

# NH Foods Group Integrated Report 2025

Integrated Report 2025  
—Executive Summary—

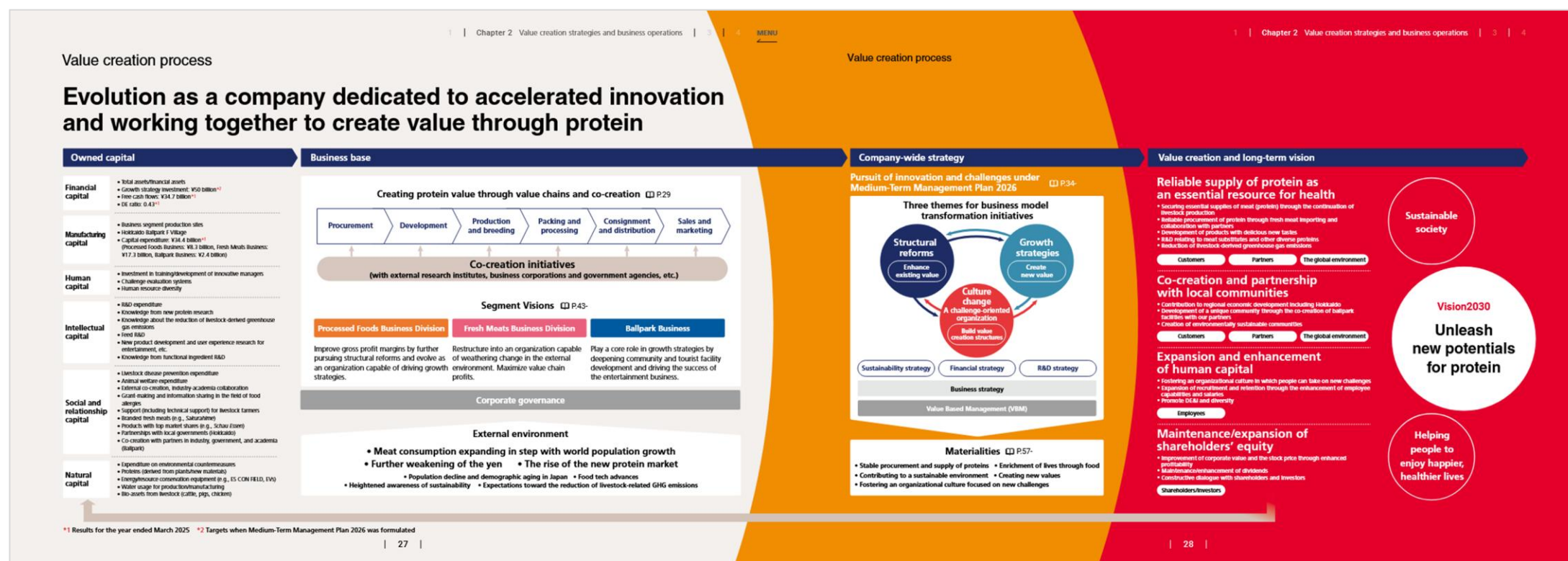


Unleash new potentials for protein

NH Foods Group Vision 2030

# The Purpose of the Executive Summary

- This Executive Summary lists key points about the NH Foods Group's value creation processes from the 92-page Integrated Report.
- For more detailed information, please see Integrated Report 2025.



# Main Improvements in the 2025 Report

## Issues Identified in the 2024 Report

Insufficient reporting about medium- to long-term value creation and our vision, and about the measures and targets, etc., developed to realize them.

## Improvements in the 2025 Report

We have updated the content to **focus on the value creation strategies and measures adopted by the NH Foods Group as we enter a new growth stage** leading toward medium- to long-term growth, including our medium- to long-term corporate vision, our Value Based Management (VBM) concept, and our new R&D strategy.

We have also added a message from the Executive Vice President outlining our growth story and our commitment to maximizing value across our value chains.

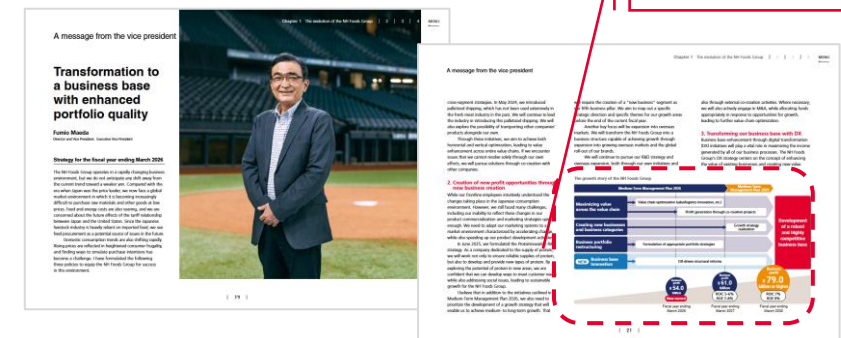
2024



2025



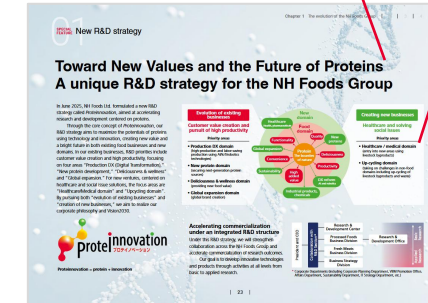
The growth story



# Main Improvements in the 2025 Report (Contd.)

- We have included special features covering new R&D strategies, and progress on co-creation and the launch of new co-creation initiatives, leading to medium- to long-term growth.
- We have added our quality assurance policies and structures to our capital and value chains, since they constitute an important part of our capital as a food manufacturer
- We have included a message from the executive officer in charge of value-based management promotion, who analyzes our decision-making criteria and management philosophy in relation to value from a medium- to long-term perspective.

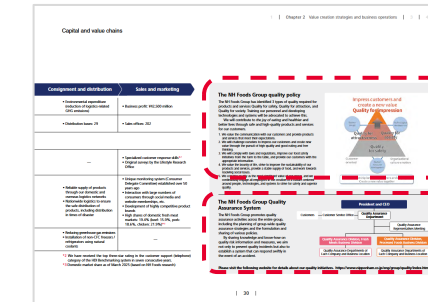
## New R&D strategy



## Evolution and expansion of co-creation



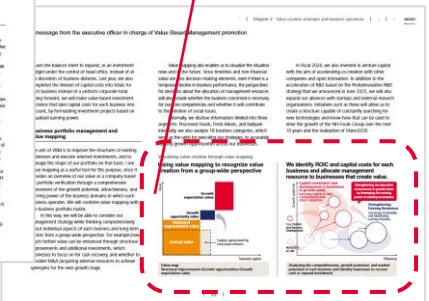
## Quality policy



## Quality assurance system

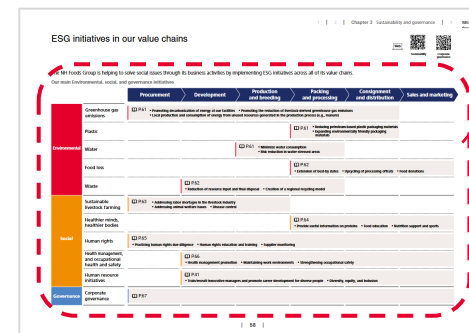


## Visualization of value creation



# Main Improvements in the 2025 Report (Contd.)

- We have provided a clear overall picture of our efforts to solve social issues through business by creating a map that traces ESG initiatives across our entire value chain.



