

Sustainability Report

2024



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Sustainability Report 2024

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Editorial Policy

○ Editorial Policy

Sustainability Report 2024 is published to provide information on the initiatives for sustainability of the Nissui Group to its stakeholders.

| Report Period

The report mainly covers activities conducted from April 1, 2023, to March 31, 2024. However, when appropriate exceptions to this general rule are made, as when citing past circumstances and data or using recent examples for illustration purposes.

| Report Boundary

This report targets Nissui Corporation, all consolidated companies in/outside Japan. However, the environmental data reports on the following.

[Japan] Nissui Corporation, all consolidated companies.

[Outside Japan] All consolidated companies. Administrative offices have been excluded.

27 companies in Japan and 15 companies outside Japan (including sub-subsidiaries).

(As of March, 2024)

| Referenced Guidelines

- GRI Sustainability Reporting Standards
- SASB (Sustainability Accounting Standards Board)
- Task Force on Climate-related Financial Disclosures (TCFD)
- Taskforce on Nature-related Financial Disclosures (TNFD)

| Publication Date

September 2024

| Reporting Cycle

Annually

| Contact Information for the Organization Publishing this Report

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Message from the President

Steadfast Execution of Management Strategies Aimed at Realizing Our Long-Term Vision and Commitment to Enhancing Corporate Value

S. Hamada

Representative Board Member,
President & CEO
Nissui Corporation



The Nissui Group's Mission (Purpose of Being)

In April 2022, we unveiled our mission along with our long-term vision, "Good Foods 2030." In December of the same year, we changed our trading name from "Nippon Suisan Kaisha, Ltd." to "Nissui Corporation," embarking on a new growth path. The mission we have defined puts "food" at the forefront and aims to "create a healthier and more sustainable future through innovative food solutions." In considering our strengths and competitive advantages in achieving this, we recognize that our scope extends beyond marine products. We possess broader potential and have decided to emphasize "food" as an overarching concept that includes our marine products heritage. This strategy isn't entirely new, but rather builds on our founding principles. Our original philosophy was imbued with a profound spirit: To provide nutritious fish at reasonable prices to (at the time) nutritionally deficient Japanese citizens, not only to meet dietary needs, but also to eliminate inefficiencies and excess costs. Irrespective of changing times and circumstances, it is our enduring responsibility and purpose of being to relentlessly explore new possibilities in food, thus addressing the societal issues of the time. To reinforce this mission, we have established "One Table Meetings" as a new platform for dialog between management and employees at Nissui Group companies in Japan. Aiming to candidly communicate our thoughts, I have personally visited around 60% of our sites (achieving full coverage when including visits by other executives) and received a variety of opinions from employees. Meanwhile, to share information among our international Group companies, we held the NGLC (Nissui Global Links Conference) in Tokyo last November and in Barcelona this April, along with a world-renowned seafood expo, where we explained our mission. In the past, the Nissui Group has created synergy by each company utilizing its individual strengths. By reaching a consensus on the mission to explore innovative food solutions, we aim to strengthen the Group's cohesion and generate greater synergy and value than ever before. Furthermore, with the newly established symbol mark of "Nissui Global Links," we intend to imprint the Nissui Group's global outreach in the minds of both our internal team and external audiences.

Sustainability the Foundation for Sustained Growth

In the "sustainability management," another pillar aimed at achieving our long-term vision, we are committed to creating value in society, for our human capital, and in the environment, with the goal of converting these into financial value. I am convinced that the key to creating innovative food solutions lies in human capital, which is why we have deliberately positioned value in human capital among the four core values of our long-term vision.

I joined Nissui in a research role, fascinated by the romance of the sea and the excitement of hypothesis-driven research as an undergraduate. However, my experience as a factory manager made me realize the indispensable role of human capital. For example, the products produced in a factory are not completely identical. Even on the same production line, operators adjust machinery settings based on their observations, such as noticing something is not right or the lack of sheen, resulting in subtle differences in the final product. This realization has reinforced my belief that regardless of advances in automation and machinery, the pivotal importance of human capital remains. As society rapidly moves toward greater AI adoption and digitization, the onus is on our talented workforce to effectively utilize these technologies. Accordingly, nurturing a digitally savvy workforce is of paramount importance to Nissui.

The increasing mobility of talent underscores the need for the Group to be seen as an attractive place to work by offering stimulating career opportunities. It is the responsibility of management to proactively create such an environment. The growth of the Group is critically dependent on our international expansion, for which the development of a global talent pool is essential. In addition, it is important for the development of future management talent to involve our management team in the management of Group companies, and instilling solid management acumen.

Diversity and inclusion present an important challenge. We have many female employees with outstanding skills and potential, and it is imperative that we engage them in meaningful dialogue to ensure they excel in appropriate roles. At this year's entrance ceremony, I used the parable of the frog in the well to inspire our new employees, emphasizing that while they may not be familiar with the vast ocean, they know the depth and blue of the sky - knowledge we value and want to integrate. The innovative ideas and perspectives that come from diversity are essential to the growth of the Group.

The Nissui Group's operations are heavily dependent on natural capital, a factor that raises critical issues from both a risk and opportunity perspective. The Group is conducting its third survey of procured natural marine resources sustainability and plans to publish the results in FY2024. It is critical that we expand our efforts beyond simply assessing the status of key fish species and translate this knowledge into tangible procurement improvement strategies by next spring.

For this fiscal year, we are streamlining our biodiversity efforts in line with the framework of the Task force on Nature-related Financial Disclosures (TNFD), and we are actively addressing the challenges that fisheries and aquaculture operations pose to the marine environment. In terms of decarbonization and achieving carbon neutrality, we announced our endorsement of the recommendations of the Task force on Climate-related Financial Disclosures (TCFD) in November 2021 and are seeking to improve both our actions and our disclosures. In pursuit of the ambitious goal of carbon neutrality by 2050 (Scope 1, 2 emissions), we are actively seeking a variety of collaborations with external partners.

The KPIs for social, human capital and environmental value set out in our long-term vision have their origins in the materiality we set in 2016. However, given the significant changes in the environment since then, we are in the process of reviewing this materiality. The results of sustainability initiatives are long-term and not easily quantifiable in immediate financial metrics such as ROIC, but they play a critical role in mitigating a wide range of risks. Our continued commitment to these initiatives is designed to secure the trust of our investors.

I tend to approach things with a logical mindset, managing by the numbers with meticulous attention to detail, and steadily advancing our efforts. However, sometimes, an "animal-like" intuition comes into play, preventing my judgments from being too reliant on forecasting alone and allowing for a balanced approach. Without getting caught up in immediate tasks, I aim to manage by backcasting from a long-term, larger perspective and advancing management step by step.

Strengthening Risk Management to Stay Ahead of the Curve

We are currently revising the risk management system across the Group. Until now, our Risk Management Committee has overseen subcommittees for ethics, occupational safety, post-disaster BCP, and information security. In addition, sustainability-related risks were managed by the Sustainability Committee, while quality-related risks were managed centrally by the Quality Assurance Committee. This structure was predominantly national and fragmented by topic across subcommittees. We are transitioning to a system that threads these disparate elements together, enabling a holistic view of all risks, and determining priorities for a thorough evaluation. By timely and accurately identifying risks throughout the Group and proactively incorporating them into our management strategies, we intend to navigate potential growth opportunities and risks for the future.

Message to Stakeholders

The Nissui Group is currently poised for a significant rebirth. This fall, we will initiate the development of our next Mid-Term Business Plan, a pivotal step toward our goals for 2030. Our strength is evident in the value chain, as explained in this integrated report. I am confident that we can further reinforce this value chain. Rather than a slender thread, we are transforming it into a robust and resilient force that can withstand adversity. United globally, the Nissui Group will continue to strive to enhance corporate value, grounded in our mission. We invite your continued anticipation and support for the Nissui Group's promising journey ahead.


October 2023

The Nissui Group's Sustainability Initiatives

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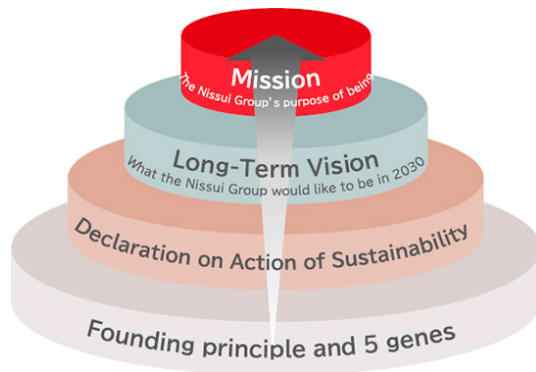
The Nissui Group's Sustainability Initiatives

The Nissui Group, together with its stakeholders, will endeavor to find solutions to social issues and aim to become a corporate group that continues to be needed by society.

Since its establishment, the Nissui Group has after monitoring on been involved in a business that utilizes a wide variety of natural resources. The sustainable business activities embody our mission as a business. We plan to work on the key issues in cooperation with our stakeholders and resolve social issues through our business activities.

The Nissui Group announced its Declaration on Action of Sustainability in March 2016, and under the previous mid-term business plan "MVIP + (Plus) 2020," we have been further promoting sustainability management in order to realize sustainable growth and higher corporate value. In our long-term vision titled "Good Foods 2030" announced in April 2022, we redefined our mission and set our long-term vision at becoming "a leading company that delivers friendly foods for people and the earth." We will promote sustainability management that creates value in pursuit of a sustainable society and translate it into the enhancement of business competitiveness.

The Nissui Group, together with its stakeholders, will broadly contribute to achieving the sustainable development goals (SDGs) adopted by the United Nations and solving various social issues based on the "Nissui's 5 genes" carried forward since the company's foundation.



Nissui's 5 genes

Mission, Innovation, Hands-on approach, Global, Value the customer

Related pages

[Our Founding Principles](#) >

[Management Policy \(Mission, Long-Term Vision\)](#) >

Declaration on Action of Sustainability

The Nissui Group will appreciate the earth and the sea, and create diverse values from five genes (Mission, Innovation, Hands-on approach, Global, Value the customer) inherited since its foundation and try to solve social issues through business activities.

For the Customers

- We provide safe and secure high-quality products which are valuable for the customers.
- We utilize bounty of the sea and provide the delights of foods and the rich and healthy lives through the innovation.

For the Employees

- We act in accordance with the norms of the society with sound ethics and aim to build a socially trusted company.
- We respect diverse values and individualities, and achieve growth through teamwork by learning from others.

For the Business Partners

- We maintain fair and clean business relationship with all of our business partners.
- We try to build mutual trusting relationship with business partners and seek a sustainable society with them.

For the Environment

- We work hard to reduce environmental burdens and preserve the natural environment and biodiversity.
- We recognize that our business is relied on the bounty of the earth and the sea, and work hard to utilize resources in a sustainable manner.

For the Shareholder and Investors

- We operate in a transparent manner and improve disclosure of information.
- We try to enhance corporate value and continue a proper distribution of profit to the shareholders through stable business growth.

For Society

- We work hard to develop local society and cultivate next generation through the knowledge and the technology of the Nissui Group.
- We respect diverse cultures and customs in the world and try to contribute to keeping the local society alive with the development of our business.

Sustainability Promotion Framework

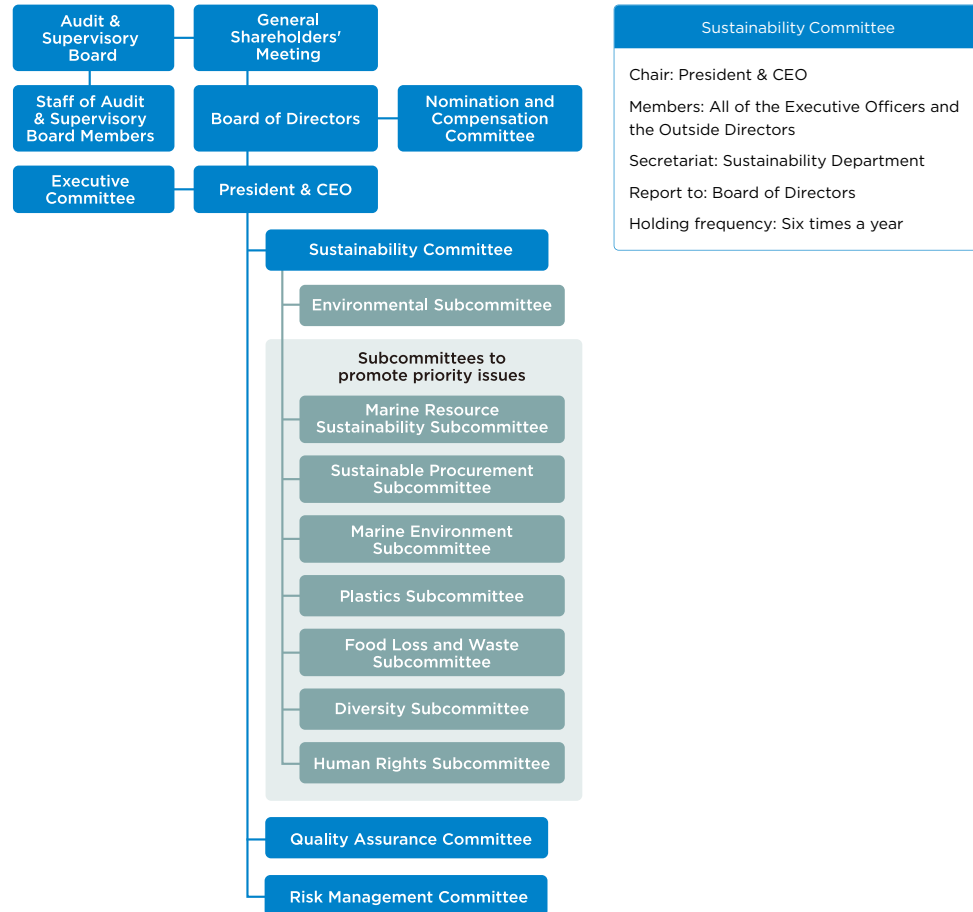
Determination of Material Issues

Stakeholder Communication

Sustainability Promotion Framework

Promotion Framework - The Sustainability Committee

We established a Sustainability Committee which reports directly to the President to promote Sustainable activities of the entire Group.



Sustainability Committee

Chair: President & CEO

Members: All of the Executive Officers and the Outside Directors

Secretariat: Sustainability Department

Report to: Board of Directors

Holding frequency: Six times a year

Organization >

The Sustainability Committee and Subcommittee

The Sustainability Committee, chaired by the President & CEO and comprising Executive Officers and Outside Directors, is held six times a year.

It consists of seven subcommittees to promote priority issues (Marine Resource Sustainability Subcommittee, Sustainable Procurement Subcommittee, Marine Environment Subcommittee, Plastics Subcommittee, Food Loss and Waste Subcommittee, Diversity Subcommittee and Human Rights Subcommittee) and the Environmental Subcommittee, to which Executive Officers have been appointed as Subcommittee Chairpersons, with members have been appointed by Subcommittee Chairpersons.

Dissemination of Sustainability Activities Throughout Nissui

The Sustainability Newsletter

Let's Listen to the Voice of the Sea, an employee newsletter, is published once or twice a month as a way of disseminating Sustainable activities throughout Nissui. The newsletter posts and shares such information as the approach to Sustainability, the progress being made by the subcommittees for each of their key issues and Sustainability events in which the employees participated. The newsletter was launched in April 2016. Each issue from the inaugural issue to the 54th issue was collected and compiled as a booklet and distributed to the Nissui Group companies. Since then, the newsletter has been distributed simultaneously to the Nissui Group companies, and published 121 issues to date.



Employee Training

With the aim of instilling activities to promote sustainability and raising awareness of such activities more smoothly within the company, training is conducted periodically for “Sustainability Promotion Committee Members,” one of whom is appointed in each department. Members who participated in the training are required to share the training content in their respective departments at a later date in an effort to instill activities to promote sustainability within the company.

In fiscal 2023, training was conducted 4 times, in which the members participated from all departments of Nissui Corporation, Ltd.

	Training date	Duration	Number of participants	Content
1st session	June 15, 2023	1.5 hours	53	Introduction to sustainability and Nissui Group's initiatives
2nd session	September 20, 2023	1.5 hours	53	External recognition and expectations regarding Nissui's sustainability activities
3rd session	December 14, 2023	1.5 hours	Online: 29 On-site: 18 Total 47	Nissui's food loss reduction initiatives Lecture by external speaker: “Addressing food loss as business professionals”
4th session	January 31, 2024	1 hour	51	Reflecting on sustainability in the Nissui Group through its products



Lecture by external speaker

E-Learning Based Comprehension and Recognition Survey

Nissui conducts an annual “Sustainability Comprehension and Recognition Survey” utilizing e-learning to assess the level of awareness and understanding of sustainability among employees. In fiscal 2023, 1,839 individuals responded to the survey, which is targeted at all Nissui executives and employees, including those on temporary assignments. The percentage of those who respond “I feel that my job is related to sustainability” has been increasing each year, and Nissui will continue efforts to promote and raise awareness of sustainability activities, with the aim of achieving even greater engagement and participation.

Determination of Material Issues

The Nissui Group reviewed its material issues in line with its long-term vision and mission in FY2023. For each of the reviewed material issues, corresponding subcommittees have been set up to work on them, and through repeated dialogue with stakeholders, we will promote Group-wide activities and aim to deepen our sustainability management.

Material Issues to Be Addressed by the Nissui Group



The Process of Identifying Material Issues



STEP1. Identification and organization of Societal issues to be addressed by the Nissui Group

To meet diverse social needs and demands, societal issues were identified from sources such as the SDGs and sustainability disclosure guidelines, ESG evaluation criteria, regulatory and administrative requirements, and the content of stakeholder engagement. The Nissui Group listed potential material issues based on risk and opportunity analyses conducted in its business domains and in all departments, as well as the results of executive workshops.

STEP2. Review by the Sustainability Committee

A meeting of the Sustainability Committee was held to discuss the sustainability of the Nissui Group's business model. The Committee reviewed the list of material issue candidates to ensure that no items were missing.

STEP3. Evaluation of importance by stakeholders

Surveys were conducted among various internal and external stakeholders (employees, labor unions, overseas Group companies, NPOs/NGOs, academics, investors (shareholders), international organizations, government agencies, industry groups, business partners, and future generations) on the material issue candidates reviewed by the Sustainability Committee. The importance of these issues was assessed from two perspectives: their importance to stakeholders and their importance to the Nissui Group.

STEP4. Executive workshop and review by outside directors

Based on the results of the importance evaluation, an executive workshop was held to finalize the material issue matrix and identify specific material issue candidates. In addition, Outside Directors conducted a review of the matrix and the material issue candidates.



STEP5. Validity evaluation by external experts

Four external experts (investors, NGO representatives and academics) provided a validity evaluation of the material issue identification process and the final proposal.

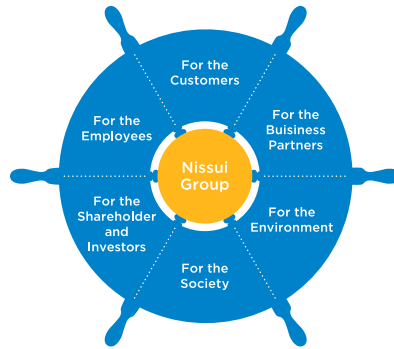
STEP6. Resolution by the Board of Directors following re-deliberation by executives

Taking into account the opinions of external experts, the Sustainability Committee and the Executive Committee held several discussions, with the final material issue proposal deliberated at a meeting of the Sustainability Committee. Subsequently, the material issues to be addressed by the Nissui Group were determined by a resolution of the Board of Directors.

Stakeholder Communication

○ Nissui Group's Stakeholder Communication

In its business activities, a company faces a variety of societal issues that often include the environment or human rights. We believe it is vitally important to tackle those issues while pursuing sustainable growth. We need to face each of these problems head on and continue to engage in dialogues and other forms of communication with our stakeholders to actively remind ourselves not to become complacent.



For the Customers		
<p>The Nissui Group provides a wide variety of products globally including marine products from its fisheries and aquaculture operations, frozen foods for household and commercial use, shelf-stable foods, fish sausages and surimi-based products, EPA as pharmaceutical ingredients, Specified Health Use products with EPA and foods labeled as functional foods. Furthermore, as the Group is also engaged in marine research and the logistics business, it deals with a broad spectrum of customers ranging from individuals to corporation and to government agencies. The Nissui Group, in its Quality Assurance Code, has declared that it values dialogues with its customers and that it will make ceaseless efforts to enhance customer satisfaction.</p>		
Major responsibilities and challenges	Means of communication	Frequency
<ul style="list-style-type: none"> • <u>To ensure safe and high-quality products</u> • To offer tasty and fun food and a healthy lifestyle • To provide product labeling and appropriate information on products and services • <u>To respond to and support customers</u> 	Customer Service Center (Contact Desk)	Daily
	Website	As needed
	Social media	As needed

For the Employees		
<p>The Nissui Group comprises with 19,096 employees working both in and outside Japan (As of March 31, 2024, including temporary employees). To respond appropriately to the changing business environment, the Group values diverse values and individuality and emphasizes the importance of sustained growth through teamwork. To this end, the Group has put in place a system to listen to the voices of its employees and prioritizes communications between labor and management.</p>		
Major responsibilities and challenges	Means of communication	Frequency
<ul style="list-style-type: none"> • <u>To ensure labor safety</u> • <u>Employee engagement</u> • <u>To foster and utilize human capital</u> • <u>To respect diversity</u> • <u>Human Rights</u> 	Briefings on management policies	Once a year
	Harassment Desk/Suggestion Boxes within the company	As needed
	Employee Engagement Survey	Once a year
	Regular meetings between Nissui and the labor unions/Safety and Health Committee	As needed
	In-house bulletins and Intranet	Daily

For the Business Partners		
<p>The Nissui Group conducts business transactions around the world including transactions with the suppliers of raw materials and products and with the buyers of products. The Group is building fair and equal relationships as well as relationships of mutual trust with its business partners and together with its business partners is aiming to realize a sustainable society.</p>		
Major responsibilities and challenges	Means of communication	Frequency
<ul style="list-style-type: none"> • To ensure fair and equal business transactions • <u>Sustainable procurement</u> • <u>Human Rights</u> 	Sustainable Procurement Seminar	Once a year
	Self-Check Sheet of Purchasing Initiatives	Once a year
	Check Sheet of Purchasing Initiatives for New Suppliers	As needed
	Check Sheet for visits	As needed

For the Environment

The Nissui Group relies on the bounty of nature for its business and recognizes the sustainability of resources to be an extremely important issue. The Group will make efforts to further reduce the environmental impact and to preserve the marine/natural environment and biodiversity. Furthermore, as a food manufacturer, it will address the problem of food loss and waste, and contribute to its reduction.

Major responsibilities and challenges	Means of communication	Frequency
<ul style="list-style-type: none"> • Sustainability of marine resources • Reducing environmental impact • Food loss and waste • Biodiversity 	Stakeholder Dialogue	As needed
	Dialogues with NGOs/NPOs and research organizations	As needed
	Environmental education activities in collaboration with NGOs/NPOs	As needed
	Dialogues with the regional community and local governments	As needed

For the Shareholder and Investors

The Nissui Group has 105,838 shareholders. Its shareholder composition is characterized by a high percentage of institutional investors and overseas investors. As far as stock ownership is concerned, 40.8% is owned by Japanese financial institutions while 24.2% is owned by foreign investors (As of March 31, 2024). The Group is making efforts to utilize the feedback obtained through dialogues such as the various briefings and individual meetings, and to disclose information in order to win the trust of its shareholders and investors, and allow them to properly assess its corporate value.

Major responsibilities and challenges	Means of communication	Frequency
<ul style="list-style-type: none"> • To maintain and increase corporate value • To properly return profits • To disclose timely and appropriate information 	General shareholders meeting, Financial results briefings, Briefings for investors	Once a year/Fourth a year/As needed
	Individual meetings	As needed
	IR Information Website	Daily
	NISSUI REPORT (PR Magazine for stakeholders and business reports), Integrated Reports	Twice a year/Once a year
	Corporate Strategic Planning & IR Department, IR Section (Contact Desk)	Daily

For Society

Social issues cannot be solved by the efforts of the Nissui Group alone, and coordination with various domestic and overseas companies, NGOs/NPOs, government agencies of each country, etc. is essential. The Nissui Group, accordingly, maintains channels of communication with various related organizations such as its participation in [SeaBOS](#). The Nissui Group has bases in various countries around the world and is focused on operating in such countries while being respectful of the cultures and customs of the respective regions as well as supporting the education of future generations.

Major responsibilities and challenges	Means of communication	Frequency
<ul style="list-style-type: none"> • Dialogues toward solving social issues • Cooperation with NGOs/NPOs • Social contribution activities through its businesses 	Stakeholder Dialogue	As needed
	SeaBOS activities	As needed
	Volunteer activities in the regional community	As needed
	Dialogues with the regional community and local governments	As needed
	Factory tour	As needed


Targets and Results

Targets and Results

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Targets and Results

○ Sustainability Targets (Long-Term Vision "Good Foods 2030"/Mid-Term Business Plan "Good Foods Recipe1") and Results

Long-Term Vision > Mid-Term Business Plan >

In fiscal 2021, the Nissui Group formulated its long-term vision, "Good Foods 2030," and its mid-term business Plan, "Good Foods Recipe1." These plans outline the sustainability targets listed below. As it strives to achieve these targets, the Nissui Group is advancing sustainable management that creates value for a sustainable society.

Values/Themes	Indicators	Scope	Results		KPIs		Details	
			FY2022	FY2023	Target by 2024 Mid-Term Business Plan "Good Foods Recipe1"	Target by 2030 Long-Term Vision "Good Foods 2030"		
Social Value	Solve health problem	Sales of designated Health Category Products (Compared to FY2021)	The Nissui Group	100%	100%	Expanded by 130%	Expanded by 300%	Health and Nutrition Initiatives >
	Sustainable procurement	Ratio of conducting assessments of Tier-1 suppliers	The Nissui Group	Nissui only 22%	Nissui only 92%	Nissui only 100%	Group companies 100%	Sustainable Procurement >
Value in Human Capital	Employee engagement	Employee engagement score (Compared to FY2021)	Nissui Corporation	Improved by 1%	Improved by 11.6%	Improved by 10%	Improved by 20%	Employee Engagement >
	Promotion of active female participation	Ratio of female manager	Nissui Corporation	6.8%	6.6%	10%	20%	Diversity, Equity & Inclusion >
		Ratio of female executive officers and general managers		3.1%	3.0%	10%	-	
	Employee Health	EPA/AA Ratio	Nissui Corporation	0.31	0.35	0.6	-	Employee Health >
Smoking Rate		21.4%		20.0%	15%	-		
Obesity Rate		Male: 34.1% Female: 20.4%		Male: 34.4% Female: 18.9%	Male: 30% Female: 17%	-		


Values/Themes	Indicators	Scope	Results		KPIs		Details	
			FY2022	FY2023	Target by 2024 Mid-Term Business Plan "Good Foods Recipe1"	Target by 2030 Long-Term Vision "Good Foods 2030"		
Environmental Value	Sustainability of marine resources	Procurement of sustainable marine resources	The Nissui Group	Next survey results 2024 to be disclosed	Next survey results 2024 to be disclosed	80%	100%	Sustainability of Marine Resources > Policy and Promotion Framework >
	Reduction of CO2 emissions	CO2 emissions (Scope 1, 2) (Compared to FY2018 Unit: total amount)	The Nissui Group	Reduced by 12.1%	Reduced by 6.4%	Reduced by 10%	Reduced by 30%	Reduction of CO2 Emissions > Reducing Environmental Impact > ESG Data Book > E: Environmental Data >
		Achieve carbon-neutral in 2050		-	-	-	-	
		Refrigerant with fluorocarbon-free		Japan: Possession of refrigerants with CFC, HCFC 39.5% Outside Japan: Companies possessing refrigerants with CFC, HCFC 4/15 companies (Note)	Japan: Possession of refrigerants with CFC, HCFC 34.3% Outside Japan: Companies possessing refrigerants with CFC, HCFC 4/15 companies (Note)	-	Zero use of refrigerants with CFC, HCFC	
	Reduction of water usage	Water use (Compared to FY2015 Unit: per unit)	The Nissui Group in Japan	Reduced by 4.0%	Increased by 1.2%	Reduced by 10%	Reduced by 20%	
	Reduction of waste	Percentage of plants with 99% or higher zero emission rate	The Nissui Group in Japan	78.6%	78.6%	85%	100%	


Values/Themes	Indicators	Scope	Results		KPIs		Details
			FY2022	FY2023	Target by 2024 Mid-Term Business Plan "Good Foods Recipe!"	Target by 2030 Long-Term Vision "Good Foods 2030"	
Environmental Value	Reduction of food loss and waste	Waste from animal and plant residues (Compared to FY2017 Unit: per unit)	Reduced by 21.1%	Reduced by 21.1%	Reduced by 20%	Reduced by 30%	Food Loss and Waste >
		Waste from products (Compared to FY2020 Unit: total amount)	Reduced by 17.6%	Reduced by 9.3%	-	Reduced by 50%	
	Reduction of plastic emissions	Plastic use in containers and packaging (Compared to FY2015 Unit: per unit)	Reduced by 11%	Currently calculating	Reduced by 10%	Reduced by 30%	Plastic Problems > Policy and Promotion Framework >
		Plastic waste at the production phase (Compared to FY2017 Unit: per unit)	Reduced by 19.5%	Reduced by 16.6%	Reduced by 15%	Reduced by 30%	
		Switching over to floats that have a low risk of outflowing into the ocean	The Nissui Group	52.4% switch-over completed	71.8% switch-over completed	100%	

(Note) Possession of refrigerants with CFC, HCFC is calculated differently for data from Japan and outside Japan.

Environment

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Environmental Management

The Nissui Group has established an environmental management system under the Sustainability Action Declaration and it will strive to build a sustainable society.

By utilizing this environmental management system, we will make effort to solve social issues in the areas determined to be material, particularly toward achieving sustainability in the marine environment.

Environmental Code

Environmental Philosophy

The basic corporate stance of Nissui, whose business relies on the bounty of nature, is to respect natural resources and interact with the earth and sea with gratitude.

We shall engage in global business activities which enable us to live in harmony with the global environment, and make continuous efforts to build a sustainable society.

Policies

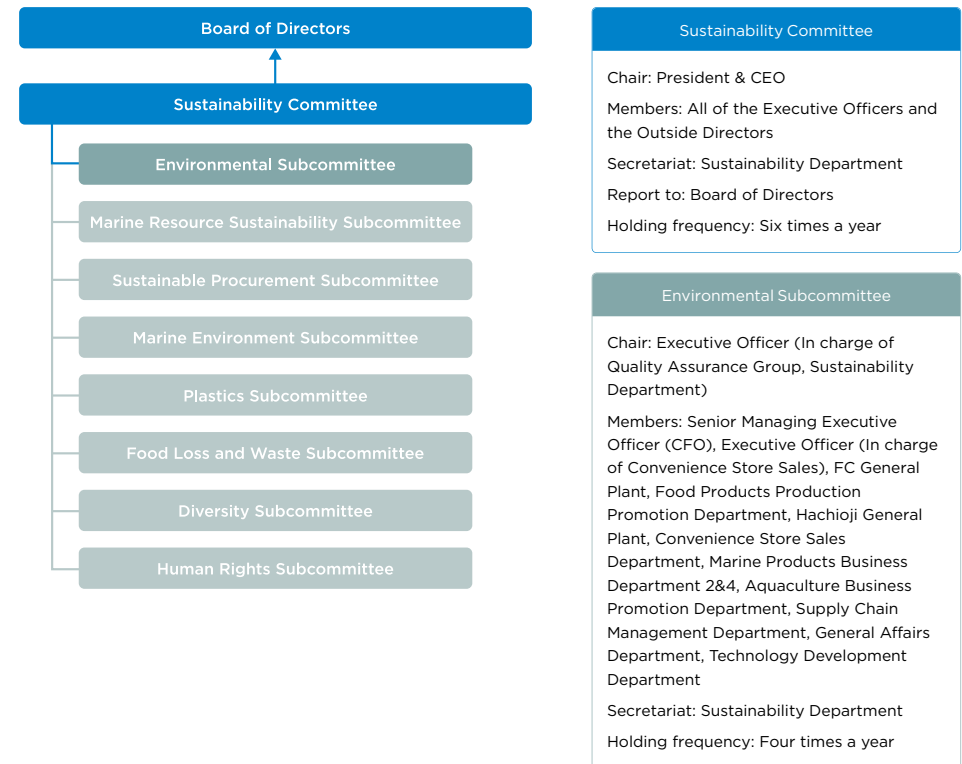
1. We will promote activities mindful of the preservation of the natural environment and biodiversity, and the sustainable use of resources.
2. We will continuously endeavor to build a recycling-oriented society by practicing energy conservation, resource saving, waste reduction, reducing volume of packaging & containers, environmentally friendly procurement, and other activities which alleviate environmental impact.
3. We will build and effectively operate an environmental management system. We will also conduct environmental audits and strictly enforce compliance with environment-related laws, regulations, etc.
4. We will raise the environmental awareness of each and every one of our employees by offering environmental education.
5. With respect to society, we will carry out environmental communication activities, and strongly emphasize environmentally friendly coexistence with the local community.
6. We will share this Environmental Code with companies affiliated with the Nissui Group.

Enactment Date : June 1, 2003

Revision Date : February 20, 2014

Promotion Framework - The Environmental Subcommittee

The Environmental Subcommittee is chaired by an Executive Officer who has been designated by the Sustainability Committee. It deliberates the following matters and gives progress reports to the Sustainability Committee.



Environmental Subcommittee

The Environmental Subcommittee, chaired by an Executive Officer who has been designated by the Sustainability Committee, is convened. It deliberates the following matters and gives progress reports to the Sustainability Committee.

- Formulation of various measures to ensure that the Environmental Code functions effectively
- Responses to newly-emerging environmental problems that need to be addressed
- Progress management on the environmental targets of each department
- Important matters to be submitted to the Sustainability Committee

Sustainability Department

Functions as the secretariat of the Environmental Subcommittee and convenes periodic meetings for persons in charge of the environment.

Environmental Education

The persons in charge of the environment from approximately 80 business sites are gathered and a meeting of persons in charge of the environment is convened once a year.

- Monitors the progress of activities in each business; exchanges information
- Develops good practices horizontally
- Confirms the status of legal compliance
- Shares social trends and topics

Targets and Results

The Nissui Group has set CO₂ emissions, water use and waste as three important benchmarks for its efforts to reduce environmental impact. In fiscal 2021, we formulated our long-term vision "Good Foods 2030" and mid-term business plan "Good Foods Recipe1" and set ambitious targets for reducing environmental impact.

Indicators	Scope	Results		KPI		Details
		FY2022	FY2023	Target by 2024 Mid-Term Business Plan "Good Foods Recipe1"	Target by 2030 Long-Term Vision "Good Foods 2030"	
CO ₂ emissions (Scope 1, 2) (Compared to FY2018 Unit: Absolute quantity)		Reduced by 12.1%	Reduced by 6.4%	Reduced by 10%	Reduced by 30%	Reduction of CO ₂ Emissions > Reducing Environmental Impact > ESG Data Book > E: Environmental Data >
Achieve carbon-neutral in 2050		-	-	-	-	
Refrigerant with fluorocarbon-free	The Nissui Group	Japan: Possession of refrigerants with CFC, HCFC 39.5% Outside Japan: Companies possessing refrigerants with CFC, HCFC 4/15 companies (Note)	Japan: Possession of refrigerants with CFC, HCFC 34.3% Outside Japan: Companies possessing refrigerants with CFC, HCFC 4/15 companies (Note)	-	Zero use of refrigerants with CFC, HCFC	
Water use (Compared to FY2015 Unit: Per unit)	The Nissui Group in Japan	Reduced by 4.0%	Increased by 1.2%	Reduced by 10%	Reduced by 20%	
Percentage of plants with 99% or higher zero emission rate	The Nissui Group in Japan	78.6%	78.6%	85%	100%	

(Note): Possession of refrigerants with CFC, HCFC is calculated differently for data from Japan and outside Japan.

○ Environmental Audit

┃ Acquisition of ISO 14001 Certification

The Nissui Group maintains a broad range of business sites including production plants for foods and marine products, fine chemical plants, logistics centers, research and development facilities and ship-building companies. While the type of business may vary, the importance of environmental activities, such as mitigating the environment burden by reducing CO₂ emissions, water usage and waste and protecting the natural environment in the areas surrounding the business sites, remains the same. The Nissui Group is systematically operating its environmental management system by having each business site acquire ISO 14001 certification and by building a system for ongoing checks led by the Environmental Management Committee.

Status of ISO 14001 certification

	Number of certified business sites
Business sites in Japan	28/42 sites
Business sites outside Japan	3/16 sites

As of March 2024
Scope: Nissui Corporation, and all consolidated companies in and outside Japan. Administrative offices have been excluded

┃ Audits by the Internal Audit Department

Check items relating to the environment have been included in the operational audits conducted by the Internal Audit Department on Nissui plants. The audits confirm the progress made in the achievement of targets for reducing the environment impact.

○ GOOD FOODS Award – Environmental Award

In FY2022, the Nissui Group established a new “Environmental Award” as part of the GOOD FOODS Award, the company’s internal award system. This award is given to Group business offices and plants that have made outstanding environmental efforts to achieve the goals of the mid-term business plan “Good Foods Recipe1” and the long-term vision “Good Foods 2030.” It aims to support the Group’s efforts to reduce its environmental impact and to motivate each and every employee.

Selection criteria

1. Reduction of CO₂ emissions
2. Reduction of plastic waste
3. Improvement of quantitative indicators for environmental issues other than those in 1 and 2 above

Recipient

FY2022	FY2023
Nissui Anjo Plant, Thai Delmar Co., Ltd.	Not applicable

Decarbonized Society

Initiatives for TCFD Recommendations

○ Disclosure of Information Based on TCFD Recommendations

The basic corporate stance of Nissui, whose business relies on the bounty of nature, is to respect natural resources and interact with the earth and sea with gratitude. Conservation of the global environment is indispensable for business continuity, among others. In November 2021, Nissui declared its support for recommendations by the Task Force on Climate-related Financial Disclosures (TCFD) and joined the TCFD Consortium with the understanding that tackling climate change is an important management issue. We will identify the risks and opportunities related to climate change, assess the impact on businesses as well as financial effects through scenario analysis and take countermeasures to enhance business sustainability.

We will also disclose information in line with the TCFD recommendations on four disclosure elements, i.e., "governance," "strategy," "risk management," and "metrics and targets."

Participation in External Initiatives >

Governance

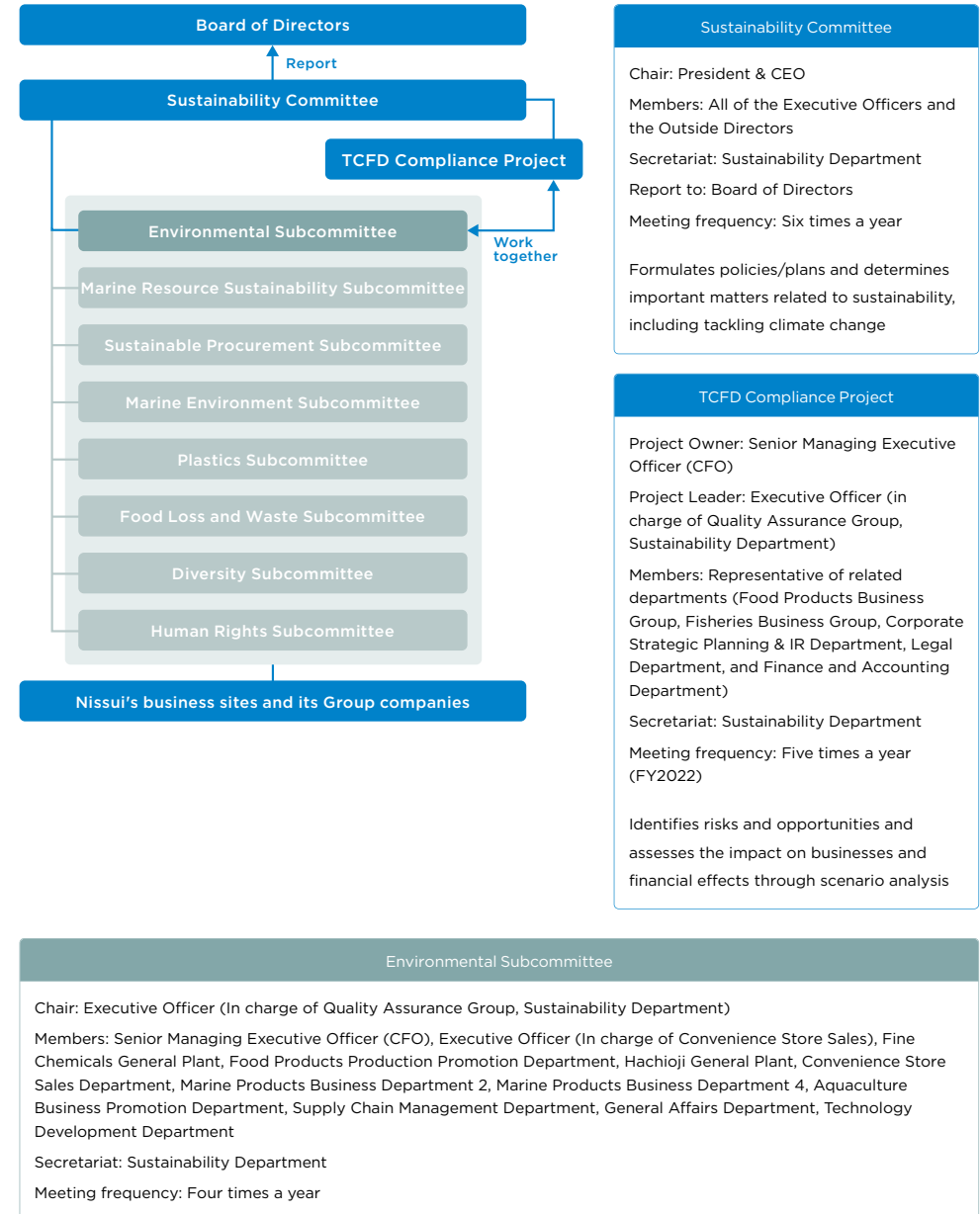
The Nissui Group is promoting sustainability management aimed at realizing sustainable growth and higher corporate value. As an organization serving as its driving force, Nissui established the Sustainability Committee, which consists of all Executive Officers and Outside Directors and is chaired by the President & CEO.

In each of the eight subcommittees set up on a theme-by-theme basis under the Sustainability Committee, the subcommittee's chairperson (i.e., Executive Officer) designated by the Committee's chairperson and members appointed by the subcommittee's chairperson address each sustainability-related issue in a cross-departmental manner. At the meeting of the Sustainability Committee, which is convened six times a year, specific targets, policies and measures for sustainability-related issues are examined based on reports and proposals made by each subcommittee, and the Board of Directors' opinions and advice are reflected in its initiatives through periodic reports made to the Board of Directors.

In regards to the climate change problem, risks and opportunities are analyzed and countermeasures are studied in the "TCFD Compliance Project," which was launched in fiscal 2021 as a cross-departmental project in which the Senior Managing Executive Officer (CFO) serves as the project owner. Findings of its studies are reported to the Board of Directors following deliberation at the Sustainability Committee, and the Board of Directors' opinions and advice are reflected. A meeting of the TCFD Compliance Project was convened five times in fiscal 2022.

As for measures to mitigate climate change, such as reducing CO₂ emissions, the Environmental Subcommittee under the Sustainability Committee promotes initiatives of the Nissui Group as a whole.

Also, Nissui revised its officers' compensation system in fiscal 2022 to fulfill its vision targeted in 2030 and its business plan, adding the level of achievement of non-financial (sustainability) targets—such as the sustainability of marine resources and the reduction of CO₂ emissions at the Nissui Group's business locations—to the list of performance indicators for Directors' variable compensation component.



Strategy

In fiscal 2021, Nissui conducted an analysis of two climate change scenarios based on the TCFD recommendations with respect to the Fisheries Business Group and the Food Products Business Group, identified climate change risks and opportunities, assessed the financial impact and looked into countermeasures against them. We will take countermeasures against significant risks and opportunities that have been clarified to help reduce risks and steadily seize opportunities in pursuit of a climate change resilient state.

Risk Management

Nissui has established the risk management rules to prevent risks that may hinder business activities from arising, minimize the occurrence of losses and make best efforts to preserve its management resources and continue its businesses. The Risk Management Committee, which is chaired by the President & CEO, builds and operates a risk management system and periodically makes reports to the Board of Directors. Significant business risks, including the impact of climate change (global temperature rise), are deliberated and updated by the Board of Directors each year.

[Risk Management >](#)

[Business Risks >](#)

Metrics and Targets

In its long-term vision “Good Foods 2030,” the Nissui Group has presented its aim to reduce total CO₂ emissions by 30% in 2030 compared to the fiscal 2018 level and realize carbon neutrality by 2050. To fulfill the target on a Group-wide, global scale, we will engage in initiatives proactively by formulating a CO₂ emissions reduction plan, such as implementing energy-saving measures at each business location, replacing equipment with highly efficient units with low energy usage, and using renewable energy sources. We calculated Scope 3 emissions by dividing emissions into 15 categories in accordance with the guidelines by the Ministry of the Environment, which are consistent with the Greenhouse Gas Protocol. Going forward, we will pursue greater accuracy of data, look into ways to reduce Category 1 emissions -which are large in volume- and make other such efforts to further promote the reduction of CO₂ emissions in the Nissui Group. Furthermore, we will promote initiatives also with respect to wild-caught marine resources to be procured, plastics, food loss and waste, water, etc. by announcing their respective targets and measures to realize sustainable use.

CO₂ Emissions (Scope 1 and Scope 2)

[Targets and Results >](#)

[Reduction of CO₂ Emissions >](#)

[Reducing Environmental Impact >](#)

CO₂ Emissions (Scope 1 and Scope 2) Reduction Target: Compared to Fiscal 2018/Total Emissions

Nissui Group will aim to reduce CO₂ emissions by 10% by 2024 and 30% by 2030 and achieve carbon neutrality by 2050.

Targets and Measures to Realize Sustainable Use

[Long-Term Vision >](#)

[Targets and Results >](#)

[Reduction of CO₂ Emissions >](#)

[Reducing Environmental Impact >](#)

[ESG Data \(Scope 3\) >](#)

Overview of Scenario Analysis in Strategy

In 2021, the Nissui Group conducted a climate change scenario analysis in accordance with the TCFD recommendations. We analyzed the entire expanse of our value chain, examining the Marine Products Business, the Food Products Business and the Fine Chemicals Business. The latter was added to the scope in fiscal 2022. Using a 1.5°C/2°C temperature-rise scenario and a 4°C temperature-rise scenario for the world, we identified the risks and opportunities, assessed the financial impact in 2030 and looked into countermeasures against them.

As a result, we found that in the 1.5°C/2°C scenario, operating costs attributable to the introduction of carbon tax serve as an obstacle to business growth, but efforts to proactively reduce greenhouse gas emissions and improve the efficiency of production activities and the acquisition of new customer demand can translate into business growth. In the 4°C scenario, we found that the physical risks associated with the increasing severity of natural disasters serve as an obstacle to business growth, giving rise to the need to minimize the impact on earnings by dealing with such risks through initiatives to make the aquaculture business more sophisticated. Moving forward, we plan to proceed with analysis by expanding its scope to include other businesses.

Definition of Scenarios' Outlook of the World

In the scenario analysis, the outlook of the world in the two scenarios was defined by referring to RCP2.6 (a scenario in which temperature rise is below 2°C) and RCP8.5 (a scenario in which temperature rise is 4°C) by the United Nations' Intergovernmental Panel on Climate Change (IPCC) and the scenario by the International Energy Agency (IEA).

Scenario	Description of Outlook of the World
1.5°C/2°C scenario (RCP2.6)	<ul style="list-style-type: none"> Social demand for decarbonization leads to tougher regulations and stronger requests to take action for decarbonization targeting the corporate sector and value chains as a whole Social demand for decarbonization gives rise to the need to procure raw materials produced through carbon-free processes and engage in sustainable fishery and aquaculture operations Due to changes in preferences among consumers and retailers, low-carbon manufacturing/products and transaction and sale of items from sustainability-conscious sources are required
4°C scenario (RCP8.5)	<ul style="list-style-type: none"> In conjunction with the increasing severity of natural disasters, aquaculture, manufacturing, logistics and other business sites are at a higher risk of being struck by disasters, and there is a higher risk of suspension of supply/operation, etc. in the event that they are struck by disaster Changes in flora and the marine environment brought about by the increasing severity of natural disasters and the rise in temperature lead to a higher risk of the harvest of crops and the catch /production volume of marine resources decreasing Frequent occurrence of natural disasters leads to higher demand for disaster foods, and changes in temperature lead to deterioration in people's health, making them want more products that meet their needs in terms of health

1.5°C/2°C Scenario

Risks / Opportunities	Classification	Main risks and opportunities that are expected	Impact on business	Timing of impact	Financial impact	Main countermeasures
Transition risk	Regulations	Impact of tougher environmental regulations	Increase in costs of dealing with introduction of carbon pricing	Medium-term	High	<ul style="list-style-type: none"> Set emissions reduction target for each business location Introduce renewable energy sources more widely, invest in energy-saving equipment Reduce plastics in containers and packaging Execute modal shift and improve transportation efficiency Reduce food loss and waste Consider introducing ICP (Note 1)
			Increase in costs of dealing with tougher regulations on energy-saving, greenhouse gas emissions, etc.			
			Growing requests to become HFC-free due to tougher regulations against HFCs	Medium-term	High	<ul style="list-style-type: none"> Switch to natural refrigerants
	Reputation	Deterioration in reputation among investors and financial institutions in cases where action against climate change is inadequate	—	Medium-term	High	<ul style="list-style-type: none"> Set CO₂ emissions reduction target, including emissions up to Scope 3 Proactively disclose information on action against climate change
Opportunities	Products and services	Changes in consumers' purchasing behavior (greater environmental awareness, consideration for sustainability)	Increase in demand for sustainability-conscious products	Short-term	High	<ul style="list-style-type: none"> Continue to conduct survey on status of procured marine resources Handle more environmentally-friendly products and certified products
			Increase in demand for alternative protein sources due to growing demand for low-carbon products	Medium-term	High	<ul style="list-style-type: none"> Develop and expand alternative protein products
			Increase in demand for marine resources as a low-carbon food source	Long-term	Medium	<ul style="list-style-type: none"> Conduct LCA (Note 2) and proactively disclose information
	Resource efficiency	Reduction of operating costs by implementing energy-saving technology and adopting renewable energy and fuel substitution	Reduction of operating costs through reduction and streamlining of energy consumption	Medium-term	Medium	<ul style="list-style-type: none"> Support for energy-efficient and energy-saving equipment

Timing of impact was divided into short-term (within 3 years), medium-term (3 to 10 years) and long-term (10 to about 20 years).

(Note 1) ICP: Internal Carbon Pricing

(Note 2) LCA: Life Cycle Assessment

4°C Scenario

Risks / Opportunities	Classification	Main risks and opportunities that are expected	Impact on business	Timing of impact	Financial impact	Main countermeasures
Physical risk	Acute	Increase in business suspension risk and administrative costs due to increasing severity of wind and flood disasters	Damage due to manufacturing/ logistics sites being struck by disaster	Medium-term	Medium	<ul style="list-style-type: none"> Hedge risks by dispersing bases Review the content of insurance to prepare against physical damage Review BCP and conduct in-house drills
			Damage due to destruction of aquaculture facilities	Short-term	Low	<ul style="list-style-type: none"> Introduce submersible fish cages and reinforce facilities Predict red tide and minimize damage Enhance on-land aquaculture solutions
		Procurement risk of raw materials (rice, chicken) due to abnormal climate	Higher cost of procurement of raw materials	Short-term	Medium	<ul style="list-style-type: none"> Reduce risks by dispersing places of production and diversifying suppliers
		Procurement risk of raw materials (marine products) due to abnormal climate	Decrease in catch, and higher cost of procurement of raw materials	Long-term	Low	<ul style="list-style-type: none"> Securing inventories of fish oils that are a source of EPA (Japanese anchovy) Development of alternative materials (post-EPA)
	Acute · Chronic	Business suspension risk of drought	Drought damage at aquaculture sites	Short-term	Medium	<ul style="list-style-type: none"> Identification of high-risk sites, transfer to other sites and reinforcement of equipment
			Drought damage to manufacturing/ logistics sites	Short-term	Medium	<ul style="list-style-type: none"> Restriction of water use, use of well water Scattering of sites over multiple locations to hedge risk
	Chronic	Procurement risk of marine resources due to changes in marine environment	Decrease in catch of wild-caught fish and farmed fish	Medium-term	Low	<ul style="list-style-type: none"> Build procurement networks Enhance on-land aquaculture solutions Develop high-temperature-tolerant breeds and explore places suited to aquaculture
			Decrease in catch and increase in procurement cost of fish serving as the ingredient for aquaculture feed	Medium-term	High	<ul style="list-style-type: none"> Develop alternative feed (low-fishmeal formula feed)

Risks / Opportunities	Classification	Main risks and opportunities that are expected	Impact on business	Timing of impact	Financial impact	Main countermeasures
Opportunities	Products and services	Increase in demand through products and services for dealing with disasters and climate change	Increase in aquaculture demand in association with decrease in natural resources	Short-term	High	<ul style="list-style-type: none"> Enhance on-land aquaculture solutions Develop high-temperature-tolerant breeds and explore places suited to aquaculture
			Decrease in costs based on smart aquaculture solutions	Short-term	Medium	<ul style="list-style-type: none"> Improve efficiency and save labor by utilizing AI and IoT
		Greater awareness of health in association with temperature rise	Short-term	Medium	<ul style="list-style-type: none"> Expand sales of products in the field of health Pursue functionality of marine products 	

Timing of impact was divided into short-term (within 3 years), medium-term (3 to 10 years) and long-term (10 to about 20 years).

Impact of Carbon Pricing

For carbon pricing, whose impact was particularly large in terms of financial impact, estimates were made on the premise of the following basis of calculation.

Future CO₂ emissions (Scope 1 and Scope 2) were calculated based on the sales forecast for 2030, and the amount of impact in terms of operation cost was calculated by multiplying it with the carbon price according to IEA's forecast with respect to each scenario, i.e., 2°C scenario and 4°C scenario (Note 1). This revealed that a reduction in total CO₂ emissions by 30%, which is our target for 2030, will translate into a Group-wide reduction amounting to 4.41 billion yen in the 2°C scenario and 1.76 billion yen in the 4°C scenario.

2°C Scenario		4°C Scenario	
Without Countermeasures (Note 2)	With Countermeasures (Note 3)	Without Countermeasures (Note 2)	With Countermeasures (Note 3)
-8.38 billion yen	-3.97 billion yen	-3.35 billion yen	-1.59 billion yen

Carbon tax: Assumed to be USD135/t-CO₂ in the 2°C scenario and USD54/t-CO₂ in the 4°C scenario, assuming an exchange rate of USD1.00=JPY118 in both scenarios

(Note 1): IEA World Energy Outlook 2022

(Note 2) Without Countermeasures: With respect to Scope 1 and Scope 2 emissions, per-unit CO₂ emissions released are assumed to be at a similar level as in the base year, i.e., fiscal 2018.

(Note 3) With Countermeasures: With respect to Scope 1 and Scope 2 emissions, CO₂ emissions are assumed to be reduced by 30% from the fiscal 2018 level through the achievement of the 2030 target.

Evaluation of Impact on Natural Marine Resources (Japanese anchovy and Alaska pollock)

In fiscal 2022, the Nissui Group used a model from the United Nations Food and Agriculture Organization (FAO) to evaluate expected changes in allowable catch of two important fish species that the Group sources in large quantities. Two scenarios were developed and applied to Japanese anchovy and Alaska pollock, to assess allowable catch of each in 2030 and 2050. In the 1.5°C scenario, allowable catch for both species was forecast to decrease slightly in 2030 and 2050. In the 4°C scenario, allowable catch for Japanese anchovy was forecast to decrease both in 2030 and 2050, while allowable catch for Alaska pollock was forecast to increase slightly in 2030 but to increase more significantly in 2050. Because the change in allowable catch in 2030 was modest, it was confirmed that impact on the Group's finances would be modest. However, because the degree of change in allowable catch in 2050 was relatively high, a concerted response was deemed to be necessary. This need was particularly pronounced for Japanese anchovy, which was forecast to decline.

Degree of change in allowable catch (Note)

Species	Fishing ground	1.5°C/2°C		4°C	
		2030	2050	2030	2050
Japanese anchovy	Peru	↘	↘	↓	↓
Alaska pollock	Alaska	↘	↘	↗	↑

Decrease of less than 5% ↘, Decrease of 5-25% ↓, Decrease of over 25% ↓↓
 Increase of less than 5% ↗, Increase of 5-25% ↑, Increase of over 25% ↑↑

(Note): Nissui estimates based on "Impacts of climate change on fisheries and aquaculture (2018)," United Nations Food and Agriculture Organization (FAO)

Evaluation of Water Risk

A number of global standards are available for evaluating water risk. In fiscal 2021 the Nissui Group used Water Risk Filter, a standard developed by the World Wildlife Fund (WWF), to evaluate manufacturing and logistics sites in Japan overall. In fiscal 2022, the Group applied Aqueduct, a standard of the World Resources Institute (WRI), to evaluate individual manufacturing and logistics sites in Japan and overseas. Regarding opportunity loss from production shutdowns due to water damage, the flood depths specified in Aqueduct for the locations of each site were used to identify the number of days of production shutdown and the degree (percentage) of inventory damage at each site; this information was then used to calculate the financial impact of water damage. The results confirmed that the level of financial impact was intermediate. Regarding water stress (drought), while none of the Group's sites corresponded to the highest risk level, it was determined that some production sites in Japan, Thailand and the Americas were located in regions subject to water stress. Going forward, the Group will continue to implement measures to reduce water use and explore ways of refining methods of evaluating water risk.

Results of flood risk evaluation using Aqueduct (number of sites)

Degree of flooding	1.5/2°C		4°C	
	Rivers	Shorelines	Rivers	Shorelines
0m	51	50	51	50
0-0.5m	7	8	10	10
0.5-1m	9	7	6	5
1-2m	0	2	0	2
	67	67	67	67

Results of evaluation of drought risk using Aqueduct (number of sites/water use)

Drought level	1.5°C/2°C		4°C	
	Number of sites	FY2022 Water Use (thousand m ³)	Number of sites	FY2022 Water Use (thousand m ³)
Low	25	1,143	26	1,190
Low-medium	19	2,003	18	1,956
Medium-high	17	6,667	16	6,469
High	6	566	7	764
Extremely high	0	0	0	0
	67	10,379	67	10,379

Reflection in Strategy

In response to the scenario analysis results, Nissui has been reflecting the countermeasures—starting with high-priority ones—in its mid-term business plan “Good Foods Recipe1,” which commences in 2022, to ensure consistency with its strategy.

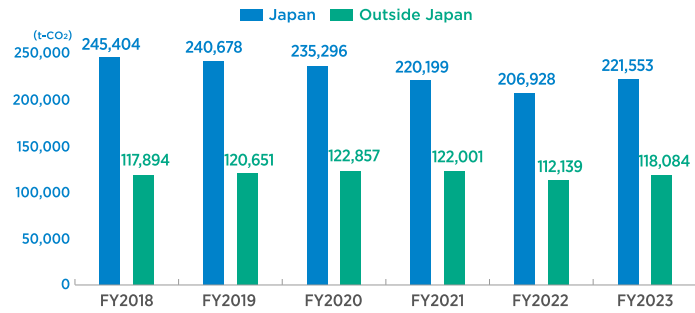
Basic Strategy	Item	Description
Sustainability Strategy	Reduction of greenhouse gas emissions	<ul style="list-style-type: none"> Switch fuels, utilize renewable energy sources, promote energy-saving and promote modal shift Shift from designated CFCs to natural refrigerants Expand sale of alternative protein products
	Reduction of plastics	<ul style="list-style-type: none"> Switch all aquaculture floats to a lower risk of outflowing out into the ocean Reduce plastics in containers and packaging, switch to biomass-based materials, etc. Reduce plastics in distribution materials, promote recycling Suppress release of waste plastics associated with business activities
	Sustainable use of marine resources	<ul style="list-style-type: none"> Survey on sustainability of marine resources Enhance acquisition rate of various marine eco-label certifications and expand handling of certified raw materials
	Boosting appeal in terms of health	<ul style="list-style-type: none"> Expand products in the field of health Pursue functionality of materials
Global expansion strategy	Business growth centering on the U.S. and Europe	<ul style="list-style-type: none"> Enhance ability to access resources
New business development strategy	New businesses	<ul style="list-style-type: none"> Expand products in the field of health Expand alternative protein products
	Enhancement of existing businesses	<ul style="list-style-type: none"> Commercialize on-land aquaculture
Innovations of productivity strategy	Differentiation in priority growth fields	<ul style="list-style-type: none"> Refine aquaculture business model Shift to smart factories

Mid-Term Business Plan “Good Foods Recipe1” >

Reduction of CO₂ Emissions

Results

CO₂ Emissions



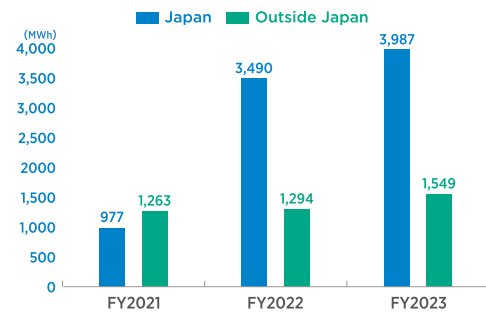
Initiatives to Reduce CO₂ Emissions

Renewable Energy

We are expanding the use of renewable energy sources across the Group. We explore every feasible opportunity to install solar power generation facilities along with the possibility of entering PPAs (Note).

