

IR DAY 2023



NH Foods Group IR DAY

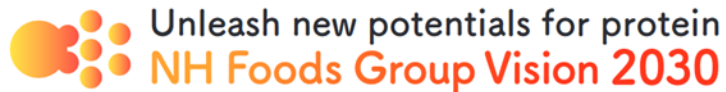
Human Resource Strategy

February 28, 2023

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Executive Officer in charge of Human Resources
Department

NH Foods Ltd.



Overview of Our Human Resource Strategy

We will further enhance the corporate value of NH Foods Group by formulating and implementing a **human resource strategy designed to maximize the potential of our human resources (human capital)**.

Three Pillars of Our Human Resource Strategy

The three pillars of our human resource strategy based on our corporate philosophy are **personal growth, organizational growth, and diversity, equity, and inclusion**.

KPI Management

Realization of our materialities through KPI management

Main personnel policies



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Overview of Our Human Resource Strategy

Realization of corporate philosophies

Under the basic theme of "Joy of Eating" our company creates a culture that marks an epoch and contributes to society. Our company is a place where employees can feel truly happy and fulfilled.

Maximize corporate value

Increase social value (non-financial value)

Contribution to the materiality | Employee development and respect for diversity



Increase business value (financial value)

Contribution to management strategy and business strategy

Maximize human capital

Target benefits | Improvement of employee engagement, value creation, innovation

Personal growth

Target outcomes

- Enabling each individual to achieve autonomy and realize his or her full potential
- Ensuring that each person experiences a sense of growth and contribution



Human resource management systems

Organizational growth

Target outcomes

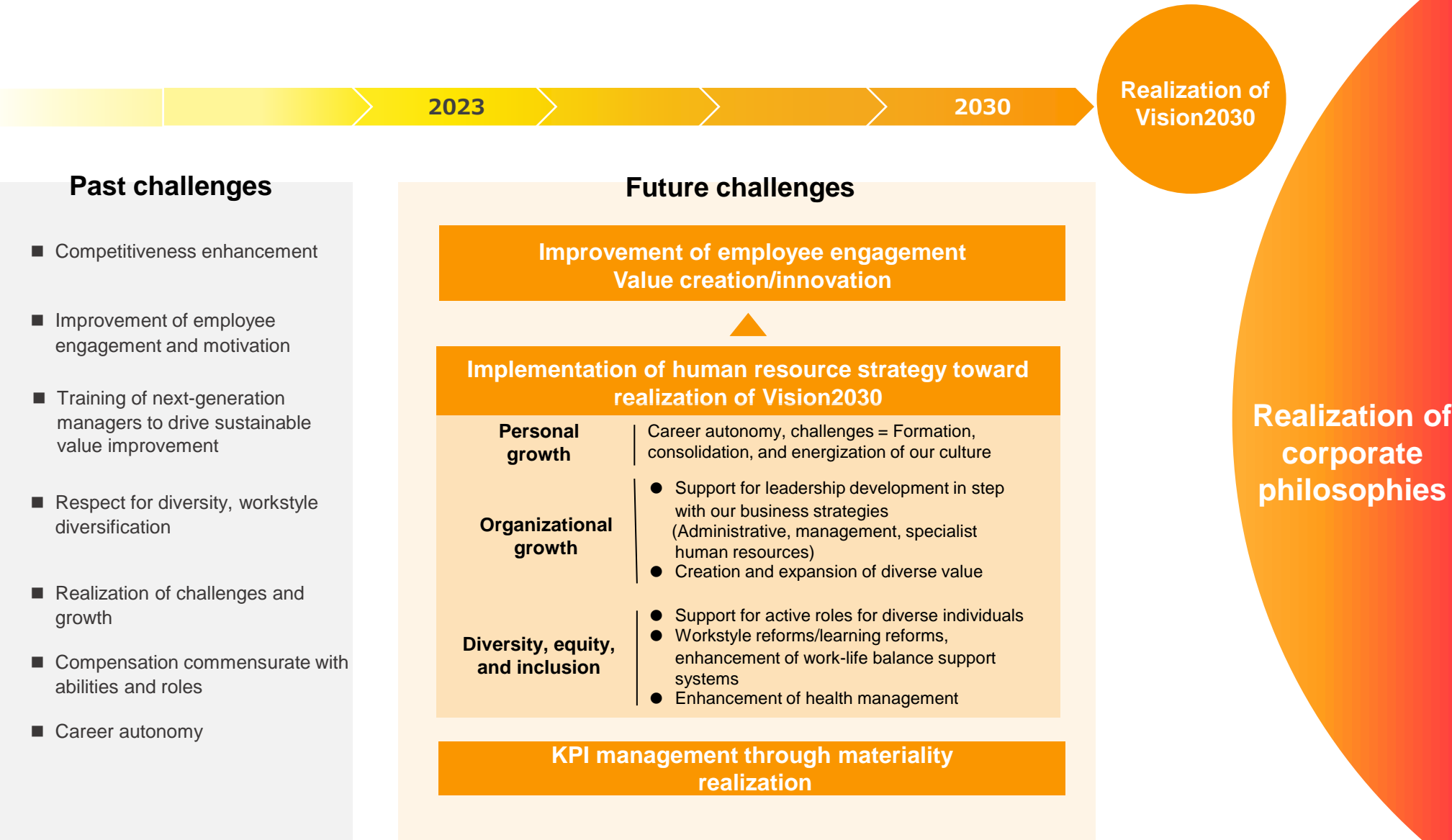
- Creation of enhanced value through the combination of diverse strengths
- Becoming a learning-oriented organization

