>2</sub> emissions intensity	701.1 kg-CO <sub>2</sub> /t	8.0% Reduction (645.1 kg-CO <sub>2</sub> /t)	10.0% Reduction (631.0 kg-CO <sub>2</sub> /t)
	Thermal energy intensity	12.0 GJ/t	8.0% Reduction (11.0 GJ/t)	3.3% Reduction (11.6 GJ/t)
Resource saving	Water consumption intensity <sup>*1</sup>	17.7 m <sup>3</sup> /t	3.0% Reduction (17.2 m <sup>3</sup> /t)	4.5% Increase (18.5 m <sup>3</sup> /t)
	Waste generation intensity <sup>*2</sup>	207.5 kg/t	6.0% Reduction (195.1 kg/t)	14.3% Increase <sup>*3</sup> (237.1 kg/t)
Promotion of recycling	Waste recycling rate	90.8%	94.0% Over	88.9%

\* CO<sub>2</sub> emissions and thermal energy calculated by using factors in "Act on Promotion of Global Warming Countermeasures" in Japan about each year

\* Coverage of the Plan: ①

\* Primary unit of each intensity is per unit of product

\* Reduction rate in target value is reduction rate from Baseline

\* The formula for the waste recycling rate is shown in the "Calculation method" section on p.16

<sup>\*1</sup> Water consumption and discharged includes some estimated values from production departments

<sup>\*2</sup> Excluding farm excreta

<sup>\*3</sup> Excluding the waste from Typhoon Jebi and the Hokkaido Eastern Iburi earthquake in the FY2018

# Mitigation of Global Warming

## Greenhouse Gas Emissions from NH Foods Group and Its Entire Supply Chain

### ■ Greenhouse Gas Emissions ☒

Scope	Items	Business scope	Scope 2 pattern	FY2018	FY2019	FY2020	FY2021	FY2022
Scope 1	CO <sub>2</sub> (thousand t-CO <sub>2</sub> )	Japan	—	216	215	220	222	213
		Overseas	—	—	—	—	52	55
	Methane (thousand t-CO <sub>2</sub> )	Company-wide	—	30	31	28	116	134
	Nitrous oxide (thousand t-CO <sub>2</sub> )	Company-wide	—	103	102	101	102	99
Scope 2	CO <sub>2</sub> (thousand t-CO <sub>2</sub> )	Japan	Location base	303	290	276	267	246
			Market base	—	269	257	260	236
		Overseas	Location base	—	—	—	92	86
Total	CO <sub>2</sub> (thousand t-CO <sub>2</sub> )	Company-wide	Location base	652	638	625	851	833
Scope 3	CO <sub>2</sub> (thousand t-CO <sub>2</sub> )	Japan	—	10,948	11,134	10,576	10,503	10,258

\* Coverage of data: Scope 1, Scope 2 ・ ・ ・ ①, Scope 3 ・ ・ ・ ②

### ■ Breakdown of Scope 3 Categories (FY2022 Results in Japan) ☒

Category	CO <sub>2</sub> (thousand t-CO <sub>2</sub> )	Composition ratio (%)
1 Purchased goods and services	8,599	83.8
2 Capital goods	159	1.6
3 Fuel and energy related activities (not included in scope 1 or scope 2)	79	0.8
4 Upstream transportation and distribution	809	7.9
5 Waste generated in operations	44	0.4
6 Business travel	7	0.1
7 Employee commuting	54	0.5
8 Upstream leased assets	5	0.0
9 Downstream transportation and distribution	-	-

\* Coverage of data: ②

Category	CO <sub>2</sub> (thousand t-CO <sub>2</sub> )	Composition ratio (%)
10 Processing of sold products	242	2.4
11 Use of sold products	145	1.4
12 End-of-Life treatment of sold products	115	1.1
13 Downstream leased assets	-	-
14 Franchises	-	-
15 Investments	-	-
<b>Total</b>	<b>10,258</b>	<b>100</b>

