

NH Foods Group Data Book 2024

Issued on July 31, 2024
Revised September 30, 2024



Unleash new potentials for protein

NH Foods Group Vision 2030





Financial data

Consolidated Financial Statements (past ten years)

NH Foods Ltd. and Subsidiaries
For the Years Ended March 31

	USGAAP				IFRS							(¥ million)
	3/15	3/16	3/17	3/18	3/18	3/19	3/20	3/21	3/22	3/23	3/24	
Net sales	1,199,956	1,229,324	1,202,293	1,269,201	1,258,463	1,234,180	1,229,826	1,106,351	1,151,886	1,259,792	1,303,432	
Operating income	47,770	49,207	53,802	49,218	—	—	—	—	—	—	—	
Profit before tax [Net profit for the period from continuing operations before income taxes, etc.]	43,797	35,309	49,112	50,455	52,798	30,267	27,039	47,604	51,760	22,162	40,599	
Profit attributable to owners of the parent [Net profit attributable to owners of the parent]	31,048	21,779	35,004	37,147	37,552	19,561	19,214	32,616	48,049	16,637	28,078	
Business profit	—	—	—	—	50,589	38,311	43,772	52,426	48,116	25,596	44,939	
Total assets	661,567	682,855	720,276	755,076	734,528	741,388	768,861	825,405	909,213	937,155	958,237	
Total equity attributable to owners of the parent	353,664	356,353	404,126	440,793	417,982	401,014	404,414	433,595	479,069	492,913	527,503	
Interest-bearing liabilities	136,758	154,583	138,284	110,948	111,401	147,009	176,493	193,750	211,407	242,055	214,852	
Cash flows from operating activities	29,681	52,535	65,254	54,626	53,284	30,844	65,464	82,518	33,387	11,331	86,586	
Cash flows from investing activities	(31,517)	(49,139)	(38,271)	(49,006)	(48,194)	(45,110)	(36,728)	(57,827)	(22,837)	(63,677)	(39,224)	
Free cash flow	(1,836)	3,396	26,983	5,620	5,090	(14,266)	28,736	24,691	10,550	(52,346)	47,362	
Cash flows from financing activities	(17,187)	8,182	(11,439)	(27,508)	(27,110)	2,932	(3,077)	(14,934)	(12,162)	28,417	(53,189)	
Capital expenditures	35,694	36,799	43,765	41,466	41,201	47,820	35,759	67,161	57,537	59,124	44,157	
Depreciation and amortization	18,951	19,445	19,765	21,234	20,714	22,417	23,961	21,679	23,623	25,472	26,686	
Per share amounts												
Basic earnings per share [Basic net profit per share attributable to owners of the parent]												
Continuing operations (¥)	¥297.70	¥245.56	¥343.59	¥348.46	¥352.26	¥183.21	¥186.70	¥311.13	¥381.91	¥176.27	¥273.70	
Discontinued operations (¥)	¥7.16	(¥31.72)	(¥0.12)	—	—	—	—	¥6.84	¥88.01	(¥13.83)	¥1.00	
Total (¥)	¥304.86	¥213.84	¥343.47	¥348.46	¥352.26	¥183.21	¥186.70	¥317.97	¥469.92	¥162.44	¥273.70	
Diluted earnings per share [Diluted earnings per share for the period attributable to owners of the parent]												
Continuing operations (¥)	¥279.50	¥230.61	¥322.66	¥342.07	¥350.00	¥181.48	¥186.64	¥311.05	¥381.82	¥176.25	—	
Discontinued operations (¥)	¥6.72	(¥29.72)	(¥0.12)	—	—	—	—	¥6.84	¥87.99	(¥13.83)	—	
Total (¥)	¥286.22	¥200.89	¥322.54	¥342.07	¥350.00	¥181.48	¥186.64	¥317.89	¥469.81	¥162.42	—	
Total equity per share attributable to owners of the parent (¥)	¥3,472.37	¥3,498.72	¥3,832.95	¥4,100.70	¥3,888.48	¥3,896.64	¥3,929.43	¥4,243.70	¥4,681.82	¥4,808.70	¥5,138.81	
Cash dividends (¥)	¥46.00	¥33.00	¥52.00	¥53.00	¥53.00	¥90.00	¥90.00	¥94.00	¥102.00	¥110.00	¥119.00	
Financial indicators												
Business profit ratio (%)	—	—	—	—	4.0	3.1	3.6	4.6	4.0	2.2	3.5	
Operating profit ratio (%)	4.0	4.0	4.5	3.9	—	—	—	—	—	—	—	
Return on equity (ROE) (%)	9.2	6.1	9.2	8.8	9.4	4.8	4.8	7.8	10.5	3.4	5.5	
Return on invested capital (ROIC) (%)	6.4	6.5	7.0	6.2	6.6	4.9	5.3	5.9	5.0	2.4	4.1	
Total equity attributable to owners of the parent ratio [Total equity ratio] (%)	53.5	52.2	56.1	58.4	56.9	54.1	52.6	52.5	52.7	52.6	55.0	
Interest-bearing liabilities / Equity ratio [Equity ratio] (Times)	0.39	0.43	0.34	0.25	0.27	0.37	0.44	0.45	0.44	0.49	0.41	
Interest coverage ratio (Times)	24.2	35.1	57.4	44.7	43.1	24.2	40.6	61.6	27.9	6.3	41.1	
Payout ratio (consolidated) (%)	30.2	30.9	30.3	30.4	30.1	49.1	48.2	29.6	21.7	67.7	43.5	

Financial data

Notes:

1. NH Foods Ltd. has voluntarily applied International Financial Reporting Standards (IFRS) to consolidated financial statements for the first quarter of the fiscal year ended March 31, 2019.
Where items differ from the USGAAP or IFRS standards, the corresponding USGAAP item is shown in [].
2. Figures have been rounded to the nearest unit.
3. As of April 1, 2018, NH Foods Ltd. carried out a share consolidation at a ratio of one share for each two shares of common stock.
Total NH Foods Ltd. shareholders' equity per share, basic earnings per share attributable to NH Foods Ltd. shareholders and diluted earnings per share attributable to NH Foods Ltd. shareholders were computed on the assumption that the share consolidation was carried out at the beginning of the fiscal year ended March 31, 2015.
Cash dividends represent the actual payment prior to the relevant share consolidation.
4. Operating income represents net sales less cost of goods sold and selling, general and administrative expenses.
5. Starting from the fiscal year ended March 31, 2020, NH Foods Group discloses business profit (calculated by deducting the cost of goods sold, and selling, general and administrative expenses from net sales, and making adjustments of currency gains and losses as determined by the Group, adjustments in accordance with IFRS, and adjustments of non-recurring items) in place of the operating income results disclosed previously. The purpose of this change is to provide a clear indication of profit earned through business activities.
The figures for the fiscal years ended March 31, 2018 and March 31, 2019 have been restated retroactively.
6. Interest-bearing liabilities under USGAAP consists of short-term bank loans, current maturities of long-term debt and long-term debt, less current maturities (including zero coupon convertible bonds) in the consolidated balance sheets.
7. Capital expenditures represent additions to tangible and intangible fixed assets.
Because it has been decided not to include increases in right-of-use assets in capital expenditures, the figures for the fiscal years ending March 2020 through March 2023 have been retroactively adjusted.
8. Depreciation and amortization consist of depreciation of tangible fixed assets and amortization of intangible fixed assets.
Because it has been decided not to include amortization of right-of-use assets in depreciation and amortization, the figures for the fiscal years ending March 2020 through March 2023 have been retroactively adjusted.
9. $ROE (\%) = \text{Profit attributable to owners of the parent} / \text{Average total equity attributable to owners of the parent} \times 100$
 $\text{Free cash flow (million yen)} = \text{Cash flows provided by operating activities} + \text{Cash flows used in investing activities}$
 $\text{Total equity attributable to owners of the parent ratio} (\%) = \text{Total equity attributable to owners of the parent} / \text{Total assets} \times 100$
 $\text{Interest-bearing liabilities/equity ratio (times)} = \text{Interest-bearing liabilities} / \text{Total equity attributable to owners of the parent}$
 $\text{Interest coverage ratio (times)} = \text{Cash flows provided by operating activities} / \text{Interest paid}$
10. In the fiscal year ended March 2022, we sold our entire shareholding in Marine Foods Corporation, a consolidated subsidiary.
As result, Marine Foods Corporation and its subsidiaries, etc., are now classified as non-continuous businesses.
The ratio of business profit to net sales was calculated using business profit after adjustment for discontinued operations (¥50,532 million in the fiscal year ended March 31, 2021).
Please refer to Note 11 for business profit after adjustment for discontinued operations in the fiscal year ended March 31, 2022.
11. In the fiscal year ended March 31, 2023, we decided to sell our entire shareholding in our consolidated subsidiary, Breeders & Packers Uruguay S.A., to Minerva S.A. As a result, Breeders & Packers Uruguay S.A. is now classified as a discontinued operation. Net sales and profit for the period before income tax for the fiscal years ended March 31, 2023 and March 31, 2022 are therefore shown as the amounts for continuing operations, excluding discontinued operations.
The ratio of business profit to net sales was calculated using business profit after adjustment for discontinued operations (¥45,987 million in the fiscal year ended March 31, 2024, ¥28,191 million in the fiscal year ended March 31, 2023, ¥46,222 million in the fiscal year ended March 31, 2022).

