

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 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 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.