Diversity, equity, and inclusion

Target outcome | An environment in which diverse individuals are respected and can work energetically



Personnel Initiatives





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Three Pillars of Our Human Resource Strategy

Supporting personal and organizational growth through human resource development

1

Personal growth

Career
autonomy support

Helping individuals to create their own narratives and move toward their vision of themselves by learning and taking up challenges

2

Organizational growth

Enhancement of value
creation

Bringing together diverse strengths to build the capacity to create greater value

3

Realization of diversity,
equity, and inclusion

Ensuring that individuals can work energetically and with a sense of psychological safety in an environment of respect for diverse values



Helping individuals to create their own narratives and move toward their vision of themselves by learning and taking up challenges

Aims

Main Initiatives

Creating a growth narrative

Ensure that individuals have career plans, the determination to grow toward their own visions of themselves, and support for the realization of those visions.

- Career interviews
- Career planning seminars

Self-improvement, taking up challenges

Ensure that individuals have opportunities to take up challenges, take action, and improve themselves toward self-realization.

- Systems to encourage and promote taking up challenges
- Support for reskilling

Helping each other to achieve greater growth

Provide feedback that leads to growth, and enable individuals to learn from each other and achieve growth together.

- Career interviews, career advice
- Training of in-house assessors



Case Study

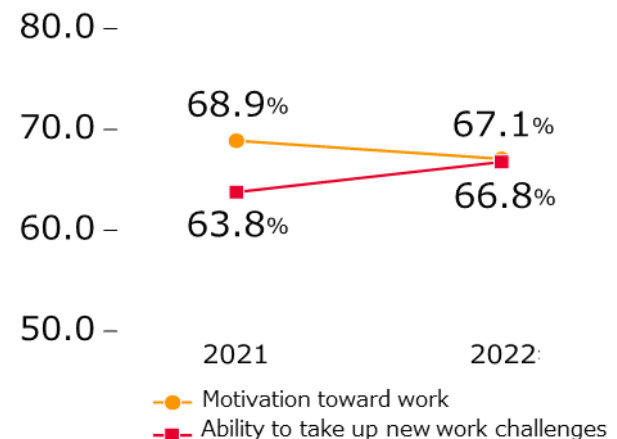
Encouragement and promotion of taking up challenges