Consolidated Financial Summary

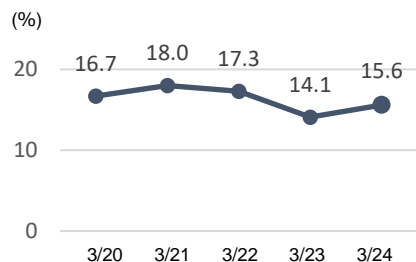
Profitability Indicators

(%)

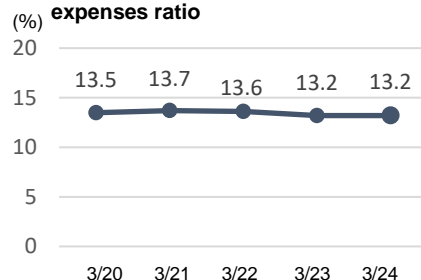
	3/20	3/21	3/22	3/23	3/24
Gross profit ratio	16.7	18.0	17.3	14.1	15.6
Selling, general and administrative expenses ratio	13.5	13.7	13.6	13.2	13.2
Business profit ratio	3.6	4.5	4.0	2.2	3.5
Return on sales ^{*1}	1.6	2.8	4.2	1.3	2.2

*1 Return on sales (%) = Profit attributable to Owners of The Parent/Net sales×100

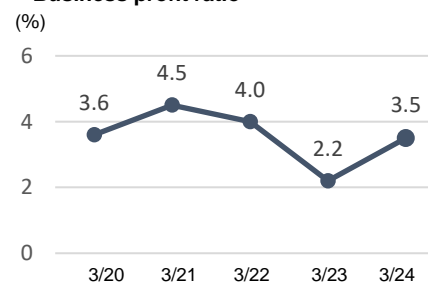
Gross profit ratio



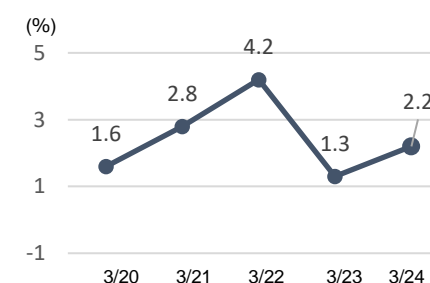
Selling, general and administrative expenses ratio



Business profit ratio



Return on sales



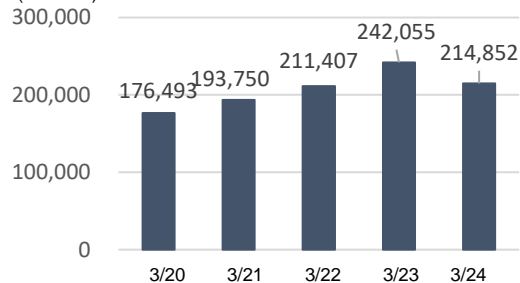
Total Assets, Total Equity attributable to Owners of The Parent and Interest-Bearing Liabilities

(¥ million)

	3/20	3/21	3/22	3/23	3/24
Total assets	768,861	825,405	909,213	937,155	958,237
Total equity attributable to owners of the parent	404,414	433,595	479,069	492,913	527,503
Interest-bearing liabilities	176,493	193,750	211,407	242,055	214,852

Interest-bearing liabilities

(¥ million)



Stability and Liquidity Indicators

	3/20	3/21	3/22	3/23	3/24
Total equity attributable to owners of the parent ratio (%) ^{*1}	52.6	52.5	52.7	52.6	55.0
Interest-bearing liabilities/equity ratio (Times) ^{*2}	0.44	0.45	0.44	0.49	0.41
Interest-bearing liabilities/cash flow ratio (%) ^{*3}	37.1	42.6	15.8	4.7	40.3
Interest coverage ratio (Times) ^{*4}	40.6	61.6	27.9	6.3	41.1

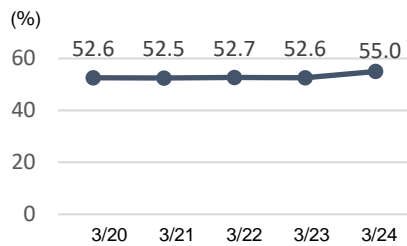
^{*1} Total equity attributable to owners of the parent ratio [NH Foods Ltd. shareholders' equity ratio] (%) = Total equity attributable to owners of the parent/Total assets×100

^{*2} Interest-bearing liabilities/equity ratio (Times) = Interest-bearing liabilities/Total equity attributable to owners of the parent

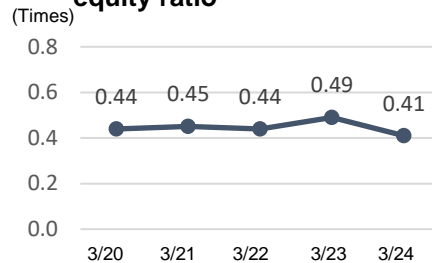
^{*3} Interest-bearing liabilities/cash flow ratio (%) = Net cash provided by operating activities/Interest-bearing liabilities×100

^{*4} Interest coverage ratio (Times) = Net cash provided by operating activities/Interest paid

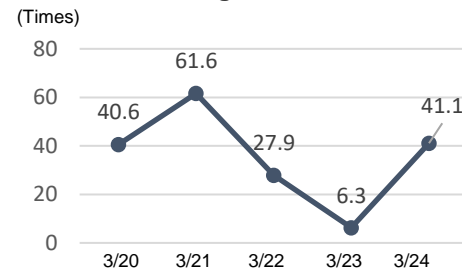
Total equity attributable to owners of the parent ratio



Interest-bearing liabilities/equity ratio



Interest coverage ratio



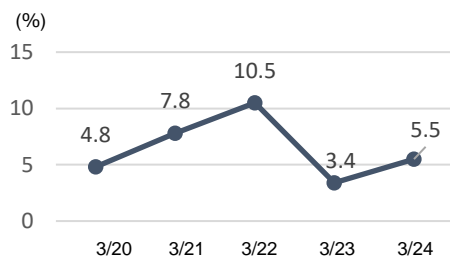
Return Indicators

	3/20	3/21	3/22	3/23	3/24
Return on equity (ROE) ^{*5}	4.8	7.8	10.5	3.4	5.5
Return on invested capital (ROIC) ^{*6}	5.3	5.9	5.0	2.4	4.1

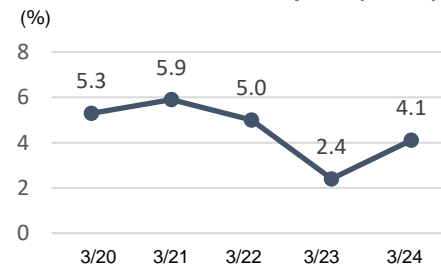
^{*5} Return on equity (ROE) (%) = Profit attributable to owners of the parent/Average total equity attributable to owners of the parent×100

^{*6} Return on invested capital (ROIC) (%) = Invested capital turnover × Business profit rate × (1 – Tax rate)

Return on equity (ROE)



Return on invested capital (ROIC)



Efficiency Indicators

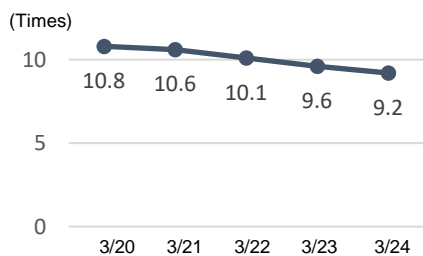
	3/20	3/21	3/22	3/23	3/24
Inventory turnover (Times) ^{*1}	10.8	10.6	10.1	9.6	9.2
Total assets turnover (Times) ^{*2}	1.6	1.5	1.3	1.3	1.4
Inventory turnover (Days) ^{*3}	33.8	34.5	36.1	38.0	39.7

^{*1} Inventory turnover (Times) = Net sales/Average inventories

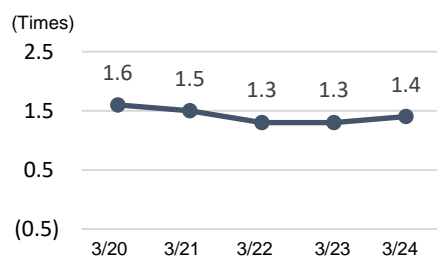
^{*2} Total assets turnover (Times) = Net sales/Average total assets

^{*3} Inventory turnover (Days) = 365/Inventories turnover

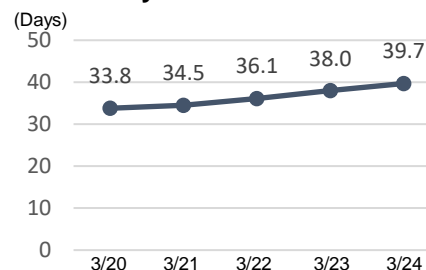
Inventory turnover



Total assets turnover



Inventory turnover

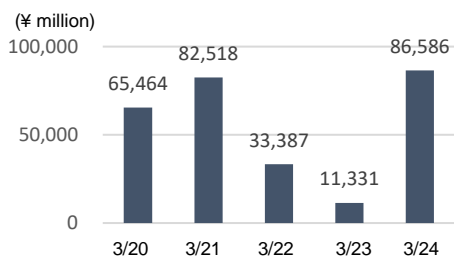


Cash Flows

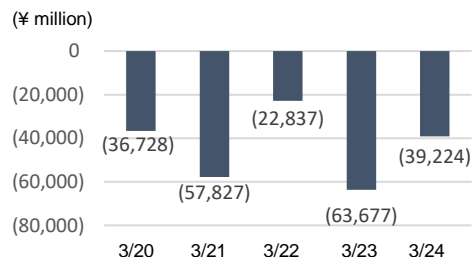
	3/20	3/21	3/22	3/23	3/24
Cash flows from operating activities	65,464	82,518	33,387	11,331	86,586
Cash flows from investing activities	(36,728)	(57,827)	(22,837)	(63,677)	(39,224)
Free cash flow ^{*4}	28,736	24,691	10,550	(52,364)	47,362
Cash flows from financing activities	(3,077)	(14,934)	(12,162)	28,417	(53,189)
Cash and cash equivalents at end of the year	72,399	83,831	85,374	64,986	65,465