(Note) PPA: Power Purchase Agreement. A company enters into an agreement to purchase electricity derived from renewable sources from a supplier rather than investing its own capital.

Solar Power Generation



Solar power generation facilities (Thai Delmar Co., Ltd.)



Solar power generation facilities (Nippon Cookery Co., Ltd., Isesaki plant)

Reduction/Control of CO₂ Emissions at Production Plant

[Control Methane Emissions through Biomass Electricity Generation (Nissui Hachioji General Plant)]

Nissui's Hachioji General Plant produces frozen foods, surimi-based products, and seasonings. In FY2018, the plant significantly enhanced its wastewater treatment system by introducing an anaerobic ozone treatment facility to complement the existing enzymatic wastewater treatment facility. However, the wastewater treatment process at this facility resulted in the production of methane gas, which has a much greater greenhouse effect than CO₂. To counter this, Nissui embarked on a biomass electricity generation initiative, capturing the methane produced in the treatment process and using it to fuel power generators. This innovative step not only adds value to the wastewater treatment process, but also plays a critical role in preventing global warming by reducing methane emissions into the atmosphere. This proactive approach is expected to reduce methane emissions by an estimated 2,380 t-CO₂ equivalent annually.

	FY2019	FY2020	FY2021	FY2022	FY2023
Biomass Electricity Generation (kWh)	202,982	239,250	240,300	286,557	208,174



Biomass Electricity Generation at the Hachioji General Plant

Reduction of CO₂ Emissions during Transportation

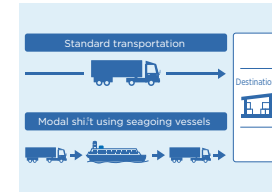
Carry Net Co., Ltd., which is one of the Nissui Group companies in Japan, is a transportation company with eleven sales offices (excluding the head office) across Japan. Its role is to deliver Nissui products to our business partners on a daily basis. Centering on frozen transport, Carry Net is capable of executing transportation adapted to all temperature zones such as cold and ambient temperatures. It not only performs deliveries in the respective local areas of its sales offices but also carries out wide-area transportation across Japan by utilizing its fleet of vehicles as well as networks based on its partnership with collaborating companies.

[Modal Shift (Utilization of ferries and other non-international coastal trading vessels)]

Carry Net is making efforts to reduce CO₂ emissions by performing transportation utilizing ferries. In FY2021, Carry Net's modal shift plan between Kawasaki and Fukuoka was approved as a plan for advancement of integration and streamlining of distribution business under the provisions of the Act on Advancement of Integration and Streamlining of Distribution Business of the Ministry of Land, Infrastructure, Transport and Tourism. This plan involves shifting part of our truck transportation to marine transportation using RORO vessels (Note 1) that primarily transport cargo, operated by our partner MOL Ferry Co., Ltd. This enables us to reduce ground transportation distance from approx. 1,100 km to approx. 120 km and CO₂ emissions by 71%. In addition, the time required for a driver to be on the road can be reduced by 87.4%.

Section	Fiscal year	Number of boarded vessel services subject to modal shift	CO ₂ emissions reduced (t-CO ₂)
Between Kansai and Fukuoka 460km (Note 2)	FY2015	949	461.2
	FY2016	896	435.5
	FY2017	1,188	577.4
	FY2018	1,564	760.1
	FY2019	1,586	770.8
	FY2020	1,586	770.8
	FY2021	1,590	1,831.5
	FY2022	1,573	1,731.7
Between Kawasaki and Fukuoka 1,100km	FY2021	146	383.4
	FY2022	318	777.9
	FY2023	465	1,138.1
Between Kanto and Kansai 510km	FY2023	519	467.1
Others	FY2023	6	5.4

(Note 1) RORO vessels (Roll-on/Roll-off ship): A cargo ship with a deck for vehicles, designed to carry loaded trucks and trailers as they are.
 (Note 2): Since 2021, the calculation method has been changed under the guidance of the Transport Bureau.



Specialized Carry Net truck boarding a MOL Ferry RORO vessel

[Trailer Transportation]

Carry Net executes mass transportation based on trailer transportation (Note 1) between frozen food plant depots. Carry Net also conducts switch operation (Note 2), which helps improve drivers' working environment as well.

(Note 1) Trailer transportation: Capable of loading approx. 1.3 times more cargo than large vehicles. Can load 40 sheet pallets.
 (Note 2) Switch operation: Operation by switching the head and the trailer.

[Utilization of Double-Deck Trucks]

Double-deck trucks make it possible to realize diversified transportation through partitioning (e.g., frozen temperature in the front compartment and chilled or ambient temperature in the rear compartment), and optimize the inside of the vehicle according to customers' needs. For the transportation of products in different temperature zones, multiple vehicles had to be organized by temperature zone in the case of conventional trucks, whereas with double-deck trucks, the number of vehicles can be reduced by transporting them at once.

Reduction of CO₂ Emissions through Eco-cars: Introduction of Eco-Cars into Company Sales Fleet

Nissui has been promoting the introduction of hybrid vehicles, PHVs and EVs (Note) in its sales fleet in an effort to reduce CO₂ emissions. Nissui's targets and results of the introduction of eco-cars as a percentage of its sales fleet are as follows.

(Note) PHV: Acronym for Plug-in Hybrid Vehicle. PHV is a hybrid vehicle that can be charged by using an external power source and has a large battery capacity. Even when charged by electricity alone, PHV is capable of traveling longer distances than conventional hybrid vehicles. EV: Acronym for Electric Vehicle.

Status of Introduction of Eco-Cars

Indicators	Scope	Results			Target by 2024	Target by 2030
		FY2021	FY2022	FY2023		
Introduction of hybrid vehicles	Nissui Corporation	89.7%	93.0%	95.1%	100.0%	100.0%
Introduction of PHVs/Evs		-	-	1.0%	-	10.0%

Scope: Nissui Corporation

Participating in the Development and Field Testing of an Aquaculture Feed Boat that Uses Hydrogen Fuel Cells

The "Development and Field Testing of an Aquaculture Feed Boat Using Hydrogen Fuel Cells for Use in Fish-farming" project, in which Nissui Group company Kurose Suisan Co., Ltd. has been participating, has been chosen by Japan's Fisheries Agency as an "Aquaculture Synergy Business Creation Project." This project has been undertaken by a consortium of three participants: the Fishing Boat and System Engineering Association of Japan (acting as project lead), the Japan Fisheries Research and Education Agency (FRA), and Kurose Suisan. To promote the transition toward carbon-neutral aquaculture that will be both a high-growth industry and decarbonized, the project aims to bring about a switch away from using fossil fuels to power the feed boats used in aquaculture, toward using non-fossil fuel power sources such as hydrogen, through the development, building and field testing of a feed boat equipped with hydrogen fuel cells. This represents an important initiative in terms of building a sustainable fisheries sector in which greenhouse gas emissions from boats are reduced, and the Nissui Group will continue to proactively undertake development of this type of new technology in the future.



The type of feed boat that is currently in use

[Project Objectives and Project Content]

- Development of an aquaculture feed boat that uses hydrogen fuel cells as the motive power source, in accordance with the "Hydrogen Fuel Cell Boat Safety Guidelines," based on energy simulations using hydrogen fuel cell equipped fishing boats, and using a boat design in which equipment selection and layout is tailored to ensure that the boat can properly perform aquaculture operations such as feeding fish.
- It is intended to build a 16-ton aquaculture feed boat with propulsion output of 250 kW for use in field testing.
- Field testing will be performed over a period of approximately 90 days to examine the practicality of the design, in terms of whether the boat is able to maneuver and perform feeding operations without problems, along with the collection of data relating to endurance, speed, maximum period of continuous operation, etc., and comparison of the economic efficiency of the design in relation to existing boats, so as to identify and collate potential issues in the future deployment of hydrogen fuel cell powered boats.

Eliminating the Use of CFCs and HCFCs in Refrigerants

Nissui has been making group-wide efforts to review the use of refrigerants. Besides setting a target of reducing the use of CFCs and HCFCs to zero by FY2030, Nissui has also adopted a policy of ensuring that, for the main types of freezing and refrigeration equipment used by Nissui itself, 100% of newly-adopted equipment will use only natural refrigerants. Some examples of these, such as replacement with natural refrigerants utilizing government subsidized projects and new introduction of natural refrigerants, are as follows.

	Number of introduced cases	Example of introducing business location	Example of subsidy name	Example of natural refrigerant type	CO2 emissions reduced (t-CO2)
FY2020	6 cases	Himeji General Plant (Nissui), etc.	Reiwa 2nd fiscal year Subsidies for CO2 Emission Reduction Countermeasures Projects "Project to Accelerate Introduction of Energy-saving Natural Refrigerant Equipment for Early Realization of HFC-free/Low Carbon Society"	CO2/NH3	1,401
FY2021	3 cases	Nissui Logistics Corporation, etc.	Reiwa 3rd fiscal year Subsidies for CO2 Emission Reduction Countermeasures Projects "Project to Accelerate Introduction of Energy-saving Natural Refrigerant Equipment for Early Realization of HFC-free/Low Carbon Society"	CO2/NH3	1,910
FY2022	3 cases	Nissui Logistics Corporation, etc.	Reiwa 4th fiscal year Subsidies for CO2 Emission Reduction Countermeasures Projects "Project to Accelerate Introduction of Energy-saving Natural Refrigerant Equipment for Early Realization of HFC-free/Low Carbon Society"	CO2/NH3	344
FY2023	3 cases	Nissui Logistics Corporation, etc.	Reiwa 5th fiscal year Subsidies for CO2 Emission Reduction Countermeasures Projects "Project to Accelerate Introduction of Energy-saving Natural Refrigerant Equipment for Early Realization of HFC-free/Low Carbon Society"	CO2/NH3	719.5

Biodiversity

In recognition of the importance of the preservation of biodiversity, the Nissui Group revised its [Environmental Code](#) in 2014 and upholds preservation of biodiversity in its Policies.

Access to resources is the strength of the Nissui Group. The Group's ability to procure materials from around the world, with focus on marine products, is the wellspring of its value creation. By the same token, however, our business activities are heavily dependent on natural capital and easily impacted by changes to it. Always mindful that we do business by receiving the bounty of earth and sea, we constantly gauge the dependence and impact of our value chain on biodiversity. The Nissui Group strives to avoid and minimize negative impacts from its operations, and to restore and regenerate where possible.

TNFD Report



[TNFD Report 2023 \(PDF\) \(3.20MB\)](#)

Initiatives for TNFD Recommendations

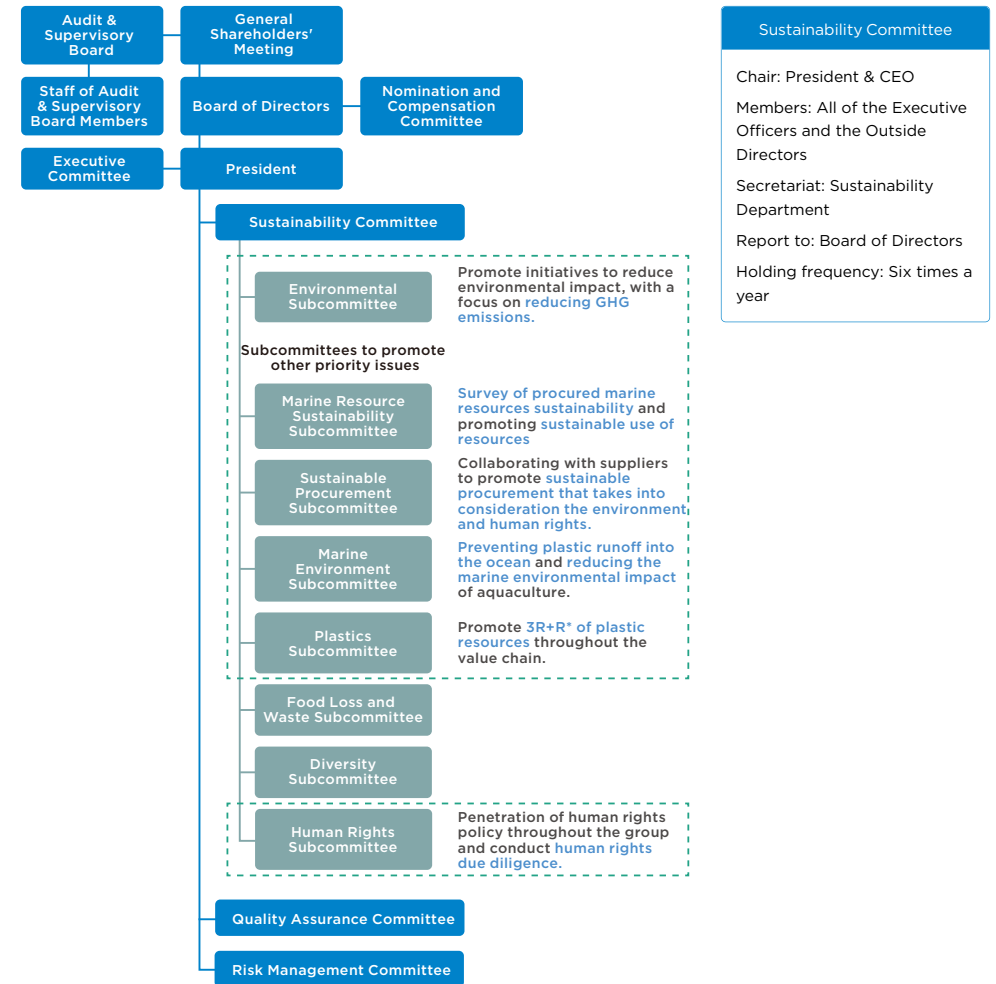
The Nissui Group recognizes the preservation of biodiversity as a vital management issue. The Group joined the Task Force on Nature-related Financial Disclosures (TNFD) Forum in September 2023, and registered as a TNFD Adopter in December 2023.

[Participation in External Initiatives](#) >

Governance

Efforts related to natural capital and biodiversity in the Nissui Group are primarily handled by six subcommittees: the Marine Resource Sustainability Subcommittee, the Sustainable Procurement Subcommittee, the Marine Environment Subcommittee, the Plastics Subcommittee, the Environmental Subcommittee, and the Human Rights Subcommittee. Each subcommittee develops and implements policies and strategies, and reports to the Sustainability Committee.

At the meeting of the Sustainability Committee, which is convened six times a year, specific targets, policies and measures for sustainability-related issues are examined based on reports and proposals made by each subcommittee, and the Board of Directors' opinions and advice are reflected in its initiatives through periodic reports made to the Board of Directors.



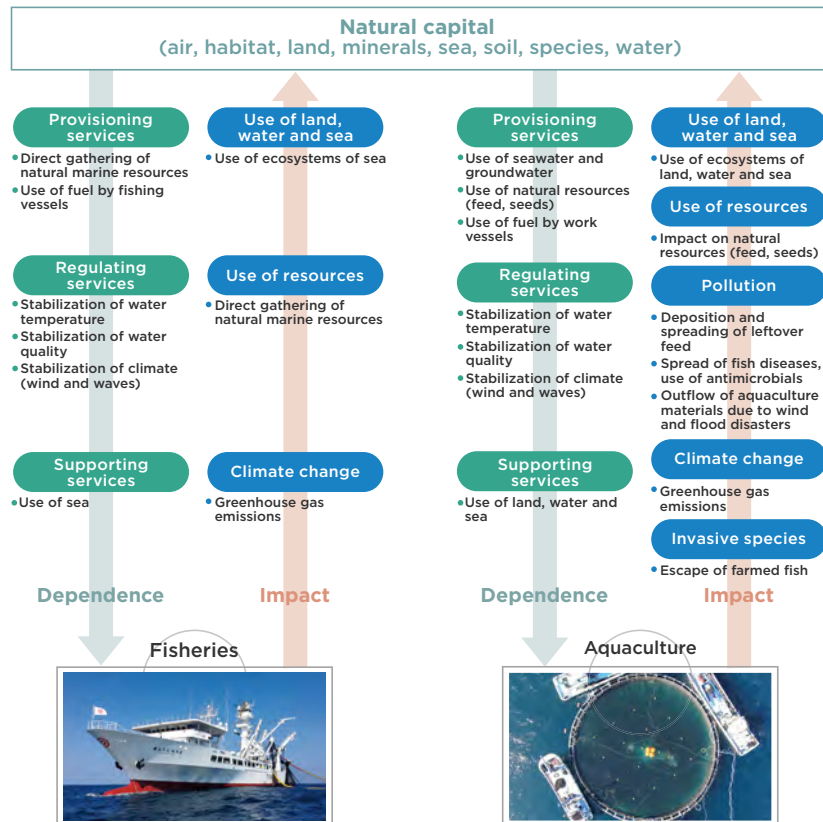
(Note): 3R+R: Reduce, Reuse and Recycle + Renewable

Strategy

To clarify the relationship between the Nissui Group's dependence on nature for its fisheries and aquaculture operations and the impact those operations have on nature, we conducted a diagnosis of "Dependencies and Impacts" and an evaluation of "Risks and Opportunities" in line with the LEAP Approach (Note 1), and organized the results as follows. This evaluation focused on "fisheries" and "aquaculture," which represent the upstream points of contact with nature in our value chain. An initial evaluation was performed using the external tool "ENCORE" (Note 2), followed by a secondary (qualitative) evaluation aligned with the realities of the Nissui Group's operations. As a result, it was found that fisheries in the Group are highly dependent on marine ecosystem services, such as specific ocean areas and marine resources, and that fishing activities impact resource quantities and species. In aquaculture, significant dependence was found on ecosystem services that regulate water temperature and quality, in addition to the use of land, water, and sea areas. It was also found that aquaculture impacts nature through water pollution around farming sites, particularly due to water quality deterioration caused by feeding practices.

(Note1) The LEAP ("Locate, Evaluate, Assess, Prepare") approach: an analytical process developed by TNFD to serve as a guide on evaluating nature-related risks and opportunities.
 (Note2) Exploring Natural Capital Opportunities, Risks and Exposure (ENCORE): a tool for evaluating dependence and impact on natural capital for each business sector and production process.

Diagnose dependence and impact



Evaluate risks and oppoutunities

[Fisheries]

Main risks and oppourtunities for Nissui Group

	Risks / oppourtunities	Classifi-cation	Main risks and oppourtunities expected	Impact on business	Main responses
Fisheries	Physical risks	Chronic risks	Depletion of marine resources	<ul style="list-style-type: none"> Reduced procurement volumes (Destabilization of supply chain) Increased procurement costs 	<ul style="list-style-type: none"> Further strengthening of access to resources Construction of procurement networks
		Acute / chronic risks	Changes in resource status / fishing grounds / species due to changes in ocean temperature	<ul style="list-style-type: none"> Reduced procurement volumes (Destabilization of supply chain) Increased procurement costs 	<ul style="list-style-type: none"> Strengthening of aquaculture business Development of substitutes for marine resources
	Transition risks	Policy risk	Strengthening of fishing regulations	<ul style="list-style-type: none"> Reduced procurement volumes (Destabilization of supply chain) 	<ul style="list-style-type: none"> Further strengthening of access to resources Construction of procurement networks Strengthening of aquaculture business Development of substitutes for marine resources
		Policy risk	Enhancement of greenhouse gas emission regulations	<ul style="list-style-type: none"> Incurring response costs 	<ul style="list-style-type: none"> Efficiency in exploring fishing grounds (e.g. use of drones)
		Market risk	Changing consumer purchasing behavior	<ul style="list-style-type: none"> Loss of sales opportunities due to delayed responses Incurring response costs (e.g. certification costs) 	<ul style="list-style-type: none"> Obtaining of certifications such as MSC, MEL
		Market risk	Increased demands from retailers / foodservice operators (traceability / certification, etc.)	<ul style="list-style-type: none"> Loss of sales opportunities due to delayed responses Incurring response costs (e.g. certification costs) 	<ul style="list-style-type: none"> Continuation of resource status surveys and information dissemination
		Reputational risk	Deterioration of reputation due to procurement of endangered species	<ul style="list-style-type: none"> Loss of sales, damage to brand value 	<ul style="list-style-type: none"> Procurement based on endangered species procurement policy Dialogue with stakeholders
		Reputational risk	Deterioration of reputation due to incidental capture of seabirds and mammals	<ul style="list-style-type: none"> Loss of sales, damage to brand value 	<ul style="list-style-type: none"> Continuation of bycatch prevention measures in each fishing company Dialogue with stakeholders

	Risks / opportunities	Classification	Main risks and opportunities expected	Impact on business	Main responses
Fisheries	Transition risks	Reputational risk	Deterioration of reputation due to negative impact on marine resources and the environment	<ul style="list-style-type: none"> Loss of sales, damage to brand value 	<ul style="list-style-type: none"> Reduction of marine environmental load and monitoring Coexistence with local communities
		Reputational risk	Deterioration of reputation among investors / financial institutions due to inadequate sustainability response	<ul style="list-style-type: none"> Withdrawal of investment financial assets 	<ul style="list-style-type: none"> Various sustainable initiatives and active information dissemination and dialogue
		Technology risk	Delay in reducing greenhouse gas emissions from fishing vessels	<ul style="list-style-type: none"> Decrease in business competitiveness Incurred response costs 	<ul style="list-style-type: none"> Active information gathering for decarbonization of fishing vessels
	Opportunities	Products and services / sustainable use of natural resources	Stabilization of supply chains through sustainable procurement	<ul style="list-style-type: none"> Stabilization of revenues, expansion of sales channels 	<ul style="list-style-type: none"> Confirmation of status of resources when procuring Acquisition of fisheries certification and increased handling of certified products
		Reputation / ecosystem protection, restoration and regeneration	Avoidance of bad publicity by preventing incidental capture of seabirds and mammals, conservation of ecosystems	<ul style="list-style-type: none"> Avoidance of reputation risk Ecosystem conservation in fishing grounds → Ensuring continuity of fisheries 	<ul style="list-style-type: none"> Continuation of incidental catch prevention measures in each fishing company
		Capital flow and financing	Reputation improvement among investors/financial institutions, diversification of funding sources	<ul style="list-style-type: none"> Reduction in capital costs 	<ul style="list-style-type: none"> Sustainable procurement of marine resources and information dissemination
		Reputational capital	Changes in consumer purchasing behavior (increased demand for products that take sustainability into account)	<ul style="list-style-type: none"> Expansion of sales 	

[Aquaculture]

Main risks and opportunities for Nissui Group

	Risks / opportunities	Classification	Main risks and opportunities expected	Impact on business	Main responses
Aquaculture	Physical risks	Acute risks	Suspension of business and increasing management costs from increasing severity of wind and flood disasters	<ul style="list-style-type: none"> Losses from damage of aquaculture facilities 	<ul style="list-style-type: none"> Introduction of submersible fish cages and reinforcement of facilities Predict red tide and minimize damage Strengthening capabilities in land-based aquaculture
		Acute risks	Spread of fish diseases	<ul style="list-style-type: none"> Loss of assets from mortality of fish stocks 	<ul style="list-style-type: none"> Preventive management using N-AHMS, an original farmed-fish health management system
		Acute / Chronic risks	Water quality deterioration around farming sites	<ul style="list-style-type: none"> Suspension of operations, fish disease outbreak, fish mortality 	<ul style="list-style-type: none"> Environmental monitoring of fish farms
		Acute / Chronic risks	Business suspension due to drought	<ul style="list-style-type: none"> Damage to aquaculture sites due to drought 	<ul style="list-style-type: none"> Identification of high-risk sites, relocation, facility enhancement, water source preservation
		Chronic risks	Risks in procurement of marine products due to changes in the marine environment	<ul style="list-style-type: none"> Impact on procurement volume and increase in procurement costs due to reduced catch of raw material fish for aquaculture feed 	<ul style="list-style-type: none"> Alternative feed development (low-fishmeal formula feed)
		Chronic risks	Ocean temperature rise due to climate change	<ul style="list-style-type: none"> Occurrence of red tides Changing suitable aquaculture sites 	<ul style="list-style-type: none"> Development of new aquaculture areas (shift to high-latitude regions)

	Risks / opportunities	Classification	Main risks and opportunities expected	Impact on business	Main responses
Aquaculture	Transition risks	Policy risk	Strengthening of environmental regulations on aquaculture	<ul style="list-style-type: none"> Reduction of scale of business and closure of fish farms Financial impact from fines and taxes 	<ul style="list-style-type: none"> Environmental monitoring of fish farms Reduction of environmental impact from feed (EP feed, automatic feeding systems) Shift to off-shore farming
		Policy risk	Stricter regulations on greenhouse gas emissions	<ul style="list-style-type: none"> Incurred response costs 	<ul style="list-style-type: none"> Shift from boat feeding to remote feeding systems Participation in hydrogen fuel cell feeding boat development / demonstration projects
		Policy risk	Impact on feed due to strengthened natural marine resource management	<ul style="list-style-type: none"> Reduced procurement volumes Increased aquaculture costs due to feed price increases 	<ul style="list-style-type: none"> Alternative feed development (low-fishmeal formula feed)
		Market risk	Changing consumer purchasing behavior	<ul style="list-style-type: none"> Loss of sales opportunities due to delayed responses Incurred response costs (e.g. certification costs) 	<ul style="list-style-type: none"> Obtaining of certifications such as MSC, MEL
		Market risk	Increased demands from retailers / foodservice operators (traceability / certification, etc.)	<ul style="list-style-type: none"> Loss of sales opportunities due to delayed responses Incurred response costs 	<ul style="list-style-type: none"> Feed traceability assurance Obtaining of certifications such as MSC, MEL
		Reputational risk	Deterioration of reputation among stakeholders due to negative environmental impact	<ul style="list-style-type: none"> Brand value damage, protest actions, boycotts 	<ul style="list-style-type: none"> Reduction of marine environmental load and monitoring Coexistence with local communities
		Reputational risk	Deterioration of reputation among investors/financial institutions due to inadequate sustainability response	<ul style="list-style-type: none"> Withdrawal of investment financial assets 	<ul style="list-style-type: none"> Various sustainable initiatives and active information dissemination and dialogue
		Technology risk	Delay in low environmental impact aquaculture technology development	<ul style="list-style-type: none"> Loss of competitive advantage, decline in business competitiveness 	<ul style="list-style-type: none"> Strengthening of response by concentrating management resources

	Risks / opportunities	Classification	Main risks and opportunities expected	Impact on business	Main responses
Aquaculture	Opportunities	Products and services / Ecosystem protection, restoration and regeneration	Use of full-life cycle aquaculture technology to reduce dependence on natural resources	<ul style="list-style-type: none"> Strengthening resilience, establishing competitive superiority 	<ul style="list-style-type: none"> Expansion to other fish species beyond Japanese amberjack (100% artificial seeds)
		Products and services / Ecosystem protection, restoration and regeneration	Health management for farmed fish health promotion, prevention of disease spread to surrounding seas	<ul style="list-style-type: none"> Improvement in aquaculture performance, revenue stabilization Establishing competitive superiority 	<ul style="list-style-type: none"> Preventive management using N-AHMS, an original farmed-fish health management system
		Products and services / Ecosystem protection, restoration and regeneration	Reduction of marine environmental load through research and development of aquaculture methods not reliant on antimicrobials	<ul style="list-style-type: none"> Expansion of export opportunities Establishing competitive superiority 	<ul style="list-style-type: none"> Collaboration with stakeholders through SeaBOS
		Products and services / Ecosystem protection, restoration and regeneration	Reduction of impact on the marine environment using land-based aquaculture technology	<ul style="list-style-type: none"> Establishment of competitive advantage, expansion of sales channels Avoidance of reputation risk 	<ul style="list-style-type: none"> Deepening of current initiatives (shrimp, salmon, chub mackerel)
		Products and services	Ensuring climate change resilience through land-based aquaculture technology development	<ul style="list-style-type: none"> Business resilience enhancement by avoiding physical risks (e.g. wind / water damage, ocean temperature rise) 	
		Products and services / Ecosystem protection, restoration and regeneration	Environmental load reduction and animal welfare improvement through smart aquaculture	<ul style="list-style-type: none"> Reduction of aquaculture cost, improvement of aquaculture performance Improvement of the work environment 	<ul style="list-style-type: none"> Production management using AI and IoT Development of remote feeding systems
		Markets / ecosystem protection, restoration and regeneration	Environmental load reduction through decarbonization of work vessels	<ul style="list-style-type: none"> Avoidance of future carbon pricing impact Reputation improvement among stakeholders 	<ul style="list-style-type: none"> Participation in hydrogen fuel cell feeding boat development / demonstration projects
		Capital flow and financing	Reputation improvement among investors/financial institutions, diversification of funding sources	<ul style="list-style-type: none"> Reduction in capital costs 	<ul style="list-style-type: none"> Building sustainable aquaculture business and information dissemination
		Reputational capital	Changes in consumer purchasing behavior (increased demand for products that take sustainability into account)	<ul style="list-style-type: none"> Expansion of sales 	

Manage risks and opportunities

The Nissui Group uses material issues as the starting point for risk management to identify significant risks with a focus on medium- to long-term management strategies. In FY2023, a review of material issues was conducted, and accordingly, significant risks were also reassessed. The identified significant risks related to natural capital and biodiversity are as below. The review of material issues incorporated the results from our analysis of “climate-related and nature-related risks and opportunities” as part of our TCFD and TNFD initiatives.

The analysis and countermeasures for risks and opportunities related to climate change are being examined by the “TCFD Compliance Project,” a cross-functional initiative led by a Managing Executive Officer (CFO), in collaboration with the Environmental Subcommittee. Additionally, the analysis and countermeasures for risks and opportunities related to natural capital along the value chain are being examined by the Marine Resource Sustainability Subcommittee, the Marine Environment Subcommittee, the Sustainable Procurement Subcommittee, and the Human Rights Subcommittee. The results of the discussions in each subcommittee are reported to the Board of Directors after deliberation in the Sustainability Committee, and the Board's opinions and advice are incorporated into our policies.

Priority risks	Risk management organization		
Risks related to addressing climate change	• Environmental Subcommittee	→	Sustainability Committee
Risks related to addressing biodiversity	• Marine Resource Sustainability Subcommittee • Marine Environment Subcommittee		
Risks related to environmental and human rights in the supply chain	• Sustainable Procurement Subcommittee • Human Rights Subcommittee		

Metrics and targets

The Nissui Group positions the sustainability of marine resources and the conservation of the marine environment as key management issues, managing nature-related dependencies, impacts, risks, and opportunities using the following indicators and targets.

Scope	Metrics	Targets	Method of measurement
Fisheries, aquaculture	Procurement of sustainable marine resources	Procurement of sustainable marine resources 100%	Using the ODP (Note1) evaluation method (based on FishSource scores 1-5), a score of 8 or higher for all Well Managed and 6 or higher for Managed is considered sustainable
	Procurement of endangered species (marine resources)	For marine resources at high risk of depletion, procurement will be suspended if scientific and practical measures are not taken to recover the resources by 2030	Scientific and practical measures for resource recovery 1. Fishery products certified by the Marine Stewardship Council (MSC) or other certification bodies (equivalent to GSSI (Note2) certification), or Fishery Improvement Project (FIP) products. 2. Scientific fishery management by international resource management organizations such as Regional Fisheries Management Organizations (RFMO (Note3)). 3. Rated “Managed” or above based on criteria established by the ODP (Note1) 4. Any other specific measures being taken to achieve 1-3 above.
	CO2 emissions	Reduced by 30%	CO2 emissions (Scope 1,2, Compared to FY2018)
Aquaculture	Results of switching to nylon-covered Styrofoam aquaculture floats	100% in FY2024	Switching over to floats that have a low risk of outflowing into the ocean
	Escaped fish	Reduce the escape of fish to zero	Result of escaped fish (If any fish has escaped, all such fish will be identified, recorded in books and tallied regardless of the scale of the escape)

(Note1) ODP: Ocean Disclosure Project. Online reporting platform for voluntary disclosure of seafood sourcing established by the SFP in 2015.
 (Note2) GSSI: Global Sustainable Seafood Initiative. An international partnership that verifies programs assessing the sustainability of marine products.
 (Note3) RFMO: Regional fisheries management organizations. International organizations established under individual conventions to achieve the conservation and sustainable use of marine resources.

○ Preventing Seabird/Sea Mammal Bycatch

In the fishing industry, the incidental catch of seabirds and marine mammals—that is, non-targeted species—is considered to be a major concern. The Nissui Group understands the risks of bycatch associated with various fishing methods and is committed to promoting initiatives for bycatch prevention. Furthermore, SeaBOS (Seafood Business for Ocean Stewardship, a cross-industry initiative to strengthen sustainable seafood business practices to which Nissui is a signatory to) is also addressing this topic and is working with member companies to assess the current situation and seek ways to make improvements.

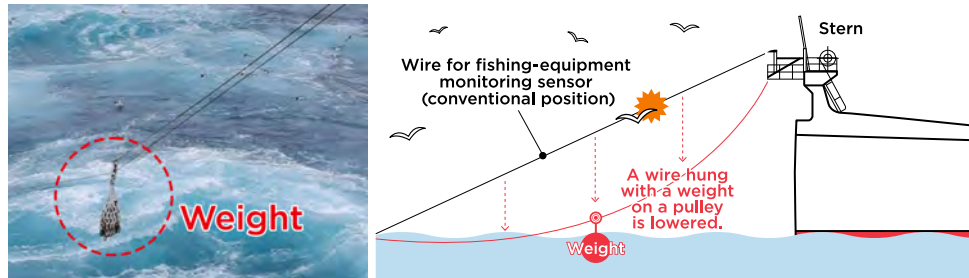
I Nissui Group Companies' Initiatives

Fishing companies in the Nissui Group have introduced “tori lines” (Note), which are widely used to prevent the bycatch of seabirds, as well as a variety of other innovations adapted to their specific fishing methods. When there are national or fishery area bycatch prevention programs in place, Nissui conducts business in line with these accordingly.

(Note)Tori line: A device that prevents birds from approaching the bait by towing a rope to which streamers and tapes are attached from the tip of a long pole fixed at the stern of the fishing boat; also called tori pole (Source: World Wide Fund for Nature (WWF) website).

[Initiatives at EMDEPES]

Chilean trawler company EMDEPES has devised a way to prevent seabirds from striking towing wires that extend from the stern into the sea by suspending a weight with a pulley and submerging these wires close to the stern of the vessel. This approach has reduced the number of wire collisions involving seabirds in flight by about 80% compared to conventional methods. This initiative was submitted to the Chilean Ministry of Fisheries, and received a favorable evaluation. EMDEPES fishing vessels are also fitted with devices to prevent bycatch of marine mammals (fur seals, seals, etc.); the company has seen a zero bycatch of these animals since installation of these devices.



Wire for fishing-equipment monitoring sensor

[Initiatives at Sealord]

Sealord, engaged in trawling in the waters around New Zealand and Australia, is a founding member of the Southern Seabird Solutions Trust (Note), which sponsors the Seabird Smart Awards, a program that recognizes fishing companies for their efforts in preventing seabird bycatch. In 2010, Sealord itself received the Seabird Safe Awards 2010 for its vessel, the FV Thomas Harrison. A variety of measures are in place to prevent seabird bycatch, including the following:

- Using bafflers (like a metal scarecrow) and tori lines (streamers) to scare birds away from lines and trawl nets
- Trawling at night when fewer birds are around
- Managing offal onboard to avoid attracting birds to the vessel
- Having a bycatch reduction management plan for every vessel.

(Note) Southern Seabird Solutions Trust: An innovative alliance between the WWF, fishers, and government. Supports and encourages fishers in Southern Ocean fleets to adopt responsible fishing practices and to reduce harm to seabirds around New Zealand caused by fishing by supporting and encouraging the adoption of responsible fishing practices and providing projects that contribute to reducing the impact of fishing on seabirds in Southern Hemisphere fisheries.



Seabird



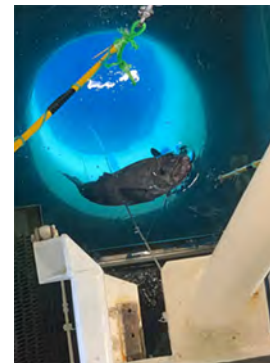
Buffers



Tori lines

[Initiatives at Australian Longline]

Australian Longline, a bottom longline company that operates around Australia, has installed a device called a moonpool on board its vessels. A moonpool is a circular hole in the bottom of a vessel. On longline vessels, reeling in line from these holes reduces the risk of entangling wild birds when compared to working with lines on the deck. This method also has the added benefit of ensuring the safety of seafarers on board.



Moon pool

Initiatives by SeaBOS

SeaBOS member companies, including Nissui, have agreed on policies to reduce the impact of their operations on endangered species. The task force on addressing endangered species has resolved to move forward with efforts to prevent bycatch of endangered species in the fisheries/aquaculture industry, beginning with sharks, rays, and seabirds.

Support for SeaBOS >

Participation in “Tottori Kyosei-No-Mori (Tottori Co-Existence Forest)”

The Forest that Protects Spring Water Nurturing Fish and the Sea

Tottori Prefecture is the home of the Nissui Group companies Yumigahama Suisan Co., Ltd., which is engaged in the aquaculture and processing businesses and Kyowasuisan Kabushiki Kaisha, a fishery company. The farming-related facility of Yumigahama Suisan is located at the foot of Mt. Senjozan which is in Daisen-Okii National Park of Kotoura Town, Tottori Prefecture and trees in certain parts of the surrounding broad-leaved forest have died and required maintenance.



On October 30, 2018, Tottori Prefecture, Kotoura Town and Nissui entered into a forest conservation and management agreement in order to conserve the surrounding 5,933 hectares of forest as the “The forest that protects spring water nurturing fish and the sea.”

On April 7, 2020, the Nissui Group was certified as a collaborative business by the Japan Committee of the United Nations Decade on Biodiversity (UNDB-J) for this forest conservation activities.

Conservation Activities

Continual conservation work is essential to protecting forests.

At the Nissui Group, ever since we entered into the Agreement, we have been conducting employee participation-based conservation activities on a yearly basis. For the participants, these activities become a valuable formative experience in which they get a real sense of the interrelatedness of the “forest, river, and sea,” and their relationships to them. Moreover, through interactions with the people of Tottori Prefecture involved, it is an opportunity for participants to gain familiarity with the local culture and are able to cultivate relations among members of Group companies.

Number of participants

fiscal year	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
Participants	86	104	31	27 (Green Scouts (Note) + Supervisors/ Prefectural staff, etc.)	37	73

(Note) Green Scouts: The Green Scouts are an organization sponsored by the Tottori Prefecture Planting Trees Promotion Committee. Its purpose is to get the children who will eventually lead the next generation of society to familiarize themselves with greenery, develop an affection for it, and protect and nurture it, and in doing so cultivate an attachment to their home communities and grow into people with well-rounded minds and the capacity to love their fellow human beings.

Number of trees planted (Selected from local tree species)

	Japanese horse chestnut	Painted maple	Yamazakura cherry
FY2018	110	105	110
FY2019	10	10	10

Since FY2021, we have been collaborating with Tottori University to conduct a forest survey with the aim of making our conservation activities more scientific. The results of the study showed that about 80% of the seedlings planted in our activities in FY2018-2019 were active and growing well as of 2021. We will undertake another survey of the vegetation inside and around the “Forest that Protects Spring Water Nurturing the Fish and the Sea,” and plan to make further use of local species of trees in our tree-planting activities in FY2022 and beyond. We hope to further improve our activities so that we can establish a forest that is closer to one that would naturally occur and that we can conserve the forest in a practical manner.

On September 24, 2023, participants from Nissui Group's operations in the Chugoku and Shikoku regions, such as Yumigahama Suisan Kaisha and Kyowa Fishery, in addition to stakeholders from Tottori Prefecture, gathered for the 6th conservation activity. The “Exchange Meeting of Green Scouts” was also held on the same day, where 18 elementary school students received an introduction to Nissui Group's business and a lecture on “forests, rivers, and seas.” The event saw participation from 8 members of Yumigahama Suisan Kaisha, 21 from Kyowa Fishery, 3 from Nissui's Chugoku-Shikoku branch, 4 from Tottori Prefecture, 7 from the Central Tottori Forestry Association, 1 from the Tottori Prefecture Chubu Regional Office, 1 from Kotoura Town, 3 from the Tottori Prefecture Planting Trees Promotion Committee, 20 from the Green Scouts, and 5 from Nissui's secretariat, totaling 73 participants. Participants spent approximately 45 minutes cutting underbrush and working up a sweat.



○ “Kodera Kenko no Mori” (“Kodera Health Forest”)

I Nissui Forest

On October 2, 2023, a cooperation agreement for corporate forest creation activities was signed between Hyogo Prefecture, Himeji City, the Hyogo Prefecture Greening Promotion Association, and Nissui. Under this agreement, Nissui's Himeji General Plant as a main body of this activity will participate in forest conservation activities aimed at enhancing the public benefits of forests, including water resource conservation and combating global warming. The Himeji General Plant has designated the forest area in the Ichikawa River basin, the source of its industrial water, as the “Nissui Forest” within the Kodera Health Forest.



I Conservation Activities

Starting in November 2023, the plant began forest conservation activities focusing on water resource conservation, community integration, and raising environmental awareness among employees. These activities, which are held about twice a year, will include underbrush clearing and forest education events conducted under the guidance of forest volunteers. On 25 November 2023, after attending a lecture on the importance of forest conservation and instructions on the tasks to be carried out and safety precautions, forest conservation activities were carried out. A total of 57 participants attended, including Nissui employees and their families, officials from Hyogo Prefecture and Himeji City, and members of the Hyogo Forest Club. Under the guidance of instructors from the Hyogo Forest Club, the participants engaged in activities such as cutting down sun-blocking evergreen trees and bamboos.



○ Conservation Activities of Utsunuki Green Zone

“The Utsunuki Green Zone” is a “*satoyama* (village forests)” adjacent to [the Nissui Tokyo Innovation Center](#), which was built in 2011.

Every year since 2013, activities have been conducted, under the instruction of the “*Utsunuki-Midori-no-Kai*,” to conserve the natural environment in areas surrounding the business location and to promote co-existence with the regional community. The activities begin with a classroom lecture at the log house within the zone, in which participants learn about the connection between the “forest, river and sea,” as well as the flora and fauna of the “*satoyama*,” which is followed by various tasks such as mowing the underbrush in the “*satoyama*.”

The tenth round of activities was held on November 26, 2023, with a total of 53 participants, including Tokyo Innovation Center employees and their families. The day began with a lecture on environmental protection, after which the participants were divided into four groups. Led by members of Utsunuki-Midori-no-Kai (“Utsunuki Green Society”), they explored the Green Zone and learned about the local vegetation. After the tour, participants engaged in various conservation activities such as repairing stairs, creating trails, and trimming undergrowth. A woodworking workshop for children was also held. Nissui has been a supporting member of “*Utsunuki-Midori-no-Kai*” since fiscal 2015.



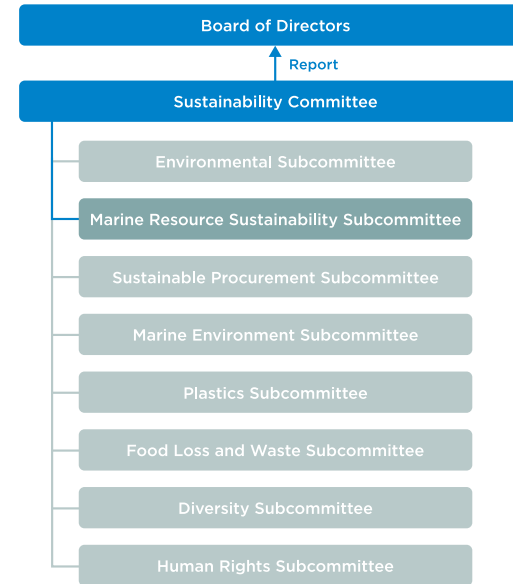
Sustainability of Marine Resources

Policy and Promotion Framework

As there are concerns over the depletion of the world's marine resources, the preservation and sustainable use of marine resources is a pressing issue for the Nissui Group, which is engaged in businesses that utilize the bounty of the sea. We will promote the establishment of businesses that are sustainable in the medium- to long-term, through the handling of marine products whose resource status has been checked, the development of aquaculture technology with low environmental impact, and the acquisition of marine eco-label certification. To meet market demand into the future, we will endeavor to utilize marine products in a sustainable manner.

○ Promotion Framework - The Marine Resource Sustainability Subcommittee

The Marine Resource Sustainability Subcommittee is to identify the resource status of marine products handled by the Nissui Group and promote the sustainable use of resources. The Subcommittee is engaged in initiatives to improve the sustainability of marine resources while collaborating with various organizations, including the Seafood Business for Ocean Stewardship (SeaBOS) and other NGOs, as well as research institutes such as universities.



Sustainability Committee

Chair: President & CEO

Members: All of the Executive Officers and the Outside Directors

Secretariat: Sustainability Department

Report to: Board of Directors

Holding frequency: Six times a year

Marine Resource Sustainability Subcommittee

Chair: Executive Officer (Commissioned Deputy Marine Products Business Operating Officer, in charge of Aquaculture Business Promotion Department)

Members: Managing Executive Officer (Commissioned FC Business Operating Officer, in charge of R&D Group), Executive Officer (In charge of Quality Assurance Group, Sustainability Department), Executive Officer (Commissioned Deputy Food Products Business Operating Officer), Marine Products Business Department 1-4, Marine Business Strategy Department, Central Research Laboratory, Fine Chemicals Operations Department

Secretariat: Sustainability Department

Holding frequency: Four times a year

○ Targets and Results

The targets and results specified in the long-term vision, "Good Foods 2030," and in the mid-term business plan, "Good Foods Recipe1," are as follows.

Indicators	Scope	Results		KPIs		Details
		FY2022	FY2023	Target by 2024 Mid-Term Business Plan "Good Foods Recipe1"	Target by 2030 Long-Term Vision "Good Foods 2030"	
Procurement of sustainable marine resources	The Nissui Group	Next survey results 2024 to be disclosed		80%	100%	Sustainable Use of Natural Marine Resources >

Support for SeaBOS

SeaBOS, which stands for Seafood Business for Ocean Stewardship, is an initiative for promoting the preservation of the marine environment and marine resources and the sustainable use of resources advocated at the "Keystone Dialogue," a conference hosted by the Stockholm Resilience Centre at Stockholm University (Sweden) in November 2016. SeaBOS is distinctive for its activities based on collaboration among eight of the largest seafood companies in the world while receiving support in scientific aspects as well. In December 2016, Nissui became a signatory to and joined SeaBOS, and at the Tokyo Sustainable Seafood Symposium held in 2017, Nissui expressed its support for the thinking behind SeaBOS and declared its commitment to promoting initiatives for SeaBOS as part of its promoting activities of sustainability. Efforts are being made to resolve issues in pursuit of a sustainable marine business, together with leading companies in the seafood industry and scientists worldwide.

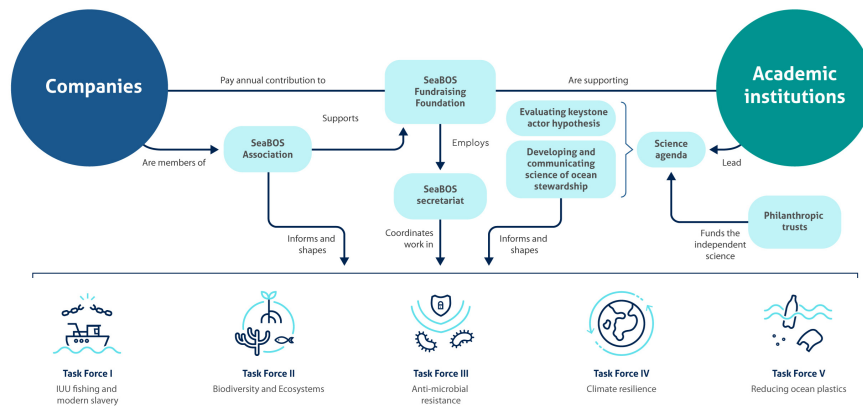
Participation in External Initiatives >

Features of SeaBOS

Connecting Science and Business

One of the major features of SeaBOS is the collaboration by scientists and the major companies of the seafood industry to work toward sustainability with a scientific basis. For example, the companies which form the membership of SeaBOS are selected based on the traditional concept of "Keystone species" in ecological research. "Keystone species" are thought to have a major effect on the ecosystem and serve as the key of each species (The word "keystone" denotes the central stone at the summit of an arch). Based on this concept, SeaBOS believes that the major global seafood companies may become the "Keystone actors" which will have an immense effect on the marine ecosystem and that if these companies assumed leadership in sustainability initiatives, it would have a chain effect on the seafood industry as a whole, and as a result, it would largely improve the management of marine resources and the marine ecosystem.

Science-Industry collaboration for a global transformation towards sustainable seafood production and a healthy ocean

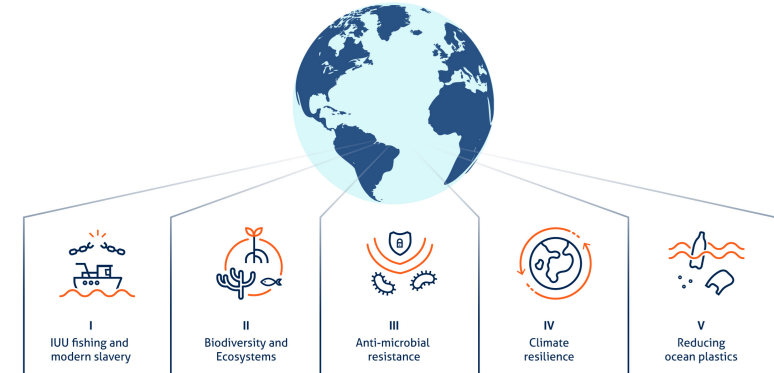


rom SeaBOS materials

Areas Addressed by SeaBOS

SeaBOS has several task forces dedicated, for example, to eliminating IUU fishing and the problem of marine plastics, and engages in various initiatives for the sustainability of marine resources.

The Task Forces of SeaBOS



From SeaBOS materials

Participation in SeaBOS Dialogue

In October 2023, the Eighth SeaBOS Dialogue was held. Discussions were held on each main theme of task forces, including such topics as the elimination of illegal, unreported and unregulated (IUU) fishing and forced, bonded and child labor, the reduction of antimicrobials use in aquaculture, the marine plastics problem and the climate change problem, and an agreement was made regarding their respective targets and plans. See below for the main agreements.

SeaBOS KEYSTONE DIALOGUES

Additionally, a panel discussion on SeaBOS "Publication of SeaBOS Impact Report: Promoting marine stewardship through science-industry collaboration" took place at the "Tokyo Sustainable Seafood Summit 2023," held in October 2023. Nissui took the podium along with SeaBOS, as well as Maruha Nichiro Corporation, Kyokuyo Co., Ltd. and Stockholm Resilience Centre and engaged in discussions on the significance of the integration of business and science and the importance of transparency by major seafood companies as a basis for problem-solving.



The Eighth SeaBOS Dialogue 1



The Eighth SeaBOS Dialogue 2

○ Publication of Impact Report

In October 2023, SeaBOS issued its first "Impact Report" summarizing the progress of each task force working on SeaBOS and company actions taken in 2022-2023.

SeaBOS Impact Report 2023 



○ Joint Cleanup Activities in Japan

Within SeaBOS, Task Force V addresses Reducing Plastic Pollution. In this task force, Maruha Nichiro Corporation, Kyokuyo Co., Ltd., and Nissui have taken on a leading role. Our efforts to address the plastic problem are based on the understanding that waste generated in urban areas ultimately ends up in the oceans.

To further these efforts within SeaBOS, the first three-company joint cleanup event, "SeaBOS Japan Tri-Company Joint Coastal Cleanup 2023," was held on July 29, 2023, at the "Inage no hama" at Inage Seaside Park, Chiba Prefecture. We will continue to collaborate on similar events in the future.



Sustainable Use of Natural Marine Resources

The world's marine resources are being depleted and according to a report by the Food and Agriculture Organization of the United Nations (FAO) in 2022, the stock of only 7% of marine resources of the world was stable, while the stock of 57% had been fully exploited and the stock of 36% had been overexploited. We believe that the status of marine resources is extremely important in terms of medium- to long-term business risks and opportunities for the Nissui Group, which is engaged in businesses that utilize the bounty of the sea.

For this reason, we conduct a survey on the status of marine resources procured by the Nissui Group as a whole, for the purpose of getting a grasp of the resource status of its procured fish and identifying the issues to be addressed. In addition, we promote initiatives aimed at the sustainable use of marine resources on a Group-wide scale.

Second Survey of Procured Marine Resources Sustainability (2019)

Nissui has conducted a resources survey based on the results of the volume of wild fish procured by Nissui and its Group companies (20 in and 20 outside Japan) in 2019. The total volume of wild-caught fish handled by the Nissui Group totaled approximately 2.71 million tons (live weight equivalent), which corresponds roughly to about 2.7% of the world's total wild catch.

Since the previous survey undertaken in 2017, we have expanded and refined our survey methodology to include fish species, catch areas, country of origin, weight (in terms of live equivalent), as well as fishing methods and equipment used. We also added fish oil and compound feed ingredients, which were not included in the first survey, to the scope of this latest survey. Analysis of the survey data was outsourced to the Sustainable Fisheries Partnership (SFP) (Note) to ensure that the results were independently verified.

(Note) Sustainable Fisheries Partnership (SFP): USA-registered NGO that promotes the sustainable production of seafood throughout the supply chain.

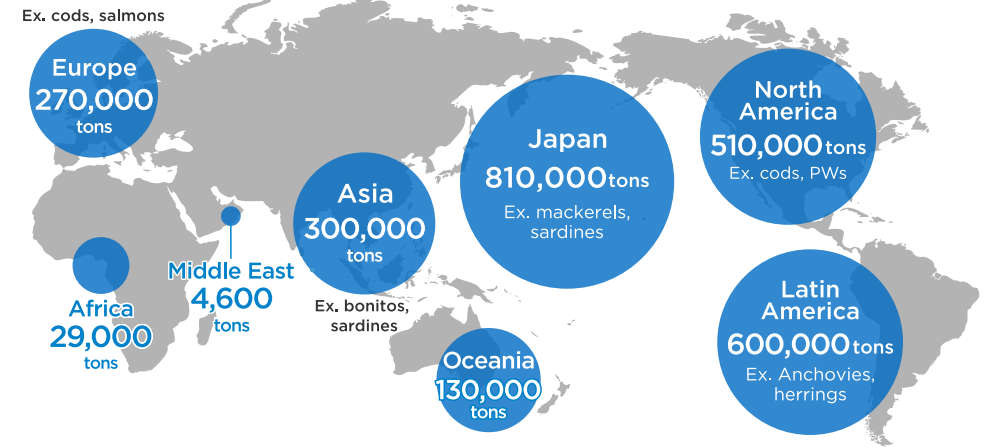
Resources Sustainability Survey Methodology and Results

	The 1 st survey (2017)	The 2 nd survey (2020)
Purchase	2016	2019
Group Company	38 (Nissui, Japan 21, Outside Japan 16)	41 (Nissui, Japan 20, Outside Japan 20)
Not include	Seaweed, Fish oil, Fishmeal used in formula feed	Seaweed
Analysis, evaluation	In-house	Third Party (SFP)
Based on	FAO (Note 1) Fisheries and Aquaculture Technical Paper No. 569. Rome, FAO, 2011. SFP FishSource (Note 2) (Score 4)	SFP FishSource (Score 1-5) ⇒ Method by ODP (Ocean Disclosure Project) (Note 3)

(Note 1) FAO: Food and Agriculture Organization of the United Nations

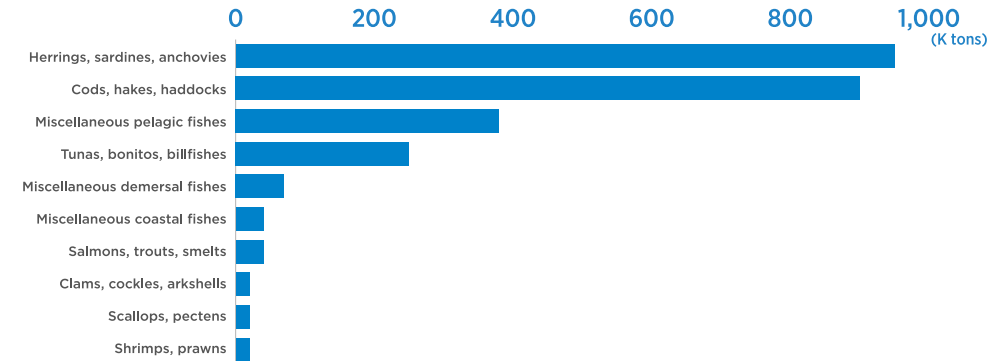
(Note 2) FishSource: An international resource assessment database established by the SFP in 2007. The database was developed based on information on fishery resources from administrative agencies in various countries.

(Note 3) ODP: Online reporting platform for voluntary disclosure of seafood sourcing established by the SFP in 2015.



The survey found that the Nissui Group's procurement regions and volumes are as shown in the figure above, with Japan being the largest, at approximately 810,000 tons, followed by South America and North America.

Volume of Top10 category (by FAO-ISSCAAO classification)



The largest volume in terms of fish species handled was comprised of herring and sardines, which are used as raw materials for fishmeal and fish oil, followed by white fish such as cod and hake, and pelagic fish such as mackerel, horse mackerel and yellowtail. The top two categories accounted for approximately 68% of the total.

Assessment Results of the State of Resources Management

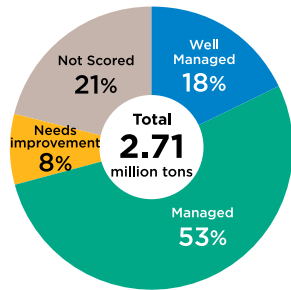
Survey results were sent to an external, third-party organization (Sustainable Fisheries Partnership) to assess the state of resources. FishSource, an international resource assessment database managed by the same organization (see note below), assigns a score out of 10 for each of the following five score categories, which include the state of the resource and the fishery management system, and based on these scores, the state of resource management was evaluated on a four-stage scale according to the method specified by the Ocean Disclosure Project (ODP).

(Note) FishSource: An international resource assessment database developed based on fishery resource information from administrative agencies in various countries.

FishSource Scores

- Score 1: Management Strategy
- Score 2: Managers' Compliance
- Score 3: Fishers' Compliance
- Score 4: Current Health
- Score 5: Future Health

State of resources management of the procured items in 2019



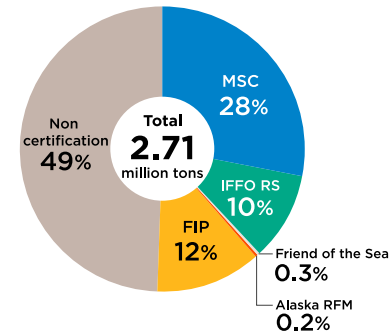
The SFP analysis showed that about 71% of the procured items were in a state of being "well managed" or "managed". Conversely, 8% of resources were shown to be in need of improvement, and 21% could not be scored and therefore not assessed.

ODP Analysis method (by FishSource score 1-5)

- **Well Managed**
: all FishSource scores ≥ 8
- **Managed**
: all FishSource scores ≥ 6
- **Needs Improvement**
: at least one FishSource score < 6
- **Not Scored**
: don't have FishSource score

Third-party Programs to Promote Sustainable Marine Products Use

Ration to total procurement



- **MSC**
: Fisheries ecolabel certification system operated by MSC (Marine Stewardship Council) headquartered in the UK.
- **Alaska RFM**
: Alaska's Responsible Fisheries Management (RFM) Program.
- **Friend of the Sea**
: Fisheries ecolabel certification system operated by an environmental NGO headquartered in Italy.
- **IFFO RS**
: A factory certification standard that guarantees responsible manufacturing and raw material procurement. Marin trust certification.
- **FIP**
: Fishery improvement project in which stakeholders work together to improve the sustainability of the fishery.

In addition, procurement derived from third-party programs that promote the sustainable use of seafood, such as eco-labels, accounted for about 51% of the total catch. Of the approximately 770,000 tons of MSC-certified products, Alaska Pollock accounted for more than 90%, or 720,000 tons.

Establishment of Fish Species for Consideration

The Nissui Group considers the two following categories of procured marine products "(1) Endangered Species" and "(2) Species not scored" to be particular challenges and is discussing future initiatives with a priority on species with a large handling volume.

(1) Endangered Species

As a result of the survey, we found out that some of the marine products we handle contain fish species that fall under the category of Critically Endangered Species I (CR and EN in the IUCN Red List) as defined by the IUCN (International Union for Conservation of Nature).

Measures to Handle Endangered Species

In 2022, we formulated the "[Nissui Group Endangered Species \(Marine Products\) Procurement Policy](#)" and, in line with this policy, decided on measures to deal with fish species that are particularly vulnerable to extinction. Views were exchanged with third parties (NGOs, universities and other research institutions) involved in the conservation of fishery resources to confirm the appropriateness of our response.


(2) Species not scored

Many of the fish species used as ingredients in formula feeds have been identified as being in this category. We will strive to enhance traceability in cooperation with external parties, including participation in supplier roundtable discussions. With regard to other unidentified fish species, we will closely monitor the status of resources and the IUU (illegal, unreported and unregulated) fishing practices of each fishing country, and make recommendations to each country for scientific resource management via SeaBOS.

