

Non-financial data

- 15** Environmental Report
- 38** Social Report
- 44** Corporate Governance

As of September 30, 2022

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 will continue to contribute to the development of a sustainable society by working to reduce environmental loads and use resources efficiently.

In addition, from fiscal 2022 we will institute environmental targets with of bringing our overseas in line with medium- to long-term environmental targets in 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	Numerical target	FY2021 results	Progress
Reduce fossil fuel-derived CO₂ emissions (Reduce by more than 46% compared with FY2013 levels)	t-CO ₂	550,518	297,279	480,065	Reduction (change from the baseline) : ▲70,453 Reduction (compared with the baseline) : ▲12.8%
Waste discharge (per production unit) (Reduce by 5% compared with FY2019 level)	kg/t	134.6	127.9	124.7	Reduction (change from the baseline) : ▲9.9 Reduction (compared with the baseline) : ▲7.4%
Waste recycling rate (At least 92% by 2030)	%	84.1	92.0	93.0	—
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) : ▲1.3%

※ Coverage of the Plan: Reduction of fossil fuel-derived CO₂ emissions and improvement of waste recycling rates at NH Foods Group business sites in Japan
Waste discharges and water consumption at NH Foods Group manufacturing factory in Japan

※ 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

Medium- to Long-Term Environmental Targets Overseas

Targets	Unit	Baseline	Numerical target
Reduce fossil fuel-derived CO₂ emissions (Reduce by more than 24% compared with FY2021 levels)	t-CO ₂	143,340	108,938
Waste consumption (per production unit) (Reduce by 5% compared with FY2021 level)	m ³ /t	14.7	14.1

※ 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 and improvement of waste recycling rates at NH Foods Group business sites in Overseas
Waste discharges and water consumption at NH Foods Group manufacturing factory in Overseas

※ 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)
	Discharged waste 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: business sites of NH Foods Group in Japan

※ Primary unit of each intensity is per unit of product

※ Reduction rate in target value is reduction rate from Baseline

※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

The calculation of Scope 1, Scope 2 and Scope 3 for businesses in Japan has been subjected to third-party verification based on AA1000 by SGS Japan Inc.

Additionally, from fiscal 2021 overseas businesses have have also been subject to third-party verification.*

*Third-party verification of methane and nitrous oxide has been conducted according to the ISO14064-3 standard.

Greenhouse Gas Emissions

Scope	Items	Business scope	Scope 2 pattern	FY2017	FY2018	FY2019	FY2020	FY2021
Scope 1	CO ₂ (thousandt-CO ₂)	Japan	—	220	216	215	220	222
	CO ₂ (thousandt-CO ₂)	Overseas	—	—	—	—	—	52
	Methane (thousandt-CO ₂)	Company-wide	—	30	30	31	28	116
	Nitrous oxide (thousandt-CO ₂)	Company-wide	—	98	102	102	101	102
Scope 2	CO ₂ (thousandt-CO ₂)	Japan	Location base	298	303	290	276	267
	Market base		—	—	269	257	260	
	CO ₂ (thousandt-CO ₂)	Overseas	Location base	—	—	—	—	92
Total	CO ₂ (thousandt-CO ₂)	Company-wide	Location base	646	651	638	625	851
Scope 3	CO ₂ (thousandt-CO ₂)	Japan	—	10,157	10,948	11,134	10,576	10,503

※ Coverage of data: Scope 1 and Scope 2 are business sites of NH Foods Group in Japan and Overseas, Scope 3 is business activities of domestic sites of the NH Foods Group

※ Greenhouse gas emissions about Scope 1 and Scope 2 are calculated by using factors in "Act on Promotion of Global Warming Countermeasures" in Japan about each year

↳ Location base is calculated by the alternative value which is annual electric power company's emission factors (above the law)

↳ Market base is calculated by each annual electric power company's emission factors (above the law)

Overseas sites: Primarily use laws and regulations or guidelines of the country or region where each company or office is located. If these are unknown, use coefficients of the "Act on Promotion of Global Warming Countermeasures" in Japan.

↳ If the location base is unknown, use the Emissions Factors provided by the IEA.

※ There are not applicable of Perfluorocarbons, Sulphur hexafluoride and Nitrogen trifluoride. Also, Hydrofluorocarbons aren't calculation in scope

※ Scope 3 is calculated which is based on our scenario by category, which referred to "Basic Guidelines On Accounting for Greenhouse Gas Emissions throughout the Supply Chain, Ver. 2.4 (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 Ver. 3.2" in Japan

Transition of CO₂ Emissions About Scope 1,2 from Fossil Fuel and Their Intensity (Results by Business Activity in Japan)

Items		FY2017	FY2018	FY2019	FY2020	FY2021
Food plants (thousand t-CO ₂)	Location base	288.1	288.4	277.9	271.9	268.0
	Market base	—	—	258.2	252.0	257.1
Livestock breeding facilities and feedlots (thousand t-CO ₂)	Location base	94.1	93.5	94.0	95.2	93.1
	Market base	—	—	97.9	100.3	97.4
Logistics centers, sales offices and etc. (thousand t-CO ₂)	Location base	70.8	71.8	69.6	66.4	65.6
	Market base	—	—	66.5	63.2	64.6
Fresh meat processing and plants (thousand t-CO ₂)	Location base	64.1	63.0	61.5	60.8	60.2
	Market base	—	—	60.0	60.0	61.0
Total (thousand t-CO ₂)	Location base	517.1	516.7	503.0	494.3	486.9
	Market base	—	—	482.6	475.5	480.1
Emissions intensity (kg-CO ₂ /t)	Location base	640.9	648.1	630.8	614.4	600.9
	Market base	—	—	605.2	591.1	592.4

※ Primary unit of each intensity is per unit of product

■ Breakdown of Scope 3 Categories (FY2021 Results in Japan)

Category	CO ₂ (t-CO ₂)	Composition ratio (%)
1 Purchased goods and services	8,762,754	84.3
2 Capital goods	156,771	1.5
3 Fuel and energy related activities (not included in scope 1 or scope 2)	82,981	0.8
4 Upstream transportation and distribution	764,084	7.4
5 Waste generated in operations	43,887	0.4
6 Business travel	2,969	0.1
7 Employee commuting	56,016	0.5
8 Upstream leased assets	4,110	0.0
9 Downstream transportation and distribution	112,323	1.1

Category	CO ₂ (t-CO ₂)	Composition ratio (%)
10 Processing of sold products	245,342	2.4
11 Use of sold products	146,378	1.4
12 End-of-Life treatment of sold products	125,839	1.2
13 Downstream leased assets	N/A	—
14 Franchises	N/A	—
15 Investments	N/A	—
Total	10,391,131	100.0

Resource Saving Initiatives

Consumption of Energy

From fiscal 2021 results include those from overseas sites as well as those in Japan

