

Producing Food that Is Safe and Reliable

As an enterprise that delivers the “Joy of Eating,” the Group’s social mission is to produce food that is safe and reliable. We are evolving the creation of safe and reliable products at Group business locations and suppliers in Japan and overseas, and by leveraging feedback from our customers.

CSR procurement

In 2017, we established a CSR Procurement Policy, and are advancing initiatives with our suppliers. In the fiscal year ended March 31, 2019, we held a CSR procurement briefing for 36 of our primary suppliers in Japan (accounting for about 60% of our supply purchases by value). We asked attendees to sign a confirmation letter, and fill out and return a self-check sheet. In

the fiscal year ending March 31, 2020, our target is to have the attending primary suppliers and overseas primary suppliers account for 80% of our supply purchases by value, as we roll out flexible initiatives aimed at gaining an understanding of CSR procurement and requesting cooperation.

NH Foods Group CSR Procurement Policy

NH Foods Group is proceeding with initiatives on Corporate Social Responsibility (CSR) procurement activities, collaborating with business partners and creating relationships of trust based on the principles of coexistence and co-prosperity.

1. Comply with laws and social norms, and build a system for compliance

We comply with laws and regulations and social norms. In addition, we build a system for such compliance.

2. Securing the quality and safety of products and services

We work to raise the safety and quality of products following the NH Foods Group Quality Assurance Policy.

3. Fair and impartial transactions

We judge quality, service, results, price, reliability, etc., in a comprehensive manner. Also, we establish fair and impartial opportunities for entry into the market.

4. Respect for human rights

We respect and give serious consideration to international standards and opinions regarding human rights.

5. Occupational safety and health

We make a safe environment where employees can work with peace of mind.

6. Concern for the global environment

We work to decrease the environmental impact of our supply chain following the NH Foods Group Environmental Policy as we head toward bringing about a sustainable society.

Promotion systems

The Corporate Social Responsibility Department functions as the administrative body and establishes task teams to take action in collaboration with procurement personnel in each business division. The CSR Promotion Committee investigates material issues.

Future initiatives

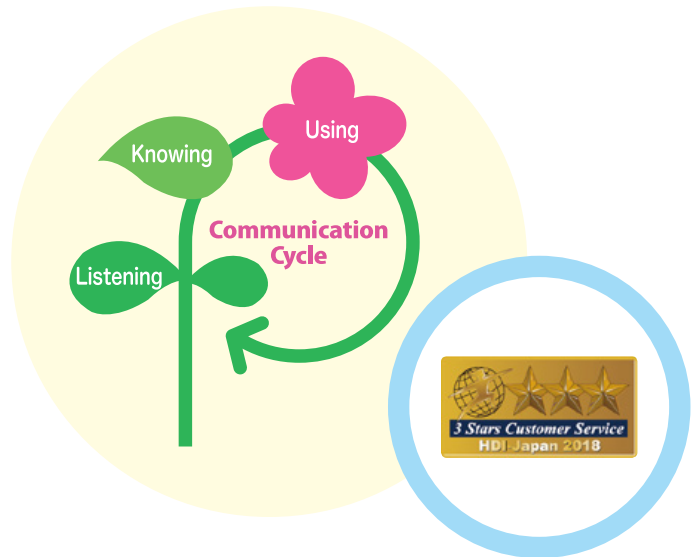
We will continue to explain the CSR Procurement Policy and Guidelines to suppliers in the future. We will also conduct self-checks, etc. to enhance transparency in the supply chain.

Dialog with customers

The Group advances consumer-oriented management by sharing customer feedback with the directors and executive management, while operating a communication cycle of “listening, knowing, and using.” In February 2019, NH Foods’ telephone inquiry line won the HDI ranking benchmark’s highest rank of three stars. The reviewers gave high praise to the inquiry line, saying that all representatives provided support politely, with positivity and a sense of collaboration, and that inquiries are resolved with the first contact, with callers able to obtain the information they want for their questions in an appropriate amount of time. We also leverage valuable feedback from our customers, with examples including displaying phosphorus and potassium content on the packaging of *Healthy Kitchen* series products, and adding sample microwave recipes for *SCHAU ESSEN*.

Note: See our website for more details.

WEB NH Foods communication with customers
<https://www.nipponham.co.jp/eng/csr/human/customer/>



Quality assurance

The Group delivers safe and reliable products to its customers by continually improving its manufacturing environment. As of March 31, 2019, 161 of our manufacturing sites in Japan and abroad have acquired such external certifications as HACCP, FSSC22000, and SQF. The Group’s Quality Assurance Managers perform quality audits and request improvements at manufacturing sites and outsourcing plants in Japan and internationally.

And as the production, manufacture, and distribution of food becomes increasingly global, we are contributing to the creation of JFS standards, a food health and safety management system created in Japan, and certification scheme, as a founder and director of the Japan Food Safety Management Association (JFSM). JFSM advances initiatives with medium- to long-term perspectives aimed at enhancing initiatives to ensure the safety and reliability of foods produced by food-related companies in Japan; creating a platform to ensure the safety and reliability of food for the development and adoption of Japanese food culture internationally; and contributing to the standardization of food safety worldwide.

Note: See our website for more details.

WEB NH Foods evaluation by external agencies
<https://www.nipponham.co.jp/quality/authentication/>
 (Japanese only)