## Environmental Data by Business

## ■ Greenhouse Gas

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

Items			FY2018	FY2019	FY2020	FY2021	FY2022
Japan	Production and Livestock Breeding Facilities and Feedlots	Scope 1	181	183	182	179	174
		Scope 2	40	39	37	35	35
		Subtotal	221	222	219	215	209
	Fresh Meat Processing and Plants	Scope 1	26	25	27	27	27
		Scope 2	37	35	34	33	31
		Subtotal	62	61	60	60	58
	Ham and Sausage Production	Scope 1	37	36	37	36	34
		Scope 2	55	52	49	48	45
		Subtotal	92	88	86	84	79
	Processed Food Production	Scope 1	66	65	67	69	65
		Scope 2	105	99	94	92	80
		Subtotal	171	164	161	161	145
	Marine and Dairy Product Production	Scope 1	8	8	8	8	8
		Scope 2	18	18	17	16	16
		Subtotal	26	26	25	24	24
	Sales Offices, Distribution Centers, Headquarters, Branches, Offices and Research Institutes	Scope 1	1	1	1	1	2
		Scope 2	49	47	45	44	39
		Subtotal	50	48	46	45	41
	Vehicles	Scope 1	29	28	28	28	26
	Subtotal	Scope 1	348	348	349	348	336
		Scope 2	304	290	276	267	246
		Subtotal	652	638	625	615	582
Overseas		Scope 1	—	—	—	144	165
		Scope 2	—	—	—	92	86
		Subtotal	—	—	—	235	251
Total		Scope 1	348	348	349	492	501
		Scope 2	304	290	276	359	332
		Subtotal	652	638	625	851	833

\* Coverage of data: ①

# Resource Saving Initiatives

## Consumption of Energy

### ■ Transition of Energy Consumption ☒

Items			FY2018	FY2019	FY2020	FY2021	FY2022
Japan	Fuel (TJ)	Gasoline	52	46	37	35	30
		Kerosene	542	570	591	588	582
		Light oil	375	371	372	379	351
		Heavy fuel oil A	968	867	852	775	688
		Liquefied petroleum gas / LPG	361	392	420	455	401
		Liquefied natural gas / LNG	217	281	302	315	274
		Town gas	971	996	1,034	1,111	1,202
		Biomass	—	—	—	59	26
	Total Fuel		3,486	3,523	3,608	3,717	3,554
	Steam, cold water, hot water purchased (TJ)		21	20	20	21	22
Electricity purchased (TJ)		5,772	5,768	5,708	5,727	5,436	
Of which, renewable energy (TJ)		—	—	1	1	14	
Subtotal (TJ)		9,279	9,311	9,336	9,465	9,012	
Of which, renewable energy (TJ)		—	—	1	60	40	
Overseas	Fuel (TJ)	Gasoline	—	—	—	9	9
		Kerosene	—	—	—	0	0
		Light oil	—	—	—	86	85
		Heavy fuel oil	—	—	—	29	19
		Coal	—	—	—	343	371
		Liquefied petroleum gas / LPG	—	—	—	48	91
		Natural gas	—	—	—	190	157
		Town gas	—	—	—	6	6
		Biomass	—	—	—	288	300
	Total Fuel		—	—	—	999	1,038
	Steam, cold water, hot water purchased (TJ)		—	—	—	44	81
	Electricity purchased (TJ)		—	—	—	600	564
	Subtotal (TJ)		—	—	—	1,643	1,683
Of which, renewable energy (TJ)		—	—	—	288	300	
Total	Total (TJ)		9,279	9,311	9,336	11,108	10,695
	Of which, renewable energy (TJ)		—	—	1	348	340

\* Coverage of data: ①

\* Only the amount of consumption is subject to verification, and various energy conversions have not been verified.