Value chain and ESG initiatives

- We have disclosed the content of a roundtable session with our outside directors, including new Board members, which we held with the aim of strengthening and enhancing our corporate governance. Participants, who included the Chairperson of the Board of Directors, shared views on the sustainable enhancement of corporate value.



Sharing ideas about corporate value enhancement with our new outside directors



\* The main content and key points of the report are summarized on the following pages.

## Chapter 1

### The evolution of the NH Foods Group



“I will continue to lead from the front as we take on the challenge of achieving corporate growth.”



“We will maximize value across the value chain.”

## Chapter 2

### Value creation strategies and business operations



“We will support and realize long-term value creation.”



“Corporate transformation into an organization of people focused on new challenges”

## Chapter 3

### Sustainability and governance



Chairperson of the Board of Directors

“We will enhance our sustainability as a company.”

Outside directors

“We will contribute to corporate value enhancement by fulfilling our management oversight responsibilities and sharing our accumulated knowledge.”

## Chapter 4

### Corporate data



The report begins with a declaration of our commitment to management focused toward further growth.

## Content of commitment

- Continuing commitment to long-term value creation now and in the future
- Commitment to sustainable growth based on long-term perspectives
- Continuing commitment to the pursuit of innovation and challenge.

# The evolution of the NH Foods Group

[Learn More](#)[P.7 – A message from the president](#)

The NH Foods Group has entered a new growth stage and is on track to achieve further improvement in its corporate value.

## Key points

- We have made a robust start with our company-wide strategy, but we have also identified issues.
- We have defined new KPIs for actions to resolve these issues.
- We are building a stable business base supported by five pillars
- We have strengthened our focus on disruptive growth.
- We will prioritize the training and recruitment of next-generation innovative managers.

# The evolution of the NH Foods Group

[Learn More](#)[P.19 – A message from the vice president](#)

## Transformation to a business base with enhanced portfolio quality

### Key points

- We are maximizing value across the value chain from a company-wide perspective
- Our approach to new business creation is centered on our R&D strategy
- Our growth story is based on medium- to long-term perspectives
- We are transforming our business base with DX.



## 👉 Potential for co-creation with JA

# VISION 2030

## Evolution and expansion of co-creation

CO-CREATOR 01

### Expansion into Asia through our evolving co-creation activities

**Comprehensive strategic partnership with Thailand's biggest food manufacturer**

In December 2024, NFI Food Co., Ltd. concluded a comprehensive strategic partnership with Charoen Phangrut Foods Public Company Limited ("CPFI"), one of Asia's leading diversified food manufacturers.

This partnership will further expand our food business in Asia in partnership with CPFI, which has robust sales channels in Asia and is well-positioned to lead in partnership with NFI Food. CPFI and NFI will collaborate on initiatives in the following four areas:

- 1. Joint investment of capital and product development of processed products from Thailand
- 2. Expansion of products for The Megacon Food Group (MFG), a subsidiary of MFI that manufactures processed food products in Thailand. NFI will invest in MFG's business to expand its product portfolio
- 3. Expanding product lines manufactured by MFI from Japan and selling them in Thailand, Vietnam, Hong Kong, etc.
- 4. Supporting MFI processed foods from Thailand and selling them in Asia

We have companies that integrate each other's strengths to strategically promote our common business product lines overseas, primarily in Asia.

CO-CREATOR 02

### Deepening our co-creation with ZEN-NOH

**Ensuring reliable supplies of protein while improving business efficiency**

In July 2024, NFI Food Co., Ltd. announced a business agreement with the general subsidiary of Agricultural Cooperative Association of Japan (NAC), which represents a significant step towards the sustainable development of the Japanese livestock industry.

This NFI Food Co., Ltd. and ZEN-NOH strategic partnership is a particularly important order contract at the Nippon Meat Packers Association (JFA Nippon Meat Foods Co., Ltd. (NMF)) and NFI Food Co., Ltd. and MFI are also engaged in multiple projects designed to leverage best practices for transparency in such areas as management, resources, networks, information, and know-how, including the registration of future stock to document meat processing facilities, a packaging-related meeting, business, and the sharing of logistics systems.

**Overview of ZEN-NOH's main business (Livestock Production)**

|                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                          |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Ensuring the stability of the livestock supply chain in the domestic market</b></p> <ul style="list-style-type: none"> <li>• Production of livestock products for domestic consumption</li> <li>• Production of livestock products for export to overseas</li> </ul> | <p><b>Ensuring the stability of the livestock supply chain in the overseas market</b></p> <ul style="list-style-type: none"> <li>• Production of livestock products for export to overseas</li> <li>• Production of livestock products for export to overseas</li> </ul> |
| <p><b>Establishing a new business model for livestock production</b></p> <ul style="list-style-type: none"> <li>• Production of livestock products for domestic consumption</li> <li>• Production of livestock products for export to overseas</li> </ul>                  | <p><b>Ensuring the stability of the livestock supply chain in the overseas market</b></p> <ul style="list-style-type: none"> <li>• Production of livestock products for export to overseas</li> <li>• Production of livestock products for export to overseas</li> </ul> |
| <p><b>The NFI Food Co., Ltd. and ZEN-NOH strategic partnership</b></p> <ul style="list-style-type: none"> <li>• Production of livestock products for domestic consumption</li> <li>• Production of livestock products for export to overseas</li> </ul>                    | <p><b>Ensuring the stability of the livestock supply chain in the overseas market</b></p> <ul style="list-style-type: none"> <li>• Production of livestock products for export to overseas</li> <li>• Production of livestock products for export to overseas</li> </ul> |
| <p><b>Co-creation meeting, product development, and logistics system</b></p> <ul style="list-style-type: none"> <li>• Production of livestock products for domestic consumption</li> <li>• Production of livestock products for export to overseas</li> </ul>              | <p><b>Ensuring the stability of the livestock supply chain in the overseas market</b></p> <ul style="list-style-type: none"> <li>• Production of livestock products for export to overseas</li> <li>• Production of livestock products for export to overseas</li> </ul> |

# Value creation strategies and business operations

[詳細を見る](#)

[P.29 — Capital and value chains](#)

This section maps the six types of capital that we leverage at each stage of the value chain.

## Key points

- We use six types of capital as our sources of challenge and co-creation in order to maintain and strengthen our competitiveness and create corporate value.
- Our capital supports the sustainability of primary industries at the production and breeding stages.
- There is also a detailed, in-depth description of our approach to quality assurance as a core element of our capital as a food manufacturer.