■ Transition of Energy Consumption

Items		FY2017	FY2018	FY2019	FY2020	FY2021	
Japan	Fuel (TJ)	Gasoline	56	52	46	37	35
		Kerosene	563	542	570	591	588
		Light oil	379	375	371	372	379
		Heavy fuel oil A	1,040	968	867	852	775
		Liquefied petroleum gas / LPG	373	361	392	420	455
		Liquefied natural gas / LNG	201	217	281	302	315
		Town gas	946	971	996	1,034	1,111
		Biomass	—	—	—	—	59
	Total Fuel	3,558	3,486	3,523	3,608	3,658	
	Steam, cold water, hot water purchased (TJ)	9	21	20	20	21	
Electricity purchased (TJ)	5,689	5,772	5,768	5,708	5,727		
Subtotal (TJ)	9,256	9,279	9,311	9,336	9,465		
Overseas	Fuel (TJ)	Gasoline	—	—	—	—	9
		Kerosene	—	—	—	—	0
		Light oil	—	—	—	—	86
		Heavy fuel oil	—	—	—	—	29
		Coal	—	—	—	—	343
		Liquefied petroleum gas / LPG	—	—	—	—	48
		Natural gas	—	—	—	—	190
		Town gas	—	—	—	—	6
		Biomass	—	—	—	—	288
	Total Fuel	—	—	—	—	999	
Steam, cold water, hot water purchased (TJ)	—	—	—	—	44		
Electricity purchased (TJ)	—	—	—	—	600		
Subtotal (TJ)	—	—	—	—	1,643		
Total (TJ)	9,256	9,279	9,311	9,336	11,108		

※ Coverage of data: business sites of NH Foods Group. (From FY2021, data from overseas sites has been disclosed)

※ Each energy derived from fossil fuel consumption in Japan has been to third party verification by SGS Japan Inc. since FY2017

※ Energy consumption of all types is calculated as follows for sites in Japan and overseas

Japan: Use coefficients, etc., defined by the "Act of Promotion of Global Warming Countermeasures" and the "Act on the Rational Use of Energy" in Japan

Overseas: Primarily use laws and regulations or guidelines of the country or region where each company or office is located. If these are unknown, use coefficients of the "Act on the Rational Use of Energy" in Japan

■ Transition of Electricity Consumption and Per Unit of Production (Results by Business Activity in Japan)

Items	FY2017	FY2018	FY2019	FY2020	FY2021
Food plants (million kWh)	342.8	345.7	342.4	339.5	343.4
Livestock breeding facilities and feedlots (million kWh)	75.0	77.9	79.2	79.2	78.1
Logistics centers, sales offices, and etc. (million kWh)	93.6	95.0	95.8	94.5	95.0
Fresh meat processing, plants, and etc. (million kWh)	69.7	71.4	72.6	71.7	72.0
Total (million kWh)	581.1	590.0	590.0	584.9	588.5
In which, renewable energy (million kWh)	—	—	0.01	0.30	1.40
Consumption per unit of production (kWh/t)	720.2	740.0	739.8	726.9	726.3

※ Primary unit of each intensity is per unit of product

■ Transition of Fuel and Consumption Per Unit of Production (Results by Business Activity in Japan)

Items	FY2017	FY2018	FY2019	FY2020	FY2021
Food plants (thousand kl)	51.0	50.6	50.6	51.6	52.5
Livestock breeding facilities and feedlots (thousand kl)	21.6	20.8	21.5	22.6	22.5
Logistics centers, sales officers, and etc. (thousand kl)	8.8	8.9	8.8	8.5	8.6
Fresh meat processing, plants, and etc. (thousand kl)	10.7	10.3	10.7	11.1	11.5
Total (thousand kl)	92.1	90.6	91.6	93.8	95.1
Consumption per unit of production (l/t)	114.1	113.7	114.8	116.5	117.3

■ Fuel consumption trends by usage (Japan)

Items	FY2017	FY2018	FY2019	FY2020	FY2021
Fuel (thousand kl)	80.9	79.7	80.9	83.3	84.5
Vehicle fuel (thousand kl)	11.2	10.9	10.7	10.5	10.6
Total (thousand kl)	92.1	90.6	91.6	93.8	95.1

※ Each fuel consumption are calculated by using factors in "Act on the Rational Use of Energy" in Japan

※ Primary unit of each intensity is per unit of product

Water Consumption

The results of water consumption for sites in Japan has been subjected to third-party verification based on AA1000 by SGS Japan Inc. since FY2018.

■ Transition of Water Consumption and Consumption Per Unit of Production (Results by Business Activity and Sites in Japan)

Items	FY2017	FY2018	FY2019	FY2020	FY2021
Food plants (thousand m ³)	8,334	8,316	8,305	8,301	8,274
Livestock breeding facilities and feedlots (thousand m ³)	2,318	1,879	1,941	1,868	1,829
Logistics centers, sales offices, and etc. (thousand m ³)	197	207	195	201	186
Fresh meat processing, plants, and etc. (thousand m ³)	4,303	4,395	4,379	4,450	4,432
Total (thousand m ³)	15,152	14,797	14,820	14,820	14,721
Consumption per unit of production (m ³ /t)	18.8	18.6	18.6	18.4	18.2

- ※ Coverage of data: business sites of NH Foods Group in Japan
- ※ Water consumption and discharged includes some estimated values from production departments
- ※ Primary unit of each intensity is per unit of product

■ Transition of Water Consumption (By Water Source)

From fiscal 2021 results include those from overseas sites.

Items		FY2017	FY2018	FY2019	FY2020	FY2021	
Japan	Consumption (thousand m ³)	Groundwater	11,019	10,798	10,868	10,873	10,881
		Industrial water	1,876	1,828	1,811	1,793	1,739
		Tap water	2,257	2,171	2,141	2,154	2,101
		Total	15,152	14,797	14,820	14,820	14,721
	Reuse/ recycling water (thousand m ³)	37	37	35	39	37	
	Discharged (thousand m ³)	Discharged treatment water to river etc.	10,714	11,019	11,897	11,765	12,224
		Sewage	1,442	1,485	1,514	1,489	1,512
Total		12,156	12,504	13,411	13,254	13,736	
Overseas	Consumption (thousand m ³)	Groundwater	—	—	—	—	611
		Surface water	—	—	—	—	564
		Industrial water	—	—	—	—	698
		Tap water	—	—	—	—	1,402
		Sea water	—	—	—	—	13
		Total	—	—	—	—	3,288

- ※ Coverage of data: business sites of NH Foods Group (Overseas, only those sites targets by medium- to long-term environmental goals)
- ※ Water consumption and discharged includes some estimated values from production departments

Waste

■ Transition of Waste Generation and Waste Per Unit of Production (Results by Business Activity in Japan)

Items	FY2017	FY2018	FY2019	FY2020	FY2021
Food plants (thousand t)	90.4	89.3	91.8	88.7	84.8
Livestock breeding facilities and feedlots (thousand t)	233.3	235.5	199.0	188.2	186.4
Logistics centers, sales offices, and etc. (thousand t)	7.6	8.3	8.3	7.8	8.0
Fresh meat processing, plants, and etc. (thousand t)	91.8	101.6	112.2	117.8	118.4
Total (thousand t)	423.1	434.7	411.3	402.5	397.6
Generation per unit of production (kg/t)	524.4	545.3	515.7	500.2	490.7

※ Coverage of data: business sites of NH Foods Group in Japan

※ Excluding the waste from Typhoon Jebi and the Hokkaido Eastern Iburi earthquake in the FY2018

※ Primary unit of each intensity is per unit of product

■ Breakdown of Waste Generation (Results in Japan)

Items	FY2017	FY2018	FY2019	FY2020	FY2021
Waste generation (thousand t)	423.1	434.7	411.3	402.5	397.6
In which, waste discharged (thousand t)	222.3	232.7	205.1	208.8	198.7
Recycling of waste (thousand t)	398.7	405.3	373.8	376.9	380.8
Final disposal waste (thousand t)	17.1	20.7	22.7	19.7	9.6
Recycling rate (%)	94.3	93.6	92.1	94.7	96.9

Entrusting The Recycling of Containers and Packaging

Act on the Promotion of Sorted Collection and Recycling of Containers and Packaging in Japan requires companies to use containers and packaging to recycle those materials. NH Foods Group entrusting the Japan Containers and Packaging Recycling Association and pays recycling entrusting fees according to the volume of products which are manufactured and sold.