- Challenge assessment system (MBO)
 - Taking ownership of Vision2030, support for and recognition of challenges
- Award system for individual employees
 - Promotion of our vision through the sharing of information within the company about awards for outstanding contributions to Vision2030
- Monitoring assimilation of the culture of challenge
 - PDCA cycle based on yearly employee surveys



Townhall meeting between the President and recipients of individual award in 2021

Percentage of positive responses in employee surveys (%)





Bringing together diverse strengths to build the capacity to create greater value

Aims (● Main Initiatives)

Human Resource Management Systems

Support personal and organizational growth through an organic PDCA cycle consisting of hiring, education/development, evaluation/treatment, and transfer/assignment in step with business strategies.

Leadership development

Recruit and train human resources to lead value creation in each area (organizations, specialties).

▶ **Executive talent**

Provide leadership for the enhancement of group value through group-wide productivity improvement, enhancement of organizational potential, and value creation.

- Training programs for next-generation managers

▶ **Management talent**

Provide leadership for the improvement of organizational/functional productivity, enhancement of organizational potential, and value creation.

- Management skill enhancement programs

▶ **Specialist talent**

Provide leadership for the creation of added value and promotion of innovation through the use of specialist skills.

- Specialist training programs



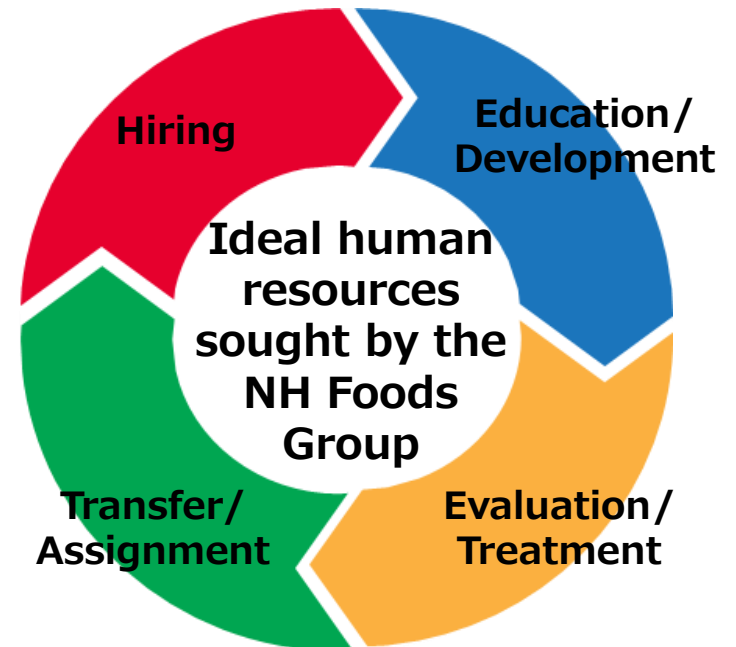
Enhancing Value Creation Potential | Organizational Growth

Case Study 1

Defining optimal human resources

<p>Absolute Reliability</p>	<p>Human resources who can communicate bilaterally, inside and outside the company Understand our social mission, including quality (of products/people) and compliance, and can build relationships of trust with all people</p>
<p>Novel Creativity</p>	<p>Human resources who are not satisfied with the status quo but who can create something new in terms of products and services Create new value, and increase brand value by leading in the vanguard of the times</p>
<p>Endless Challenges</p>	<p>Human resources who can constantly strive to reach higher goals Proactively achieve ambitious goals for the continuous growth of the NH Foods Group</p>

Human Resource Management Systems





Case Study 2

Training programs for next-generation managers (for selected personnel)

Manage selection opportunities and determine selection into/departure from human resources pool.

Selection of people with future potential for inclusion in the human resources pool

(Departure from and reselection into the pool are also possible.)