Implementation of Ongoing Surveys

Nissui conducts surveys on the status of marine resources to understand the environmental impact of the procurement of marine products across the Nissui Group. Based on survey results to date, we have determined that procurement by the Nissui Group does not have a serious impact on the marine environment and fishery resources, although there are some issues that still need to be addressed at this time.

At the same time, the marine resource environment is constantly changing, with increasing demand for marine products and higher seawater temperatures due to climate change. We believe that it is important to carry out surveys on a regular basis and to always take appropriate measures to meet the future needs of the market. Following the 2016 and 2019 surveys, the Nissui Group is in 2023 conducting a survey of marine products procured during the year 2022. By analyzing these results and implementing appropriate measures, we will continue to strive for sustainable use of marine resources.

Click here to see detailed results of the First Survey 

Initiatives to Handle Endangered Species

Nissui Group Endangered Species (Marine Products) Procurement Policy

The Nissui Group is committed to complying with treaties and laws related to biodiversity and to contributing to the realization of a society that is in harmony with nature. For marine resources at high risk of depletion, procurement will be suspended if scientific and practical measures are not taken to recover the resources by 2030.

Scientific and practical measures for resource recovery

1. Fishery products certified by the Marine Stewardship Council (MSC) or other certification bodies (equivalent to Global Sustainable Seafood Initiative (GSSI) certification), or Fishery Improvement Project (FIP) (Note 1) products.
2. Scientific fishery management by international resource management organizations such as Regional Fisheries Management Organizations (RFMOs).
3. Rated "Managed" or above based on criteria established by the ODP (Note 2).
4. Any other specific measures being taken to achieve 1-3 above.

(Note 1) FIP: Fishery improvement project, in which fishermen, companies, distributors, NGOs, and other stakeholders work together to improve the sustainability of fisheries.

(Note 2) ODP: Ocean Disclosure Project. Online reporting platform for voluntary disclosure of seafood sourcing established by the Sustainable Fisheries Partnership (SFP) in 2015.

Endangered Species Based on 2022 Classification and Nissui Group Response Measures

	Species	Science name	Volume (tons)	Current Nissui Group response measures
CR 51.8 t	Spiny dogfish	<i>Squalus suckleyi</i>	51	MSC-certified products account for 50% of procured stock and we aim to increase this percentage in the future.
	European eel	<i>Anguilla anguilla</i>	0.8	Sales channel expansion has been halted.
EN 307 t	Southern bluefin tuna	<i>Thunnus maccoyii</i>	157	As the Regional Fisheries Management Organization (RFMO) is managing the species appropriately, it was determined that procurement within the managed quota will continue to be possible.
	Winter skate	<i>Leucoraja ocellata</i>	116	Sales channel expansion has been halted.
	Sea cucumber	<i>Apostichopus japonicus</i> <i>Isurus</i>	22	With the new Act on Ensuring the Proper Domestic Distribution and Importation of Specified Aquatic Animals and Plants (Japan), it is determined that procurement will continue to be possible in accordance with the management rules.
	Atlantic halibut	<i>Hippoglossus hippoglossus</i>	6	Two of the three Nissui Group companies that previously handled the resource have stopped handling it. The single remaining company has also reduced its handled volume.
	Japanese eel	<i>Anguilla japonica</i>	6	Currently handled by only one company in the Nissui Group. Eel fry will be included in the target species of the Act on Ensuring the Proper Domestic Distribution and Importation of Specified Aquatic Animals and Plants in the future, and measures will be considered in light of this development.

Roundtable Participation

Participation in Global Roundtable on Marine Ingredients

Since 2022, Nissui has been participating in the Global Roundtable on Marine Ingredients, an initiative working to promote sustainable marine products. This was one response to [the second Survey of Procured Marine Resources Sustainability \(2019\)](#), in which there were fish species identified as "Not Scored," where the status of the resource was difficult to assess, or "Needs Improvement," where the status of the resource needs to be improved. Through the activities of this roundtable, we will continue to consider concrete actions.

Participation in External Initiatives 

○ Participating in the “Pacific Bluefin Tuna Conservation Pledge” by WWF Japan

By participating in the “Pacific Bluefin Tuna Conservation Pledge” by WWF Japan, Nissui makes its intention clear to promote further global agreement in regard to the management of Pacific Bluefin Tuna resources together with other Japanese companies supporting this cause.

Please find details at WWF Japan HP [📄](#)

○ RFVS Certification

■ Acquisition of RFVS Certification

Australian Longline Pty Ltd. (Australia), which is one of the Nissui Group companies outside of Japan, is primarily engaged in Patagonian toothfish fishing in the Antarctic Ocean (subject to Marine Stewardship Council (MSC) certification). In January 2021, Antarctic Discovery—a vessel owned by Australian Longline—became the world’s first to acquire the Responsible Fishing Vessel Standard (RFVS) certification. RFVS is a fishing vessel-based certification program and is operated on a global scale by non-profit organization Global Seafood Alliance (GSA). Audits are conducted with respect to the safety and well-being of employees working on board the vessel from the viewpoint of human rights, in addition to fishing vessel management and catch traceability. Having acquired RFVS certification, Australian Longline has demonstrated to the general public that it abides by high standards in terms of welfare and safety for crew members on board its vessel and is not involved in illegal practices such as slave labor and poor living conditions. Australian longline acquired the RFVS certification for their new vessel Antarctic Aurora as well, in February 2021.

■ Recommendation of RFVS Certification

Flatfish Ltd. (UK), which is also one of the Nissui Group companies outside of Japan, contributed to RFVS as a member of the Technical Working Group of RFVS by such means as serving as a peer reviewer of RFVS in 2019 and 2020. Flatfish, which had been in favor of this certification scheme not only since the beginning at the time of its launch in 2006 but also upon its subsequent resumption in 2016, provided ongoing support toward its realization. Also, Flatfish believes that RFVS—which consists of two core principles, namely, “vessel management & safety systems” and “crew rights, safety and wellbeing”—is an extremely important standard for the welfare of fishing boat crew and recommends the adoption of RFVS certification across its entire supply chain.

○ Partnership with New England Aquarium

Gorton's has been forming partnership with New England Aquarium (NEAq), Boston MA, USA, to preserve marine environment and secure sustainable marine resources. The partnership started in 2008 when Gorton's asked evaluation of its seafood products from scientific and sustainable points of view and marked its 15th year in December 2023.



Along with Monterey Aquarium, NEAq has global knowledge of marine resource research and provides scientific and meaningful advice and support including movement of fishery, aquaculture, fish feed and breeding in the conduct of making efforts to promote sustainable fishery.

In addition, Gorton's itself developed Sustainability Action Plan, and has been promoting the plan by exchanging opinion with NEAq and implementing progress management by setting KPI.

Based on the strong trust with NEAq until now, Gorton's, a member of the Nissui Group, will make efforts toward sustainable usage of resources and preservation of the environment in a positive manner.

○ Development of a New Fishing Method (PSH) (Sealord Group, Ltd.)

In order to enhance the sustainable use of marine resources, innovations will also need to be made to the methods of fishing. The problems of fishing methods that destroy the marine environment and bycatch, i.e. the incidental capture of non-target species have been raising concern, and the development of fishing methods that cause the minimum amount of damage to living organisms and the environment has become imperative, for the sake of preventing the marine ecosystem from deteriorating.

The Sealord Group, Ltd. (New Zealand), the Nissui Group company, in partnership with major domestic fisheries companies, Aotearoa Fisheries, Ltd. and Sanford, Ltd. and the research institute, Plant & Food Research, Ltd. which studies sustainable agriculture and fisheries business, has successfully developed the PSH (Precision Seafood Harvesting) fishing method, which reduces bycatch and allows the targeted fish to be caught alive.



The PSH method uses fishing equipment made of flexible PVC which inflates into a tube shape once seawater flows in, allowing fish to be landed live and still swimming, while undersized or smaller species escape through specifically sized holes along the length of the fishing equipment.

Scientific tests have shown that snapper harvested with the PSH system have a 100% chance of survival if they are fished from a depth of 0 to 20 meters. While the survival rates tend to decline with increasing depth, tests have proven that fish caught with the PSH system have better survival rates than those caught using other conventional fishing methods. Hence, it is believed that the PSH system will be an effective method for studying deep sea organisms and catching fish in the deep depths of the ocean.

The four companies, mentioned above, through repeated trial and error including investigative research over the approximately ten years from the project's launch in 2005, were finally able to commercialize (practical application) the PSH fishing method in 2016. The Sealord Group, Ltd. is currently expanding the use of the PSH fishing method and making efforts to contribute to the spread of sustainable fishery.

Promoting Aquaculture

Global seafood consumption has been increasing and demand is expected to continue growing in the future. In order to deliver safe, secure and delicious fish to its customers, the Nissui Group has been focusing on its aquaculture business both in and outside Japan. Outside of Japan, the Group is engaged in the aquaculture of salmon and trout, while in Japan the Group operates the aquaculture businesses of yellowtail, greater amberjack, tuna, coho salmon and mackerel, among others. Furthermore, the Oita Marine Biological Technology Center of the Central Research Laboratory is conducting research and development specializing in aquaculture that translates into the sustainability of marine resources.

Map of the Nissui Group's Aquaculture-related Business Locations and Aquaculture Sites



Framework for Research and Management of Fish Health

Research Hub: Oita Marine Biological Technology Center, Central Research Laboratory

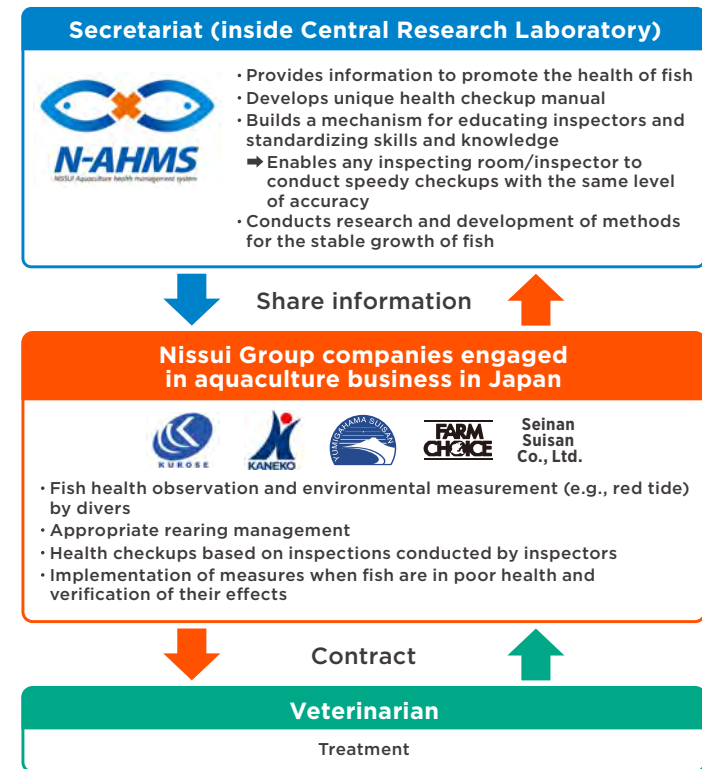
The Center contributes to the Nissui Group's aquaculture business by conducting research on problems that threaten the stable growth of fish.

[Example of Topics Tackled by Oita Marine Biological Technology Center, Central Research Laboratory]

- Fish health management
- Research and development of aquaculture methods without relying on antimicrobials

Nissui Group's Fish Health Management: N-AHMS

The Nissui Group has built a system to manage the health of fish in Japan named N-AHMS (NISSUI Aquaculture health management system). Under N-AHMS, standardization of inspection quality is pursued through the establishment of an in-house certification scheme for grade-A inspectors in charge of checking the health of fish, their instructors, etc. aimed at improving the accuracy and reliability of health checkups of fish.



Number of persons who received in-house certification for health checkups of fish

	FY2021	FY2022	FY2023
Instructors (Note 1)	11	1	0
Grade-A inspectors (Note 2)	25	8	11
Sub-grade A inspectors (Note 3)	-	3	0

As of the end of March each year
 Scope: All consolidated companies of the Nissui Group in Japan (aquaculture companies only)

(Note 1) Instructors: Capable of training apprentice inspectors into grade-A inspectors.
 (Note 2) Grade-A inspectors: Capable of arriving at the correct outcome by conducting health checkups of fish reared in fishing grounds.
 (Note 3) Sub-grade A inspectors: Capable of arriving at the correct outcome by conducting health checkups of fish reared in fishing grounds (limited to observations and microscopic examinations).

| Collaboration with Veterinarians

The Nissui Group has entered into a contract with veterinarians, under which they provide treatment based on the results of health checkups performed by inspectors, manage the use of fisheries medicine and give guidance on epidemic prevention and health management.

○ Improvement of Health and Welfare of Fish

| Animal Welfare Policy in Aquaculture

The Nissui Group, which relies on the bounty of the sea, recognizes the importance of animal welfare in its aquaculture operations. We support the “Five Freedoms (Note)” for animal welfare established by the World Organisation for Animal Health (WOAH) and are committed to continually improving the welfare of farmed fish.

(Note)The Five Freedoms: Freedom from hunger, thirst and malnutrition; Freedom from fear and distress; Freedom from physical and thermal discomfort; Freedom from pain, injury and disease; and, Freedom to express normal patterns of behavior.

Scope

The Nissui Group Aquaculture Business

Optimal Aquaculture Environment

For each fishing ground, we select locations capable of maintaining comfortable water temperatures and oxygen levels suitable for each species. Additionally, we manage the density within the pens to ensure the fish can grow healthily and exhibit their natural behaviors. When national or regulatory standards for aquaculture density exist, we comply with these guidelines in our operations.

Use of Medicinal Products

We do not use antimicrobials for disease prevention or growth promotion in fish. Additionally, all decisions regarding the type and timing of antimicrobial use are made under the supervision of a veterinarian or specialist.

Monitoring of Aquaculture Environment and Health Status

We conduct daily or periodic monitoring of the aquaculture environment, as well as the physical condition and health of farmed fish. If the monitoring indicates a need for improvement, we promptly implement corrective measures.

Low-Stress Slaughter and Prior Stunning

We select methods that minimize stress to the farmed fish and ensure that the slaughter process is completed quickly. In addition, we strive to stun before slaughter using methods that meet welfare standards for all farmed fish. From a welfare perspective, we continually seek better stunning techniques and procedures and work to improve our operations.

Enactment Date : February 19, 2024

| Fish Disease Management

[Skin Parasites]

One of the diseases that pose a problem in the ocean farming of yellowtail, etc. is skin parasites, namely, capsalids, which parasitize the surface of the body of fish. Jointly with a veterinary pharmaceutical company, the Oita Marine Biological Technology Center has developed and put to practical use a method of removing skin parasites (capsalids) by bathing fish in a low-concentration hydrogen peroxide solution (1/3 of the concentration in normal use) in consideration of the safety of fish as well as the environment.

[Sea Lice]

The spread of sea lice is a major challenge for the vast majority of businesses in the salmon farming industry worldwide. In Chile, where Nissui Group company Salmones Antártica S.A. (“SA”) runs an aquaculture business, a nationwide monitoring and control program is implemented by the National Fisheries and Aquaculture Service (Sernamepesca) to prevent the spread of sea lice infections through farming sites.

SA participates in the government’s control program and takes countermeasures against sea lice. In addition, SA is working on the following strategies to further improve the countermeasures against sea lice going forward:

- Evaluation of medicinal benefits of naturally-derived ingredients; and
- Joint research and development of alternative technologies with a Chilean university.

| Killing and Prior Stunning of Fish According to Animal Welfare Standards

In its aquaculture operations, the Nissui Group prioritizes minimizing fish stress by using efficient and humane slaughter methods to ensure the welfare of all fish species. For 100% of the total harvest volume (metric tons), we use short-duration stunning techniques that minimize stress. In addition, for 98% of our harvest volume (metric tons), we either currently use pre-slaughter stunning (Note) or are actively exploring process improvements to encourage its use. In salmon farming, we consistently perform pre-slaughter stunning on the entire harvest volume (metric tons). The stunning methods used by the Nissui Group primarily incorporate the use of electrical stunning.

(Note) Pre-slaughter stunning: The process of rendering fish unconscious and numbing their senses prior to slaughter to prevent them from getting stressed.

Utilization of AI and IoT Technology for Animal Welfare

In collaboration with electrical equipment manufacturers, the Nissui Group has co-developed a solution that automates the measurement of the size of farmed fish, such as of body length, by leveraging the advanced AI and IoT technologies these companies offer. This solution is currently being used in aquaculture settings. In aquaculture, there is a need for such solutions to constantly manage the growth status of the fish. This solution alleviates the risk of stress or disease that comes from people physically handling fish. It also reduces labor and inconvenience, and improves measurement accuracy, thereby boosting productivity. The Nissui Group will continue to deliver safe, secure and delicious farmed fish by expanding the scope of AI and IoT utilization.

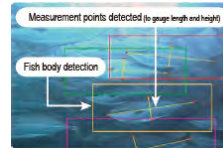


Image Showing AI Detection of Yellowtail

	Number of companies
Implementation status of fish measurement system	5/5 companies

As of March 2024
Scope: All consolidated companies of the Nissui Group in Japan (aquaculture companies only)

Use of Medicinal Products

Approach to Use of Medicinal Products

When using antimicrobials, an appropriate medicinal product is administered under the supervision of a veterinarian/specialist after the diagnosis of the fish disease.

Initiative to Review the Use of Antimicrobials through SeaBOS

As a member of the Seafood Business for Ocean Stewardship (SeaBOS; an initiative aiming at sustainable fishery business), the Nissui Group is working on reducing the use of antimicrobials in aquaculture.

Support for SeaBOS >

Antimicrobial Usage in Salmon Farming

Fish species	Region/Country	Antimicrobials (g)/Harvest volume (t)			
		2020	2021	2022	2023
Coho salmon	Japan	0	0	0	0
	Chile	53	8	23	20
Total		53	8	23	20
Trout	Chile	565	306	336	369
Total		565	306	336	369
Aggregate total		439	229	277	308

Scope: Farming of coho salmon and trout by Nissui Group's consolidated companies in and outside Japan (accounting for % 71of harvest from all aquaculture operations in terms of weight (2023))

Reducing the Impact on the Marine Environment

Escaped fish

[Approach to Fish Escape Prevention]

The Nissui Group aims to reduce the escape of fish to zero with the understanding that fish escaping from farming sites has the risk of affecting the ecosystem. For this purpose, the Nissui Group will engage in the following initiatives.

1. Inspection of facilities
Facilities will be inspected in day-to-day operations. At farming sites that are susceptible to the impact of typhoons, facilities will be inspected before and after the development of typhoons.
2. Identification of escaped fish
If any fish has escaped, all such fish will be identified, recorded in books and tallied regardless of the scale of the escape.
3. Analysis of cause and prevention of recurrence
If any fish has escaped, the analysis of the cause of the escape and measures to prevent its recurrence will be examined, the content of which will be put in writing each time fish has escaped.
4. Employee training
Opportunities for training will be created for employees aimed at preventing fish from escaping (at least once a year)

Number of Escaped Fish

Region / Country	Fish species	2021		2022				2023			
		Number of escape incidents	Number of fish	Number of escape incidents	Number of fish	Cause	Recurrence Prevention Measure	Number of escape incidents	Number of fish	Cause	Recurrence Prevention Measure
Japan	Yellow-tail	1	198	4	39	Operational error	Improve operational environment during medicinal bath treatments for farmed fish	3	11,108	Operational error	<ul style="list-style-type: none"> Strengthened inspections and improved color visibility of winding ropes Review/update of typhoon countermeasure procedures Replacement with lighter hexagonal aquaculture nets that reduce the impact of waves
	Greater amber-jack	1	10	0	0	-	-	0	0	-	-
	Bluefin tuna	0	0	1	740	Natural disaster	Introduction of tanks with high shape retention functionality/tanks with ultra-rigid netting	0	0	-	-
	Coho salmon	1	28,628	0	0	-	-	0	0	-	-
Chile	Trout	0	0	0	0	-	-	0	0	-	-
Total		3	28,836	6	779	-	-	3	11,108	-	-

Scope: All consolidated companies of the Nissui Group in Japan and overseas (aquaculture companies only) and domestic aquaculture-related facilities.

Employee Training on Fish Escape Prevention

Region/Country	No. of implementing companies		Training content example
	FY2022	FY2023	
Japan	6/6 companies	3/5 companies	Workshop: "Efforts to Prevent the Escape of Farmed Fish"
Chile	1/1 company	1/1 company	

Scope: All consolidated companies of the Nissui Group in Japan (aquaculture companies only)

Reducing the Impact of Fish Feed/Feeding on the Marine Environment

Ordinary feeding methods in aquaculture may cause deterioration in water quality at farming sites and their surrounding areas due to leftover feed. To address this, the Nissui Group is promoting the development of aquaculture technologies that alleviate the impact on the marine environment and minimize the effect on marine ecosystems, such as formula feed "EP feed," which is highly digestible and not easily dissipated into the sea during feeding, and automatic feeding control system "Aqualingual" which provides the appropriate amount of feed according to the appetite of the fish.



EP feed



Aquaqual® Feeding System in Otsuchi-cho, Iwate Prefecture

Compared to minced fish meat or powdered feed, the advantages of EP feed are that:

- They are less likely to pollute the water
- Their well-balanced nutrients are easily
- They are easily digested
- They are well-suited to automatic feeding

On-land Farming Attempts to Minimize the Impact on the Marine Environment

Fish species	Region/Country	Initiatives
Vannamei (whiteleg shrimp)	Japan (Kagoshima prefecture)	Following a feasibility study of land-based aquaculture using the 'closed biofloc method,' the project has been commercialized from April 2023. This reduces the amount of water used to the bare minimum required for raising shrimp and uses aggregates of microorganisms (i.e., bioflocs) in the rearing tank for water treatment.
Chub mackerel	Japan (Tottori prefecture)	The Nissui Group and Hitachi Zosen Corporation are engaged in the joint development of land-based recirculating aquaculture technology for chub mackerel. The environment is optimally controlled in terms of water temperature and water quality with the use of underground seawater and a recirculating water treatment system. As it does not use seawater sourced from the open sea, it reduces the risks of parasites such as anisakis.
Atlantic salmon	Denmark	In April 2020, Nippon Suisan (Europe) B.V., together with Marubeni Corporation, acquired a capital stake in Danish Salmon A/S, a company engaged in the business of farming salmon using recirculating aquaculture systems ("RAS") in Denmark. The expansion work completed in 2023. It plans to increase its production scale from the current harvest volume of 1,000 tons to 2,700 tons.

Countermeasures against Marine Plastics

Marine Plastics >

Marine Eco-Labels

The Nissui Group aims to preserve the bountiful sea and improve the sustainability of marine resources. One way in which we aim to do that is by acquiring ASC and MSC certification, and by using marine products that have marine eco-label certification.

○ The First Japanese Company to be a Funding Partner of the GSSI

Seafood certification programs such as MSC determine their criteria on the basis of the “Code of Conduct for Responsible Fisheries” and the “Guidelines for the Ecolabelling of Fish and Fishery Products from Marine Capture Fisheries” of the Food and Agriculture Organization of the United Nations (FAO) but with the widespread acceptance of the concept of sustainable seafood, the number of certification programs has multiplied and it has become necessary to ascertain the value of such certifications. Consequently, the GSSI (Global Sustainable Seafood Initiative), a third-party benchmarking agency to verify that certification programs meet FAO guidelines, was established. GSSI is an international partnership that verifies programs assessing the sustainability of marine products. In April 2017, Nissui became the first Japanese company to become a Funding Partner which promotes global resource sustainability. As of March 2023, six companies of the Nissui Group are registered as Funding Partners. As a company engaged in the marine products business, Nissui Group will address the issue of sustainable use of marine resources, as well as contribute to the realization of responsible fishery.



Participation in External Initiatives >

Funding Partners of the GSSI in the Nissui Group

- Nissui Corporation
- UniSea, Inc.
- Gorton's, Inc.
- King & Prince Seafood Corp.
- Nordic Seafood A/S
- Glacier Fish Company, LLC

○ Promoting the Acquisition of MSC Certification

MSC certification is a certification program operated by the Marine Stewardship Council (MSC) for sustainable fisheries in which fish are caught by protecting marine nature and resources, and is one of the most prominent marine eco-labels. Marine products caught by MSC-certified fisheries are internationally traceable, which translates into appropriate marine resource management. MSC certification is recognized for its trustworthiness and rigorousness and is approved by the Global Sustainable Seafood Initiative (GSSI). The Nissui Group has acquired MSC certification for multiple fishing grounds and species, including Alaska Pollock. According to the second resource status survey on marine products procured by the Nissui Group conducted in 2020, 28% of wild-caught fish procured by the Nissui Group were caught by fisheries that had acquired MSC certification.



MSC-C-51733

■ MSC Certification Acquired for *Merluccius Australis* Fishery

Merluccius australis (Chile Austral hake) bottom trawl and midwater trawl fishery/longline fishery operated in Chile Fishing Areas X, XI and XII by Empresa de Desarrollo Pesquero de Chile S.A. (EMDEPES) (Chile)—a Nissui Group company—and three other companies acquired MSC certification (Fisheries Certification Requirements (FCR) version 2.0) on September 24, 2019. In June 2020, EMDEPES acquired CoC certification for its two vessels, “UNIONSUR” and “UNZEN,” as well as its logistics facilities. EMDEPES produces mainly H&G (Headed and gutted) and filleted *Merluccius australis*, etc. and sells them primarily to the Spanish market. Having acquired CoC certification, EMDEPES will be able to produce and sell them as MSC-certified products.

■ MSC Certification Acquired for Skipjack Tuna and Yellowfin Tuna Purse Seine Fishery

On February 15, 2024, Kyowa Fishery Co., Ltd., a Nissui Group company, in collaboration with another partner company, became the first Japanese-flagged purse seine fishing operation to achieve MSC (Marine Stewardship Council) certification for their skipjack tuna and yellowfin tuna fishery in the central western Pacific.

○ Promoting the Acquisition of ASC Certification

ASC certification, which is operated by the Aquaculture Stewardship Council (ASC), is a certification scheme to certify that aquaculture business is operated by sustainable methods and its seafood is “responsibly farmed seafood” in which consideration has been given to the surrounding natural environment and local communities. This certification scheme is one of the social mechanisms for alleviating the environmental impact of aquaculture itself while complementing the sustainable use of natural resources, and for supporting the daily lives of people in the local communities engaged in aquaculture business that gives consideration to them.



ASC-C-01759

Acquires World's First ASC Certification for Buri Yellowtail

Kurose Suisan Co., Ltd., a Nissui Group company, became the first in the world to acquire ASC certification for its Buri Yellowtail on December 16, 2017, and acquired Chain of Custody (CoC) certification (Note) for its processing plant on November 30, 2017. Kurose Suisan is one of the largest operators of Buri Yellowtail aquaculture in Japan, and its "Kurose Buri (Yellowtail)" brand is distinctive for its firm flesh. Kurose Suisan provides a stable supply of fatty, high-quality Buri Yellowtail throughout the year, thanks to Nissui Group's aquaculture technology.

Acquires ASC Certification for Salmon/Trout

Salmones Antartica S.A. (SA) (Chile), a Nissui Group company, acquired ASC certification for its salmon/trout on March 5, 2019, and received Chain of Custody (CoC) certification (Note) for its processing plant on its head office's premises on March 4, 2019. The certified farm is Bahía Acontilada Sector 1, Aisen Region. Salmon/trout and coho salmon handled by Salmones Antartica, which are distributed to markets worldwide through Nissui Group's sales networks, have become familiar among consumers as the "FIVE STAR" brand.

SA has obtained ASC certification for 30% of its production volume. Looking ahead, the company aims to achieve ASC certification for 100% of its production volume by the end of 2024.

(Note)Chain of Custody (CoC) certification: This is a certification managed and operated by the Marine Stewardship Council (MSC) with respect to the management of processing and distribution processes (i.e., Chain of Custody). It certifies that its certified seafood has been managed appropriately, has not been contaminated with non-certified ingredients and is free from mislabeling throughout all processes of production, processing and distribution of the products.

Promoting the Acquisition of BAP Certification

Best Aquaculture Practices (BAP) certification, the operation of which was launched by nonprofit organization Global Aquaculture Alliance (GAA) in 2002, is a third-party certification program which certifies that consideration has been given to the environment, social responsibility and animal welfare and food safety has been ensured in each stage of the aquaculture supply chain, i.e., hatchery, feed mill, farm and processing plant. BAP certification is distinctive in that it certifies the aquaculture supply chain on a process-by-process basis; the four respective processes of the hatchery, feed mill, farm and processing plant are subject to certification on an individual basis, and the number of "stars" on the BAP label represents the combination of the certified processes.

Acquires "Four-star" BAP Certification for Salmon/Trout

Salmones Antartica S.A. (SA) (Chile), a Nissui Group company, acquired BAP certification for its feed mill (Los Ángeles, Bio Bio Region) in August 2018, processing plant (Isla de Chiloé, Los Lagos Region) in January 2019, seawater aquaculture farm (Bahía Acontilada Sector 1, Aisen Region) in March 2019, and fresh-water aquaculture farm (Los Tambores fresh-water aquaculture farm in La Union, Los Rios Region) in August 2019. Having been certified for all four processes (i.e., hatchery (fresh-water aquaculture farm), seawater aquaculture farm, feed mill, and processing plant), Salmones Antartica acquired "four stars," the highest level of BAP certification.

Promoting the Acquisition of MEL Certification

MEL is a certification scheme to promote the initiatives by producers who proactively engage in sustainable use of marine resources and activities to protect the ecosystem, as well as the initiatives of processors and distributors who proactively handle the marine products of such producers; and to ensure the transparency of the handling of marine products at each stage including fishery, aquaculture, processing and distribution and to contribute to the selection by and the gaining of trust of related operators and consumers. This scheme is operated by Marine Eco-Label Japan, which was launched in December 2016, with three types of MEL certification: (1) Fisheries certification, (2) Aquaculture certification and (3) Chain of Custody (CoC) certification.

In 2019, "MEL," was recognized by the GSSI (Global Sustainable Seafood Initiative), a benchmarking agency for international marine eco-labels, marking the first time an Asian marine eco-label scheme has received recognition. Marine eco-labels approved by GSSI (e.g. MSC and ASC) are, in effect, international standards, that are adopted as procurement standards by the world's major retailers.



Acquisition Status of Marine Eco-Labels

To enhance the sustainability of marine resources, the Nissui Group is making efforts to acquire and spread marine eco-labels.

Acquisition Status of Marine Eco-Labels

Name of certification	2021		2022		2023	
	Number of products	Total sales volume (tons/year)	Number of products	Total sales volume (tons/year)	Number of products	Total sales volume (tons/year)
MSC (Note 1)	29	5,417.6	42	6,779.0	44	6,439.6
ASC (Note 2)	2	30.6	6	93.2	5	54.6
MEL (Note 2)	-	-	3	3,374.0	4	5,858.2

(Note 1) Scope of data: Products for which applications were made by Nissui Corporation (As of May of each year).

(Note 2) Scope of data: Products for which applications were made by Nissui Corporation and its Japanese group companies (As of the end of December of each year).

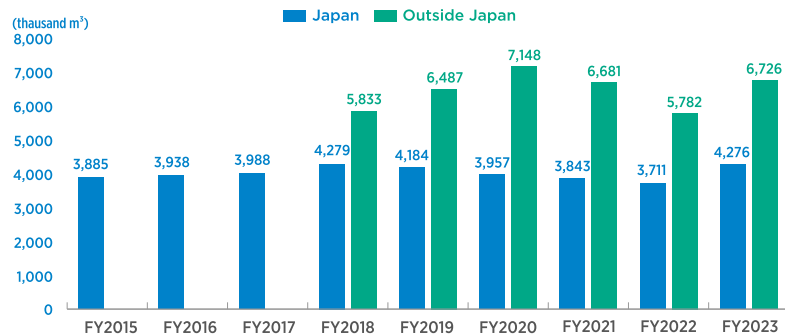
Reducing Environmental Impact

The Nissui Group thinks CO₂ emissions, water use and waste production as three important benchmarks, and has since been making efforts to reduce environmental impact. In fiscal 2021, we formulated our long-term vision "Good Foods 2030"/mid-term business plan "Good Foods Recipe1" and set ambitious targets for reducing environmental impact.

[Sustainability Targets \(Long-Term Vision "Good Foods 2030"/Mid-Term Business Plan "Good Foods Recipe1"\)](#) >
[Environmental Data](#) >

Water

Water Use



Reduction of Water Use in Production Plant

[Reducing Water Consumption through the Switch to Chiller (Cooling Water Circulation Equipment) (Mogami Foods)]

Mogami Foods, which is one of the Nissui Group companies, manufactures frozen prepared food products. In FY2022, Mogami Foods carried out an update of the vacuum cooler on its ingredients line at the plant. At that time, the existing outdoor unit was also switched from a cooling tower system to a chiller, and one cooling tower that was no longer required was removed. Previously, water loss due to evaporation had occurred in the cooling tower. However, this switch solved the problem and has led to a reduction in water consumption. In addition, the company made other changes, such as replacing components on the production line; all these efforts combined are linked to a total reduction in water use of approximately 2,200 cubic meters per year.



Chiller (Cooling water circulation equipment)

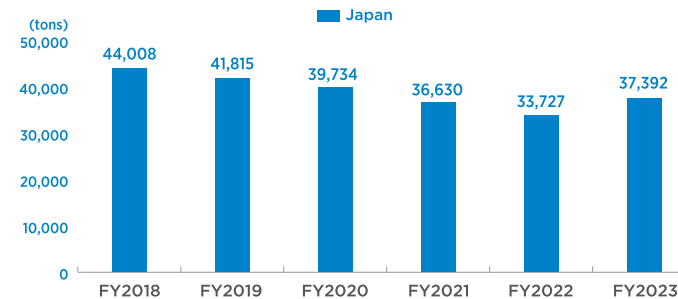
Evaluation of Water Risk

A number of global standards are available for evaluating water risk. In fiscal 2022, the Group applied Aqeduct, a standard of the World Resources Institute (WRI), to evaluate individual manufacturing and logistics sites in Japan and outside Japan. Going forward, the Group will continue to implement measures to reduce water use and explore ways of refining methods of evaluating water risk.

[Initiatives for TCFD Recommendations](#) > [Overview of Scenario Analysis in Strategy](#) > [Evaluation of Water Risk](#) >

Waste

Waste Generated



Initiatives Related to Waste Reduction

- [Click here for the reduction of food loss and waste](#) >
- [Click here for initiatives to prevent fishing gear from flowing out into the ocean](#) >
- [Click here for the reduction of plastic containers and packaging](#) >

Plastic Problems

Policy and Promotion Framework

Plastics are light and durable materials that make our lives more convenient, yet they are also associated with such societal issues as the problems of waste, marine plastics, and global warming.

As part of its initiatives to address the problems associated with plastics, the Nissui Group is rigorously promoting the management of plastic fishing equipment used in its fisheries and aquaculture business. For plastics used in plants of production and plastic containers and packaging for food products, we are concurrently promoting 3R+R (Reduce, Reuse, and Recycle, plus Renewable) activities and studying the use of alternative materials. In addition, we are committed to tackling this issue not just as a company, but through the actions of every employee. We clean up public areas around our offices as well as beaches and rivers with a shared sense of purpose, specifically:

- Giving back to the local community
- Picking up garbage that is the result of littering or that has washed ashore, including plastics, thereby preventing those things from outflowing into ocean

○ Nissui Group Establishment of Basic Policy to Address the Problem of Plastics

Nissui Group's fundamental approach regarding the problems of marine plastics and the use of plastics was deliberated, and a policy was established.

■ Nissui Group Basic Policy Regarding the Problem of Plastics

We will work alongside other stakeholders to combat the problem of marine plastics as well as other global environmental issues, and to preserve the bountiful sea

1) Plastics outflowing to the ocean

Regarding plastic fishing equipment used in the fisheries and aquaculture businesses, we will prevent them from becoming microplastics and ghost gear (Note) by the use of alternative materials and assiduous management of the use of plastics

2) Waste from the production stage

We will work to reduce plastic waste from our production plants and promote recycling

3) Waste from the consumption stage

We will work to reduce the impact on the environment from our food containers and packaging, making use of plastic's quality retention ability and other capabilities

- Reduce the amount of plastic through continued review of product design
- Use (substitute with) plant-based resources (biomass-based plastic), easily recyclable containers and packaging, and recycled material

4) Initiatives by every employee

Through participation in cleanup campaigns, employees will work to reduce plastic waste in the community, river, and sea, and preserve the marine environment

(Note) Ghost gear: Fishing equipment that is lost or abandoned and remains in the marine environment

Enactment Date : February 21, 2020

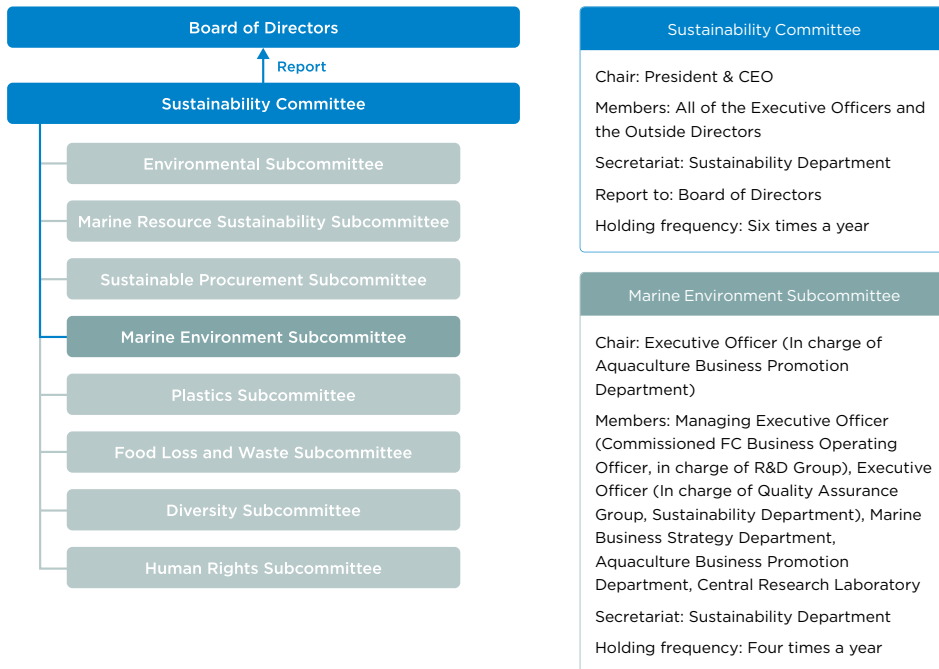
○ Promotion Framework - The Marine Environment Subcommittee/ The Plastics Subcommittee

Global concern about plastic marine pollution is driven by its harmful effects on marine ecosystems and human populations. There are also societal concerns, including the low effective utilization rate of discarded plastics and poor resource recycling. In an effort to bring about positive change, Nissui is actively engaged in addressing the challenges posed by plastics through its business activities.

■ The Marine Environment Subcommittee

The Marine Environment Subcommittee is promoting zero emission of plastics in the marine environment.

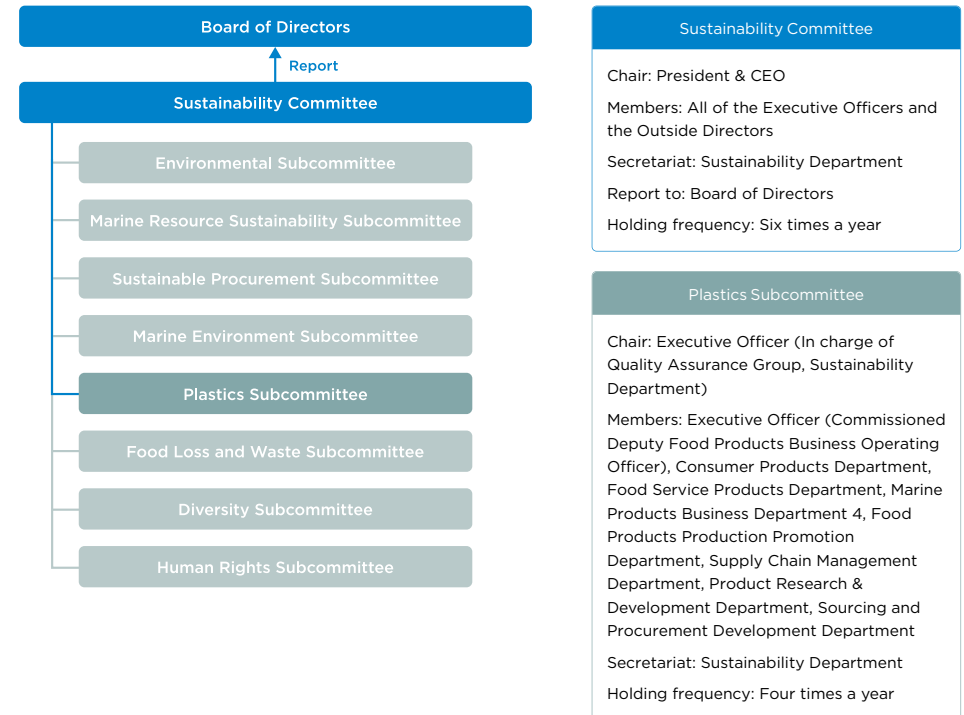
- Monitoring of the management status of plastics used in the fisheries and aquaculture businesses, making improvements and commitments
- Investigation of the actual outflow of microplastics and promoting activities to stop such outflow
- Promoting cleanups on land and activities to collect marine debris and other waste
- Review of the use of antimicrobials in aquaculture



■ The Plastics Subcommittee

The Plastics Subcommittee is promoting the 3R + R (Reduce, Reuse, Recycle + Renewable) of plastic resources.

- Promoting reduction and recycling of plastics at plants, at home (disposable plastic packaging) and each stage of distribution
- Participation in and cooperation with Japan Clean Ocean Material Alliance (CLOMA) and information gathering



○ Targets and Results

The targets and results specified in the long-term vision, "Good Foods 2030," and in the mid-term business plan, "Good Foods Recipe1," are as follows. Our initiatives are based on three perspectives: reducing the use of plastic in containers and packaging, reducing plastic waste at the production phase, and preventing marine pollution.

Indicators	Scope	Results		KPI		Details
		FY2022	FY2023	Target by 2024 Mid-Term Business Plan "Good Foods Recipe1"	Target by 2030 Long-Term Vision "Good Foods 2030"	
Plastic use in containers and packaging (Compared to FY2015 Unit: Per unit)	Nissui Corporation	Reduced by 11%	Currently calculating	Reduced by 10%	Reduced by 30%	Containers and Packaging/Waste >
Plastic waste at the production phase (Compared to FY2017 Unit: Per unit)	The Nissui Group in Japan	Reduced by 19.5%	Reduced by 16.6%	Reduced by 15%	Reduced by 30%	
Switching over to floats that have a low risk of outflowing into the ocean	The Nissui Group	52.4% switch-over completed	71.8% switch-over completed	100%	-	Marine Plastics >

[Prevention of Fishing Gear from Flowing Out into the Ocean]

Recognizing the potential risks that outflow of plastic fishing gear into the ocean poses to the marine environment and ecosystems, the Nissui Group aims to achieve zero incidents of such outflow of the fishing gear equipment used by its aquaculture and fishing companies. In the event of outflow of fishing gear into the ocean, we will strive for thorough reporting and take steps to prevent recurrence.

Report on Incidents of Fishing Gear Outflow

Country	Region	Location	Date	Type of fishing gear	Items	Cause	Preventive measures taken
Japan	Miyazaki prefecture	Offshore fish farm	August, 2023	Psycholac (float)	9	Natural disasters (impact of typhoon surges)	Continue third-party inspections prior to typhoon season. In addition, conduct pre-inspections and any necessary repairs at the time of storm forecasts. Re-evaluate the material and thickness of binding ropes.

Scope: All consolidated companies of the Nissui Group in Japan and outside Japan (aquaculture/fishery companies only)

[Click here for initiatives to prevent fishing gear from flowing out into the ocean >](#)

Marine Plastics

○ Initiatives to Prevent Fishing Gear from Flowing Out into the Ocean

At present, some of the sources of marine plastic litter are known to be lost and abandoned fishing gear, which is referred to as "ghost gear," "ALDFG" (Note 1), etc. Through SeaBOS (Note 2), Nissui has joined GGGI (Note 3) and is also making efforts to prevent fishing gear used by fishery companies and aquaculture companies in the Nissui Group in Japan from flowing out into the ocean.

(Note 1): Abandoned, Lost or otherwise Discarded Fishing Gear.

(Note 2): Seafood Business for Ocean Stewardship.

(Note 3): Global Ghost Gear Initiative. An international body working to prevent fishing gear from flowing out into the ocean.

■ Enhancement of Fishing Gear Management Rules

The Nissui Group will manage fishing gear in a thoroughgoing manner not only to prevent fishing gear from flowing out into the ocean but also to help reduce accidents involving the breakage of fishing gear (operation loss, escaped cultured fish and other factors that affect the ecosystem) and work-related accidents.

We are enhancing fishing gear management rules at all aquaculture companies and fishery companies in the Nissui Group in Japan. Our existing fishing gear management rules at the individual company level have been reviewed afresh from the viewpoint of preventing fishing gear from flowing out into the ocean by using GGGI's "Best Practice Framework for the Management of Fishing Gear" (a guideline for fishing gear management targeting persons involved in fishery business, consisting of prevention, mitigation and remediation) as reference. These fishing gear management rules include equipment condition checks, employee education, appropriate disposal of used fishing gear, and reporting procedures, etc., in the unlikely event that fishing gear has been lost or abandoned.

■ Initiatives

[Initiatives: Prevention]

- Sorted items to be checked in terms of fishing gear equipment condition and replacement criteria: Reconfirmed items to be checked in inspections and replacement criteria for each fishing gear on an individual company basis (i . Visual inspection, ii . Useful life, iii. Numerical criteria)
- Introduced maintenance records: Utilized fishing gear maintenance records for managing fishing gear
- Appropriate disposal of used fishing gear: Confirmed the appropriate disposal of used fishing gear as industrial waste in compliance with the law
- Pre/post-typhoon checks: Checked fishing gear before/after a typhoon has passed at farming sites that are susceptible to the impact of typhoons
- Conducted employee education: Established a rule to conduct education on the marine plastics problem targeting employees at each company (at least once a year). The results are as follows.

Employee Education

	FY2021		FY2022		FY2023	
	Aquaculture companies in the Nissui Group in Japan	Fishery companies in the Nissui Group in Japan	Aquaculture companies in the Nissui Group in Japan	Fishery companies in the Nissui Group in Japan	Aquaculture companies in the Nissui Group in Japan	Fishery companies in the Nissui Group in Japan
Number of educating companies	6 out of 6 companies	1 out of 1 company	6 out of 6 companies	1 out of 1 company	5 out of 5 companies	1 out of 1 company
Number of times conducted	13 times	2 times	12 times	1 times	20 times	1 times
Total number of participants	243 persons	21 persons	342 persons	18 persons	286 persons	52 persons

[Initiatives: Mitigation]

We standardized reporting procedures and matters to be reported in the unlikely event that fishing gear has been lost or abandoned. Within the Group, it is mandatory for the staff at the site of each aquaculture company/fishery company to report such an incident to the company representative, who must then report it to Nissui's executive officer. Outside the Group, a report must be made to relevant organizations, etc. Matters to be reported are standardized among all companies, including basic information (i.e., when, where, what, how and why), in addition to the recoverability of such fishing gear and preventive measures for the future. In the event of outflow of fishing gear into the ocean, we will strive for thorough reporting and take steps to prevent recurrence.

Report on incidents of fishing gear outflow >

[Initiatives: Remediation]

Objects washed ashore after a natural disaster (e.g., typhoon) pose a big problem. These include plastics, including fishing gear such as floats, which not only affect the scenery and the coastal environment but are also costly and require a lot of manpower to deal with them. In the event of fishing gear being lost by the Nissui Group in the course of our operations, we will endeavor to retrieve such fishing gear to the best of our ability.

Switching over to Floats That Have a Low Risk of Becoming Plastics That Outflow into the Ocean

Goal of the Nissui Group

By the end of FY2024, the Nissui Group will cease the use of polystyrene foam floats in nylon covers for use in aquaculture and completely switch over to floats that have a lower risk of becoming plastic that outflows into the ocean.

The Nissui Group is engaged in the farming of salmon and trout outside Japan, and of yellowtail, tuna, coho salmon, mackerel, red sea bream, and others in Japan. Traditionally, mostly polystyrene foam floats wrapped in nylon covers have been used in marine aquaculture operations in Japan (Note 1), but compared to other types of floats, the nylon covers inferior in terms of strength, and there are concerns over the risk that, if they happen to tear, the polystyrene inside them could break apart and outflow into the ocean. Given that problem, in FY2019, we conducted a study on the number of nylon-covered polystyrene foam floats owned and their use by the Group as a whole. Furthermore, we made the decision to cease the use of such floats entirely throughout the Nissui Group by the end of FY2024 and replace them with floats that have a lower risk of outflowing into the ocean. (Note 2) The Group as a whole will continue to study the use of fishery gear with a lower risk of outflowing out into the ocean and to work to address the problem of marine plastic through our businesses.



Floats used in marine aquaculture



Before switchover: Nylon-covered polystyrene foam floats



Post-switchover example: PE-coated polystyrene foam floats

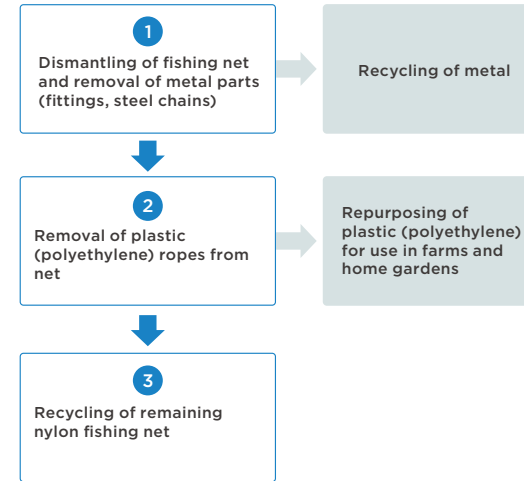
(Note 1): We were able to confirm that the marine aquaculture fisheries of Group companies outside Japan are not using nylon-covered polystyrene foam floats.

(Note 2): PE-coated polystyrene foam floats or hollow resin floats.

Fishing Gear Recycling

Sealord Group Ltd., a Nissui Group company based in New Zealand, is involved in fishing as well as the processing and sale of seafood products. In collaboration with Motueka Nets, also located in New Zealand, Sealord is advancing the recycling of its fishing nets. Traditionally, Sealord disposed of used fishing nets in landfills. These nets, composed of metals and various types of plastics, could not be recycled without proper separation of materials—a process that was highly labor-intensive. Through their partnership, Sealord and Motueka Nets have made it possible to dismantle, sort, and recycle fishing nets.

Fishing Net Dismantling and Recycling Flow



Sealord's nets 1

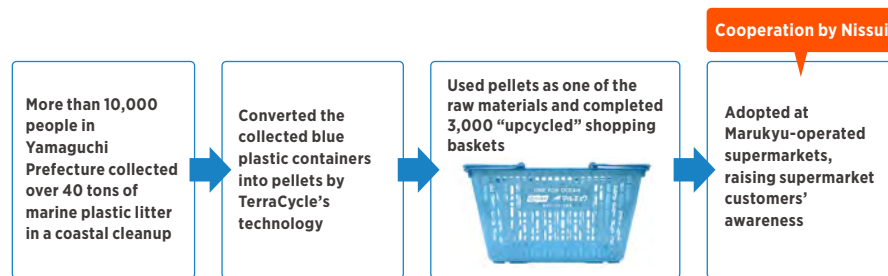


Sealord's nets 2

○ Participating in Marine Plastic Litter Upcycling Project

“Upcycling” means utilizing waste, items no longer needed and other things that would have otherwise been discarded and transforming them into other products. In fiscal 2021, Nissui worked jointly with the Yamaguchi Prefectural Government, Marukyu Co., Ltd. and TerraCycle Japan on “ONE FOR OCEAN,” a private-public upcycling project utilizing marine plastic litter. This project has been adopted as a model project in the “FY2021 Local Blue Ocean Vision Project” of the Ministry of the Environment. In FY2021, Nissui, together with Yamaguchi Prefecture, Marukyu Co., Ltd. and TerraCycle Japan, launched the public-private upcycling project called “ONE FOR OCEAN” (centered around the utilization of marine plastic waste, “ONE FOR OCEAN” was chosen as a model project for the Ministry of the Environment’s “FY2021 Local Blue Ocean Vision” project). A total of 409 people, including prefectural residents, private organizations and companies, participated in the coastal cleanup held as part of the project, collecting 2.9 tons of litter.

Flow of “ONE FOR OCEAN” (Example from FY2021)



○ Support of a Venture Addressing the Problem of Plastics Flowing into the Ocean (Pirika Inc.)

Marine litter including plastics is said to originate from the land, mainly from the cities but its discharge routes are not known. From fiscal 2018, Nissui has been a supporter of Pirika Inc., which is committed to the Albatross Project that aims to investigate the facts surrounding plastics flowing into the ocean and has commenced concrete approaches in dealing with the problems of the marine environment and the problem of plastics flowing into the ocean, which are directly connected to Nissui's business.

Details of the Albatross Project which aims to investigate the facts surrounding the problem of plastics flowing into the ocean

●STEP1

Development of research methods: Develop an effective method of research on the flow of plastics into the ocean.


●STEP2

Clarification of the flow mechanism: Study the mechanism of plastics flowing into the ocean (flow routes and flow items) and narrow down the problem.

●STEP3

Study and implementation of measures: Study, prioritize and implement measures to combat the problem of plastics flowing into the ocean.



Pirika Inc. 

Containers and Packaging/Waste

○ Nissui's Original Eco Mark "Mirai-no Umie"

In March 2021, Nissui began marking its product packaging with its eco mark "Mirai-no Umie" (meaning "For the future ocean"). The purpose of this eco mark is to make Nissui's environmentally-friendly initiatives widely understood and known among customers through the packaging so that they can select environment-friendly products. "Mirai-no Umie" started appearing on new products and updated products released on March 1, 2021.

Intention Behind the Design



This eco mark was designed in the motif of "∞" (i.e., infinity), symbolizing the circulation of water in forests, rivers and the ocean. The left part of the eco mark represents eco-initiatives, whereas the right part denotes the bountiful sea. The eco mark signifies that environmental friendliness will bring about the ocean's bounty, and in turn, translate into people's healthy and energetic lives and a hopeful future.

Marked Products

All Nissui-branded products are within the scope of being marked with "Mirai-no Umie"; products can bear the eco mark when environmentally-friendly efforts have been made in their containers and packaging. Marking-related environmental friendliness criteria are prescribed in Nissui's "Container/Packaging Selection Guidelines" as well as marking criteria for the "Mirai-no Umie" mark.

Marking Criteria and Example of Presentation (One Example)

The eco mark is displayed on the individual packaging, label, etc. of the product along with a description of their environmental friendliness in concrete terms, such as "plastic usage has been reduced in this tray (xx% less than before)."

Reduce	Plastics reduced (film, tray, etc.)		
	Tray-less		
Replace	Plant-derived materials used		
	Recycled materials used		
Replace	Plastics replaced with paper		
Recycle	Non-aluminum-metallized film		
Other forms of environmental friendliness (other than plastics)	Plant-derived ink		

Product Bearing "Mirai-no Umie" Mark (One Example)



Establishment of Nissui's Container/Packaging Selection Guidelines

In fiscal 2020, Nissui established the Container/Packaging Selection Guidelines, in consideration of the impact of plastics on the global environment, such as the marine plastics problem and global warming. One of the objectives is to reduce the volume of plastics used in containers and packaging to the extent possible, while taking advantage of their roles and functions, including protecting products and maintaining their quality. The Guidelines are applicable to all Nissui-branded products (i.e., frozen prepared foods, surimi-based products, shelf-stable foods, marine products and fine chemical products).

Container/Packaging Selection Guidelines

	Description of initiatives	Specific examples
Reduce	Suppress the volume of plastics used in containers and packaging (minimization)	<ul style="list-style-type: none"> • Packaging size adapted to the content size • Films and trays with limited thickness • Keep the number of parts low
Replace	Adopt plant-derived and recycled materials and replace existing materials with them	<ul style="list-style-type: none"> • Biomass-based composite materials • (including biomass-derived biodegradable plastics) • Recycled materials (e.g., recycled PET) • Paper materials
Recycle	Adopt and switch to easy-to-recycle materials	<ul style="list-style-type: none"> • Aluminum-free • Conversion to single material (i.e., mono-material) • Design/structure that allows easy waste separation
Other forms of environmental friendliness (other than plastics)	Pursue environmental friendliness also for materials other than plastics, such as adopting plant-derived ink and paper certified by the Forest Stewardship Council (FSC).	<ul style="list-style-type: none"> • Plant-derived ink • FSC-certified paper

Inclusion into Product Development Flow

Nissui has prepared a "Container/Packaging Selection Checklist" in accordance with the Guidelines and implements it as part of the product development flow. It serves as a mechanism that enables us to check whether or not appropriate environmental friendliness has been examined in terms of the materials, size, thickness, etc. of containers and packaging.

Use of Containers and Packaging

In Japan, an obligation to recycle waste in the form of "containers" and "packaging" generated from households is imposed on business operators who used, manufactured and/or imported them. Nissui and its group companies in Japan pay a recycling commission to the Japan Containers and Packaging Recycling Association in accordance with the Containers and Packaging Recycling Law (Note), which stipulates the aforementioned obligation.

	FY2020	FY2021	FY2022
Plastics (t)	4,374	4,456	3,939
Paper (t)	356	416	627
Glass bottles (t)	3,122	3,476	3,176

Scope: Nissui Corporation

(Note): This law was created for the purpose of recycling containers and packaging (e.g., glass bottles, PET bottles, paper boxes and film bags for sweets, shopping bags) of products discharged as waste from ordinary households in Japan.

Reduction of Plastic Containers and Packaging

At Nissui, the Plastics Subcommittee and the Container/Packaging Eco-Project play a central role in reviewing the use of plastics in all of its products.

Nissui's Initiative (Reduction)

Reduced weight of plastic containers and packaging for products sold by Nissui

	FY2019	FY2020	FY2021	FY2022	FY2023
Food Products Business (kg)	15,630	33,465	33,814	72,830	62,610
Marine Products Business (kg)	-	-	-	23,835	45,532

[Examples of products with reduced plastic containers and packaging]

In accordance with the Container/Packaging Selection Guidelines, we are reducing the size and thickness of plastic container packaging while ensuring the quality of the products. We are not only focusing on reducing the weight and thickness of existing product forms, but also implementing further measures such as eliminating the use of trays to reduce plastic consumption. These efforts are aimed at maintaining product quality while striving for reduction in plastic packaging.

• Omelet rice

Plastic trays used in products have been switched to paper material, resulting in an estimated annual reduction of approximately 9 metric tons of plastic waste.



• Nagasaki-style Sara Udon

Plastic trays used for product packaging have been switched to paper material, resulting in an estimated annual reduction of approximately 40 metric tons of plastic waste.



• Fresh tuna (GG product)

Styrofoam containers used for delivery were diversified into three forms depending on the season, achieving a reduction of approximately 36 metric tons of waste in fiscal 2023.



Styrofoam



Hybrid type



Cardboard box

Nissui Group Companies' Initiatives (Reduction)

[Aquaculture Companies' Initiatives]

Aquaculture companies in the Nissui Group in Japan are reviewing the use of expanded polystyrene boxes (fish boxes) for transporting marine products and considering the use of alternative materials.

As an alternative, the use of water-repellent cardboard boxes is being promoted mainly during periods other than summer when the temperature is high.

Shipping using fish boxes of alternative materials

Company name	Alternative material	FY2020	FY2021
All aquaculture companies in the Nissui Group in Japan	Paper material (highly water-repellent cardboard boxes) (unit: cases)	42	6,907
	Paper material + expanded polystyrene (Note) (unit: cases)	1,610	678

(Note): This is a material in which cardboard and expanded polystyrene are layered, making it possible to limit the volume of plastics used compared to ordinary expanded polystyrene boxes.

[Food Production Companies' Initiatives]

Company name	Description of business	Results of Initiatives
Thai Delmar Co., Ltd. (Thailand)	Frozen food production	Consulted with customers regarding mainstay products and switched to single-box packaging from May 2023, contributing to an annual reduction of 6,200 kg of PP band usage. Additionally, collaborated with suppliers to increase the weight of raw material for one bag from 20 kg to 25 kg, reducing plastic used for inner bags. This is projected to reduce plastic usage by 600 kg annually.

Recyclable Plastic Containers and Packaging

In many cases, plastic containers and packaging for foods are made by pasting together multiple materials. They vary in size and thickness, as well as the degree of contamination after use. The reality is that these factors make it difficult to recycle food containers and packaging. It is thus important to adopt a recyclable design from the development stage, and in cases where the containers and packaging are recyclable, make it known to consumers in an easy-to-understand manner so that it will lead to collection and recycling after use.