Capital and value chains

The NH Foods Group has built up a variety of capital assets for each of its value chains. We use these assets to maintain and enhance our competitive advantage and create corporate value by taking up new challenges and pursuing co-creation.

|                                    | Procurement                                                                                               | Development                                                                                                                                                                                                                                                                                                                                                                                                             | Production and breeding                                                                                                                                     | Packing and processing                                                                                                    |
|------------------------------------|-----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|
| <b>Financial capital</b>           | • Operating cash flow: ¥77,400 million (fiscal year ended March 2023)                                     | • R&D expenditure: ¥3,147 million (59.7% year on year)                                                                                                                                                                                                                                                                                                                                                                  | • Disease prevention expenditure                                                                                                                            | • Capital expenditure<br>• Automation investment                                                                          |
| <b>Manufacturing capital</b>       | —                                                                                                         | • Research/inspection centers: 2                                                                                                                                                                                                                                                                                                                                                                                        | • Production/breeding sites: 147                                                                                                                            | • Processing and packaging plant: 82<br>• Plant specializing in food allergy-related products (Toshuku)                   |
| <b>Human capital</b>               | • R&D talent working on the development of new products<br>• Human resource sharing among Group companies | • Training of human resources to ensure the future of livestock farming<br>• Cumulative total of 68 quality assurance specialists <sup>**1</sup>                                                                                                                                                                                                                                                                        |                                                                                                                                                             |                                                                                                                           |
| <b>Intellectual capital</b>        | • Knowledge about the procurement of key raw materials<br>• Safety and reliability knowledge              | • Number of patent applications: 20 (FY2024)<br>• Knowledge from protein research spanning many years<br>• Food allergen detection technology                                                                                                                                                                                                                                                                           | • Specialized technology and knowledge about livestock<br>• R&D relating to use of biological resources to improve health<br>• Smart pig farming technology | • Specialized technology and knowledge about farms and managers<br>• Meat processing and packing technology and knowledge |
| <b>Social relationship capital</b> | • Cooperative relationships with suppliers                                                                | • Joint research with external partners (Kansai Medical University, the University of Tokyo, Hokkaido University, etc.)<br>• Organizations for communication with people affected by food allergies and their families<br>• Co-creation with food sector startups through venture capital investment<br>• Development of alternative proteins through a unique NH Foods approach based on co-creation with food experts | • Cooperative relationships with (support for) livestock farmers                                                                                            | • Development of meat cuts and processed food products based on the needs of individual customers                         |
| <b>Natural capital</b>             | • Reducing greenhouse gas emissions                                                                       | • Plant-derived proteins<br>• New protein resources<br>• Key raw materials                                                                                                                                                                                                                                                                                                                                              | • Reducing greenhouse gas emissions<br>• Use of livestock waste as fuel, composting                                                                         | • Cooling water<br>• Reducing greenhouse gas emissions<br>• Use of by-products (bones, skin, etc.) as resources           |

<sup>\*\*1</sup> In April 2023, we amended our quality policy. We address quality at all stages in our value chains, from breeding and manufacturing through to sales and logistics, and we are constantly training personnel, developing technologies and creating systems for this purpose. People selected from all Group companies can become certified technicians by acquiring advanced skills and passing special exams created by NH Foods. We maintain a typical approach to training, whereby certified technicians provide technical guidance and contribute to the development of new certified technicians by acting as instructors for educational programs and basic and advanced training courses.

| Consignment and distribution                                                                                                                                                                                                                              | Sales and marketing                                                                                                                                                                                                                                                                                                                                                                                                            |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>Environmental expenditure (reduction of logistics-related CO2 emissions)</li> </ul>                                                                                                                                | <ul style="list-style-type: none"> <li>Business profit: ¥42,500 million</li> </ul>                                                                                                                                                                                                                                                                                                                                             |
| <ul style="list-style-type: none"> <li>Distribution bases: 29</li> </ul>                                                                                                                                                                                  | <ul style="list-style-type: none"> <li>Sales offices: 202</li> </ul>                                                                                                                                                                                                                                                                                                                                                           |
| —                                                                                                                                                                                                                                                         | <ul style="list-style-type: none"> <li>Specialized customer response skills<sup>**1</sup></li> <li>Original survey by the Lifestyle Research Office</li> </ul>                                                                                                                                                                                                                                                                 |
| <ul style="list-style-type: none"> <li>Reliable supply of products through our domestic and overseas logistics networks</li> <li>Nationwide logistics to ensure the safe distribution of products, including distribution in times of disaster</li> </ul> | <ul style="list-style-type: none"> <li>Unique monitoring system (Consumer Delight Commitment) established over 50 years ago</li> <li>Interaction with large numbers of consumers through social media and website memberships, etc.</li> <li>Development of highly competitive product brands</li> <li>High shares of domestic fresh meat markets: 15.4% (beef), 15.5% (pork), 18.6% (chicken), 21.9%<sup>**2</sup></li> </ul> |
| <ul style="list-style-type: none"> <li>Reducing greenhouse gas emissions</li> <li>Installation of non-CFC freezers / refrigerators using natural coolants</li> </ul>                                                                                      | —                                                                                                                                                                                                                                                                                                                                                                                                                              |

<sup>\*\*2</sup> We have received the top three-star rating in the customer support (helpdesk) category of the ISO Benchmarking system in seven consecutive years.  
<sup>\*\*3</sup> Domestic market share as of March 2023 (based on NH Foods research)

**The NH Foods Group quality policy**

The NH Foods Group has identified 2 types of quality required for products and services: Quality for safety, Quality for attraction, and Quality for society. Training our personnel and developing technologies and systems will be advocated to achieve this. We will contribute to the joy of eating and healthier and better lives through safe and high-quality products and services for our customers.

- We value the communication with our customers and provide products and services that meet their expectations.
- We will challenge ourselves to improve our customers and create new value through the pursuit of high quality and good eating and free thinking.
- We will cooperate with our customers, improve our food safety measures from the farm to the table, and provide our customers with the appropriate information.
- We value the bounty of this, strive to improve the sustainability of our products and services, provide a safe supply of food, and work towards meeting social issues.
- We consider quality as the most significant value of our group, and we continuously engage all employees in the creation of a culture centered around quality, technology, and systems to create for safety and superior quality.

**The NH Foods Group Quality Assurance System**

The NH Foods Group promotes quality assurance activities across the entire group, including the planning of group-wide quality assurance strategies and the formulation and sharing of various policies.

By sharing knowledge and know-how on quality risk information and measures, we aim not only to prevent quality incidents but also to establish a system that can respond swiftly in the event of an accident.

Please visit the following website for details about our quality initiatives. <https://www.nipponham.co.jp/eng/group/quality/index.html>

# Value creation strategies and business operations

[詳細を見る](#)[P.31 – A message from the executive officer in charge of Value Based Management promotion](#)