Contracted year		FY2017	FY2018	FY2019	FY2020	FY2021
Application volume of the applicable containers and packaging discharged (t)	Plastic containers and packaging	7,735	7,188	6,495	6,429	6,909
	Paper containers and packaging	41	54	36	33	29
	Glass bottles	509	547	521	291	510
	PET bottles	0	0	0	0	0
Fiscal year used as basis for the discharged		FY2015	FY2016	FY2017	FY2018	FY2019

※ Coverage of data: business sites of NH Foods Group in Japan

※ Application volume of the discharged is based on production and sales results two fiscal years earlier

State of Compliance with Environmental Laws and Regulations

In fiscal 2021, no accidents that had a significant effect on the environment occurred at business sites of NH Foods Group in Japan. However, as shown below, some situations requiring a response occurred. By taking action immediately and implementing ongoing measures, similar situations have not arisen since.

Processed food factory	
Overview	On July 1, 2021, an unscheduled inspection of Discharged water by a local public health office indicated that the biochemical oxygen demand (BOD) level was in excess of the level stipulated in the ordinance (25 mg/L). A directive was issued requiring a remedial action report to be submitted. The cause could not be identified, but the problem appears to have resulted from the contamination of the samples by some form of sediment in the pipes or at the discharge outlet.
Response	<p>Apart from the aforementioned Discharged water inspection, the standards have never been exceeded before or since that occasion. However, we have taken the precaution of implementing the following countermeasures based on the probable cause of the incident.</p> <ul style="list-style-type: none"> • The pipes are being periodically cleaned by a contractor to prevent the accumulation of sediment. • Stormwater basins, pipes, manholes and other equipment are periodically inspected. • Water quality is periodically tested, and reports are submitted if abnormal levels are detected. • Training is being provided for staff. <p>On July 28, 2021, a remedial action completion report was submitted to the public health office and accepted.</p>

Fines related to environmental issues (NH Foods Ltd.)

Items	FY2017	FY2018	FY2019	FY2020	FY2021
Amount of fines(yen)	0	0	0	0	0

Business Activities and Environmental Impact

■ Inputs

Items	FY2017	FY2018	FY2019	FY2020	FY2021
Feed including corn and wheat (thousand t)	667	640	660	641	626
Raw materials for products (thousand t)	267	249	245	241	240
Electricity (million kWh)	581	590	590	585	589
Water (million m ³)	15	15	15	15	15
Fuel(crude oil equivalent) (thousand kl)	81	80	81	83	84
Vehicle fuel (crude oil equivalent) (thousand kl)	11	11	11	11	11

※ Coverage of data: business sites of NH Foods Group in Japan

※ Water consumption and discharged includes some estimated values from production departments

※ Fuel consumption is calculated by using factors in "Act on the Rational Use of Energy" in Japan

■ Outputs

Items	FY2017	FY2018	FY2019	FY2020	FY2021
Products (thousand t)	807	797	797	805	810
Greenhouse gases (thousand t-CO ₂)	646	651	637	625	615
Discharged water (million m ³)	12	13	13	13	14
Waste (among generated) (thousand t)	423	435	411	403	398
Waste (recycling rate) (%)	94.3	93.6	92.1	94.7	96.9

※ Coverage of data: business sites of NH Foods Group in Japan

※ Water consumption and discharged includes some estimated values from production departments

※ Excluding the waste from Typhoon Jebi and the Hokkaido Eastern Iburi earthquake in the FY2018

Environmental Data by Business

Environmental Impact of Production and Livestock Breeding Facilities and Feedlots

Applicable Sites	4 production departments of Interfarm Co., Ltd./ 4 production departments of Nippon White Farm Co., Ltd. / Nippon White Farm Niigata Co., Ltd./ Miyazaki Environmental Preservation Cooperative/ Junsui Kurobuta Shuton Nojo Y.K.
------------------	--

■ Energy, Water Consumption and Discharged Water

Items	FY2017	FY2018	FY2019	FY2020	FY2021
Gasoline (kl)	3	—	—	—	0
Light oil (kl)	0.2	—	—	1.0	—
Heavy fuel oil A (kl)	1,468	1,381	1,112	1,097	925
Kerosene (kl)	14,819	14,352	15,122	15,675	15,654
Liquefied petroleum gas / LPG (t)	2,940	2,792	3,002	3,379	3,516
Electricity purchased (thousand kWh)	75,147	77,717	79,243	79,169	78,077
Water consumption (thousand m ³)	2,316	1,885	1,941	1,868	1,829
Discharged water (thousand m ³)	1,947	2,172	3,262	2,985	3,364

※ Water consumption and discharged includes some estimated values from production departments

■ Air Emissions

Items	FY2017	FY2018	FY2019	FY2020	FY2021
CO ₂ (thousand t-CO ₂)	88	88	88	89	87
Methane (t)	1,186	1,212	1,256	1,121	1,113
Nitrous oxide (t)	328	343	343	340	329
Nitrogen oxides / NO _x (t)	59	58	60	62	61
Sulfur oxides / SO _x (t)	14	13	11	11	10

■ Waste

Items	FY2017	FY2018	FY2019	FY2020	FY2021
Waste generation (t)	233,284	235,502	199,055	188,218	186,413
Discharged waste (t)	63,842	64,116	23,625	25,989	25,307
Final disposal waste (t)	1,715	1,147	1,527	1,433	1,138
Recycling rate (%)	97.3	98.2	93.5	94.5	95.5
Percentage reduced and recycled (%)	99.3	99.5	99.2	99.2	99.4

※ Excluding the waste from Typhoon Jebi and the Hokkaido Eastern Iburi earthquake in the FY2018

■ Waste FY2021 detailed data

Items	Plants and Animal Residues	Sludge	Waste Plastics	Waste Papers and Cardboards	Scrap Metals	Ashes	Other	Total
Waste generation (t)	287	34,462	239	24	189	—	151,212	186,413
Discharged waste (t)	270	5,082	239	24	189	807	18,696	25,307
Final disposal waste (t)	—	127	199	—	39	154	619	1,138
Recycling rate (%)	100.0	97.5	16.7	100.0	79.4	80.9	96.7	95.5
Percentage reduced and recycled (%)	100.0	99.6	16.7	100.0	79.4	—	99.6	99.4