Nissui Group Companies' Initiatives (Recyclable Design)

Company name	Results of Initiatives and Plans/Targets
Gorton's, Inc. (USA)	<p>Since 2019, Gorton's, Inc. has started reviewing existing materials and testing recyclable new materials in collaboration with suppliers in relation to two major container and packaging formats in its products (i.e., SURPs (stand-up resealable pouches) and direct-filling containers/packaging).</p> <p>In 2020, Gorton's determined the following targets for containers and packaging of products for retail. [Targets]</p> <ul style="list-style-type: none"> • Make 100% of containers and packaging bear the How2Recycle label (Note) by 2023; and • Make at least 95% of containers and packaging (based on weight) recyclable by 2025. <p>In 2021, the results of initiatives related to containers and packaging of products for retail were as follows.</p> <ul style="list-style-type: none"> • 27% of containers and packaging carried the How2Recycle label. • Gorton's identified new recyclable materials for SURPs. Recyclable containers and packaging accounted for 32% of all containers and packaging (and are expected to account for 60% in 2023).
Flatfish Ltd. (UK)	<p>In 2020, Flatfish Ltd. promoted the introduction of plastic containers that can be recycled by consumers in the majority of its products. In 2021, Flatfish will further promote this initiative in accordance with the plan below. [Plans]</p> <ul style="list-style-type: none"> • Promote the replacement of non-recyclable containers and packaging with recyclable alternatives. <p>In 2021, Flatfish identified the water absorbent pad that accompanies trays as an obstacle to recycling containers and packaging (it is unsuitable for recycling as it is made of different plastic material from the tray). Flatfish developed new trays that no longer require any water absorbent pad and switched to a recyclable design, which translated into a reduction of plastics by 2.9 tons.</p>



(Note): How2Recycle is a label in USA/Canada indicating whether or not the container/packaging is recyclable. At Gorton's, all laminated pillow bags with zipper already bear this label as of December 2020.

Reducing Plastic Waste in the Production and Logistics Phases

Plastic waste is also generated at both production plants and logistics centers. The Nissui Group has set a target as an environmental indicator for the reduction of plastic emissions in the production and distribution stages in Japan, and is promoting efforts for the achievement of this target. We analyze plastic emissions at the departmental level and are actively working with raw material suppliers to reduce plastic waste.

Initiatives at Production Plants

We have identified the different types of plastic waste and their corresponding weight percentages in the plastic emissions from Nissui's food production plants in Japan. Based on our findings, we determined that packaging derived from raw materials accounts for a large portion of the weight of plastic emissions, which has led us to include them as one of our reduction targets. At all Nissui Group production plants located in Japan, we are considering switching to reusable materials and forms for containers and packaging (bags) used for raw materials. We are also encouraging reuse by replacing these containers and packaging with returnable solutions (for raw materials such as onions, milk and rice).



Before the switch: onions as raw material (plastic bags)



After the switch: onions as raw material (returnable containers)

Initiatives in Distribution Operations

Targets for reduction of plastic waste were also examined at logistics centers. In the distribution of marine products, we are promoting the replacement of Styrofoam packaging used in the transportation of fresh tuna with reusable crates. In fiscal year 2023, we transported approximately 600 reusable crates for fresh tuna, accounting for 20% of the total number of shipments.



A reusable crate for fresh fish

In addition, with regard to stretch film, which is widely used in logistics to prevent cargo from collapsing, we are actively collaborating with plastic recycling companies to establish a closed-loop recycling (Note) system within the Group throughout Japan. Looking ahead, we will use this closed-loop system to achieve the 100% use of recycled stretch film within the Group in Japan by 2025.

(Note) Closed-loop recycling: The process of recycling and reuse of materials that have traditionally been disposed of as waste, transforming them into valuable resources.

Initiatives by Every Employee

○ Nissui Group Cleanup Campaign

Since 2010 the Nissui Group has been carrying out the "Cleanup Campaign," activities to clean up the areas surrounding the Group's domestic business locations around the country. In the advance information given prior to the cleanup, the participants learn that litter could potentially flow into the rivers and reach the ocean and that this activity is not merely a cleanup exercise but a way to prevent litter from flowing into the ocean, and are made aware of the relationship between this activity and Nissui's business. Moreover, Nissui has approved the implementation of this activity during working hours to encourage employee participation.

In FY2023, 1,150 people from 62 business sites took part, picking up a total of 1,619 kg of trash.



█ Cleanup Activities in outside Japan

Nissui Group companies outside Japan are also carrying out activities to clean up the areas surrounding its business locations.



Nissui (Thailand) Co., Ltd. (Thailand)

Salmones Antártica S.A. (Chile)

○ Arakawa Environmental Seminar

Since 2017, Nissui, with the cooperation of the NPO, The Arakawa River Clean-aid Forum, has been learning about the river environment, experiencing biodiversity and conducting cleanup activities to pick up litter. These activities have been incorporated into the seminar for new employees since fiscal 2018. In the classroom, the participants listen to a lecture on the social issues surrounding the problem of marine plastics based on the latest data and come face-to-face with the problem in the subsequent fieldwork conducted on the riverbed. It gives participants the opportunity to think about the tasks that could be done by each person close to home in order to solve this problem.

Number of participants

	FY2019	FY2020	FY2021	FY2022	FY2023
Seminar for new employees	25	33	48	44	39
Other employees (including their families, etc.)	51	-	-	47 (including 36 who took part online)	-



Collected litters



Classroom lecture



Clean-up activities

Food Loss and Waste

Food loss and waste refers to food that can still be eaten but is thrown away. It is said that there are food loss and waste with 1,300 million tons each year globally (Note 1). And while Japan has a low food self-sufficiency rate at around 37% and depends largely on imports for its food (Note 2), more than 6.12 million tons thrown away each year (Note 3). On the other hand, the problem of hunger also continues to exist in the world. There are thought to be about 800 million people without access to adequate nutrition (Note 4).

The Nissui Group, as part of its corporate responsibility of a company handling food, has designated food loss and waste. Mainly through the Food Loss and Waste Subcommittee, we are addressing this issue throughout the supply chain, including raising the awareness of its employees and activities involving the general public, as well as reducing loss in the conventional stages of production, distribution and consumption.

(Note 1): FAO (Food and Agriculture Organization of the United Nations) "Global Food Losses and Food Waste" (2011)

(Note 2): Ministry of Agriculture, Forestry and Fisheries, "FY2018 food supply and demand table (final report) (2020)

(Note 3): Ministry of Agriculture, Forestry and Fisheries, Ministry of the Environment, "FY2017 estimate"

(Note 4): FAO (Food and Agriculture Organization of the United Nations) "The State of Food Security and Nutrition in the World 2019" (2019)

Reduction of Food Loss and Waste Throughout the Supply Chain

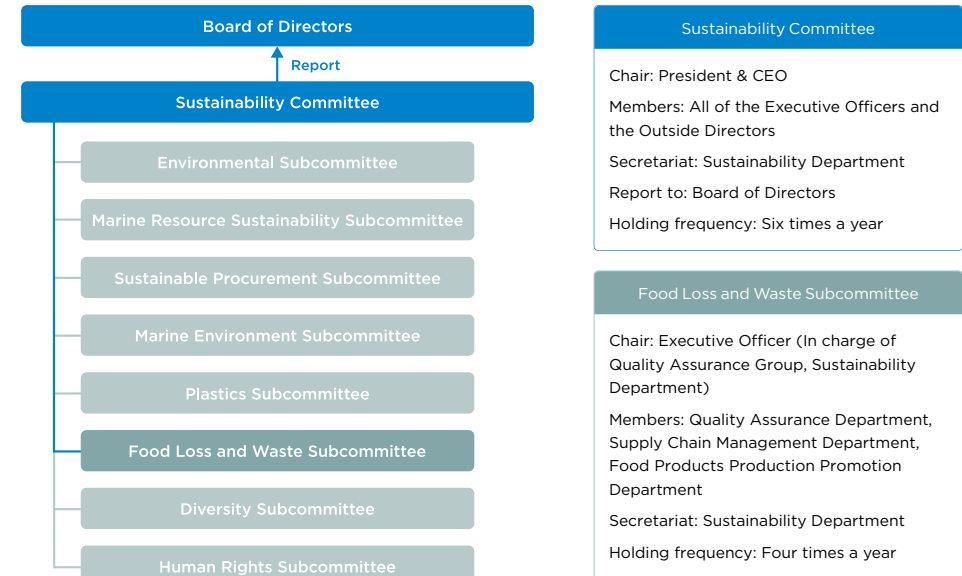


* Food bank: A group which brings together food products with no quality problems but are unsuitable for sale, and people who can't obtain enough food.

In Japan, the Act on Promoting Food Loss and Waste Reduction (Food Loss and Waste Act) was promulgated in May 2019 (enacted in October 2019). We are making more proactive efforts than ever before to contribute to the SDGs target of halving global food waste by 2030 mentioned in the above Act, as well as to seriously address our obligations as a business operator under the law.

Promotion Framework - The Food Loss and Waste Subcommittee

The Food Loss and Waste Subcommittee is engaged in initiatives to reduce food loss and waste in the businesses across the Group companies in Japan and to raise the awareness of the employees.



Targets and Results

The targets specified in the long-term vision, "Good Foods 2030," and in the mid-term business plan, "Good Foods Recipe1," are as follows. We set a target for reduction of waste from animal and plant residues (excluding inedible parts of fish, vegetable cores, outer leaves, and similar wastes arising in the production process) and products that can be reduced through self-supporting efforts.

Indicators	Scope	Results		KPI	
		FY2022	FY2023	Target by 2024 Mid-Term Business Plan "Good Foods Recipe1"	Target by 2030 Long-Term Vision "Good Foods 2030"
Waste from animal and plant residues (Compared to FY2017 Unit: Per unit)	The Nissui Group in Japan	Reduced by 21.1%	Reduced by 21.1%	Reduced by 20%	Reduced by 30%
Waste from products (Compared to FY2020 Unit: Absolute quantity)	Nissui Corporation	Increased by 17.6%	Reduced by 9.3%	-	Reduced by 0%

○ Initiatives to Extend Best-before Periods and Switch to Year/Month Labeling

Nissui is going forward with initiatives to change the labeling of best-before periods in an effort to reduce food loss and waste. All tinned food products excluding private-brand items manufactured on and after July 1, 2019 are labeled with best-before periods expressed in year/month (labeling format has changed from the conventional year/month/day to year/month.) In this labeling process, storage tests were carried out to check how long quality can be maintained, and it was confirmed that the best-before periods could be extended. As a result of these efforts, we can expect more efficient distribution as well as the reduction of food loss and waste on the entire supply chain.

In addition, for "Osakana no sausage" and "Komiyaki (surimi-based products)" and shelf-stable foods, the best-before period has been extended as indicated in the table below for products for which sensory tests and scientific analysis have confirmed that there is no impact on quality. The Nissui Group has also made efforts to significantly extend the best-before periods of other products including frozen prepared foods for retail and commercial uses.



Products with extended best-before periods

Product Name	Production Switching Date	Best-before Periods		Number of Days of Extension
		Before	After	
Osakana sausage	February 15, 2021	120days	150days	30days
Komiyaki (surimi-based products)	February 7, 2022	45days	60days	15days
Bottled products (produced by the Group companies)	February 2022	12months/18months	18months/24months	6months
Retort pouch products (soup varieties)	April 2022	18months	24months	6months

○ Food Donations

■ Donations to Second Harvest Japan

Since fiscal 2008, Nissui has been donating frozen food to Second Harvest Japan, an NPO that provides food to people in need. Second Harvest Japan plays the role of a food bank for people who cannot get enough food, providing them with foods that have no quality problems but cannot be sold due to being sub selling standards. Going forward, Nissui will continue these activities that lead to providing support to orphanages and mother and child living support facilities, while at the same time reducing the discarding of still-edible food.



	FY2019	FY2020	FY2021	FY2022	FY2023
Actual donations (t)	7.9	9.0	7.7	7.9	6.0

■ Donations to Other Organizations

Donations Conducted in Fiscal 2023 by Business Locations in Japan

Donation destination	Donor	Donation details	Volume(kg)
Save the Children Japan	Consumer Products Department	• Provide shelf-stable foods to children's food support BOX	846
Meals on Wheels Japan	Business Development Department, Legal Department, Anjo Plant	• Dairy products, fish sausage, frozen food	3,400
Food bank Yamagata central	Mogamifoods Co., Ltd.	• Frozen food	160

○ Participation in Food Loss and Waste Initiatives

■ Participation in Japan Project of WRI's "10x20x30" Food Loss and Waste Initiative

In conjunction with the participation of AEON Co., Ltd. in the "10x20x30" Food Loss and Waste Initiative advocated by the World Resources Institute (WRI) in December 2019, Nissui joined the "Japan project" led by AEON as one of the partner corporations. In this project, the specifics of the initiatives will be determined in consideration of the company's issues by using examples of spearheading initiatives outside of Japan and other cases as reference, based on the "Target-Measure-Act" approach to initiatives put forth by WRI. Through such initiative, Nissui will further promote the reduction of food loss and waste in the supply chain as a whole.

Participation in External Initiatives >

■ Participation in WRAP (Flatfish Ltd.)

Flatfish Ltd. (UK), which is one of the Nissui Group companies outside of Japan, pledged our support to WRAP (the Waste and Resources Action Programme) in 2021. WRAP is an initiative founded in the UK in 2000 which provides tools and guidance for reducing food waste as one of its efforts. Flatfish started measuring food waste in 2021 and has set a goal of reducing it by 50% by 2030.

○ Reduction of Food Loss and Waste Through Product Development

In October 2022, Nissui developed a canning process to make effective use of the tail meat generated when it processed Kurose buri (yellowtail), which is procured from Kurose Suisan Co., Ltd., a Nissui Group company. We began selling the canned product in limited regions. In a typical year, about 30 t of tail meat are generated when the buri catch is brought in and processed into fillets and loins. Previously this tail meat was used as feed, but thanks to the newly developed canning process, the tail meat has become a valuable material, contributing to the reduction of food loss and waste.



Canned product: Buri and Daikon, prepared using the tail meat of Kurose buri

○ Initiatives for Raising Employee Awareness

To raise employee awareness of reducing food loss and waste, the following two initiatives were implemented as part of the fiscal 2023 training for Sustainability Promotion Members.

Dissemination of Sustainability Activities Throughout Nissui >

■ Creation of Paper Files from Discarded Rice

In an effort to reduce rice waste, rice deemed unfit for consumption—such as immature rice, insect-damaged rice, aged rice not fit for eating, expired emergency reserve rice, and rice discarded during the factory sorting process—was collected from various departments within Nissui and used as raw material to create paper files. These files were then distributed to employees, including those at Group companies, with the intent to emphasize the importance of minimizing waste.



Paper file

■ Lecture by external speaker "Addressing food loss as business professionals"

In December 2023, a lecture on food loss, a topic of significant interest to the Sustainability Promotion Members, was given by experts in the field. The lecture provided information, new perspectives, and knowledge on food loss, and was followed by group discussions in which participants received feedback from the speakers and explored potential solutions. Many opinions were shared in response to the question posed by the speakers of "How can food loss be turned into 'beneficial waste'?"




Lecture by external speaker


Discussion theme

- Considering how food loss within the company can generate new value
- Understanding the implications for Nissui in solving the issue of food loss

Social

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Human Rights

The Nissui Group believes that corporate activities are premised on respect for human rights and will thus promote initiatives to help realize a sustainable society in which "no one will be left behind."

○ Formulation of Human Rights Policy

The Nissui Group's long-term vision is to be "a leading company that delivers friendly foods for people and the earth." An indispensable condition for achieving this vision is respect for human rights throughout the value chain. Given that the seafood supply chain is exceptionally long and complex, the Nissui Group recognizes that the risk of human rights violations is high, carrying significant risk of impact on continuity of Group operations. We believe that, as customer awareness of human-rights issues grows, ensuring respect for human rights up and down the value chain presents a way to expand business opportunities and sharpen competitiveness.

In September 2020, the Nissui Group formulated the "Nissui Group Human Rights Policy" in compliance with the United Nations Guiding Principles on Business and Human Rights in order to further clarify its approach to respecting human rights in all value chains associated with its businesses.

! The Nissui Group Human Rights Policy

The Nissui Group will champion the sustainable utilization of marine resources and the preservation of the earth's environment, creating diverse value from nature's bounty to provide health and tastiness to people all over the world. All supply chains connected with our businesses recognize respecting human rights as a top priority and address to honor that responsibility.

Respecting Human Rights

The Nissui Group upholds human rights as set out in the International Bill of Human Rights and the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work (Note). It takes initiatives for the implementation of the policy based on the United Nations Guiding Principles on Business and Human Rights. Whenever internationally recognized human rights and the laws of a country or region differ, we will seek ways to respect the principles of international human rights.

Coverage of the Policy

This policy applies to all executives and employees of Nissui Corporation and its group companies. The Nissui Group's business partners, including suppliers, are required to honor this policy and respect human rights.

Human Rights Due Diligence

The Nissui Group will identify human rights risks, both potential and existing, within its business activities and establish mechanisms to prevent or mitigate those risks, and carry them out in an ongoing manner.

Education

The Nissui Group will provide executives and employees training and education regularly so that this policy can be effectively implemented through its business activities.

Dialogue with Stakeholders

The Nissui Group will engage relevant stakeholders in dialogue and consultation to address measures for potential and existing adverse impacts on human rights.

Remediation

If the Nissui Group's business activities are found to have caused or contributed to adverse human rights impacts, we will engage in appropriate means for remediation.

Information Disclosure

Nissui Corporation will report on the status of our human rights initiatives in accordance with this policy on our company website and other means.

Development of Process

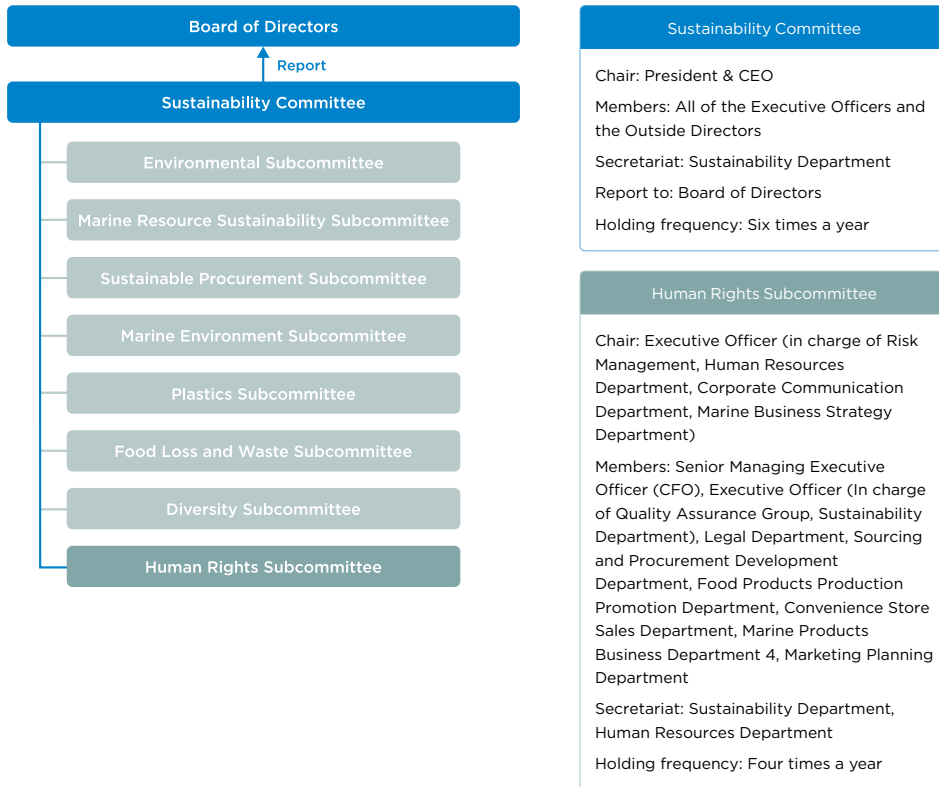
The Nissui Group will assign an individual responsible for the implementation of this policy and establish a system to promote business activities that respect human rights.

Enactment Date : September 10, 2020

(Note): Includes items regarding the prohibition of forced labor and the abolition of child labor.

Promotion Framework - The Human Rights Subcommittee

The Human Rights Subcommittee, guided by the "Nissui Group Human Rights Policy," which is the basic framework for all business activities, strives to promote a culture of respect for human rights throughout the supply chain by promoting common understanding and thorough implementation.



Initiatives for Human Rights Due Diligence

Human Rights Risk Assessment

The Nissui Group conducted a human rights risk assessment in the form of a cross-departmental workshop in December 2020, in order to get a grasp of potential human rights risks in its value chains. This involved identifying risks in each process of its value chains from two perspectives, namely, "general and cross-industrial human rights risks" and "human rights risks specific to the fisheries industry and the Nissui Group," and in particular, analyzing the latter risks while incorporating the viewpoint of risks by country and risks by fish species as well. Risks were narrowed down by conducting an "impact assessment" with respect to the identified risks, based on likelihood and severity in the event that the risks are materialized.



State of workshop

	Procurement	R&D/Production	Logistics	Sales/Distribution	Customer Use	Disposal/Recycle
Nissui Group employees		<ul style="list-style-type: none"> Work environment of foreign technical intern trainees (Japan) Labor incidents and accidents (fishery & aquaculture) Unemployment resulting from AI implementation Violence occurring during labor disputes 	<ul style="list-style-type: none"> Labor incidents and accidents 	Recruitment-Evaluation, Working Conditions & Promotion-Retirement <ul style="list-style-type: none"> Inequalities in opportunities and discrimination in recruitment/career development/promotion Harassment Equal pay for equal work (preferential treatment based on type of employment, nationality, gender, etc.) Privacy violations through surveillance of conduct while teleworking and at production sites 		
Suppliers	<ul style="list-style-type: none"> Unfair terms of contract against small and micro business partners Health hazards caused by agricultural and other chemicals 	<ul style="list-style-type: none"> Forced labor & child labor Labor incidents and accidents (fishery & aquaculture) 				
Customers		<ul style="list-style-type: none"> Labor incidents and accidents (fishery & aquaculture) 		<ul style="list-style-type: none"> Misleading representation Marketing that accelerates unhealthy diets 	<ul style="list-style-type: none"> Quality incidents Health hazards 	
Local community residents	<ul style="list-style-type: none"> Forced removal/eviction as a result of farm development Health hazards caused by agricultural chemicals Destruction of indigenous people's livelihoods Environmental pollution 	<ul style="list-style-type: none"> Environmental pollution 				<ul style="list-style-type: none"> Biodiversity damaged by marine plastics; hardships in the livelihood of people in fisheries Environmental pollution with plastic waste
Others	<ul style="list-style-type: none"> Involvement in bribery/corruption 			<ul style="list-style-type: none"> Advertising featuring discriminatory expressions 		

Having identified the following three risks as items of importance to be addressed specifically as a matter of priority, the Nissui Group launched specific initiatives from Fiscal 2021 onwards in order to confirm their actual situation and mitigate such risks.

[Identified potential human rights risks]

- 1) Forced labor and child labor relating to raw materials of marine products (from procurement of raw materials to production)
- 2) Work environment of foreign technical intern trainees in Japan(production)
- 3) Labor Safety and Health (fishery and aquaculture)

○ Response to Identified Potential Human Rights

I Respect Human Rights in our supply chain

The Nissui Group has been promoting the procurement of raw materials, supplies, and products while seeking the understanding and cooperation of our business partners in accordance with the "Nissui Group Basic Procurement Policy." To ensure sustainable procurement and mitigate human rights risks at every stage of the supply chain, stronger collaboration with our business partners is essential. As a result, we revised our Supplier Guideline in April 2022. This revised edition includes sections on "Compliance with Laws and Regulations," "Respect for Human Rights," "Safety and Health," and "Environmental Consideration," with a strong emphasis on the prohibition of forced labor and child labor, as well as a strong requirement not to handle catch and raw materials obtained through IUU (Illegal, Unreported, and Unregulated) fishing, which is known to be associated with forced labor.

In fiscal 2022, Nissui distributed and explained the Supplier Guideline (including explanatory videos) to its 470 Tier-1 suppliers and collected signed confirmation forms to ensure their agreement. In fiscal 2023, the SAQ (Note) will be required to be answered in accordance with the new guideline.

In the future, we will extend our efforts to our Group suppliers and conduct assessments of Tier-2 and subsequent suppliers, taking into account any identified human rights risks, with the aim of reducing human rights risks throughout our expanding global supply chain. This effort will be led by the Sustainable Procurement Subcommittee in close collaboration with the Human Rights Subcommittee.

(Note): Self-Assessment Questionnaire

Sustainable Procurement >

I Monitoring the Working Environment of Foreign Workers

Nissui performs an annual survey on the labor conditions of foreign workers at our directly-operated plants and domestic Group companies.

Survey Summary in FY2022-2023

Implementation	Details	Target	Number of business sites
August 2022	Implementation of a comprehensive self-assessment comprising a total of 52 questions organized into categories of "Establishing Mechanisms for Compliance with Laws and Regulations and Respect for Human Rights," "Human Rights," "Safety and Health," "Use of Intermediaries," and "Other" (Note1).	Offices (including directly-operated plants and domestic Group companies) that employ foreign workers with "Technical Intern Training" and "Specified Skilled Worker" residence status.	21
October 2022	Implementation of a comprehensive self-assessment comprising a total of 65 questions related to the areas of "Compliance with Laws and Regulations," "Respect for Human Rights," "Safety and Health," and "Environmental Consideration" (Note 2).	All offices of directly-operated plants and domestic Group companies.	42
May-June 2023	Implementation of a comprehensive self-assessment comprising a total of 53 questions related to the areas of "Establishing Mechanisms for Compliance with Laws and Regulations and Respect for Human Rights," "Human Rights," "Safety and Health," "Use of Intermediaries," and "Other" (Note 1).	Offices (including directly-operated plants and domestic Group companies) that employ foreign workers with "Technical Intern Training" and "Specified Skilled Worker" residence status.	18

(Note 1): The questionnaire prepared based on the "Guidelines on Improvement of Working Environment for Migrant Workers in Supply Chains," developed by the Business and Human Rights Lawyers Network Japan, Lawyers Network for Foreign Workers, and Lawyers' Network for Foreign Technical Interns.
 (Note 2): The questionnaire prepared based on the Nissui Group Supplier Guideline.

[Survey Results and Response]

After analyzing the self-assessment responses and conducting interviews with each office, conducted in fiscal 2022, no significant signs of human rights violations were identified. Due to the challenges posed by certain business sites with respect to foreign workers, notifications have been communicated to all companies in the Group. In February 2023, a review of the situation at each business site was conducted, and in May, the Human Rights Subcommittee disseminated the results to all domestic Group companies. We will promote a unified group-wide response and confirm the status of the response at the Human Rights Subcommittee.

The work environment survey will be conducted throughout fiscal 2024, and the possibility of combining the survey with workplace reviews and audits will be explored to ensure effectiveness.

Issues Identified in Certain Sites

- Contract with an intermediary lacks clear provisions explicitly prohibiting the collection of fees from foreign workers by the intermediary.
- Failure to provide employment contracts and pay slips in a language that foreign workers can understand.
- Training is not provided in a language that foreign workers can understand on safety and hygiene standards, as well as evacuation routes in the event of a fire or emergency.



Human Rights Subcommittee

Details of Notifications to Group Companies

- Include a provision in the contract to be entered into with intermediaries (including supervising organizations in the Technical Intern Training Program and hosting/registration support institutions in the Specified Skilled Worker System) for the employment of foreign technical interns or specified skilled foreign workers that clearly states the prohibition on collecting fees, deposits, or penalties from foreign workers.
- Ensure that employment contracts with foreign workers are written in a language they understand. (Note)
- Ensure that the information contained in the foreign worker's wage statement is provided in a manner that is understandable to the individual. (Note)
- Conduct training for all foreign workers in a language they understand, covering safety and hygiene standards, evacuation routes in the event of a fire or emergency, and job-specific requirements.

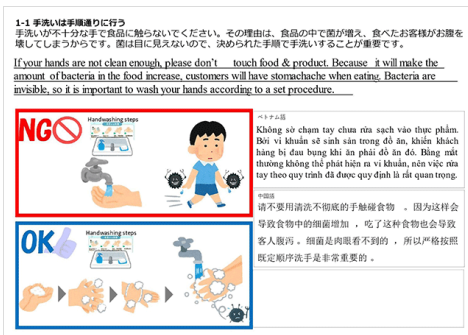
(Note): Templates in English, Chinese, Portuguese, Spanish, and Vietnamese have been created and shared.

Multilingual Support at Production Facilities

The Nissui Group's production facilities employ people of many nationalities, and the number of languages that need to be supported is growing. Efforts have been made to provide multilingual support through the implementation of signage in various languages at these plants. The introduction of multilingual tools using visuals such as pictures and images for clear explanations is being actively pursued to improve the safety of foreign employees and their understanding of work procedures and rules.

Educational tool for foreign employees in factories

For ease of understanding by foreign employees, the desired messages to be conveyed for each theme are consolidated onto a single sheet, and visual illustrations are used to demonstrate the "do's" (desired actions) and "don'ts" (prohibited actions) for better visual understanding. The languages used are English, Vietnamese, and Chinese, with blank spaces provided at each plant to allow additional languages to be added as needed. In addition, a total of 35 instances of educational content were created to support quality education for foreign employees in factories, and these materials were distributed to production plants within the Group and major partner plants.



Example of educational tool

Use of pictograms

The active use of pictograms has been implemented since fiscal 2021 to increase the visibility of areas with potential accident risks and to promote universal understanding and awareness, regardless of language. To ensure workplace safety, foreign employees who have a limited understanding of Japanese and are not sufficiently aware of workplace risks are encouraged to recognize risks and take safe actions, thereby contributing to the maintenance of workplace safety.



Pictograms example (Wearing protective gear, handling of chemicals)

Pictograms example (fall)

Pictograms example (Caught in machinery)

Occupational Safety and Health >

Safety at Fisheries and Aquaculture Sites

The promotion of occupational safety in aquaculture is handled by the Occupational Safety and Health Subcommittee under the Risk Management Committee. In fiscal 2022, the focus was on minimizing occupational accidents, particularly the prevention of diving accidents, at the Group's domestic aquaculture companies, which involved organizing special regular meetings and conducting cross-patrols. In fiscal 2023, initiatives are planned to improve safety management in diving operations, including the organization of diving study sessions. In addition, we are promoting "smart aquaculture" by implementing technologies such as automated feeding systems and AI/IoT-based fish length measurement, with the aim of minimizing human involvement in operations at sea and underwater and reducing the risk of occupational accidents.

Occupational Safety and Health >

Within our fishing operations, we actively work at the level of each Group company to ensure a safe working environment for employees involved in fishing activities. Labor practices on fishing vessels take place in an environment that is not easily visible from the outside, and the fishing industry is generally recognized as having a high risk of human rights abuses. We prioritize the safety of crew members on fishing vessels and strive to improve the working environment, while ensuring third-party monitoring to increase transparency.

Oceania

Sealord Group Ltd., a New Zealand-based fishing company, demonstrates its commitment to fostering a favorable working environment on fishing vessels by voluntarily engaging in observer boarding and comprehensive inspections of labor conditions conducted by the Ministry of Primary Industries, ensuring unbiased assessments. Australian Longline Pty Ltd., which conducts Patagonian toothfish fishing (subject to Marine Stewardship Council (MSC) certification) activities in the Antarctic Ocean, was the first company in the world to achieve the RFVS certification (Note), a standard with a strong focus on protecting the human rights of crew members, in January 2021, and has now secured this certification for all of its fishing vessels.



The vessel Antarctic Aurora (Australian Longline Pty Ltd.)

(Note): Responsible Fishing Vessel Standard (RFVS): A certification program run by the Global Seafood Alliance (GSA) as part of its "Best Seafood Practices" third-party certification program launched in 2021, which focuses specifically on protecting the human rights of crew members. The RFVS is comprised of the two core principles of "vessel management and safety systems" and "crew rights, safety and wellbeing." Based on the provisions of the Work in Fishing Convention and other relevant international agreements, the standard emphasizes the protection of crew members' rights, including adequate training, a safe working environment, and provisions for wages, meals, and rest periods.

[RFVS Certification >](#)

North America

In North America, the At-sea Processors Association (APA) (Note1), of which Glacier Fish Company, LLC is a member, became the second organization in the world to be certified by the FISH Standard for Crew (Note2), an independent third-party certification program for labor practices on fishing vessels, in August 2022. The certification audit process includes vessel inspections, interviews with crew members, and a review of company hiring practices, payroll records, and complaint records.

(Note1) APA (At-sea Processors Association): Trade association representing five member companies that own and operate 14 U.S.-flagged capture/processor vessels operating in the Bering Sea/Aleutian Islands for the Alaska pollock fishery.

(Note2) FISH Standard for Crew: The FISH ("Fairness, Integrity, Safety, and Health") Standard for Crew is a voluntary and independent third-party certification program for labor practices on fishing vessels worldwide, with a particular emphasis on promoting fair and ethical labor practices onboard.

[FISH Standard for Crew Certificate \(PDF\) 488KB !\[\]\(56549452e01ca28bdf2500ced9653143_img.jpg\)](#)

Stakeholder Engagement

The Nissui Group has been engaged in numerous external communications with stakeholders and promoting activities while reminding ourselves to not become complacent. Since the first stakeholder dialogue held in 2016, the Nissui Group has held a stakeholder dialogue five times in total, including human rights in the fisheries industry's supply chain in its theme.

[Stakeholder Dialogue >](#)

Participation in External Initiatives

Japan Platform for Migrant Workers towards Responsible and Inclusive Society (JP-MIRAI)

In September 2022, Nissui joined the Japan Platform for Migrant Workers towards Responsible and Inclusive Society (JP-MIRAI) for the purpose of participating in the Collaborative Program on remedy and collecting information for the working environment improvement for foreign workers.

In fiscal 2023, through participation in the "Collaborative Program for Companies Respectably Hosting Foreign Migrant Workers 2023" provided by JP-MIRAI, we are promoting the introduction of a grievance mechanism for foreign workers at Nissui and group companies in Japan.



Japan Center for Engagement and Remedy on Business and Human Rights (JaCER)

In April 2023, Nissui joined the Japan Center for Engagement and Remedy on Business and Human Rights (JaCER), an organization that aims to provide a non-judicial "Engagement and Remedy Platform" for redress of grievances and to act in a professional capacity to support and promote redress of grievances by member companies based on the United Nations Guiding Principles on Business and Human Rights, as a regular member. In addition to using the Engagement and Remedy Platform provided by JaCER, we will deepen our understanding of engagement and remedy practices through participation in training for member companies.



Remediation System (Grievance Mechanism)

Contact points for employees

The Nissui Group has established a whistleblowing system in which internal and external points of contact are made available to receive reports. Consultation requests, opinions, reports, etc. from employees are accepted regarding acts in breach of the Code of Ethics, acts in violation of laws and regulations and acts in breach of internal rules, including irrational discrimination and harassment based on race, religion, sex, age, nationality, social status, etc. The confidentiality of the whistleblower is protected and unfair treatment of the whistleblower is prohibited under the provisions of Nissui Group's regulations.

[Initiatives to Identify Compliance Issues >](#)

■ Contact points for Foreign Workers

In fiscal 2023, Nissui group introduced a grievance mechanism specifically for foreign workers in Nissui and group companies in Japan, through participation in the "Collaborative Program for Companies Responsibly Hosting Foreign Migrant Workers 2023" provided by Japan Platform for Migrant Workers towards Responsible and Inclusive Society (JP-MIRAI).


Based on the "UN Guiding Principles on Business and Human Rights," this system supports the resolution of issues faced by foreign workers in our supply chain. It serves as a low-barrier consultation desk where foreign workers can seek assistance, covering everything from labor-related problems to daily life concerns.

Languages support: Easy Japanese and 21 languages (English, Chinese, Korean, Thai, Vietnamese, Indonesian, Malay, Tagalog, Nepali, Burmese, Khmer, Mongolian, Sinhala, Hindi, Bengali, Portuguese, Spanish, German, French, Italian, Russian)

■ Contact points for stakeholders

The Nissui Group is set to join the Japan Center for Engagement and Remedy on Business and Human Rights (JaCER) (Note) from fiscal 2023, and has established a grievance and reporting channel for stakeholders with respect to issues concerning business and human rights (languages supported: Japanese and English). This channel functions as a platform to receive grievances and reports from rights holders or their representatives and organizations who have reasonable grounds to believe that they have been or may be adversely affected from a human rights perspective. It addresses issues related to business and human rights, including cases that raise concerns about potential violations of international norms such as the International Bill of Human Rights (the Universal Declaration of Human Rights and International Covenants on Human Rights (International Covenant on Economic, Social and Cultural Rights/ International Covenant on Civil and Political Rights)), as well as the domestic regulations of each country. Furthermore, anonymous reports are also accepted.

(Note) Japan Center for Engagement and Remedy on Business and Human Rights (JaCER) aims to provide a non-judicial platform for grievance redress and to act in a professional capacity to support and promote redress of grievances by member companies based on the United Nations Guiding Principles on Business and Human Rights.

JaCER Grievance Report 

Participation in External Initiatives [▶](#)

○ Training and Education for Employees

■ Code of Ethics Awareness

The Guidelines of Ethical Conduct set out in Nissui's Code of Ethics states "respect our frank and openhearted communication environment and make an effort to maintain a sound and effective system of internal checks and balances," and to respect fundamental human rights of individuals as well as prohibit all forms of discrimination and harassment. This Code of Ethics is posted on Nissui's internal portal site and shared with its employees to instill awareness of the prevention of discrimination and harassment among them.

■ Measures Against Harassment

In order to prevent incidents of harassment, harassment study groups (seminars, E-learning, and similar) are being conducted. A Harassment Desk has also been set up for employees to consult, and a structure to handle any problems has been established.

On June 1, 2020, the revised power harassment prevention law (Act on Comprehensively Advancing Labor Measures, and Stabilizing the Employment of Workers, and Enriching Workers' Vocational Lives) came into force; in conjunction with this, the President delivered a message to all employees of the Nissui Group in Japan, strongly urging them once again to eliminate workplace harassment. On April 1, 2022, when the power harassment prevention law became applicable to small and medium-sized enterprises as well, the President newly announced "Nissui's Declaration to Eliminate Harassment," taking it as an opportunity to send an even stronger message than before, including Group companies. Nissui also conducts harassment-related training targeted at department/section heads, distributes a handbook on the prevention of harassment to employees and holds read-through sessions in each department, among others.

Occupational Safety and Health > Preventing Harassment [▶](#)

Internal Awareness Raising on Business and Human Rights

We conduct business and human rights training, lectures, and meetings for executives, managers, and those in charge of business operations, not only to prevent discrimination and harassment in the traditional workplace, but also to raise employees' awareness of the importance of, and their responsibility for, respecting human rights throughout the value chain of our operations.

Since fiscal 2021, we have been working on promoting internal awareness, starting with the executive team, followed by department managers and operational staff. In fiscal 2023, we conducted training sessions for all employees, and additionally, we provided training for our group companies in Japan.

Implementation	Details	Target	Number of participants
June 2021	Business and human rights seminar	Executives and department managers (Nissui)	67
September 2021	Business and human rights training seminar (Lecture and group discussion)	Business management department managers (Nissui group), executives and department managers (Nissui)	82
September 2021	"Communication and teaching methods for human resources from outside Japan to work mainly" seminar	Persons involved in the production department (Nissui group in Japan)	67
October 2021	Panel discussion "Initiatives to respect human rights (work environment of foreign technical intern trainees in Japan)"	CEO (Nissui group in Japan), executives and department managers (Nissui)	80
March-April 2022	"Human rights issues and promoting sustainable procurement in the supply chain"	Nissui employees (Operational staff)	225
August 2022	Advancing sustainable procurement (Workshop for those in charge of procurement)	Nissui employees (Those in charge of procurement)	28
September 2022	Sustainable procurement and human rights	Nissui employees (Sustainability Promotion Committee members from each department)	45
October 2022	"Aspects of human rights companies should honor," "Problematic aspects of the Technical Intern Training Program," etc.	CEO (Nissui group in Japan), executives and department managers (Nissui)	85
November 2022	Human rights risks and supplier assessment of the Nissui Group	CEO (Nissui group outside of Japan), executives and department managers (Nissui)	86
December 2022	Improving the workplace environment for foreign workers	Executives and department managers (Nissui)	65
March 2023	"Global developments in business and human rights," "Promotion of supplier assessment," etc.	Executives and department managers (Nissui)	65
June 2023	Business and human rights training (E-learning)	All employees (Nissui)	1,663
February-March 2024	Business and Human Rights Training (Training video viewing)	Nissui Group in Japan	1,653

Formulation of Basic Guidelines for Receiving Foreigners

The Nissui Group has formulated its "Human Rights Policy" based on the understanding that respect should be given to human rights as a matter of top priority in all value chains relating to its businesses. The Nissui Group supports human rights set forth in the "International Bill of Human Rights" and the "International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work" and is engaged in initiatives to put them into practice, based on the United Nations' "Guiding Principles on Business and Human Rights."

Nissui has formulated the "Nissui Group Basic Guidelines for Receiving Foreigners" in support of the "Basic Guidelines for Receiving Foreigners" established by the Federation of Consumer Goods Industries & Consumer Associations (Seidanren), of which Nissui is a member.

[Nissui Group Basic Guidelines for Receiving Foreigners >](#)

Seidanren "Basic Guidelines for Receiving Foreigners (in Japanese)" (342KB) 

For the Customer

Approach to and Systems to Ensure Safety and Security

Since its founding, Nissui has been utilizing its unique technology to turn the bounty of the sea into valuable products and to deliver them to its customers. Over the years, what has remained constant is our commitment to "food safety and security." We wish to treasure the "delicious taste" and "freshness" of materials, provide individual consumer with safe and high-quality products and thus helping them to develop healthy, rich eating life style. To gain consumers' confidence and empathy, every member of Nissui's staff will perform his or her duty to maintain product quality and will make every effort to obtain consumers' satisfaction.

○ Quality Assurance Code

The Nissui Group Quality Assurance Code, based on the concept of quality assurance, sets out quality policies and action guidelines under which the criteria related to quality assurance are regulated, so that all executives and employees take action supporting the same concepts.

Our Quest for Safe, Secure Food: An Important Mission Since Our Founding

! Quality Assurance Concept

At the Nissui Group we value the delicious flavors and freshness of ingredients, and strive to deliver quality products with value to each and every individual customer in a safe and reliable manner and by doing so to create a healthier, more sustainable future through innovative food solutions.

Article 1 Policy

1. A culture of food product safety shall be cultivated in order to ensure the delivery of safer and better food products to consumers.
2. Activities and preparation of products shall be carried out in compliance with voluntary standards which have been established based on laws and regulatory requirements and which reflect consumer values.
3. A consistent, integrated quality assurance system shall be established for management of production processes up to and including final products and covering fish nurseries, farms, poultry farms, and all other business locations.
4. The safety of all used ingredients and packaging shall be verified, and only items with verifiable and reliable origins and history shall be used.

5. Products shall be produced only in plants with facilities and equipment, management systems, and trained employees which allow for the application of food safety management systems and HACCP (Hazard Analysis and Critical Control Points) management.
6. A managed distribution system shall be established and maintained to enable products to be delivered to consumers with no loss of quality.
7. Communication with consumers will always be valued in order to ensure the production of products which satisfy consumer needs and that products and services will be continually improved.
8. Accurate product information shall be provided to consumers in an easy to understand manner, including information on the origins and history of used ingredients, allergens, nutritional components, and production processes.

Article 2 Action guidelines

(1) Cultivation of a culture of food product safety

Cultivation of a culture of food product safety means creating a culture in which every company officer and employee considers food product safety and quality risks from a consumer point of view and acts accordingly.

1. Each and every individual company officer and employee shall be conscious of their personal responsibilities related to food product safety and quality and fulfill their roles accordingly.
2. All organizations shall collaborate and strive for better communication in order to produce better food products.
3. In order to cultivate a consistent culture of food product safety, organization leaders shall provide appropriate leadership, communicate messaging to members of their organizations, and incorporate repeated and continuing education and training into work in order to ensure organization members always take food product safety and quality risks into consideration and act accordingly.
4. Leaders shall practice and maintain systems to allow them to verify that organization members understand and adhere to training content as well as established rules and procedures.

(2) Basic actions

1. The provision of reliable and satisfying products to consumers shall be the basis for all actions.
2. Employees shall ensure that their actions are always in accordance with relevant laws and regulations, in-line with accepted social conventions, and understandable by consumers.
3. Employees shall maintain an appropriate interest in the quality of the food products which they deliver and continually endeavor to improve their own skills and capabilities as food production professionals.
4. Each and every individual employee shall understand both the purposes and meaning of established procedures, and always comply with established procedures while carrying out work.
5. Employees shall continually endeavor to develop and improve technologies and employ their individual skills and knowhow to improve quality in all processes from development to purchasing, production, distribution, and sales.
6. For all ingredients and packaging used guarantees of standards shall be obtained and both compliance and safety shall be verified.
7. Quality standards, production standards, ingredient composition tables shall be strictly observed in order to provide consumers with products of stable and reliable quality.
8. A system shall be established to prepare and maintain product records on everything from ingredients used to production and distribution, so that said records are available for use whenever necessary.
9. Each business division and location shall identify and compile quality related issues within their organization, and establish procedures and targets for correcting or resolving said issues. Each division shall ensure that information related to quality assurance is shared and that training required for quality assurance is routinely implemented.

(3)Improvement of food product safety and quality, and handling of deviations

1. In the event of any claims or complaints from consumers, prompt action shall be taken to verify the details of and resolve the situation. In addition, activities shall be promoted to ensure the prompt application of consumer opinions to improve products.
2. In the event any food product incidents occur, handling shall take consumer standpoints into consideration, investigations shall be launched to immediately identify any potential health hazards and the potential for the incident to escalate, the incident shall be reported to the relevant administrative agencies as required, and required measures shall be promptly carried out, including but not limited to sharing of information with sales locations, disclosure of information, and product recalls.
3. In the event of any violation of policy or action guidelines, the facts shall be determined, responsibilities shall be clarified, and impartial measures shall implemented in order to prevent any recurrence.

Article 3 Quality assurance standards, etc.

Quality assurance initiatives at all divisions must be carried out in accordance with a variety of separately established quality assurance standards.

1. Roles of each division in relation to quality assurance
2. Nissui Plant Certification Standards
3. New Product Introduction Standards
4. Labeling Standards
5. Standards for Ensuring the Safety of Ingredients
6. Quality Assurance Training Standards
7. Distribution Quality Assurance Standards
8. Food Defense Standards
9. Imported Product Inspection Standards
10. Emergency Response & Product Recall Standards,

(Established: October 1, 2002)

Revised: April 1, 2023

Quality Assurance Systems

In order to produce products to the customers' satisfaction, quality assurance systems are in place, including the Customer Service Center, Quality Assurance Department and Food Safety Research Department, which have been established as part of the QA (Quality Assurance) Group.

The Quality Assurance (QA) Division Is at the Heart of Our Activities to Ensure Customer Satisfaction



International Standards Certification for Food Safety Management Systems

Acquisition of GFSI Certification

The Nissui Group is working to strengthen its quality assurance capabilities by promoting the acquisition of food safety management system certification, and the number of business sites that have acquired GFSI-approved standards (Note), such as FSSC22000, BRC and IFS is as follows:

(Note) GFSI: Global Food Safety Initiative, a private organization of global food companies that work collaboratively to approve food safety management standards in order to improve food safety and strengthen consumer confidence.

Status of Acquisition of GFSI-Approved Standards

Type	Number of certified sites					Number of targeted sites	Ratio of certified sites
	FSSC22000	BRC	IFS	BAP	Total		
Food products	9	7	5	-	21	26	81%
Marine products	4	4	-	1	9	16	56%
Fine chemicals	2	-	-	-	2	4	50%
Total	15	11	5	1	32	46	70%

As of March 2024
 Scope: Nissui Corporation, and all consolidated companies in and outside Japan (production and processing sites only)

Initiatives to Ensure Safety and Security

Based on the philosophy and policies of quality assurance, Nissui and the Group companies are engaged in all manner of initiatives to deliver tasty, safe and secure products. Our commitment is indispensable in providing “quality” that satisfies our customers.

- ▼ (1) “Employee Training” to ensure compliance with rules and standards and taking the right action
- ▼ (2) “Quality Control” on the production site
- ▼ (3) “Inspections” to confirm the safety of raw materials and merchandise
- ▼ (4) “Communication” to convey accurate information to customers

(1) Employee Training

Nissui conducts various types of education and training so that all employees, as members of a food manufacturer, become aware of their roles to be fulfilled toward quality and become capable of acting based on a higher level of knowledge.

○ Training Sponsored by the Quality Assurance Department

The Quality Assurance Department conducts periodic training so that employees who handle products can accurately acquire the required knowledge. The content of the training is reviewed each year and efforts are made to always share the latest information. Since fiscal 2020, courses in streaming video format and online training seminars have been introduced. In video-streamed courses, participants watch a video and check their level of understanding by working on assignments (mini-exams) on an individual basis. While taking a course, participants are provided with support from their boss and senior colleagues to help them further improve their understanding.

Name of the training	Target	Details of the training	Training method and duration	Number of participants		
				FY2021	FY2022	FY2023
Online HACCP Course	Operational managers	Gaining basic knowledge related to HACCP and utilizing HACCP at production sites <ul style="list-style-type: none"> • Building the HACCP system • General hygiene control • Gist of hazard analysis 	The course is divided into three segments, in which a total of 20 videos (approx. 10 to 20 minutes per video) are streamed. Participants are required to watch the videos and work on assignments on an individual basis to complete the course in a total of five months.	68	66	92
Course for Quality Trainers at Production Plants	Plant managers, persons responsible for quality control, site supervisors and other persons in a position to promote quality training at plants (i.e., those in a position to train participants in the “Online HACCP Course”)	Learning the risk management approach at production sites, watching lecture videos on quality training targeting operational managers and putting them into practice	The course is divided into two segments, in which a total of 8 videos (approx. 10 to 25 minutes per video) are streamed. Participants are required to watch the videos and work on assignments on an individual basis to complete the course in a total of two months.	83	-	71
Basic Training on Quality Control	Plant personnel (Primarily those within their first ten years of employment)	<ul style="list-style-type: none"> • Responsibilities of managers involved in production activities at production plants regarding quality control • Basic knowledge and perspectives required for quality control, including regulatory requirements and microorganisms 	Online lectures and tests. Completed in one day.	-	-	111
Quality Seminar for Sales Staff	All sales business department staff	<ul style="list-style-type: none"> • Matters related to hygiene control to be heeded by a food products business operator • Raising awareness of food labeling • Things to keep in mind when dealing with customer complaints • Making the outline of marine eco-labels and things to keep in mind upon their implementation widely known 	Materials are distributed to participants, and their level of understanding is checked through a test conducted on the Web (i.e., e-learning system). The seminar is divided into four segments and to be completed in a total of four months.	-	-	69

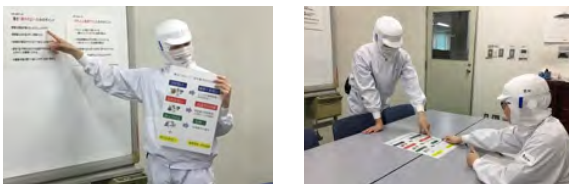
Name of the training	Target	Details of the training	Training method and duration	Number of participants		
				FY2021	FY2022	FY2023
Training on Certificates of Guarantee for Raw Material Specifications	New personnel in charge of departments that obtain Certificates of Guarantee for Raw Material Specifications, such as product development departments	Understanding of structure, precautions, and case studies of problems related to Certificates of Guarantee for Raw Material Specifications	Face-to-face & online information sessions	54	161	89
Training on Standards Related to Raw Materials and Labeling	Persons in charge of development/quality control/purchasing at development departments/raw materials departments/production promotion departments and production plants, etc.	Understanding raw material product certificates and related quality assurance standards	Explanation of content and verification of understanding through a web test (e-learning system)	68	311	329
Training on Raw Materials/Labeling Topics	Those from product development, production, sales, and other related departments	<ul style="list-style-type: none"> Introduction to recent regulatory revisions related to raw materials/labeling Introduction of near-miss incidents and countermeasures related to raw materials/labeling within the Nissui Group 	Explanation of content and verification of understanding through a web test (e-learning system)	-	229	458

○ Training at the Plants

Plant workers who actually come into contact with the products and support manufacturing receive a training that is more in line with the production site. Even new employees on their first day of work have the duty to maintain quality. There is no room for compromise. Such a production site is created by the concerted efforts of all employees.

■ New Employee Training

This basic seminar is attended by all employees assigned to work at the plant. They learn the basics which are required of employees who are responsible for maintaining quality including appropriate clothing, rules for entering the plant, hand-washing, etc., not to mention labor safety.



■ Matters Relating to Quality Communicated at the Sites

The plants operate every day and produce numerous products. Employees at the sites, when they come to work, always receive communications on quality-related topics and precautions from their site leader. Nissui ensures that such matters are communicated to all employees at the production sites which operate every day.



(2) Quality Control

The factory sites receive raw materials and manufacture products. The quality of the products to be delivered to customers are created at strictly-controlled production sites.

○ Employee Clothing

All employees change into the prescribed work uniforms before entering the production sites. These work uniforms also play a part in maintaining quality.



○ Rules on Entering the Plant

There are rules that must be followed when entering the plant. These rules must be followed even when the worker is in a hurry.

Health Check Chart

The health of the worker is checked every day. Does the worker have a fever? Does the worker have diarrhea? Is there a cut on the hand? And so on. The worker must check multiple items before entering. The plant cannot have product contamination by even one worker who is ill. To maintain one's health every day is also another important mission of a worker who works at the plant.



Hair Roller

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Hand-Washing

There are also rules for washing their hands, which is important for workers handling food. Workers wash their hands according to a timer which has been set to a designated time. These rules are also illustrated with photos so that they are easily understood.



Objects Which May Be Brought into the Plant

Workers basically enter the plant without bringing anything in. However, there are certain things which are required in the course of operations, such as when records or photos must be taken, that are allowed on site. All objects must be made of metal to prevent fragments from entering the product, in the unlikely event that the object breaks.

(Note): As all products go through a metal detector in the final process, any metal contaminant will be found.

○ Checking System

Various checks are carried out in the plant. Several dozen items are checked in the process of making a single product, including the type of raw materials, the weight, the composition, the order, the time, the heating temperature, the cooling temperature, the print on the wrapping, the condition of the machine, etc. All of these items are double-checked, including person-to-person checking and machine-to-person checking. Furthermore, subsequent checks of the records are made by the administrator.

Errors will inevitably occur if checks are conducted by a single person. Machinery may also malfunction if we depend solely on machines. We have a system in place in which checks are always conducted by several different eyes at every stage, in the case of emergencies.

○ Food Defense

As many employees work in vast spaces within the plant, early detection of "anything out of the ordinary" is essential. To this end, cameras have been set within the plant to guard the employees so they can work properly.

Furthermore, storage areas for detergents used in washing and drugs used in testing are strictly kept under lock and key and only a few people are allowed the use of the key. In such cases, also, records of opening and closing the locks are taken.

Moreover, a number of production plants have vein authentication and fingerprint authentication management systems to monitor who came into the plant and at what time. More of the domestic plants of the Nissui Group will adopt this system down the road.



(3) Inspections

Nissui only uses raw materials that have been confirmed for safety in manufacturing its products. It also conducts inspections at each stage from raw materials to the finished product to confirm that it conforms to the standards. These inspections encompass a wide variety of items and inspection methods, and require specialized knowledge and technology. Therefore, in order that inspectors are always able to carry out proper inspections, Nissui promotes "Excellent Lab" program, a system that allows inspectors to acquire the necessary knowledge and inspection skills.

○ Excellent Lab

The Nissui Group production plants nationwide all have inspection offices. Excellent Lab program is carried out mainly by the Food Safety Research Department in order to enhance the reliability of the inspection offices. Through standardized inspection manuals, the setting of facility standards, skill certification of the inspectors, precision control tests, and level-specific seminars, we are raising the level of the entire Excellent Lab. Excellent Lab program has also been introduced at certain overseas plants including China, as well as Japan.

Inspection Manual

Manual content is reviewed on a regular basis, and the latest version is always available for reference at each inspection office. To ensure that all inspection offices maintain the same level of accuracy in their inspections, a dedicated medium for the Excellent Lab is used and reagents are specified. This medium is packaged in single-use packets eliminating the need for measuring as well as preventing errors on the part of inspectors and saving time.



Certification of the Inspectors' Skills

To ensure that inspections are carried out by inspectors with a certain level of knowledge and skills, inspectors are registered and the skills of each inspector undergo certification. When employees are first assigned to the inspection offices, they receive instruction under the inspection office's OJT program. After the employee becomes capable of carrying out most inspections on his or her own, he or she is certified as an A-level Inspector. Proficient inspectors who have acquired a certain level of experience are certified as M-level Inspectors and inspectors capable of carrying out even higher-level tests are certified as E-level Inspectors. Inspectors must undergo written and skill tests to be promoted to the next level of inspector. In fiscal 2023, M-level and E-level certification workshops were held, and a number of inspectors were promoted.



Number of Inspectors by Level

	Definition	FY2021	FY2022	FY2023
A-level Inspector	Capable of carrying out designated tests	36	34	45
M-level Inspector	Capable of providing instructions to inspectors aiming to become A-level Inspectors	59	60	53
E-level Inspector	Capable of carrying out tests of a high degree of difficulty, and is proficient in all required tests	22	25	30

Communications Between Inspectors

The Excellent Lab emphasizes communications between the inspectors through various exchange events and the exchange of information. Inspectors periodically gather at venues around the nation and hold Excellent Lab Promotion Meetings. In fiscal 2023, 12 sessions were held both in-person and online, with the participation of 97 inspectors. Efforts are being made to maintain and improve the level of inspections by implementing activities such as aligning perspectives on inspection methods and assessment criteria, sharing information on new inspection techniques and promoting communication between inspectors.



Precision Control Tests

In order to confirm the testing precision of the inspection offices, precision control tests are conducted once a year. Specimens distributed by the Food Safety Research Department are individually tested by each inspector, and the results are statistically analyzed by the Food Safety Research Department and communicated back to the inspectors. These results are used to verify the continuity of skills in inspection offices and to improve inspection procedures.



Overseas Development

The overseas plants that manufacture the products imported into Japan are also training their inspection offices using similar systems. In China, Qingdao Nissui Food Research and Development Co., Ltd. and in Thailand, the Quality Control Section Thailand of the Quality Assurance Department, are leading efforts to provide testing instructions to local plants.

(4) Communication

We stress the importance of listening to the candid comments of the customers, and also believe that providing accurate information to customers is essential. We aim to create superior products based on the voices of the customers in order to enhance customer satisfaction.

System for Listening to Customer Comments

The Nissui Customer Services Center is where we can speak directly with the customers who have purchased our products. Currently, we receive comments by phone and via email. We not only receive complaints but also questions, confirmations and commendations. Whatever its content, each comment is a valuable piece of information for us. Nissui Customer Services Center (Phone number): 0120-837-241

Product Development Based on the Voices of the Customers

The "Customer Satisfaction Improvement Subcommittee" is held six times a year to share the comments provided by the customers. There are many cases in which product specifications were changed as a result of the discussions by the subcommittee. We value the perspectives that are unique to the general customer and utilize such perspectives in creating superior products.

Health and Nutrition Initiatives

Many industrialized countries, including Japan, are entering the stage of an aging society. While the average life expectancy continues to increase, there is a growing interest in not just increasing the average life expectancy, but also how to extend what is called "healthy life expectancy." The Ministry of Health, Labour and Welfare's "Health Japan 21 (the 3rd term)" strategy calls for the extension of healthy life expectancy as its first basic direction.

As a food company, the Nissui Group has a responsibility to deliver health to everyone through food. We are committed to research and development of healthy ingredients and products that make use of the bounty of the sea, and contribute to solving a variety of challenges when it comes to health.

Ministry of Health, Labour and Welfare's "Health Japan 21 (the 3rd term) (in Japanese)" [📄](#)
National Institute of Health and Nutrition [📄](#)

Basic Approach and Promotion Framework

Basic Approach

The Nissui Group states as follows in its Declaration on Action of Sustainability: "We utilize bounty of the sea and provide the delights of foods and the rich and healthy lives through the innovation." Based on this approach, we will take advantage of our unique technology and bring health to people around the world from sustainable marine resources.

Promotion Framework

The Nissui Group has set the resolution of health issues as one of its long-term priority management themes until 2030. We will launch projects in-house and seek to expand Nissui products in the field of health.

Declaration on Action of Sustainability [>](#)
Long-Term Vision [>](#)

Targets and Results

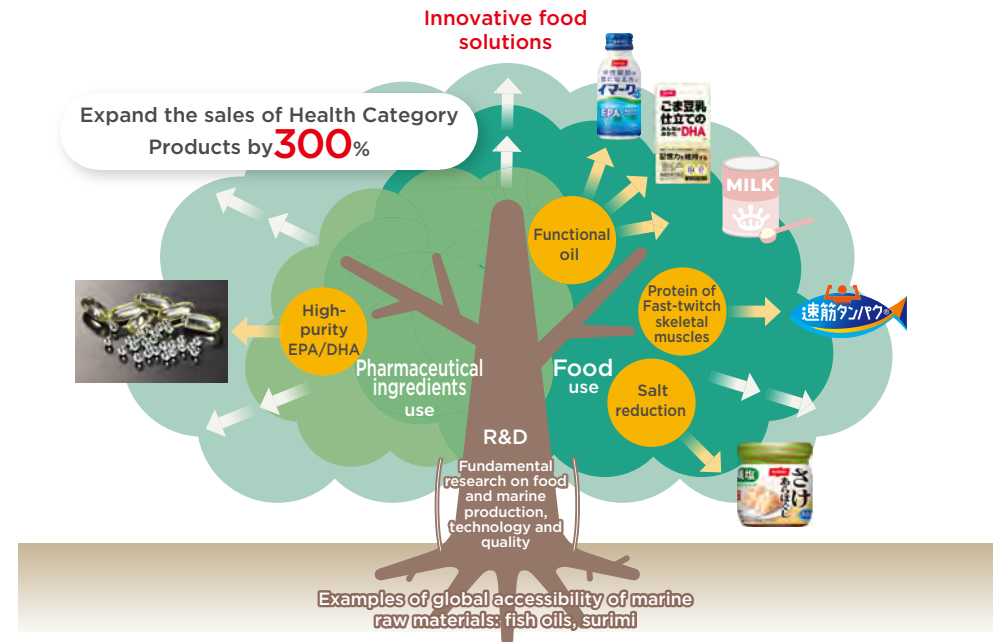
The targets and results specified in the long-term vision, "Good Foods 2030," and in the mid-term business plan, "Good Foods Recipe1," are as follows. Nissui intends to continue development of designated Health Category Products by 2030, building on the strengths it has accumulated since its establishment, such as access to marine raw materials and R&D.