## Value-based management decision-making based on long-term perspectives

### Key points

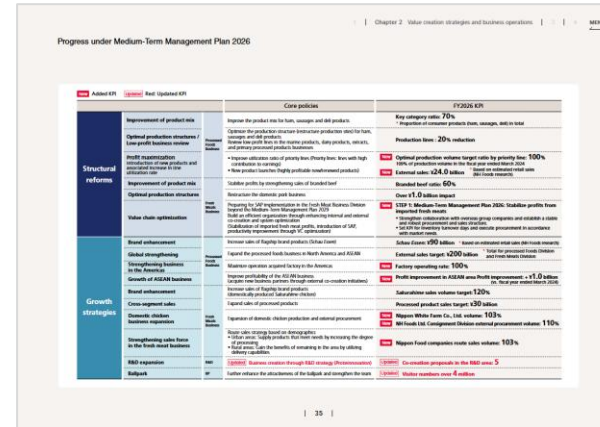
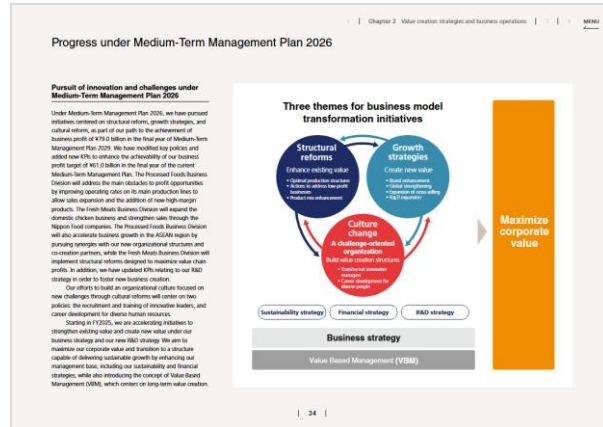
- Transformation of financial management systems in terms of focus, scope, and perspectives
- Realignment of focus from profit to value
- Shift in scope from individual optimization to overall optimization
- Shift in perspective from short-term to long-term

# Value creation strategies and business operations

詳細を見る



P.34 — Progress under Medium-Term Management Plan 2026



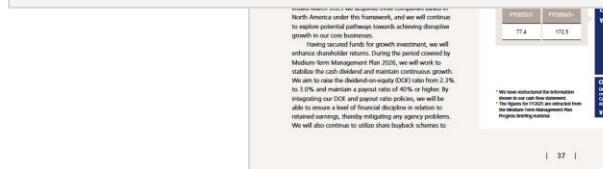
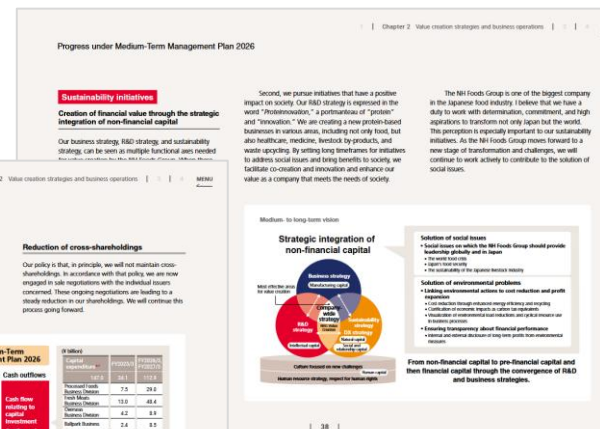
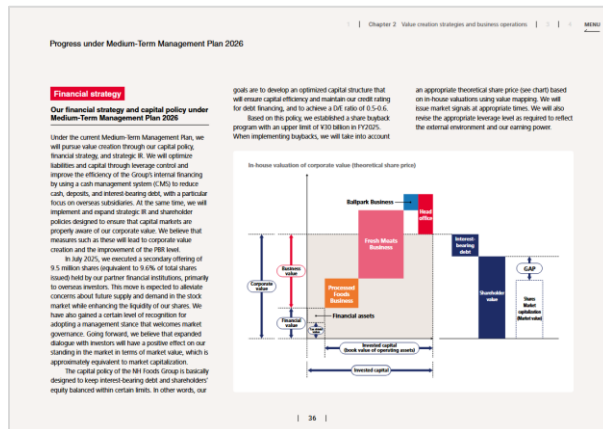
This section outlines progress toward value creation under our Medium-Term Management Plan through a range of strategies centered on three key themes.

## Key points

➡ Addition and modification of KPIs to reflect emerging issues

➡ Financial strategy with a focus on an appropriate theoretical share price based on our corporate valuation

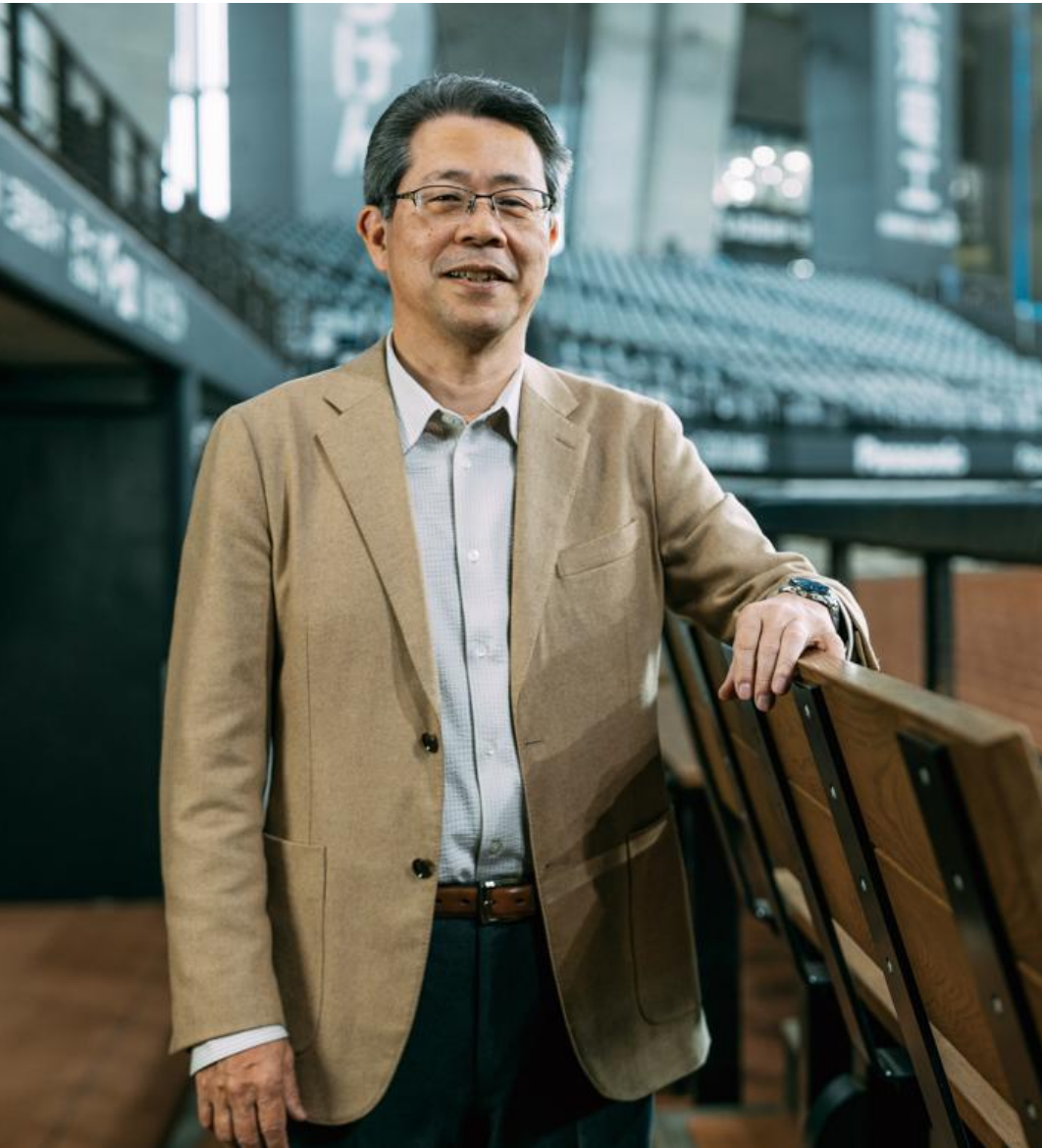
➡ Commitment to sustainability through the strategic integration of non-financial capital, and the creation of financial value



# Value creation strategies and business operations

[詳細を見る](#)

[P.39 – A message from the executive officer in charge of human resources / Human resource strategy](#)



Our evolution as people and organizations ready to take up the challenge of group-wide transformation

## Key points

- Overview of our efforts to foster a culture of challenge through our human resource strategy
- Recruitment and training of overseas human capital to drive global business expansion
- Promotion of participation for women and reduction of the gender wage gap
- Use of human capital KPIs to drive personal and organizational growth





**Fresh Meats Business Division**

## Chapter 2 Value creation strategies and business operations

# We will pursue restructuring measures to create an organization capable of weathering change in the external environment, while maximizing value chain profits.