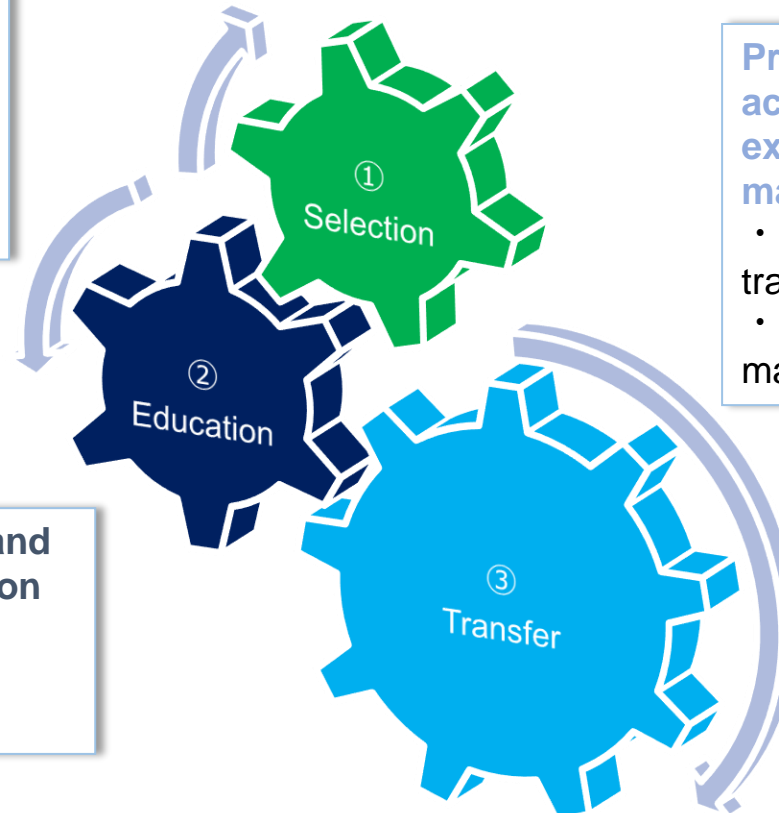
- Assessment at all levels
- Work skill appraisals, etc.

Provision of opportunities to acquire the wide-ranging experience needed for management positions

- Experience of cross-divisional transfers
- Experience in group management, etc.

Management skill acquisition and networking through participation in training, etc.

- External networking seminars
- Selective training, etc.



3 Diversity, Equity, and Inclusion



Ensuring that individuals can work energetically and with a sense of psychological safety in an environment of respect for diverse values

Aims

Enabling individuals to choose from diverse career paths and workstyles

Enhance careers and improve productivity by utilizing diverse career paths and workstyles.

Main Initiatives

- Workstyle reforms, learning reforms
- Establishment of work-life balance support systems (childcare, family care, medical treatment)

Utilizing the potential of diverse individuals

Create environments for shared growth by utilizing the experience, and skills of diverse individuals.

- Support for female participation
- Mid-career recruitment

Ensuring that individuals feel psychologically safe

Create environments in which individuals can work energetically with psychological safety.