※ Ashes are residue after in-house incineration

Environmental Impact of Fresh Meat Processing and Plants

Applicable Sites	5 plants of Nippon White Farm Co., Ltd./ 5 plants of Nippon Food Packer, Inc./ Nippon Food Packer Kagoshima, Inc./ Nippon Food Packer Shikoku, Inc./ Nippon Food Packer Tsugaru, Co., Ltd./ Miyazaki Beef Center Co., Ltd./ Nippon White Farm Niigata Co., Ltd.
------------------	--

■ Energy, Water Consumption and Discharged Water

Items	FY2017	FY2018	FY2019	FY2020	FY2021
Gasoline (kl)	0.2	0.3	0.2	0.3	0.2
Light oil (kl)	0.5	3.0	—	1.0	—
Heavy fuel oil A (kl)	8,472	7,422	5,945	5,991	5,707
Kerosene (kl)	266	230	233	237	212
Town gas (thousand m ³)	—	13	86	123	139
Liquefied petroleum gas / LPG (t)	1,254	1,301	1,346	1,556	1,884
Liquefied natural gas / LNG (t)	—	430	1,668	1,737	1,904
Electricity purchased (thousand kWh)	69,879	71,366	72,623	71,741	71,962
Water consumption (thousand m ³)	4,307	4,386	4,379	4,450	4,432
Discharged water (thousand m ³)	3,817	3,860	3,860	3,908	3,957

■ Air emissions

Items	FY2017	FY2018	FY2019	FY2020	FY2021
CO ₂ (thousand t-CO ₂)	63	62	61	60	60
Nitrogen oxides / NO _x (t)	42	41	41	42	42
Sulfur oxides / SO _x (t)	71	62	50	50	48

■ Waste

Items	FY2017	FY2018	FY2019	FY2020	FY2021
Waste generation (t)	91,767	101,633	112,150	117,781	118,404
Discharged waste (t)	69,387	78,492	88,289	93,738	87,100
Final disposal waste (t)	6,235	8,722	9,434	7,224	4,362
Recycling rate (%)	91.0	88.9	89.3	92.3	95.0
Percentage reduced and recycled (%)	93.2	91.4	91.6	93.9	96.3

※ Excluding the waste from Typhoon Jebi and the Hokkaido Eastern Iburi earthquake in the FY2018

■ Waste FY2021 Detailed Data

Items	Plants and Animal Residues	Sludge	Waste Plastics	Waste Papers and Cardboards	Scrap Metals	Other	Total
Waste generation (t)	86,791	19,347	502	206	101	11,457	118,404
Discharged waste (t)	57,964	18,853	502	206	101	9,474	87,100
Final disposal waste (t)	1,861	769	73	1	1	1,657	4,362
Recycling rate (%)	96.8	95.9	85.5	99.5	99.0	82.5	95.0
Percentage reduced and recycled (%)	97.9	96.0	85.5	99.5	99.0	85.5	96.3

Environmental Impact of Ham and Sausage Production

Applicable Sites	5 factories of Nipponham Factory Ltd./ Nipponham Northeast Ltd./ Nipponham Hokkaido Factory Ltd./ Nipponham Southwest Ltd./ Hakodate Carl Raymon Co., Ltd./ Kamakura Ham Tomioka Co., Ltd./ Kyodo Foods Co., Ltd./ Japan Assorted Business Services Co., Ltd.
------------------	--

■ Energy, Water Consumption and Discharged Water

Items	FY2017	FY2018	FY2019	FY2020	FY2021
Gasoline (kl)	0.2	0.2	0.3	0.3	0.1
Light oil (kl)	7	1	1	6	2
Heavy fuel oil A (kl)	7,819	7,539	7,508	7,644	6,932
Kerosene (kl)	63	35	38	45	23
Town gas (thousand m ³)	2,167	2,046	2,037	2,010	2,647
Liquefied petroleum gas / LPG (t)	722	590	544	603	572
Liquefied natural gas / LNG (t)	3,680	3,537	3,475	3,530	3,510
Steam, cold water, hot water purchased (GJ)	8,988	9,849	9,761	9,622	11,105
Electricity purchased (thousand kWh)	106,551	105,870	104,467	103,453	104,465
Water consumption (thousand m ³)	2,752	2,747	2,732	2,757	2,733
Discharged water (thousand m ³)	2,446	2,546	2,563	2,573	2,534

■ Air Emissions

Items	FY2017	FY2018	FY2019	FY2020	FY2021
CO ₂ (thousand t-CO ₂)	93	91	88	86	84
Nitrogen oxides / NO _x (t)	60	58	58	58	58
Sulfur oxides / SO _x (t)	66	63	63	64	58

■ Waste

Items	FY2017	FY2018	FY2019	FY2020	FY2021
Waste generation (t)	22,924	22,377	28,218	27,116	26,087
Discharged waste (t)	22,924	22,373	28,199	27,099	26,071
Final disposal waste (t)	2,038	2,282	2,624	2,423	612
Recycling rate (%)	91.1	89.8	90.7	91.1	97.7
Percentage reduced and recycled (%)	91.1	89.8	90.7	91.1	97.7

※ Excluding the waste from Typhoon Jebi and the Hokkaido Eastern Iburi earthquake in the FY2018

■ Waste FY2021 Detailed Data

Items	Plants and Animal Residues	Sludge	Waste Plastics	Waste Papers and Cardboards	Scrap Metals	Other	Total
Waste generation (t)	9,778	7,674	3,646	3,794	261	934	26,087
Discharged waste (t)	9,778	7,674	3,646	3,794	261	918	26,071
Final disposal waste (t)	53	6	479	3	5	66	612
Recycling rate (%)	99.5	99.9	86.9	99.9	98.1	92.7	97.7
Percentage reduced and recycled (%)	99.5	99.9	86.9	99.9	98.1	92.8	97.7

Environmental Impact of Processed Food Production

Applicable Sites	NH Foods Ltd./ 3 plants of Nipponham Processed Foods Ltd./ 3 plants of Nipponham Delicatessen Ltd./ 8 plants of Nippon Pure Food, Inc./ 2 plants of Hoko Co., Ltd./ Minami Nippon Fresh Foods Co., Ltd./ 2 plants of Premium Kitchen Co., Ltd.
------------------	---

■ Energy, Water Consumption and Discharged Water

Items	FY2017	FY2018	FY2019	FY2020	FY2021
Gasoline (kl)	—	0.060	0.008	0.010	0.051
Light oil (kl)	7	78	19	20	24
Heavy fuel oil A (kl)	6,986	6,683	6,274	6,135	5,624
Kerosene (kl)	27	24	10	10	6
Town gas (thousand m ³)	17,356	18,055	18,166	18,983	19,651
Liquefied petroleum gas / LPG (t)	2,119	2,153	2,574	2,514	2,755
Electricity purchased (thousand kWh)	203,191	205,821	202,178	200,435	203,574
Water consumption (thousand m ³)	4,500	4,504	4,507	4,472	4,514
Discharged water (thousand m ³)	2,983	2,984	2,772	2,830	2,951

■ Air Emissions

Items	FY2017	FY2018	FY2019	FY2020	FY2021
CO ₂ (thousand t-CO ₂)	168	171	164	161	160
Nitrogen oxides / NO _x (t)	110	113	111	111	113
Sulfur oxides / SO _x (t)	59	56	53	52	47

