



ASSURANCE STATEMENT

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

NATURE AND SCOPE OF THE ASSURANCE

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

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

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

The 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 (2006);

The assurance comprised a combination of pre-assurance research, interviews with the management and the person in charge of producing the Report, onsite visits (NH Foods Ltd., Tokyo branch office, Nipponham Factory Ltd. Ibaragi Plant, Hoko Co., Ltd., Rolf Yamato Plant), 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. affirms our independence from the Organization, being free from bias and conflicts of interest with the Organization, its subsidiaries and stakeholders.

The assurance team was assembled based on the knowledge, experience and qualifications of the each of the team members for this assignment, and comprised auditors registered with 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, 2020 to 31 March, 2021.

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

Based on the efforts of ISO26000, GRI, and other companies in the same industry, the Organization extracts initial evaluation items from social issues. In addition, it is the system that consolidates the opinions of stakeholders. The identified issues are evaluated by external experts and internal executive management, and have been finalized into five important issues. These five issues are reflected in the medium-term management plan and they are addressed as business activities. These processes are published in the Report. Consequently, SGS Japan Inc. confirmed through the verification that the Organization has identified important issues.

Responsiveness

The organization is engaged in various activities, taking into account the allocation of resources to the five important issues 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 organization reports performance results related to important issues, including detailed examples. Some, but not all, of these performance data are being assessed for impact. On the other hand, as they are not disclosed, there is room for improvement in future disclosure. Consequently, SGS Japan Inc. confirmed through the verification that the Organization supports the principle of impact.

For and on behalf of SGS Japan Inc.
Senior Executive & Director
Certification and Business Enhancement

Yuji Takeuchi



AA1000
Licensed Report
000-8/V3-RL4DS

23 June, 2021

A handwritten signature in black ink, appearing to be 'Yuji Takeuchi', written over a faint grid background.

The details of the scope of verification

The scope	The boundary	The assertion
1 Scope 1 and 2: energy-related CO ₂ emissions, energy consumption, CO ₂ from incineration of wastes, CH ₄ and N ₂ O derived from livestock: fermentation in the digestive tract and excreta disposal	The domestic subsidiaries plants, sales offices, logistics hubs, headquarters, branches and laboratories. (545 sites) From 1 April, 2020 to 31 March, 2021	Scope1: 348,838 t-CO ₂ Scope2 (Location-based) : 275,897 t-CO ₂ Scope2 (Market-based) : 257,102 t-CO ₂
2 Scope 3: category 1-12, (category 13-15 are not applicable to the Organization)	Domestic Group From 1 April, 2020 to 31 March, 2021	category1: 8,894,219 t-CO ₂ category2: 131,874 t-CO ₂ category3: 82,033 t-CO ₂ category4: 756,667 t-CO ₂ category5: 33,522 t-CO ₂ category6: 2,789 t-CO ₂ category7: 59,207 t-CO ₂ category8: 4,014 t-CO ₂ category9: 110,661 t-CO ₂ category10: 234,363 t-CO ₂ category11: 146,412 t-CO ₂ category12: 119,928 t-CO ₂
3 Water consumption	The domestic subsidiaries plants, sales offices, logistics hubs, headquarters, branches and laboratories. (545 sites) From 1 April, 2020 to 31 March, 2021	14,819,683m ³