### Progress under Medium-Term Management Plan 2026

**Standard returns**

Target: 10% ROIC

Current: 8.5%

**Growth strategies**

Target: 15% ROIC

Current: 12.5%

**Capital expenditures**

Target: 10% ROIC

Current: 8.5%

**Standard returns**

Target: 10% ROIC

Current: 8.5%

**Growth strategies**

Target: 15% ROIC

Current: 12.5%

**Standard returns**

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**Standard returns**

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Current: 8.5%

**Growth strategies**

Target: 15% ROIC

Current: 12

SPECIAL ADVERTISING SECTION

Chapter 2 Value materials strategies and business operations

## Segment Topics

### TOPIC 01 New business initiatives

#### Innovative lives through food

The Freedwood Foods Business Unit has developed fresh, innovative food-based products. Continuing innovation is more than trend, this new ingredient is also low salt and a good source of fiber. We are continuing the development of our fiber based as a food additive product. We remain committed to the expansion of protein options to enable more people the joy of eating.

New blend based on  
new flour-rich protein

#### Creating new value

Working in collaboration with the NEI Freedom Ltd., Research & Development Center, the Fresh Mushrooms Division pursued new value creation through R&D initiative, spanning over 300 hours in the first year ended March 2020. One example was an initiative to develop new products and services based on hericium-derived materials. The Fresh Mushrooms Division enables us to open up new business fields by utilizing byproducts from its production operations.

Another initiative sought to explore new value for profit by visualizing its flower quality. We believe that by visualizing the inherent flower quality of fresh mushrooms, it will be possible to progress new product quality and sales environments.

### TOPIC 02 Materiality-related initiatives

#### Contributing to sustainable environment

One of our materialities is contribution to a sustainable environment. The Freedwood Foods Business Unit is working to reduce the amount of plastic used by modifying product packaging.

For example, in the Kuwamori series of products, we eliminated the inner pouch used to package hummus stick by altering the manufacturing process. In addition to reducing waste with other plastic reductions from changing other packaging materials, we successfully reduced animal plastic use by approximately 61.3%, equivalent to approximately 1,000 kg per month. We will continue to promote both the environment and resources in our product development and implementation activities.

We are also reducing CO<sub>2</sub> emissions through the installation of solar power generation systems at our plants and business sites. A solar capact installed at Nippon Furan's plant in Hattori in March 2020 allows effective use of the space above the car park to generate solar power without loss of potential parking spaces. The initiative will contribute to the goal of renewable energy going forward.

\* Compared to previous packaging format - size made for April 1, 2020

Plastic use reduction  
of approximately  
61.3% per month  
Compared to  
previous format

The Fresh Mushrooms Division aims to achieve carbon neutrality at its farms.

In December 2024, we took our first step toward developing carbon neutrality goals when Nippon Clean Farm Ltd. installed a solar power generation system in Nipponno Hidakubo and began supplying electricity to its company-owned farms within the region. By string renewable energy from the solar facility, which has a generating capacity of 2,000kW, Nippon Clean Farm aims to reduce annual CO<sub>2</sub> emissions from 44 t to 14 t while saving 1.5 million yen annually. Going forward, it will work to achieve energy self-sufficiency and improve energy efficiency through LED lighting, water-saving measures, and other technologies. Additionally, it will continue to work with local agricultural and other members related to livestock and agriculture in Japan to address greenhouse gas emissions from livestock. Furthermore, after achieving carbon neutrality at its own facilities, Nippon Clean Farm plans to establish a carbon-neutral farm model to assist greenhouse gas emissions by 2030, as part of its commitment to sustainability.

Engagement in carbon neutral farming with local companies

A diagram illustrating the engagement in carbon neutral farming with local companies. It shows a flow from "Local companies engaged in carbon neutral farming" to "Nippon Clean Farm Ltd." and "Nipponno Hidakubo". From there, it branches into "Solar power generation" and "Renewable energy". Below this, it lists "Energy self-sufficiency" and "Improvement of energy efficiency". To the right, it mentions "LED lighting" and "Water-saving measures". At the bottom, it states "Carbon neutrality at its own facilities" and "Establishment of a carbon-neutral farm model to assist greenhouse gas emissions by 2030".

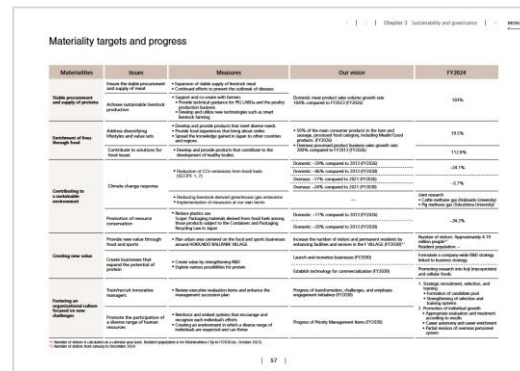
Carbon neutrality at farms. A farm with net zero emissions of greenhouse gases derived from Scope 2 farms, electric power, and grid-supply

| 54 |

## Key points

- Aspirations and successes of staff engaged in frontline challenges

- 👉 The rapid growth of the entertainment business centered on the ballpark



## ESG initiatives in our value chains

The NH Foods Group is helping to solve social issues through its business activities by implementing ESG initiatives across all of its value chains.