Indicators	Scope	Results		KPI	
		FY2022	FY2023	Target by 2024 Mid-Term Business Plan "Good Foods Recipe1"	Target by 2030 Long-Term Vision "Good Foods 2030"
Sales of designated Health Category Products (Compared to FY2021)	The Nissui Group	100%	100%	Expanded by 130%	Expanded by 300%

Health Category Products (Definition)

Products that fall under the category of "Broader perspectives of health (Note)" defined by the Nissui Group, and support customers' healthy lifestyle through innovative food solutions verified by either the national government, academic societies, or Nissui (examples: EPA/DHA, Protein of Fast-twitch skeletal muscles, salt reduction).

(Note) Broader perspectives of health: A health concept aligned with either (1) target items set forth in "Healthy Japan 21" by the Ministry of Health, Labour and Welfare, or (2) "Recommendations for Extending Healthy Life Expectancy Based on Cross-Disease Evidence" by the Japan Health Research Promotion Bureau.



Initiatives for Solving Health and Nutrition-related Issues

Initiatives Linked to Targets of the "Health Japan 21 (the 3rd term)" Strategy

<EPA (Eicosapentaenoic Acid)>

EPA is a type of n-3 highly unsaturated fatty acid found abundantly in the fat of fish, and is an essential fatty acid that the body cannot easily produce. Using our own food processing technology, Nissui has developed fish sausages and other healthy products that contain EPA and other functional ingredients derived from fish, which we then offer to our customers. In addition, Nissui contributed to the development of the world's first EPA pharmaceuticals (therapeutic agents for hyperlipidemia and arteriosclerosis obliterans) through joint research with Chiba University School of Medicine since the 1980s and with Mochida Pharmaceutical Co., Ltd. Currently, Nissui is responsible for supplying raw materials for high-purity EPA pharmaceutical products.

<Sodium reduction>

Excessive sodium intake raises the risk of diseases such as hypertension, stroke, and stomach cancer. Since processed marine food are associated with high salt content, we have started basic research on aroma and taste. We are working on the development and practical application of ingredients that provide a strong salty taste and methods for manufacturing products that do not lose their flavor despite a reduction in the sodium content.

<DHA (Docosahexaenoic acid)>

DHA, like EPA, is a type of n-3 highly unsaturated fatty acid found abundantly in the fat of fish, and is an essential fatty acid that is not readily produced by the body. It is found in abundance in the human brain and in the nervous system, and is considered to be a particularly important nutrient for children during their developmental stages. At Nissui, we utilize DHA as a raw material for infant formula and also provide DHA drinks that are easy for children to drink. In addition, decline in cognitive function is also a challenge for an increasingly aging society. DHA has been reported to have a positive effect on the maintenance of cognitive functions, and Nissui has developed a DHA-based drink that takes advantage of this feature. By utilizing the technology we have developed to suppress the odor of fish oil and the processing technology to suppress the progress of oxidation, we have created a product that is easy to incorporate into daily life.

<Alaska pollock fast muscle protein>

One health issue faced by an aging society is the problem of sarcopenia, which is the loss of muscle mass due to aging, and frailty - a decline in physical function. Our research on the fast-twitch muscle protein found in Alaska pollock has shown that eating pollock protein increases muscle mass and strength, and we are developing products that use these ingredients.

| Development of Alternative Protein Products

Cité Marine S.A.S., a subsidiary of the Nissui Group located in France, is engaged in the production and sales of plant-based protein products that use agricultural products.



○ Responsible Labeling, Promotion, and Marketing

| Policy

The Nissui Group states in Article 1-7 of its "Quality Assurance Code" that: "Information about the origin and source of the raw materials, allergenic substances, nutritional components, and production processes etc. shall be provided correctly and clearly to the consumers."

Furthermore, we have established a "Basic Policy" within the "Standard of labeling" in the "Quality Assurance Standards." The "Standard of labeling" also sets various other standards for labeling, including product names, product descriptions, bulk labeling, nutritional information labeling, and allergy labeling.

In addition, the Ethical Behavior Standards states in the section entitled "Compliance with the Act against Unjustifiable Premiums and Misleading Representations" that: "We will comply with legal requirements when offering goods, money, or other premiums to customers. In addition, we will advertise and label our products and services truthfully and will not mislead consumers."

[Quality Assurance Code >](#)

[Standard of Labeling - Basic Policy >](#)

[Ethical Behavior Standards >](#)

| List of Japanese Laws Regarding Labeling that the Nissui Group Must Comply With

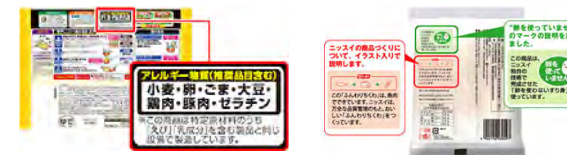
Item	Law
Product claims labeling	Act against Unjustifiable Premiums and Misleading Representations, Unfair Competition Prevention Act, Trademark Act, Design Act, Copyright Act, Fair Competition Code (other than bulk labeling), Health Promotion Act, Local government ordinances
Bulk labeling, allergy labeling	Food Labeling Act, Measurement Act, Fair Competition Code (related to bulk labeling)
Caution indications, warning indications	Product Liability Act
Identification labeling of containers and packaging	Containers and Packaging Recycling Law, Law for Promotion of Effective Utilization of Resources
Pharmaceutical labeling	Pharmaceutical and Medical Device Act

| Bulk Labeling, Allergy Labeling

Product information is communicated to customers through product packaging. We have established internal standards for conveying product information with an emphasis on easy-to-understand and easy-to-read packaging.

Allergens, including the 28 required to be listed, are displayed in large, easy-to-read colors also outside the batch labeling of ingredients.

In addition, our fish sausages and paste products do not contain eggs. For those who are allergic to eggs, we put an "egg free" mark on the package to inform them that our products are safe to eat.



Initiatives to Provide Health and Nutrition Information

We provide nutritional information on product packaging and on our website to help consumers make informed healthy food choices.

Health and Nutrition Labeling Used on Nissui Product Packaging

Name	Label	Details	Product Examples
Foods for Specified Health Use ("Tokuhō")		Includes products that have been scientifically validated to help maintain and improve health. The Japanese government rigorously reviews efficacy and safety, with the Consumer Affairs Agency granting approval for each specific item.	Click here for details (in Japanese) 
Food with Functional Claims	Labeled as "Food with Functional Claims" on packaging.	Foods that are labeled with a functionality based on scientific evidence, under the responsibility of the business operator.	Click here for details (in Japanese) 
Fast-twitch skeletal muscle protein		Used in products like fish sausage and fish cakes, utilizing fast-twitch skeletal muscle protein from Alaska pollock.	Click here for details (in Japanese) 
Low-Sodium		Used in a wide range of products including canned goods, fish sausage, and fish cakes, indicating reduced sodium content.	Click here for details (in Japanese) 
Tomato lycopene & gardenia plant-based colorants		Used in fish sausage.	Click here for details (in Japanese) 

Nutrient Profiling

Nutrient profiling is a method that involves evaluating the nutritional components present in foods and assigning scores based on their nutritional value. By visualizing the nutritional value, customers can quickly discern which foods are healthy, aiding them in making informed choices.

Nissui Group companies outside Japan have adopted nutritional scoring systems such as Nutri-Score. Cité Marine S.A.S. (France), a producer and distributor of food products, has successfully implemented Nutri-Score labels on the packaging of most of its National Brand (NB) products. All of Cité Marine's NB products are graded A or B. In addition, other Group companies are actively improving the availability of this information on their websites.



Cité Marine's packaging example with Nutri-Score

Text Size

In accordance with the Food Labeling Act, bulk labeling and nutritional information labeling for all products are generally written in 8-point type or larger. However, if the display area of the container or packaging is 150cm² or less, 5.5-point type or larger can be used.

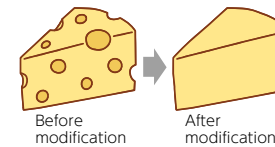
Avoiding Misleading Illustrative Representations

When creating illustrations of product materials, etc., we take care to correctly depict the ingredients. To avoid depicting the wrong type of product or ingredient, we always check the actual ingredients before representing them in an illustration.

[Example]

(Before modification) To identify it more easily as cheese, holes were added to the surface.

(After modification) After checking, it was found that the actual cheese used was one without holes in its surface. Therefore, the illustration was corrected to show cheese without holes.



Employee Training

In the "Basic Quality Control Seminar", one of the employee education programs provided by the Quality Assurance Department, we also conduct training on labeling standards (once a year).

Training Sponsored by the Quality Assurance Department [>](#)

Auditing

Through the acquisition and renewal of FSSC22000 and other certifications, we also undergo external inspections for our labeling.

See here for the status of business locations that have acquired certification [>](#)

Whistleblowing System

We have established a Whistleblowing System to identify any violations of standards.

Initiative to Identify Compliance Issues "Overview of Whistleblowing System" [>](#)

Research and Development to Enrich Lives

○ Technology for a Tasty Way to Cut Back on Salt

As society ages, it has become more important than ever to prolong one's healthy life-span, i.e. the period in which one is able to live in a healthy condition. Salt (sodium chloride) not only is an essential nutrient for man but also plays an indispensable role in making foods and beverages "tasty." However, when consumed in excess, it can lead to a host of illnesses including high blood pressure.

This is the reason why Nissui came up with its unique technology to boost the taste of salt. Previously, reducing the salt used in foods and beverages had the effect of compromising the taste. However, with this technology, ingredients that boost the taste of salt are added and as a result, the taste of salt can be fully enjoyed even when the amount used is reduced. It is a technology that allows for the taste of salt to be enjoyed while cutting back on the salt content.

[Taste Research for a Better-tasting, Healthier Daily Diet >](#)

○ Research of the Functions of White Fish

Since 2009, Nissui has been taking part in the Cabinet Office's Cross-ministerial Strategic Innovation Promotion Program as a cooperating company and conducting research on the functions of white fish. Research has proven that the protein in Alaska pollock has numerous benefits.

In March 2018, Nissui launched the Alaska Pollock Protein Society, establishing a research framework comprising 12 universities and research institutes, and has been engaged in joint research. Nissui presented the results of five research projects of this Society at the Japanese Society for Amino Acid Sciences held in October 2019.

[Related press release \(in Japanese\) >](#)

! On the Muscle Augmentation Effects of Alaska pollock Protein

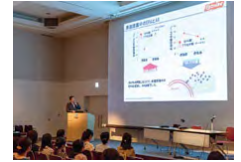
In human clinical trials with women of 65 or older, who are said to lose on average 1.0 to 2.0% of fat-free mass (an index for muscle mass, represents total mass including organs and muscle) a year, as test subjects, by consuming the protein of Alaska pollock every day and leading a normal life without exercising, an increase in fat-free mass was confirmed after consumption of the protein, indicating an increase in muscle.

[Muscle Augmentation Effects of Alaska pollock Protein >](#)

○ Research into the Effects of EPA on Exercise

Nissui has been engaged in the research, dissemination and awareness-raising of EPA (eicosapentaenoic acid) by focusing on its effects on exercise, including enhancing endurance. At the National Dietitians Conference (sponsored by the Japan Dietetic Association) held in August 2017, Nissui explained the mechanism in which EPA raises the efficiency of oxygen delivery to the body. Furthermore, beginning with the sponsorship of the Japan Masters Swimming Association in 2013, Nissui has been developing the "SPORTS EPA" brand which supports athletes.

[SPORTS EPA \(in Japanese\) !\[\]\(6befd466863f06afb75445d91429f055_img.jpg\)](#)



For the Employee

Top Message



We will promote diversity & inclusion to translate diverse values into innovation and value creation.

Representative Board Member,
President & CEO
Nissui Corporation

S. Hamada

The Nissui Group, which has selected "Aim to be a company where diverse human capital play an important role to address the social agenda" as one of its key issues, is aiming at being in a state where, by 2030, it is generating innovation that will lead to value creation by utilizing diverse human capital and providing opportunities for such human capital to demonstrate the fullest potential. While diversity is comprised of various elements, our first step at Nissui will be to promote women's empowerment as a matter of priority.

Given that diversity is an important management issue for a company, we joined the "30% Club Japan" in support of the objective of its activities in 2021, in order to bring about greater gender diversity in our decision-making body. While learning from actions that will help resolve issues, we will promote women's participation in the management of Nissui. Although it may take some time, we believe that the best way is to raise the ratio of female recruits and develop a framework that enables them to play a greater role and thereby increase the ratio of female managers and select officers from within the company, instead of just increasing female outside Directors for the sake of achieving the target.

For the expansion of overseas businesses, it is indispensable to develop global personnel with the ability to build good relationships and yield results with people with diverse values in any complex and uncertain business environment around the world. We will aim to boost the capabilities and draw out the full potential of each and every employee by such means as hiring and training candidates based on a business plan in each business, preparing career paths and training methods for them as global personnel from the time they join Nissui, and getting them involved in exchanges including Group companies outside Japan.

In order to deal with diversifying customers' needs and social issues, we will continue to promote diversity & inclusion into the future, to enable the translation of various values into innovation and value creation that create new businesses.

Employee Engagement

Nissui believes that the most important factor in increasing corporate value is “human capital.” Our continued sustainable growth depends on our employees’ engagement. We support our employees to be able to fully demonstrate their potential, feeling a sense of reward and job satisfaction toward the success of our mission through proactive work. We will use the results of employee engagement surveys to promote organizational and corporate culture reforms, leading to the growth of individuals and the organization as a whole.

○ Targets and Results

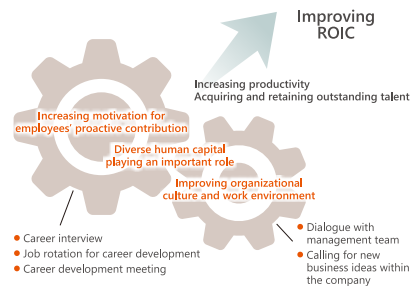
The targets specified in the long-term vision, “Good Foods 2030,” and in the mid-term business plan, “Good Foods Recipe1,” are as follows.

Indicators	Scope	Results		KPI	
		FY2022	FY2023	Target by 2024 Mid-Term Business Plan “Good Foods Recipe1”	Target by 2030 Long-Term Vision “Good Foods 2030”
Employee engagement score (Note) (Compared to FY2021)	Nissui Corporation	Improved by 1%	Improved by 11.6%	Improved by 10%	Improved by 20%

(Note) Employee engagement score: The score represents the “trust and contribution” between the company and its employees based on a survey which measures employees’ commitment, contribution motivation, and loyalty, mainly covering the corporate philosophy, scope of business, and organizational culture. This is to check whether individual growth and organizational growth are attained simultaneously.

○ Engagement for Individual Growth and Organizational Growth

Our employee engagement survey was first conducted in FY2021 to measure our status in the practice of “diverse human capital playing an important role,” one of the themes of our vision toward 2030. Based on the survey results, we will implement necessary measures to raise employees’ motivation for proactive contribution to the Company and to improve the organizational culture and workplace atmosphere.



| Diverse Human Capital Playing an Important Role (Definition)

A work environment where people with various values perform their duties proactively and independently, demonstrating strong potential in their respective fields of expertise.

Keyword

- Coming together with people with various values
- Maintaining a backcasting based approach.
- To be able to draw one's own vision and perform one's own duties autonomously.
- Demonstrating strong potential in one's field of expertise.

| Dialogue with Management Team

Starting in FY2022, we hold “One Table Meetings” where the President engages in dialogue with employees in Nissui and its Group companies in Japan. Through dialogue, we work to clearly convey our intention for rebranding and transformation, promoting our mission and long-term vision, and deepening employees’ understanding of our mid-term business plan.



| Career Development Support

Recognizing that organizational growth relies on self-direction and action by each and every employee, Nissui has been implementing various personnel policies based on our “Independence and Autonomy” policy. We promote our employees’ career development through the “career interview system,” in which employees review their career objectives through interviews with their supervisors and discuss what they can do and what they will do in the future to meet their career goals. In FY2022, we also started a “job rotation for career development” in which employees are transferred proactively to improve their job skills during their first ten years with the Company, as well as “career development meetings” conducted in each department.

Work Style Reform

○ Promoting the Teleworking System, etc.

In order to realize styles of work that are not constrained by time or location through the use of IT and communications technologies, the Nissui Group has adopted a teleworking system and increased the maximum number of full days allowed for telework to three days per week since April 2021.

In addition to this, since July 2021, core hours in the flextime system have been abolished, and employees have been allowed to take annual paid leave on an hourly basis; by combining them with telework, Nissui is promoting further improvements in operational efficiency and work-life balance.

Furthermore, in January 2022, Nissui introduced a system to allow employees who have certain reasons for striking a balance between work and home life (e.g., child-raising, nursing care) to work exclusively in the form of telework as a general rule, regardless of the cap on the number of teleworking days allowed (i.e., three days per week), in order to develop a working environment in which diverse human capital can play an active part.

Going forward, Nissui will continue its efforts to shift to new styles of work that enable each and every individual to boost his/her productivity and gain a real sense of fulfillment from his/her work.



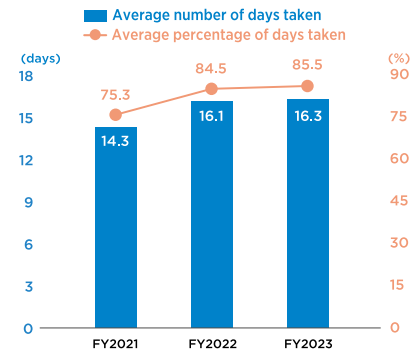
Office-wide Teleworking Day at Nissui's Head Office

○ Promoting the Taking of Paid Leave

As part of efforts to create a comfortable and rewarding workplace, Nissui is engaging in initiatives to make its employees take leave in a planned manner and pursuing a balance between work and personal life and improvement in health among its employees. Nissui has set a Company-wide common target for the rate of leave taken as well as days recommended for taking leave; each individual prepares his/her plan for taking annual leave and shares his/her schedule for taking leave within his/her department, which helps in coordinating work in advance and assists in progress management of leave taken.

In fiscal 2019, Nissui introduced "Anshin Leave," a new type of short-term paid leave for emergencies, separate from regular leave, in response to employees' requests to reserve their standard leave in the event of sudden illness. Additionally, Nissui revised the "Accrued Leave" system, allowing employees to accumulate up to 80 days of paid leave that expires after two years, specifically for caregiving/nursing, or rejuvenation purposes. Starting in fiscal 2023, every employee now receives an annual grant of two additional leave days, enhancing the existing accumulation mechanism. This expansion of the leave system aims to encourage more active use of leave among employees.

Number of Days of Paid Leave Taken



As of the end of March of each year
Scope: Nissui Corporation

Support of Striking a Balance Between Child-raising and Work

“Kurumin” Mark Certification

Nissui has been formulating action plans based on the Act on Advancement of Measures to Support Raising Next-Generation Children since 2005 and in May 2010, it received the “Kurumin” Mark Certification from the Minister of Health, Labour and Welfare, which is awarded to companies that support child-rearing.

In fiscal 2021, for the fourth time in a row, Nissui received the ‘Kurumin 4 Star’ certification. At the present time, Nissui is engaged in initiatives to achieve the goals of our Sixth Phase Action Plan. Nissui is committed to introducing various measures to be a company in which both men and women are able to balance their work with childcare.



Next-Generation Mark (Nickname: “Kurumin”)

Ministry of Health, Labour and Welfare “Information site to support efforts to balance work and home life: The Plaza of Support for Both” Action Plan (in Japanese) [PDF](#)

(note) “Kurumin” mark: Companies and national/local governments are mandated by the Act on Advancement of Measures to Support Raising Next-Generation Children to formulate an action plan to support the healthy birth and growth of children, who will be shaping our society for the next generation. It is a certification mark awarded to companies that have achieved the targets set in their action plans and met certain standards.

Sixth Phase Action Plan (Plan Period: 3-year period from April 1, 2023 to March 31, 2026)

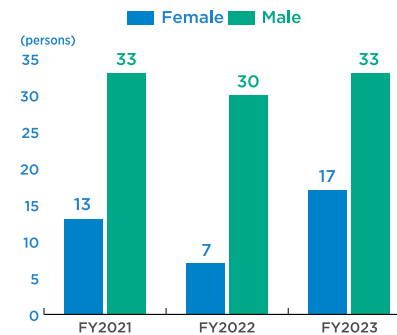
	Details	Initiatives
Objective 1	Raise the rate of male employees taking leave for childcare during the plan period to 100%	(1) Conduct a survey of employees who were unable to take childcare leave, analyze factors that contributed to their inability to do so, consider measures to address the issues, and implement appropriate actions. (2) Provide eligible individuals with a guide to childcare leave and ensure awareness of childcare-related policies and programs. (3) Enhance in-house promotions to raise the level of awareness among employees of the need for male employees to participate in childcare.
Objective 2	Raise the rate of annual paid leave taken by each employee to 80%	(1) Each individual plans to take 80% of the number of days granted to them in the current year, and enters and updates their annual vacation plan in the company intranet personal calendar. (2) Foster an environment in which it is easy to make plans to use leave by setting up common in-house recommended days for using leave and a recommended period for using consecutive summer leave. (3) Check with Human Resources Department on the status of plan input and check the status with department heads and their immediate bosses as necessary. (4) Post utilization rates by department on the company intranet every month. (5) Share information on the status of utilization by department and promote the taking of leave (3 to 4 times a year)
Objective 3	Continue to provide training and improve an internal environment to support balancing life events with career development.	(1) Support a smooth return to work after childcare leave for both male and female. (2) Send employees to external training programs to provide role models for women in the childcare phase. (3) Provide ongoing training for supervisors with subordinates in the childcare phase and foster an organizational culture.

Promoting the Taking of Childcare Leave

Nissui aims to create an environment where both men and women can continue to work while raising children and pursue career development. Looking to establish a workplace conducive to work-life balance, Nissui has set a goal to achieve a 100% rate of childcare leave utilization. For male employees who become fathers, Nissui actively promotes the uptake of childcare leave and confirms their intention to use it. Additionally, division heads and department managers are encouraged to promote understanding and support for the use of childcare leave.

Additionally, building on the promotion of paternity leave, Nissui aims to create a workplace where employees can confidently take leave not only for childcare but also for caregiving or illness. To this end, discussion opportunities (workplace meetings) are conducted to discuss responsive strategies, which also helps in building a system that supports taking leave. Furthermore, efforts are made to cultivate a culture where each individual considers leave-taking as a personal matter, thereby facilitating an environment supportive of personal reasons for leave.

Number of Employees Taking Childcare Leave



As of March of each year
Scope: Nissui Corporation

Assisting Female Employees on Childcare Leave in Returning to Work

Nissui has been introducing return-to-work career interviews between employees and their managers, utilizing the “Interview Sheets for Employees Returning to Work from Maternity and Childcare Leave.” Nissui’s ongoing support -which is provided not only at the time of returning to work but also over the career resumption period of six to twelve months after returning to work- has been received favorably. In addition, Nissui supports managers of employees raising children by providing them with necessary information for effectively managing team members during childcare, thereby facilitating a supported return back to the workplace.

Initiatives by Cité Marine S.A.S.

Cité Marine S.A.S. (France), a member of the Nissui Group, set up a nursery in October 2020, for the purpose of creating an environment that is pleasant to work in even while employees are raising children; 20 children of employees go to the nursery.



Supporting the Balance of Nursing Care and Work

Nissui has a nursing care leave program, in which 10 days of leave per year is allowed to employees with one person in their care, and 20 days per year for employees with two persons or more in their care. In addition to hosting nursing care seminars led by expert instructors, Nissui has contracted specialized nursing care agencies to offer consultation desks where employees can receive free advice via phone and email. Settings are also established for employees to discuss the use of nursing care services among those facing similar challenges. Furthermore, Nissui supports employees dealing with nursing care by recommending the use of flexible work arrangements such as "Coreless Flex," and by including nursing care as one of the criteria for eligibility for full-time work from home. Assistance with nursing care costs is also provided through the cafeteria plan options. Through these initiatives, Nissui is cultivating a culture in which both the individuals directly involved and their supervisors and colleagues treat each nursing care issue as their own personal concern, thereby creating a supportive environment that recognizes the unique aspects of each situation.

Various Systems to Support Diverse Work Styles

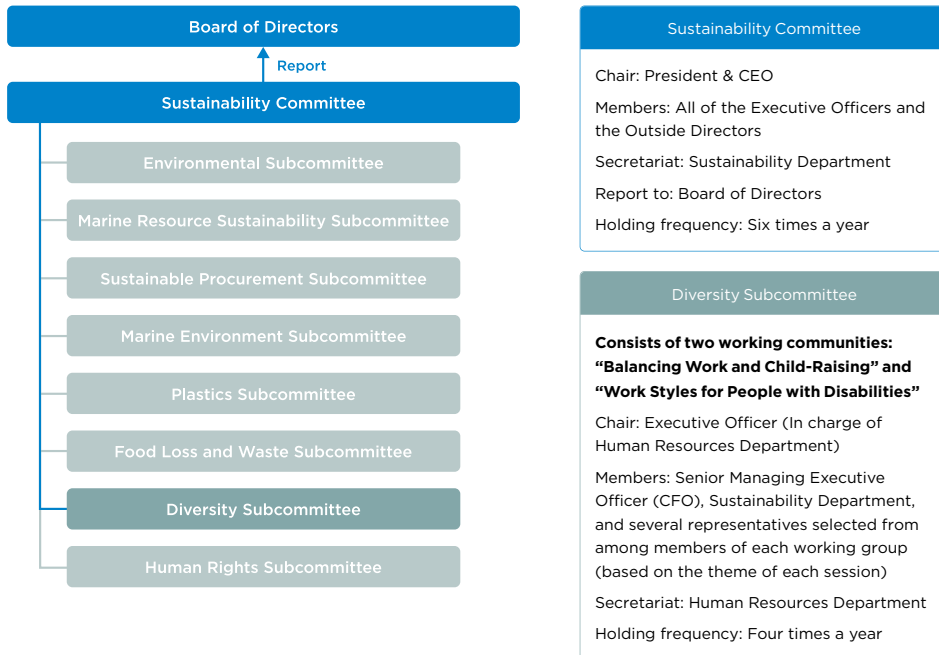
Reason	System	Description
Childcare	Leave for preparing for childbirth	An employee can take leave on a full-day or half-day basis for up to 15 days while the employee or the employee's spouse is pregnant until two weeks after the birth of a child. Both male and female employees can take leave at times of poor physical condition (e.g., nausea of pregnancy) and when undergoing medical examination, etc., including accompanying their partners. An employee can take leave out of his/her accrued leave.
Childcare	Childcare leave	Childcare leave can be taken by male employees as well, and is treated as paid leave for up to five days.
Childcare	Leave for childbirth by spouse	An employee can take special paid leave for up to two days in cases where his spouse has given birth to a child.
Childcare	Leave for taking care of sick children	In cases where an employee has to take care of his/her child of primary school age or younger due to injury or illness, or in cases where an employee has to make such child receive a vaccination or undergo health examination, he/she can take leave on an hourly basis for up to five days in the case of one child or up to ten days in the case of two or more children. An employee can take leave out of his/her accrued leave.
Nursing care	Nursing care leave	An employee can take leave on an hourly basis for up to 10 days in the case of one person in his/her care or up to 20 days in the case of two or more persons in his/her care. An employee can take leave out of his/her accrued leave.
Nursing care	Extended nursing care leave	An employee can take extended nursing care leave multiple times for a total of up to one year and six months per eligible family member in his/her care.
Childcare	Shortened-workday system	An employee can use this system for a maximum of seven years in total, including childcare leave, until his/her child completes the third year of primary school. An employee can also use the shortened-flextime system.
Nursing care	Shortened-workday system	An employee can use this system for a maximum of three years per person in his/her care. An employee can also use the shortened-flextime system.
Universal	Flextime system	Applicable to employees other than some employees, such as plant workers.
Universal	Teleworking System	Applicable to all employees other than some employees, such as plant workers. This system can be used on the grounds of making operations more efficient, promoting health and welfare, and striking a balance between work and family. Telework, which means working without attending the workplace, is capped at three times per week.
Universal	"Anshin" Leave (Short-term Paid Leave for Non-occupational Injuries and Diseases)	Each fiscal year, an employee is granted five days of paid leave that can be taken when he/she has suffered short-term non-occupational injury or illness (e.g., cold) and has difficulty coming to work.
Universal	Refreshment leave	An employee is entitled to take leave for five consecutive days when the length of his/her service has reached 10, 20 or 30 years. Such an employee is also paid a grant.
Universal	Coreless flex	Core hours in the flextime system were abolished, and the start time of work was also pushed back to 5:00 onwards.
Universal	Taking paid leave on an hourly basis	All employees can take paid leave not only on a full-day basis and half-day basis but also on an hourly basis for up to five days per year. Employees can take hourly leave at the beginning of the workday, mid-day (once per day) and at the end of the workday.

Diversity, Equity & Inclusion

The Nissui Group is aiming at being in a state where, by 2030, it is generating innovation that will lead to value creation by utilizing diverse human capital and providing opportunities for such human capital to demonstrate the fullest potential. Based on the view that the proactive introduction of diversity will stimulate the organization and also translate into business development, we are developing human capital geared to actively tackling global and local social issues through our business activities. Furthermore, we aim to be a company in which diverse human capital can improve themselves by encouraging and learning from each other and play an important role through such efforts.

○ Promotion Framework - The Diversity Subcommittee

Under the Diversity Subcommittee, we have established two employee-centered working communities focused on “Balancing Work and Child-Raising” and “Work Styles for People with Disabilities,” and have initiated related activities. An executive officer serves as the chair of these communities, with members from each working community participating to drive the creation of an organization that leverages the strengths of diverse talent.



○ Targets and Results

The targets and results specified in the long-term vision, “Good Foods 2030,” and in the mid-term business plan, “Good Foods Recipe1,” are as follows. We seek to foster a robust organizational culture in which diverse human capital can explore the unknown by promoting Diversity & Inclusion.

Indicators	Scope	Results		KPI	
		FY2022	FY2023	Target by 2024 Mid-Term Business Plan “Good Foods Recipe1”	Target by 2030 Long-Term Vision “Good Foods 2030”
Ratio of female manager	Nissui Corporation	6.8%	6.6%	10%	20%
Ratio of female executive officers and general managers		3.1%	3.1%	10%	-

○ Gender Diversity in the Company’s Decision-making Body

On January 18, 2021, Nissui joined the 30% Club Japan in support of the objective of its activities.

The 30% Club Japan believes that a healthy gender balance in a company’s decision-making body will not only enhance corporate governance but also facilitate sustained growth, boost international competitiveness, and in turn, help build a sustainable Japanese society. Based on this belief, its goal is to increase the percentage of female directors at the TOPIX top 100 companies, which was 12.9% as of the end of July 2020, to 30% by 2030. TOPIX Presidents’ Association, which is a community of the 30% Club Japan, has started holding discussions on essential issues that hinder women from playing an active role and is learning from actions that help resolve these issues. At Nissui, we are promoting activities for women’s participation in management by setting numerical targets for the promotion of women to executive officers and general managers.



Participation in External Initiatives >

○ Action Plan for Female Participation

In April 2022, Nissui formulated and announced the Third Phase Action Plan (plan period: April 1, 2022 to March 31, 2025) to develop an employment environment in which female employees can play an active part.

Nissui’s Action Plan in “Comprehensive Website to Support Women’s Active Participation and Balancing Work and Home Life” by the Ministry of Health, Labour and Welfare (229KB) [PDF](#)

Quantitative Targets for Third Phase Action Plan

- Recruit highly competent human capital without distinguishing between men and women and stably maintain the "percentage of women among recruits" at 50% in each fiscal year.
- Make women account for 10% or more of all managers.
- Make women account for 10% or more of all executive officers and general managers.

Results

Management items	Target	FY2022	FY2023
Ratio of female among new hires	50%	34%	36%
University graduates or higher	-	41%	57%
Ratio of female managers	10% or more	7%	7%
Ratio of women in executive officer and general manager	10% or more	3%	3%

Key Initiatives

In 2017, we conducted a gender diversity awareness survey targeting all Nissui employees (approx. 1,200 employees). We are formulating measures separately for each of the three issues that have been identified (i.e., reform of organizational culture, reform of employees' mindset, and striking a balance of careers and life events) and translating them into activities in concrete terms.

Initiatives in FY2023

[Reform of Organizational Culture and Reform of employees' mindset]

- Conducting of Workplace Meetings

Workplace meetings have been conducted to collaboratively discuss issues and strategies for creating an environment where employees can confidently take leave.

[Striking a Balance of Careers with Life Events]

- Conduct exchange meetings between female employees and outside director

With the aim of providing female employees with hints for their future career development, an exchange meeting was held with a female outside director.

Past Initiatives

[Reform of organizational culture (Reform of managers' mindset)]

- Communicated the Message from the President & CEO
- Held an exchange of opinions on Diversity between Takayuki Kawashima, Director of the NPO, Fathering Japan, and five of the Company's executives
- Held the Female Subordinate Career Development Seminar for managers
- Established the department heads' meeting in the working group for the advancement of women (sales divisions)
- Added non-financial items in the evaluation of managers' targets
- Gave a diversity management lecture
- Conducted diversity training
- Diagnosed unconscious bias and conducted e-learning course and workshop
- Held a workshop for persons in charge of production divisions
- Introduction of a mentoring program

[Reform of employees' mindset]

- Held a career workshop with female employees of production divisions of other companies in the same line of business
- Established the Female Staff meeting in the working group for the advancement of women (sales divisions), held workshop
- Held "Career Design Seminar" for Female Employees
- Held a role model lecture given by female officers of other companies in the same industry
- Dispatched female employees to selective development training
- Diagnosed unconscious bias and conducted e-learning course and workshop
- Held a workshop for persons in charge of production divisions
- Introduction of a mentoring program

[Striking a balance of careers with life events]

- Introduced a pre-reinstatement sheet and child-raising status sheet, and expanded the scope of eligibility in terms of types of employment
- Created a working mothers' network
- Examined women's empowerment in the sales division/production division (Interviewed male/female employees in charge of sales who are raising children)
- Exchange meeting to strike a balance between work and child-raising
- Training to consider balancing career and life events
- Managerial training to support team members in balancing careers and life events

○ Initiatives to Hire People with Disabilities

I Vision for the Employment of Persons with Disabilities

In fiscal 2023, employees with disabilities participated in discussions within the Diversity Subcommittee to define the “Vision for the Employment of Persons with Disabilities” and “indicators toward achieving this vision,” which were then established as our vision.

Together, we are creating an environment where each individual can more easily demonstrate their abilities, rewarding their contributions and further encouraging growth, thereby contributing to the overall well-being of the company, including employees with disabilities.

I Specific Initiatives

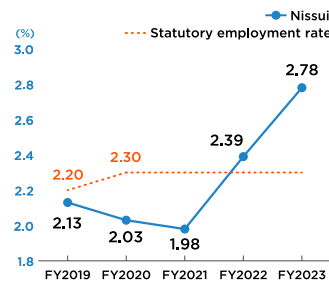
At Nissui, employees with disabilities work across approximately 30 diverse workplaces, including administrative departments, factories, and sales divisions. While the types of disabilities vary, we are committed to enabling each individual to leverage their unique characteristics and strengths through collaborative efforts between departmental personnel and HR staff, providing multifaceted support, including reasonable accommodations (Note), to create a work environment where everyone can work confidently and thrive. Furthermore, we have strengthened our collaboration with in-house staff responsible for the employment of people with disabilities and with local government and support organizations. This collaboration has allowed us to establish a system that addresses the physical and lifestyle needs of each individual. We also handle inquiries about the acquisition of disability certificates. Additionally, by participating in speaking engagements and other community interactions, we continue to build trust.

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Specific initiatives have been launched to help employees with disabilities grow and excel, such as “inter-site training” that enables the application of learnings and insights from other departments within their own, sharing of internal employment cases, and holding meetings to promote mutual understanding, all aimed at achieving this vision.

In addition, the “Business Trust Team,” comprised of employees with disabilities, has set its mission to create valuable time across all departments, while engaging in various business collaborations. The team has expanded its step-up program, where members are permanently stationed within departments to perform their duties, and has initiated onboarding training as a means to further strengthen personnel development capabilities and support the retention and growth of team members.

Employment Rate for People with Disabilities



Scope: Nissui Corporation

We will continue to promote the employment of persons with disabilities toward realizing the “Vision for the Employment of Persons with Disabilities” at Nissui.

(Note) Provision of reasonable accommodation: Refers to the act of providing necessary accommodations with reasonable effort when a person with a disability (not limited to disability certificate holders) expresses a need for some form of assistance to remove barriers that present themselves in society. This is mandated as an obligation for employers under the Act for Eliminating Discrimination against Persons with Disabilities.



Work challenge day



Joint company information session



○ Senior Employee System

Amid the growing demand for stable employment opportunities for the elderly, Nissui is re-employing employees who are willing to work at Nissui after retirement. Their responsibilities are reviewed at the time of rehiring and at contract renewal by taking into account the skills, aptitude and work experience, among others, and commensurate compensation is also arranged.

Nissui continues to provide an environment where senior citizens with experience and superior skills acquired over the years play an active part.

○ Initiative to Hire Foreign Nationals

The Nissui Group's production facilities employ people of many nationalities, and the number of languages that need to be supported is growing. Efforts have been made to provide multilingual support through the implementation of signage in various languages at these plants. The introduction of multilingual tools using visuals such as pictures and images for clear explanations is being actively pursued to improve the safety of foreign employees and their understanding of work procedures and rules.

Human Rights >

Occupational Safety and Health >

Training and Development

○ Policies on Development of Human Capital and Preparation of In-house Environments

The Nissui Group regards human capital as one of the most important factor in improving its corporate value. Through its business activities, the Group strives to create opportunities to leverage its diverse human capital, of different genders, nationalities and ages, to maximum effect, giving rise to innovation, organizational motivation and creation of value. As employees help and challenge each other to improve, we aim to develop them as human capital capable of grappling vigorously with social issues both global and local. At the same time, the Group is working to furnish workplaces, programs and other elements of the working environment that enable its employees to work with peace of mind and high motivation.

○ Educational Programs

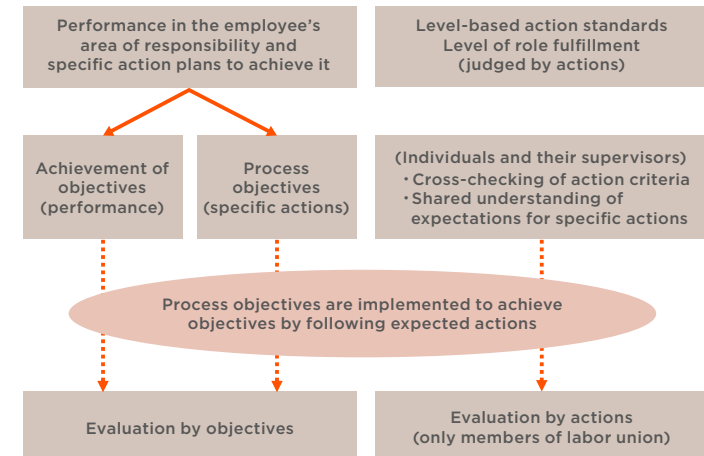
Nissui offers employees a full slate of educational and training programs, so they can continuously improve themselves from initial placement to final retirement, according to their roles, positions, ages and other factors. The seminar for new employees is followed up by a series of training sessions. Supervisors and educational staff provide on-the-job training, level-based training and correspondence education, aiming to impart knowledge and skills employees need to reach higher positions as defined in the organizational hierarchy. The Group implements selective education to prepare for succession, career training set according to each age group, duty-specific training to enhance specialized capabilities and other educational and training opportunities. Beginning in fiscal 2023, the Group is also focusing on DX training.

	Training by employee level	Career training	Correspondence courses	Diversity training	Global Personnel Registry System	DX training	Training by job type
Manager level and above	Training for managers	Training to design one's career is provided for various age groups in order for employees to review their careers at various milestones from joining the company to retirement.	To support personal development, various seminars are provided so that employees can think about choose what they are lacking or what they should acquire.	Workshops and training from various perspectives are provided to establish a work environment and culture, in which employees mutually respect diversity and maximize their potential.	From among employees up to 45 years of age, by open recruitment or recommendation, the Group recruits and trains candidates for global human capital believed capable of active roles overseas.	All employees are assessed and candidates for DX human capital are carefully selected based on the results for advanced e-learning.	<ul style="list-style-type: none"> ◆ Marketing planning, sales, and logistics group ◆ R&D group ◆ Production, QA and technology group ◆ Corporate administration group
General employee	Training is conducted to acquire roles/skills required at each level						
	Third-year training						
	Second-year training						
	New employee training	Mid-career hires follow-up training					

○ Personnel Evaluation System

To evaluate personnel, Nissui has introduced a system called MBO (Note). Twice a year, on a regular schedule, interviews to align objectives and interviews to assess performance are carried out. These evaluations are used not only as an evidential basis for conducting fair evaluations and appropriate placement (transfers, promotions, etc.), but (among other uses) as an evaluation process for developing human capital. By using MBO to align organizational goals with employees' personal goals, Nissui aims to motivate individual employees to achieve objectives, thereby boosting both personal growth and organizational performance.

(Note): MBO is an abbreviation for Management by objectives & self control.



○ Strategic Hiring, Placement and Transfer of Human Capital

The Nissui Group identifies human capital with top-management potential and cultivates the individuals from an early stage. We do this by assigning these personnel to a series of positions within Nissui, seconding them to other Group companies, and actively dispatching them to Group companies, including companies overseas. Similarly, we develop human capital at Group companies through secondment to Nissui. We clarify the skills and other requirements expected of candidates for the next generation of section managers in each business. Aiming to establish a pool of worthy candidates, every year the Group convenes a succession conference, in which executives and members of the Human Resources Department deliberate on the human-capital pool and plans for cultivating candidates. In fiscal 2023, in addition to discussions on succession for executive officers and department managers, we began initiatives aimed at the strategic development of successors for the CEO and executive management.

For younger employees, we implement a development rotation. To raise these employees' ambitions, broaden their work horizons and strengthen their ability to respond to change, these personnel are provided with experience in multiple businesses and positions. Through interviews and career development meetings, the Group gauges each employee's career aspirations and assesses each one's strengths, challenges for personal growth, and aptitude. Decisions on transfers are made by the Human Capital Development Meeting, which is composed of personnel at the director level and above.

Global Personnel Registry System

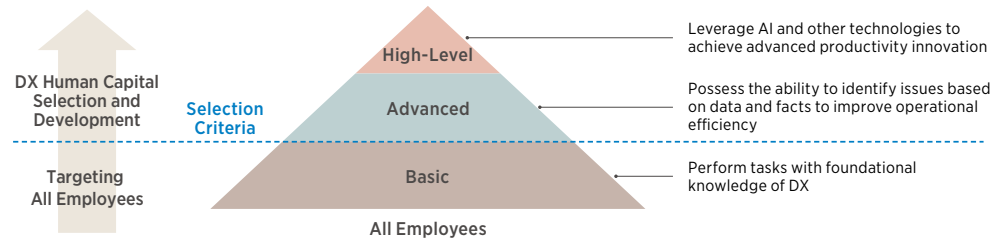
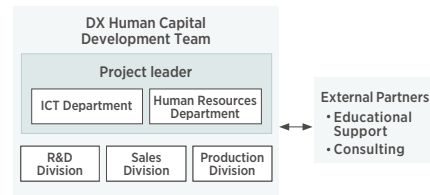
Nissui has been implementing the global personnel registry system since 2016. Under this system, global personnel in Nissui are defined as "personnel who can build good relationships with diverse counterparties and yield results in any complex/uncertain business environment in the world," and candidates for global personnel who will play an active role outside Japan in the future are recruited and trained by accepting applications from the general public or through recommendation. The minimum set of skills required for prospective global personnel are: (i) the ability to create value; (ii) the ability to adapt to different cultures; and (iii) foreign language ability. The system aims to make the candidates acquire such skills by dispatching them to short-term assignments outside Japan, short-term business training programs outside Japan, etc., to train them into personnel suited for assignments outside Japan. Starting in fiscal 2023, Nissui has initiated multiple short-term employee dispatches to overseas Group companies. In addition to enhancing language skills with an eye toward future overseas assignments, the company is expanding programs focused on cross-cultural understanding/cross-cultural management training, continuing to foster steady development. As of March 31, 2024, 86 individuals are registered with this program. We aim to increase this figure to 90 in fiscal 2024.

DX and Digital Human Capital Development

Nissui aims to reform the company in line with societal and technological changes through DX and Digital Human Capital Development.

In FY2023, we conducted assessments for all employees to measure their current innovative and digital skills. We are also using e-learning to raise the skill level of all employees to at least basic by FY2024.

Going forward, we will define the roles and skills of DX human capital, select and develop top performers from the assessments, and enable advanced productivity innovations.



Occupational Safety and Health

Basic Stance

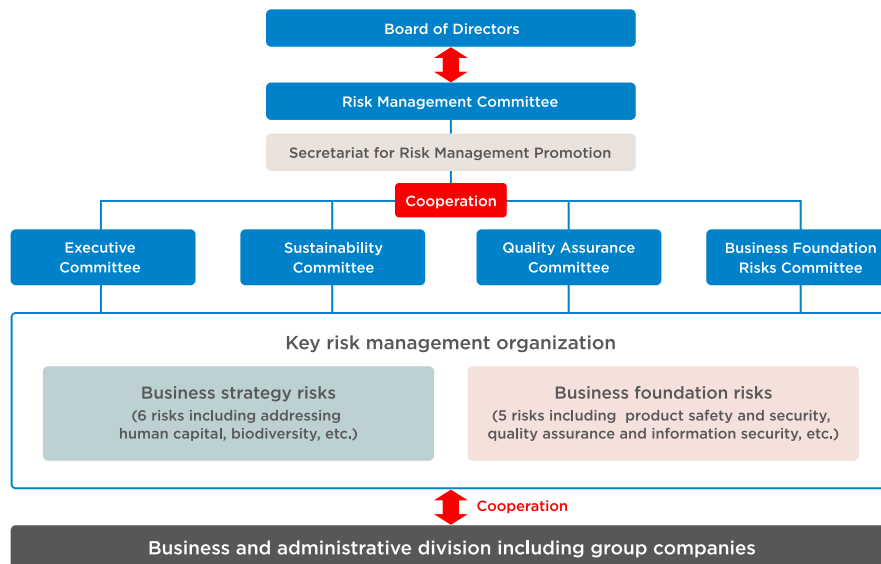
Nissui Group's Declaration of Safety

In fiscal 2023, the President issued a message to all employees, including those at Group companies, emphasizing that "safety is our top priority." Furthermore, at the Nissui Group Safety Convention held on February 29, 2024, targeting domestic Group companies, the philosophy was reiterated as the "Nissui Group's Declaration of Safety." Based on this declaration, the Nissui Group has been advancing its occupational safety and health activities.

Nissui Group's Declaration of Safety (PDF) 109KB [PDF](#)

Promotion Framework - The Occupational Safety and Health Subcommittee

The Nissui Group has designated departments in each segment to oversee the Safety and Health Committees of each business location and established the "Occupational Safety and Health Subcommittee" under the umbrella of the Business Foundation Risks Committee, with the heads of each overseeing department as members. The subcommittee is held once each quarter and addresses various issues relating to "labor safety," "work hours" and "harassment" matters of Nissui, including its Group companies. Furthermore, in accordance with the law, the rate of establishment of Safety and Health Committees has reached 100% for workplaces in Japan with 50 or more employees.



Initiatives for Labor Safety

Overall policy

The Occupational Safety and Health Subcommittee, under the secretariat of the Human Resources Department, compiles work-related accident trends for the entire Nissui Group in Japan, focusing on the type, severity, and frequency of accidents. By sharing this information with each department and raising awareness throughout the company, the subcommittee aims to prevent similar accidents in the future. In addition, each department formulates priority issues and activity plans for the fiscal year, and subcommittees periodically report on the progress of these plans to strengthen the safety framework through horizontal deployment of initiatives.

Nissui expresses the message of "aiming to create a safe and comfortable work environment in which each employee will be able to demonstrate his or her capabilities in a healthy way, fulfill the role assigned to him or her and work energetically."

	Details of Initiatives
FY2022	<ul style="list-style-type: none"> (i) Instilling the Nissui Group's safety policy (communication of safety messages by the head at each business location, greater participation of top management in site visits) (ii) Building and enhancing the occupational health and safety management system (introducing and engraining the occupational safety management system's approach in view of acquiring exterior certification (e.g., ISO45001)) (iii) Strengthening collaboration across the Group (making the most of the amount of experience and know-how as a group) (iv) Invigorating voluntary activities at sites (raising motivation toward safety and creating a sense of awareness of risk)
FY2023	<ul style="list-style-type: none"> (i) Promoting overall activities by establishing focal points and strengthening the secretariat function (identifying key areas of focus based on past accident trends and implementing comprehensive prevention measures, standardizing and strengthening new employee training, following up on sites with frequent accidents, and on-site inspections by secretariat patrols). (ii) Instilling the Nissui Group's safety policy (internal safety declarations by the head of each business, promoting the concept of safety as the highest priority, and strengthening the participation of top management in on-site inspections) (iii) Steady implementation of safety initiatives in accordance with the occupational health and safety management system (ensuring the proper operation of departmental PDCA cycles and providing support and expanding case studies for companies pursuing external certification (ISO 45001)) (iv) Invigorating voluntary activities at sites and strengthening collaboration across the Group (promotion of inter-company exchanges and maintenance/improvement of motivation of safety personnel through safety meetings and award system, prompt sharing in the event of an accident and prevention of similar accidents through horizontal sharing of effective safety practices across the Group).
FY2024	<ul style="list-style-type: none"> (i) Focus on prevention of serious accidents (ii) Increase safety awareness among new/mid-career employees (iii) Improve safety levels in aquaculture business

Group-wide Activities

Since fiscal 2021, the "Nissui Group Safety Convention" has been held every year as a Group-wide activity with the participation of the President, officers, members of the Occupational Safety and Health Subcommittee and the respective safety management chiefs and persons in charge of safety at the Group companies.

At the Convention, the President announced the "Nissui Group's Declaration of Safety" as his message to all employees in the Nissui Group in Japan, reiterated that both safety managers and site staff must give top priority to safety in any and all situations and made sure everyone is on the same page with respect to the importance of safety, in order to realize a "workplace free of work-related accidents in which everyone can work safely with a sense of security."

In addition, at the convention, Nissui commends safety activities by presenting an award for safety activities conducted by Group companies that are particularly outstanding and widely spreads good examples among Group companies in an effort to invigorate safety activities of the Group as a whole. Nissui also makes time for a lecture on safety management given by an outside lecturer to boost the safety management standards on a Group-wide scale.

FY2023 Initiatives by Department

In addition to the translation of educational tools for non-Japanese workers who speak a variety of languages, we are also enhancing safety education using pictograms that do not rely on language, soliciting safety slogans from employees to raise safety awareness in each department, and conducting video conferences using remote means to track progress of these initiatives.

Department		Details of Initiatives
Food Products Business Group	Food Processing	<ul style="list-style-type: none"> Implementation of scheduled safety patrols (starting with plants with frequent severe accidents and issues identified) Safety education via e-learning (quarterly) Conducting of self-inspections in factories to identify hazardous locations, improvement of hazardous conditions, and implementation of workplace behavior checks based on commonly identified issues Compliance checks with revisions to the Industrial Safety and Health Act
	Chilled	<ul style="list-style-type: none"> Prevention of recurrent accidents involving falls or being caught in machinery (implementation of video screenings and cross patrols, etc.) Periodic checks of safe work practices Revitalization of the Safety and Health Committee (development of safety activities through participation by all employees)
Marine Products Business Group	Marine Products Processing	<ul style="list-style-type: none"> Periodic 5S checks and improvement suggestions conducted by safety members external to the plant. These members also aligned with plant managers and participated in safety patrols at sites that reported a high number of accidents in the previous year Sharing of case studies at other companies and new employee training materials
	Aquaculture	<ul style="list-style-type: none"> Promotion of safety and health activities (participation in the Safety and Health Committee) Raising of safety management standards at new business locations Promotion of diving training courses
	Marine	<ul style="list-style-type: none"> Ensuring of thorough implementation of safety patrols and actions in each company and on each vessel Continuous improvement of safety and health awareness among employees, crew members, and workers through safety and health activities (utilization of regular safety meetings in marine operations) Implementation of preventative measures such as KYT, 5S, accident analysis, risk assessment, compliance, and harassment prevention
Fine Chemicals Business Group		<ul style="list-style-type: none"> Review of past work-related accidents and incidents Conduct hands-on training in addition to theoretical education Early improvement of reported near-miss incidents and safety patrol findings Information sharing among the Tsukuba, Kashima, and Hokkaido Fine Chemicals plants
Logistics		<ul style="list-style-type: none"> Improvement of forklift operation and knowledge (operation training, sharing of mistakes) Collection and analysis of operational data using digital tachographs to monitor driving speed and continuous operation Optimization of operations (actual working time) in response to the 2024 problem (expansion of modal shift)
R&D		<ul style="list-style-type: none"> Safety patrols and workplace inspections Continuation of enhanced near-miss reporting Introduction of case studies from other departments and implementation of safety education through external lecturers, etc.

Implementation of Risk Assessment in Businesses (New/Existing)

At the Nissui Group's production plants in Japan, risk assessments relating to tools, machinery and equipment, and work methods are conducted on a regular basis, in addition to those required by law, such as risk assessments pertaining to the handling of chemical substances and the introduction of new machinery. By verbalizing the process that may lead to an accident, inherent risks are clarified. The level of risk can then be evaluated and examined in terms of the severity of the injury, the degree of urgency, etc., and appropriate measures can be taken to prevent such accidents from occurring. In addition to the above, the supervising offices of each department support the promotion of voluntary risk reduction activities by participating in safety patrols and safety and health committee meetings at directly managed business sites and domestic Group companies and providing education on methods and concepts such as risk assessment. Additionally, regular departmental meetings are conducted where related Group companies gather to report and share safety activity information, and monthly safety meetings are held with representatives from all departments' supervising offices, facilitating the sharing of updates on accident occurrences within the Group, progress of subcommittee action plans, and horizontal dissemination of measures against serious accidents, as well as the accumulation and sharing of experiences and insights from successful and unsuccessful practices, thereby enhancing the overall level of safety management across the Group.

Safety Education

At the Nissui Group's production plants in Japan, safety education is provided to employees not only at the time of employment or transfer, but also through daily KYT activities, on-the-job training, reminders on bulletin boards (pictograms, etc.), and opportunities to learn about near-miss incidents and other accidents at morning meetings. We also provide training on occupational safety and health and traffic safety courses for new employees, as well as strengthen safety awareness activities at domestic Group companies in conjunction with national campaigns (National Safety Week, Occupational Health Week, New Year's holidays, etc.). Additionally, at Nissui's food production plants safety training programs called "Safety School" are being carried out using machines that allows participants to experience what it feels like to be entangled in conveyor belts and machines to experience confirmation by finger pointing and calling out, to raise the safety awareness of its employees.

Labor safety training for foreign employees is here >



Machines that allow participants to experience what it feels like to be entangled in conveyor belts



Machines to experience confirmation by finger pointing and calling out



Pictograms example (Caught in machinery)

Occupational Health and Safety Audit

Acquisition of Occupational Health and Safety Management System ISO45001 Certification

Nissui is actively pursuing ISO45001 certification for all its business sites in Japan to ensure a safe and healthy work environment for its employees. In January 2021, the Fine Chemicals General Plant Tsukuba Plant became the first Nissui site to achieve this certification. Additionally, in fiscal 2023, a company within the the Nissui Group aquaculture business also secured the certification. We remain committed to enhancing our occupational safety and health measures, working steadfastly towards achieving a workplace with zero work-related accidents in collaboration with our employees.

Ensuring a Safe Fisheries Work Environment

Within our fishing operations, we actively work at the level of each Group company to ensure a safe working environment for employees involved in fishing activities. We prioritize the safety of crew members on fishing vessels and strive to improve the working environment, while ensuring third-party monitoring to increase transparency.

Human Rights >

Status of Incidents of Work-related Accidents

Number of Incidents of Work-related Accidents

We strive to achieve zero occupational accidents; however, our immediate goal is to limit the number of accidents to 100 or less per year for the entire Nissui Group in Japan. Based on the number of accidents (cases without/with lost workdays/cases resulting in fatality) by department, type, etc. as the main indicator, we have established a system to compare the frequency rate with the industry average.

	FY2019	FY2020	FY2021	FY2022	FY2023
Number of work-related accidents	147	123	133	121	128
(Number of those that led to time off from work)	74	66	65	63	51
(Number of those that led to deaths)	0	0	0	0	1

Scope: Total of 36 companies, Nissui Corporation and its group companies in Japan (including unconsolidated affiliate companies in Japan)

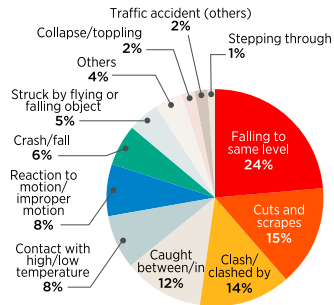
Frequency Rate

	FY2019	FY2020	FY2021	FY2022	FY2023
Frequency rate (Note)	1.06	1.70	0.61	1.21	1.20
Reference: Manufacturing industry (food, beverages, tobacco, feed)	3.48	3.51	4.01	3.25	-

Scope: Nissui Corporation

(Note): One of the safety indices to indicate the incidence of work-related accidents, calculated by the following formula: Frequency rate = number of those who suffered from injury resulting in lost work time ÷ total working hours × one million actual work hours

Ratio of Work-related Accidents by Type (FY2023)



Scope: Total of 36 companies, Nissui Corporation and its group companies in Japan (including unconsolidated affiliate companies in Japan)

Preventing Harassment

Code of Ethics Awareness

The Guidelines of Ethical Conduct set out in Nissui's Code of Ethics states "respect our frank and openhearted communication environment and make an effort to maintain a sound and effective system of internal checks and balances," and to respect fundamental human rights of individuals as well as prohibit all forms of discrimination and harassment. This Code of Ethics is posted on Nissui's internal portal site and shared with its employees to instill awareness of the prevention of discrimination and harassment among them.

[Code of Ethics >](#)

Measures Against Harassment

In order to prevent incidents of harassment, harassment study groups (seminars, e-learning, and similar) are being conducted. A Harassment Desk has also been set up for employees to consult, and a structure to handle any problems has been established.

Declaration to Eliminate Harassment

On June 1, 2020, the revised power harassment prevention law (Act on Comprehensively Advancing Labor Measures, and Stabilizing the Employment of Workers, and Enriching Workers' Vocational Lives) came into force; in conjunction with this, the President delivered a message to all employees of the Nissui Group in Japan, strongly urging them once again to eliminate workplace harassment. On April 1, 2022, when the power harassment prevention law became applicable to small and medium-sized enterprises as well, the President newly announced "Nissui's Declaration to Eliminate Harassment," taking it as an opportunity to send an even stronger message than before, including Group companies.

Going forward, the Nissui Group will continue to take various measures to prevent harassment and aim at "enabling each and every individual to fully demonstrate his/her abilities."

Wages and Working Hours

Living Wage Support

The Nissui Group not only complies with labor laws and regulations regarding minimum wages and their payment in each country, but also pays a living wage that enables employees to maintain a certain standard of living, taking regional market rates into consideration. In fiscal 2023, the average annual salary of Nissui was 7.66 million yen.

Prevention of Long Working Hours

Nissui manages working hours to prevent employees from working excessive hours based on the Labor-Management Agreement, which provides for even stricter limits than the law. More specifically, our attendance management system is used to manage work hours at the workplace; the Human Resources Department monitors the situation mid-month and at the end of the month, and issues warnings as necessary to ensure thorough management. In addition, we are promoting understanding of working hour management by distributing a video explaining the content of the work hour agreement (known as the "Article 36 Agreement") and how to enter information into our attendance management system. Furthermore, we promote flexible work styles, such as flextime and telework, while striving to prevent health problems caused by excessive workloads. Depending on work performance, interviews with industrial physicians and public health nurses are conducted, and if necessary, measures such as work restrictions are put in place.

○ Labor-Management Relation

I Basic Stance

The Nissui Group respects the freedom of association and the right to collective bargaining in accordance with the laws and regulations of each country in which it operates. In countries and regions where association is not permitted by law, we recognize the importance of collective bargaining and promote collaborative efforts between labor and management to resolve issues.

Nissui has concluded a labor agreement with its labor union (Nissui Adventure Club), and is striving to create and maintain a healthy labor-management relationship through sincere and proactive communication between employees and management for the realization of a better working environment. Furthermore, a union shop agreement has concluded, and the membership rate in the labor union for regular employees at Nissui is 100%.