■ Waste

Items	FY2017	FY2018	FY2019	FY2020	FY2021
Waste generation (t)	52,923	53,054	52,249	50,605	49,329
Discharged waste (t)	44,167	45,691	45,427	43,274	43,841
Final disposal waste (t)	2,989	3,931	4,537	4,165	1,632
Recycling rate (%)	93.2	91.4	90.0	90.4	96.3
Percentage reduced and recycled (%)	94.4	92.6	91.3	91.8	96.7

※ Excluding the waste from Typhoon Jebi and the Hokkaido Eastern Iburi earthquake in the FY2018

■ Waste FY2021 Detailed Data

Items	Plants and Animal Residues	Sludge	Waste Plastics	Waste Papers and Cardboards	Scrap Metals	Ashes	Other	Total
Waste generation (t)	19,662	14,341	4,600	6,188	889	—	3,649	49,329
Discharged waste (t)	17,413	11,627	3,892	6,188	889	183	3,649	43,841
Final disposal waste (t)	56	602	667	30	40	183	54	1,632
Recycling rate (%)	99.7	94.8	82.9	99.5	95.5	0.0	98.5	96.3
Percentage reduced and recycled (%)	99.7	95.8	85.5	99.5	95.5	—	98.5	96.7

※ Ashes are residue after in-house incineration

Environmental Impact of Marine and Dairy Product Production

Applicable Sites

The Marine Foods Corporation/ 2 plants of Nippon Luna Inc./ 3 plants of Hoko Co., Ltd./ Kushiro Marusui Co., Ltd.

■ Energy, Water Consumption and Discharged Water

Items	FY2017	FY2018	FY2019	FY2020	FY2021
Gasoline (kl)	0.03	0.01	0.01	—	0.01
Light oil (kl)	0.03	0.02	—	—	8.20
Heavy fuel oil A (kl)	1,847	1,730	1,341	919	645
Kerosene (kl)	37	35	39	33	32
Town gas (thousand m ³)	1,395	1,350	1,686	1,733	2,156
Liquefied petroleum gas / LPG (t)	269	223	197	175	187
Liquefied natural gas / LNG (t)	—	—	—	265	354
Steam, cold water, hot water purchased (GJ)	—	2,632	2,619	2,600	2,501
Electricity purchased (thousand kWh)	32,765	34,151	35,682	35,333	33,922
Water consumption (thousand m ³)	1,077	1,062	1,066	1,072	1,027
Discharged water (thousand m ³)	901	869	887	880	866

■ Air Emissions

Items	FY2017	FY2018	FY2019	FY2020	FY2021
CO ₂ (thousand t-CO ₂)	26	26	26	24	24
Nitrogen oxides / NO _x (t)	17	17	17	16	16
Sulfur oxides / SO _x (t)	16	15	11	8	5

■ Waste

Items	FY2017	FY2018	FY2019	FY2020	FY2021
Waste generation (t)	14,535	13,862	11,400	11,022	9,398
Discharged waste (t)	14,435	13,761	11,314	10,960	9,346
Final disposal waste (t)	806	830	976	965	439
Recycling rate (%)	94.4	94.0	91.4	91.2	95.3
Percentage reduced and recycled (%)	94.5	94.0	91.4	91.2	95.3

※ Excluding the waste from Typhoon Jebi and the Hokkaido Eastern Iburi earthquake in the FY2018

■ Waste FY2021 Detailed Data

Items	Plants and Animal Residues	Sludge	Waste Plastics	Waste Papers and Cardboards	Scrap Metals	Other	Total
Waste generation (t)	4,212	3,369	506	894	163	254	9,398
Discharged waste (t)	4,160	3,369	506	894	163	254	9,346
Final disposal waste (t)	14	62	190	—	9	164	439
Recycling rate (%)	99.7	98.2	62.5	100.0	94.5	35.4	95.3
Percentage reduced and recycled (%)	99.7	98.2	62.5	100.0	94.5	35.4	95.3

Environmental Impact of Sales Offices, Distribution Centers, Headquarters, Branches, Offices and Research Institutes

Applicable Sites	NH Foods Ltd./ NH Foods Marketing Ltd./ Nippon Route Service Co., Ltd./ Nipponham Frozen Foods Ltd./ Nipponham Customer Communications Ltd. Nippon Logistics Center, Inc./ Nippon Chilled Logistics, Inc./ Nippon Daily Net Co., Ltd./ Japan Food Corporation/ NHJF Corporation/ Higashi Nippon Food, Inc./ Kanto Nippon Food, Inc./ Naka Nippon Food, Inc./ Nishi Nippon Food, Inc./ Nippon Pure Food, Inc./ The Marine Foods Corporation/ Hoko Co., Ltd./ Hokkaido Nippon-Ham Fighters Baseball Club Co., Ltd./ Nippon Luna Inc./ Minami Nippon Fresh Foods Co., Ltd./ Hakodate Carl Raymon Co., Ltd./ Usune Co., Ltd.
------------------	--

■ Energy, Water Consumption and Discharged Water

Items	FY2017	FY2018	FY2019	FY2020	FY2021
Gasoline (kl)	—	0.03	—	—	—
Kerosene (kl)	115	105	95	96	96
Town gas (thousand m ³)	190	213	258	240	205
Liquefied petroleum gas / LPG (t)	42	41	40	41	41
Steam, cold Water, hot water purchased (GJ)	—	8,134	7,505	7,625	7,120
Electricity purchased (thousand kWh)	93,532	95,042	95,825	94,477	95,106
Water consumption (thousand m ³)	200	213	195	202	186

■ Air Emissions

Items	FY2017	FY2018	FY2019	FY2020	FY2021
CO ₂ (thousand t-CO ₂)	49	50	48	46	44
Nitrogen oxides / NO _x (t)	28	29	29	29	29
Sulfur oxides / SO _x (t)	0.02	0.01	0.01	0.01	0.01

■ Waste

Items	FY2017	FY2018	FY2019	FY2020	FY2021
Waste generation (t)	7,646	8,280	8,224	7,749	7,992
Discharged waste (t)	7,542	8,280	8,223	7,748	7,992
Final disposal waste (t)	3,284	3,804	3,586	3,464	1,408
Recycling rate (%)	56.5	54.0	56.4	55.3	82.4
Percentage reduced and recycled (%)	57.1	54.1	56.4	55.3	82.4

※ Excluding the waste from Typhoon Jebi and the Hokkaido Eastern Iburi earthquake in the FY2018

■ Waste FY2020 Detailed Data

Items	Plant and Animal Residue	Waste Plastic	Waste Paper and Cardboard	Scrap Metal	Other	Total
Waste generation (t)	2,898	638	3,714	74	668	7,992
Discharged waste (t)	2,898	638	3,714	74	668	7,992
Final disposal waste (t)	624	361	266	2	155	1,408
Recycling rate (%)	78.5	43.4	92.8	97.3	76.8	82.4
Percentage reduced and recycle	78.5	43.4	92.8	97.3	76.8	82.4

Environmental Impact of Vehicles

Applicable vehicles

Approximately 4,000 vehicles used by the NH Foods Group in Japan (as of March 31st, 2022)

■ Fuel Consumption of Vehicles

Items	FY2017	FY2018	FY2019	FY2020	FY2021
Light oil (kl)	10,033	9,853	9,821	9,839	10,015
Gasoline (kl)	1,621	1,503	1,336	1,083	1,014
Natural gas (thousand m ³)	2	—	—	—	—

■ Air Emissions

Items	FY2017	FY2018	FY2019	FY2020	FY2021
CO ₂ (thousand t-CO ₂)	30	29	28	28	28
Nitrogen oxides / NOx (t)	197	193	191	189	192
Sulfur oxides / SOx (t)	8	8	8	8	8

Summary of Employees

Status of Employees (NH Foods Ltd.)