- Implementation of health management

3 Diversity, Equity, and Inclusion



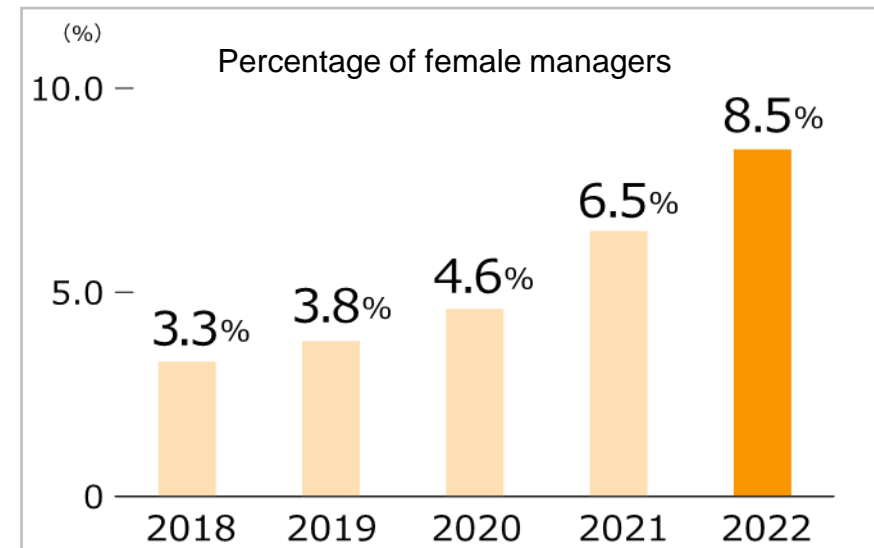
Case Study

Support for Female Participation

- Strategic hiring (target hiring ratio for new female graduates: 40% or higher), support for continuing employment
- Training of female candidates for executive roles
 - Creation of systems to allow women to participate in promotion exams and training even during childcare leave
- Development of working environments and organizational culture
 - Remediation of excessive working hours, promotion of flexible workstyles



Remote working has been introduced as part of efforts to promote flexible workstyles. We are creating an environment in which anyone, anywhere can work with a high level of productivity.





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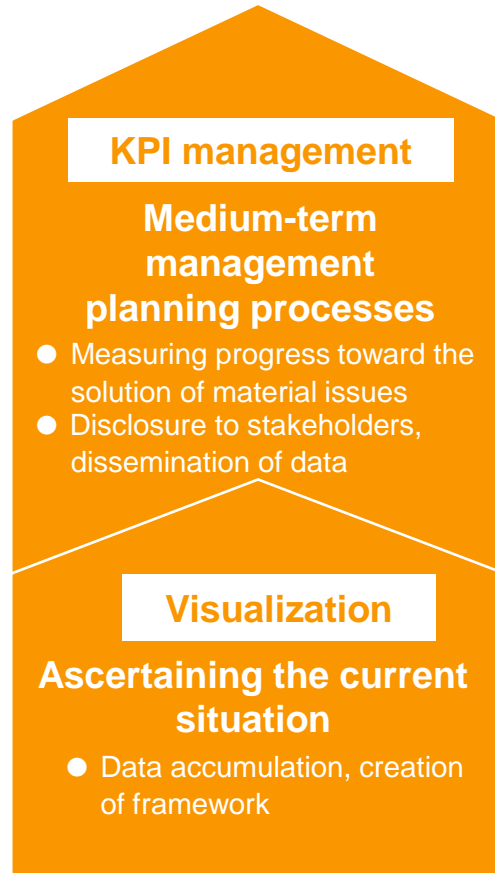
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Promoting the Materiality through KPI Management