I Implementation of Labor-Management Meetings

At Nissui, important management policy and themes are explained by the president and other executive officers of all businesses at the Annual Policy Labor-Management Meeting, and directors in charge of each business explain important management policies and issues at the Central Labor-Management Council for each business. In addition, proposals are received from the labor union based on the situation in the field, and discussions are engaged in a spirited manner.

Furthermore, the company establishes opportunities for regular meetings, such as the Labor-Management Liaison Council, which shares the discussions of the Occupational Safety and Health Subcommittee and facilitates the exchange of opinions; the Safety and Health Committee, where discussions are held between representatives of the company and the labor union at each business site; and the Labor-Management Review Committee, which discusses various personnel, labor, and work-related safety issues with the Human Resources Department. Whenever necessary, such as when revising systems or in cases of labor problems, we hold good-faith labor-management consultations and strive to resolve issues through labor-management cooperation.

Employee Health

As part of the initiatives for employee health, Nissui recognizes the maintenance and promotion of health as a management issue and announced the Employee Health Declaration on February 23, 2017. Based on this declaration, various initiatives are carried out so that employees and their families can live healthy and energetic lives.

Employee Health Declaration

At the Nissui Group, we consider our employees to be our most valuable asset, and we want to see all employees be able to fully demonstrate their abilities. We also aim to improve the quality of life of our employees and their families by ensuring proper workplace conditions and by actively supporting both mental and physical health. As a company that works with resources from the sea, we offer suggestions for healthy diets, try to maximize the use of functional components derived from seafood, and aim to contribute to the healthy lives of people everywhere, from our employees and their families to customers around the world.

In addition to following up with family members to alleviate anxiety and burdens in their health and personal lives to enable individuals to work with peace of mind, the Employee Health Declaration aims to create new value and enhance productivity by improving the workplace and systems environment so that diverse human capital of different genders, nationalities, and ages can work comfortably. In this way, a virtuous cycle can be generated in which the company can secure excellent human capital, and these excellent human capital can in turn help the company grow further. Nissui believes that the implementation of the Employee Health Declaration will shape the future of Nissui, and Nissui will place a high priority on investing in the initiatives associated with this declaration. In implementing the declaration, Nissui will be focusing on the three approaches to individuals and the work environment below.

Three Approaches to Develop an Environment Where Employees Are Healthy and Can Maximize Their Potential Leading to Increased Productivity

< Promoting the health of individuals >

Major measures: Campaign to improve lifestyle habits, increase the ratio of EPA/AA, promoting no smoking and separation of smoking areas, mental health examination, etc.

< Supporting the balance between work and personal lives >

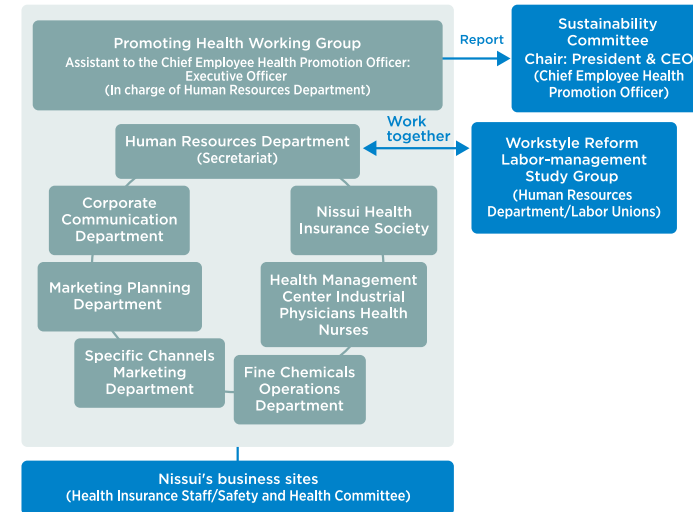
Major measures: Childcare and nursing care support, the employee benefits system, adoption of the cafeteria plan "N Café," etc.

< Providing a comfortable and rewarding workplace >

Major measures: Eliminating long working hours, promoting the taking of leave, adoption of the teleworking system, etc.

Promotion Framework - The Employee Health Working Group

Monthly meetings are held with the Human Resources Department's Labor and Health Planning Section (secretariat), Health Management Center (industrial physicians and occupational health nurses), the corporate health insurance society and each department. And by coordinating with the cooperate occupational health nurse of each business location, we are engaged in initiatives to ensure the health and work-life balance of its employees and to create a workplace culture that is pleasant and offers a fulfilling place to work.



Targets and Results

The targets and results specified in the mid-term business plan, "Good Foods Recipe1," are as follows.

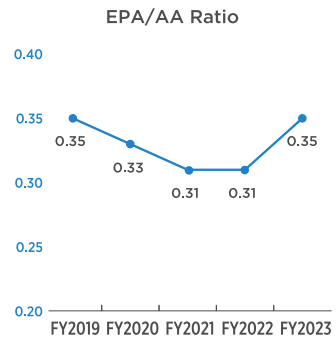
Indicators	Scope	Results		KPI	
		FY2022	FY2023	Target by 2024 Mid-Term Business Plan "Good Foods Recipe1"	Target by 2030 Long-Term Vision "Good Foods 2030"
EPA/AA Ratio	Nissui Corporation	0.6	-	0.31	0.35
Smoking Rate		15%	-	21.4%	20.0%
Obesity Rate		Male: 30% Female: 17%	-	Male: 34.1% Female: 20.4%	Male: 34.4% Female: 18.9%

○ Setting KPIs for Health Numbers

KPIs for promoting personal health include three points: "smoking rate," "obesity rate," and "percentage of EPA/AA." The health figures of employees, which are measured through periodic health checkups, all have an impact on daily performance due to their worsening, and the worst can lead to absenteeism, leave, or retirement. In particular, smoking rate and obesity rate were not favorable compared to the national average figures published by the Ministry of Health, Labor and Welfare, and according to the medical cost data of Nissui Health Insurance Society (medical cost per insured person, 2017), hypertension is higher than the association average among diseases related to lifestyle-related diseases. In order to improve these two KPIs, Nissui has positioned these two KPIs in particular as those on which Nissui should focus its efforts, and the Company will set targets that look ahead to the national average and take priority measures.

Measurement of the EPA/AA Ratio and Health Ranking

As a preventive measure against lifestyle-related diseases, Nissui takes advantage of EPA (eicosapentaenoic acid), which is the core product of the Fine Chemicals Business, one of Nissui's main business. Regular physical examination starting fiscal 2016 contain an exam to test the EPA/AA ratio. So far, we have set 0.4 as the EPA/AA ratio target, which is the indicator suggested to be related to the onset of cardiovascular diseases, and have taken measures to achieve the target. In fiscal 2022, we have set 0.6 as a new target for fiscal 2024 of the company-wide EPA/AA ratio. Since fiscal 2018, to encourage voluntary efforts among each of their employees to improve their diet, Nissui offers a health subsidy for those who reach an EPA/AA ratio of 1.0 or more. Each employee is notified of their measurement results, and data is tallied within the departments, which are then ranked in order and announced. Additionally, the "Fish Consumption Promotion Campaign" was launched to actively promote the health benefits of fish consumption among employees by encouraging them to take photos of the fish dishes they eat and share them during the campaign period, with the goal of encouraging employees to eat more fish and improve their health.



Scope: Nissui Corporation

Health Ranking



Pictures from "Fish Consumption Promotion Campaign"

○ Initiatives to Educate People About the Benefits of Quitting Smoking

To prevent health problem from smoking and passive smoking, Nissui is promoting initiatives to help smokers to stop smoking and to separate the smoking areas at the business locations.

Awareness Initiatives Targeting Smokers

We are carrying out a variety of initiatives to encourage smokers to quit. For example, we provide individual instructions by occupational health nurses at regular physical examination sites, measurements of carbon monoxide levels using "smokerlyzers," and the distribution of nicotine gum samples. In addition to these, we support efforts to quit smoking by covering half of the treatment costs for employees who have successfully quit smoking through programs offered at hospitals. The President himself declared that he would quit smoking in January 2019 and nearly 30 employees followed suit by taking on the no-smoking challenge.

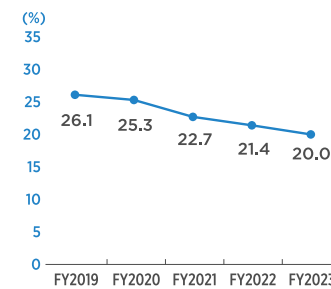
Promoting the Separation of Smoking and No-Smoking Spaces

In 2018, the smoking areas of the head offices and branches were shut down, and smoking was banned in all company cars. The other business locations are also promoting the closing and reduction of smoking areas.

Going Smoke-Free during Working Hours

Nissui has been reinforcing its no smoking measures through No Smoking Days and No Smoking Weeks, and in March 2023, it began the "Going Smoke-Free during Working Hours 365 Days of the Year" campaign.

Changes in Smoking Rate Over Time



Scope: Nissui Corporation



"Going Smoke-Free during Working Hours 365 Days of the Year" campaign poster

○ Initiatives to Improve the Lifestyle Habits

▮ Promoting Exercise Habits

From fiscal 2018 to 2022, Nissui implemented the "Health Plus (+) Storage Campaign" as part of its efforts to enhance the lifestyle habits of its employees. Throughout this period, the campaign awarded bonus points redeemable in the welfare program to those who met certain criteria by adopting new, beneficial habits. Overall, approximately 1,500 employees participated, with about 1,000 achieving their set goals. Moreover, starting in fiscal 2022, Nissui has been using a health information integration tool to conduct a "step-counting event accessible even for those who dislike exercise," to encourage participants to become aware of and understand their lifestyle habits, with a view to promoting the establishment of regular health and exercise routines.

In fiscal 2023, Nissui hosted the walking event "Walk with WellBis," which saw participation from 323 employees (a 20% increase from the previous year). The average number of steps taken per day was 7,948 (a 6% decrease from the previous year). Feedback collected after the event revealed that participants experienced an increased awareness of walking and reported a reduction in stress, among other positive responses.

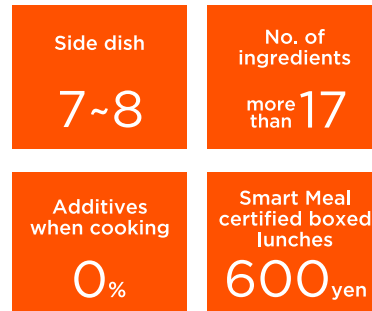
▮ Linking Sustainability Activities

Starting in fiscal 2023, Nissui has initiated programs that connect sustainability activities with exercise habits. The introduction of the "BeatFit" app encourages regular exercise among employees. Additionally, the food support volunteer project "Nissui Cafeteria - Your Exercise Turns into Food Support Activities!" was launched. These efforts are part of a broader strategy to integrate sustainability practices with promoting healthy lifestyles among employees.

▮ Healthy Boxed Lunches

Healthy boxed lunches were introduced at Nissui's head office starting in December 2019. It was a measure to address one of the company's health issues, a higher obesity rate than the national average, aiming to improve the diet and sodium intake of employees.

The healthy boxed lunches were given the "Smart Meal" seal program approval as a nutritionally balanced meal with healthy consideration given to quantity and sodium content. Due especially to the fact that the head office does not house a company cafeteria, the boxed lunches play a key role in employees' consuming healthy meals that are ideally balanced in nutrition.



○ Improving Health Literacy

To improve the health literacy of employees, Nissui holds health improvement seminars, conducts health awareness surveys and e-learning annually.

▮ Health Improvement Seminar

In fiscal 2023, four health improvement seminars were conducted. To ensure accessibility from anywhere, three of these were live-streamed online and also archived for later viewing. Participants provided positive feedback, with comments such as "It was enlightening," "I realized the need for regular health screenings," and "I found good strategies for issues I had been concerned about."

	Seminar date	Title	Description	Number of participants
No.1	May 16, 2023	How to Achieve Quality Sleep	Learn how to achieve quality sleep by integrating content from BeatFit	56 Archived video viewers: 62
No.2	August 24, 2023	Eye Health Seminar: Maintaining Eye Health in the Era of a 100-Year Lifespan	Improve your understanding of eye care and lifestyle habits, and gain knowledge about common eye diseases to maintain eye health	65 Archived video viewers: 18
No.3	November 21, 2023	Dental and Oral Health Seminar: Maintaining Your Oral Health for a Lifetime of Enjoyable Eating	Learn about the importance of teeth, causes of tooth loss, and methods of preserving teeth to keep as many of your natural teeth as possible for a healthy life	45 Archived video viewers: 101
No.4	March 15, 2024	Industrial Physician Talk: Learning from Our Health Challenges - "Cancer and Lifestyle"	Focus on cancer as a major health issue, discussing the current state of cancer in Japan, cancer prevention, and its relationship to lifestyle habits	50 Archived video viewers: 57

Target: Nissui employees (including employee's family and dispatched employees)

○ "Collabo-Health" with Nissui Health Insurance Society

Nissui is engaged in "Collabo-health (Note)" in collaboration with the Nissui Health Insurance Society (corporate health insurance society).

(Note) Collabo-health: An approach whereby health insurance societies and other insurers and employers actively collaborate to effectively and efficiently implement prevention and health promotion initiatives for enrollees (employees and their families) under clearly defined roles and a favorable work environment.

I Health Checkups and Efforts to Prevent Serious Illness

In cooperation with the Nissui Health Insurance Society, Nissui conducts regular employee health checkups and checkups for the prevention of lifestyle-related diseases, with an annual checkup rate of 100%. In fiscal 2022, we introduced the "WellBis" health management support system, which allows health checkup results to be viewed on PCs and smartphones, thereby enhancing health management support functions. Nissui requires all employees with any abnormal findings in their checkup results to submit a "Re-inspection report" and are asked to see their family doctor, etc. The content of these reports is then confirmed by occupational health nurses. This "Re-inspection report" is available in four languages to facilitate reporting by employees whose native language is not Japanese.

In addition, as an effort to prevent serious illness, Nissui has created in-house health guidance guidelines and provide individual interviews and health guidance based on expert knowledge by occupational physicians or occupational health nurses for employees with high-risk health issues.

	FY2021	FY2022	FY2023
Management rate of high-risk groups	90.0%	90.8%	95.9%

I Specific Health Guidance Initiatives

From fiscal 2020, Nissui switched from the conventional outsourced approach to the specified health guidance to one that is conducted in-house, essentially by nurses from the health insurance society. This has changed the awareness among the target group, and the implementation rate has increased significantly, partly because more people are receiving guidance and partly because the scheduling of initial interviews and so on has become more flexible. Furthermore, by having a nurse who is familiar with the company's health initiatives provide guidance, more effective guidance may be offered through the incorporation of these initiatives into the health-related instructions they give.

Specific Health Guidance Implementation Rate (Nissui Health Insurance Society: Insured individuals and their dependents)

Entity	FY2020	FY2021	FY2022
Nissui Corporation	58.6%	58.0%	65.5%
All enrolled entities (including those insured on a voluntary basis) (Note)	55.8%	55.5%	62.8%

(Note) Five entities, including Nissui Corporation, Nissui Marine Industries Co., Ltd., etc.

○ Infection Prevention Measures

Having many overseas bases, the Nissui Group is aware of the importance of responding to global health issues such as infectious diseases. In addition to conducting pre-assignment education on vaccinations, medical care, and health management for employees assigned to overseas bases, we make it possible for employees to receive medical examinations and checkups by overseas travel specialists both before and during their assignment in Japan every year; based on the results of these examinations, interviews with industrial physicians and health guidance are also conducted.

In Japan, Nissui also works together with the Nissui Health Insurance Society to provide mass influenza vaccinations and subsidize the entire cost. In addition, Nissui has incorporated rubella antibody tests into our regular health checkups to make it easier for individuals to receive them. For those individuals who were considered to have low levels of rubella antibodies, awareness and education was provided, and more than 40% of the recommended recipients received an antibody test during their regular checkups.

○ Mental Health Support

Once a year, Nissui conducts a mental health examination for its employees and is also making efforts to enhance mental health so that employees can engage in their work with a healthy mind.

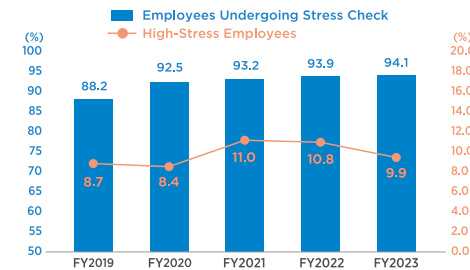
Based on the results of these stress checks, Nissui provides feedback on organizational analyses to each department and establishes forums for exchanging opinions to solve problems. We are actively working on enhancing the workplace environment through consultations with occupational health nurses for high-stress employees and by offering a 24/7 external consultation service for anonymous support.

In addition, to prevent the occurrence of harassment, Nissui conducts harassment workshops (group seminars, e-learning, etc.), and has established an in-house Harassment Consultation Desk and a Harassment Consultation Hotline (external contact) to handle any problems that may arise.



An Interview with the Health Nurse

Percentage of employees undergoing "Kokoro no Kenko Shindan" (stress check) and high-stress employees



Scope: Nissui Corporation

Effectiveness and Verification of Each Initiative

In the course of implementing initiatives, Nissui are striving to improve on health challenges with a focus on three KPI categories (smoking rate, obesity rate, and EPA/AA ratio). Nissui provide opportunities for management to directly communicate their thoughts on health to employees, and for occupational health nurses to actively disseminate information and encourage employees to engage in health-related efforts. Through various measures taken by the sections in charge, each employee's health-related awareness level has been steadily increasing. In terms of the degree of improvement in actual business performance as a result of each employee becoming healthier, Nissui quantify presenteeism, absenteeism, etc., to confirm progress.

	Measurement method	FY2021	FY2022	FY2023
Absenteeism (Note1)	Attendance records	1.7day/person (Note3)	1.1day/person (Note3)	1.8day/person (Note3)
Presenteeism (Note2)	Questionnaires	66.5point (Note4)	64.0point (Note4)	78.9point (Note4)
Work engagement	Questionnaires	65.2point (Note5)	65.4point (Note5)	67.6point (Note5)
Number of employees on leave due to injury or illness	-	24	17	12

Scope: Nissui Corporation

(Note1) Absenteeism: Sick leave/Absence due to illness.

(Note2) Presenteeism: A condition in which a person comes to work while suffering from some disease or symptom, resulting in a decrease in work performance and productivity.

(Note3): Average of the number of days absent from work due to injury or illness, the number of days on leave, and the number of days utilizing the sick leave system for all employees.

(Note4): The intermediate value of undecided is set at 50, and the higher the value above 50, the healthier and more energetic the employee is; the lower the value, the more clearly unwell the employee is.

(Note5): The intermediate value of undecided is set at 50, and the higher the value above 50, the more satisfied the employee is with their job; the lower the value below 50, the less satisfied the employee is with their job.

Number of People and Response Rate Measuring Presenteeism and Work Engagement

	FY2021	FY2022	FY2023
Number of people measured	1,765	1,670	987
Response rate	93.7%	94.4%	66.7%

Handling of Health Information, etc.

As part of our efforts to promote various health initiatives, we have established the "Regulations for the Handling of Health Information, etc.," which stipulates the purposes, parties responsible for handling personal health information and the authority and scope they have in handling such information, as well as training for managers on how to handle the information properly.

Adoption of Employee Benefits System/Cafeteria Plan

As part of measures for "Employee health," Nissui has adopted "N Café," an employee benefits system/cafeteria plan.

Nissui proactively supports the employee's mental and physical health and is strengthening initiatives to promote health and prevent diseases, while helping employees strike a balance between work and childcare/nursing care.

Employees are awarded a certain number of points that can be used in employee benefits programs of their choosing through N Café. The programs focus on childcare, nursing care, and health and contain a wide range of services including personal development, asset formation and life support.



N Café character "Nanda"

Cafeteria Plan Usage and Benefits (FY2023)

Category / Menu	Usage (cases)	Total benefits (thousand yen)
Childcare, nursing care and health	5,265	51,135
Work-life balance and life support	2,016	29,724

Scope: Nissui Corporation

Initiatives in Fiscal 2024 (New and Expanded)

In fiscal 2024, Nissui is expanding initiatives focused on cancer prevention and mental health support, as well as promoting the establishment of healthy lifestyle habits.

- Prohibition of smoking during working hours 365 days of the year
- Subsidy for nematode-based cancer testing
- Implementation of EPA/AA ratio improvement campaign (promotion of fish eating and intake of EPA products)
- Implementation of the "WFP Walk the World" event
- Introduction of the exercise habit support app Beatfit and implementation of exercise events utilizing its features
- Expansion of counseling services for employees (such as consultation through social media and multilingual support)
- Hosting of health improvement seminars and mental toughness enhancement training sessions
- Providing health education to new employees through lectures by industrial physicians and individual consultations with occupational health nurses

For the Business Partner

Sustainable Procurement

The Nissui Group aims to have the items that the Nissui Group procures confirmed as sustainable by the year 2030. The preservation of resources and resolution of labor-related human rights issues is called for when using and procuring marine resources. We are working with our suppliers to implement sustainable procurement that maintains respect for human rights.

○ Preparation of the Nissui Group Basic Procurement Policy

Nissui has formulated the Nissui Group Basic Procurement Policy by summarizing the basic approaches to the procurement of raw materials and products.

[Nissui Group Basic Procurement Policy >](#)

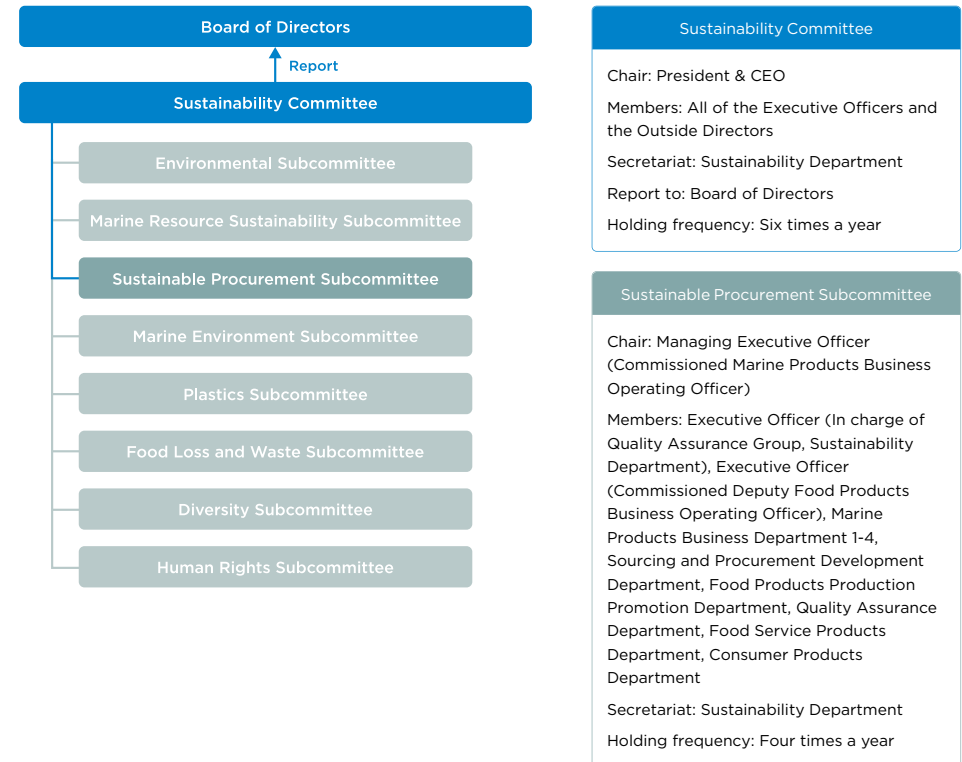
○ Supplier Guideline

In June 2022, Nissui revised its Supplier Guideline, given the need to collaborate more intensely with suppliers to carry out sustainable procurement. The Supplier Guideline, the topics of which are comprised of "Compliance with Laws and Regulations," "Respect for Human Rights," "Safety and Health," and "Environmental Consideration," places emphasis especially on the human rights of employees.

- [Supplier Guideline \(English\)\(575KB\) PDF](#)
- [Supplier Guideline \(Chinese\)\(610KB\) PDF](#)
- [Supplier Guideline \(Japanese\)\(893KB\) PDF](#)

○ Promotion Framework - The Sustainable Procurement Subcommittee

The Sustainable Procurement Subcommittee works with suppliers to promote sustainable procurement practices that address environmental and human rights concerns.



○ Targets and Results

The targets specified in the long-term vision, "Good Foods 2030," and in the mid-term business plan, "Good Foods Recipe1," are as follows.

Indicators	Scope	Results		KPI	
		FY2022	FY2023	Target by 2024 Mid-Term Business Plan "Good Foods Recipe1"	Target by 2030 Long-Term Vision "Good Foods 2030"
Ratio of conducting assessments of Tier-1 suppliers	The Nissui Group	Nissui only 22%	Nissui only 92%	Nissui only 100%	Group companies 100%

○ Distribution of the Supplier Guideline and Signing of the Statement of Agreement

The Supplier Guideline is distributed to all of Nissui Corporation's Tier-1 suppliers (suppliers within and outside Japan with which Nissui Corporation has direct transactions), and suppliers are also asked to sign a Statement of Agreement. When the Supplier Guideline is distributed, each supplier also receives a link to an explanatory video. With regard to those suppliers that fail to sign the Statement of Agreement, where necessary we engage in dialog with them, and we aim to communicate with them, for example by holding meetings to discuss the reasons for not signing the Statement of Agreement. Going forward, we will be expanding this initiative to cover Nissui Group suppliers, and we will be striving to reduce human rights risk in our supply chain, which extends throughout the world.



Dialogue with a supplier

	Results	
Distribution of the Supplier Guideline	470 companies	
Signing of the Statement of Agreement	461 companies	
Percentage of suppliers signing the Statement of Agreement	98.0%	
Instances of dialog with companies that failed to sign the Statement of Agreement	FY2023	4 companies

Data correct as of October 31, 2023
Scope of data: Nissui Corporation's Tier-1 suppliers

■ Explanatory Video Provided when Distributing the Supplier Guideline

To realize the sustainable procurement that Nissui is aiming for, we need the understanding and collaboration of every supplier. With this in mind, when distributing the Supplier Guideline to suppliers, we also send them a link to an explanatory video (in Japanese), with the goal of enhancing their understanding of sustainable procurement.



A screenshot from the explanatory video

Key points that the video aims to get across (summary)

- The form taken by the sustainable procurement that Nissui is aiming to realize.
- The significance of sustainable procurement throughout the entire supply chain.
- The purpose and content of the Supplier Guideline.

○ Human rights and environmental due diligence in relation to suppliers

In line with the Nissui Group Basic Procurement Policy and the Supplier Guideline, we implement measures to reduce human rights and environmental risk in the Nissui Group's supply chain.

We confirm and monitor suppliers' current status in this regard, and where it is deemed that risk exists, we work together with the supplier to realize improvements.

■ Self-checking by suppliers

In FY2023, we introduced a new supplier engagement platform, and built a framework to facilitate communication with the Tier-1 suppliers (suppliers within or outside Japan with whom we engage in direct transactions) registered on this platform. Through this framework, we are encouraging suppliers to implement self-checks, with the aim of reducing human rights and environmental risk in the supply chain. Once a supplier has finished responding to all the self-check items online, a report will display immediately in the form of a radar chart. The report simultaneously displays the average values for all the suppliers that have submitted their response and the results for the supplier in question, enabling that supplier to confirm which areas require improvement. If a supplier's results indicate that they do not meet the required threshold for items relating to human rights or the environment, then we will provide opportunities for us to visit the supplier or implement online meetings, so as to clarify the intention behind the supplier's responses and determine the actual situation, and we will offer advice to help the supplier realize improvements.



Report screen which displays after a supplier has submitted its self-check response

	Results
Self-check requests made	454 companies
Self-check responses provided	418 companies
Response rate	92%

Data correct as of October 31, 2023
Scope of data: Nissui Corporation's Tier-1 suppliers

○ Purchasing Manager Training

We implement special training for the Nissui Corporation purchasing managers who act as the contact point between Nissui and its suppliers, with the aim of strengthening human rights and environmental due diligence in relation to suppliers. The training covers social problems relating to human rights, as well as what stakeholders expect, and the importance of the Supplier Guideline and the revisions that have been made to the Guideline; the aim of the training is to strengthen communication with suppliers that will further the realization of sustainable procurement.

○ Procurement of Sustainable Palm Oil

Palm oil is a vegetable oil sourced from the fruit of oil palm (Elaeis), which is grown in Indonesia, Malaysia and other tropical regions. In areas where palm oil is produced, various problems have been pointed out, including the deforestation of tropical forests, forest/peat fire and loss of biodiversity associated with plantation development, as well as issues in terms of workers' safety and human rights.

The Nissui Group has been making efforts to procure raw materials in consideration of the environment and human rights, in accordance with the "Nissui Group Basic Procurement Policy" formulated in August 2017. In order to resolve the issues specific to palm oil and promote the procurement of sustainable palm oil, the Nissui Group joined the Roundtable on Sustainable Palm Oil (RSPO) in January 2021. As an initiative to promote the procurement of RSPO-certified palm oil, the Nissui Group has obtained RSPO Supply Chain certification based on the mass balance model in two of its plants in Japan by March 2022.



Check our progress at www.rspo.org



Participation in External Initiatives >

For the Shareholder and Investor

[Click here for "For the Shareholder and Investor" >](#)

Corporate Citizenship

"Umi & Sakana" Competition

In the "Umi & Sakana (ocean and fish)" Children's Research and Artwork Competition, children are invited to submit their works of research on the wonders and surprises of the ocean and fish based on efforts driven by imagination unique to children, as well as their creative works in which such wonders and surprises are expressed in the form of pictures, essays, etc. The Competition is open not only to elementary school students in Japan but also to elementary school students attending Japanese schools and supplementary schools outside Japan. Since the first Competition in 1982, Nissui has continued to co-sponsor the Competition.

With the objective of providing a place to learn through experience, competition-related events are also held, namely, school visits and hands-on learning.

From a different angle than in school classes, creativity is exercised so that children can learn about things that they can only hear about there and then. Our hope is that children will gain an interest in "umi (ocean)" and "sakana (fish)" through the Competition as a whole.

Special website of Umi & Sakana Children's Research and Artwork Competition (in Japanese) [📄](#)

○ Visiting Schools for Classes and Hands-on Learning

In collaboration with researchers and experts in marine life, the program provides children with specialized knowledge in an accessible way, going beyond what they usually learn in school. As a sponsor, Nissui actively participates in the initiative by providing instructors, and in 2023, an employee involved in shrimp aquaculture research at the Central Research Laboratory Oita Marine Biological Technology Center gave a lecture on the life cycle of shrimp. In addition, online classes were held to reveal the secrets of fish colors and introduce deep-sea creatures, with a total of 1,479 elementary school students from 35 schools nationwide participating.



Online lesson by Nissui Corporation

2023 Online Lessons

1. "Dr. Shrimp's 'Tale of Shrimp Transformation'" Mr. Masaya Watanabe, Central Research Laboratory Oita Marine Biological Technology Center, Nissui Corporation
2. "The Secrets of Fish Colors" Ms. Miki Igarashii, Special Researcher at Japan GEMS Center
3. "What kind of fish is the giant cusk-eel, living at 2,500 meters deep in the ocean? Only six specimens known! An in-depth look at the deep-sea 'yokozuna iwashi'" Dr. Toshiro Saruwatari, Research Associate, Atmosphere and Ocean Research Institute, The University of Tokyo

Online Lesson Reports

Participation by 35 schools nationwide (1,479 students)! Online Lesson Reports: [📄](#)

○ The showcase of the Nissui Award

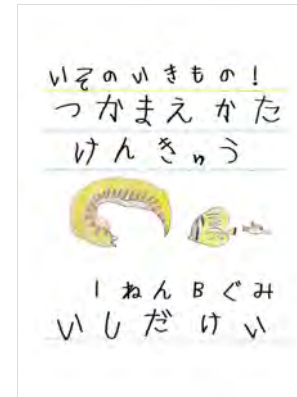
There are eight awards, for which 16 works are selected as winners of the top prize in two divisions, i.e., "Research Division" and "Artwork Division." Two pieces of work that won the Nissui Award are showcased below.

! The 42th Competition (2023)

Research Division: Independent Study

Creatures Found on the Sea Shore: A Capture and Study Guide

Kei Ishida,
First-grader at Nitobebunka Elementary School



See all pages of the work here (PDF)
7.73MB [📄](#)

Artwork Division: Project Work

World of the Future

Akito Fukui,
Second-grader at Kashiwa Municipal Tanakakita Elementary School



See all pages of the work here (PDF)
616KB [📄](#)

Initiatives for Fisheries and Marine Businesses

○ Nippon Survival Training Center

In April 2011, Nissui Marine Industries Co., Ltd., a fully-owned subsidiary of Nissui, established the Nippon Survival Training Center (NSTC), the first private marine survival training complex in the country. By providing marine survival training in accordance with global standards, the NSTC equips people that work on the seas with the knowledge, skills, and training to make rational decisions and take appropriate action in the event of an accident, thereby contributing to safety and the preservation of life. As for the training facilities, the NSTC has a training wing in the Tobata district that houses a pool as well as a lifeboat staging area that serve as a marine survival training center, plus a firefighting training facility in the Wakamatsu district. It is in this pool that trainees are put in realistic situations in which they learn underwater escape, how to properly fit on a life jacket, how to operate a life raft, the proper posture to prevent injury when jumping into the water while wearing a life jacket, and other tactics needed in the event that a helicopter lands in or goes down on water. At the life boat staging facility, trainees learn how to board and deboard life boats that are lowered to the water from the main vessel by wires using a davit system as well as life boats that are dropped freefall into the water. Additionally, the training pool and equipment are offered to private-sector diving operators to be used in their training. Through these efforts, Nissui is contributing to the improvement of marine recreation safety as well as to the improvement of divers' skills. Since its founding, Nissui has always been involved in marine-related businesses. As such, ensuring the safety of marine workers in the event of accidents or natural disasters is just as important as job-training for marine personnel. With the aid of the NSTC, Nissui hopes to contribute further to the healthy development of marine industries.



○ Nippon Marine Enterprises, Ltd.

■ Main Business

Nippon Marine Enterprises, Ltd., a Nissui Group company, is commissioned by the Japan Agency for Marine-Earth Science and Technology (JAMSTEC) to operate and manage a range of marine vessels and observation equipment that JAMSTEC owns. It has been meeting the needs for state-of-the-art marine observation, including the operation of "Kaimei" and other wide-area seabed research vessels, the operation and maintenance of the manned research submersible "Shinkai 6500" as well as unmanned exploration vessel vehicles, and the exploration of the ocean crust in areas prone to seismic activity mainly around Japan.

Recently, Nippon Marine Enterprises, Ltd., has been participating, as a member of Team KUROSHIO, a team representing Japan, in the international competition, Shell Ocean Discovery XPRIZE, which aims to innovate sea floor exploration technology using unmanned exploration vehicles. In this competition, teams compete in sea floor mapping using technology that go beyond any existing technology. Nippon Marine Enterprises, Ltd., is offering AUV (Autonomous Underwater Vehicle) operating technology while at the same time playing a major role in processing seafloor topography data collected by the AUV.

Nippon Marine Enterprises, Ltd., has been leveraging the knowledge and technology of the sea, which it has cultivated since its founding, to contribute to the challenges of understanding the sea, earth and life in an integrated manner, as a group of engineers that supports state-of-the-art research activities.



Oceanographic Research Vessel MIRAI
Image courtesy of JAMSTEC



Deep Sea Cruising AUV URASHIMA
Image courtesy of JAMSTEC



Deep Submergence Research Vehicle SHINKAI 6500
Image courtesy of JAMSTEC

■ Participation in the Establishment of Comprehensive Training Center for Offshore Wind Power Generation

Nissui Group company Nippon Marine Enterprises, Ltd., through a consortium formed with NYK Line, will establish a comprehensive training center for offshore wind power generation in Akita Prefecture and begin training and human resources development related to offshore wind power generation by around FY2024. The aim is to eventually produce approximately 1,000 training program graduates per year.

Initiatives for Popularizing Fish Consumption

○ Initiatives for Popularizing Fish Consumption

■ The Fish Masters' "Eat Fish Project"

The "Eat Fish Project" was started in May 2013 to promote seafood consumption by the Nissui Group company, Yamatsu Suisan Co., Ltd. As part of this project, "Fish Masters" from Yamatsu Suisan have been visiting local elementary schools mainly in Niigata Prefecture. In fiscal 2021, 2 sessions were held, in which children were given a lecture, gained hands-on experience and ate horse mackerel sourced from Tottori Prefecture. In the lecture, children learned about the environment surrounding fish, when fish comes into season, the logistics involving fish (catching → production → sale → development → regional revitalization), and gained hands-on experience in stripping off the skin of horse mackerel. The participating children listened to the lecture with an eager look.



The Children Ate Grilled Fish and Learned Where Each Bone Was Found

■ Coho Salmon Meeting

Yumigahama Suisan Co., Ltd. of the Nissui Group, in cooperation with Sakaiminato-shi, Tottori Prefecture, has been holding "Coho Salmon Meetings" every year as part of food education activities to increase the interest in local foodstuff since 2013. Previously, Yumigahama Suisan had visited nursery schools and held picture-card shows to read out each step involved in delivering Sakaiminato Salmon to the dining table, from the egg stage. In fiscal 2020-2021, however, the shows were held by teachers at each nursery school at Yumigahama Suisan's request. The children enjoyed learning about the farming of coho salmon through picture-card shows and videos, and were full of smiles as they enjoyed the flavor of coho salmon served as part of their school meal.



The Children Listened to the Picture-story Shows

■ Visiting Schools to Give Classes to Popularize Fish Consumption and PR Activities

The Nissui group company, Hiroshimasuisan Co., Ltd., is engaged in numerous activities to communicate the good taste and the positive effects of fish as well as the fun of cooking. In fiscal 2021, some staff from Hiroshimasuisan visited schools and local governments 3 times to give lectures on the cooking methods of fish including cleaning fish, while also communicating the positive effects of fish and the role of the market. In addition, they make 18 appearances a year on TV and radio to promote fish eating by teaching people about seasonal fish and fish preparation.



The Scene from the Market Festival

Initiatives for End Hunger

○ Supporting and Participating in the World Food Programme's "End Hunger: Walk the World" Initiative

Nissui has supported "WFP Walk the World," a charity walk event sponsored by the United Nations World Food Programme (WFP), an accredited NPO, since 2017. A portion of the participation fees for the charity walk is allocated to support the United Nations World Food Programme in providing school meals to children worldwide. In fiscal 2023, the event has been held in three locations (Yokohama, Osaka, and Nagoya), with a total of 149 participants, including employees' families.

Date	Location	Number of participants
May 14, 2023	Yokohama	93
May 21, 2023	Nagoya	32
May 27, 2023	Osaka	24



Yokohama



Nagoya



Osaka

○ "Table for Two" Activities

! Activities at Hachioji General Plant

Since March 2018, Hachioji General Plant has been running its Table For Two campaign. In the campaign, when employees purchase certain set meals or foods, a 20 yen donation is made, which, through an NPO organization, is then used to provide school meals to children in developing countries. At the Hachioji General Plant, we offer a Table For Two menu once a week, designating a fish dish rich in healthy EPA and DHA.

In addition, a vending machine that supports Table For Two has also been installed which allows the user to make a donation with every purchase of a beverage, providing plant employees with the opportunity to easily make social contributions. In fiscal 2023, a total of 106,640 yen was given as donations.



! 'Onigiri Action 2023' Campaign

Nissui endorsed and supported 'Onigiri Action 2023' campaign as last year. 'Onigiri Action' is an initiative in which people post photos of onigiri (rice balls) on SNS or the campaign website with the hashtag #OnigiriAction. For every photo posted, sponsoring companies donate the equivalent of five school lunches to children in need in various parts of Asia and Africa via TFT. The campaign began in 2015 to commemorate World Food Day (October 16), a day set aside by the United Nations for people around the world to think about food and food-related challenges. The Onigiri Action 2023 campaign has seen a total of 322,300 photos collected and 1,809,860 school lunches delivered to children in Africa and Asia. From October 4, 2023, to November 17, 2023, Nissui conducted the "Onigiri Action Present Campaign with Yaki Onio," featuring mascot character, Yaki Onio. A special website was set up to disseminate information on the campaign. In conjunction with this, Nissui Group employees planned and participated in special events which were publicized on Nissui's SNS accounts to promote Onigiri Action, both within and outside the company. A total of 3,858 photos were collected through the Present Campaign and the Nissui Group's events.



Photos gathered through the Nissui Group's campaign

○ Aid to Tackle the Poverty Problem (Fine Chemicals General Plant Tsukuba Plant)

The Fine Chemicals General Plant Tsukuba Plant periodically donates food products stockpiled to prepare against disasters that are close to the best-before date to a support organization in Tsukuba City. Items donated to the Children's Future Office, Tsukuba Municipal Government, are utilized at Minna no Shokudo (public cafeterias) in Tsukuba City (Tsukuba City's version of "kids eat free" cafeteria) and put to good use in assisting children who are facing financial difficulties in Tsukuba City.

Donation date	Recipient	Donated items	Quantity
March 11, 2022	Tsukuba Municipal Government's task force against infectious diseases	Alpha rice	150 units
March 30, 2023	Children's Future Office, Tsukuba Municipal Government	Nissui's food tins	192 tins
June 6, 2023	Children's Future Office, Tsukuba Municipal Government	Nissui's food tins	288 tins

Furthermore, the Tsukuba Plant has installed a donation box in support of "Tsukuba Kodomo-no-Aoihane-Kikin (Tsukuba Blue Feather Fund for Children)", a new system to support children's future established in Tsukuba City in 2019. The Plant's donation track record is as follows.

	Past donations
FY2021 donations	15,616yen
FY2022 donations	20,036yen
FY2023 donations	11,025yen

Going forward, the Tsukuba Plant will continue to support children in the local community while collaborating with the Tsukuba Municipal Government and aim to resolve the poverty problem in Tsukuba City.



Factory Tour and Workplace Experience

○ Plant Tours for Children

We hope that becoming familiar from childhood with how foods are made will encourage an interest in *monozukuri* (manufacturing). We also hope that children will learn the importance of diet and become more fond of eating fish. With these hopes, we have opened our four food manufacturing plants –Hachioji General Plant, Himeji General Plant, Anjo Plant and Tobata Plant – to local elementary school children for factory visits to learn about food. (We do not conduct tours for the general public.)



Tour of Anjo Plant

■ Visiting an Elementary School to Give a Lesson (Himeji General Plant)

On November 15, 2023, the Himeji General Plant welcomed 16 third-graders from Yagi Elementary School in Himeji City for their first plant tour in four years. Until fiscal 2022, lectures were held at the school as a precautionary measure due to COVID-19, replacing the regular plant tour. Dressed in lab coats, the students actively participated in various programs, handling ingredients such as Alaska pollock, surimi and fish paste, observing the production process of fish cakes, and tasting freshly made fish cakes.



○ Experiencing the Thrill of Studying Fish

Saiki City, Oita Prefecture, where [the Oita Marine Biological Technology Center](#) is located, has always had a thriving fishery industry. The Oita Marine Biological Technology Center, which specializes in aquaculture, has been established in such an area, and in order to better acquaint the community with this research facility, it accepts elementary school children on educational field trips and offers workplace experience to junior high school students. The program has been designed so that it will motivate children to take an interest in fishery and aquaculture, in the hopes that future researchers will be born from those who take part.

■ Field Trips for Elementary School Children

On November 28, 2019, the Oita Marine Biological Technology Center welcomed seven third-graders from Matsuura Elementary School, Saiki City, and conducted a program for the children to get to know the research being conducted on fish. After hearing a presentation on the Center and aquaculture research, the children observed the test fish being bred at the Center, as well as experiencing fish feeding and looking at the plankton used for the feed under microscopes. The children asked many questions on fish feeding and the feed and seemed to be very interested in fish research. Afterward, the children sent in many letters as feedback.



■ Workplace Experience for Junior High School Students

On August 1, 2019, the Oita Marine Biological Technology Center conducted a workplace experience program as part of an exchange sponsored by the Oita Prefecture Junior High School Cultural Association. 25 students from around ten schools from Beppu City, Oita City, and Saiki City participated. In addition to taking a tour around the Center and looking through microscopes, the students experienced sampling lab work in which they measured and dissected the young yellowtail. The program was a huge success with the students asking a lot of questions and surprising even the Center's researchers with their enthusiasm for conducting the lab work.



○ Workplace Tour for High School Students (Nagasaki Shipyard Co., Ltd.)

Nagasaki Shipyard hosts workplace tours as part of field trips for local high school students. In fiscal 2023, Nagasaki Shipyard welcomed a total of 37 students from two high schools in Nagasaki City, explained the types of ships and construction processes and took them on a tour inside the factory.



Workplace tours for high school students

Implementation Status for FY2021-2023

Tour date	High school/discipline (course name)	Number of participants
October 13, 2021	High school attached to Nagasaki Institute of Applied Science: Engineer course	36
November 15, 2021	Nagasaki Technical High School: Machine systems department	40
December 2, 2022	Nagasaki Technical High School: Machine systems department	40
December 7-8, 2022	Nagasaki Technical High School: Machine systems department	2
November 13, 2023	High school attached to Nagasaki Institute of Applied Science: Engineer course	35
December 5-6, 2023	Nagasaki Technical High School: Machine systems department	2

○ “Seafood University” Program (King & Prince Seafood Corp.)

The Nissui Group company, King & Prince Seafood Corp. (USA, “K&P”) has been holding 2-day programs called “Seafood University.” The program communicates an overview of K&P, the products of K&P, selling tips, and initiatives for sustainability through the plant tour and the shrimp boat educational cruise.

Employees, suppliers and customers of K&P take part in this activity, which began in 1976, and more than 4,400 people, to date, have “graduated” from the “Seafood University.” This provides an opportunity to communicate K&P’s initiatives by involving the stakeholders, and has been recognized by the participants as being “an outstanding training program, standing out from other manufacturers who do similar training.”



Sports Support

Co-sponsorship of Rugby Teams of New Zealand

Nissui has been an official sponsor of the "All Blacks," the national rugby team of New Zealand, through the New Zealand Rugby Union (NZRU) since 1988 and has co-sponsored the New Zealand Universities Rugby Foot Ball Council since 2003.

Nissui has a long, close relationship with New Zealand; we have operated a trawl fishery off the New Zealand coast and manufactured canned foods made from mutton produced in New Zealand. Moreover, Nissui has transferred advanced trawl fishery technologies through business affiliations with local companies and has established joint ventures throughout the years. Nissui's continued co-sponsorship with rugby has served to deepen the friendship and goodwill that have grown from this collaboration and has contributed to the promotion of rugby as a sport.

Nissui will continue co-sponsoring the All Blacks and rugby, doing what we can to help the rugby spirit of "fairness" and "One for all, All for One" permeate into society.



"Nissui Tokyo 2009 Bledisloe Cup," the legendary game between the New Zealand national team and the Australian national team held at the National Stadium in Tokyo.

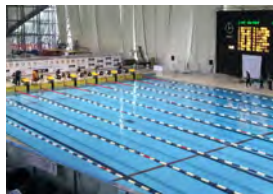
Support of the Japan Masters Swimming Association

Nissui has been developing the SPORTS EPA brand, which utilizes EPA (eicosapentaenoic acid) in the sports field, and has continued to support the Japan Masters Swimming Association. Swimming requires endurance and overcoming the lack of oxygen, which swimmers experience during swimming competitions, is a major issue. However, swimmers can expect to improve their exercise efficiency and reduce the level of fatigue by taking EPA. Nissui supports the swim meets sponsored by the Japan Masters Swimming Association and encourages all swimmers so that they can perform to the best of their abilities until the finish line.

The Japan Masters Swimming Association (in Japanese): <http://www.masters-swim.or.jp/>



Exhibition booth



Cooperation Agreement on Food and Sports Signed with Tomi City, Nagano Prefecture

On September 16, 2020, Nissui and Tomi City, Nagano Prefecture, entered into a comprehensive agreement of cooperation concerning food and sports. The purpose of this agreement is to help the development of food and promotion of sports in Tomi City, and contribute to the formation of a rich local community. Utilizing Nissui's expertise in food, including marine product-derived functional ingredients such as fast muscle protein and EPA, we are committed to contributing to the health of many people by collaborating with Tomi City to give out information and carry out awareness campaigns.



Related press release (in Japanese) [>](#)

Offering Menu Items at Nissui Yunomaru Athletes Restaurant

Adjacent to GMO Athletes Park Yunomaru, a high-altitude training facility in Tomi City, we have established "Nissui Yunomaru Athletes Restaurant," where we are giving dietary support to athletes as its naming rights partner. We utilize Nissui products from which athletes can ingest fast muscle protein and EPA and combine them with local food ingredients to offer tasty and physically healthy menu options designed with nutritional balance in mind. Going forward, in addition to supporting athletes, we are considering opening the Restaurant to the general public as well.



Sponsorship Activities for AVISPA FUKUOKA

Hakata Marukita Suisan Co., Ltd., a Nissui Group company, has been engaged in activities to sponsor AVISPA FUKUOKA, a soccer team in Fukuoka Prefecture, since 2015. Following discussions with AVISPA FUKUOKA aimed at conducting activities that are more community-based, Hakata Marukita Suisan started supporting sports activities held by AVISPA FUKUOKA for children in the region in 2019. In 2023, one of these activities was the "U-10 Yume☆Kan Cup," a soccer tournament for elementary school students up to the third grade from schools primarily located in Nishi-ku, Fukuoka City. Twelve teams participated in the tournament, and children from the top three teams were invited to Best Denki Stadium (the home of AVISPA FUKUOKA) for an awards ceremony.



Regional Contribution Activities

Measures against Regional Disasters

Hachioji Area

Participation in the Kitanomachi Emergency Drill

On October 27, 2019, the Hachioji General Plant participated in the emergency drill conducted by Kitanomachi, Hachioji. The Plant displayed and distributed papers that summarized the maps of the local evacuation areas and the flooding hazard maps, as well as introducing and distributing Nissui's fish sausages as part of emergency stockpiles. In 2019, the Asa River, which flows through Kitanomachi, reached flooding levels, due to a large typhoon making landfall, which has prompted many participants to take a look at the papers, especially the flooding hazard map. The Plant was also able to communicate to the residents of the area that fish sausage could be kept for approximately four months at room temperature and could be used as a source of high-quality protein in emergencies.



Providing Well Water During Emergencies

There is a deep well on the premises where the Hachioji General Plant, and the Group companies, Chilldy Co., Ltd. and the Hachioji Office of Carry Net Co., Ltd. are located. The water from the well, under strict daily water quality supervision, is being used in the plants and the offices.

The Hachioji General Plant, in preparation for water supply stoppages due to various causes including natural disasters, has made an arrangement to offer this well water as drinking water, by entering into the "Disaster Control Measure-related Agreement" with the City of Hachioji. This arrangement is part of Nissui's regional contribution activities borne from the desire to be of service to the people living in the same community in emergency situations as well as in ordinary times.



Himeji General Plant

On August 25, 2023, the Himeji General Plant entered into an "Agreement on the Supply of Drinking Water, etc., at Time of Disaster" with Himeji City. This agreement stipulates that in the event of a major disaster such as an earthquake, flood or major fire, the Plant will supply stored water to local residents for drinking and other purposes at the request of the city.



Activities toward the Development of the Next-Generation Children

Participation in the "Research Meeting" Junior EXPO 2025 Education Program

As part of an Junior EXPO 2025 educational program, Nissui participated for the fourth consecutive year in the "Research Meeting" program as a company committed to the SDGs. This year's Research Meetings, in which junior high school students and company representatives exchanged ideas and opinions, were conducted entirely online. After the introduction of initiatives that participating companies were taking towards achieving SDGs, a question-and-answer session was held with the students, followed by a sharing of viewpoints.



Date of Presentation	Name of the school	Grade	Participants
October 17, 2023	Osakasayama Municipal Daisan Junior High School	2nd	161
	Shunan Municipal Taika Junior High School	2nd	134
November 21, 2023	Nishinomiya Municipal Hamawaki Junior High School	1st~3rd	831

(Note) Junior EXPO 2025 Educational program:

Outline: This program is implemented for the purpose of making children, who will be forging our future, participate in initiatives toward Expo 2025, Osaka, Kansai, Japan before its launch through classes to learn about SDGs and discover local and social issues by themselves, and in the process, make them come up with ideas for the Expo's theme "Designing Future Society for Our Lives" and heighten their curiosity and interest so that they will actually want to go to the Expo venue in 2025. Program organizer: Japan Association for the 2025 World Exposition

The Global Fisheries Scholarship Program

Since 2002, Nissui has welcomed Maori individuals starting out their careers to Japan for training programs to contribute to the future development of New Zealand's fishing industry.



Origin and Objectives of the Training Program

Training Program Background

Sealord Group, Ltd. joined the Nissui Group in 2001. It was at that time that the decision was made to initiate this training program in partnership with TOKM (Te Ohu Kaimoana: Treaty of Waitangi (Note 1) Fisheries Commission) (Note 2). The current training counterpart is Moana New Zealand.

(Note 1) Treaty of Waitangi: A peace treaty signed in 1840 between the indigenous Maori people and the British monarchy.

(Note 2) TOKM: Body that oversees the Maori fishing quota.

Purpose

- To provide Maori with the opportunity for international training and instruction in the seafood industry, enabling them to acquire specialized knowledge and skills.
- To foster deep and broad interpersonal relationships between the Maori and the Nissui Group, while establishing a long-term, sustainable and mutually beneficial relationship between the Nissui Group and Moana New Zealand.

Training Details

The training program consists of a comprehensive curriculum lasting approximately six months, including lectures, practical field training, and other activities conducted in relevant departments of Nissui and its Group companies, tailored to the trainees' areas of interest.

Training Schedule (FY2017 Example)

Feb	Mid: Arrival in Japan; Late: Japanese language school
Mar/Apr	Japanese language school (basic skills)
May	Training at aquaculture company; Late: Japanese language school
Jun	Training at Head Office department; Mid: Japanese language school (taking of Japanese-Language Proficiency Test N5)
Jul	Fine Chemicals Business, Food Products Business department training, food plant tour, etc.; End of March: Interim presentation
Aug	Summer vacation (return home)
Sep/Oct	Training at food plant, laboratory, and aquaculture company
Nov	Presentation preparation and Japanese language school (presentation practice, taking of Japanese-Language Proficiency Test N4)
Dec	Final presentation/Completion ceremony

Achievements and Career Paths upon Completion

During the period from 2002 to 2023, a total of 23 graduates from 15 training cycles have successfully completed the program. Upon completion, the majority of the trainees have gone on to actively contribute to the industry and many have embarked on successful careers in government agencies related to the fisheries sector, TOKM, MOANA NZ, Sealord, and other relevant organizations.

Support for Training Costs

Nissui support amount: approx. 3.5 million yen/person

Coexistence with the Local Communities (Salmones Antartica S.A.)

Salmones Antartica S.A. ("SA"), a subsidiary of the Nissui Group located in Chile, is engaged in salmon farming, processing, sales and feed processing. SA attaches great importance to promoting sustainable aquaculture, with particular emphasis on the mutually beneficial relationship between the company and the communities it operates in as a cornerstone of its business approach. SA is committed to fostering ongoing relationships with local communities, which respects culture, customs and human rights, and contributes to the long-term stability and improvement of the livelihoods of local people.

Support for Infrastructure Development and Social Welfare Projects

SA provides financial assistance to promote stability and improve the livelihoods of local communities. In fiscal 2023, support totaled approximately US\$134,500.

Support Status in FY2023

Support recipients		Support amount
City/Region	Details	
Curaco de Velez City	Project to manage the aging population	US\$11,000
Caguache Island	Installation of a pier	US\$10,000
Queilen City	Tent renewal	US\$4,300
Others		US\$109,200
Total		US\$134,500

Active Aging Project in Curaco de Velez City

Through its Active Aging Project, SA is dedicated to fostering efforts that enable people, irrespective of age, to embrace a healthy and joyful later stage of life. The company operates one of Chile's oldest freshwater aquaculture facilities in the city of Curaco de Velez, located on the island of Qinchao near Chiloé, which has a history spanning more than 40 years. Working with the local community and in partnership with the University of Chile, SA conducts nutritional studies and educational programs focused on the use of its salmon, primarily targeting the elderly population. The goal of this initiative is to increase community awareness of the valuable contribution of seafood to overall health and nutrition. With future expansion plans, SA aims to contribute to improving the quality of life and promoting health through the provision of safe, sustainable salmon products.



Installation of New Pier for the Caguache Island in Chile

Located about two hours away from the headquarters of SA on the island of Chiloé, the island of Caguache depends solely on boats as the primary mode of transportation for its residents. However in the past, during storms, the island's pier became unusable, limiting the residents' ability to leave the island. To address this issue, SA assisted in the installation of a new pier that could withstand harsh weather conditions. This initiative demonstrated SA's commitment to the community, actively engaging with residents and promoting sustainable development in the region.



Other Activities

○ Sponsorship of Marathon to Raise Breast Cancer Awareness (Cité Marine S.A.S.)

In 2019, Cité Marine S.A.S. (France), a member of the Nissui Group, became a sponsor of "La Lorientaise," a marathon event aimed at raising awareness of breast cancer. In the marathon, 11,000 women clad in pink T-shirts participated. Participation fees and sponsorship money are donated to a local league for eliminating breast cancer.

<https://lalorientaise.oepslorent.org/> 



○ Donation to the Scholarship Foundation for Orphans from Marine Accidents

Nissui, with the cooperation of its executives and employees, the Nissui Labor Union (NAC) and through the social gathering of maritime employees, donates to the Scholarship Foundation for Orphans from Marine Accidents each year since its foundation in 1970.

○ Support for Victims of the 2024 Noto Peninsula Earthquake


In response to the Noto Peninsula earthquake that occurred on January 1, 2024, Nissui donated 10 million yen through the Japanese Red Cross Society to help those affected by the disaster. In addition, the company donated products it manufactures, including fish sausages and canned goods, as relief supplies.


**Sustainability
Report
2024**

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Corporate Governance

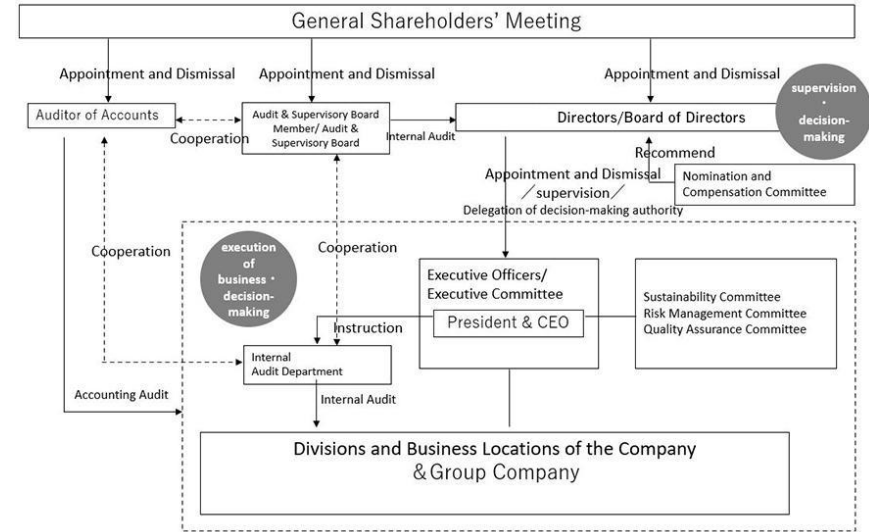
[Corporate Governance Report \(June 26,2024\)\(911KB\)](#) 

- ▼ Basic approach to Corporate Governance
- ▼ Diagram: System of Corporate Governance
- ▼ Effectiveness of the Board of Directors
- ▼ Director(Outside)
- ▼ Audit & Supervisory Board Member(Outside)
- ▼ Internal Control System
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Basic approach to Corporate Governance

With a view to improving the profitability and the capital efficiency of Nissui and its Group companies, as well as to promoting initiatives toward corporate social responsibility to encourage sustainable growth and the medium- to long-term enhancement of corporate value, the Board of Directors will demonstrate the major direction in corporate strategies and other matters and will place greater emphasis on supervising functions while retaining important decision-making functions. The decision-making functions have been empowered to the Executive Officers (and Executive Committee) headed by the President & CEO, to speed up the decision-making process and to further separate supervising and execution. Furthermore, in addition to the above management supervising by the Board of Directors, Nissui has adopted the governance structure of a company with an audit & supervisory board, based on its belief in the effectiveness of an audit system over management comprising four Audit & Supervisory Board Member including Outside Audit & Supervisory Board Member who are independent of management.

Diagram: System of Corporate Governance



Board of Directors, Directors

The Board of Directors Meeting is held at least once a month in principle to determine material matters and supervise management. In order to enhance the transparency of management and strengthen the function of management supervision, Directors act with a term of office of one year. Currently, the Board of Directors consists of ten Directors and includes four Outside Directors (of which two members are women), who are independent of the management team.

Nomination and Compensation Committee

As an advisory body to the Board of Directors, the Company has established the voluntary Nomination and Compensation Committee (established on June 27, 2018), consisting of four Outside Directors and one Representative Director and chaired by an Outside Director. The Nomination Committee deliberates on the selection and dismissal of candidates for Officers including President and succession planning, and the Compensation Committee deliberates on the determination policy of compensation, details of the compensation system, and compensation standard, among other matters, in order to recommend to the Board of Directors. The Board of Directors determines executive appointments and compensation based on the recommendation.