Items	FY2017	FY2018	FY2019	FY2020	FY2021
Number of employees	2,384	2,403	2,137	2,149	2,160
Male (regular employees)	1,341	1,011	883	898	891
Female (regular employees)	363	348	322	339	353
Percentage of female employees (%) (regular employees)	21.3	20.4	26.7	27.4	28.4
Percentage of female managers (%)	3.3	3.8	4.6	6.5	8.5
Number of temporary employees (average)	957	972	953	912	916
Average age	42.5	42.5	41.6	41.2	39.6
Male (age)	44.3	44.6	43.3	42.9	41.4
Female (age)	36.4	36.9	36.1	36.7	35.1
Average duration of employment (years)	18.8	18.8	17.6	17.4	17.8
Male (years)	21.0	20.7	19.4	19.3	19.7
Female (years)	12.2	12.2	11.8	12.6	13.0
Number of new graduates hired	35	61	54	51	41
Male	22	34	34	35	25
Female	13	27	20	16	16
Mid-career hiring rate of workers (%)	26	22	17	26	16
Average salary (yen)	8,706,025	8,570,717	8,422,396	8,395,177	8,575,136
Turnover rate (%)	2.9	3.7	16.0	3.2	4.1
Voluntary retirement rate (%)	1.56	1.72	1.70	1.29	2.09

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

※ In fiscal 2019, NH Foods Ltd. expanded the optional retirement system as a temporary measure

Status of Employees by Region (NH Foods Group)

Items	FY2017	FY2018	FY2019	FY2020	FY2021
Domestic	22,725	22,883	22,538	22,615	21,329
Overseas	7,930	7,957	7,592	6,775	6,320
Group total	30,655	30,840	30,130	29,390	27,649

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

※ Includes average number of temporary employees

Gender pay gap (NH Foods Ltd.)

Item	FY2021 (%)	Average annual income (yen)		Average age		Average length of service (year)	
Management	93.0	Total	11,667,651	Total	49.9	Total	26.8
		Men	11,738,018	Men	50.2	Men	27.1
		Women	10,912,500	Women	47.1	Women	23.9
General staff	86.2	Total	6,052,194	Total	38.5	Total	15.1
		Men	6,324,900	Men	40.0	Men	16.7
		Women	5,453,152	Women	35.3	Women	11.5

※ The gender pay gap (%) ratio is calculated by dividing the the average annual income of women by the average annual income of men

Diversity

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

Items	FY2017	FY2018	FY2019	FY2020	FY2021
Number of mandatory retirees	29	16	11	3	6
Number of re-employed retirees	19	15	8	3	5
Re-employment rate (%)	65.5	93.8	72.7	100.0	83.3

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

Status of Hiring Personnel Disabilities (NH Foods Ltd.)

Items	FY2017	FY2018	FY2019	FY2020	FY2021
Employment rate (%)	1.8	2.1	2.4	2.5	2.7

※ Disabled Persons Act requires employers to keep the rate of hiring personnel disabilities over 2.3% (as ※ Includes non-regular employees

※ Employment rate is calculated based on Disabled Persons Act

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

Items	FY2017	FY2018	FY2019	FY2020	FY2021
Before and after childbirth leave (number of leave takers)	40	30	42	57	39
Spousal childbirth leave (number of leave takers)	52	27	30	29	35
Number of childcare leave takers	76	70	73	96	108
Male	8	4	5	12	18
Female	68	66	68	84	90
Rate of employees returning to work (%)	97.0	97.1	97.0	98.8	98.5
Shortened working hours for childcare (number of users)	64	91	98	81	123
Nursing leave (number of leave takers)	59	118	145	139	173

■ Category Details

Before and after childbirth leave	An employee can take the leave for six weeks before giving birth (or fourteen weeks for a multiple pregnancy) and eight weeks after giving birth.
Spousal childbirth leave	From one week before the expected delivery date of an employees' spouse and two week after giving birth, an employee may take three days of leave. (Paid leave)
Childcare leave	Until the child of an employee reaches the age of one year, or until the child reaches the age of three years if the child cannot enter nursery school or is under special circumstances. (Reserve paid leave can be used for the first twenty days)
Rate of employees returning to work	$(\text{Number of employees returning from childcare leave}) / (\text{Number of employees expected to return from childcare leave}) \times 100$
Shortened working hours for childcare	Until an employee's child finishes the six years of elementary school, the employee's scheduled working hours in a day may be shortened by up to two hours.
Nursing leave	12 days per year can be taken as nursing leave when the child of employee in sixth grade of elementary school or lower requires nursing, vaccination, or medical checkup. (Paid leave)

※ Remaining paid leave: annual paid leave which expired two years after being granted and was put into reserve (up to 40 days)

Human Resources

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

Items	FY2017	FY2018	FY2019	FY2020	FY2021
Number of employees under the Management by Objectives (MBO)	1,367	1,731	1,528	1,574	1,513
Percentage of employees under the MBO (%)	57.3	72.0	71.5	94.7	100.0

Freedom of Association and Collective Bargaining

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

※ The enrollment rate of NH Foods Worker's Union in FY2021 is 100%

Employee Health and Occupational Health & Safety

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

Items	FY2017	FY2018	FY2019	FY2020	FY2021
Annual actual working hours (hours)	2,116	2,087	2,052	2,040	2,005
Hours of overtime work (hours)	325.37	290.24	278.23	286.74	251.59
Average number of days of annual paid leave granted (days)	18	18	18	18	18
Average number of days of annual paid leave taken (days)	12	12	15	12	13
Average usage rate of annual paid leave (%)	67	69	79	60	63

Frequency Rate of Occupational Accidents (NH Foods Group in Japan)

Items	FY2017	FY2018	FY2019	FY2020	FY2021
National manufacturing industry average	1.15	1.02	1.20	1.20	1.20
National food manufacturing industry average	3.85	2.95	3.32	3.48	3.51
NH Foods Group average	2.69	2.00	1.97	2.08	2.21

※ Frequency rate of occupational accidents : the number of casualties due to occupational accidents per million hours of actual work, as an indication of the frequency of

Occupational Accidents Severity Rate (NH Foods Group in Japan)

Items	FY2017	FY2018	FY2019	FY2020	FY2021
National manufacturing industry average	0.07	0.08	0.10	0.10	0.07
National food manufacturing industry average	0.15	0.18	0.21	0.25	0.10
NH Foods Group average	0.05	0.05	0.04	0.05	0.05

※ Occupational accident severity rate :total days of lost time due to accidents with respect to total worked hours of all employees