^{*4} Free cash flow = Net cash from operating activities + Net cash from investing activities

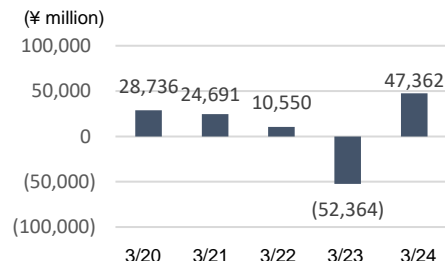
Cash flows from operating activities



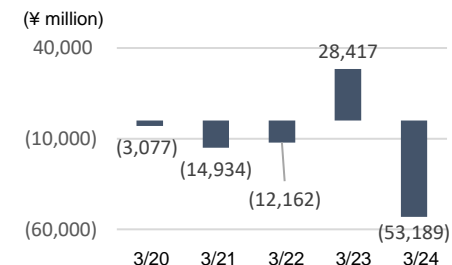
Cash flows from investing activities



Free cash flow



Cash flows from financing activities

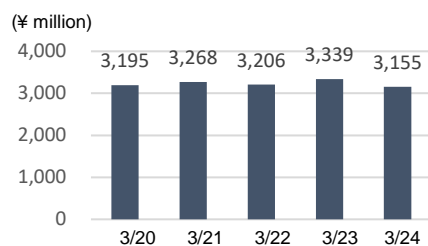


R&D, Capital Expenditures, Depreciation and Amortization

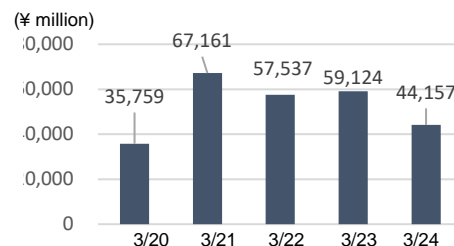
(¥ million)

	3/20	3/21	3/22	3/23	3/24
R&D expenditures	3,195	3,268	3,206	3,339	3,155
Capital expenditures	35,759	67,161	57,537	59,124	44,157
Depreciation and amortization	23,961	21,679	23,623	25,472	26,686

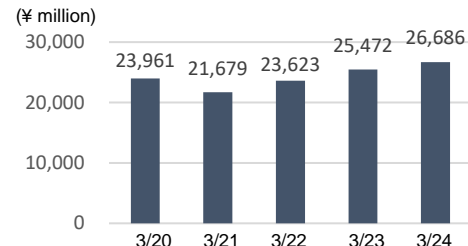
R&D expenditures



Capital expenditures



Depreciation and amortization

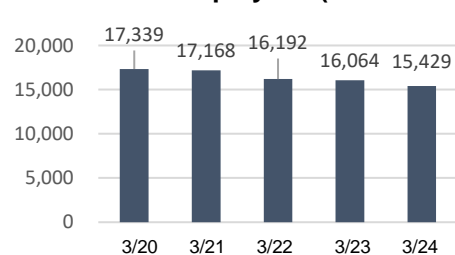


Other Data

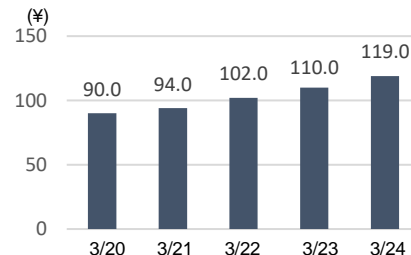
	3/20	3/21	3/22	3/23	3/24
Number of employees (consolidated)	17,339	17,168	16,192	16,064	15,429
Average number of temporary employees	12,791	12,222	11,457	10,986	10,483
Dividend per share (¥) *1	90.0	94.0	102.0	110.0	119.0
Payout ratio (consolidated) (%)	48.2	29.6	21.7	67.7	43.5
Stock price					
High (¥)	4,940	5,100	5,100	4,370	5,449
Low (¥)	2,900	3,220	3,220	3,490	3,765

*1 Cash dividends represent the actual payment prior to the relevant share consolidation.

Number of employees (consolidated)



Dividend per share



Segment Information

By Operating Segment

(¥ million)

		3/20	3/21	3/22	3/23	3/24
Processed Foods Business Division	Net sales	498,781	489,362	496,700	417,738	431,233
	(1) External customers	473,953	463,526	469,953	390,397	402,029
	(2) Intersegment	24,828	25,836	26,747	27,341	29,204
	Segment expenses	485,413	471,385	482,021	412,720	421,503
	Segment profit	13,368	17,977	14,679	5,018	9,730
	Assets	293,662	308,769	271,700	278,588	281,634
	Depreciation and amortization	11,168	11,720	12,666	12,234	12,389
Capital expenditures	16,995	26,032	11,038	10,730	9,793	
Fresh Meats Business Division	Net sales	685,630	656,668	683,301	750,109	780,596
	(1) External customers	612,545	591,576	621,531	685,332	719,861
	(2) Intersegment	73,085	65,092	61,770	64,777	60,735
	Segment expenses	653,597	615,425	585,958	721,027	746,570
	Segment profit	32,033	41,243	35,573	29,082	34,026
	Assets	342,144	341,364	364,830	410,977	422,583
	Depreciation and amortization	7,752	8,012	8,705	9,157	9,013
Capital expenditures	11,735	15,966	17,083	19,273	25,896	
Overseas Business Division	Net sales	254,649	223,649	267,623	321,429	289,964
	(1) External customers	129,374	112,155	142,799	186,449	167,985
	(2) Intersegment	125,275	111,494	124,824	134,980	121,979
	Segment expenses	252,799	223,753	265,214	326,465	287,504
	Segment profit (loss)	1,850	(104)	2,409	(5,036)	2,460
	Assets	115,226	123,427	159,029	162,728	168,887
	Depreciation and amortization	3,115	3,126	3,482	4,076	3,720
Capital expenditures	6,032	4,955	3,321	4,000	7,199	
Others	Net sales	16,553	11,758	13,809	17,052	23,866
	(1) External customers	13,288	8,581	10,631	13,818	20,664
	(2) Intersegment	3,265	3,177	3,178	3,234	3,202
	Segment expenses	15,992	13,536	15,378	17,535	21,946
	Segment profit (loss)	561	(1,778)	(1,569)	(483)	1,920
	Assets	29,377	27,535	50,421	75,469	75,744
	Depreciation and amortization	269	258	276	709	2,202
Capital expenditures	1,092	19,181	21,806	20,619	777	
Consolidated (before adjustment for discontinued operations)	Net sales	1,229,826	1,176,101	1,246,442	1,289,995	1,314,055
	(1) External customers	1,229,826	1,176,101	1,246,442	1,289,995	1,314,055
	(2) Intersegment	—	—	—	—	—
	Segment expenses	1,186,054	1,123,675	1,198,326	1,264,399	1,269,116
	Segment profit	43,772	52,426	48,116	25,596	44,939
	Assets	768,861	825,405	909,213	937,155	958,237
	Depreciation and amortization	33,038	33,939	36,379	38,379	39,661
Capital expenditures	47,802	82,902	80,395	67,519	60,939	
Transfer to discontinued operations	Net sales	—	—	(94,556)	(30,203)	(10,623)
	(1) External customers	—	—	(94,556)	(30,203)	(10,623)
	(2) Intersegment	—	—	—	—	—
	Segment expenses	—	—	(92,662)	(32,798)	(11,581)
	Segment profit (loss)	—	—	(1,894)	2,595	958
	Assets	—	—	—	—	—
	Depreciation and amortization	—	—	(1,724)	(664)	—
Capital expenditures	—	—	(1,121)	(360)	(90)	
Consolidated (after adjustment for discontinued operations)	Net sales	—	—	1,151,886	1,259,792	1,303,432
	(1) External customers	—	—	1,151,886	1,259,792	1,303,432
	(2) Intersegment	—	—	—	—	—
	Segment expenses	—	—	1,105,664	1,231,601	1,257,535
	Segment profit	—	—	46,222	28,191	45,897
	Assets	—	—	909,213	937,155	958,237
	Depreciation and amortization	—	—	34,655	37,715	39,661
Capital expenditures	—	—	79,274	67,159	60,849	

Notes:

- Depreciation and amortization consist of depreciation of property, plant and equipment and amortization of intangible assets.
- Capital expenditures represent the additions to property, plant and equipment and intangible assets.
- Since the fiscal year ended March 31, 2020, the new "segment profit" has been calculated by deducting the cost of goods sold and selling, general and administrative expenses from net sales, and accounting for foreign exchange gains and losses determined by the Group, while excluding adjustments in accordance with IFRS and non-recurring items. Since the fiscal year ended March 31, 2018, "segment profit" has been presented by applying the new calculation method from the viewpoint of the comparability with the fiscal year ended March 31, 2020.
- The consolidated figures were calculated by deducting eliminations, adjustments and others from the results for each business division.
- From the first quarter of the fiscal year ending March 2022, the Company has classified the team business and new business into "Other" for the purpose of expanding into new business areas. In addition, from the first quarter of the fiscal year ending March 2022, we have changed the method of calculating sales in order to more appropriately reflect the performance of the reporting segment. Regarding this change, the figures before the previous fiscal year have been retroactively revised. However, the figures before the fiscal year ended March 2020 have not been audited.
- Net sales and profits (losses), etc., and capital expenditure for the seafood business of The Marine Foods Corporation and its subsidiaries, etc., which are included in the results for Processed Foods Business Division, have been reallocated as part of the transfer of The Marine Foods Corporation to the discontinued business category. This discontinued business is included in the results for Processed Foods Business Division as the reporting segment. However, the results for the fiscal year ended March 2021 and earlier years have not been adjusted retrospectively.
- Net sales and profits (losses), etc., and capital expenditure relating to Breeders & Packers Uruguay S.A., which is included in our overseas business operations, have been transferred to discontinued operations. Discontinued operations are included in the Overseas Business Division reporting segment. However, the results for the fiscal year ended March 31, 2021 and earlier years have not been adjusted retrospectively.