Management structure and Expected Areas of Expertise of Directors and Audit & Supervisory Board Member

Name	Positions and responsibilities	Corporate management	Finance and accounting	Marketing and sales	Production and technology	R&D	International perspective	Corporate governance	Risk management	Legal affairs and compliance	Sustainability
Shingo Hamada	Representative Director, President, Chief Executive Officer (CEO), Member of Nomination and Compensation Committee	○			○	○	○	○	○	○	○
Shinya Yamamoto	Director, Senior Managing Executive Officer, Chief Financial Officer (CFO)		○				○	○	○		○
Koji Umeda	Director, Senior Managing Executive Officer, Chief Operating Officer (COO)			○	○			○	○		○
Shinya Yamashita	Director, Managing Executive Officer					○	○				○
Masahide Asai	Director, Executive Officer	○		○			○	○	○		
Teru Tanaka	Director, Executive Officer	○		○	○		○				
Tokio Matsuo	Outside Director, Chairperson of Nomination and Compensation Committee	○			○			○	○	○	○
Atsumi Eguchi	Outside Director, Member of Nomination and Compensation Committee					○			○	○	○
Daisaku Abe	Outside Director, Member of Nomination and Compensation Committee	○	○					○	○	○	○
Keiko Tanaka	Outside Director, Member of Nomination and Compensation Committee						○	○	○	○	○
Hiroyuki Hamano	Standing Audit & Supervisory Board Member		○				○	○	○	○	
Masahiro Yamamoto	Outside Audit & Supervisory Board Member		○					○	○	○	

Name	Positions and responsibilities	Corporate management	Finance and accounting	Marketing and sales	Production and technology	R&D	International perspective	Corporate governance	Risk management	Legal affairs and compliance	Sustainability
Tadashi Kanki	Outside Audit & Supervisory Board Member							○	○	○	
Makiko Terahara	Outside Audit & Supervisory Board Member						○	○	○	○	○

Audit & Supervisory Board, Audit & Supervisory Board Member

Regarding the audit system, the Company has appointed persons with the expertise necessary for audit including insight into finance and accounting as well as a wealth of knowledge in a wide range of fields. The Audit & Supervisory Board consists of four Audit & Supervisory Board Members including three Outside Audit & Supervisory Board Members (of which one member is a woman) independent of the management team. Each Audit & Supervisory Board Member attends the Board of Directors Meetings to audit execution of duties of Directors, and also attends other important meetings including the Executive Committees as necessary.

Executive Committee, Executive Officer

Regarding business execution, the Company has adopted the executive officer system (introduced on June 25, 2009) for flexible and efficient business management. The Executive Committee consisting of Executive Officers appointed by the Board of Directors is held at least once a month in principle, and makes quick and appropriate decisions and information sharing on major business execution matters, based on sufficient deliberation from a multifaceted perspective, in order to promote the sustainable growth and the enhancement of the corporate value of the Company and the Company Group. The Executive Committee consists of 16 men including six Directors concurrently acting as Executive Officers.

Internal Audit Department

Based on annual planning, the internal auditing division under the direct control of President implements evaluation on internal control in order to ensure the reliability of internal audit and financial reporting of the Company Group, and reports results to Directors, Audit & Supervisory Board Members, and the managers of organizations under audit. The internal auditing division reports the business audit results of Nissui and all its Group companies to the Audit & Supervisory Board Members, and in terms of internal control, discusses the evaluation procedure, scope, schedule, etc. with the external auditor of accounts when formulating the evaluation plan for the fiscal year and finalizes the evaluation policy. Furthermore, we ensure cooperation between the external auditor of accounts and the internal auditing division by closely exchanging information with the external auditor of accounts and taking appropriate corrections when any deficiencies or problems in control are found.

Auditor of Accounts

Regarding accounting audits, the Company has concluded an agreement with Ernst & Young ShinNihon LLC to conduct accounting audits based on the Companies Act and the Financial Instruments and Exchange Act.

Effectiveness of the Board of Directors

<Timeline for the evaluation of the effectiveness of the Board of Directors>

The Company evaluated the effectiveness of the Board of Directors ("evaluation of effectiveness") for FY2023 on all executives (nine Directors and four Audit & Supervisory Board Members) in accordance with the following timeline.

January 2024	Conducted a point-system (4 levels) questionnaire survey
February to March 2024	Upon summarizing the questionnaire results, the secretariat conducted interviews with newly appointed Directors and identified issues
April 2024	Discussions separate from the Board of Directors were facilitated by an Outside Director

<The content of the questionnaire and a summary of the results>

(1) The content of the questionnaire

To understand the whole situation of the Board of Directors, the questionnaire comprised a total of 29 questions in the following five major categories. Each major category also had a free-description field where the respondent could write down comments and observations.

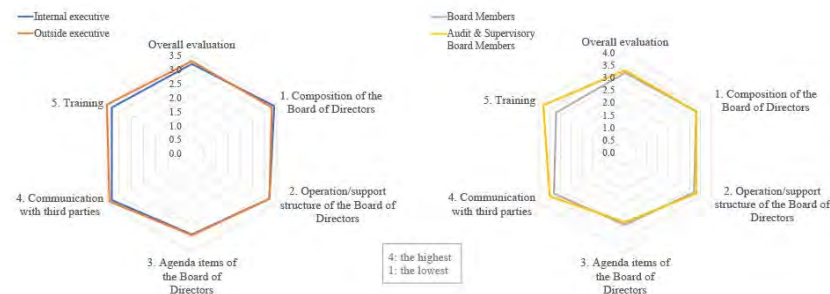
- i. Composition of the Board of Directors (Size, number of members, diversity, the ratio of Internal and Outside Directors, etc.)
- ii. Operation of the Board of Directors and the support structure (Annual schedule, the content and volume of meeting materials, the leadership of the Chairperson, etc.)
- iii. Agenda of the Board of Directors (Number of agenda items and the content of the agenda items, the relevance of the criteria for submitting proposals to the Board of Directors, etc.)
- iv. Communication with third parties (The quality and the appropriateness of the content of disclosures to stakeholders, etc.)
- v. Training of Internal and Outside Directors

(2) Summary of the results

[Overview]

A comparison of the major categories indicated that the average score of "v. Training" was the highest, while "iii. Agenda of the Board of Directors" was the lowest, as was the case in the previous fiscal year.

It is considered that providing opportunities for outside executives to deepen their understanding of the Company's business through study sessions targeting executives as well as visits to the plants and subsidiaries contributed to the positive evaluation of "v. Training." On the other hand, "iii. Agenda of the Board of Directors" has been an issue at the Company since the inception of the evaluation of effectiveness and despite the improvement measures taken every year and the recognition of a certain level of improvement, they have not resulted in a positive assessment. Although there were no dramatic changes from the previous year in terms of "i. Composition of the Board of Directors" and "iv. Communication with third parties," the evaluation of "iv. Communication with third parties" is gradually rising each year, as the IR activities take shape.



[Summary]

In the responses, the executives generally rated the current performance of the Board of Directors high in that active exchanges of opinions were conducted between internal and outside executives under the appropriate leadership of the Chairperson, and this tendency has not changed since the inception of the evaluation of effectiveness. The executives also appreciated the fact that corrective measures (setting the themes to be discussed by the Board of Directors, sharing the meeting materials and the details of the discussions of the Executive Committee, and improving and making the reporting items more substantial, etc.) were taken every time issues were identified through the evaluation of effectiveness. On the other hand, the responses indicate that there remain some issues for which sufficient improvement has not been achieved (decision-making and supervisory functions by Internal Directors from a companywide perspective, the delegation of authority to the Executive Committee, the volume and content of the meeting materials of the Board of Directors). Especially with regard to the management strategies of Internal Directors from companywide and medium- and long-term perspectives, which had always been perceived as an issue, the evaluation has declined due to the increasingly severe self-assessments by the Internal Directors. Furthermore, the timing of distributing meeting materials and the inadequate evaluation of investment projects were newly identified as issues.

Category	Evaluation item	
1. Composition of the Board of Directors	• Size of the Board (1-1)	• Ratio of Internal and Outside Board Members (1-2)
	• Diversity of the Board (1-3)	
2. Operation/support structure of the Board of Directors	i. Operation of the Board	
	• Meeting frequency and time allocation (2-1)	• Quality and volume of meeting materials (2-2)
	• Well-balance business reports (2-3)	• The content of the explanation and reports (2-4)
ii. Decision-making process		• Timing of distributing meeting materials (2-5)
iii. Board support		• Steering and attributes of Chairperson (2-6, 2-8)
iii. Board support		• Adequacy of discussion time (2-9)
iii. Board support		• System of providing information (2-11, 2-12)
iii. Board support		• Opportunities for communication outside of the Board (2-13, 2-14)
3. Agenda items of the Board of Directors	i. Status of discussions of the Board	
	• Number of agenda items, delegation to execution (3-1, 3-2)	• Management strategies from a medium- to long-term perspective (3-3)
	• Sustainability (3-4)	• Evaluation of investment projects (3-5)
ii. Nomination/compensation of executives		• Human capitals strategies and succession planning (3-6)
ii. Nomination/compensation of executives		• Risk management (3-7)
ii. Nomination/compensation of executives		• Nomination and compensation determination process (3-8)
4. Communication with third parties	• Quality and volume of disclosures (4-1)	• Internal system (4-2)
	• Training for internal executives (5-1)	• Training for outside executives (5-2)
5. Training	• Training for internal executives (5-1)	• Training for outside executives (5-2)

High evaluation Evaluation scores of 3.6 and above
 Low evaluation Evaluation scores of less than 3.0
 (4 is the highest and 1 is the lowest)

Items that decreased by 0.3 points or more from the previous fiscal year's evaluation

<Issues identified by the secretariat>

Upon analyzing the questionnaire results, the secretariat identified the following items as issues.

- i. The medium- and long-term management themes* have not been considered sufficiently.
*Growth strategy and business portfolio
*Human capitals strategies, succession planning, and others
- ii. Improvement of materials for the Board of Directors meetings (details and timing of distribution)
- iii. Arrangement of presented meeting agenda
- iv. Enhancement of supervisory functions of Internal Directors (succession planning)
- v. Composition of the Board of Directors
- vi. Establishment of a system for pre-evaluation of investment projects

<Summary of the discussion and next actions>

The discussion was conducted as an open-ended discussion, separate from the Board of Directors meetings. This year's discussion was also facilitated by an outside executive. The items listed above in paragraph 3 were broadly divided into three categories: (v.), (ii., iii., and vi.), and (i. and iv.), touching upon the awareness of the issues and the various viewpoints of the discussion on the resolution of such issues.

(1) v. Composition of the Board of Directors

Regarding this issue, there was a common awareness among the executives and many expressed their expectations for the early promotion of female executives who started their careers at the Company, despite the presence of several female Outside Directors. Nevertheless, given the current situation of the Company, it would be difficult to immediately promote female employees to Directors. Therefore, to enable us to promote female employees who started their careers at the Company to Executive Officers in the not-too-distant future, we agreed that we should nurture and prepare such individuals through education and other means. Meanwhile, opinions were divided in terms of foreign nationals serving as Directors and while the Group is targeting an international net sales ratio of 50% by 2030, some expressed the opinion that decisions should be made upon examining the necessity of hiring foreign nationals and if it is necessary to hire foreign nationals as Directors, the Company should start by hiring them as Executive Officers.

(2) ii. Improvement of materials for the Board of Directors meetings, iii. Arrangement of presented meeting agenda, and vi. Establishment of a system for pre-evaluation of investment projects

These issues involve the operation of the Board of Directors meetings and outside executives pointed out that the materials were difficult to comprehend on their own, made requests to clarify the key points, and suggested holding preliminary explanation briefings prior to the Board of Directors meetings to ensure more energized discussions. Meanwhile, some recognized the efforts being made such as the attachment of summaries of discussions made at Executive Committee meetings, step-by-step discussions on important matters such as M&As, and efforts to explain matters related to medium- and long-term plans, and noted that the materials were easier to understand than before.

(3) i. Deepening the consideration of medium- and long-term management themes and iv. Enhancement of supervisory functions of Internal Directors

While these two issues have been weighing heavily on the Board of Directors, in terms of i., opinions were voiced to the effect that despite more time being spent on discussing medium- and long-term management themes they were not delving deep enough. They also noted that deliberations on the allocation of the business portfolio taking into account the market conditions of 2030 as well as improvements of the inhouse environment in preparation were necessary. To achieve them, the executives suggested that perhaps improvements could be made by identifying the points for review and where deliberations were insufficient by providing opportunities for informal discussions, at management retreats, for example. As for iv., some pointed out that as the Internal Directors represent their respective businesses, their opinions tend to be biased toward their businesses and that their supervisory functions as Directors were not being fully demonstrated from a companywide perspective. On the other hand, some pointed out that the presence of Directors who oversee the businesses is indispensable to deepen discussions on business matters, and as persons with business backgrounds can become CEO candidates, one possible solution for making them more aware of the companywide perspective and third-party assessments to enhance businesses and the supervisory functions would be through the development of human capitals, such as having employees experience work in multiple departments including Corporate Administration Group from an early stage and the use of related literature and handbooks.

Many opinions and requests were voiced in the free-description field in the questionnaire and discussions and accordingly, the Company was able to hold deep-dive discussions into each issue. The outside executives also shared examples of initiatives taken at other companies and based on these various input, we will deliberate and implement improvement measures to further enhance the quality of discussions.

○ Director (Outside)

There are four Outside Directors, who have no personal, capital, trading or any other special relationship of interest with the Company.

In addition to many years of experience at a glass manufacturer, Mr. Tokio Matsuo has broad expertise accumulated as a Representative Director of a listed chemical manufacturer. He has appropriately supervised overall management by expressing his frank opinions on sustainability initiatives from medium- and long-term perspectives. The Company elected him as an Outside Director in anticipation that he would provide advice to further enhance corporate value. In addition, he is expected to demonstrate leadership as a new Chairperson of the Nomination Committee and Compensation Committee. Ms. Atsumi Eguchi has engaged in research & development and public relations/communications divisions at major beverage and food manufacturing companies and has broad knowledge and abundant experience. At the Board of Directors of the Company, she has provided oversight not only from the perspective of corporate communication and diversity but also with respect to a wide range of overall management. The Company elected her as an Outside Director in anticipation that she would further contribute to the enhancement of corporate value.

Mr. Daisaku Abe has engaged in a wide range of operations such as IT, systems and corporate planning at financial institutions and has broad expertise in sustainability, including having served as chairman of the Human Rights Enlightenment Promotion Committee. In addition to his experience supervising overall corporate management as a corporate manager of a financial institution, he has also served as an outside director of a listed company. The Company elected him as an Outside Director in anticipation that he would supervise management of the Company from medium-, long-term and comprehensive perspectives by leveraging his various experiences.

Ms. Keiko Tanaka has engaged in public relations and marketing departments at automotive manufacturing companies, and as a result gaining broad knowledge. In addition, she has global experiences such as having served as the Ambassador Extraordinary and Plenipotentiary of Japan to Uruguay. Since she also has experience as Outside Director at a listed company and as Outside Expert of the Sustainability Committee, the Company elected her as an Outside Director in anticipation that she would provide advice from a global perspective on sustainability and diversity, which are current challenges that the Company needs to address, and supervise overall management based on various experiences.

○ Audit & Supervisory Board Member (Outside)

There are three Outside Audit & Supervisory Board Members, who have no personal, capital, trading or any other special relationship of interest with the Company.


Mr.Masahiro Yamamoto has abundant experience as an accounting expert, having served as a representative partner of a major audit firm as a certified public accountant and currently serving as a Director (Audit and Supervisory Committee member) of a business company. He also serves as an Auditor of a public interest incorporated association, and has broad personal connections and insight in the business world. The Company has elected him as an Outside Audit & Supervisory Board Member in the expectation that he will provide effective guidance drawing on his experience and insight.

The Company has elected him as an Outside Audit & Supervisory Board Member in the expectation that Mr.Tadashi Kanki will provide effective guidance drawing on his broad experience in sales and corporate planning at financial institutions, in addition to his four years of experience as a Standing Audit & Supervisory Board Member at a company listed on the First Section of the Tokyo Stock Exchange.

Ms. Maikko Terahara is well versed in corporate legal affairs as an attorney at law and serves as Outside Director of other listed companies. She has professional expertise in determining the appropriateness of overall corporate activities. In addition, she serves as Outside Audit & Supervisory Board Member of a listed company engaged in the department store business, and possesses insights into the retailing business. The Company elected her as an Outside Audit & Supervisory Board Member in the anticipation that her advice based on her experience and insights would be effective for the Company to promote sustainability and attain diversity.

Given that all three Outside Audit & Supervisory Board Members meet the requirements of independent officers set forth by the Tokyo Stock Exchange and the "Independence Criteria of Outside Executives" set forth by the Company and thus do not pose any conflict of interests with general shareholders, the Company has deemed them to be independent and has designated them as Independent Officers as set forth by the Tokyo Stock Exchange and given notice thereto.

Outside Audit & Supervisory Board Members periodically receive reports on audit plans and audit results from the Accounting Auditor, while at the same time mutually coordinate with them by witnessing certain audits conducted by the Accounting Auditor. Outside Audit & Supervisory Board Members also exchange information and opinions with the Internal Audit Department as necessary. The Internal Audit Department reports the results of the operational audits of the Group to the Audit & Supervisory Board Members.

Independence_Criteria_of_Outside_Executives (104KB) 

| Attendance at Board Meetings by Outside Directors and Audit & Supervisory Board Members

Category	Name	Number of Board of Directors meetings attended	Number of Nomination and Compensation Committee meetings attended	Number of Audit & Supervisory Board meetings attended	Status of Key activities
Outside Directors	Mikito Nagai	19/20 meetings	(Nomination) 8/8 meetings (Compensation) 6/7 meetings	—	In addition to his experience at financial institutions, he has abundant experience as a corporate manager, such as having served as representative director of an operating company. At the Board of Directors meetings, etc., he makes appropriate management decisions and provides oversight, such as leading discussions on the effectiveness of the Board of Directors, as well as provides comments on the optimization of the business portfolio and on financial strategies from a management perspective. In addition, as Chairperson of Nomination Committee and Compensation Committee, he leads fair and transparent operation of the Committee meetings regarding succession planning, the composition of the Board of Directors, the election of Directors and Audit & Supervisory Board Members and matters concerning compensation, etc.
	Tokio Matsuo	20/20 meetings	(Nomination) 8/8 meetings (Compensation) 7/7 meetings	—	He has extensive experience and broad expertise as a corporate manager, including having served as representative director of an operating company. At the Board of Directors meetings, he provides advice regarding the Company's sustainability activities from medium- and long-term perspectives as well as makes management decisions and provides oversight appropriately from a broad-based perspective. In addition, he provides advice for improvement of the election of Directors and Audit & Supervisory Board Members and the compensation system at the Nomination Committee and Compensation Committee meetings, based on his management experience.
	Atsumi Eguchi	15/15 meetings	(Nomination) 6/6 meetings (Compensation) 3/3 meetings	—	She has broad knowledge and abundant experience, including having engaged in research & development and public relations/communications divisions at an operating company. She makes management decisions and provides oversight appropriately at the Board of Directors meetings from a multi-faceted perspective including corporate communication and diversity. In addition, she provides expert and specific advice on the election of Directors and Audit & Supervisory Board Members and the compensation system with consideration of recent trends and other companies' cases at the Nomination Committee and Compensation Committee meetings.

Category	Name	Number of Board of Directors meetings attended	Number of Nomination and Compensation Committee meetings attended	Number of Audit & Supervisory Board meetings attended	Status of Key activities
Outside Audit & Supervisory Board Members	Shino Hirose	20/20 meetings	–	16/16 meetings	She is well versed in corporate legal affairs and compliance issues as an attorney at law, and provides comments as necessary from an independent and objective standpoint and from the perspective of diversity to ensure adequacy and appropriateness of decision-making by the Board of Directors and the Audit & Supervisory Board based on her expertise and experience in legal issues.
	Masahiro Yamamoto	19/20 meetings	–	16/16 meetings	He has professional knowledge regarding finance and accounting as a certified public accountant. Leveraging his abundant experience and expertise as an accounting expert, he provides comments as necessary from an independent and objective standpoint.
	Tadashi Kanki	19/20 meetings	–	16/16 meetings	In addition to the experience as a Standing Audit & Supervisory Board Member at a listed company, he has broad knowledge and experience in sales and corporate planning at financial institutions. Leveraging this experience, he provides comments to encourage effective and appropriate supervision of overall management from an independent and objective standpoint.

* As of the end of March 2023

Internal Control System

Basic Policy for Internal Control System >

Executive Compensation

Disclosure of Policy on Determining Compensation Amounts and Calculation Methods, etc.

A basic policy for the determination of executive compensation has been established, as per the following, in accordance with the Corporate Governance Code.

Basic Policy

1. The compensation system shall support the achievement of the Company's mission and vision.
2. The compensation system shall be designed to eliminate short-term bias and motivate the medium- to long-term improvement of corporate value.
3. The compensation system shall be effective in maintaining and securing outstanding talents.
4. The compensation system shall be designed in a transparent, fair and reasonable manner from the standpoint of accountability to stakeholders including the shareholders and employees, and shall ensure appropriate determination processes.
5. The compensation system shall be aligned to the roles and responsibilities entailed by each rank and to performance.

< Method for the determination of compensation of Directors and Audit & Supervisory Board Members >

The policy for determining compensation, etc. of individual Directors is determined by the voluntary Compensation Committee which is chaired by an Independent Outside Director and consists of three Outside Directors and two Representative Directors (Chairperson: Mikito Nagai), with the aim of ensuring compensation commensurate with the company's stage. Specifically, it is determined by the Board of Directors upon deliberation of (i) the basic policy for compensation; (ii) the compensation system; (iii) the compensation levels; and (iv) compensation item composition ratio; among other things, based on comparative verification against benchmark groups. The amount of each compensation to be paid shall be determined by the Compensation Committee delegated by the Board of Directors from the viewpoint of the objectivity and transparency of the operation of said system.

With respect to compensation, etc. of Audit & Supervisory Board Members, the amount of basic compensation (fixed compensation) shall be determined through discussions among the Audit & Supervisory Board Members, and shall be within the range of the total amount of compensation, etc. approved by the General Shareholders' Meeting in advance.

< Compensation system and individuals eligible for payment, etc. >

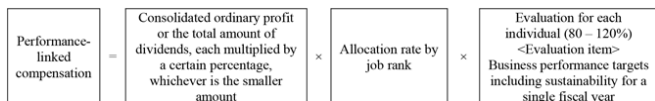
Compensation of Directors (excluding Outside Directors) consists of three components, namely, "basic compensation," "performance-linked compensation," and "stock-based compensation." Outside Directors and Audit & Supervisory Board Members receive only basic compensation (fixed compensation). Until FY2022, the ratio between each compensation of Directors was roughly targeted at 65:30:5 when business performance targets are fully achieved. From FY2023, in order to raise awareness among Directors of improving business performance and increasing corporate value over the medium to long term, the design of the system has been changed to set the ratio to 55:25:20 when business performance targets such as consolidated ordinary profit, etc. and other KPIs of the Mid-Term Business Plan are fully achieved. Thus, the ratio of performance-linked variable compensation (performance-linked compensation and stock-based compensation) has been raised to approximately half of the total.

The retirement benefit system for Directors and Audit & Supervisory Board Members was abolished on the day of the 92nd Ordinary General Shareholders' Meeting held on June 27, 2007.

Basic compensation

Basic compensation consists of three components, namely, representative consideration, supervisory consideration and executive consideration, and executive consideration is set according to the job rank.

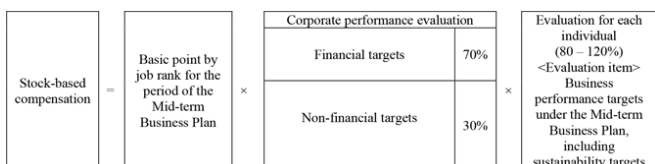
Performance-linked compensation



Performance-linked compensation is paid to Executive Officers based on the idea that the compensation is distribution of added value generated in a single fiscal year.

This compensation uses "consolidated ordinary profit," which is a performance evaluation indicator, and "total amount of dividends" conscious of shareholders' perspectives as indicators. Consolidated ordinary profit or the total amount of dividends, each multiplied by a certain percentage, whichever is the smaller amount, is used as the basic amount of the compensation, which is then allocated and paid in accordance with the job rank based on individual evaluations. As the compensation composition ratio is set based on the timing when the Mid-Term Business Plan is achieved, if consolidated ordinary profit or total amount of dividends, which is conscious of shareholders' perspectives, is increased or decreased, the ratio of performance-linked compensation in total compensation is designed to be increased or decreased accordingly. Evaluation for each individual was introduced in FY2021 with an aim to clarify the degree of contribution of each officer to the business performance for a single fiscal year. Certain business performance targets, including sustainability targets, have been selected as evaluation items, and achievement rates are evaluated against those items within the range between 80% and 120%. The basic amount of performance-linked compensation paid, the allocation rate by job rank, and evaluation for each individual shall be determined by the Board of Directors after deliberation by the Compensation Committee.

Stock-based compensation



Evaluation items and evaluation weight for stock-based compensation

The following evaluation items have been established for stock-based compensation, in conjunction with the commencement of the new Mid-Term Business Plan "Good Foods Recipe 1" in FY2022. Specifically, sustainability evaluation items, in addition to the current evaluation items such as achievement rate of consolidated ordinary profit, have been selected with the aim of optimizing the business portfolio, improving capital efficiency, and enhancing shareholder value.

Evaluation items for stock-based compensation		
Items		Reasons for selection
Financial	Net sales Consolidated ordinary profit ROIC	Improvement of growth potential Improvement of profitability Improvement of capital efficiency
Sustainability	Achievement rate of the target for sustainability of marine resources Reduction in CO2 emissions at the Group's business sites Improvement of employee engagement scores Sales of health category products	Sustainable procurement Contribution to actions toward climate change Preserving the marine environment Active roles undertaken by diverse human capital Solutions to health issues

As detailed above, financial and non-financial (sustainability) items have been selected for evaluation of corporate performance, and their weightings have been set to 70:30. Financial targets are evaluated based on the percentage of achievement in accordance with actual results, while non-financial (sustainability) targets are evaluated within the range between 50% and 150%. The number of shares to be granted to individuals is determined by multiplying the predetermined base points for each job rank by corporate performance achievement rates, and then reflecting the individual evaluations. For individual evaluations, KPIs and sustainability items under the Mid-Term Business Plan are used, and the achievement rates are defined within the range between 80% and 120%. The corporate performance achievement rates and the individual evaluations shall be determined by the Board of Directors after deliberation by the Compensation Committee.

Total amount of compensation, etc. for Directors and Audit & Supervisory Board Members regarding the fiscal year under review

The policy regarding the determination of the details of compensation, etc. for each individual Director, was decided by the Board of Directors after deliberation by the Compensation Committee, which is chaired by an Independent Outside Director. The amount paid to each individual for the fiscal year under review was determined by said Committee, under delegation by the Board of Directors, based on said policy; therefore, the Board of Directors has determined that it is in line with said policy and appropriate.

Category of Officers	Total amount of compensation, etc. (in millions of yen)	Total amount by type of compensation, etc. (in millions of yen)			Number of Officers paid
		Basic compensation	Performance-linked compensation	Stock-based compensation	
Directors (excluding Outside Directors)	359	216	83 (Note)	58	6 (Stock-based compensation: 6)
Audit & Supervisory Board Members (excluding Outside Audit & Supervisory Board Members)	26	26	-	-	1
Outside Directors	36	36	-	-	4
Outside Audit & Supervisory Board Members	38	38	-	-	3

Note: The performance-linked compensation of Directors includes the amount estimated to be paid in June 2024.

Composition of Compensation Committee Members and Deliberation Overview

Positions and responsibilities (Composition)	Name	Deliberation overview (7 meetings held in total)
Independent Outside Director (Chairperson)	Mikito Nagai	<ul style="list-style-type: none"> Revision of executive compensation system Evaluation for each individual for performance-linked compensation and stock-based compensation for FY2022 Amount to be paid to each individual of performance-linked compensation paid in June 2023 and December 2023 Additional purchases of trust compensation (BBT)
Independent Outside Director (Committee Member)	Tokio Matsuo	
Independent Outside Director (Committee Member)	Atsumi Eguchi	
Representative Director and President (Committee Member)	Shingo Hamada	
Representative Director, Senior Managing Executive Officer (Committee Member)	Seiji Takahashi	

Risk Management

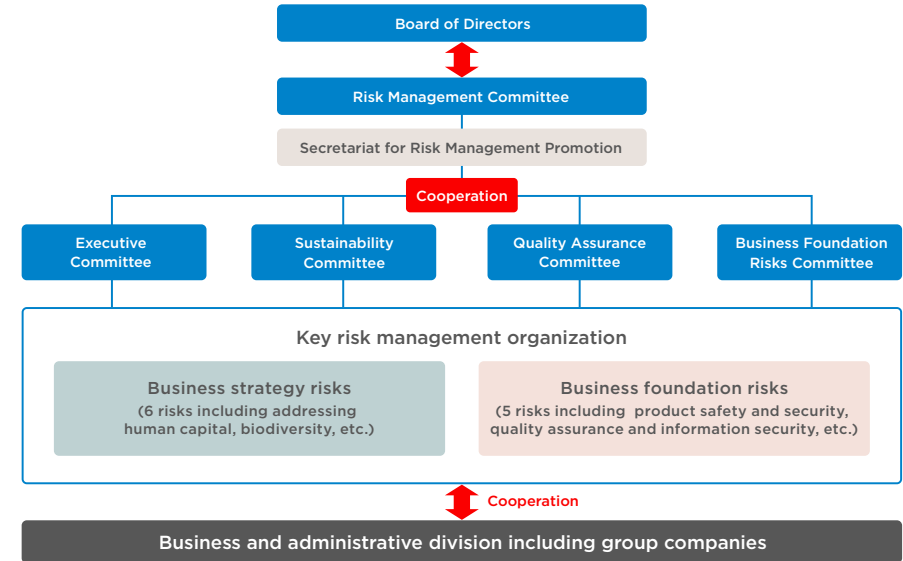
The Nissui Group, whose mission is to produce various food products, pharmaceutical ingredients, etc. from resources including marine products and supply them to people around the world, is striving to continue stable production and sales in order to fulfill such duty. From this perspective, we define "risk" as the uncertainty of events that may affect the continuity of the company, and "risk management" as activities to appropriately manage various internal and external risks associated with business operations, as set forth in the "Risk Management Rules." Based on these definitions, we have established the Risk Management Policy.

Risk Management Policy

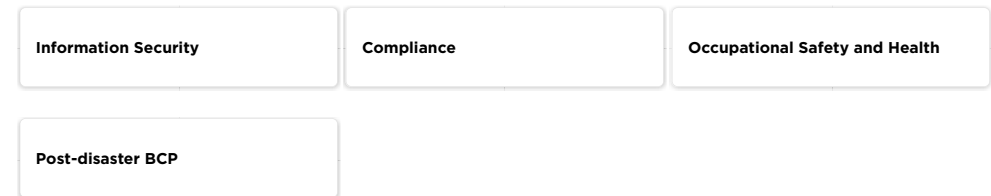
Nissui and its Group's basic policy for risk management is to endeavor to prevent risks that may hinder business activities from arising, and in the event of an emergency, minimize the occurrence of losses by giving top priority to human life, give consideration to society such as providing aid to disaster victims, and make best efforts to preserve our management resources and continue our businesses and thereby maintain and improve corporate value.

Promotion Framework - The Risk Management Committee

The Risk Management Committee, under the direct supervision of the President & CEO, strives to build, maintain, and improve the company-wide risk management system of the Nissui Group based on the "Risk Management Rules." The executive officer in charge of risk management regularly reports the activities of the committee to the Board of Directors. As an integrated risk management function that identifies and manages key company-wide risks in a unified manner, the Risk Management Committee identifies, evaluates and optimizes the risks surrounding the Group from a company-wide perspective in an integrated, comprehensive, and strategic manner, and positions risk management as a means of maximizing corporate value—not merely as a mechanism for "protecting" against risks, but as an "offensive" approach to executing business strategies. Additionally, risks with a significant impact to the Group are identified and categorized as such, and risk management organizations are established for each risk with a significant impact, comprising managers responsible for each business division. These organizations plan and manage actions to improve the effectiveness of risk management and also ensure that managers implement appropriate risk management within their respective business divisions.



Please see below for initiatives for each business foundation risks.



Results of Initiatives

FY2023

- Reviewed the risk management framework handled by each committee for different themes and, to identify risks with a significant impact from a Group-wide perspective, prioritize these risks with a significant impact, and to implement the PDCA cycle, simultaneously revised the function of the Risk Management Committee and reorganized the risk management framework.
- Extracted and analyzed opportunities and risks related to material issues, and identified risks with a significant impact on medium- to long-term key issues and business strategies as risks with a significant impact.

Information Security

The Nissui Group retains the personal information of customers in its mail-order/e-commerce business, etc. It is not only our corporate responsibility but also indispensable for the sustained growth of the Nissui Group to prevent the leakage/loss of such personal information and important information on management, business, research, etc. Having established the "Information Security Subcommittee" under the Risk Management Committee, we are executing information security management in a thoroughgoing manner by putting regulations and rules in place, including the "Basic Policy on Information Security," enhancing the system administration framework and periodically conducting education and training for employees.

Basic Policy on Information Security

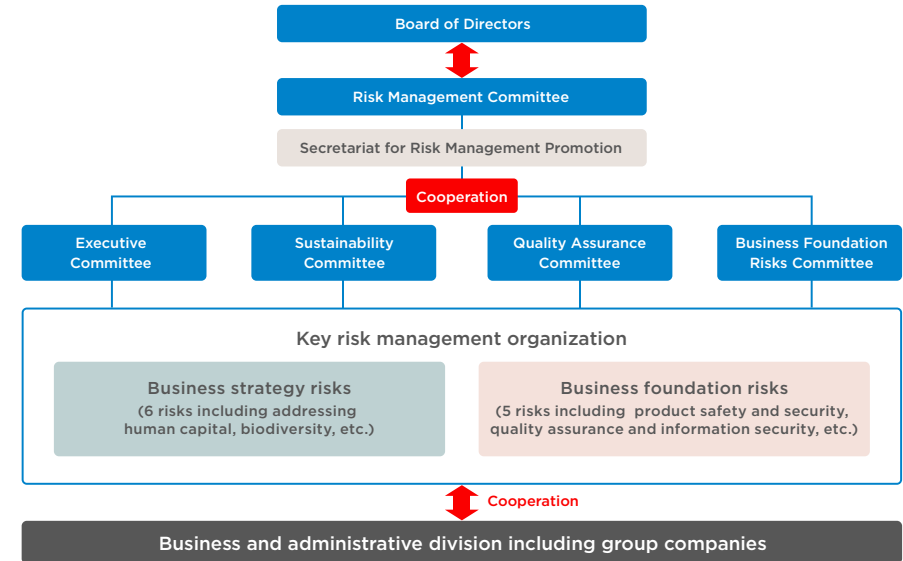
[Basic Policy on Information Security >](#)

Privacy & Policy

[Privacy & Policy >](#)

Promotion Framework - The Information Security Subcommittee

The Information Security Subcommittee, set up under the umbrella of the Business Foundation Risks Committee with the aim of enhancing the information security level of Nissui and its Group companies in Japan. The Information Security Subcommittee is convened four times a year and is chaired by an Executive Officer designated by the Business Foundation Risks Committee. Its main activities involve the formulation and progress management of various measures to make the Basic Policy on Information Security function effectively, as well as the execution of procedures to deal with information security risks that have newly arisen.



○ Initiatives to Enhance Information Security

▮ Initiatives Targeted at Nissui Corporation

With respect to all employees, we make the information security rules widely known and conduct information security education and training at least once a year. Also, a security audit is conducted periodically—i.e., once a year—at business locations where important information is retained.

FY2023 Results

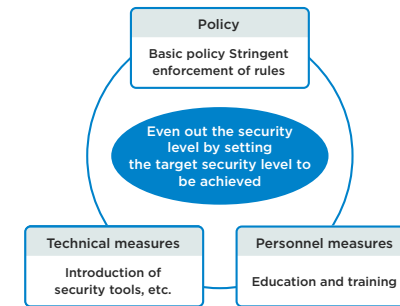
Category of Initiatives	Description of Initiatives	Coverage	Results
Education	Training aimed at newly-assigned employees to help them understand basic security principles	New graduates/ experienced hires	Face-to-face/online training: Twice
	Training to raise information security awareness and promote internal rules	Executives/employees	E-learning: Once (participation rate: 96.0%)
	Security awareness training for employees who handle personal customer information	Departments handling customer personal information	E-learning: Once (participation rate: 100.0%)
	Test aimed at determining understanding of internal rules that leads to more efficient training	Executives/employees	E-learning: Once (participation rate: 91.7%)
Training	Training aimed at building resilience to targeted attacks by email	Executives/employees	Twice
	Training to develop information security incident response capabilities	Members of the Information Security Subcommittee and related parties	Once

▮ Initiatives to Strengthen Security

To improve information security, we are implementing initiatives across various areas, including strengthening authentication functions and network security to prevent unauthorized use by third parties, reinforcing the incident response system, and providing education and training for executives and employees. We are continuously working to improve security levels through the PDCA cycle to address increasingly serious security risks each year.

▮ Conference of IT Divisions of the Nissui Group in Japan

For the purpose of deliberating the direction of promoting the adoption of information technology (IT) in the Group in the medium- to long-term, a conference targeted at the respective persons in charge of IT divisions in the Group is held each year. At the conference, participants exchange opinions on IT in general, including such topics as information security measures, utilization of cutting-edge technologies, and consideration of system adoption. In terms of information security, participants share the latest trends in threats and the status of information security measures taken at each Group company, identify information security issues that should be tackled by the Group in the medium- to long-term and bring their views together with respect to the countermeasures.



Compliance

The Nissui Group is working to enforce compliance in a thoroughgoing manner including complying with laws and regulations in/outside Japan as well as various internal rules pursuant to the Code of Ethics, in order to meet the expectations of all of its stakeholders such as customers, employees, business partners and shareholders and fulfill its corporate responsibility. Having established the "Ethics Subcommittee" under the Risk Management Committee, we are endeavoring to implement measures for the early detection, rectification and recurrence prevention of compliance issues and striving to raise employees' awareness of compliance. We are also engaged in initiatives to develop and enhance the compliance structure of the Nissui Group as a whole, not just Nissui Corporation.

○ Code of Ethics

I Object

Being aware that each of us is a constituent member of the business enterprise having a characteristic of a social and public institution, we hereby adopt this Code as our moral standard and code of conduct.

I Basic Thoughts

We can continue to operate the business only if customers support us and society trusts us.

We keep this in mind and have pride in having as our principle the lawfulness and sincerity that reflects the spirit in which the Company was founded.

I Policy toward Society

We observe applicable domestic and foreign laws with regard for the underlying spirit of such laws and also "behave with integrity as a company and an individual" in order to continue to be fair and sincere to society. More specifically, we:

1. develop and keep fair relationships with customers, shareholders, parties transacting business with us and all other interested parties;
2. eliminate any relationship with any antisocial force that poses a threat to public order or safety;
3. endeavor to widely and fairly disclose information and, at the same time, strictly control nonpublic information;
4. respect intellectual property rights in the world and not engage in illegal use of these rights;
5. draw a line between official matters and private matters and not make use of official or business position for personal interest;
6. perform official duties faithfully, keep conscious of our role as a good citizen and a member of a responsible business enterprise, and not deviate from social ethics and morals;
7. respect our frank and openhearted communication environment and make an effort to maintain a sound and effective system of internal checks and balances;
8. respect the differences in culture and customs from those in Japan when engaging in business outside Japan and make an effort for mutual understanding;
9. respect and observe Quality Assurance Code, Environmental Code and other internal rules and regulations; and
10. for the purpose of employee evaluation, give priority to their loyalty to the matters provided in the Code of Ethics.

Management personnel should take the lead in observing this Code of Ethics and make it well known to people within the Company. If any breach of this Code occurs, Management should investigate the reasons therefore, make efforts to avoid recurrence of such breach and fulfill the responsibility of prompt disclosure of relevant information and explanations for such incidences.

○ Ethical Behavior Standards

We have established the Ethical Behavior Standards in order to provide clear explanations about each item in the Code of Ethics. Below is an overview of the standards.

I 1. Fair business relationships

(1) Ensuring fair competition

(i) Prohibition of cartels and collusive practices

We will not make agreements with other businesses that seek to restrict competition, such as agreements on prices, assign customers, or divide sales territories.

(ii) Prohibition of resale price maintenance

We will not engage in unfair trade practices, such as giving instructions to or making agreements with competitors or distributors to maintain wholesale or retail prices of our products.

(iii) Prohibition of abuse of a dominant bargaining position

We will not take advantage of our dominant bargaining position to request that suppliers or subcontractors we do business with make monetary contributions, compel them to purchase our products or services, or interfere with their operations.

(iv) Compliance with the Act against Unjustifiable Premiums and Misleading Representations

We will comply with legal requirements when offering goods, money, or other premiums to customers. In addition, we will advertise and label our products and services truthfully and will not mislead consumers.

We will not engage in any other practices that unfairly restrict fair and free competition.

(2) Fair purchasing process

We will ensure that our purchasing process for products and services will be fair and based on contractual agreements. We will select suppliers on the basis of reasonable criteria such as quality, price, and turnaround time.

(3) Gifts and entertainment

(i) Providing gifts or entertainment

We may offer gifts or entertainment to customers and business associates as a customary business courtesy, but we will do so only if such are within the scope of socially accepted norms and do not violate the internal regulations of the other party.

(ii) Accepting gifts or entertainment

We may accept gifts or entertainment from business partners and other related parties only if their cost falls within an acceptable standard range and only with prior approval of the person responsible for the organization.

(4) Public officials

(i) Prohibition of bribery

We will not engage in any act of bribery of public officials, etc., regardless of whether or not a specific request has been made.

(ii) Prohibition of excessive entertainment, gifts, etc.

We will not provide excessive entertainment or gifts to public officials even when they do not have a vested interest in our work.

2. Prohibition of providing economic benefit, etc., to antisocial forces or individuals linked to them

We will not provide any kind of economic benefit to antisocial forces, such as organized crime groups and sokaiya, in any form whether it be a magazine purchase, donation, membership fee, or commercial transaction.

3. Disclosure and protection of company information

(1) External disclosure

- (i) We will actively disclose the status of our corporate activities in order to be transparent with not only our shareholders and the securities market but also a wide range of stakeholders.
- (ii) We will follow generally accepted accounting principles and practices to record sales and purchases as well as the valuation of our inventories and fixed assets for fair financial reporting.

(2) Protection of personal information

We will handle personal information, both internally and externally, in compliance with our Personal Information Protection Policy, all laws related to the protection of personal information, and social norms.

(3) Protection of customer information

We will carefully handle information obtained in the course of execution of business regarding the business activities of other companies. We will use such information only in appropriate ways for appropriate purposes. We will neither disclose it to anyone outside the company nor disclose it internally except to employees who have a business need to know.

(4) Protection of company information

We will strive to protect company information in accordance with our internal rules related to trade secret management.

4. Protection of company assets

(1) Protection of tangible and intangible assets

We will protect tangible and intangible assets owned by the company from being lost, stolen, or used for unauthorized purposes.

(2) Obligation to return company assets upon termination

We will return all company-owned assets and materials containing company information when leaving the company due to retirement or any other reason.

5. Respect for intellectual property

We will not use intellectual property owned by the company for any purpose other than business.

We will also take great care to ensure that we are not infringing on the intellectual property rights of other companies in execution of business.

6. Drawing the line between official matters and private matters

(1) Prohibition of conflicts of interest

We will not cooperate with competitor companies without the company's approval, nor will receive money or other benefits from our suppliers, etc., in return for giving them advice or helping them.

(2) Prohibition of personal use of company assets

Company assets will not be used for personal purposes (including for the benefit of third parties).

(3) Insider information

We will not use company information or undisclosed inside information about other companies that were learned in the course of executing business for stock trading or other purposes for personal gain.

7. Creating a friendly work environment where all employees are valued as individuals

(1) Compliance with health and safety as well as labor standards

We will comply with laws, regulations, and internal rules related to health and safety as well as labor standards, strive to manage working hours efficiently, and work to maintain and improve our physical and mental health.

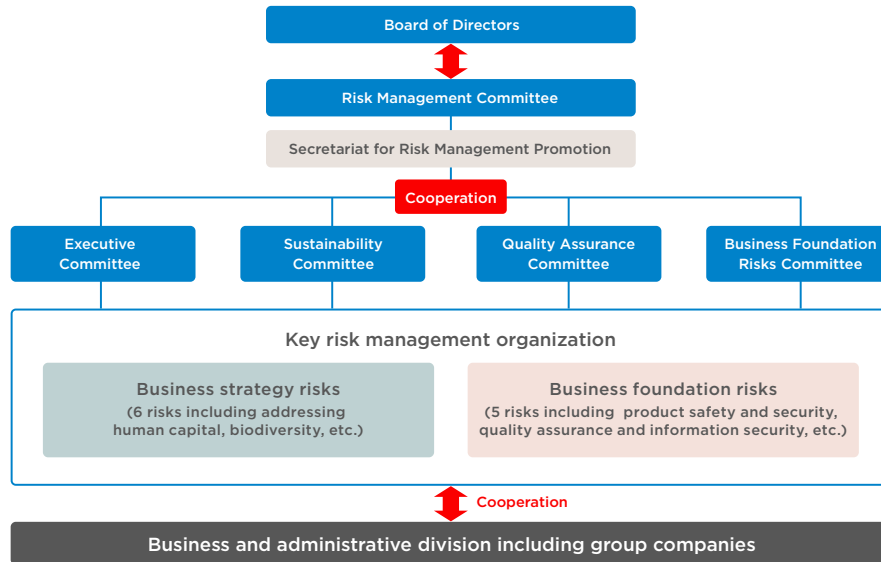
(2) Respect for individuality and prohibition of discrimination and harassment

We will respect basic human rights, diverse values, and privacy of individuals, and create a work environment in which employees from diverse backgrounds can fully demonstrate their abilities as we improve awareness and the workplace culture. We prohibit any unreasonable discrimination or harassment (including workplace bullying and pestering or any behavior that would make people of the other gender feel uncomfortable) by reason of race, religion, gender, age, nationality, social standing, etc.

○ Promotion Framework - The Ethics Subcommittee

The Ethics Subcommittee is set up under the umbrella of the Business Foundation Risks Committee with the aim of enhancing compliance in Nissui as well as its Group companies in Japan. The Ethics Subcommittee is convened once every two months (i.e., six times a year) and the extraordinary meeting is held as necessary. In addition, the participation of outside attorney ensures its objectivity.

In fiscal 2023, the Ethics Subcommittee was convened 8 times in total, where whistleblowing response, compliance activity plans, compliance questionnaire surveys, etc., were deliberated.



○ Initiatives to Identify Compliance Issues

I Overview of Whistleblowing System

We have a whistleblowing system in place, enabling employees of Nissui and its Group companies in Japan to directly notify the Ethics Subcommittee with regard to harassment, labor issues and acts of questionable compliance, including corruption and bribery in the workplace. We have established points of contact for whistleblowing both internally (i.e., the Legal Department serving as the secretariat of the Ethics Subcommittee) and externally (i.e., outside specialist), and have a mechanism whereby the Audit & Supervisory Board Members are also contacted simultaneously. Whistleblowing notices are given directly by such means as telephone, Web and email, and may be made anonymously.

In the event that a whistleblowing notice has been given, the Ethics Subcommittee conducts an investigation by selecting a person responsible for the investigation while giving consideration to ensure that the whistleblower will not be put at a disadvantage, and examines the findings of the investigation and improvement measures within the Subcommittee.

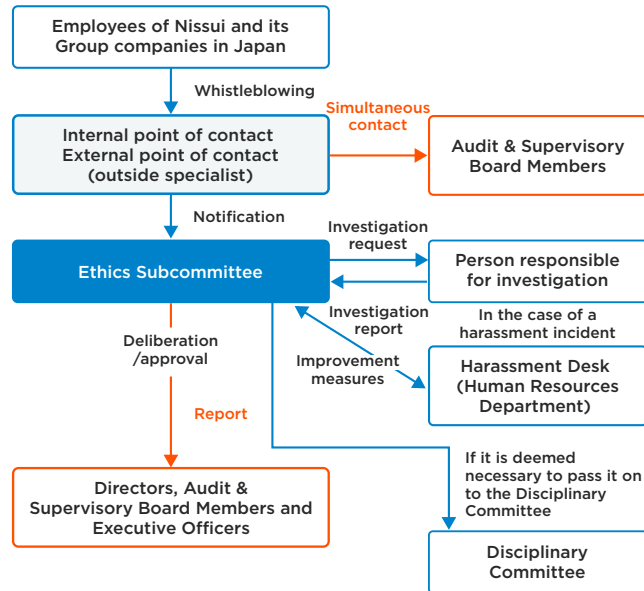
When conducting an investigation, there is a clear policy "not to look for the whistleblower," and the protection of confidentiality and the prohibition of disadvantageous treatment of the whistleblower are stringently enforced. Of note, even if a notice given to the external point of contact for whistleblowing was not anonymous, there is a system in place to report it to Nissui anonymously upon the whistleblower's request. For harassment incidents, multiple points of contact have been established, and such incidents are handled by the Harassment Desk (Human Resources Department). The Harassment Desk also collaborates in conducting investigations into notices given via the points of contact for whistleblowing.

In regards to the minutes of the Ethics Subcommittee including the nature of and response to notices, we have a system in place for the minutes to be reported to and made available for perusal by Directors, Audit & Supervisory Board Members and Executive Officers. Also, the officer in charge makes a report regarding important whistleblowing-related matters to the Board of Directors.

The aforementioned overview of the whistleblower system is stated in Nissui's whistleblowing rules. Of note, in fiscal 2021, the rules were reviewed to prepare for the enforcement of the revised Whistleblower Protection Act.

The operation of the whistleblowing system is described not only on Nissui's internal portal site but also in the "Nissui Group Ethics Card" distributed to Group companies in Japan, to make it widely known among employees.

Whistleblowing Response Flow



Usage Status of Whistleblowing System

In fiscal 2023, there were 9 whistleblowing notices related to Nissui and 16 whistleblowing notices related to its Group companies. None of them were whistleblowing notices regarding significant problems that needed to be announced to the public.

	FY2021	FY2022	FY2023
Total of Nissui Corporation	18	11	9
Including harassment/interpersonal relations	16	7	7
Including labor problems	0	2	0
Other	2	2	2
Total of Group companies	14	10	16
Including harassment/interpersonal relations	9	5	6
Including labor problems	2	2	2
Other	3	3	8
Sum total	32	21	25

If a single case involves multiple categories, such as harassment and labor problems, it is counted based on the matter deemed most serious as a problem.

Questionnaire Survey on Employees' Compliance

We conduct a compliance questionnaire survey covering employees for the purpose of getting a grasp of company-wide compliance trends, identifying compliance problems in the bud in each organization and making use of the findings to improve the workplace environment in the early stages. The most recent survey conducted in fiscal 2023 covered 2,568 employees (including temporary employees (Note)) of Nissui Corporation, of whom 2,271 employees responded, resulting in a response rate of 88%. For foreign employees, questionnaires translated into five languages (i.e., English, Spanish, Portuguese, Chinese, and Vietnamese) were distributed, to which 316 out of 377 foreigners on Nissui's payroll responded, resulting in a response rate of 84%.

We share the questionnaire survey results with executives and department managers. They use the results as hints for improving the working condition by each organization. And the Ethics Subcommittee discusses the questionnaire survey results and reflects them to actual compliance activities.

Response Status of the Questionnaire

	FY2020	FY2021	FY2022
Number of respondents	2,073/2,438 persons	2,183/2,505 persons	2,271/2,568 persons
Ratio of respondents	85%	87%	88%

Scope: Nissui Corporation (including temporary employees.)

(Note) Temporary employees: Temporary employees including directly-hired contract employees and part-timers.

Questionnaire Survey on Business Partners' Compliance

Once every year, we identify transactions that may put Nissui in a particularly dominant position and conduct a compliance questionnaire survey covering business partners involved in such transactions for the purpose of getting a grasp of whether or not Nissui has engaged in acts of abuse/misconduct (such as violations of the Antimonopoly Act/Subcontract Act) by exploiting its dominant position against its business partners.

The questionnaire survey conducted in fiscal 2023 covered 201 companies, of which 155 companies responded, resulting in a response rate of 77%.

Response Status of the Questionnaire

	FY2021	FY2022	FY2023
Number of respondents	143/176 companies	139/176 companies	155/201 companies
Ratio of respondents	81%	79%	77%

○ Initiatives to Raise Awareness of Compliance

┃ Compliance Training

Every year, we conduct compliance training in the form of a mandatory course for new recruits and mid-career hires. For all employees, compliance training is conducted by narrowing down the themes on an irregular basis each time an issue has arisen.



[Governance Data > Compliance Training Implementation Status >](#)

┃ Sharing the Code of Ethics

The “Code of Ethics” is posted on Nissui’s internal portal site. The Code of Ethics is shared with employees to raise their awareness of compliance.

○ Initiatives to Develop and Enhance Compliance Framework in the Entire Group

In order to reduce compliance risks in the Nissui Group as a whole, Group companies are promoting the development and enhancement of their respective compliance frameworks.

The status of compliance activities at each Group company is periodically reviewed through the Risk Management Committee. On top of this, since fiscal 2020, workshops have been held individually for Group companies, during which the compliance status and issues at each company are shared, and efforts are made to build a higher level of compliance system, such as improving the proper procedures for handling whistleblowing across the entire Group.

Post-disaster BCP

Forecasts in recent years have indicated that there is a high possibility of a huge earthquake occurring—e.g., epicentral earthquake in Tokyo, Nankai Trough Mega Earthquake. In addition, climate change caused by global warming tends to increase the frequency and severity of typhoons and other natural disasters. The Nissui Group has established the "Post-disaster BCP (Business Continuity Planning) Subcommittee" under the Risk Management Committee and is reinforcing its structure to deal with ever-increasing uncertainties.

Basic Policy for Post-disaster BCP

In the Nissui Group, we will promote our business continuity plan in accordance with the following policy in order to continue providing necessary assistance, services, etc., for our employees, customers and stakeholders even in the event of a major disaster by giving top priority to human life.

1. Basic Principles

- (i) The Nissui Group will make utmost efforts to ensure the safety of human life and prevent secondary disasters with respect to its employees and their families as well as relevant parties.
- (ii) The Nissui Group will pursue early recovery and continuation of operations in accordance with its predetermined business continuity plan by specifically treating the maintenance of supply chains as a key operation in order to fulfill its social responsibility.
- (iii) The Nissui Group will make efforts to reconstruct local communities in cooperation and collaboration with regions, including providing relief supplies to local governments and residents in disaster-affected areas.

2. Response in the Event of a Disaster

If a disaster is expected to occur or has occurred, the Nissui Group will set up a local disaster response office at the expected/actual disaster location and establish a disaster management headquarters at Nissui's head office (or a backup location if its head office cannot be used) as the Group's central function, and promptly collect information and take action by collaborating with those at the site and Group companies.

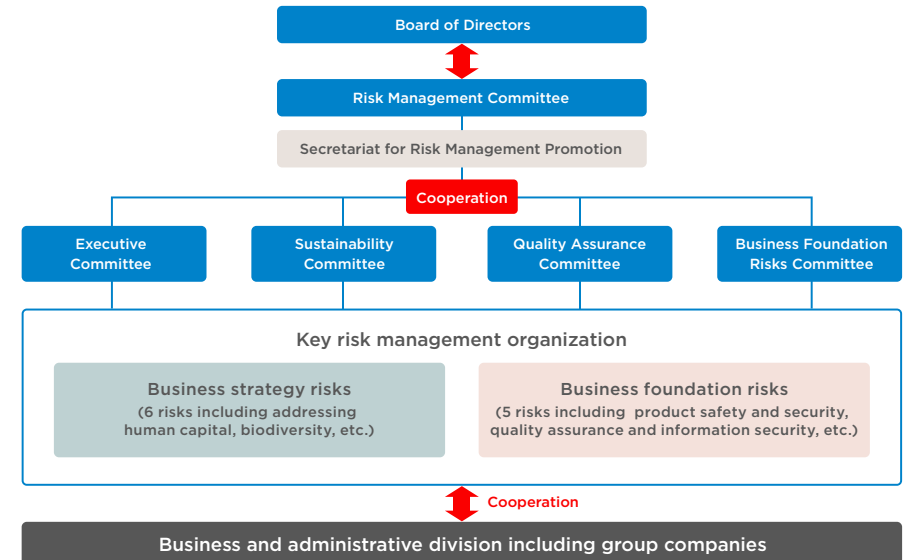
3. Implementation of Education and Training

In order to facilitate activities as an organization in the event of a disaster, the Nissui Group will periodically conduct education and training, and also perform inspections and make improvements aimed at developing its structure, and thereby boost its ability to continue business.

Enactment Date: April 2020

Promotion Framework - The Post-disaster BCP Subcommittee

The Post-disaster BCP Subcommittee, set up under the umbrella of the Business Foundation Risks Committee with the aim of development of a disaster BCP framework for Nissui and its Group companies in Japan, convenes four times a year and is chaired by an Executive Officer appointed by the Business Foundation Risks Committee. Furthermore, our preparations for disasters involve distributing the "Disaster Countermeasures Pocket Manual"—which outlines the standards for initial actions when a natural disaster such as an earthquake has occurred—to Nissui and its Group companies in Japan and confirming them periodically in drills, etc.



○ Vision for 2025

■ State in which BCM (Business Continuity Management) is Thoroughly Implemented

(i) Raising the level of initial response capabilities

State in which each individual can take action according to his/her role in concrete terms with respect to initial response in the event of a disaster, leading to the further enhancement of Nissui Group's ability to continue business (plan-do-check-action (PDCA) cycle based on repetition drill and BCP review).

- Raising the individual's level: Strictly enforce basic action
- Raising the organization's level: Strictly enforce action according to its role, boost response speed, etc.

(ii) Raising the level of BCP "local recovery strategy" at each business location

State in which BCP at each business location that was put in place is inspected and reviewed on an ongoing basis, and on top of this, improvements are made and the level is raised successfully.

(iii) Developing BCP "business location substitution strategy"

A state in which a structure that takes disaster risks into consideration has been successfully built in the main businesses.

○ Education and Training based on a Disaster Scenario

■ E-learning Course for Disaster Prevention Education

An e-learning course targeted at all employees of Nissui Corporation is conducted once a year, for the purpose of raising their awareness of disaster prevention and checking their initial responses in the event of a disaster. In the e-learning course conducted in August 2023, the content focused on improving employees' ability to respond during disasters and enhancing their awareness of disaster prevention by: (i) gaining general knowledge of disaster preparedness and initial actions; (ii) understanding and verifying communication methods during a disaster; and (iii) ensuring familiarity with the "Basic Policy for Post-disaster BCP." The course had a participation rate of 94.5%. Also, we sent study materials to employees who had not taken the e-learning course to help them catch up on the course.

■ Checking of and Drill on Method of Using Safety Confirmation System

A safety confirmation system is a mechanism by which a company promptly identifies whether or not its employees and their families are safe primarily based on a scenario in which a huge earthquake with a maximum seismic intensity of "5 Upper" or higher on Japan Meteorological Agency's Seismic Intensity Scale has occurred. Once a year, employees check that their contact details and other information registered in the system are up to date and engage in a reporting drill according to the actual flow. Since introducing this system, we have been able to confirm the safety of employees and their families in a short period of time when an earthquake has actually occurred, thanks to the system functioning effectively.

■ Drill at Disaster Management Headquarters

We conduct a drill at the disaster management headquarters once a year, mainly to prepare against the occurrence of a massive earthquake. To promptly establish and activate the disaster management headquarters in the event of an emergency, we conduct various drills under different scenarios, including night-time, holidays, and remote environments, to strengthen initial response capabilities.

Description of Initiatives	Coverage	Frequency
Implementation of an e-learning course for disaster prevention education (Education for raising awareness of disaster prevention and checking initial response in the event of a disaster)	All employees of Nissui Corporation	Once a year
Checking of and drill on method of using safety confirmation system	All employees of Nissui Corporation	Once a year
Drill at the disaster management headquarters	Members of the disaster management headquarters, etc.	Once a year

Tax Transparency

○ Nissui Group Tax Policy

The Nissui Group has established the following tax policy that all companies within the group must comply with for tax matters.

[Nissui Group Tax Policy](#) >

■ Corporate Income Tax

Please see the below about the Nissui Group's regional information of corporate income tax.


[Governance Data > Corporate Income Tax \(by Region\)](#) >


Sustainability Report 2024

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ESG Data

▼ E: Environmental Data ▼ S: Social Data ▼ G: Governance Data

○ E: Environmental Data

Scope covered in the environmental data

Targeted organizations: [In Japan] Nissui Corporation, all consolidated companies.
[Outside Japan] All consolidated companies. Administrative offices have been excluded.
27 companies in Japan and 15 companies outside Japan (including sub-subsidiaries) as of March 31, 2024.

Period: April to March each year for Nissui and its Group companies in Japan, and January to December each year for its Group companies outside Japan.