## Water Consumption

### ■ Transition of Water withdrawal and Water consumption (By Water Source)

Items			FY2018	FY2019	FY2020	FY2021	FY2022
Japan	<input checked="" type="checkbox"/> Water withdrawal and Water consumption (thousand m <sup>3</sup> )	Groundwater	10,798	10,868	10,873	10,881	10,603
		Tap water	3,999	3,952	3,947	3,840	3,658
		Sea water	0	0	0	0	0
		Subtotal	14,797	14,820	14,820	14,721	14,261
	Reuse/recycling water (thousand m <sup>3</sup> )		37	35	39	37	65
Overseas	<input checked="" type="checkbox"/> Water withdrawal and Water consumption (thousand m <sup>3</sup> )	Groundwater	—	—	—	611	1,072
		Surface water	—	—	—	564	771
		Tap water	—	—	—	2,100	2,240
		Sea water	—	—	—	13	16
	Subtotal	—	—	—	3,288	4,099	
	<input checked="" type="checkbox"/> Total water withdrawal and Water consumption		14,797	14,820	14,820	18,009	18,360

\* Coverage of data: Japan...② Overseas...⑤

\* Water withdrawal and Water consumption figures include estimates from production departments

Items			FY2018	FY2019	FY2020	FY2021	FY2022
Japan	Discharged (thousand m <sup>3</sup> )	Discharged treatment water to river etc.	11,019	11,897	11,765	12,224	11,373
		Sewage	1,485	1,514	1,489	1,512	1,502
		Total	12,504	13,411	13,254	13,736	12,875

## Waste

### ■ Breakdown of Waste Generation (Results in Japan)

Items		FY2018	FY2019	FY2020	FY2021	FY2022
Waste generation (thousand t)		434.7	411.3	402.5	397.6	380.2
In which, waste discharged (thousand t)		232.7	205.1	208.8	198.7	193.5
Recycling of waste (thousand t)		405.3	373.8	376.9	380.8	364.2
Final disposal waste (thousand t)		20.7	22.7	19.7	9.6	11.0
Recycling rate (%)		93.6	92.1	94.7	96.9	96.6

\* The formula for the recycling rate is shown in the "Calculation method" section on p.16

Items		FY2018	FY2019	FY2020	FY2021	FY2022
Hazardous waste generation (thousand t)		98.1	15.5	22.5	24.0	18.1

\* Coverage of data: ②

\* Excluding the waste from Typhoon Jebi and the Hokkaido Eastern Iburi earthquake in the FY2018

\* Hazardous waste is defined as specially controlled industrial waste



## State of Compliance with Environmental Laws and Regulations

The NH Foods Group strives to ensure compliance with laws and regulations at all of its business sites. At farms, factories, and distribution facilities where environmental loads are especially high, we obtain ISO 14001 certification as the basis for the effective administration of compliance systems. In addition, the relevant units in NH Foods Ltd. verify operational conditions through internal environmental audits at our business sites, including those without certification. Steps are taken, including recurrence prevention measures, to address any issues identified through internal audits based on ISO 14001 or internal audits by NH Foods Ltd.

In the unlikely event of an environmental accident, remedial action is implemented in accordance with procedures determined for each business site. We also submit reports to the relevant agencies and establish structures to prevent recurrences. In addition, the circumstances are reported to the Compliance Department of NH Foods Ltd. in order to share details about the actions taken.

In fiscal 2022, there were no accidents that caused serious environmental impacts at NH Foods Group business sites.

\* The meaning of "Serious accident" is as defined in the internal rules of the NH Foods Group.

Items	FY2018	FY2019	FY2020	FY2021	FY2022
Number of serious environmental accidents	0	0	0	0	0
Amount of fines (yen)	0	0	0	0	0

\* Coverage of data: ①

# Business Activities and Environmental Impact

## ■ Inputs

Items	FY2018	FY2019	FY2020	FY2021	FY2022
Livestock feed (thousand t)	640	660	641	626	626
Raw materials for products (thousand t)	249	245	241	240	215
Plastic	7,735	7,188	6,495	6,429	6,909
Fuel (TJ)	3,486	3,523	3,608	3,717	3,554
Of which, renewable energy (TJ)	—	—	—	59	26
Electricity (million kWh)	590	590	585	589	562
Of which, renewable energy (million kWh)	—	—	1	1	4
Water (million m <sup>3</sup> )	15	15	15	15	14

\* Coverage of data: ②

\* Water input includes some estimated values from production departments

\* Quantities of plastic are based on plastic discharge applications in Japan under the Japanese Law for the Promotion of Sorted Collection and Recycling of Containers and Packaging.