By Geographical Area

		(¥ million)				
		3/20	3/21	3/22	3/23	3/24
Asia & Europe	Net sales	73,898	56,423	64,771	66,376	55,823
	(1) External customers	25,869	23,324	26,301	32,466	31,256
	(2) Intersegment	48,029	33,099	38,470	33,910	24,567
	Segment profit (loss)	809	(818)	(428)	(1,180)	1,525
Americas	Net sales	84,547	88,050	100,486	123,759	126,717
	(1) External customers	21,757	20,288	25,614	34,334	37,242
	(2) Intersegment	62,790	67,762	74,872	89,425	89,475
	Segment profit (loss)	698	2,722	1,198	1,731	2,391
Australia	Net sales	98,826	80,947	105,193	133,677	108,572
	(1) External customers	81,749	68,543	90,884	119,649	99,487
	(2) Intersegment	17,077	12,404	14,309	14,028	9,085
	Segment profit (loss)	1,466	(1,048)	2,585	(4,473)	(518)

Notes: 1. The total of each area is not equal to the Overseas Business Division total, by reason of the elimination of intersegment transactions.

2. The Americas includes North and South American businesses.

3. Breeders & Packers Uruguay S.A. is included in Australia.

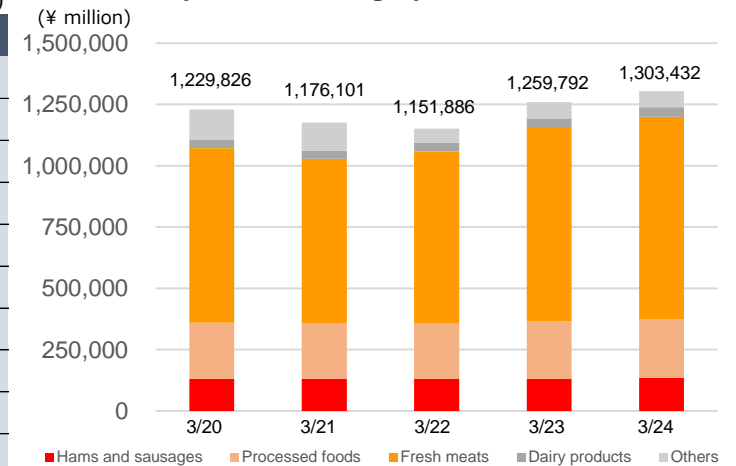
Net Sales by Product

	(¥ million)				
	3/20	3/21	3/22	3/23	3/24
Hams and sausages	130,982	132,425	131,147	130,161	135,150
Processed foods	228,833	223,585	224,976	235,166	237,870
Fresh meats	711,753	672,880	702,160	791,972	826,710
Beef	296,913	256,999	273,225	312,372	323,288
Pork	226,612	229,450	230,762	251,001	265,390
Chicken	166,032	166,222	179,549	209,570	218,921
Other fresh meats	22,196	20,209	18,624	19,029	19,111
Dairy products	33,614	31,967	35,214	36,194	38,963
Others	124,644	115,244	58,389	66,299	64,739
Total	1,229,826	1,176,101	1,151,886	1,259,792	1,303,432

Notes: 4. Net sales for the fiscal year ended March 31, 2022 exclude the results for the seafood business of The Marine Foods Corporation and its subsidiaries, etc.

5. Net sales for the fiscal years ended March 31, 2022 through March 31, 2024 exclude beef business results relating to Breeders & Packers Uruguay S.A.

Net Sales by Product Category



Consolidated Financial Statements (IFRS)

Consolidated Statements of Financial Position

(¥ million)

	3/20	3/21	3/22	3/23	3/24
Assets					
Current assets					
Cash and cash equivalents	72,399	83,831	85,374	64,986	65,465
Trade and other receivables	130,213	127,067	136,017	146,660	165,022
Inventories	114,520	107,906	119,980	141,930	141,429
Biological assets	21,335	23,581	32,755	27,984	25,420
Other financial assets	11,701	15,082	24,648	9,098	5,711
Other current assets	5,583	8,561	15,096	25,171	20,318
Assets held for sale	—	—	436	12,189	65
Total current assets	355,751	366,028	414,306	428,018	423,430
Non-current assets					
Property, plant and equipment	284,060	325,629	345,022	364,381	375,211
Right-of-use assets	35,545	38,362	46,090	40,898	44,814
Biological assets	1,883	1,314	1,240	1,517	1,531
Intangible assets and goodwill	8,953	10,608	15,269	20,193	25,822
Investments accounted for using the equity method	13,910	9,011	12,410	9,087	9,835
Other financial assets	32,647	35,796	35,232	27,587	30,019
Deferred tax assets	29,745	26,056	26,279	31,082	28,072
Other non-current assets	6,367	12,601	13,365	14,392	19,503
Total non-current assets	413,110	459,377	494,907	509,137	534,807
Total assets	768,861	825,405	909,213	937,155	958,237
Liabilities and equity					
Current liabilities					
Interest-bearing liabilities	55,924	59,322	90,056	102,199	59,247
Trade and other payables	99,802	98,983	103,719	106,027	116,773
Income taxes payable	3,178	9,748	6,494	1,795	7,143
Other financial liabilities	18,877	25,290	42,056	15,806	14,964
Other current liabilities	35,966	35,822	39,594	41,350	48,705
Liabilities that relate directly to assets held for sale	—	—	—	11,359	—
Total current liabilities	213,747	229,165	281,919	278,536	246,832
Non-current liabilities					
Interest-bearing liabilities	120,569	134,428	121,351	139,856	155,605
Retirement benefit liabilities	14,920	14,543	12,951	12,394	12,491
Other financial liabilities	719	683	754	1,108	1,184
Deferred tax liabilities	732	581	1,045	889	874
Other non-current liabilities	1,577	1,696	1,639	1,591	2,049
Total non-current liabilities	138,517	151,931	137,740	155,838	172,203
Total liabilities	352,264	381,096	419,659	434,374	419,035
Equity					
Common stock	36,294	36,294	36,294	36,294	36,294
Capital surplus	72,639	71,240	71,272	71,095	71,110
Retained earnings	294,018	320,577	360,900	369,389	390,305
Treasury stock, at cost	(173)	(3,532)	(2,856)	(2,057)	(1,403)
Accumulated other comprehensive income	1,636	9,016	13,459	17,193	31,197
Accumulated other comprehensive income relating to the disposal	—	—	—	999	—
Total equity attributable to owners of the parent	404,414	433,595	479,069	492,913	527,503
Non-controlling Interests	12,183	10,714	10,485	9,868	11,699
Total equity	416,597	444,309	489,554	502,781	539,202
Total liabilities and equity	768,861	825,405	909,213	937,155	958,237

Consolidated Statements of Income

(¥ million)

	3/20	3/21	3/22	3/23	3/24
Net sales	1,229,826	1,176,101	1,151,886	1,259,792	1,303,432
Cost of goods sold	1,024,296	964,367	952,971	1,082,760	1,099,801
Selling, general and administrative expenses	166,030	161,215	156,552	166,080	172,074
Other income	3,592	8,497	10,620	19,098	20,685
Other expenses	14,790	11,956	8,512	12,191	12,010
Financial income	1,285	1,942	2,200	3,360	3,219
Financial costs	3,903	1,534	3,935	1,830	2,979
Share of profit in investments accounted for using the equity method	1,355	1,406	9,024	2,773	127
Profit before tax	27,039	48,874	51,760	22,162	40,599
Income tax expense	8,106	17,816	12,955	4,770	11,253
Profit	18,933	31,058	47,647	15,976	29,448
Profit attributable to:					
Owners of the parent	19,214	32,616	48,049	16,637	28,078
Non-controlling interests	(281)	(1,558)	(402)	(661)	1,370
Profit	18,933	31,058	47,647	15,976	29,448

Financial data

Consolidated Statements of Cash Flows

(¥ million)