- Supplementary notes:
- Environmental data may partially include estimates. Partial changes may have been made to data disclosed in the past as a result of reviewing the data tallying method, etc.
 - Since 2018, CO₂ emissions from electricity use by the Nissui Group companies outside Japan have been calculated by using average CO₂ emissions factors by countries published by the International Energy Agency (IEA).
 - There may be discrepancies in the total figures due to the treatment of decimals.
 - We corrected CO₂ emissions and energy use of FY2018-2020 and FY2022. (September 2023)

Sustainability Targets (Long-Term Vision "Good Foods 2030"/Mid-Term Business Plan "Good Foods Recipe1") >

CO₂ Emissions (by Region)

		Base year						
		Unit	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
Total	t-CO ₂		363,298	361,329	358,153	342,200	319,067	339,637
Compared to the base year	%		-	99.5%	98.6%	94.2%	87.8%	93.5%
Japan	t-CO ₂		245,404	240,678	235,296	220,199	206,928	221,553
	Reference Production volume	t	400,511	394,520	378,066	367,305	357,829	393,926
Outside Japan	t-CO ₂		117,894	120,651	122,857	122,001	112,139	118,084
Asia	t-CO ₂		13,378	13,038	11,449	12,298	13,027	11,814
Europe	t-CO ₂		10,548	10,606	16,403	15,874	18,521	19,572
North America	t-CO ₂		51,938	51,304	54,818	52,465	47,859	53,204
South America	t-CO ₂		42,030	45,703	40,187	41,364	32,732	33,494
	Reference Production volume	t	402,773	422,045	438,092	429,406	407,938	484,943

CO₂ Emissions (by Unit)

		Unit	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
Japan	Emissions per unit of production volume (kg-CO ₂ /t)		370	366	364	349	340	342
	Emissions per unit of activity volume (kg-CO ₂ /t)		8	6	6	6	6	7
	Emissions per unit of feeding volume (kg-CO ₂ /t)		64	61	72	78	77	85
	Emissions per unit of days at sea (kg-CO ₂ /day)		23,531	21,717	23,500	24,284	23,944	25,967
	Emissions per unit of man-hour (kg-CO ₂ /thousand person-hour)		2,615	1,985	2,223	2,307	2,305	3,023
	Emissions per unit of total floor area (kg-CO ₂ /m ²)		6	6	5	5	5	5
	Emissions per unit of travel distance (kg-CO ₂ /thousand km)		846	855	840	839	881	930
Reference Production volume	t		400,511	394,520	378,066	367,305	357,829	393,926

CO₂ Emissions (by Energy Source)

		Base year						
		Unit	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
Total		t-CO ₂	363,298	361,329	358,153	342,200	319,067	339,637
Japan		t-CO ₂	245,404	240,678	235,296	220,199	206,928	221,553
Japan	Purchased electricity	t-CO ₂	118,010	109,188	105,254	99,285	92,342	101,551
	Purchased steam	t-CO ₂	0	0	0	0	0	0
	Heavy fuel oil A	t-CO ₂	59,564	62,027	63,269	57,470	54,019	52,272
	City gas	t-CO ₂	44,058	44,865	43,218	41,653	39,610	41,220
	LPG	t-CO ₂	8,731	8,912	8,491	7,163	7,099	11,397
	Gas oil	t-CO ₂	7,313	7,641	7,601	7,707	7,353	7,930
	Natural gas	t-CO ₂	4,394	4,069	3,981	3,730	3,546	3,855
	Kerosene	t-CO ₂	1,865	2,694	2,399	2,152	1,965	2,414
	Gasoline	t-CO ₂	1,470	1,283	1,083	1,038	995	913
	Outside Japan		t-CO ₂	117,894	120,651	122,857	122,001	112,139
Outside Japan	Purchased electricity	t-CO ₂	35,583	36,463	34,189	35,554	26,673	23,450
	Purchased steam	t-CO ₂	0	0	85	109	65	0
	Heavy fuel oil	t-CO ₂	4,145	5,009	3,593	3,266	3,421	4,459
	City gas	t-CO ₂	7,848	8,407	12,280	12,329	12,363	13,767
	LPG	t-CO ₂	1,447	1,735	1,694	1,338	1,875	1,839
	Gas oil	t-CO ₂	62,386	62,450	64,207	62,437	58,811	66,179
	Natural gas	t-CO ₂	6,345	6,446	6,671	6,720	6,437	6,634
	Kerosene	t-CO ₂	0	0	0	0	0	0
	Gasoline	t-CO ₂	140	141	138	248	220	262
	Liquid nitrogen	t-CO ₂	0	0	0	0	2,274	1,494

CO₂ Emissions (by Business Segment)

		Base year							
		Unit	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	
Total		t-CO ₂	363,298	361,329	358,153	342,200	319,067	339,637	
Japan		t-CO ₂	245,404	240,678	235,296	220,199	206,928	221,553	
Japan	Marine Products <fishery>	t-CO ₂	46,696	48,612	51,353	46,744	44,160	44,392	
	Marine Products <processing/aquaculture>	t-CO ₂	25,280	23,754	23,938	24,273	21,341	23,672	
	Food Products	t-CO ₂	113,132	110,130	106,218	100,889	98,618	109,202	
	Fine Chemicals	t-CO ₂	23,789	23,591	20,940	17,018	14,018	13,908	
	General Distribution	t-CO ₂	27,353	24,674	24,757	24,550	22,636	24,135	
	Others	t-CO ₂	9,154	9,917	8,091	6,725	6,155	6,242	
	Outside Japan		t-CO ₂	117,894	120,651	122,857	122,001	112,139	118,084
	Outside Japan	Marine Products<fishery>	t-CO ₂	25,417	25,580	22,124	22,398	21,521	23,555
Marine Products <processing/aquaculture>		t-CO ₂	59,899	62,691	64,145	64,137	52,598	55,413	
Food Products		t-CO ₂	32,578	32,380	36,438	35,291	37,921	39,116	
Fine Chemicals		t-CO ₂	0	0	150	175	99	0	

CO₂ Emissions (Scope 1, 2)

		Base year						
		Unit	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
Total		t-CO ₂	363,298	361,329	358,153	342,200	319,067	339,637
Scope 1		t-CO ₂	209,705	215,678	218,625	207,252	197,713	213,142
Japan	Japan	t-CO ₂	127,394	131,490	130,042	120,914	114,586	120,002
	Outside Japan	t-CO ₂	82,311	84,188	88,583	86,338	83,127	93,140
Scope 2		t-CO ₂	153,593	145,651	139,528	134,948	121,354	126,495
Japan	Japan	t-CO ₂	118,010	109,188	105,254	99,285	92,342	101,551
	Outside Japan	t-CO ₂	35,583	36,463	34,274	35,663	29,012	24,944

CO₂ Emissions (Scope 3)

		Unit	FY2020	FY2021	FY2022
Total		t-CO ₂	2,282,923	2,545,561	2,526,262
Category1	Purchased goods and services	t-CO ₂	2,056,442	2,316,906	2,297,014
Category2	Capital goods	t-CO ₂	71,005	79,343	81,241
Category3	Fuel- and energy-related activities not included in Scope 1 or Scope 2	t-CO ₂	60,913	63,191	61,779
Category4	Upstream transportation and distribution	t-CO ₂	73,788	66,819	62,181
Category5	Waste generated in operations	t-CO ₂	9,790	8,110	13,396 (Note)
Category6	Business travel	t-CO ₂	1,226	1,256	1,228
Category7	Employee commuting	t-CO ₂	3,197	3,277	3,206
Category8	Upstream leased assets	t-CO ₂	Not applicable	Not applicable	Not applicable
Category9	Downstream transportation and distribution	t-CO ₂	Excluded	Excluded	Excluded
Category10	Processing of sold products	t-CO ₂	Excluded	Excluded	Excluded
Category11	Use of sold products	t-CO ₂	Excluded	Excluded	Excluded
Category12	End-of-life treatment of sold products	t-CO ₂	6,562	6,659	6,217
Category13	Downstream leased assets	t-CO ₂	Not applicable	Not applicable	Not applicable
Category14	Franchises	t-CO ₂	Not applicable	Not applicable	Not applicable
Category15	Investments	t-CO ₂	Not applicable	Not applicable	Not applicable

(Note): The scope changed from FY2022.

Energy Use

		Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Total		GJ	7,134,853	7,329,537	7,111,765	6,976,811	6,823,983
Japan		GJ	4,641,927	4,561,995	4,359,806	4,167,282	4,045,235
	Purchased electricity	GJ	2,443,750	2,395,735	2,338,921	2,250,556	2,050,076
	Purchased steam	GJ	0	0	0	0	0
	Heavy fuel oil	GJ	895,051	912,966	829,295	779,498	738,650
	City gas	GJ	899,687	866,673	835,295	794,322	826,610
	LPG	GJ	150,958	143,828	121,339	120,247	190,696
	Gas oil	GJ	111,442	110,862	112,405	107,242	115,034
	Natural gas	GJ	82,207	80,422	75,357	71,627	75,645
	Kerosene	GJ	39,713	35,364	31,732	28,968	35,211
	Gasoline	GJ	19,118	16,145	15,464	14,821	13,313
Outside Japan		GJ	2,492,926	2,767,542	2,751,959	2,809,529	2,778,749
	Purchased electricity	GJ	1,177,447	1,363,746	1,400,845	1,442,779	1,209,183
	Purchased steam	GJ	0	1,417	1,817	1,083	0
	Heavy fuel oil	GJ	72,296	51,847	47,116	49,344	63,073
	City gas	GJ	168,896	246,758	247,744	248,371	276,074
	LPG	GJ	29,413	28,702	22,657	31,750	30,833
	Gas oil	GJ	912,529	938,278	892,321	859,334	959,870
	Natural gas	GJ	130,234	134,753	135,757	130,032	130,107
	Kerosene	GJ	0	0	0	0	0
	Gasoline	GJ	2,111	2,041	3,702	3,287	3,825
	Liquid nitrogen	GJ	0	0	0	43,549	24,784

Renewable Energy

		Unit	FY2020	FY2021	FY2022	FY2023
Purchased Power from Renewable Energy Sources	Japan	MWh	0	0	5,699	7,437
	Outside Japan	MWh	0	10,821	31,622	37,709
Solar power generation	Japan	MWh	78	977	3,490	3,987
	Outside Japan	MWh	557	1,263	1,294	1,549
Ratio of Electricity Generated from Renewable Energy Sources	Japan	%	0.0%	0.5%	4.0%	4.7%
	Outside Japan	%	0.4%	8.5%	22.5%	26.0%

Water Use (by Region)

		Base year									
		Unit	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
Total	thousand m ³	3,885	3,938	3,988	10,112	10,671	11,105	10,524	9,493	11,002	
Japan	thousand m ³	3,885	3,938	3,988	4,279	4,184	3,957	3,843	3,711	4,276	
Use per unit (Note 1)	Use per unit of production volume (m ³ /t)	10.3	10.5	10.3	10.1	10.1	9.9	9.9	9.8	10.4	
Compared to the base year (per unit) (Note 2)	%	-	103%	101%	99%	98%	97%	97%	96%	101%	
Reference Production volume	t	360,190	355,098	365,024	400,511	394,520	378,066	367,305	357,829	393,926	
Outside Japan	thousand m ³	-	-	-	5,833	6,487	7,148	6,681	5,782	6,726	
Asia	thousand m ³	-	-	-	634	668	455	469	484	503	
Europe	thousand m ³	-	-	-	253	553	854	780	695	885	
North America	thousand m ³	-	-	-	4,729	4,997	5,587	5,151	4,332	4,988	
South America	thousand m ³	-	-	-	217	269	252	281	271	350	
Reference Production volume	t	-	-	-	402,773	422,045	438,092	429,406	407,938	484,943	

(Note 1): Based on water use per production plant (water use per unit of production volume) accounting for 95.0% of water use in fiscal 2022.

(Note 2): In calculating per unit, the active volume from cold storage warehouses, etc. is included in addition to production volume.

Water Use (by Water Source)

		Base year									
		Unit	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
Total	thousand m ³	3,885	3,938	3,988	10,112	10,671	11,105	10,524	9,493	11,002	
Japan	thousand m ³	3,885	3,938	3,988	4,279	4,184	3,957	3,843	3,711	4,276	
City water	thousand m ³	1,092	1,120	1,189	1,232	1,112	1,056	997	901	1,155	
Well water	thousand m ³	2,023	2,059	1,992	2,144	2,209	2,097	2,095	2,114	2,407	
Industrial water	thousand m ³	770	759	807	902	864	805	752	696	714	
Outside Japan	thousand m ³	-	-	-	5,833	6,487	7,148	6,681	5,782	6,726	
City water	thousand m ³	-	-	-	528	824	1,048	978	890	1,096	
Well water	thousand m ³	-	-	-	335	340	258	278	318	296	
Industrial water	thousand m ³	-	-	-	1,542	1,534	1,428	1,674	1,306	1,418	
River water	thousand m ³	-	-	-	194	242	231	255	249	340	
Others	thousand m ³	-	-	-	17	22	18	21	17	0	
Sea water	thousand m ³	-	-	-	3,217	3,525	4,165	3,475	3,002	3,576	
Rain water	thousand m ³	-	-	-	0	0	0	0	0	0	

Water Discharge

		Destination	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Japan	-	thousand m ³	226	257	264	275	256	
Outside Japan	Rivers/sea/canals	thousand m ³	-	4,359	3,933	3,493	3,812	
	Sewers	thousand m ³	-	224	249	266	419	

Scope: Japan is only Nissui Corporation. Outside Japan is all consolidated companies in outside Japan

Details of the data: Production wastewater from production plants running off into public waterways.

Quality of Discharged Water

		Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Japan	COD	t	1.5	1.6	1.9	2.3	2.8
	BOD	t	0.8	0.9	0.9	1.2	2.1
	T-N	t	0.6	0.4	0.6	0.5	0.5
	T-P	t	0.1	0.2	0.3	0.1	0.2

Scope: Nissui Corporation

Details of the data: Production wastewater from production plants running off into public waterways.

Waste Generated

		Unit	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
Japan		t	44,008	41,815	39,734	36,630	33,727	37,393
Generation per unit (Note 1)	Generation per unit of production volume (kg/t)		99.8	94.4	92.2	85.8	81.9	83.6
	Recycled waste (Note 2)	t	42,644	40,619	38,421	35,586	32,823	35,851
	Recycling waste rate (Note 2)	%	98%	99%	98%	99%	99%	98%
	Non-recycled waste (Note 2)	t	731	606	629	376	365	893

Scope: The Nissui Group in Japan

(Note 1): Based on waste generated per production plant (waste generated per unit of production volume) accounting for 86.9% of waste generated in fiscal 2022.

(Note 2): Recycled waste, recycling waste rate and non-recycled waste are calculated after domestic waste has been removed.

Food Loss and Waste Generated (Animal and Plant Residues/Waste from Products)

Animal and plant residues

		Base year							
		Unit	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
Japan (Note 1)		t	9,566	9,984	9,116	7,904	7,658	7,438	8,183
Generation per unit (Note 2)	Generation per unit of production volume (kg/t)		26.0	24.7	22.9	20.7	20.6	20.5	20.6
	Compared to the base year (per unit) (Note 3)	%	-	95%	88%	80%	80%	79%	80%
	Reference Production volume	t	365,024	400,511	394,520	378,066	367,305	357,829	393,926

Scope: The Nissui Group in Japan

(Note 1): The animal and plant residues that cannot be reduced through self-help efforts (non-edible parts inevitably generated in the raw material processing phase, dead fish in aquaculture farmed fish) are excluded.

(Note 2): Based on food loss generated per production plant (food loss generated per unit of production volume), accounting for 98.8% of food loss generated in fiscal 2022.

(Note 3): In calculating per unit, the active volume from cold storage warehouses, etc. is included in addition to production volume.

Waste from products

		Base year				
		Unit	FY2020	FY2021	FY2022	FY2023
Japan		t	438	552	515	397
Compared to the base year		%	-	126%	118%	91%

Scope: Nissui Corporation

Use of Containers and Packaging

			Base year								
			Unit	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
Japan	Plastic	t	3,675	3,852	3,980	4,074	4,158	4,374	4,456	3,939	
	Use per unit (Note)	Use per unit of sales volume (kg/t)	42.1	41.9	41.3	40.2	39.0	39.5	39.4	37.7	
	Compared to the base year (per unit)	%	-	100%	98%	96%	93%	94%	94%	90%	
	Paper	t	-	-	-	356	347	356	416	627	
	Glass bottle	t	-	-	-	3,397	3,438	3,122	3,476	3,176	

Scope: Nissui Corporation

(Note): Those specified as containers and packaging in the Container and Packaging Recycling Law of Japan (containers and packaging released from households).

Plastic Waste at The Production Phase

			Base year							
			Unit	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
Japan		t	6,138	6,441	6,154	5,420	5,205	4,862	5,530	
Japan	Generation per unit	Generation per unit of production volume (kg/t)	16.8	16.1	15.6	14.3	14.2	13.6	14.0	
	Compared to the base year (per unit)	%	-	96%	93%	85%	84%	81%	84%	

Scope: Nissui Corporation

Air

		Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Japan	Nox	t	11.9	7.9	11.5	7.1	10.0
	Sox	t	0.0	0.0	0.0	0.0	0.0
	Soot and dust	t	0.1	0.1	0.0	0.0	0.1

Scope: Nissui Corporation

Details of the data: Emissions from boilers with a heating surface area of 10㎡ or more, or with a combustion capacity of 50 liters/hour or more that are designated as facilities that generate soot and smoke, pursuant to the Air Pollution Control Act.

Ozone-depleting Substances

		Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Japan	HCFC (HFC) leakage level	t-CO2	2,671	2,981	1,808	1,322	2,015

Scope: Nissui Corporation

S: Social Data

* Definition of terms

Employees: Employees who are directly hired by a company, AS employees (employees who directly hired by each department)

Temporary employees: Temporary employees including directly-hired contract employees and temporary employees such as part timers

Executives: Directors, Audit & Supervisory Board Members and Executive Officers

Managers: Persons with subordinates, or persons in equivalent levels without subordinates, excluding Executives

Number of Employees (persons)

	FY2021			FY2022			FY2023		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Total	-	-	17,617	-	-	17,721	-	-	19,096
Nissui Group in Japan, total	-	-	10,266	-	-	9,853	-	-	11,209
Employees	-	-	4,771	-	-	4,651	-	-	5,039
Temporary employees	-	-	5,495	-	-	5,202	-	-	6,170
Nissui Corporation	-	-	2,549	-	-	2,607	-	-	2,599
Employees	990	285	1,275	1,076 (Note)	409 (Note)	1,485 (Note)	1,089	415	1,504
Temporary employees	-	-	1,274	-	-	1,122 (note)	-	-	1,095
Consolidated subsidiaries	-	-	7,717	-	-	7,246	-	-	8,610
Employees	-	-	3,496	-	-	3,166	-	-	3,535
Temporary employees	-	-	4,221	-	-	4,080	-	-	5,075
Nissui Group Outside Japan, total	-	-	7,352	-	-	7,943	-	-	7,887
Employees	-	-	4,891	-	-	4,864	-	-	5,065
Temporary employees	-	-	2,461	-	-	3,079	-	-	2,822
Asia	-	-	1,738	-	-	1,887	-	-	1,862
Employees	-	-	513	-	-	597	-	-	612
Temporary employees	-	-	1,225	-	-	1,290	-	-	1,250
Europe	-	-	2,307	-	-	2,493	-	-	2,599
Employees	-	-	1,901	-	-	2,024	-	-	2,107
Temporary employees	-	-	406	-	-	469	-	-	492
Employees	-	-	1,740	-	-	1,929	-	-	1,590
Employees	-	-	1,227	-	-	1,217	-	-	1,205
Temporary employees	-	-	513	-	-	712	-	-	385
South America	-	-	1,567	-	-	1,634	-	-	1,836
Employees	-	-	1,250	-	-	1,026	-	-	1,141
Temporary employees	-	-	317	-	-	608	-	-	695

(Note): Since FY2022, AS employees are included in the scope.

Executives and Managers (persons)

		FY2021			FY2022			FY2023		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Nissui Corporation	Executives	22	2	24	22	2	24	22	2	24
	Managers	330	26	356	327	24	351	327	23	350
	Managers in the Departments	169	13	182	174	13	187	172	13	185

Number of Persons Hired

		FY2021			FY2022			FY2023		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Number of persons hired (persons)	Nissui Corporation	44	17	61	41	21	62	46	18	64
	New graduates	36	13	49	29	15	44	26	13	39
	Mid-career hires	8	4	12	12	6	18	20	5	25
Reference: Retention rate of new graduates (3 years after employment)	Nissui Corporation	91%	95%	96%	87%	90%	88%	92%	92%	92%

Retirees/Turnover (persons)

		FY2021			FY2022			FY2023		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Nissui Corporation		41	7	48	61	8	69	48	15	63
Personal reasons	Company reasons (transfers)	3	0	3	3	0	3	4	1	5
	Others	4	0	4	3	0	3	5	0	5
	Retirement	18	1	19	25	2	27	15	5	20

Ratio of Female in the Workplace (Only Nissui)

	FY2021	FY2022	FY2023
Ratio of female employees	22.4%	27.5% (Note)	27.6%
Ratio of female executives	8.3%	8.3%	8.3%
Ratio of female managers	7.3%	6.8%	6.6%
Ratio of female managers in departments	7.1%	7.0%	7.0%
Ratio of female among new hires	27.9%	33.9%	28.1%

(Note): Since FY2022, AS employees are included in the scope.

Number of People with Disabilities (Only Nissui)

	FY2021			FY2022			FY2023		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Employees with disabilities (persons)	-	-	51.0	-	-	63.0	-	-	66.0
Ratio	-	-	1.98%	-	-	2.39%	-	-	2.78%

Status of Employees (Only Nissui)

	FY2021			FY2022			FY2023		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Average age (years of age)	42.9	41.8	42.7	43.1	42.7	43.0	43.1	42.1	42.8
Average years of service (years)	17.2	15.9	16.9	17.0	14.5	16.3	16.3	13.7	15.5
Average yearly salary (thousands of yen)	-	-	8,018.12	-	-	7,985.63	-	-	7,660.10

Gender Pay Gap (Ratio of female's wages to male's wages)

	FY2022			FY2023		
	Overall	Employees	Temporary employees	Overall	Employees	Temporary employees
Nissui Corporation	54.80%	70.70%	75.60%	58.18%	73.90%	75.28%
Divisions other than production divisions	61.60%	65.34%	77.92%	64.44%	68.66%	70.43%
	Production divisions	52.90%	73.08%	75.29%	55.01%	76.75%

(Note): Wages include base salary, bonuses, and substandard wages. There is no difference in wages for equal work between male and female; this is due to the difference in the composition of the number of persons in each level.

Working Hours and Status of Use of Childcare Leave and Other Programs (Only Nissui)

		FY2021			FY2022			FY2023		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Working hours (per employee)	Total working hours (hours / year)	-	-	1,911.6	-	-	1,934.2	-	-	1,923.3
	Average overtime hours (hours / month)	-	-	16.1	-	-	15.9	-	-	15.1
	Average number of days of paid leave taken (days)	-	-	14.3	-	-	16.1	-	-	16.3
	Rate of paid leave taken	-	-	75.31%	-	-	84.49%	-	-	85.50%
Childcare leave program	Childcare leave (persons)	33	13	46	30	7	37	33	17	50
	Rate of childcare leave taken	117.9%	100%	-	78.9%	100%	-	110.0%	100%	-
	Rate of workers returning to work	100%	100%	100%	100%	100%	100%	100%	100%	100%
Other programs	Nursing care leave (persons)	1	0	1	1	2	3	1	2	3

Indicators of Labor Safety

	FY2021	FY2022	FY2023
Number of work-related accidents	133	121	128
(Number of those that led to time off from work)	65	63	51
(Number of those that led to deaths)	0	0	1
Frequency rate (Note)	0.61	1.21	1.20

Scope: Number of work-related accident reports on Nissui Corporation and its group companies in Japan (including unconsolidated affiliate companies in Japan). Frequency rate reports on Nissui Corporation

(Note): One of the safety indices to indicate the incidence of work-related accidents, calculated by the following formula: Frequency rate = number of those who suffered from injury resulting in lost work time ÷ total working hours × one million actual work hours.

Indicators of Employee Health (Only Nissui)

	Unit	FY2021			FY2022			FY2023		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
EPA/AA ratio	-	0.33	0.28	0.31	0.32	0.30	0.31	0.35	0.36	0.35
Smoking rate	%	31.4	9.5	22.7	30.0	8.6	21.4	28.2	8.4	20.0
Obesity rate (Note1)	%	34.2	20.3	28.7	34.1	20.4	28.6	34.4	18.9	27.7
Employees undergoing stress check	%	-	-	93.2	-	-	93.9	-	-	94.1
High-stress employees	%	-	-	11.0	-	-	10.8	-	-	9.9
Annual checkup rate	%	-	-	100	-	-	100	-	-	100
Follow-up examination rate (specialized diagnostic examinations)	%	-	-	80	-	-	85	-	-	95
Employees with abnormal blood pressure (Note2)	%	-	-	25.9	-	-	30.7	-	-	12.9
Employees with abnormal lipid levels (Note3)	%	-	-	12.4	-	-	12.7	-	-	13.3
Employees with abnormal blood glucose levels (Note4)	%	-	-	7.0	-	-	7.1	-	-	4.7
Employees who do not engage in regular exercise (Note5)	%	-	-	70.3	-	-	71.8	-	-	72.6
Employees who skip breakfast (Note6)	%	-	-	28.3	-	-	28.5	-	-	29.1
Employees reporting insufficient sleep (Note7)	%	-	-	30.3	-	-	28.6	-	-	28.2

(Note1): Percentage of employees with BMI 25 or above

(Note2): Percentage of employees with systolic blood pressure of 130mmHg or above and/or diastolic blood pressure of 85mmHg or above

(Note3): Percentage of employees with triglyceride levels of 150 mg/dl or above

(Note4): Percentage of employees with fasting blood glucose levels of 110 mg/dl or above

(Note5): Percentage of employees who answered "No" to the question "Do you engage in physical activity for 30 minutes or more at least twice a week?" on the medical questionnaire

(Note6): Percentage of employees who answered "Yes" to the question "Do you skip breakfast three or more times a week?" on the medical questionnaire

(Note7): Percentage of employees who answered "No" to the question "Do you get sufficient sleep?" on the medical questionnaire

G: Governance Data

Composition of the Directors (As of the end of June, 2024)

	Male	Female	Total
Board of Directors	8	2	10
Internal Directors	6	0	6
Outside Directors	2	2	4
Supervisory Board Member	3	1	4
Standing Audit & Supervisory Board Member	1	0	1
Outside Audit & Supervisory Board Member	2	1	3

Scope: Nissui Corporation

Attendance at Board of Directors Meetings and Audit & Supervisory Board (FY2022)

Category	Name	Board of Directors meetings	Audit & Supervisory Board meetings	Nomination and Compensation Committee	
				Nomination Committee	Compensation Committee
Internal Director	Shingo Hamada	20/20	-	8/8	7/7
	Seiji Takahashi	20/20	-	8/8	7/7
	Shinya Yamamoto	20/20	-	-	-
	Koji Umeda	20/20	-	-	-
	Shinya Yamashita	20/20	-	-	-
	Masahide Asai	20/20	-	-	-
Outside Director	Mikito Nagai	19/20	-	8/8	6/7
	Tokio Matsuo	20/20	-	8/8	7/7
	Atsumi Eguchi	15/15	-	6/6	3/3
Standing Audit & Supervisory Board Member	Hiroyuki Hamano	20/20	17/17	-	-
Outside Audit & Supervisory Board Member	Shino Hirose	20/20	16/16	-	-
	Masahiro Yamamoto	19/20	16/16	-	-
	Tadashi Kanki	19/20	16/16	-	-

Scope: Nissui Corporation

Compliance Training Implementation Status - Harassment Prevention

	Targettier/Groups	Unit	FY2023
Detection and correction of unintentional harassment using the harassment tendency check, and lectures	leader	persons	272
	Executives and department managers	persons	56

Scope: Nissui Corporation

Compliance Training Implementation Status - Others (E-learning)

	Targettier/Groups	Unit	FY2022	FY2023
Information security rules	New employees	persons	44	39
	All employees	persons	1,868	1,920
Information security awareness survey	All employees	persons	1,903	1,932
Targeted e-mail training	Related groups	persons	1,989	1,997
Handling of personal information in electronic commerce	Related groups	persons	10	23
Standards related to raw materials and labeling	Related groups	persons	311	329
Raw materials/labeling topics (introduction of recent regulatory revision, near-miss incidents and countermeasures)	Related groups	persons	229	458

Scope: Nissui Corporation

Business and Human Rights Training Implementation Status

Details	Targettier/Groups	Unit	FY2022	FY2023
"Human rights issues and promoting sustainable procurement in the supply chain"	Nissui employees (Operational staff)	persons	225	-
Advancing sustainable procurement (Workshop for those in charge of procurement)	Nissui employees (Those in charge of procurement)	persons	28	-
Sustainable procurement and human rights	Nissui employees	persons	45	-
"Aspects of human rights companies should honor,""Problematic aspects of the Technical Intern Training Program," etc.	CEO (Nissui group in Japan), executives and department managers (Nissui)	persons	85	-
Human rights risks and supplier assessment of the Nissui Group	CEO (Nissui group outside of Japan), executives and department managers (Nissui)	persons	86	-
Improving the workplace environment for foreign workers	Executives and department managers (Nissui)	persons	65	-
"Global developments in business and human rights,""Promotion of supplier assessment," etc.	Executives and department managers (Nissui)	persons	65	-
Business and Human Rights Training (E-learning)	Nissui employees	persons	-	1,663
Business and Human Rights Training (Training video viewing)	Nissui group in Japan	persons	-	1,653

Implementation of Internal Audit

		Unit	FY2021	FY2022	FY2023
Japan	Nissui Corporation	departments	3	9	11
	Consolidated companies	comapanies	8	9	10
Outside Japan	Consolidated companies	comapanies	3	5	4

Corporate Income Tax (by Region)

	Unit	FY2022	FY2023
Japan	million yen	5,092	7,432
Europe	million yen	831	1,761
North America	million yen	1,029	1,824
Others	million yen	935	313
Total	million yen	7,887	11,330

Scope: Nissui Corporation and all consolidated companies

Donations

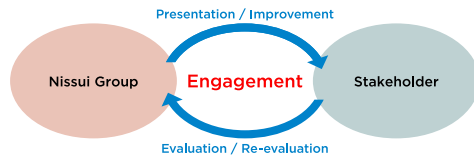
	Unit	FY2021	FY2022	FY2023
Donations (Note)	million yen	52	13	14

Scope: Nissui Corporation

(Note) This is a donation fund for the specified public-service promotion corporation.

Stakeholder Dialogue

Try to solve issues together with our stakeholders
This is the essence of the Nissui Group's activities for sustainability.



The Nissui Group, aiming to solve key issues, has been engaged in numerous external communications with stakeholders and promoting activities while reminding ourselves to not become complacent.

○ Stakeholder Dialogue

▮ The 5th Stakeholder Dialogue (FY2021)



Date

September 13, 2021

Theme

Results of 2nd Survey of Marine Resources Handled by the Nissui Group and Future Initiatives

Experts

Kozo Ishii

MSC Japan, Program director

Hiroyuki Matsuda

Yokohama national university, Professor

Satoshi Maekawa

WWF Japan, Group leader

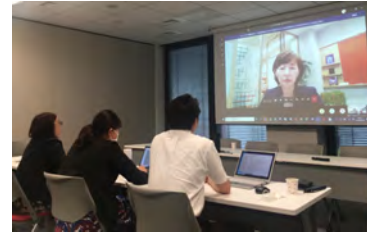
Aiko Yamauchi

Seafood Legacy, Senior Officer

Opinions from the experts

- The survey method has improved since the previous one was conducted.
- While many companies conduct their own research and analysis, the fact that the company chose to use a method that can guarantee the integrity of a third party is good; moreover, it is also important to ensure transparency in information disclosure, etc.
- Procurement of endangered species requires careful attention to individual population levels based on the assessment information provided by the IUCN for each particular species.
- Although it is necessary to expand the number of certified products, the goal should not be their procurement, but rather to clearly define Nissui's vision of sustainability and aim to achieve that vision.

▮ Online Dialogue (FY2020)



Date

June 20, 2020

Theme

Diversity and Employee Health: Keystones of Business Management Strategies

Expert



Kaori Sasaki

CEO of ewoman, Inc.
CEO of UNICUL International, Inc.
Chair of International Conference for Women in Business

Opinions from the expert

Please see the following link for the details.
Sustainability Report 2020 (14.9MB)

▮ Featured Dialogue (FY2019)



Date

June 30, 2019

Theme

The Merits of a Global Partnership

Expert



Martin Exel

Seafood Business for Ocean Stewardship (SeaBOS)
Managing Director

Opinions from the expert

Please see the following link for the details
Sustainability Report 2019 "Featured Dialogue" (954KB)

The 4th Stakeholder Dialogue (FY2018)



Date

August 1, 2018

Theme

Concerning the survey results of the marine resources handled by the Nissui Group, as well as sustainable procurement and combating IUU fishing

Experts



Aiko Yamauchi

Leader
Oceans and Seafood Group
Conservation Division
The World Wide Fund for Nature, Japan
(WWF Japan)



Yoshioki Oozeki, Ph.D.

Senior Adviser
Japan Fisheries Research and Education
Agency

Opinions from the experts

Concerning the Survey Results of Marine Resources Handled by the Nissui Group

- You've put together some fantastic data...going to all that trouble is rare, even globally.
- Close to 40% of the marine resources Nissui procured were marine eco-labeled -certified. This is also meaningful for the operator as a way of validating one's own activities.

Concerning Sustainable Procurement and Combating IUU Fishing

- Creating a sustainable procurement mechanism that includes suppliers will also be effective in combating IUU fishing.
- Maintaining communications with suppliers will be a way for the company to avoid risk.

The 3rd Stakeholder Dialogue (FY2017)



Date

September 5, 2017

Theme

Sustainability of marine resources and sustainable procurement

Experts



Aiko Yamauchi

Leader
Oceans and Seafood Group
Conservation Division
The World Wide Fund for Nature, Japan
(WWF Japan)



Keiichi Ushijima

Japan CCaSS Leader, Principal
Climate Change and Sustainability Services
(CCaSS)
Ernst & Young ShinNihon LLC (EY Japan)

Opinions from the experts

- How to evaluate the impact of issues on future operations and share it with employees in the process of determining key issues.
- The question is what kind of leadership Japanese companies can show in the area of global marine resource management.
- There are cases of forced labor and child labor being involved in the procurement supply chain without the company's knowledge. Human rights violations will be a future management risk.
- Capacity building of supporting the improvement of a supplier's capabilities helps cultivate a lasting relationship.

The 2nd Stakeholder Dialogue (FY2016)



Date

September 6, 2016

Theme

Key Issues of the Nissui Group

Experts



Makiko Akabane

Director, Japan
CSR Asia
Advisor
Japan NGO Center for International Cooperation (JANIC)



Yukiko Furuya

President
Consumer Conference for Sustainability (CCFS)
Standing Advisor
Nippon Association of Consumer Specialists



Aiko Yamauchi

Leader
Oceans and Seafood Group
Conservation Division
The World Wide Fund for Nature, Japan (WWF Japan)

Opinions from the experts

- A global marine products company requires the perspectives of (1) conservation of the ecosystem, (2) the lives of fishermen and factory workers, (3) humane work styles (e.g. labor conditions) and (4) governance.
- In terms of food education and food loss, it is crucial to maintain a stance of the company solving issues together with the consumer, e.g. by making proposals that take into account the impact of consumer behavior.
- A global perspective is essential when dealing with hunger and food pillaging because of its security aspects.
- Measures are required such as articulating the relationship with SDGs.

The 1st Stakeholder Dialogue (FY2015)



Date

February 12, 2016

Theme

"Nissui Group's business management and CSR"
The type of CSR that the Nissui Group needs to reinforce

Experts



Eiichiro Adachi

Counselor
Head of ESG Research Center
The Japan Research Institute, Limited



Aiko Yamauchi

Leader
Oceans and Seafood Group
Conservation Division
The World Wide Fund for Nature, Japan (WWF Japan)



Yukiko Furuya

President
Consumer Conference for Sustainability (CCFS)
Standing Advisor
Nippon Association of Consumer Specialists

Opinions from the experts

- Product development requires not only the perspective of marketing but also solving social issues.
- "Labor" and the "Environment" are universal issues for the world's seafood processing industry.
- Initiatives toward the resources should satisfy present needs while anticipating future needs.
- The direction which the organization is to take should be articulated (The stance toward initiatives will be called into question).
- The negative impact generated by the business must be disclosed and solutions should be considered.
- Verify the process of monitoring progress together with the stakeholders.

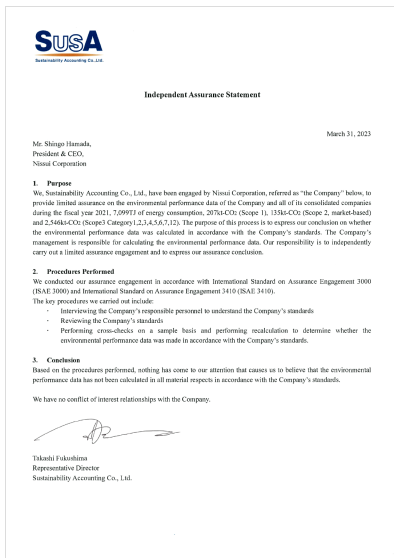
Third-Party Assurance

Environmental Data

On environmental data, to secure the reliability of the reported information, we obtained a third-party assurance from Sustainability Accounting Co., Ltd.

FY2021

CO2 emissions (Scope 1, 2, 3) and energy use



Independent Assurance Statement FY2021 (288KB) PDF

FY2022

CO2 emissions (Scope 1, 2, 3) and energy use



Independent Assurance Statement FY2022 (301KB) PDF

Environmental Data >







Comparative Tables (GRI Content Index/SASB)



GRI Content Index

The following table describes data and information related to the items of the GRI standards from the viewpoint of convenience for readers, it doesn't indicate in accordance with the GRI standards.



Disclosures		Information
Organizational profile		
102-1	Name of the organization	Company Overview
102-2	Activities, brands, products, and services	The Nissui Group's Businesses
102-3	Location of headquarters	Company Overview
102-4	Location of operations	Global Network (Japan) Global Network (Overseas)
102-5	Ownership and legal form	Company Overview
102-6	Markets served	The Nissui Group's Businesses
102-7	Scale of the organization	Annual Securities Report (Japanese)
102-8	Information on employees and other workers	S: Social Data
102-9	Supply chain	The Nissui Group's Businesses Sustainable Procurement Approach to and Systems to Ensure Safety and Security Initiatives to Ensure Safety and Security Marine Products Business Food Products Business Fine Chemicals Business General Distribution Business
102-11	Precautionary Principle or approach	Quality Assurance System Environmental Management Reduction of CO₂ Emissions Reducing Environmental Impact Biodiversity Risk Management The Survey of Procured Marine Resources Sustainability Sustainable Procurement
102-12	External initiatives	Participation in External Initiatives
102-13	Membership of associations	Participation in External Initiatives

Disclosures		Information
Strategy		
102-14	Statement from senior decision-maker	Sustainability > Message from the President Message from the President and CEO
102-15	Key impacts, risks, and opportunities	Annual Securities Report (Japanese) Determination of Material Issues Human Rights Business Risks Risk Management Initiatives for TCFD Recommendations Initiatives for TNFD Recommendations
Ethics and integrity		
102-16	Values, principles, standards, and norms of behavior	Our Founding Principles Declaration on Action of Sustainability
102-17	Mechanisms for advice and concerns about ethics	Basic policy for Internal Control Corporate Governance Compliance
Governance		
102-18	Governance structure	Corporate Governance
102-19	Delegating authority	Corporate Governance Sustainability Promotion System
102-20	Executive-level responsibility for economic, environmental, and social topics	Sustainability Promotion System
102-21	Consulting stakeholders on economic, environmental, and social topics	Approach to and Systems to Ensure Safety and Security Sustainability Promotion System
102-22	Composition of the highest governance body and its committees	Annual Securities Report (Japanese) Company Overview & Executive Team Corporate Governance Report NOTICE OF THE ORDINARY GENERAL SHAREHOLDERS' MEETING NOTICE OF RESOLUTIONS (Japanese)
102-23	Chair of the highest governance body	Corporate Governance Report NOTICE OF THE ORDINARY GENERAL SHAREHOLDERS' MEETING NOTICE OF RESOLUTIONS (Japanese)
102-24	Nominating and selecting the highest governance body	Corporate Governance Report NOTICE OF THE ORDINARY GENERAL SHAREHOLDERS' MEETING NOTICE OF RESOLUTIONS (Japanese)
102-25	Conflicts of interest	Corporate Governance Report Annual Securities Report (Japanese)
102-27	Collective knowledge of highest governance body	Corporate Governance Report

Disclosures		Information
102-28	Evaluating the highest governance body's performance	Corporate Governance Report 
102-29	Identifying and managing economic, environmental, and social impacts	Determination of Material Issues > Stakeholder Dialogue > Risk Management >
102-33	Communicating critical concerns	Risk Management > Initiatives to Identify Compliance Issues > Corporate Governance Report 
102-34	Nature and total number of critical concerns	Initiatives to Identify Compliance Issues >
102-35	Remuneration policies	Annual Securities Report (Japanese)  Corporate Governance >
102-36	Process for determining remuneration	Annual Securities Report (Japanese)  Corporate Governance >
102-37	Stakeholders' involvement in remuneration	Annual Securities Report (Japanese) 
Stakeholder engagement		
102-40	List of stakeholder groups	The Nissui Group's Sustainability Initiatives > Stakeholder Communication >
102-42	Identifying and selecting stakeholders	Stakeholder Communication >
102-43	Approach to stakeholder engagement	Stakeholder Communication > For the Customer > For the Employee > For the Business Partner > Corporate Citizenship >
Reporting practice		
102-45	Entities included in the consolidated financial statements	Annual Securities Report (Japanese) 
102-46	Defining report content and topic boundaries	Determination of Material Issues >
102-47	List of material topics	Determination of Material Issues > Targets and Results >
102-50	Reporting period	Editorial Policy >
102-51	Date of most recent report	Editorial Policy >
102-52	Reporting cycle	Editorial Policy >
102-53	Contact point for questions regarding the report	Editorial Policy >
102-55	GRI content index	This table
102-56	External assurance	Third-Party Assurance >

Disclosures		Information
Management approach		
103-1	Explanation of the material topic and its Boundary	Determination of Material Issues >
103-2	The management approach and its components	Determination of Material Issues > Stakeholder Dialogue >
Economic Performance		
201-1	Direct economic value generated and distributed	Annual Securities Report (Japanese) 
201-2	Financial implications and other risks and opportunities due to climate change	Initiatives for TCFD Recommendations >
201-3	Defined benefit plan obligations and other retirement plans	Annual Securities Report (Japanese) 
Indirect Economic Impacts		
203-1	Infrastructure investments and services supported	Regional Contribution Activities >
203-2	Significant indirect economic impacts	Health and Nutrition Initiatives >
Indirect Economic Impacts		
205-2	Communication and training about anti-corruption policies and procedures	Compliance > G: Governance Data > Ethical Behavior Standards >
ANTI-COMPETITIVE BEHAVIOR		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	There were no applicable incidents (Coverage: Nissui Corporation).
Tax		
207-1	Approach to tax	Tax Transparency >
207-2	Tax governance, control, and risk management	Tax Transparency >
207-3	Stakeholder engagement and management of concerns related to tax	Tax Transparency >
207-4	Country-by-country reporting	G: Governance Data >
Energy		
302-1	Energy consumption within the organization	E: Environmental Data >

Disclosures		Information
Water and effluents		
303-1	Interactions with water as a shared resource	E: Environmental Data >
303-2	Management of water discharge-related impacts	E: Environmental Data >
303-3	Water withdrawal	E: Environmental Data >
303-4	Water discharge	E: Environmental Data >
303-5	Water consumption	E: Environmental Data >
Biodiversity		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Biodiversity > Sustainable Use of Natural Marine Resources > Reducing the Impact on the Marine Environment >
304-2	Significant impacts of activities, products, and services on biodiversity	Biodiversity > Sustainable Use of Natural Marine Resources > Reducing the Impact on the Marine Environment >
304-3	Habitats protected or restored	Biodiversity > Sustainable Use of Natural Marine Resources > Reducing the Impact on the Marine Environment >
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Sustainable Use of Natural Marine Resources > Initiatives to Handle Endangered Species >
Emissions		
305-1	Direct (Scope 1) GHG emissions	E: Environmental Data >
305-2	Energy indirect (Scope 2) GHG emissions	E: Environmental Data >
305-3	Other indirect (Scope 3) GHG emissions	E: Environmental Data >
305-4	GHG emissions intensity	E: Environmental Data >
305-5	Reduction of GHG emissions	Reduction of CO ₂ Emissions > E: Environmental Data >
305-6	Emissions of ozone-depleting substances (ODS)	Reduction of CO ₂ Emissions > E: Environmental Data >
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	E: Environmental Data >
Effluents and Waste		
306-1	Water Discharge by Quality and Destination	E: Environmental Data >
306-2	Waste by type and disposal method	E: Environmental Data >

Disclosures		Information
Environmental Compliance		
307-1	Non-compliance with environmental laws and regulations	Water: Not applicable (Coverage: The Nissui Group in Japan).
Employment		
401-1	New employee hires and employee turnover	S: Social Data >
401-3	Parental leave	S: Social Data >
Occupational Health and Safety		
403-1	Occupational health and safety management system	Occupational Safety and Health >
403-2	Hazard identification, risk assessment, and incident investigation	Occupational Safety and Health >
403-3	Occupational health services	Occupational Safety and Health >
403-4	Worker participation, consultation, and communication on occupational health and safety	Occupational Safety and Health >
403-5	Worker training on occupational health and safety	Occupational Safety and Health >
403-6	Promotion of worker health	Employee Health >
403-8	Workers covered by an occupational health and safety management system	Occupational Safety and Health >
403-9	Work-related injuries	Occupational Safety and Health >
403-10	Work-related ill health	Occupational Safety and Health >
Training and Education		
404-2	Programs for upgrading employee skills and transition assistance programs	Training and Development >
Diversity and Equal Opportunity		
405-1	Diversity of governance bodies and employees	Corporate Governance Report  Annual Securities Report (Japanese)  Corporate Governance > G: Governance Data >
405-2	Ratio of basic salary and remuneration of women to men	S: Social Data >

Disclosures		Information
FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING		
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Occupational Safety and Health > Sustainable Procurement >
Child Labor		
408-1	Operations and suppliers at significant risk for incidents of child labor	Human Rights >
Forced or Compulsory Labor		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Human Rights >
Human Rights Assessment		
412-1	Operations that have been subject to human rights reviews or impact assessments	Human Rights >
Local Communities		
413-1	Operations with local community engagement, impact assessments, and development programs	Regional Contribution Activities >
Supplier Social Assessment		
414-2	Negative social impacts in the supply chain and actions taken	Sustainable Procurement >
Marketing and Labeling		
417-1	Requirements for product and service information and labeling	Containers and Packaging/Waste > Health and Nutrition Initiatives > Responsible labeling, promotion, and marketing > Taste Research for a Better-tasting, Healthier Daily Diet >
Customer Privacy		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Not applicable (Coverage: Nissui Corporation).

SASB

The following table describes data and information related to the items of the Sustainability Accounting Standards Board (SASB). We refer to the Meat, Poultry & Dairy (FB-MP) and the Processed Foods (FB-PF) of the Food & Beverage sector.

Topic	Accounting metric	Code	Reference
Greenhouse Gas Emissions	Gross global Scope 1 emissions	FB-MP-110a.1	E: Environmental Data >
	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emission reduction targets, and an analysis of performance against those targets	FB-MP-110a.2	Initiatives for TCFD Recommendations > Reduction of CO2 Emissions > Targets and Results > E: Environmental Data >
Energy Management	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	FB-MP-130a.1 FB-PF-130a.1	(1) (2) (3) E: Environmental Data >
Water Management	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	FB-MP-140a.1 FB-PF-140a.1	(1) E: Environmental Data > (2) Initiatives for TCFD Recommendations > Overview of Scenario Analysis in Strategy > Evaluation of Water Risk >
	Description of water management risks and discussion of strategies and practices to mitigate those risks	FB-MP-140a.2 FB-PF-140a.3	Initiatives for TCFD Recommendations > Overview of Scenario Analysis in Strategy > Evaluation of Water Risk >
	Number of incidents of non-compliance with water quality permits, standards, and regulations	FB-MP-140a.3 FB-PF-140a.2	Not applicable (Coverage: Nissui Corporation)
Food Safety	Global Food Safety Initiative (GFSI) audit (1) non-conformance rate and (2) associated corrective action rate for (a) major and (b) minor non-conformances	FB-MP-250a.1 FB-PF-250a.1	(1) Approach to and Systems to Ensure Safety and Security > International Standards Certification for Food Safety Management Systems > (2) Not disclosed
Antibiotic Use in Animal Production	Percentage of animal production that received (1) medically important antibiotics and (2) not medically important antibiotics, by animal type Quantitative	FB-MP-260a.1	(1) (2) Promoting Aquaculture > Use of Medicinal Products >

Topic	Accounting metric	Code	Reference
Health & Nutrition	Revenue from products labeled and/or marketed to promote health and nutrition attributes	FB-PF-260a.1	Not disclosed
	Discussion of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers	FB-PF-260a.2	Long-Term Vision "Good Foods 2030" Mid-Term Business Plan "Good Foods Recipe1" > Accelerating Sustainability Management (Social & Human Resources Values) PDF Long-Term Vision "Good Foods 2030" Mid-Term Business Plan "Good Foods Recipe1" > Essential KPIs for 2030 PDF Targets and Results > Health and Nutrition Initiatives >
Product Labeling & Marketing	Number of incidents of non-compliance with industry or regulatory labeling and/or marketing codes	FB-PF-270a.3	Not applicable (Coverage: Nissui Corporation)
Workforce Health & Safety	(1) Total recordable incident rate (TRIR) and (2) fatality rate	FB-MP-320a.1	(1) (2) Occupational Safety and Health > Status of Incidents of Work-related Accidents >
Packaging Lifecycle Management	(1) Total weight of packaging, (2) percentage made from recycled and/or renewable materials, and (3) percentage that is recyclable, reusable, and/or compostable	FB-PF-410a.1	(1) Containers and Packaging/Waste > Use of Containers and Packaging > (2) (3) Not disclosed
	Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	FB-PF-410a.2	Long-Term Vision "Good Foods 2030" Mid-Term Business Plan "Good Foods Recipe1" > Essential KPIs for 2030 PDF Targets and Results > Containers and Packaging/Waste >
Environmental & Social Impacts of Ingredient Supply Chain	Percentage of food ingredients sourced that are certified to third-party environmental and/or social standards, and percentages by standard	FB-PF-430a.1	The Survey of Procured Marine Resources Sustainability > Sustainable Procurement >
Animal & Feed Sourcing	Discussion of strategy to manage opportunities and risks to feed sourcing and livestock supply presented by climate change	FB-MP-440a.3	Initiatives for TCFD Recommendations >
Ingredient Sourcing	Percentage of food ingredients sourced from regions with High or Extremely High Baseline Water Stress	FB-PF-440a.1	Not disclosed
	List of priority food ingredients and discussion of sourcing risks due to environmental and social considerations	FB-PF-440a.2	The Survey of Procured Marine Resources Sustainability > Sustainable Use of Natural Marine Resources > Initiatives to Handle Endangered Species > Sustainable Procurement >

Topic	Accounting metric	Code	Reference
Activity Metric	Number of processing and manufacturing facilities	FB-MP-000.A	Global Network >
	Number of production facilities	FB-PF-000.B	
	Animal protein production, by category; percentage outsourced	FB-MP-000.B	Not disclosed
	Weight of products sold	FB-PF-000.A	Not disclosed

Participation in External Initiatives

Global

Name	Details	
Task Force on Climate-related Financial Disclosures (TCFD)	In November 2021, Nissui declared its support for the TCFD recommendations and have been disclosing information based on the TCFD recommendations. Nissui has also joined the TCFD Consortium, established for the purpose of facilitating discussions on effective corporate disclosure and efforts to link the disclosed information to appropriate investment decisions by financial institutions and the like. TCFD TCFD Consortium	
Task Force on Nature-related Financial Disclosures (TNFD)	In September 2023, Nissui joined the TNFD Forum, an international organization whose aim is to build a framework through which private enterprises and financial institutions can conduct appropriate evaluation and disclosure of risks and opportunities related to natural capital and biodiversity. TNFD	
Seafood Business for Ocean Stewardship (SeaBOS)	In December 2016, Nissui became a signatory to and joined Seafood Business for Ocean Stewardship (SeaBOS), an initiative for promoting the preservation of the marine environment and marine resources and the sustainable use of resources. Furthermore, Nissui has joined Global Ghost Gear Initiative (GGGI), an international body working to prevent fishing gear from flowing out into the ocean, through SeaBOS. SeaBOS GGGI	
Global Roundtable on Marine Ingredients	In July 2022, Nissui joined Global Roundtable on Marine Ingredients, a roundtable committed to promoting the use of sustainable marine ingredients. Global Roundtable on Marine Ingredients	
Global Sustainable Seafood Initiative (GSSI)	In April 2017, Nissui joined the Global Sustainable Seafood Initiative (GSSI), an international partnership that verifies programs assessing the sustainability of marine products, as a funding partner. GSSI	

Name	Details	
Roundtable on Sustainable Palm Oil (RSPO)	In January 2021, Nissui Group joined the Roundtable on Sustainable Palm Oil (RSPO), a non-profit organization whose purpose is to promote the production and use of sustainable palm oil. RSPO	
The Consumer Goods Forum (CGF)	In 2009, Nissui became a member of The Consumer Goods Forum (CGF), an international association of major retailers, consumer product manufacturers and food producers. CGF	





○ Japan



Name	Details	
30% Club Japan	In January 2021, Nissui joined the 30% Club Japan, an organization responsible for the development in Japan of the 30% Club, a global campaign that seeks to increase the percentage of women in key decision-making bodies within corporations. 30% Club Japan	
Japan Clean Ocean Material Alliance (CLOMA)	In January 2019, Nissui joined the Clean Ocean Material Alliance (CLOMA), an alliance designed to strengthen cooperation among relevant stakeholders to solve the problem of marine plastic litter. CLOMA	
Plastic Circular Challenge 2025	In February 2022, Nissui joined Plastic Circular Challenge 2025, a framework led by World Wide Fund for Nature Japan (WWF Japan), participating companies will aim to solve various issues related to plastics by committing to a milestone set for 2025. Plastic Circular Challenge 2025 (in Japanese)	
Keidanren Initiative for Biodiversity Conservation	In February 2020, Nissui endorsed the Initiative based on the Declaration of Biodiversity by Keidanren, which involves the participation of companies and organizations that are engaged in addressing multiple items of the seven that comprise Keidanren's "Declaration of Biodiversity by Keidanren (Revised Edition)" or support the overall intent of the initiative. Keidanren Initiative for Biodiversity Conservation	
30by30 Alliance for Biodiversity	In September 2023, Nissui participated in the "30by30 Alliance for Biodiversity", an alliance that aims to achieve the goal to effectively conserve at least 30% of the land and sea as healthy ecosystems by 2030, with the aim of halting biodiversity loss and restoring biodiversity by 2030 (nature positive) through expanding Japan's current protected areas (approximately 20% of terrestrial areas and 13% of marine areas) and by promoting efforts to certify areas that have been conserved by the private sector and others as OECMs. 30by30	
Afu no Wa 2030	In July 2020, Nissui participated in the "Sustainability Consortium for Agriculture, Forestry, Fisheries and Food" (Afu no Wa 2030), a project launched by the Ministry of Agriculture, Forestry and Fisheries to promote sustainable production and consumption of food, agriculture, forestry, and fisheries products. Afu no Wa 2030 (in Japanese)	

Name	Details	
Japan Business Initiative for Biodiversity (JBIB)	In June 2009, Nissui joined Japan Business Initiative for Biodiversity (JBIB), a group of companies that are actively working to conserve biodiversity, as an associate member. JBIB	
Japan Project of 10x20x30 Food Loss and Waste Initiative	In conjunction with the participation of AEON Co., Ltd. in the 10x20x30 Food Loss and Waste Initiative advocated by the World Resources Institute (WRI), Nissui joined the "Japan project" led by AEON as one of the partner corporations in December 2019. 10x20x30	
Japan Food Safety Management Association (JFSM)	In 2016, Nissui became a member of Japan Food Safety Management Association (JFSM), an organization that develops and manages Japanese food safety management standards and certification schemes. JFSM	
Japan Center for Engagement and Remedy on Business and Human Rights (JaCER)	In April 2023, Nissui joined the Japan Center for Engagement and Remedy on Business and Human Rights (JaCER), an organization that aims to provide a non-judicial "Engagement and Remedy Platform" for redress of grievances and to act in a professional capacity to support and promote redress of grievances by member companies based on the United Nations Guiding Principles on Business and Human Rights, as a regular member. JaCER	
Japan Platform for Migrant Workers towards Responsible and Inclusive Society (JP-MIRAI)	In September 2022, Nissui joined the Japan Platform for Migrant Workers towards Responsible and Inclusive Society (JP-MIRAI), a platform that earnestly tackles the challenges associated with foreign workers in Japan, aiming to have these workers accepted responsibly and with the goal of making Japan a "country of choice." JP-MIRAI	



External Recognition

○ Inclusion in Socially Responsible Investment (SRI) Indexes

Name	Details	
FTSE Blossom Japan Index	This is an index for ESG investments provided by FTSE Russel, a London Stock Exchange Group company. It is one of the stock indexes for ESG investments adopted by the Government Pension Investment Fund (GPIF) of Japan. FTSE BLOSSOM JAPAN INDEX SERIES 	 <p>FTSE Blossom Japan Index</p> <p>FTSE Russell confirms that Nissui Corporation has been independently assessed according to the index criteria, and has satisfied the requirements to become a constituent of the FTSE Blossom Japan Index. Created by the global index and data provider FTSE Russell, the FTSE Blossom Japan Index is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices. The FTSE Blossom Japan Index is used by a wide variety of market participants to create and assess responsible investment funds and other products.</p>
FTSE Blossom Japan Sector Relative Index	This is an index for ESG investments provided by FTSE Russel, a London Stock Exchange Group company. It is one of the stock indexes for ESG investments adopted by the Government Pension Investment Fund (GPIF) of Japan. FTSE BLOSSOM JAPAN INDEX SERIES 	 <p>FTSE Blossom Japan Sector Relative Index</p> <p>FTSE Russell confirms that Nissui Corporation has been independently assessed according to the index criteria, and has satisfied the requirements to become a constituent of the FTSE Blossom Japan Sector Relative Index. The FTSE Blossom Japan Sector Relative Index is used by a wide variety of market participants to create and assess responsible investment funds and other products.</p>
MSCI Nihonkabu ESG Select Leaders Index	This is an index for ESG investments provided by MSCI Inc. It is one of the stock indexes for ESG investments adopted by the Government Pension Investment Fund (GPIF) of Japan and is based on the MSCI Japan IMI Index. The index comprises companies that excel in ESG evaluations.	<p>2024 CONSTITUENT MSCI NIHONKABU ESG SELECT LEADERS INDEX</p> <p>THE INCLUSION OF Nissui Corporation IN ANY MSCI INDEX, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF Nissui Corporation BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.</p>
MSCI Japan Empowering Women Index (WIN)	This is an index for ESG investments provided by MSCI Inc. It is one of the stock indexes for ESG investments adopted by the Government Pension Investment Fund (GPIF) of Japan and consists of Japanese companies making efforts for high level gender diversity at the workplace.	<p>2024 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)</p>

Name	Details	
Morningstar Japan ex-REIT Gender Diversity Tilt Index (GenDi J)	An index provided by Morningstar based on the evaluation of gender diversity efforts using the Equileap Gender Equality Scorecard. As of 2023, the Government Pension Investment Fund (GPIF) has adopted the GenDi J as one of the stock indices for ESG investments. Nissui has been evaluated and classified as a Group 2 company.	-
S&P/JPX Carbon Efficient Index	This is an index designed to measure the performance of companies in the Tokyo Stock Price Index (TOPIX), (the "underlying index"), while overweighting or underweighting those companies that have lower or higher levels of carbon emissions per unit of revenue.	
SNAM Sustainability Index	This is an index created by Sompo Japan Nipponkoa Asset Management Co., Ltd. (SNAM). The SNAM Sustainability Index is a proprietary evaluation system that leverages the experience and insight of Sompo Risk Management Inc. (Environmental surveys) and Integrex Inc. (Social and governance surveys).	

○ Recognition for Sustainability

Name	Details	
CDP	CDP is a UK-based international NGO that focuses on environmental issues such as climate change. It seeks disclosure from major companies and cities around the world on their approaches to climate change and water management, and uses this information to conduct research and ratings. In 2023, Nissui received a B rating in the climate change category.	
MSCI ESG Ratings	MSCI ESG Ratings measure how well companies manage environmental, social and governance risks and assign ratings on a seven-point scale from "AAA" to "CCC." In March 2024, Nissui received an "A" rating for the first time.	
Coller FAIRR Protein Producer Index for 2023	An index based on assessing ESG risks and opportunities specifically targeting livestock and aquaculture companies, provided by the FAIRR Initiative. Nissui was rated as a "medium risk" company in the 2022 Protein Producer Index.	-
Sustainability Site Award 2023	In the "Sustainability Site Award 2023" conducted by the Association for Sustainability Communication, which evaluates the information comprehensiveness of sustainability-related web content of Japanese companies, Nissui has been awarded the Silver Class (Excellence Award) rating.	-



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