Our main Environmental, social, and governance Initiatives





Sustainability  
Corporate governance

|               |                                                       | Procurement                                                                                                                                                                                                                                                                                                                    | Development | Production and breeding | Packing and processing | Consignment and distribution                                                                                                                                                      | Sales and marketing |
|---------------|-------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-------------------------|------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| Environmental | Greenhouse gas emissions                              | <b>P61</b> <ul style="list-style-type: none"> <li>Promoting decarbonization of energy at our facilities</li> <li>Promoting the reduction of livestock-derived greenhouse gas emissions</li> <li>Local production and consumption of energy from unused resources generated in the production process (e.g., manure)</li> </ul> |             |                         |                        |                                                                                                                                                                                   |                     |
|               | Plastic                                               |                                                                                                                                                                                                                                                                                                                                |             |                         |                        | <b>P61</b> <ul style="list-style-type: none"> <li>Reducing petroleum-based plastic packaging materials</li> <li>Expanding environmentally friendly packaging materials</li> </ul> |                     |
|               | Water                                                 | <b>P61</b> <ul style="list-style-type: none"> <li>Minimize water consumption</li> <li>Risk reduction in water-stressed areas</li> </ul>                                                                                                                                                                                        |             |                         |                        |                                                                                                                                                                                   |                     |
|               | Food loss                                             |                                                                                                                                                                                                                                                                                                                                |             |                         |                        | <b>P62</b> <ul style="list-style-type: none"> <li>Extension of best-by dates</li> <li>Upcycling of processing offcuts</li> <li>Food donations</li> </ul>                          |                     |
|               | Waste                                                 | <b>P62</b> <ul style="list-style-type: none"> <li>Reduction of resource input and final disposal</li> <li>Creation of a regional recycling model</li> </ul>                                                                                                                                                                    |             |                         |                        |                                                                                                                                                                                   |                     |
| Social        | Sustainable livestock farming                         | <b>P63</b> <ul style="list-style-type: none"> <li>Addressing labor shortages in the livestock industry</li> <li>Addressing animal welfare issues</li> <li>Disease control</li> </ul>                                                                                                                                           |             |                         |                        |                                                                                                                                                                                   |                     |
|               | Healthier minds, healthier bodies                     |                                                                                                                                                                                                                                                                                                                                |             |                         |                        | <b>P64</b> <ul style="list-style-type: none"> <li>Provide useful information on proteins</li> <li>Food education</li> <li>Nutrition support and sports</li> </ul>                 |                     |
|               | Human rights                                          | <b>P65</b> <ul style="list-style-type: none"> <li>Practicing human rights due diligence</li> <li>Human rights education and training</li> <li>Supplier monitoring</li> </ul>                                                                                                                                                   |             |                         |                        |                                                                                                                                                                                   |                     |
|               | Health management, and occupational health and safety | <b>P66</b> <ul style="list-style-type: none"> <li>Health management promotion</li> <li>Maintaining work environments</li> <li>Strengthening occupational safety</li> </ul>                                                                                                                                                     |             |                         |                        |                                                                                                                                                                                   |                     |
| Governance    | Human resource initiatives                            | <b>P41</b> <ul style="list-style-type: none"> <li>Train/recruit innovative managers and promote career development for diverse people</li> <li>Diversity, equity, and inclusion</li> </ul>                                                                                                                                     |             |                         |                        |                                                                                                                                                                                   |                     |
|               | Corporate governance                                  | <b>P67</b>                                                                                                                                                                                                                                                                                                                     |             |                         |                        |                                                                                                                                                                                   |                     |

- Medium- to long-term environmental protection targets

# Sustainability and governance

詳細を  
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P.67 – Corporate governance

Corporate governance

**Achievements in reinforcing the corporate governance system**

The NH Foods Group is working to fulfill its social responsibilities as a company and achieve the Group's Corporate Philosophy by building the most appropriate governance structure for the Group based on the NH Foods Group Fundamental Policy on Corporate Governance. The application of this structure aims to enhance management transparency and efficiency across the entire Group, to ensure timely and proper decision making as well as appropriate business operations, to enable proactive and courageous business judgments, and to clarify responsibilities.

Corporate governance system

**General Meeting of Shareholders**

**Achievements in the reinforcement of corporate governance**

| Medium-term management plan | Year | Item | Mean efforts to strengthen corporate governance |
|-----------------------------|------|------|-------------------------------------------------|
| FY2016-2018                 | 2016 | 1.01 | 1.01                                            |
| 2017                        | 1.02 | 1.02 |                                                 |
| 2018                        | 1.03 | 1.03 |                                                 |
| 2019                        | 1.04 | 1.04 |                                                 |
| 2020                        | 1.05 | 1.05 |                                                 |
| 2021                        | 1.06 | 1.06 |                                                 |
| 2022                        | 1.07 | 1.07 |                                                 |
| 2023                        | 1.08 | 1.08 |                                                 |
| 2024                        | 1.09 | 1.09 |                                                 |
| 2025                        | 1.10 | 1.10 |                                                 |
| 2026                        | 1.11 | 1.11 |                                                 |
| 2027                        | 1.12 | 1.12 |                                                 |
| 2028                        | 1.13 | 1.13 |                                                 |
| 2029                        | 1.14 | 1.14 |                                                 |
| 2030                        | 1.15 | 1.15 |                                                 |
| 2031                        | 1.16 | 1.16 |                                                 |
| 2032                        | 1.17 | 1.17 |                                                 |
| 2033                        | 1.18 | 1.18 |                                                 |
| 2034                        | 1.19 | 1.19 |                                                 |
| 2035                        | 1.20 | 1.20 |                                                 |
| 2036                        | 1.21 | 1.21 |                                                 |
| 2037                        | 1.22 | 1.22 |                                                 |
| 2038                        | 1.23 | 1.23 |                                                 |
| 2039                        | 1.24 | 1.24 |                                                 |
| 2040                        | 1.25 | 1.25 |                                                 |
| 2041                        | 1.26 | 1.26 |                                                 |
| 2042                        | 1.27 | 1.27 |                                                 |
| 2043                        | 1.28 | 1.28 |                                                 |
| 2044                        | 1.29 | 1.29 |                                                 |
| 2045                        | 1.30 | 1.30 |                                                 |
| 2046                        | 1.31 | 1.31 |                                                 |
| 2047                        | 1.32 | 1.32 |                                                 |
| 2048                        | 1.33 | 1.33 |                                                 |
| 2049                        | 1.34 | 1.34 |                                                 |
| 2050                        | 1.35 | 1.35 |                                                 |
| 2051                        | 1.36 | 1.36 |                                                 |
| 2052                        | 1.37 | 1.37 |                                                 |
| 2053                        | 1.38 | 1.38 |                                                 |
| 2054                        | 1.39 | 1.39 |                                                 |
| 2055                        | 1.40 | 1.40 |                                                 |
| 2056                        | 1.41 | 1.41 |                                                 |
| 2057                        | 1.42 | 1.42 |                                                 |
| 2058                        | 1.43 | 1.43 |                                                 |
| 2059                        | 1.44 | 1.44 |                                                 |
| 2060                        | 1.45 | 1.45 |                                                 |
| 2061                        | 1.46 | 1.46 |                                                 |
| 2062                        | 1.47 | 1.47 |                                                 |
| 2063                        | 1.48 | 1.48 |                                                 |
| 2064                        | 1.49 | 1.49 |                                                 |
| 2065                        | 1.50 | 1.50 |                                                 |
| 2066                        | 1.51 | 1.51 |                                                 |
| 2067                        | 1.52 | 1.52 |                                                 |
| 2068                        | 1.53 | 1.53 |                                                 |
| 2069                        | 1.54 | 1.54 |                                                 |
| 2070                        | 1.55 | 1.55 |                                                 |
| 2071                        | 1.56 | 1.56 |                                                 |
| 2072                        | 1.57 | 1.57 |                                                 |
| 2073                        | 1.58 | 1.58 |                                                 |
| 2074                        | 1.59 | 1.59 |                                                 |
| 2075                        | 1.60 | 1.60 |                                                 |
| 2076                        | 1.61 | 1.61 |                                                 |
| 2077                        | 1.62 | 1.62 |                                                 |
| 2078                        | 1.63 | 1.63 |                                                 |
| 2079                        | 1.64 | 1.64 |                                                 |
| 2080                        | 1.65 | 1.65 |                                                 |
| 2081                        | 1.66 | 1.66 |                                                 |
| 2082                        | 1.67 | 1.67 |                                                 |
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| 2097                        | 1.82 | 1.82 |                                                 |
| 2098                        | 1.83 | 1.83 |                                                 |
| 2099                        | 1.84 | 1.84 |                                                 |
| 2100                        | 1.85 | 1.85 |                                                 |
| 2101                        | 1.86 | 1.86 |                                                 |
| 2102                        | 1.87 | 1.87 |                                                 |
| 2103                        | 1.88 | 1.88 |                                                 |
| 2104                        | 1.89 | 1.89 |                                                 |
| 2105                        | 1.90 | 1.90 |                                                 |
| 2106                        | 1.91 | 1.91 |                                                 |
| 2107                        | 1.92 | 1.92 |                                                 |
| 2108                        | 1.93 | 1.93 |                                                 |
| 2109                        | 1.94 | 1.94 |                                                 |
| 2110                        | 1.95 | 1.95 |                                                 |
| 2111                        | 1.96 | 1.96 |                                                 |
| 2112                        | 1.97 | 1.97 |                                                 |
| 2113                        | 1.98 | 1.98 |                                                 |
| 2114                        | 1.99 | 1.99 |                                                 |
| 2115                        | 2.00 | 2.00 |                                                 |