Support physical and mental health

Items	Subject	FY2017	FY2018	FY2019	FY2020	FY2021
Rate of follow-up action after physical examinations (%)	NH Foods Ltd.	—	—	—	77.2	86.9
Ratio of smokers (%)	NH Foods Ltd.	—	—	—	32.8	24.9
Stress check examination rate (%)	NH Foods Ltd.	96.3	99.1	95.2	92.0	97.8
	NH Foods Group in Japan	93.0	91.5	90.3	91.6	92.8

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

Occupational Safety and Health Management System Status (as of March 2022)

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

Status of ISO45001 Certification Acquisition

Japan	<ul style="list-style-type: none"> ● Nipponham Delicatessen Ltd. (Headquarters, Product Development Division, Niigata Plant, Hokkaido Plant, Miyazaki Plant)
-------	---

Thailand	<ul style="list-style-type: none"> ● Thai Nippon Foods Co., Ltd. (Ayutthaya Plant, Phitsanulok Branch) ● Thai Nippon Cold Storage Co., Ltd. (Ayutthaya)
----------	---

List of Donations

FY2021 Status of Donation Destination and Amount (NH Foods Ltd.)

Items	Donation amount
Social Welfare and Social Inclusion (yen)	34,048,998
Health, Medical Science, and Sports (yen)	141,000,000
Academics and Research (yen)	640,000
Education and Social Education (yen)	3,630,000
Culture and Art (yen)	100,000
Environment (yen)	2,360,000
Community Building for Disaster Preparedness, Crime Prevention (yen)	200,000
Political Donations (yen)	1,100,000
Others (yen)	3,700,000

Corporate Governance

The average attendance rate of board of directors was 100%.

Board of Directors

Position	Name	Meetings Attended/ Meetings Convened	Attendance Rate(%)
President and Representative Director, President and CEO	Yoshihide Hata	18/18	100
Representative Director and Vice President, Executive Vice President	Tetsuhiro Kito	18/18	100
Representative Director and Vice President, Executive Vice President	Nobuhisa Ikawa	18/18	100
Director and Managing Executive Officer	Fumio Maeda	18/18	100
Director and Executive Officer	Masahito Kataoka	13/13	100
Director (Outside)	Yasuko Kono	18/18	100
Director (Outside)	Atsushi Iwasaki	18/18	100
Director (Outside)	Hideo Arase	18/18	100
Audit & Supervisory Board Member	Koichi Nishihara	5/5	100
Audit & Supervisory Board Member	Nobuyuki Tazawa	18/18	100
Audit & Supervisory Board Member	Sadanori Miyagai	18/18	100
Audit & Supervisory Board Member (Outside)	Akihiko Shiba	18/18	100
Audit & Supervisory Board Member (Outside)	Masayuki Kitaguchi	18/18	100
Audit & Supervisory Board Member (Outside)	Tokushi Yamasaki	18/18	100

FY2021 Status of Optional Committee Attendance

■ Compliance Committee

Position	Name	Meetings Attended/ Meetings Convened	Attendance Rate(%)
President and Representative Director, President and CEO	Yoshihide Hata	4/4	100
Representative Director and Vice President, Executive Vice President	Tetsuhiro Kito	4/4	100
Representative Director and Vice President, Executive Vice President	Nobuhisa Ikawa	4/4	100
Director (Outside)	Yasuko Kono	4/4	100
Audit & Supervisory Board Member (Outside)	Masayuki Kitaguchi	4/4	100 ※1
Managing Executive Officer	Hitoshi Yao	4/4	100
Executive Officer	Kohei Akiyama	4/4	100
General Manager of the Compliance Department	Hiroshi Matsuura	4/4	100
Union representative officers	Yuta Yamagishi	4/4	100

※ Additional member is outside expert

※1 Observer

■ Sustainability Committee

Position	Name	Meetings Attended/ Meetings Convened	Attendance Rate(%)
President and Representative Director, President and CEO	Yoshihide Hata	4/4	100
Representative Director and Vice President, Executive Vice President	Tetsuhiro Kito	4/4	100
Representative Director and Vice President, Executive Vice President	Nobuhisa Ikawa	4/4	100
Director and Managing Executive Officer	Fumio Maeda	4/4	100
Director and Executive Officer	Masahito Kataoka	4/4	100
Director (Outside)	Yasuko Kono	4/4	100
Director (Outside)	Atsushi Iwasaki	4/4	100
Director (Outside)	Hideo Arase	4/4	100
Managing Executive Officer	Nobuo Oda	4/4	100
Executive Officer	Kohei Akiyama	4/4	100
Audit & Supervisory Board Member (Outside)	Tokushi Yamasaki	4/4	100 ※1

※ Additional member is outside expert

※1 Observer

■ Executive Appointments Committee

Position	Name	Meetings Attended/ Meetings Convened	Attendance Rate(%)
Director (Outside)	Yasuko Kono	7/7	100
Director (Outside)	Atsushi Iwasaki	7/7	100
Director (Outside)	Hideo Arase	7/7	100
Audit & Supervisory Board Member (Outside)	Akihiko Shiba	7/7	100

■ Board of Independent Outside Officers

Position	Name	Meetings Attended/ Meetings Convened	Attendance Rate(%)
Director (Outside)	Yasuko Kono	2/2	100
Director (Outside)	Atsushi Iwasaki	2/2	100
Director (Outside)	Hideo Arase	2/2	100
Audit & Supervisory Board Member (Outside)	Akihiko Shiba	2/2	100
Audit & Supervisory Board Member (Outside)	Masayuki Kitaguchi	2/2	100
Audit & Supervisory Board Member (Outside)	Tokushi Yamasaki	2/2	100

■ Compensation Committee

Position	Name	Meetings Attended/ Meetings Convened	Attendance Rate(%)
President and Representative Director, President and CEO	Yoshihide Hata	3/3	100
Director (Outside)	Yasuko Kono	3/3	100
Director (Outside)	Atsushi Iwasaki	3/3	100
Director (Outside)	Hideo Arase	3/3	100

■ Board of Independent Officers and Representative Directors

Position	Name	Meetings Attended/ Meetings Convened	Attendance Rate(%)
President and Representative Director, President and CEO	Yoshihide Hata	2/2	100
Representative Director and Vice President, Executive Vice President	Tetsuhiro Kito	2/2	100
Representative Director and Vice President, Executive Vice President	Nobuhisa Ikawa	2/2	100
Director (Outside)	Yasuko Kono	2/2	100
Director (Outside)	Atsushi Iwasaki	2/2	100
Director (Outside)	Hideo Arase	2/2	100
Audit & Supervisory Board Member (Outside)	Akihiko Shiba	2/2	100
Audit & Supervisory Board Member (Outside)	Masayuki Kitaguchi	2/2	100
Audit & Supervisory Board Member (Outside)	Tokushi Yamasaki	2/2	100

Promoting Compliance

NH Foods Group engages in awareness-raising activities to deepen employees' understanding of compliance and reaffirm its importance.

Compliance Training (NH Foods Group in Japan)

We reaffirm the importance of compliance at all levels of the organization by acquiring knowledge about harassment and communication, engaging in group discussions based on case studies, and through other initiatives.