	3/20	3/21	3/22	3/23	3/24
Operating activities					
Profit before tax	27,039	48,874	51,760	22,162	40,599
Net profit (loss) for the period from discontinued operations before income taxes, etc.	—	—	12,745	(5,485)	223
Depreciation and amortization expenses	33,336	34,109	36,464	38,433	39,719
Impairment losses (reversal of impairment losses)	3,904	7,069	2,395	1,840	1,481
Decrease (increase) in fair value of biological assets	1,205	(192)	44	1,027	3,121
Financial income and costs	2,618	(408)	2,826	(1,381)	(109)
Gains (losses) on sales of business operations	—	—	(12,037)	460	(1,132)
Decrease (increase) in trade and other receivables	21,968	3,817	(8,157)	(12,879)	(17,559)
Decrease (increase) in inventories	(2,316)	7,722	(22,655)	(24,451)	2,551
Decrease (increase) in biological assets	1,005	113	(9,187)	2,651	190
Decrease (increase) in other assets	555	(8,815)	(7,455)	(3,379)	(1,930)
Increase (decrease) in trade and other payables	(10,964)	(1,252)	8,552	5,913	9,953
Increase (decrease) in other liabilities	(3,772)	(507)	4,737	2,514	8,261
Others - net	(1,143)	648	(8,537)	(8,578)	3,230
Interest received	675	287	355	1,632	2,818
Dividends received	2,304	2,735	3,779	6,221	1,305
Interest paid	(1,611)	(1,339)	(1,197)	(1,811)	(2,107)
Income tax paid	(9,339)	(10,343)	(21,045)	(13,558)	(4,028)
Cash flows from operating activities	65,464	82,518	33,387	11,331	86,586
Investing activities					
Acquisition of fixes assests	(36,898)	(59,398)	(44,473)	(82,261)	(48,479)
Proceeds from sales of fixed assets	607	1,423	728	2,095	1,697
Decrease (increase) in time deposits	(610)	259	4,024	1,152	5,126
Acquisiton of other financial assets	(84)	(182)	(130)	(64)	(61)
Sales and redemption of other financial assets	42	673	929	4,645	2,665
Increase in short-term lending	—	—	—	9,994	—
Proceeds from government grants	—	—	—	951	2,525
Income from sales of business operations	—	—	16,628	3,579	—
Expenditure resulting from business sales	—	—	—	(3,166)	(1,345)
Investments in associated companies	(120)	—	—	—	—
Others - net	335	(602)	(543)	(602)	(1,352)
Cash flows from investing activities	(36,728)	(57,827)	(22,837)	(63,677)	(39,224)
Financing activities					
Cash dividends	(9,271)	(9,269)	(9,610)	(10,448)	(11,325)
Increase (decrease) in short-term bank loans	(2,001)	(4,840)	17,065	36,504	(30,798)
Proceeds from debt	38,714	70,393	27,462	110,358	51,230
Repayments of debt	(39,019)	(66,351)	(47,490)	(108,594)	(62,898)
Contributions from non-controlling interests	8,563	2	—	—	—
Acquisitions from non-controlling interests	—	(1,489)	(191)	—	—
Acquisition of treasury stock	(4)	(3,567)	(2)	(2)	(6)
Sale of treasury stock	—	187	604	599	608
Others - net	(59)	0	0	0	—
Cash flows from financing activities	(3,077)	(14,934)	(12,162)	28,417	(53,189)
Effect of exchange rate changes on cash and cash equivalents	(1,368)	1,675	3,155	2,476	3,996
Hyper-inflation adjustments	—	—	—	1,874	1,501
Increase (decrease) in cash and cash equivalents included in assets held for sale	—	—	—	(809)	809
Net increase (decrease) in cash and cash equivalents	24,291	11,432	1,543	(20,388)	479
Cash and cash equivalents at beginning of the year	48,108	72,399	83,831	85,374	64,986
Cash and cash equivalents at end of the year	72,399	83,831	85,374	64,986	65,465

Note: Since the fiscal year ended March 2024, proceeds from government grants, which were previously included in "Others—net" under cash flows from financing activities, have been disclosed as a separate item. The figures for the fiscal year ended March 2024 have therefore been adjusted retroactively.

Stock Information

Share Data

Authorized shares	285,000,000
Issued and outstanding	102,958,904
Shareholders	55,580

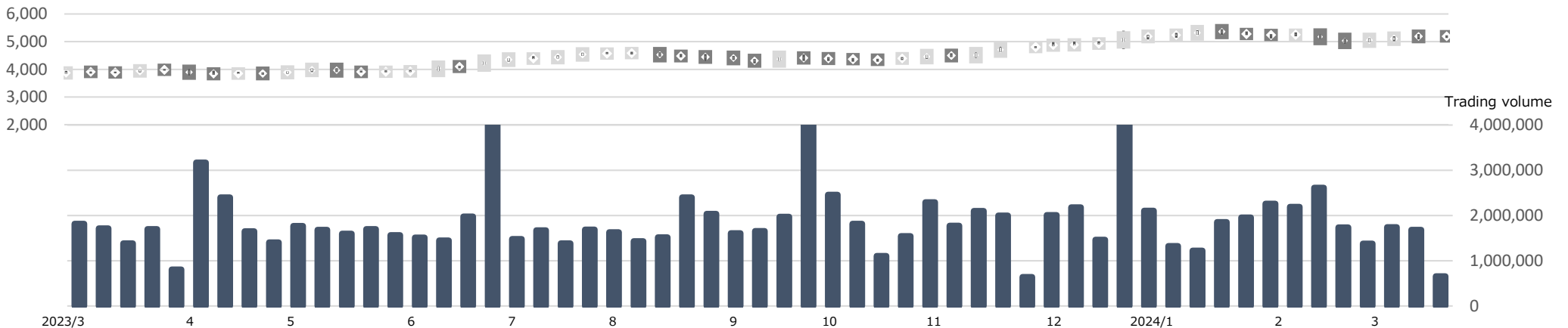
Major Shareholders (Leading 10 by holding)

Name of shareholder	Holding (1,000s of shares)	Shareholding ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	20,825	20.23%
Custody Bank of Japan, Ltd. (Trust account)	9,356	9.09%
The Hyakujushi Bank, Ltd.	3,708	3.60%
Meiji Yasuda Life Insurance Company	3,677	3.57%
Nippon Life Insurance Company	2,785	2.71%
STATE STREET BANK AND TRUST COMPANY 505001	2,416	2.35%
The Norinchukin Bank	2,370	2.30%
JPMorgan Securities Japan Co., Ltd.	2,072	2.01%
SSBTC CLIENT OMNIBUS ACCOUNT	1,828	1.78%
MUFG Bank, Ltd	1,653	1.61%

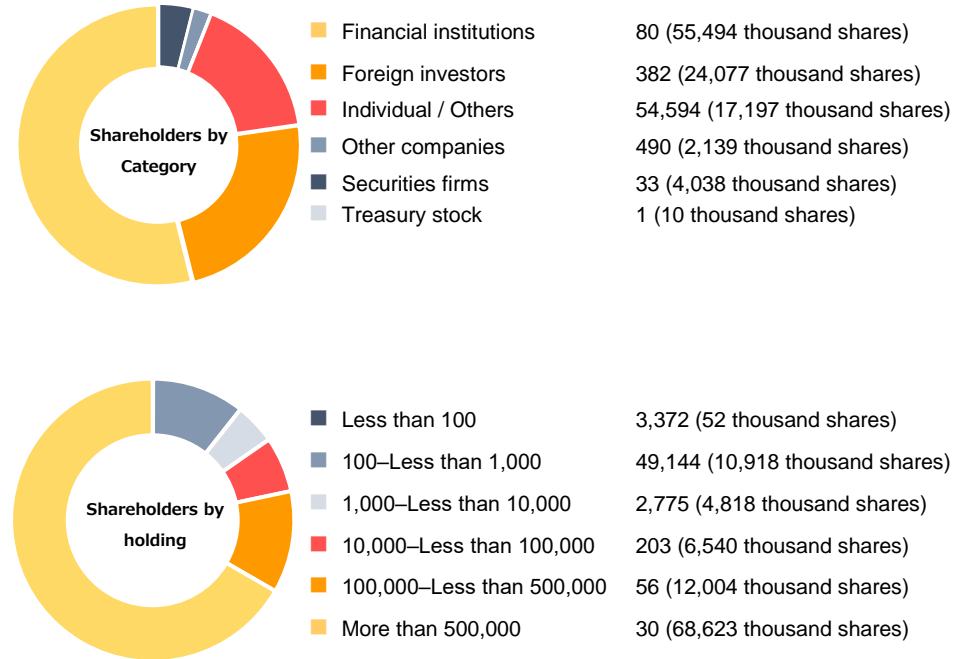
Note: Shareholding ratio is calculated by deducting the number of treasury stock.