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Corporate governance

Corporate governance system overview (No. of meetings in FY2024)

| Body                                                          | No. of members (Independent)                                                           | Chair                                      | Objective and other details                                                                                                                                                                                                                                                                                                                                                                                                                 |
|---------------------------------------------------------------|----------------------------------------------------------------------------------------|--------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Director and the Board of Directors (14)                      | 9<br>+ 5 inside officers (10)<br>+ 4 outside officers (14)                             | Chairman                                   | We have on the number of directors to at least three but no more than 12 to ensure prompt and proper decision-making in consideration of the scope of liability of that body. We also agreed upon the role of each director to ensure transparency, to meet once a month and make decisions on matters of NH Foods, including the Board of Directors, in addition to other important matters.                                               |
| Audit & Supervisory Board (16)                                | 5<br>+ 1 inside officer (16)<br>+ 5 outside officers (21)<br>+ 2 outside officers (23) | Full-time Audit & Supervisory Board member | We have on the number of members to at least three but no more than 16 to ensure prompt and proper decision-making in consideration of the scope of liability of that body. We also agreed upon the role of each member to ensure transparency, to meet once a month and make decisions on matters of NH Foods, including the Board of Directors, in addition to other important matters.                                                   |
| Compliance Committee (12)                                     | 12<br>+ 1 inside officer (13)<br>+ 1 outside officer (14)                              | Chairman                                   | To ensure through compliance and take society's trust in the Group by comprehensively confirming and reviewing compliance compliance and making proposals to the Board of Directors and management committees.                                                                                                                                                                                                                              |
| Executive Nomination Committee (5)                            | 5<br>+ 1 inside officer (6)<br>+ 4 outside officers (10)                               | Outside director                           | To strengthen the supervisory function of the Board of Directors by enhancing the transparency and objectivity of decisions on the selection of candidates for the position of representative director, director, and Audit & Supervisory Board member, as well as decisions regarding the dismissal and/or removal of the President and Representative Director and other management members (executive directors and executive officers). |
| Compensation Committee (5)                                    | 5<br>+ 1 inside officer (6)<br>+ 4 outside officers (10)                               | Outside director                           | To strengthen the supervisory function of the Board of Directors by enhancing the transparency and objectivity of decisions regarding compensation for corporate officers (including executive officers).                                                                                                                                                                                                                                   |
| Board of Independent Officers, Chairperson and President (12) | 9<br>+ 1 inside officer (10)<br>+ 7 outside officers (17)                              | —                                          | Contents as the Board of Independent Officers, Chairperson and President to facilitate exchanges of opinion among independent officers, Chairperson and President as a forum for making prompt-reporting responsiveness to the Group's corporate value and reforms to corporate culture.                                                                                                                                                    |
| Board of Independent Officers (12)                            | 9<br>+ 1 inside officer (10)<br>+ 7 outside officers (17)                              | —                                          | To facilitate discussions between independent directors and Audit & Supervisory Board members as a forum for exchanging information and sharing understanding from an independent and objective perspective.                                                                                                                                                                                                                                |
| Sustainability Committee (14)                                 | 14<br>+ 1 inside officer (15)<br>+ 4 outside officers (19)                             | Chairman                                   | To comprehensively review the sustainability initiatives of the Group, and report and make proposals to the Board of Directors.                                                                                                                                                                                                                                                                                                             |
| Internal Control SOX Committee (1)                            | 10<br>+ 1 inside officer (11)<br>+ 4 outside officers (15)                             | Officer appointed by the President         | To evaluate the effectiveness of internal controls of all Group companies and internal controls concerning business processes, as well as to report the results of these evaluations to the Board of Directors and members of management as a basis for management evaluations.                                                                                                                                                             |
| Risk Management Committee (1)                                 | 12<br>+ 1 inside officer (13)<br>+ 4 outside officers (17)                             | Officer appointed by the President         | To discuss issues and responses concerning risk management (risk prevention and rapid response to business emergencies) and to report matters under consideration by the Committee and the results of discussions to the Board of Directors or an Management Strategy Committee with the aim of contributing to the management of the Group.                                                                                                |

Officers

**Directors**

|                                                                                                                                                                                           |                                                                                                                                                                                                                       |                                      |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|
| <b>Shinichi Kato</b><br>Chairman and Director<br>Chairman of the Board of Directors                                                                                                       | <b>Kohji Akiyama</b><br>Director and Managing Executive Officer<br>in charge of Finance, Treasury, Operations, Legal Affairs, Department, General Affairs, Department, Audit, Systems Department and Technical Office | <b>Hiroyuki Miyazaki</b><br>Director |
| <b>Naohiko Kato</b><br>President and Representative Director<br>President and CEO                                                                                                         | <b>Yusaku Kato</b><br>Director                                                                                                                                                                                        | <b>Hiroyuki Miyazaki</b><br>Director |
| <b>Yusaku Kato</b><br>Director and Vice President, Executive Vice President in charge of Quality, Safety, Health, Environment, Accounting & Finance Department and Growth Strategy Office | <b>Takashi Yamashita</b><br>Director                                                                                                                                                                                  |                                      |

**Audit & Supervisory Board Members**

|                                                                     |                                                                |                                                              |
|---------------------------------------------------------------------|----------------------------------------------------------------|--------------------------------------------------------------|
| <b>Naohiko Kato</b><br>Audit & Supervisory Board Member (Full-time) | <b>Shigehiro Matsuyama</b><br>Audit & Supervisory Board Member | <b>Kazuhiko Nakamura</b><br>Audit & Supervisory Board Member |
| <b>Naohiko Kato</b><br>Audit & Supervisory Board Member (Full-time) |                                                                |                                                              |
| <b>Naohiko Kato</b><br>Audit & Supervisory Board Member             |                                                                |                                                              |