Employee development and respect for diversity



Human Resource Management Systems



Basement

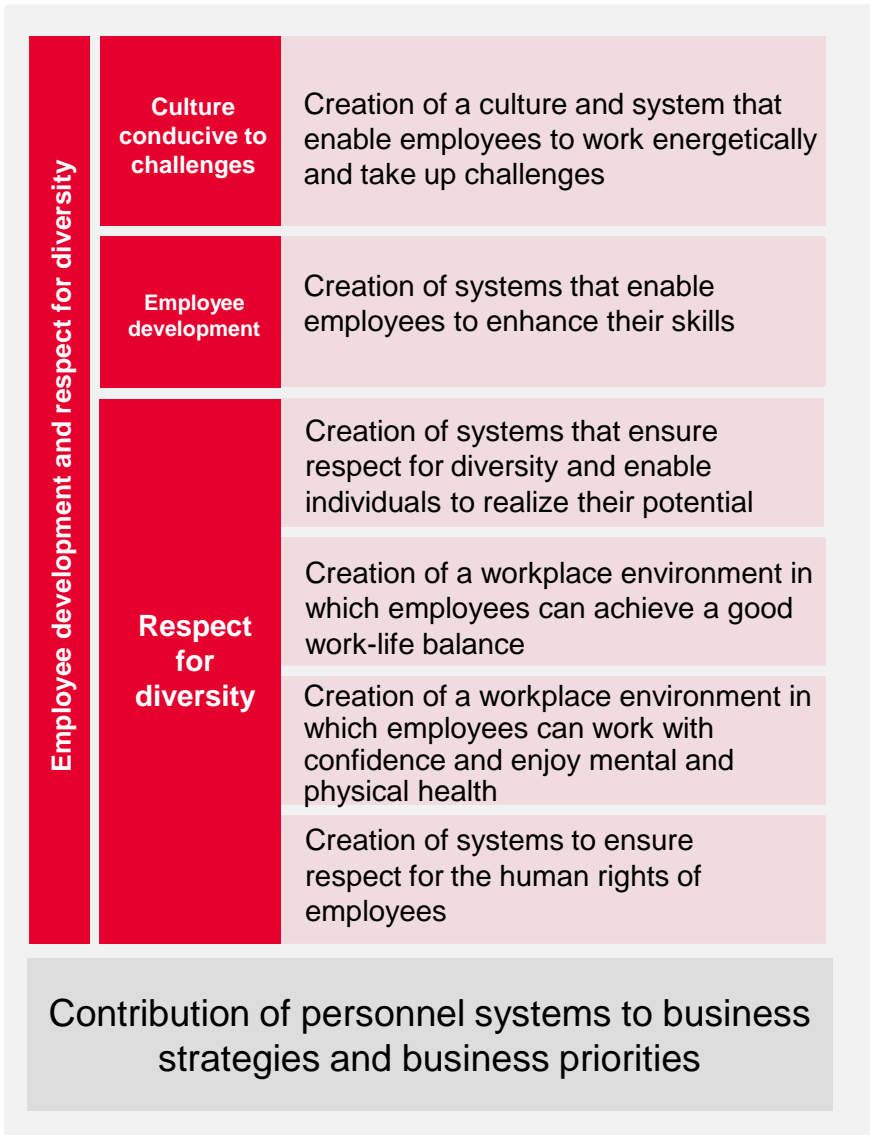
- Workstyle reform/respect for diversity/support for work-life balance
- Support for physical and mental health/occupational safety
- Respect for human rights/compliance with laws and regulations

KPIs

- Quantitative | Indicators that can be expressed as data
- Qualitative | Policies/systems



Overview of Initiatives on Key Priorities



Three core initiatives

personal growth
Support for career autonomy

Target outcomes

- Realize individual autonomy and maximize of skill utilization.
- Enable individual to experience a sense of growth and contribution.

Organizational growth
Enhancement of value creation

Target outcomes

- Create enhanced value by combining diverse strengths.
- Become a learning-oriented organization.

Diversity, equity, and inclusion

Target outcome

- Create an environment in which diverse individuals are respected and can work energetically.

Improving employee engagement
Creating value and innovation

Maximizing human capital



Main Personnel Policies Relating to the Realization of Our Materialities

We will set KPIs for each personnel policy and regularly check progress and outcomes. Going forward, we will work to provide effective disclosure of our human resource strategies and enhance and expand our disclosure categories.

We will set and work toward targets that are appropriate for our **business characteristics. 33 KPIs**

Culture conducive to challenges

- Improvement of engagement with work
- Establishment of target management

Employee development

- Evaluation and compensation (appropriate feedback)
- Ensuring objectivity in promotion processes
- Ensuring objectivity in executive appointment processes

Respect for diversity

- Career development for women . . . **percentage of female executives: 20% or higher**
- Promotion of employment for people with disabilities . . . **percentage of workers with disabilities: 2.3% or higher**
- Reduction of total working hours . . . **1,870 total working hours, 200 overtime hours**
- Support for physical and mental health . . . **100% of employees to undergo follow-up health checks, 12% smoking ratio, 100% stress examination coverage**
- Respect for human rights

*** The figures represent **targets** for 2030.**

We will set and work toward targets that are appropriate for **conditions in each country.**

Overseas

- Ensuring objectivity in executive appointment processes
- Respect for human rights

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