## ■ Outputs

Items	FY2018	FY2019	FY2020	FY2021	FY2022
Quantity of products (fresh meats, processed foods) produced (thousand t)	797	797	805	810	761
Greenhouse gases (thousand t-CO <sub>2</sub> )	651	637	625	615	583
Nitrous oxides/NOx (t)	509	507	507	511	518
Sulfur oxides/SOx (t)	217	196	193	176	167
Discharged water (million m <sup>3</sup> )	13	13	13	14	13
Waste (among generated) (thousand t)	435	411	403	398	380
Waste recycling rate (%)	93.6	92.1	94.7	96.9	96.6

\* Coverage of data: ②

\* Water discharged includes some estimated values from production departments

\* Excluding the waste from Typhoon Jebi and the Hokkaido Eastern Iburi earthquake in the FY2018

\* The formula for the recycling rate is shown in the "Calculation method" section on p.16

# 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: water intake
- The management systems supporting the reporting


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

## ■ Period covered

April 1, 2022 to March 31, 2023

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

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



## 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. Refer to the attached sheet for the detailed scope of assurance.

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 (Nippon Pure food, Inc. Iseasaki Plant and Nippon Logistics Center, Inc. Okazaki Nampo office), verification 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. attests 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 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, 2022 to 31 March, 2023. 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 have 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.  
 Knowledge  
 Management Committee Member  
 Head of Certification/Accreditation

7 July, 2023  
 Signed: Yoji Takeuchi



**AA1000**  
 Licensed Report  
 000-8/V3-AY8H7

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	NH Foods Group (484 sites in Japan and overseas)	Scope1: 265,351,716 kg-CO <sub>2</sub> Scope2(Location-based): 332,901,719 kg-CO <sub>2</sub> Scope2(Market-based): 322,870,129 kg-CO <sub>2</sub>
Scope 1 * CO <sub>2</sub> from incineration of wastes	Nipponham Processed Foods Ltd. (Kanto Plant)	Scope1: 2,039,490 kg-CO <sub>2</sub>
Scope 1 * CH <sub>4</sub> and N <sub>2</sub> O derived from livestock: fermentation in the digestive tract and excreta disposal	Interfarm Co., Ltd. / Nippon White Farm co., Ltd. / Nippon White Farm Nigata co., Ltd. / Wanyalla Beef Pty. Ltd.	Scope1: 233,443,135 kg-CO <sub>2</sub> e
2 Scope 3: (category 1-8, 10-12) *Category1: Purchased raw materials *Category5: Use of Sapporo Dome *Category10: Cooking with heat of professional products *Category11: Cooking with heat of consumer products *Category12: Leftover food and disposal of wrapping film	Domestic Group	Category1: 8,598,642 t-CO <sub>2</sub> Category2: 150,953 t-CO <sub>2</sub> Category3: 79,324 t-CO <sub>2</sub> Category4: 809,236 t-CO <sub>2</sub> Category5: 43,809 t-CO <sub>2</sub> Category6: 6,881 t-CO <sub>2</sub> Category7: 54,260 t-CO <sub>2</sub> Category8: 4,825 t-CO <sub>2</sub> Category10: 242,141 t-CO <sub>2</sub> Category11: 144,797 t-CO <sub>2</sub> Category12: 114,877 t-CO <sub>2</sub>
3 Energy consumption * Solar power system (including PPA)	24 sites in Japan	3,688,309 kWh
Energy consumption * Animal and vegetable oil	6 sites in Japan	1,740,774 t
Energy consumption * Wood	3 overseas sites	18,490,154 kg
4 Water intake	NH Foods Group (484 sites in Japan and overseas)	18,380,407 m <sup>3</sup>