**Managing Executive Officers**

|                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                        |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Yoshihiko Matsuyama</b><br>General Manager of Research, Development and Production, General Manager of Sales, General Manager of Marketing, General Manager of Finance, General Manager of Systems, General Manager of Legal Affairs, General Manager of Quality, Safety, Health, Environment, General Manager of Accounting & Finance, General Manager of Growth Strategy | <b>Naohiko Kato</b><br>General Manager of Research, Development and Production, General Manager of Sales, General Manager of Marketing, General Manager of Finance, General Manager of Systems, General Manager of Legal Affairs, General Manager of Quality, Safety, Health, Environment, General Manager of Accounting & Finance, General Manager of Growth Strategy | <b>Naohiko Kato</b><br>General Manager of Research, Development and Production, General Manager of Sales, General Manager of Marketing, General Manager of Finance, General Manager of Systems, General Manager of Legal Affairs, General Manager of Quality, Safety, Health, Environment, General Manager of Accounting & Finance, General Manager of Growth Strategy |
| <b>Yoshihiko Matsuyama</b><br>General Manager of Research, Development and Production, General Manager of Sales, General Manager of Marketing, General Manager of Finance, General Manager of Systems, General Manager of Legal Affairs, General Manager of Quality, Safety, Health, Environment, General Manager of Accounting & Finance, General Manager of Growth Strategy | <b>Naohiko Kato</b><br>General Manager of Research, Development and Production, General Manager of Sales, General Manager of Marketing, General Manager of Finance, General Manager of Systems, General Manager of Legal Affairs, General Manager of Quality, Safety, Health, Environment, General Manager of Accounting & Finance, General Manager of Growth Strategy | <b>Naohiko Kato</b><br>General Manager of Research, Development and Production, General Manager of Sales, General Manager of Marketing, General Manager of Finance, General Manager of Systems, General Manager of Legal Affairs, General Manager of Quality, Safety, Health, Environment, General Manager of Accounting & Finance, General Manager of Growth Strategy |
| <b>Yoshihiko Matsuyama</b><br>General Manager of Research, Development and Production, General Manager of Sales, General Manager of Marketing, General Manager of Finance, General Manager of Systems, General Manager of Legal Affairs, General Manager of Quality, Safety, Health, Environment, General Manager of Accounting & Finance, General Manager of Growth Strategy | <b>Naohiko Kato</b><br>General Manager of Research, Development and Production, General Manager of Sales, General Manager of Marketing, General Manager of Finance, General Manager of Systems, General Manager of Legal Affairs, General Manager of Quality, Safety, Health, Environment, General Manager of Accounting & Finance, General Manager of Growth Strategy | <b>Naohiko Kato</b><br>General Manager of Research, Development and Production, General Manager of Sales, General Manager of Marketing, General Manager of Finance, General Manager of Systems, General Manager of Legal Affairs, General Manager of Quality, Safety, Health, Environment, General Manager of Accounting & Finance, General Manager of Growth Strategy |

Officers

**Audit & Supervisory Board Members**

|                                                                     |                                                                |                                                              |
|---------------------------------------------------------------------|----------------------------------------------------------------|--------------------------------------------------------------|
| <b>Naohiko Kato</b><br>Audit & Supervisory Board Member (Full-time) | <b>Shigehiro Matsuyama</b><br>Audit & Supervisory Board Member | <b>Kazuhiko Nakamura</b><br>Audit & Supervisory Board Member |
| <b>Naohiko Kato</b><br>Audit & Supervisory Board Member (Full-time) |                                                                |                                                              |
| <b>Naohiko Kato</b><br>Audit & Supervisory Board Member             |                                                                |                                                              |

**Managing Executive Officers**

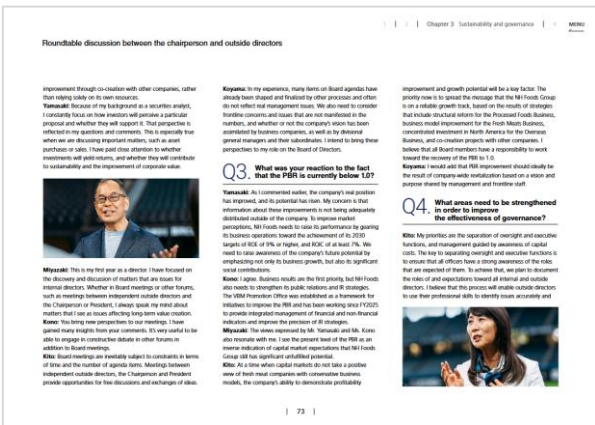
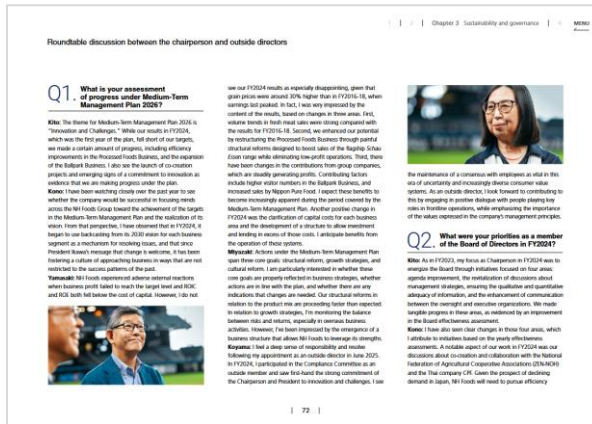
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| <b>Yoshihiko Matsuyama</b><br>General Manager of Research, Development and Production, General Manager of Sales, General Manager of Marketing, General Manager of Finance, General Manager of Systems, General Manager of Legal Affairs, General Manager of Quality, Safety, Health, Environment, General Manager of Accounting & Finance, General Manager of Growth Strategy | <b>Naohiko Kato</b><br>General Manager of Research, Development and Production, General Manager of Sales, General Manager of Marketing, General Manager of Finance, General Manager of Systems, General Manager of Legal Affairs, General Manager of Quality, Safety, Health, Environment, General Manager of Accounting & Finance, General Manager of Growth Strategy | <b>Naohiko Kato</b><br>General Manager of Research, Development and Production, General Manager of Sales, General Manager of Marketing, General Manager of Finance, General Manager of Systems, General Manager of Legal Affairs, General Manager of Quality, Safety, Health, Environment, General Manager of Accounting & Finance, General Manager of Growth Strategy |
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## Corporate governance information

### Key points

- Achievements in the reinforcement of corporate governance
- Overview of corporate governance structure
- Descriptions of deliberative bodies, including content of discussions, frequency of meetings, and participants
- List of officers, including Directors, Audit & Supervisory Board Members, and Executive Officers

# Sustainability and governance



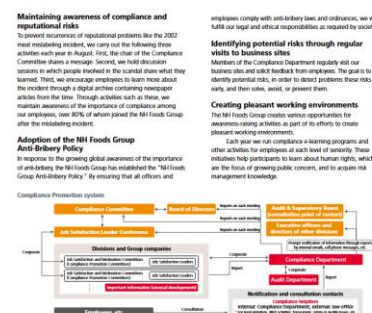
## Recommendations for actions to address challenges on the path to sustainable value improvement

### Key points

- Progress assessment and identification of priorities for innovation and challenge

### Focal points for the Board of Directors

### The roles of and outlook as outside directors



**We will continue  
to take on  
NEW  
CHALLENGES.**