Stock Price Trend

Stock price (¥)



Distribution of Shares





Non-financial data

Scope of Data (as of March 31st, 2024)

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	●	●			
	Meat preparation and processing plants	●	●	●		
	Ham and Sausage Production	●	●	●		
	Processed Food Production	●	●	●		
	Marine and Dairy Product Production	●	●	●		
	Sales Offices, Distribution Centers, Headquarters, Branches, Offices and Research Institutes	●	●			
Business sites overseas	Production and breeding facilities, farms	●			●	
	Meat preparation and processing plants	●			●	●
	Manufacture and sale of fresh meats and processed foods	●			●	●
	Food marketing, trading companies	●			●	

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 guidelines 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 guidelines 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 ISAE3000 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	FY2023 results	Progress
Reduce fossil fuel-derived CO₂ emissions (Reduce by more than 46% compared with FY2013 levels)	t-CO ₂	550,518	297,279	433,167	Reduction (change from the baseline) : ▲117,351 Reduction (compared with the baseline) : ▲21.3%
Waste discharge (per production unit) (Reduce by 5% compared with FY2019 level)	kg/t	134.6	127.9	121.8	Reduction (change from the baseline) : ▲12.8 Reduction (compared with the baseline) : ▲9.5%
Waste recycling rate (At least 92% by 2030)	%	84.1	92.0	92.2	—
Waste consumption (per production unit) (Reduce by 5% compared with FY2019 level)	m ³ /t	15.2	14.4	15.0	Reduction (change from the baseline) : ▲0.2 Reduction (compared with the baseline) : ▲0.7%

* Coverage of the Plan: Reduction of fossil fuel-derived CO₂ emissions, Waste recycling rate . . . ②, Waste discharges and water consumption . . . ③

* CO₂ 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	FY2023 results	Progress
Reduce fossil fuel-derived CO₂ emissions (Reduce by more than 24% compared with FY2021 levels)	t-CO ₂	143,340	108,938	131,274	Reduction (change from the baseline) : ▲12,066 Reduction (compared with the baseline) : ▲8.4%
Waste consumption (per production unit) (Reduce by 5% compared with FY2021 level)	m ³ /t	14.7	14.1	14.3	Reduction (change from the baseline) : ▲0.4 Reduction (compared with the baseline) : ▲2.4%

* 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 CO₂ emissions . . . ④, Water consumption . . . ⑤

* CO₂ 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 ₂ emissions intensity	701.1 kg-CO ₂ /t	8.0% Reduction (645.1 kg-CO ₂ /t)	10.0% Reduction (631.0 kg-CO ₂ /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 ^{*1}	17.7 m ³ /t	3.0% Reduction (17.2 m ³ /t)	4.5% Increase (18.5 m ³ /t)
	Waste generation intensity ^{*2}	207.5 kg/t	6.0% Reduction (195.1 kg/t)	14.3% Increase ^{*3} (237.1 kg/t)
Promotion of recycling	Waste recycling rate	90.8%	94.0% Over	88.9%

* CO₂ 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

*1 Water consumption and discharged includes some estimated values from production departments

*2 Excluding farm excreta

*3 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	FY2019	FY2020	FY2021	FY2022	FY2023
Scope 1	CO ₂ (thousand t-CO ₂)	Japan	—	215	220	222	213	203
		Overseas	—	—	—	52	55	53
	Methane (thousand t-CO ₂)※1	Company-wide	—	31	28	116	134	122
	Nitrous oxide (thousand t-CO ₂)※1	Company-wide	—	102	101	102	99	52
Scope 2	CO ₂ (thousand t-CO ₂)	Japan	Location base	290	276	267	246	243
			Market base	269	257	260	236	232
	Overseas	Location base	—	—	92	86	78	
		Company-wide	Location base	638	625	851	833	751
Total	CO ₂ (thousand t-CO ₂)	Company-wide	Location base	638	625	851	833	751
Scope 3	CO ₂ (thousand t-CO ₂)	Japan	—	11,134	10,576	10,503	10,258	10,475

* Coverage of data: Scope 1, Scope 2 . . . ①, Scope 3 . . . ② ※1 Calculations are based only on enteric fermentation and manure management of livestock

■ Breakdown of Scope 3 Categories (FY2023 Results in Japan)

Category	CO ₂ (thousand t-CO ₂)	Composition ratio (%)
1 Purchased goods and services※1	8,953	85.5
2 Capital goods	115	1.6
3 Fuel and energy related activities (not included in scope 1 or scope 2)	78	0.7
4 Upstream transportation and distribution	782	7.5
5 Waste generated in operations	44	0.4
6 Business travel	3	0.0
7 Employee commuting	10	0.1
8 Upstream leased assets	-	-
9 Downstream transportation and distribution	-	-

Category	CO ₂ (thousand t-CO ₂)	Composition ratio (%)
10 Processing of sold products※3	207	2.0
11 Use of sold products※4	146	1.4
12 End-of-Life treatment of sold products※5	138	1.3
13 Downstream leased assets	-	-
14 Franchises	-	-
15 Investments	-	-
Total	10,475	100

* Coverage of data: ②

※1 Raw materials and supplies related to the product ※2 Transportation of raw materials and supplies related to the product and transportation of products for which costs are borne

※3 Product for businesses heating and cooking

※4 Cooking commercial products

※5 Disposal of food waste and product packaging

Environmental Data by Business

■Greenhouse Gas

(thousand t-CO₂)

Items			FY2019	FY2020	FY2021	FY2022	FY2023
Japan	Production and Livestock Breeding Facilities and Feedlots	Scope 1	183	182	179	174	113
		Scope 2	39	37	35	35	35
		Subtotal	222	219	215	209	148
	Fresh Meat Processing and Plants	Scope 1	25	27	27	27	27
		Scope 2	35	34	33	31	30
		Subtotal	61	60	60	58	57
	Ham and Sausage Production	Scope 1	36	37	36	34	32
		Scope 2	52	49	48	45	44
		Subtotal	88	86	84	79	76
	Processed Food Production	Scope 1	65	67	69	65	55
		Scope 2	99	94	92	80	78
		Subtotal	164	161	161	145	133
	Marine and Dairy Product Production	Scope 1	8	8	8	8	7
		Scope 2	18	17	16	16	15
		Subtotal	26	25	24	24	22
	Sales Offices, Distribution Centers, Headquarters, Branches, Offices and Research Institutes	Scope 1	1	1	1	2	6
		Scope 2	47	45	44	39	41
		Subtotal	48	46	45	41	47
	Vehicles	Scope 1	28	28	28	26	26
	Subtotal	Scope 1	348	349	348	336	266
		Scope 2	290	276	267	246	243
Subtotal		638	625	615	582	509	
Overseas	Scope 1	—	—	144	165	164	
	Scope 2	—	—	92	86	78	
	Subtotal	—	—	235	251	242	
Total	Scope 1	348	349	492	501	430	
	Scope 2	290	276	359	332	321	
	Subtotal	638	625	851	833	751	

* Coverage of data: ①

Resource Saving Initiatives

Consumption of Energy

■ Transition of Energy Consumption

Items			FY2019	FY2020	FY2021	FY2022	FY2023
Japan	Fuel (TJ)	Gasoline	46	37	35	30	31
		Kerosene	570	591	588	582	550
		Light oil	371	372	379	351	355
		Heavy fuel oil A	867	852	775	688	552
		Liquefied petroleum gas / LPG	392	420	455	401	335
		Liquefied natural gas / LNG	281	302	315	274	209
		Town gas	996	1,034	1,111	1,202	1,300
		Biomass	—	—	59	61※1	56
		Total Fuel	3,523	3,608	3,717	3,554	3,388
	Steam, cold water, hot water purchased (TJ)		20	20	21	22	22
Electricity purchased (TJ)		5,768	5,708	5,727	5,450	5,407	
Of which, renewable energy (TJ)		—	1	1	14	28	
Subtotal (TJ)		9,311	9,336	9,465	9,012	8,817	
Of which, renewable energy (TJ)		—	1	60	75※1	85	
Overseas	Fuel (TJ)	Gasoline	—	—	9	9	14
		Kerosene	—	—	0	0	0
		Light oil	—	—	86	85	89
		Heavy fuel oil	—	—	29	19	0
		Coal	—	—	343	371	360
		Liquefied petroleum gas / LPG	—	—	48	91	87
		Natural gas	—	—	190	157	158
		Town gas	—	—	6	6	6
		Biomass	—	—	288	300	237
	Total Fuel	—	—	999	1,038	950	
Steam, cold water, hot water purchased (TJ)		—	—	44	81	66	
Electricity purchased (TJ)		—	—	600	564	468	
Subtotal (TJ)		—	—	1,643	1,683	1,484	
Of which, renewable energy (TJ)		—	—	288	300※1	237	
Total	Total (TJ)		9,311	9,336	11,108	10,695	10,301
	Of which, renewable energy (TJ)		—	1	348	375※1	322

* Coverage of data: ①

※1 Figures revised from the data book 2023

Water Consumption

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

Items			FY2019	FY2020	FY2021	FY2022	FY2023
Japan	☑ Water withdrawal and Water consumption (thousand m ³)	Groundwater	10,868	10,873	10,881	10,603	10,031
		Tap water (including industrial water)	3,952	3,947	3,840	3,658	3,766
		Sea water	0	0	0	0	0
		Subtotal	14,820	14,820	14,721	14,261	13,796
	Reuse/recycling water (thousand m ³)	35	39	37	65	69	
Overseas	☑ Water withdrawal and Water consumption (thousand m ³)	Groundwater	—	—	611	1,072	2,530
		Surface water	—	—	564	771	2,426
		Tap water	—	—	2,100	2,240	1,883
		Sea water	—	—	13	16	0
		Subtotal	—	—	3,288	4,099	6,839
	☑ Total water withdrawal and Water consumption	14,820	14,820	18,009	18,360	20,635	

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

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

Items			FY2019	FY2020	FY2021	FY2022	FY2023
Japan	Discharged (thousand m ³)	Discharged treatment water to river etc.	11,897	11,765	12,224	11,373	11,322
		Sewage	1,514	1,489	1,512	1,502	1,606
		Total	13,411	13,254	13,736	12,875	12,928

Waste

■ Breakdown of Waste Generation (Results in Japan)

Items	FY2019	FY2020	FY2021	FY2022	FY2023
Waste generation (thousand t)	411.3	402.5	397.6	380.2	378.0
In which, waste discharged (thousand t)	205.1	208.8	198.7	193.5	188.1
Recycling of waste (thousand t)	373.8	376.9	380.8	364.2	361.4
Final disposal waste (thousand t)	22.7	19.7	9.6	11.0	11.2
Recycling rate (%)	92.1	94.7	96.9	96.9	96.3

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

Items	FY2019	FY2020	FY2021	FY2022	FY2023
Hazardous waste generation (thousand t)	15.5	22.5	24.0	18.1	19.3