Items	FY2017	FY2018	FY2019	FY2020	FY2021
Number of attendees	1,101	1,070	1,026	1,370	1,272
Number of attendees ranked manager and higher	820	732	795	1,102	971

※ Total number of attendees for training designed for different levels of the organization, such as new employee training, manager training and Group company president training

※ Applicable employees: Officers and General managers in 2018 and 2021, section chiefs in 2017, 2019 and 2020

Compliance Competition (NH Foods Group in Japan)

Knowledge on harassment and communication, as well as the results of initiatives underway at different workplaces and business sites are shared.

Items	FY2017	FY2018	FY2019	FY2020	FY2021
Number of attendees	18,689	19,400	17,460	20,545	20,288

NH Foods Group Consultation Desk (NH Foods Group in Japan)

In addition to an internal consultation desk, an independent outside consultation desk has also been set up so that Group employees can freely report and consult on actual workplace conditions.

Items	FY2017	FY2018	FY2019	FY2020	FY2021
Number of consultations received	192	201	179	199	249

Compliance Visits to Business Sites (NH Foods Group in Japan)

With the aim of avoiding, mitigating and preventing risks, the Compliance Department visits business sites to listen to employee sentiments regarding the onsite atmosphere, business-related issues, interpersonal issues, and other items.

Items	FY2017	FY2018	FY2019	FY2020	FY2021
Number of group companies visited	17	9	10	7	18
Number of business sites visited	36	96	43	15	24
Applicable number of employees	Approx. 1,000	Approx. 1,300	Approx. 1,000	Approx. 700	Approx. 900

※ Due to COVID-19, compliance activities were primarily conducted remotely in fiscal 2020.

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
- The management systems supporting the reporting

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

■ Period covered

April 1, 2021 to March 31, 2022

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

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

SGS 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 organization is responsible for the preparation and fair presentation of the scope of the assurance.

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(2019);

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 and Nippon Luna Inc. Takasaki Plant), remote verification from organization's branch (Nipponham Delicatessen Ltd. Hokkaido Plant) 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 lead 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, 2021 to 31 March, 2022.

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

As a milestone in pursuing the realization of our corporate philosophy, the organization has formulated "Vision 2030" and identified as "Five Materialities (key issues)" that should be prioritized to be solved the social issues toward its realization.

These "Five Materialities (key issues)" have referred to the initiatives of SDGs, SASB, ISO 26000, GRI, and various social issue, and extract initial evaluation items. In addition, taken the opinions of various positions stakeholders and extracted and identified important issues.

The identified issues are evaluated and finalized by specialized stakeholders and management.

These "Five Materialities (key issues)" are reflected in the medium-term management plan, ensuring that they are addressed as business activities. These processes are published in the Report. As described above, it was confirmed in this verification that important issues have been identified.

Responsiveness

The organization is engaged in various activities, taking into account the allocation of resources to the Five Materialities 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 results of activities for the identified issues are reported in the Report, including detailed case examples. This report also includes reports on the impacts on the ecosystem.

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
21 June, 2022
Signed:

AA1000 Licensed Report
000-8/V3-1OCLG

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	Domestic Group	Scope1: 347,560 t-CO ₂ Scope2 (Location-based): 287,140 t-CO ₂ Scope2 (Market-based): 280,260 t-CO ₂
2 Scope 3: category 1-12 *Category1: Purchased raw materials *Category6: Use of Sapporo Dome *Category10: Delivery from customer to store *Category10: Cooking with heat of professional products *Category11: Cooking with heat of consumer products *Category12: Leftover food and disposal of wrapping film *Category 15-16 are not applicable to the Organization	The activities of Domestic Group	category1: 6,792,754 t-CO ₂ category2: 156,771 t-CO ₂ category3: 82,981 t-CO ₂ category4: 704,084 t-CO ₂ category5: 43,887 t-CO ₂ category6: 2,969 t-CO ₂ category7: 50,018 t-CO ₂ category8: 4,110 t-CO ₂ category10: 245,342 t-CO ₂ category11: 146,378 t-CO ₂ category12: 125,839 t-CO ₂
3 Water consumption	Domestic Group	14,721,039m ³

Third-Party Verification

■ Subjects

- Scope1

About cattle, Methane and nitrous oxide emissions during enteric fermentation and manure management.

■ Period covered

April 1, 2021 to March 31, 2022

Verification Opinion

SGS
22 September 2022
Opinion No : SGS22/068

Mr. Yoshihide Hata
President and Representative Director
NH Foods Ltd.
BREEZE TOWER, 4-9, Umeda 2-chome, Kita-ku,
Osaka, Japan

Objective
SGS Japan Inc. (hereinafter referred to as "SGS") was commissioned by NH Foods Ltd. (hereinafter referred to as "the Organization") to conduct independent verification based on Criteria of Verification (ISO14064-3: 2019 and the SGS verification protocol) regarding the data prepared by the Organization on the scope of verification (hereinafter referred to as "the statement"). The objective of this verification is to confirm that the statement in the Organization's applicable scope has been correctly calculated and reported in the statement in conformance with the criteria, and to express our views as a third party. The Organization is responsible for the preparation and fair presentation of the statement.

Scope
The scope of verification is Scope1: Methane and nitrous oxide emissions during enteric fermentation and manure management. The period subject to report is from 1 April 2021 to 31 March 2022.
Refer to the following table for the detailed scope of verification.

The details of the scope of verification		
The scope	The boundary	The statement
1 Scope1: CH ₄ and N ₂ O emissions during enteric fermentation and manure management	The cattle raised on Whyalla Beef Pty. Ltd.'s own farm	CH ₄ : 87,594t-CO _{2eq} N ₂ O : 3,589t-CO _{2eq}

Procedure of Verification
The statement was verified in accordance with Criteria of Verification, and the following processes were implemented at a limited level of assurance:


- Verification of the calculation system: Interviews on the measurement, tabulation, calculation and reporting methods employed by the Organization as well as review of related documents and records
- Verification of the statement: Interviews and review of vouchers for the scope of verification carried out at the Tokyo branch office

The criteria for this review are based on Australia, 2022 National Inventory Report (NIR), May 2022 and 2006 IPCC Guidelines for National Greenhouse Gas Inventories.

Conclusion
Within the scope of the verification activities employing the methodologies mentioned above, nothing has come to our attention that caused us to believe that the Organization's statement was not calculated and reported in conformance with the criteria. SGS Japan Inc. affirms our independence from the Organization, being free from bias and conflicts of interest with the Organization.

For and on behalf of SGS Japan Inc
Yokohama business Park North Square I
134, Good-cho, Hodogaya-ku, Yokohama
Senior Executive & Director
Knowledge

Yuji Takeuchi



This document is issued by the Company under its General Conditions of Service available at www.sgs.com/terms_and_conditions.htm. Attention is drawn to the liability, indemnification and jurisdiction clause set forth therein. Any user of this document is advised that information contained herein reflects the Company's findings as of the date of preparation of this report and is not intended to constitute an offer of insurance. The Company shall not be liable for any loss or damage arising from the use of this document. The Company shall not be liable for any loss or damage arising from the use of this document. Any unauthorized alteration, copying or distribution of this document is prohibited. Any such alteration, copying or distribution may be prosecuted in the United States of America.

1 / 1