* 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 2023, 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	FY2019	FY2020	FY2021	FY2022	FY2023
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	FY2019	FY2020	FY2021	FY2022	FY2023
Livestock feed (thousand t)	660	641	626	626	618
Raw materials for products (thousand t)	245	241	240	215	207
Plastic	7,188	6,495	6,429	6,909	7,179
Fuel (TJ)	3,523	3,608	3,717	3,554	3,388
Of which, renewable energy (TJ)	—	—	59	61※1	56
Electricity (million kWh)	590	585	589	562	560
Of which, renewable energy (million kWh)	—	1	1	4	8
Water (million m ³)	15	15	15	14	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. ※1 Figures revised from the 2022 data book

■ Outputs

Items	FY2019	FY2020	FY2021	FY2022	FY2023
Quantity of products (fresh meats, processed foods) produced (thousand t)	797	805	810	761	742
Greenhouse gases (thousand t-CO ₂)	637	625	615	583	509
Nitrous oxides/NOx (t)	507	507	511	518	635
Sulfur oxides/SOx (t)	196	193	176	167	186
Discharged water (million m ³)	13	13	14	13	12
Waste (among generated) (thousand t)	411	403	398	380	378
Waste recycling rate (%)	92.1	94.7	96.9	96.6	96.3

* 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*¹, and 3)
- Energy consumption
- Water consumption: water intake
- The management systems supporting the reporting

*¹ Greenhouse gases covered carbon dioxide, methane, and nitrous oxide

■ Period covered

April 1, 2023 to March 31, 2024

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

* The information on this page is disclosed on NH Foods Group website.



Summary of Employees

Status of Employees (NH Foods Ltd.)

Items	FY2019	FY2020	FY2021	FY2022	FY2023
Number of employees(Full-time employees + transferees + partners)	2,137	2,149	2,160	2,077	1,977
Male (regular employees)	883	898	891	863	806
Female (regular employees)	322	339	353	375	385
Percentage of female employees (%) (regular employees)	26.7	27.4	28.4	30.3	32.3
Percentage of female managers (%)	4.6	6.5	8.5	9.8	10.7
Number of temporary employees (average)	953	912	916	839	786
Average age	41.6	41.2	41.6	41.7	41.4
Male (age)	43.3	42.9	43.4	43.5	43.1
Female (age)	36.1	36.7	37.1	37.6	37.7
Average duration of employment (years)	17.6	17.4	17.8	17.7	17.3
Male (years)	19.4	19.3	19.7	19.7	19.3
Female (years)	11.8	12.6	13.0	13.1	13.3
Number of new graduates hired	54	51	41	53	51
Male	34	35	25	33	29
Female	20	16	16	20	22
Mid-career hiring rate of workers (%)	17	26	16	19	18
Average salary (yen)	8,422,396	8,395,177	8,575,136	8,465,458	8,223,437
Turnover rate (%)	16.0	3.2	4.1	3.8	5.8
Voluntary retirement rate (%)	1.70	1.29	2.09	1.34	2.75

*Based on the number of current employees as of March 31st in each fiscal year

*In FY2019, NH Foods Ltd. expanded the optional retirement system as a temporary measure

*Average age revised in FY2021

Status of Employees by Region (NH Foods Group)

Items	FY2019	FY2020	FY2021	FY2022	FY2023
Domestic	22,538	22,615	21,329	21,068	20,776
Overseas	7,592	6,775	6,320	5,982	5,136
Group total	30,130	29,390	27,649	27,050	25,912

* Based on the number of current employees as of March 31st in each fiscal year

* Includes average number of temporary employees

Diversity

Gender Pay Gap (NH Foods Ltd.)

Items		F2019	FY2020	FY2021	FY2022	FY2023
Statutory disclosure items	All workers (%) ^{*1}	—	—	—	58.0	60.9
	Employees (%) ^{*2}	—	—	—	61.0	63.3
	Temporary employees (%) ^{*3}	—	—	—	75.2	69.8
Optional disclosure items	Regular employees (%)	—	—	73.5	68.1	70.1
	Managers (%)	—	—	93.0	91.7	96.4
	General staff (%)	—	—	86.2	76.3	76.3

* Gender pay gap: Ratio of female employees' salaries to male employees' salaries as defined in the Act on Promotion of Women's Participation and Advancement in the Workplace (average yearly salary for females / average yearly salary for males)

* The gender pay gap is caused not by differences in the amounts paid for identical work, but by differences in the percentages of employees at each seniority level, the percentages of employees limited to specific locations, years of service, working hours, and other factors

* The division of regular employees into managers and general staff is an optional disclosure item

* The statistics for FY2021 precede the introduction of statutory disclosure in FY2023 and are theoretical figures. For this reason, the calculation method used was different from that for FY2023

*1 All workers: Employees and temporary employees *2 Employees: Workers in regular employment and non-regular employees who have worked full-time over long periods

*3 Temporary employees: Part-timers and employees on limited-term contracts (excluding dispatched workers)

Condition of Utilizing Child and Nursing Care-Related Systems (NH Foods Ltd.)

Items	FY2018	FY2019	FY2020	FY2021	FY2022
1.Before and after childbirth leave (number of leave takers)	42	57	39	41	45
2.Spousal childbirth leave (number of leave takers)	30	29	35	16	11
3.Number of childcare leave takers	73	96	108	115	121
Male	5	12	18	37	33
Female	68	84	90	78	88
4.Rate of employees returning to work (%)	97.0	98.8	98.5	100.0	100.0
5.Shortened working hours for childcare (number of users)	98	81	123	117	122
6.Nursing leave (number of leave takers)	145	139	173	165	199

* The lower number of spousal childbirth leave days taken in FY2022 reflects the enhancement of the childcare leave system to allow the first 20 days of leave to be used as special leave

■ Category Details

Before and after childbirth leave	An employee can take the leave for six weeks before giving birth (or fourteen weeks for a multiple pregnancy) and eight weeks after giving birth.
Spousal childbirth leave	Since September 16, 2022, employees have been able to take three days of paid leave between one week prior to date on which their spouse is expected to give until the date of birth. Until September 15, 2022, employees were able to take three days of paid leave between one week before the date on which their spouse was expected to give birth until two weeks after the date of birth.
Childcare leave	Until the child of an employee reaches the age of one year, or until the child reaches the age of three years if the child cannot enter nursery school or is under special circumstances. (Employees can take 20 days of special paid leave initially.)
Rate of employees returning to work	(Number of employees returning from childcare leave) / (Number of employees expected to return from childcare leave) ×100
Shortened working hours for childcare	Until an employee's child finishes the six years of elementary school, the employee's scheduled working hours in a day may be shortened by up to two hours.
Nursing leave	12 days per year can be taken as nursing leave when the child of employee in sixth grade of elementary school or lower requires nursing, vaccination, or medical checkup. (Paid leave)

Status of Re-Employment Following Mandatory Retirement (NH Foods Ltd.)

Items	FY2019	FY2020	FY2021	FY2022	FY2023
Number of mandatory retirees	11	3	6	14	17
Number of re-employed retirees	8	3	5	14	15
Re-employment rate (%)	72.7	100.0	83.3	100.0	88.2

* Number of re-employed retirees: includes individuals employed at subsidiary following mandatory retirement

Status of Hiring Personnel Disabilities (NH Foods Ltd.)

Items	FY2019	FY2020	FY2021	FY2022	FY2023
Employment rate (%)	2.4	2.5	2.7	2.6	2.6

* Includes non-regular employees

* Employment rate is calculated based on Disabled Persons Act

* In November, 2019, Nipponham Career Consulting Ltd. bec

Human Resources

Percentage of Employees Subject to Periodic Evaluation with Respect to Business Performance and Career Development (NH Foods Ltd.)

Items	FY2019	FY2020	FY2021	FY2022	FY2023
Number of employees under the Management by Objectives (MBO)	1,528	1,574	1,513	1,577	1,480
Percentage of employees under the MBO (%)	71.5	94.7	100.0	100.0	100.0

Freedom of Association and Collective Bargaining

NH Foods Ltd. respects the freedom of association and the rights of collective bargaining as recognized in the Constitution of Japan and laws and regulations. A union shop agreement has been made with the NH Foods Worker's Union. Members consist of all employees excluding those in management positions or with equivalent qualifications and others who are excluded based on individual agreements in light of such factors as the nature of their work. In addition, subsidiaries comply with and respect the laws, regulations, and labor practices of their respective countries, based on a stance that respects freedom of association and the rights of collective bargaining.

* The enrollment rate for the NH Foods Worker's Union in FY2023 was 100%

Employee Health and Occupational Health & Safety

Status of Working Hours and Use of Annual Paid Leave (NH Foods Ltd.)

Items	FY2019	FY2020	FY2021	FY2022	FY2023
Annual actual working hours (hours)	2,052	2,040	2,005	1,970	1,968
Hours of overtime work (hours)	278	287	252	226	225
Average number of days of annual paid leave granted (days)	18	18	18	18	18
Average number of days of annual paid leave taken (days)	15	12	13	14	14
Average usage rate of annual paid leave (%)	79	60	63	76	71

Lost-time injury frequency rate (NH Foods Group in Japan)

Items	FY2019	FY2020	FY2021	FY2022	FY2023
National manufacturing industry average (%)	1.20	1.21	1.31	1.25	1.29
National food manufacturing industry average (%)	3.48	3.51	4.01	3.25	3.50
NH Foods Group average (%)	1.97	2.08	2.21	2.54	2.25

* Lost-time injury frequency rate: the number of casualties due to occupational accidents per million hours of actual work, and the frequency of accidents

Lost-time injury severity rate (NH Foods Group in Japan)

Items	FY2019	FY2020	FY2021	FY2022	FY2023
National manufacturing industry average (%)	0.10	0.07	0.06	0.08	0.08
National food manufacturing industry average (%)	0.25	0.10	0.15	0.16	0.16
NH Foods Group average (%)	0.04	0.05	0.05	0.09	0.07

* Lost-time injury severity rate :total work days of lost time per 1,000 actual working hours and the severity of accidents

Support Physical and Mental Health

Items	Subject	FY2019	FY2020	FY2021	FY2022	FY2023
Rate of follow-up action after physical examinations (%)	NH Foods Ltd.	—	77.2	86.9	81.0	83.5
Ratio of smokers (%)	NH Foods Ltd.	—	32.8	24.9	23.6	25.6
Stress check examination rate (%)	NH Foods Ltd.	95.2	92.0	97.8	97.9	97.8
	NH Foods Group in Japan	90.3	91.6	92.8	94.5	95.5

* Stress check: A test conducted by businesses on their workers to assess their level of psychological strain

Occupational Safety and Health Management System Status (as of March 2024)

■ 7 business sites certified (certified business site ratio: 1.4%)

Status of ISO45001 Certification Acquisition

Japan	● Nipponham Delicatessen Ltd. (Headquarters, Product Development Division, Niigata Plant, Hokkaido Plant, Miyazaki Plant)	Thailand	● Thai Nippon Foods Co., Ltd. (Ayutthaya Plant, Phitsanulok Branch)
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List of Donations

Donations (NH Foods Ltd.)

Items	FY2019	FY2020	FY2021	FY2022	FY2023
Total donations (yen)	171,229,030	166,479,466	186,778,998	203,983,276	171,913,800

* Figures for domestic and overseas group companies have been included since FY2022

* Political donations in FY2023: 1,100,000 yen

Corporate Governance

The average meeting attendance rate for directors in fiscal 2023 was 100%.

Board of Directors

Position	Name	Meetings Attended/ Meetings Convened	Attendance Rate(%)
Chairperson and Director	Tetsuhiro Kito	18/18	100
President and Representative Director, President & CEO	Nobuhisa Ikawa	18/18	100
Director and Managing Executive Officer	Fumio Maeda	18/18	100
Director and Managing Executive Officer	Masahito Kataoka	18/18	100
Director	Yoshihide Hata ^{*1}	5/5	100
Director and Managing Executive Officer	Kohei Akiyama ^{*2}	13/13	100
Director (Outside)	Yasuko Kono	18/18	100
Director (Outside)	Hideo Arase	18/18	100
Director (Outside)	Tokushi Yamasaki	18/18	100
Audit & Supervisory Board Member	Sadanori Miyagai	18/18	100
Audit & Supervisory Board Member	Nobuyuki Tazawa	18/18	100
Audit & Supervisory Board Member (Outside)	Akihiko Shiba ^{*1}	5/5	100
Audit & Supervisory Board Member (Outside)	Masayuki Kitaguchi	18/18	100
Audit & Supervisory Board Member (Outside)	Shigeru Nishiyama	18/18	100
Audit & Supervisory Board Member (Outside)	Katsumi Nakamura ^{*2}	13/13	100

The following notes have been added concerning resignations and appointments of officers in June 2023

*1 Resigned in June

*2 Appointed in June

FY2023 Status of Optional Committee Attendance

■ Compliance Committee

Position	Name	Meetings Attended/ Meetings Convened	Attendance Rate(%)
Chairperson and Director	Tetsuhiro Kito	4/4	100
President and Representative Director, President & CEO	Nobuhisa Ikawa	4/4	100
Director and Managing Executive Officer	Fumio Maeda	4/4	100
Director and Managing Executive Officer	Kohei Akiyama	4/4	100
Director (Outside)	Yasuko Kono	4/4	100
Audit & Supervisory Board Member (Outside)	Masayuki Kitaguchi ^{*1}	1/1	100
Audit & Supervisory Board Member (Outside)	Katsumi Nakamura ^{*1}	4/4	100
Managing Executive Officer	Nobuo Oda	4/4	100
Managing Executive Officer	Yukihiko Matsumoto	4/4	100
Executive Officer	Yoshitaka Hasegawa	4/4	100
General Manager of the Compliance Department	Hiroshi Matsuura	4/4	100
Union representative officers	Yuta Yamagishi	4/4	100

* The Committee also includes advisors and outside experts ^{*1} Observer

■ Sustainability Committee

Position	Name	Meetings Attended/ Meetings Convened	Attendance Rate(%)
Chairperson and Director	Tetsuhiro Kito	4/4	100
President and Representative Director, President & CEO	Nobuhisa Ikawa	4/4	100
Director and Managing Executive Officer	Fumio Maeda	4/4	100
Director and Managing Executive Officer	Masahito Kataoka	4/4	100
Director and Managing Executive Officer	Kohei Akiyama	4/4	100
Director (Outside)	Yasuko Kono	4/4	100
Director (Outside)	Hideo Arase	4/4	100
Director (Outside)	Tokushi Yamasaki	4/4	100
Managing Executive Officer	Nobuo Oda	4/4	100
Managing Executive Officer	Yukihiko Matsumoto	4/4	100
Executive Officer	Hirohide Fujiwara	4/4	100
Audit & Supervisory Board Member (Outside)	Shigeru Nishiyama ^{*1}	2/2	100

* Additional member is outside expert ^{*1} Observer

■ Executive Appointments Committee

Position	Name	Meetings Attended/Meetings Convened	Attendance Rate(%)
Director (Outside)	Yasuko Kono	5/5	100
Director (Outside)	Hideo Arase	5/5	100
Director (Outside)	Tokushi Yamasaki	5/5	100
Audit & Supervisory Board Member (Outside)	Masayuki Kitaguchi	5/5	100

■ Board of Independent Outside Officers

Position	Name	Meetings Attended/Meetings Convened	Attendance Rate(%)
Director (Outside)	Yasuko Kono	2/2	100
Director (Outside)	Hideo Arase	2/2	100
Director (Outside)	Tokushi Yamasaki	2/2	100
Audit & Supervisory Board Member (Outside)	Akihiko Shiba ^{*1}	1/1	100
Audit & Supervisory Board Member (Outside)	Masayuki Kitaguchi	2/2	100
Audit & Supervisory Board Member (Outside)	Shigeru Nishiyama	2/2	100
Audit & Supervisory Board Member (Outside)	Katsumi Nakamura ^{*2}	1/1	100

■ Compensation Committee

Position	Name	Meetings Attended/Meetings Convened	Attendance Rate(%)
President and Representative Director, President & CEO	Nobuhisa Ikawa	4/4	100
Director (Outside)	Yasuko Kono	4/4	100
Director (Outside)	Hideo Arase	4/4	100
Director (Outside)	Tokushi Yamasaki	3/3	100

■ Board of Independent Outside Officers , Chairperson and President

Position	Name	Meetings Attended/Meetings Convened	Attendance Rate(%)
Chairperson and Director	Tetsuhiro Kito	2/2	100
President and Representative Director, President & CEO	Nobuhisa Ikawa	2/2	100
Director (Outside)	Yasuko Kono	2/2	100
Director (Outside)	Hideo Arase	2/2	100
Director (Outside)	Tokushi Yamasaki	2/2	100
Audit & Supervisory Board Member (Outside)	Akihiko Shiba ^{*1}	1/1	100
Audit & Supervisory Board Member (Outside)	Masayuki Kitaguchi	2/2	100
Audit & Supervisory Board Member (Outside)	Shigeru Nishiyama	1/2	50
Audit & Supervisory Board Member (Outside)	Katsumi Nakamura ^{*2}	1/1	100

*1 Resigned in June

*2 Appointed in June

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	FY2019	FY2020	FY2021	FY2022	FY2023
Number of attendees	1,026	1,370	1,081	1,706	1,679
Number of attendees ranked manager and higher	795	1,102	833	1,478	1,457

* 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, General Managers, and Section Chiefs in FY2023 and FY2022, Officers and General Managers in FY2021, Section Chiefs in FY2020 and FY2019

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	FY2019	FY2020	FY2021	FY2022	FY2023
Number of attendees	17,460	20,545	20,288	17,186	17,174

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	FY2019	FY2020	FY2021	FY2022	FY2023
Number of group companies visited	10	7	18	15	14
Number of business sites visited	43	15	24	24	27
Applicable number of employees	Approx. 1,000	Approx. 700	Approx. 900	Approx. 650	Approx. 490

* Due to COVID-19, compliance activities were primarily conducted remotely in FY2020

Compliance Training (NH Foods Group in Japan)

NH Foods Group have set up not only the internal hotline but also the independent external hotline so that Group employees can freely report and consult on actual workplace conditions.

Items	FY2019	FY2020	FY2021	FY2022	FY2023
Number of consultations received	179	199	249	244	245
(Detail) Cheating	—	—	—	12	12
Labor Relations	—	—	—	32	51
Human rights・Harassment・Human relationship	—	—	—	139	111
Quality・Environment・Safety	—	—	—	2	10
Opinion about company policy	—	—	—	43	29
Other (Manners・Moral,etc/)	—	—	—	16	32

Compliance Survey (NH Foods Group in Japan)

NH Foods Group conducts a compliance survey of employees (including temporary workers and trainees) every two years. The purpose of this survey is to consider effective compliance measures and improve the workplace culture by looking at both compliance risks and employee engagement.

■ Survey items: Engagement/Compliance risk/Organizational culture

